

Tech Talk for Saturday March 9th 2024

The Bottom Line

Another mixed week for performance by North American equity markets! Signs of investor uncertainty increased: the VIX Index advanced 12%, Gold bullion ETN (GLD) gained 4.3%, Gold Equity ETF (GDX) advanced 8.4% and Bitcoin jumped 9.9%.





Equity markets outside of North America continue to outperform North American equity markets. Notably higher were Exchange Traded Funds tracking Europe, Australia, South Korea and China.

Consensus for Earnings and Revenues for S&P 500 Companies

Source: www.FactSet.com

Analysts slightly reduced estimates for the first quarter of 2024. Consensus on a year-over-year basis calls for an earnings increase of 3.4% (versus a 3.6% increase last week). Revenues are expected to increase 3.5% (versus a previous 3.6% increase).

Earnings gains accelerate thereafter to the end of 2024 (All-be-it at a slower rate)

Consensus for the second quarter calls for a 9.0% earnings increase (versus a 9.2% increase last week) and a 4.6% increase in revenues (versus a previous 4.7% increase). Consensus for the third quarter calls for an 8.2% increase in earnings (versus a previous 8.3% increase) and a 5.1%

increase in revenues. Consensus for the fourth quarter calls for a 17.2% increase in earnings (versus a previous 17.4% increase) and a 5.7% increase in revenues (versus previous 5.8% increase). For all of 2024, consensus calls for an 11.0% increase in earnings (versus a previous 10.9% increase) and a 5.0% increase in revenues.

Preliminary estimates were offered for fiscal 2025. Consensus calls for a 13.2% earnings increase and a 5.8% revenue increase.

Economic News This Week

February U.S. Consumer Price Index released at 8:30 AM EDT is expected to increase 0.4% versus a gain of 0.3% in January. On a year-over-year basis, February CPI is expected to increase 3.1% versus a 3.1% increase in January. Excluding food and energy, February CPI is expected to increase 0.3% versus a 0.4% increase in January. On a year-over-year basis, February core CPI is expected to increase 3.7% versus a 3.9% increase in January.

February U.S. Producer Price Index released at 8:30 AM EDT is expected to increase 0.3% versus a 0.3% increase in January. On a year-over-year basis, February PPI is expected to increase 1.1% versus a gain of 0.9% in January. Excluding food and energy, February PPI is expected to increase 0.2% versus a gain of 0.5% in January.

February U.S. Retail Sales released at 8:30 AM EDT released at 8:30 AM EDT are expected to increase 0.5% versus a 0.8% decline January.

March Empire State Manufacturing Survey released at 8:30 AM EDT on Friday is expected to drop to -6.50 from -2.40 in February.

February U.S. Capacity Utilization released at 9:15 AM EDT on Friday is expected to slip to 78.4% from 78.5% in January. February Industrial Production is expected to be unchanged versus a drop of -.1% in January.

March Michigan Consumer Sentiment released at 10:00 AM EDT on Friday is expected to be unchanged from February at 76.9.

Selected Earnings News This Week

Monday: Oracle

Tuesday: Kohl's

Wednesday: PDD Holdings, Lennar, Dollar Tree

Thursday: Adobe, Dollar General, Wheaton Precious Metals

Friday: Jabil Circuit

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

For example, technical score on NASDAQ Composite Index (COMPQ) dropped on Friday from +4 to 0 when relative strength changed from Neutral to Negative and daily momentum indicators changed from Up to Down. Score dropped from $+2+0+1+1=+4$ to $+2-2+1-1=0$

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for March 8th 2024

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day Momentum MA	Tech Score	Score Last Week	
SPX	Neutral	Mar.14	Up	Neutral	Above	Down	2	4
TSX	Neutral	Dec.15	Up	Neutral	Above	Up	4	4
DJIA	Neutral	Mar.14	Up	Negative	Below	Down	-2	0
COMPQ	Neutral	Mar.14	Up	Negative	Above	Down	0	6
IYT	Neutral	Aug.27	Up	Neutral	Above	Down	2	2
AORD	Neutral	Mar.14	Up	Neutral	Above	Up	4	2
NIKK	Neutral	Mar.14	Up	Positive	Above	Down	4	6
IEV	Positive	Apr.30	Up	Positive	Above	Up	6	4
FXI	Neutral	Sept.26	Up	Neutral	Above	Down	0	2
EEM	Neutral	Nov.29	Up	Neutral	Above	Up	4	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 March 8th 2024

Unit	Seasonal	Until	Trend	Strength Relative To SPX	20 Day MA	Momen tum	Tech Score	Score Last Week
CRB Index	Positive	June 11	Up	Neutral	Above	Down	2	4
Gasoline	Neutral	Mar.30	Up	Negative	Below	Down	-2	4
Crude Oil	Positive	Apr. 12	Up	Neutral	Below	Down	0	4
Natural Gas	Neutral	Apr 1	Down	Neutral	Above	Down	-2	0
S&P Energy	Neutral	Mar.23	Up	Neutral	Above	Up	4	4
Oil Services	Positive	Apr.24	Down	Neutral	Above	Up	0	0
Gold	Positive	Apr 27	Up	Positive	Above	Up	6	4
Silver	Neutral	Dec.28	Neutral	Positive	Above	Up	4	2
Gold Bug	Neutral	June 15	Down	Positive	Above	Up	2	-2
Platinum	Neutral	Dec.24	Down	Neutral	Above	Up	0	-6
Palladium	Neutral	Nov.28	Up	Positive	Above	Up	6	0
Copper	Positive	Apr.20	Down	Neutral	Above	Up	0	-2
Agriculture	Neutral	Nov.10	Neutral	Negative	Above	Up	0	2

Green: Increase from previous day

Red: Decrease from previous day

Sectors

Daily Seasonal/Technical Sector Trends for March 8th 2024

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	Down	2	4
XLB	Neutral	Oct.1	Up	Positive	Above	Up	6	6
XLI	Neutral	Aug.26	Up	Positive	Above	Down	4	6
XLY	Neutral	Aug.7	Up	Negative	Below	Down	-2	6
XLF	Neutral	July 7	Up	Neutral	Above	Up	4	6
XLE	Neutral	Mar.23	Up	Neutral	Above	Up	4	4
XLP	Positive	May 24	Up	Neutral	Above	Down	4	2
XLV	Neutral	Mar.20	Up	Negative	Above	Down	0	0
XLU	Positive	July 2	Down	Positive	Above	Up	2	0
XLC	Positive	June 2	Up	Negative	Above	Up	2	2
XLRE	Positive	Apr.3	Neutral	Positive	Above	Up	4	2
TSX Financial	Neutral	July 12	Up	Neutral	Above	Up	4	2
TSX Energy	Positive	Apr.12	Up	Positive	Above	Down	4	6
TSX Gold	Neutral	June 14	Neutral	Positive	Above	Up	4	0
TSX Tech	Positive	April 3	Up	Negative	Above	Down	0	0
TSX B Metals	Neutral	Oct.4	Neutral	Positive	Above	Up	4	0

Green: Increase from previous day

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S&P 500 Momentum Barometers



The intermediate term Barometer added 2.00 on Friday and gained 8.60 last week to 77.80. It remains Overbought.



The long term Barometer added 0.80 on Friday and gained and gained 4.00 last week. It remains Overbought.

TSX Momentum Barometers



The intermediate term Barometer dropped 4.00 to 64.44 on Friday and gained 4.00 last week to 64.44. It remains Overbought.



The long term Barometer was unchanged on Friday and gained 4.89 last week. It remains Overbought.

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

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