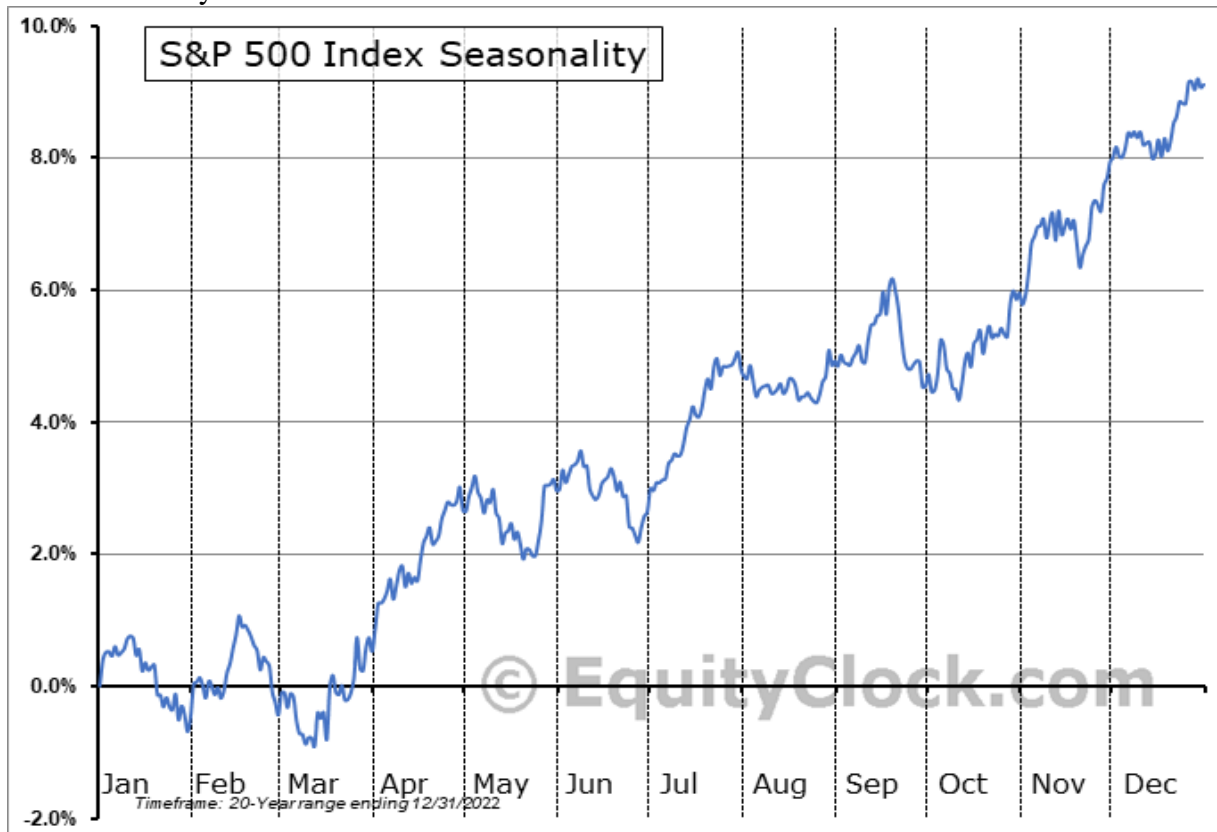


Tech Talk for Saturday November 11th 2023

The Bottom Line

The year-end rally by North American equity indices continued last week. Historically, the best period to own U.S. and Canadian equity indices is from the last week in October to the first week in January.



Focus this week is on expiry of the U.S. government debt ceiling on Friday. Failure to reach an agreement could trigger a closure of federal government services. **On Friday after the close, Moody's lowered its outlook on U.S. government debt from stable to negative. Market reaction will become apparent at the opening on Monday.**

Consensus for Earnings and Revenues for S&P 500 Companies

Source: www.FactSet.com

Consensus earnings estimates for the third quarter of 2023 increased again last week.

Ninety two percent of companies in the Index have reported to date. Updated consensus for the third quarter on a year-over-year basis is an earnings increase of 4.1% (versus a previous increase of 3.7%). Third quarter revenues are expected to increase 2.3%.

Estimates for the fourth quarter were lowered again. Fourth quarter earnings are expected to increase 3.2% (versus previous increase of 3.9%). Fourth quarter revenues are expected to increase 3.3% (versus previous increase of 3.5%). For all of 2023, consensus calls for an earnings increase of 0.6% (versus previous increase of 0.9%). Revenues are expected to increase 2.3% (versus previous increase of 2.4%).

