



## Market Observations - as of Mar. 24, 2023

By Carl Jorgensen - For Objective Traders - For educational purposes only. Not Financial Advice.

Last week we saw mixed results that were consistent with the previously observed relative strength for each Index. The Nasdaq composite showed its strength again this week, up +4.41% while the S&P was up far less at +1.43%. The Dow Industrials finished the week down -0.15% and the Russell 2000 was again the weakest, finishing this week down -2.64%.

This week we saw a bit more consistent results with most major indexes up over +1% with the Russell 2000 being the weakest with half the gains at +0.52%.

The first half of this week saw a mild drift higher in most markets before the Fed meeting announcement and Rate Hike 2 hours before the close on Wednesday. Once the expected +25 basis points rate hike was announced we saw large fast swing up and down that were mostly up the first 45 minutes. The last 75 minutes of the day saw a volatile drop that ended with most major indexes down over -1.6% and the Russell down -2.8% for the day.

Thursday saw a gap up and rally the first 90 minutes that failed and reversed for most of the day with the S&P exceeding the prior day's lows but not the Nasdaq. Friday started with mostly chop with both the S&P and Nasdaq delivering lower lows in the first 2 hours then drifting higher the rest of the day to end the week with some mild gains.

Bank contagion fears persist this week with the Fed's rate hike, mixed messages from Janet Yellen and European concerns about Deutsche Bank.

We continued to see 'flight to safety' behavior this week but with less volume than last week.

The Fed increased its Balance Sheet again this week, reversing the prior 5+ months of QT in just the last 2 weeks.

Just three of the seven largest Tech companies provided MOST of this week's gains in the major indexes. With the 'Market Cap' weighting of the components within the S&P-500, Nasdaq Composite and Nasdaq-100 indexes components, just a few large companies have a very large influence in the markets.

So far this year, the Nasdaq-100 is up +17.5%, the Nasdaq Composite is up +13.8%, the S&P-500 is up +3.8%, the Russell 2000 is down -0.9% and the Dow Industrials are down -2.6%.

What about the seven biggest Tech stocks? So far this year NVDA is up +87%, TSLA is up +76%, META is up 65%, AAPL is up +28%, GOOGL is up +18%, MSFT is up +17% and AMZN is up +14%. Clearly five of these seven are up MORE than the Nasdaq-100 (NDX) is up this year with four names providing a major share of the gains. These 7 stocks represent over 47% of the total value of the Nasdaq-100 (QQQ).

Symbol	Market Cap	Last
AAPL	2,535,467 M	160.25
MSFT	2,088,508 M	280.57
GOOG	1,358,310 M	106.06
GOOGL	1,350,370 M	105.44
AMZN	1,005,564 M	98.13
NVDA	661,441 M	267.79
TSLA	602,477 M	190.41
META	534,110 M	206.01

The current Market Cap values (above) for the 7 biggest stocks within the Nasdaq-100.

**S&P 500 SPDR (SPY)**  
 395.75 +2.58 (+0.66%) 03/24/23 [NYSE Arca]  
 396.42 x 1 396.50 x 11 POST-MARKET 396.46 +0.71 (+0.18%) 19:59 ET  
 ETF CONSTITUENTS for Fri, Mar 24th, 2023

Symbol	Name	% Holding
AAPL	Apple Inc	7.16%
MSFT	Microsoft Corp	6.26%
AMZN	Amazon.com Inc	2.67%
NVDA	Nvidia Corp	2.03%
GOOGL	Alphabet Cl A	1.91%
GOOG	Alphabet Cl C	1.67%
BRK.B	Berkshire Hathaway Cl B	1.63%
TSLA	Tesla Inc	1.57%
META	Meta Platforms Inc	1.38%
UNH	Unitedhealth Group Inc	1.33%
XOM	Exxon Mobil Corp	1.29%
JNJ	Johnson & Johnson	1.20%
JPM	JP Morgan Chase & Company	1.13%

*Handwritten note: 24.6% (with lines pointing to the top 7 holdings)*

**Nasdaq QQQ Invesco ETF (QQQ)**  
 310.89 +1.14 (+0.37%) 03/24/23 [NASDAQ]  
 311.53 x 1 311.60 x 2 POST-MARKET 311.57 +0.68 (+0.22%) 19:59 ET  
 ETF CONSTITUENTS for Fri, Mar 24th, 2023

Symbol	Name	% Holding
MSFT	Microsoft Corp	12.45%
AAPL	Apple Inc	12.39%
AMZN	Amazon.com Inc	6.24%
NVDA	Nvidia Corp	5.23%
GOOGL	Alphabet Cl A	3.87%
TSLA	Tesla Inc	3.73%
META	Meta Platforms Inc	3.56%
AVGO	Broadcom Ltd	2.11%
PEP	Pepsico Inc	1.95%
COST	Costco Wholesale	1.73%

*Handwritten note: 47.47% (with lines pointing to the top 7 holdings)*

The weighting of these seven biggest stocks is the main reason why we choose look at these charts each week (and day) since they have such a significant influence in the overall markets.

Now, let's look at the charts to see what they are telling us about this market.



S&P 500 weekly chart as of Mar 24, 2023 - The small bounce we saw last week continued this week with a wild swing that did not break the descending Trend Line Resistance (Grey line) and closed between the 20 week and 50 week SMAs as they crossed each other this week.



