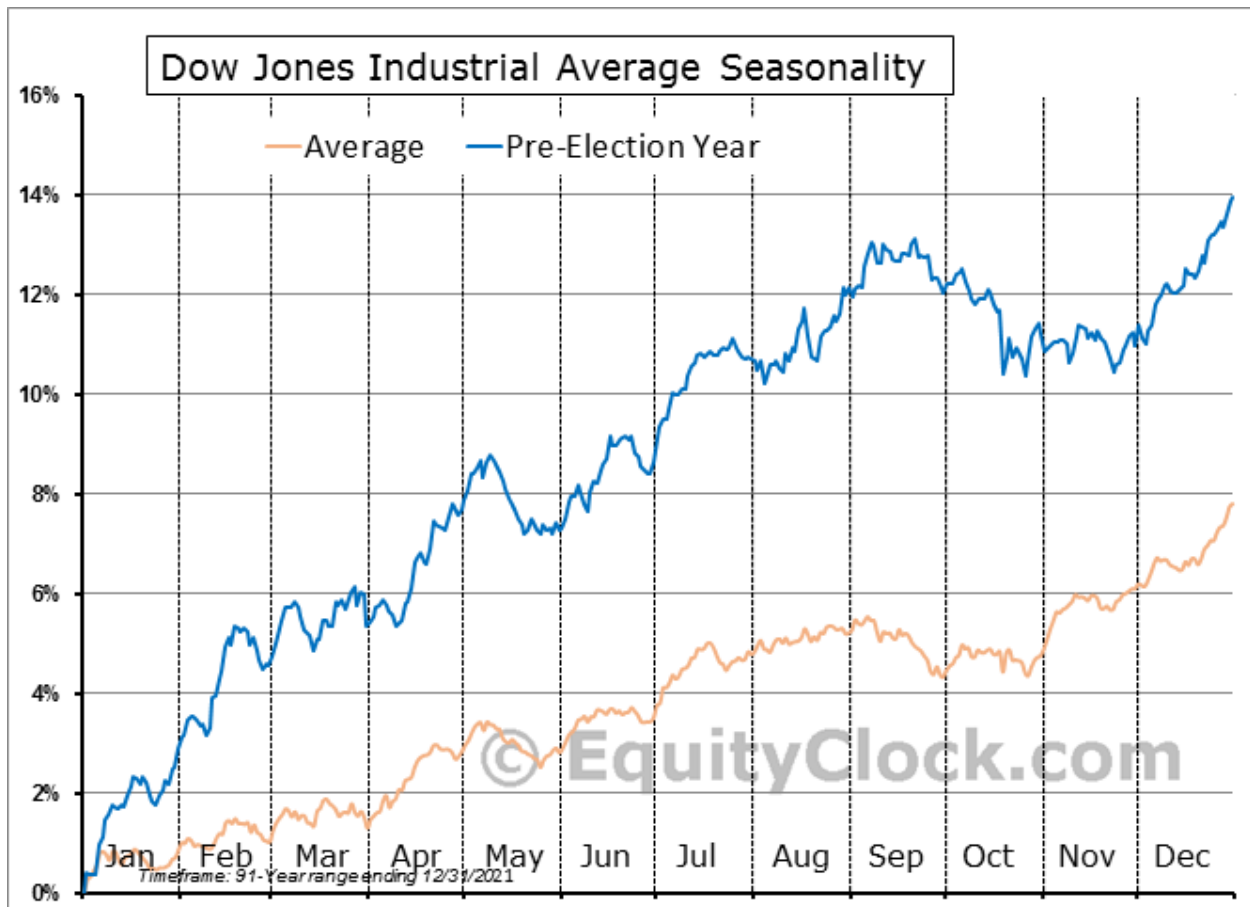


Tech Talk for Saturday December 2nd 2023

The Bottom Line

Momentum by North American equity markets remains strong during its current period of seasonal strength from late October to the first week in January. A word of caution! Strength frequently is damped temporarily by yearend transactions for tax purposes between now and December 15th. Thereafter, the Santa Claus rally ‘kicks in’ until the end of the first week in January. Yearend strength in U.S. equities and related ETFs has been notable during U.S. Pre-election years (2023 is a U.S. Pre-election year).



Consensus for Earnings and Revenues for S&P 500 Companies

Source: www.FactSet.com

Analysts have started to revise earnings estimates slightly higher:

Consensus earnings estimates for the third quarter of 2023 increased again from estimates offered two weeks ago. Ninety eight percent of companies in the Index have reported to date.