The recovery continues into 2024, but at a declining rate from last week. Consensus for the first quarter on a year-over-year basis calls for an earnings increase of 6.7 % (versus previous increase of 7.1%) and a revenue increase of 4.3% (versus previous increase of 4.4%). Consensus for the second quarter calls for a 10.5% earnings increase (versus previous increase of 10.8%) and a 5.0% increase in revenues (versus previous 5.1%). Consensus for all of 2024 is an increase in earnings of 11.6% (versus previous 11.9%) and a 5.5% increase in revenues.

Economic News This Week

Source: www.Investing.com

U.S. October Consumer Price Index released at 8:30 AM EST on Tuesday is expected to increase 0.1% versus a gain of 0.4% in September. Excluding food and energy, October CPI is expected to increase 0.3% versus a gain of 0.3% in September. On a year-over-year basis, October Core CPI is expected to increase 4.1% versus a gain of 4.1% in September.

U.S. October Producer Price Index released at 8:30 AM EST on Wednesday is expected to increase 0.1% versus a gain of 0.5% in September. Excluding food and energy October PPI is expected to increase 0.2% versus a gain of 0.3% in September

U.S. October Retail Sales released at 8:30 AM EST on Wednesday are expected to drop 0.1% versus a gain of 0.7% in September.

November Empire State Manufacturing Survey released at 8:30 AM EST on Wednesday is expected to recover to -2.60 from -4.60 in October.

September Business Inventories released at 10:00 AM EST on Wednesday is expected to increase 0.3% versus a gain of 0.4% in August.

November Philly Fed Index released at 8:30 AM EST on Thursday is expected to drop to -11.0 from -9.0 in October.

U.S. October Capacity Utilization released at 9:15 AM EST is expected to drop to 79.4% from 79.7% in September. **October Industrial Production** is expected to drop 0.4% versus an increase of 0.3% in September.

U.S. October Housing Starts released at 8:30 AM EST on Friday are expected to slip to 1.345 million units from 1.358 million units in September.

Selected Earnings News This Week

Source: www.Investing.com

Twelve S&P 500 companies are scheduled to release quarterly results (including three Dow Jones Industrial Average companies: Home Depot, Cisco and Walmart). Two TSX 60 company is scheduled: Sun Life Financial and CAE.

Monday: Sun Life Financial

Tuesday: Home Depot, JD.com, CAE

Wednesday: Cisco, TJX Companies, Palo Alto, NetEase, Target

Thursday: Walmart, Alibaba, Applied Materials, Ross Stores, Gap Stores, Macy's

Friday: Foot Locker

Trader's Corner

Technical scores range from +6 (Most bullish) to -6 (Most bearish). A score of 0 is neutral. Preferred purchase candidates have a rising technical score. Preferred sell/short sell candidates have a falling technical score.

Technical score ranges are:

Trend:	-2 to +2
Strength relative to S&P 500:	-2 to +2
Above/Below 20 day moving average:	-1 to +1
Daily momentum indicators (Stochastics, RSI, MACD):	-1 to +1
Minimum/Maximum scores	-6 to +6

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for Nov10th 2023

Unit	Seasonal	Until	Trend	Strength Relative SPX	20 Day Momentum MA	Tech Score	Score Last Week
SPX	Positive	Jan.18	Neutral	Neutral	Above Up	2	0
TSX	Neutral	Dec.12	Neutral	Neutral	Above Down	0	-2
DJIA	Positive	Nov.17	Neutral	Neutral	Above Up	2	0
COMPQ	Positive	Jan.5	Neutral	Positive	Above Up	4	0
IYT	Positive	Dec.8	Down	Negative	Above Up	-2	-2
AORD	Positive	Nov.10	Down	Negative	Above Up	-2	0
NIKK	Neutral	Nov.13	Up	Neutral	Above Up	4	0
IEV	Neutral	Dec.9	Down	Neutral	Above Up	0	0
FXI	Positive	Jan.12	Down	Negative	Above Down	-4	0
EEM	Neutral	Nov.29	Neutral	Neutral	Above Up	2	0

