

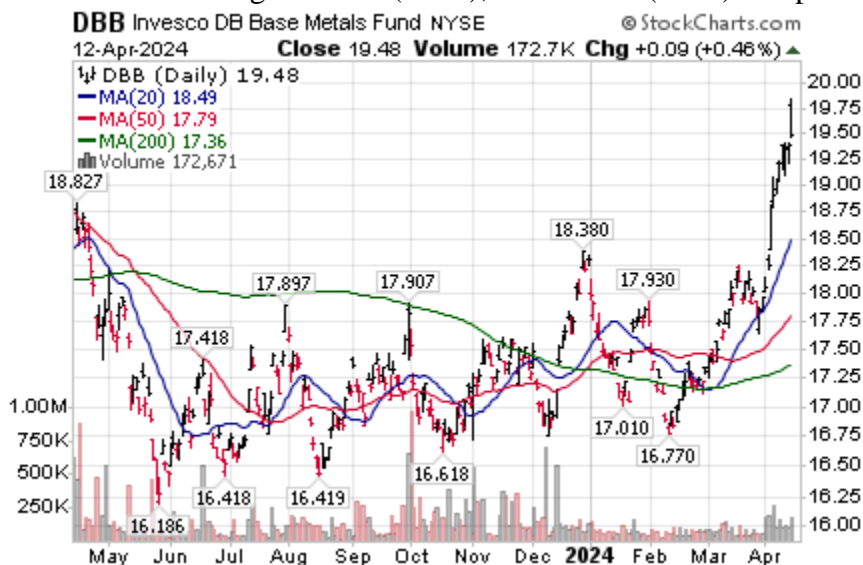
# Tech Talk for Saturday April 13<sup>th</sup> 2024

## The Bottom Line

**U.S. equity markets were “off to a rough start” last week following initial releases of first quarter results by major companies:** Notably weaker following release of quarterly results included Blackrock, Fastenal, JP Morgan, Wells Fargo and Citigroup. Weakness was recorded despite corporate reports that exceeded revenue and earnings consensus.

**Trigger for weakness was the March Consumer Price report released last Wednesday.** CPI was “hotter” than expected, implying an extension of tight monetary policy by the Federal Reserve beyond the next FOMC meeting on June 12<sup>th</sup>

**Commodity prices and their related stocks continue to move strongly higher.** Strength was notable last week in agricultural (DBA), Base metal (DBB) and precious metals (GLD) ETNs



# Consensus for Earnings and Revenues for S&P 500 Companies

Source: [www.FactSet.com](http://www.FactSet.com)

**Analysts significantly reduced earnings estimates for the first quarter of 2024.** Consensus on a year-over-year basis calls for an earnings increase of 0.9% (versus a 3.2% increase last week). Revenues are expected to increase 3.4% (versus a 3.5% increase last week).

**Earnings gains accelerate in the second and third quarters.** Consensus for the second quarter calls for a 9.4% earnings increase and a 4.6% increase in revenues (versus a 4.7% increase last week). Consensus for the third quarter calls for an 8.6% increase in earnings (versus previous 8.5% increase) and a 5.1% increase in revenues (versus a previous 5.2% increase).

**Earnings gains accelerate in the fourth quarter.** Consensus for the fourth quarter calls for a 17.7% increase in earnings (versus previous 17.5% increase) and a 5.8% increase in revenues.

**For all of 2024,** consensus calls for a 10.3% earnings increase (versus previous 10.9% increase) and a 4.8% increase in revenues (versus previous 5.1% increase)

**Estimates for fiscal 2025 were raised slightly.** Consensus calls for a 14.0% earnings increase (versus previous 13.4% increase) and a 5.9% revenue increase.

## Economic News This Week

Source: [www.Investing.com](http://www.Investing.com)

**March U.S. Retail Sales** released at 8:30 AM EDT on Monday are expected to increase 0.3% versus a gain of 0.6% in February. **Excluding auto sales,** March Retail Sales are expected to increase 0.4% versus a gain of 0.3% in February.

**April Empire State Manufacturing Survey** released at 8:30 AM EDT on Monday is expected to recover to -9.00 from -20.90 in March.

**February Business Inventories** released at 10:00 AM EDT on Monday are expected to increase 0.3% versus unchanged in January.

**March U.S. Housing Starts** released at 8:30 AM EDT on Tuesday are expected to drop to 1.480 million units from 1.521 million units in February.