Consensus for the third quarter on a year-over-year basis is an earnings increase of 4.8% (versus a previous increase of 4.3%). Third quarter revenues are expected to increase 2.4%

Earnings estimates for the fourth quarter of 2023 were increased slightly. Fourth quarter earnings are expected to increase 3.0% (versus previous increase of 2.9%). Fourth quarter revenues are expected to increase 3.1% (versus previous increase of 3.2%). For all of 2023, consensus calls for an earnings increase of 0.8% (versus previous increase of 0.6%). Revenues are expected to increase 2.3%.

The recovery becomes more apparent in the first half of 2024. Consensus for the first quarter on a year-over-year basis calls for an earnings increase of 6.8 % (versus previous increase at 6.5%) and a revenue increase of 4.2%. Consensus for the second quarter calls for a 10.9% earnings increase (versus previous increase at 10.4%) and a 5.0% increase in revenues. Consensus for all of 2024 calls for an increase in earnings of 11.7% (versus a previous increase of 11.6%) and a 5.4% increase in revenues.

Economic News This Week

Source: www.Investing.com

October Factory Orders are released at 10:00 AM EST on Monday

October ISM Non-manufacturing ISM PMI is released at 10:00 AM EST on Tuesday

Third quarter Non-farm Productivity released at 8:30 AM EST on Wednesday is expected to increase 4.7% versus a 3.5% increase in the second quarter.

U.S. October Trade Balance is released at 8:30 AM EST on Wednesday

Canadian October Trade Balance is released at 8:30 AM EST on Wednesday.

Bank of Canada issues its interest rate decision at 10:00 AM EST on Wednesday. Bank of Canada lending rate to major banks is expected to remain unchanged at 5.0%

October Wholesale Inventories released at 10:00 AM EST on Thursday are expected to decline 0.2% versus a gain of 0.2% in September.

Bank of Canada Governor Macklem speaks at 12:30 PM EST on Thursday.

November Non-farm Payrolls released at 8:30 AM EST on Friday are expected to increase to 175,000 from 150,000 in October. **November Unemployment Rate** is expected to remain unchanged from October at 3.9%. **November Average Hourly Earnings** on a monthly and annualized rate also are released.

December Michigan Consumer Sentiment is released at 10:00 AM EST on Friday

Selected Earnings News This Week

Source: www.Investing.com

Tuesday: AutoZone, Toll Brothers

Wednesday: Brown Forman, Campbell Soup

Thursday: Broadcom, Dollar General, DocuSign

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

Example: Dow Jones Industrial Average (DJIA)

Trend: Changed from Neutral to Positive last week	Score: +2
Strength relative to SPX: Turned from Negative to Positive	Score: +2
Above/Below 20 day MA: Remained Above 20 day MA	Score: +1
Daily momentum (Stochastics, RSI, MACD): Remained up:	Score: +1
(See chart below)	Total Score: 0 to +6

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for Dec.1st 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day Momentum MA	Tech Score	Score Last Week
SPX	Positive	Jan.18	Neutral	Neutral	Above Up	2	2
TSX	Neutral	Dec.12	Neutral	Neutral	Above Up	2	-2
DJIA	Positive	Jan. 4	Up	Positive	Above Up	6	0
COMPQ	Positive	Jan.5	Neutral	Neutral	Above Up	2	4
IYT	Positive	Dec.8	Neutral	Positive	Above Up	4	4
AORD	Positive	Jan.4	Neutral	Negative	Above Up	0	0
NIKK	Positive	Jan.4	Up	Negative	Above Down	0	4
IEV	Neutral	Dec.9	Up	Positive	Above Up	6	6
FXI	Positive	Jan.12	Down	Negative	Below Down	-6	-2
EEM	Positive	Mar.1	Up	Negative	Above Down	0	2

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 Dec.1st 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	Up	-4	-4
Gasoline	Neutral	Mar.30	Down	Negative	Below	Down	-6	-4
Crude Oil	Neutral	Jan.20	Down	Negative	Below	Down	-6	-4
Natural Gas	Neutral	April 1	Neutral	Negative	Below	Down	-4	-2
S&P Energy	Neutral	Mar.23	Down	Negative	Above	Up	-2	-4
Oil Services	Neutral	Dec.28	Down	Negative	Below	Down	-6	-6
Gold	Neutral	Dec. 23	Up	Positive	Above	Up	6	0
Silver	Positive	Mar.5	Up	Positive	Above	Up	6	0
Gold Bug	Neutral	Dec.15	Up	Positive	Above	Up	6	2
Platinum	Neutral	Dec.9	Neutral	Neutral	Above	Up	2	0
Palladium	Positive	Mar.3	Down	Negative	Below	Down	-6	-6
Copper	Positive	Mar. 5	Down	Positive	Above	Up	2	-4
Agriculture	Positive	Feb.8	Down	Negative	Above	Up	-2	-6