Green: Increase from previous day

Red: Decrease from previous day

Source for all positive seasonality ratings: www.EquityClock.com

Commodities

Daily Seasonal/Technical Commodities Trends for Nov.10th 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Score Last Week
CRB Index	Neutral	Jan.14	Down	Negative	Below	Down	-6	0
Gasoline	Neutral	Mar.30	Down	Negative	Below	Down	-6	-6
Crude Oil	Neutral	Jan.20	Down	Negative	Below	Down	-6	-6
Natural Gas	Neutral	April 1	Up	Negative	Below	Down	-2	6
S&P Energy	Neutral	Mar.23	Down	Negative	Below	Down	-6	-4
Oil Services	Neutral	Dec.28	Down	Negative	Below	Down	-6	-4
Gold	Neutral	Dec. 23	Neutral	Negative	Below	Down	-4	0
Silver	Neutral	Nov.29	Down	Negative	Below	Down	-6	-2
Gold Bug	Neutral	Dec.15	Neutral	Negative	Below	Down	-4	2
Platinum	Neutral	Dec.9	Down	Negative	Below	Down	-6	2
Palladium	Neutral	Nov.26	Down	Negative	Below	Down	-6	-2
Copper	Neutral	Nov.22	Down	Negative	Below	Down	-6	0
Agriculture	Positive	Feb.8	Down	Negative	Below	Down	-6	-2

Green: Increase from previous day

Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for November 10th 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Score Last Week
XLK	Neutral	Apr.13	Neutral	Positive	Above	Up	4	2
XLB	Positive	Jan.1	Down	Negative	Above	Down	-4	0
XLI	Positive	Dec.11	Down	Negative	Above	Up	-2	0
XLY	Positive	Jan.3	Down	Positive	Above	Up	2	0
XLF	Neutral	July 7	Neutral	Neutral	Above	Up	2	2
XLE	Neutral	Mar.23	Down	Negative	Below	Down	-6	-4
XLP	Neutral	Jan.6	Up	Neutral	Above	Up	4	4
XLV	Positive	Jan. 27	Down	Negative	Above	Up	-2	-4
XLU	Neutral	Feb.6	Down	Neutral	Above	Down	-2	2
XLC	Neutral	Jan.18	Down	Neutral	Above	Up	0	-2
XLRE	Neutral	Dec.1	Neutral	Neutral	Above	Up	2	4
TSX Financial	Neutral	Jan. 8	Neutral	Neutral	Above	Up	2	0
TSX Energy	Neutral	Dec.22	Neutral	Negative	Below	Up	-2	4
TSX Gold	Neutral	June 14	Up	Negative	Below	Down	-2	2
TSX Tech	Neutral	Nov.15	Down	Positive	Above	Up	2	2
TSX B Metals	Neutral	Nov. 28	Down	Negative	Below	Down	-6	-4

Green: Increase from previous day

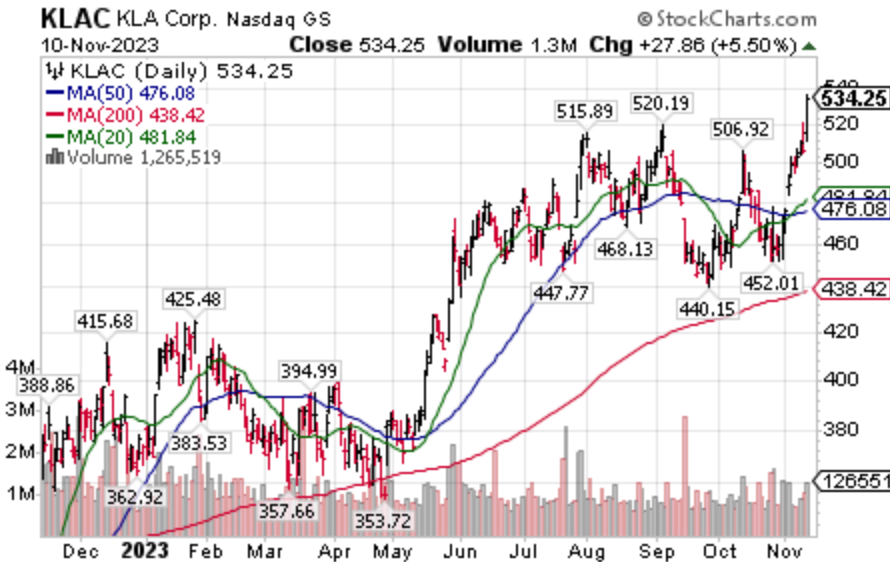
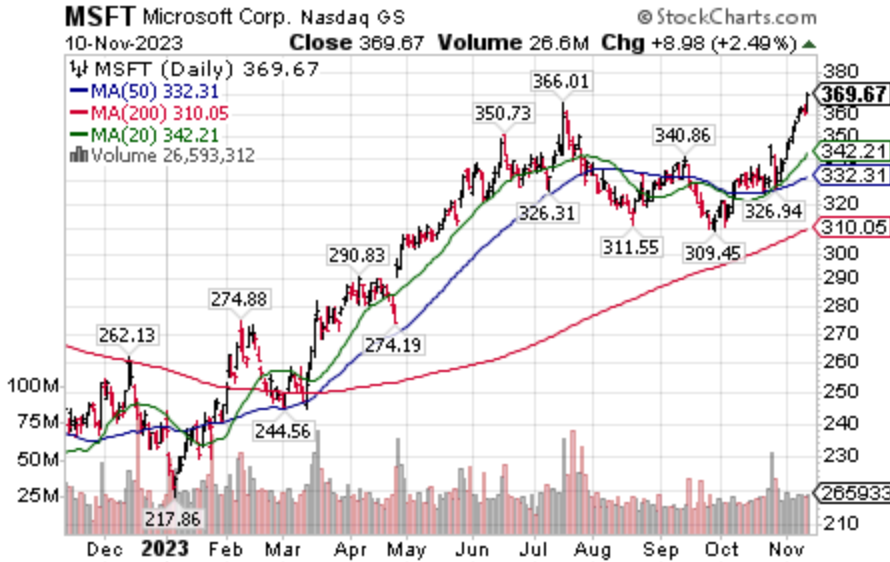
Red: Decrease from previous day