**March Canadian Consumer Price Index** is released at 8:30 AM EDT on Tuesday.

**March U.S. Capacity Utilization** released at 9:15 AM EDT on Tuesday is expected to increase to 78.5% from 78.3% in February.

**Beige Book** is released at 2:00 PM EDT on Wednesday.

**April Philly Fed** is released at 8:30 AM EDT on Thursday

**March U.S. Existing Home Sales** released at 10:00 AM EDT on Thursday are expected to slip to 4.20 million units from 4.38 million units in February.

**March U.S. Leading Economic Indicators** are released at 10:00 AM EDT on Thursday

## Selected Earnings News This Week

Source: [www.Investing.com](http://www.Investing.com)

Six percent of S&P 500 companies have reported first quarter results to date. Another 44 companies are scheduled to release results this week. Focus is on reports by major banks:

No TSX 60 companies are scheduled to report.

**Monday:** Goldman Sachs, Schwab, M&T Banks

**Tuesday:** UnitedHealth Group, Johnson & Johnson, Bank of America, Morgan Stanley, Rio Tinto, PNC Financial, Bank of New York Mellon, JB Hunt, Northern Trust, United Airlines

**Wednesday:** ASML, Abbot Labs, Progressive, CSX, US Bancorp, Travelers, Kinder Morgan, Alcoa, Synopsys

**Thursday:** Taiwan Semiconductor, Netflix, Intuitive Surgical, Marsh & McLennan, DR Horton, PPG Industries, Keycorp, American Airlines, Comerica, AutoNation, Alaska Airlines

**Friday:** Procter & Gamble, Schlumberger, Fifth Third Bank

## Trader's Corner

Example of a change in daily technical score:

Score for the China Large Cap iShares: Symbol: FXI		Score
Intermediate trend remains up	+2	+2
Strength relative to S&P 500 changed from Positive to Neutral	+2	0
Moved from above to below its 20 day moving average	+1 to	-1
Daily momentum (Stochastics, RSI, MACD) trend turned down	+1 to	-1
Total score	+6 to	0

Equity Indices and Related ETFs

Daily Seasonal/Technical Equity Trends for April 12<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Strength Relative To S&P 500	20 Day Momentum MA	Tech Score	Score Last Week
SPX	Positive	May 2	Up	Neutral	Below	Down	0 2
TSX	Neutral	Dec.15	Up	Positive	Below	Down	2 6
DJIA	Positive	May 2	Neutral	Negative	Below	Down	-4 -2
COMPQ	Positive	Apr.30	Up	Positive	Below	Down	2 0
IYT	Neutral	Aug.27	Neutral	Negative	Below	Down	-4 -4
AORD	Positive	May 2	Up	Positive	Above	Down	4 0
NIKK	Positive	Apr.30	Up	Neutral	Below	Down	0 -2
IEV	Positive	Apr.30	Neutral	Negative	Below	Down	-4 2
FXI	Positive	Apr.15	Up	Neutral	Below	Down	0 2
EEM	Neutral	Nov.29	Up	Neutral	Below	Down	0 6

**Green:** Increase from previous day

**Red:** Decrease from previous day

Source for all positive seasonality ratings: [www.EquityClock.com](http://www.EquityClock.com)

### Commodities

#### Daily Seasonal/Technical Commodities Trends for April 12<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Strength Relative To S&P 500	20 Day MA	Momen tum	Tech Score	Score Last Week
CRB Index	Positive	June 11	Up	Positive	Above	Down	4	6
Gasoline	Positive	June 29	Up	Positive	Above	Up	6	6
Crude Oil	Positive	June 30	Up	Positive	Above	Up	6	6
Natural Gas	Positive	June 29	Down	Positive	Above	Up	2	-2
S&P Energy	Positive	June 6	Up	Positive	Above	Down	4	6
Oil Services	Positive	Apr.24	Up	Neutral	Below	Down	0	6
Gold	Positive	Apr 27	Up	Positive	Above	Down	4	6
Silver	Neutral	Dec.28	Up	Positive	Above	Down	4	6
Gold Bug	Neutral	June 15	Up	Positive	Above	Down	4	6
Platinum	Neutral	Dec.24	Up	Positive	Above	Up	6	4
Palladium	Neutral	Nov.28	Up	Positive	Above	Up	6	2
Copper	Positive	Apr.20	Up	Positive	Above	Up	6	6
Agriculture	Neutral	Nov.10	Neutral	Neutral	Below	Down	-2	4