Green: Increase from previous day

Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for Dec.1st 2023

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Score Last Week
XLK	Neutral	Apr.13	Up	Neutral	Above	Up	4	6
XLB	Positive	Jan.1	Neutral	Positive	Above	Up	4	2
XLI	Positive	Dec.11	Neutral	Positive	Above	Up	4	2
XLY	Positive	Jan.3	Neutral	Positive	Above	Up	4	4
XLF	Neutral	July 7	Up	Positive	Above	Up	6	4
XLE	Neutral	Mar.23	Down	Negative	Above	Up	-2	-2
XLP	Neutral	Jan.6	Up	Negative	Above	Up	2	2
XLV	Positive	Jan. 27	Neutral	Neutral	Above	Up	2	-2
XLU	Neutral	Feb.6	Up	Neutral	Above	Up	4	0
XLC	Neutral	Jan.18	Up	Negative	Above	Down	0	6
XLRE	Positive	Apr.3	Neutral	Positive	Above	Up	4	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	Positive	Above	Up	6	2
TSX Tech	Positive	April 3	Up	Positive	Above	Down	4	6
TSX B Metals	Positive	Feb.17	Up	Neutral	Above	Up	4	-4

Green: Increase from previous day

Red: Decrease from previous day

Chart on Dow Jones Industrial Average showing calculation of technical score: 6



Technical Notes from Friday

S&P 500 SPDRs \$SPY moved above \$457.82 to a 23 month high extending an intermediate uptrend.



Gold ETN \$GLD moved above \$191.36 extending an intermediate uptrend. Testing the high set in March 2022 when Russia moved into Ukraine.



Global Base Metals iShares \$PICK moved above \$41.40 extending an intermediate uptrend. **TSX Global Base Metals iShares \$XBM.TO** moved above Cdn\$17.75 completing a base building pattern. Individual base metal stock breakouts included BHP and Teck Resources.



Brazil iShares \$EWZ moved above \$34.34 extending an intermediate uptrend.



India ETF \$PIN moved above \$24.57 to an all-time high extending an intermediate uptrend.



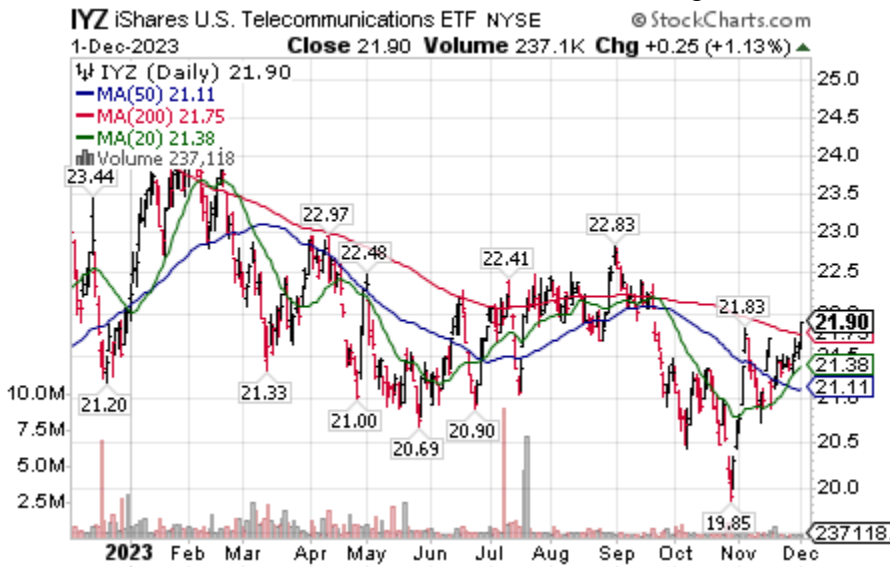
Home Builders SPDRs \$XHB moved above \$84.92 and \$84.93 to an all-time high extending an intermediate uptrend.



Steel ETF \$SLX moved above \$71.42 to a 15 year high extending an intermediate uptrend.



U.S. Telecom iShares \$IYZ moved above \$21.84 setting an intermediate uptrend.



China large cap iShares \$FXI moved below \$24.84 extending an intermediate downtrend.



TSX 60 stocks moving above intermediate resistance on Friday extending intermediate uptrends included Manulife Financial, Teck Resources, National Bank and Rogers Communications.



S&P 500 Momentum Barometers



The intermediate term Barometer added 5.80 on Friday and gained 10.00 last week to 86.00. It remains Overbought. Daily trend remains up.



The long term Barometer added 5.60 on Friday and gained 8.80 last week to 66.60. It changed last week from Neutral to Overbought on a move above 60.00. Daily trend remains up.

TSX Momentum Barometers



The intermediate term Barometer added 7.93 on Friday to 73.57. It remains Overbought. Daily trend remains up.



The long term Barometer jumped 10.57 on Friday to 55.95. It remains Neutral. Daily trend remains up.

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