Technical Notes for Friday

S&P 500 Index \$SPX moved above intermediate resistance at 4,393.57. Its related ETF **SPY** moved above intermediate resistance at \$438.14.



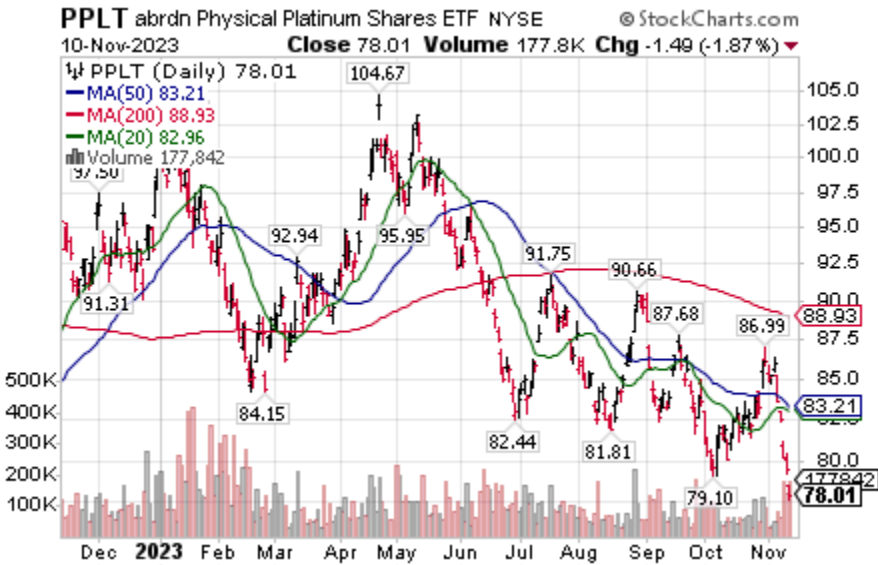
S&P 100 and NASDAQ 100 stocks breaking resistance on Friday and extending an intermediate uptrend included **Microsoft** on a move above \$366.01 to an all-time, **KLA Corp** on a move above \$520.19 to an all-time high, Copart on a move above \$47.38 to an all-time high and **Electronic Arts** on a move above \$133.06



Taiwan iShares \$EWT moved above intermediate resistance at \$46.07



Platinum ETN \$PPLT moved below \$79.10 extending an intermediate downtrend.



Corn ETN \$CORN moved below \$21.74 extending an intermediate downtrend



Saputo \$SAP.TO a TSX 60 stock moved below Cdn\$26.74 extending an intermediate downtrend.



S&P 500 Momentum Barometers



The intermediate term Barometer added 8.60 on Friday, but slipped 1.00 last week to 49.40. It remains Neutral.



The long term Barometer added 3.40 on Friday, but slipped 2.40 last week to 41.40. It remains Neutral.

TSX Momentum Barometers



The intermediate term Barometer added 3.08 on Friday, but dropped 12.78 to 44.93 last week to 44.93. It remains Neutral.



The long term Barometer added 0.88 on Friday, but dropped 3.97 last week to 37.44. It changed from Neutral to Oversold on a drop below 40.00.

Tech Talk is a free service distributed each business day at www.timingthemarket.ca

Disclaimer: Seasonality ratings and technical ratings offered in this report and at www.equityclock.com are for information only. They should not be considered as advice to purchase or to sell mentioned securities. Data offered in this report is believed to be accurate, but is not guaranteed