**Green:** Increase from previous day

**Red:** Decrease from previous day

#### Sectors Daily Seasonal/Technical Sector Trends for April 12<sup>th</sup> 2024

Unit	Seasonal	Until	Trend	Strength Relative To S&P 500	20 Day MA	Momen tum	Tech Score	Score Last Week
XLK	Neutral	Apr.13	Down	Neutral	Below	Up	-2	-2
XLB	Neutral	Oct.1	Up	Neutral	Below	Down	0	4
XLI	Neutral	Aug.26	Up	Neutral	Below	Down	0	6
XLY	Neutral	Aug.7	Neutral	Negative	Below	Down	-4	-2
XLF	Neutral	July 7	Up	Negative	Below	Down	-2	4
XLE	Positive	June 6	Up	Positive	Above	Down	4	6
XLP	Positive	May 24	Up	Negative	Below	Down	-2	-2
XLV	Positive	July 30	Neutral	Negative	Below	Down	-4	-4
XLU	Positive	July 2	Up	Neutral	Below	Down	0	4
XLC	Positive	June 2	Up	Positive	Below	Down	2	4
XLRE	Neutral	Dec.1	Neutral	Negative	Below	Down	-4	-4
TSX Financial	Neutral	July 12	Up	Negative	Below	Down	-2	4
TSX Energy	Positive	Apr.12	Up	Positive	Above	Down	4	6
TSX Gold	Neutral	June 14	Up	Positive	Above	Down	4	6
TSX Tech	Neutral	Nov. 15	Down	Negative	Below	Down	-6	-6
TSX B Metals	Neutral	Oct.4	Up	Positive	Above	Down	4	6

**Green:** Increase from previous day

**Red:** Decrease from previous day

# Technical Notes for Friday

**Silver Miners** ETF \$SIL moved above \$33.04 to a two year high extending an intermediate uptrend



**Junior Gold Miners** ETF \$GDXJ moved above \$43.57 to a two year high extending an intermediate uptrend.



**Agnico-Eagle \$AEM** a TSX 60 stock moved above US\$62.87 extending an intermediate uptrend.



**Wheaton Precious Metals \$WPM.TO** a TSX 60 stock moved above Cdn\$73.24 to an all-time high extending an intermediate uptrend.



**Oil and Gas Exploration SPDRs \$XOP** moved above \$161.65 to a nine year high extending an intermediate uptrend.



**Consumer Discretionary SPDRs** moved below \$177.18 completing a double top pattern.



**Biotech ETF \$BBH** moved below \$158.16 setting an intermediate downtrend.



**Cameco \$CCJ** a TSX 60 stock moved above US\$51.33 to an all-time high extending an intermediate uptrend.





**S&P 100 stocks moving below support** included **Medtronic** on a move below \$81.23, **Intuit** on a move below \$620.17, **UnitedHealth Group** on a move below \$438.90 and \$438.56 and **Abbott Laboratories** on a move below \$108.57, **Coca Cola** on a move below \$58.50 and \$58.19, **Union Pacific** on a move below \$233.27, **Microchip Technology** on a move below \$85.80 and **Texas Instruments** on a move below \$165.98.



**ABT Abbott Laboratories NYSE** © StockCharts.com

12-Apr-2024 **Close 109.11 Volume 4.0M Chg -1.79 (-1.61%)**



**MCHP Microchip Technology Inc. Nasdaq GS** © StockCharts.com

12-Apr-2024 **Close 85.64 Volume 5.4M Chg -3.64 (-4.08%)**



**TXN Texas Instruments, Inc. Nasdaq GS** © StockCharts.com

12-Apr-2024 **Close 166.33 Volume 5.5M Chg -4.87 (-2.84%)**



# S&P 500 Momentum Barometers



The intermediate term Barometer dropped 13.80 on Friday and plunged 28.40 last week to 44.40. It changed from Overbought (i.e. above 60.00) to Neutral on a move below 60.00. Daily trend is down.



The long term Barometer dropped 4.00 on Friday and 6.80 last week to 71.80. It remains Overbought. Daily trend is down.

# TSX Momentum Barometers



The intermediate term Barometers dropped 6.70 on Friday and plunged 12.95 last week to 53.57. It changed from Overbought to Neutral on a drop below 60.00. Daily trend is down.



The long term Barometer dropped 3.57 on Friday and 3.57 last week to 67.86. It remains Overbought. Daily trend is down.

Tech Talk is a free service available each business day at [www.timingthemarket.ca](http://www.timingthemarket.ca)

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