S&P 500 daily chart as of Mar 24, 2023 - The mild rally we saw last week continued this week for the first half of the week. We saw wild reactions up and down below the 50 day, 20 day and nearly reaching the 200 day SMA on Wednesday after the Fed rate hike and Jay Powell's Q&A. Thursday saw a little less volatility swings to news events with a lower high and lower low. Friday saw a dip and then the mild rally continued until the close to end the week up +1.39% and back above its 20 day SMA.



S&P 500 15 min. chart as of Mar 24, 2023 - Here we see a slow drift higher on Monday, Tuesday and the first half of Wednesday. Once the Fed Rate Hike news came out we saw wild swings up and down, mostly up the first 45 min as the S&P found Resistance right at its upper weekly Expected Move and its Resistance Trend Line (Grey line) from the Feb. 2<sup>nd</sup> highs. The last 75 min. of Wednesday saw very strong selling. Thursday saw a failed rally in the first 90 min that rolled over as strong selling resumed for most of the day. Friday saw lower lows for the week as Support was found near the Trend Line drawn from the March 13<sup>th</sup> and 15<sup>th</sup> lows (Grey line). After the first 2 hours of support testing the rest of Friday saw a slow and steady rally to the close.

Note how often Trend Lines and the Expected Move levels can provide us with areas of Support or Resistance. This is why we choose to draw them on our charts. These levels are not always respected as Support or Resistance. However, we use them as a 'sign post' or a marker where we choose to watch the behavior of price 'carefully' if and when that level gets tested. It is the behavior of price that we make our decisions upon, these levels just give us a likely area where price's trending behavior may or may not change.





DJIA weekly chart as of Mar 24, 2023 - Last week found some support and the small bounce off of that support continued this week and briefly tested the 50 week SMA. Last week we saw very strong volume whereas this week we see average volume. This is likely due to Quad Witching last Friday.



DJIA daily chart as of Mar 24, 2023 - Last week found some Support but failed to rally back above its 200 day SMA (Purple). This week saw a mild rally Monday, then a gap above the 200 day SMA on Tuesday that rallied up to its 20 day SMA where it found Resistance. Wednesday saw wild swing and a decline below its 20 day and 200 day SMAs. Thursday saw less volatility with a retest of Resistance at the 20 day SMA. Friday saw a mild rally that failed to reach the 200 day SMA, ending the week up +1.18% but still below all 3 of its key daily SMAs. Note the large volume last Friday on Quad Witching.



Nasdaq weekly chart as of Mar 24, 2023 - The Nasdaq saw a strong rally last week that remained above its 200 week and 50 week SMAs this week but with a smaller gain than last week.



Nasdaq daily chart as of Mar 24, 2023 - Monday saw a recovery of most of last Friday's losses. Tuesday saw a gap up and rally that exceeded the prior highs from March 6<sup>th</sup>. Wednesday saw a wide range decline post Fed announcement that engulfed the prior day's range. Thursday saw an 'Inside' day. Friday saw a lower low in the morning then a small bounce up to a lower high, ending the week up +1.66%. The highs of the week seen briefly on Wednesday did exceed the prior highs from March 6<sup>th</sup> but failed to reach the prior highs from Feb. 2<sup>nd</sup> when the highs for 2023 were seen.





Russell 2000 weekly chart as of Mar 24, 2023 - Last week we saw a decline in the Russell. This week we see a lower low, lower high and a slightly higher close. The Russell delivered new lows for this year this week.



Russell 2000 daily chart as of Mar 24, 2023 - The small rally on Monday and Tuesday and the sharp decline Wednesday this week were all 'Inside' of last week's range. Thursday and Friday saw new lows for 2023 with lower lows and lower highs both days. Friday saw a higher close to end the week up only +0.52%.

Next we will look at a few key 'Market Internals'.



McClellan Summation Index weekly chart as of Mar 24, 2023 - Last week we saw a large decline in this index, below the 50 SMA to -255.05. This week we saw the decline continue but at a slower pace to end this week at -415.66.



McClellan Summation Index daily chart as of Mar 24, 2023 - Last week saw a decline that continued lower to -255.05. This week we saw the decline continue lower to -415.66.





NYSE Percent above 200 day SMA daily chart as of Mar 24, 2023 - We have seen oscillations between 39% and 44% over the past two weeks, ending last week at 38.69%. This week the oscillations provided another cycle up and down to end this week at 40.61%.



NYSE Percent above 50 day SMA daily chart as of Mar 24, 2023 - Last week we saw several oscillations between 17% and 24% the ended the week at 17.52%. We saw another oscillation up and down then up this week to end this week at 19.63%.



VIX daily chart as of Mar 24, 2023 - The VIX opened the week at 27.77 and declined to its 200 day SMA on Monday. Tuesday saw the decline continue below its 20 day SMA (Yellow) to close the day at 21.28. Wednesday did NOT shoot up higher than the prior day's highs after the Fed announcement but saw swings between 19.94 and a close at 22.23. Thursday opened at 21.54 and drifted lower the first 2 hours before rising from near 20 to above 24.9 in the next 3 hours. Violent swings were seen back down the last 2 hours. Friday saw a higher open and higher high then a decline most of the day down to 21.74. We saw plenty of wide swings this week and the biggest range days were not on Fed day.



VVIX daily chart as of Mar 24, 2023 - We saw a sharp decline Monday below the 112 level. The rest of the week oscillated in the 95-112 range with the week closing at 99.72. The widest range days this week were seen on Monday and Thursday.

Next we will look at a few key Commodities, Currency and Treasuries.



Oil daily chart as of Mar 24, 2023 - Oil saw a decline before the open Monday to \$64.36 and rallied for 3 days up to close Wednesday at \$69.92. Thursday saw a pause and lower close. Friday saw a sharp decline to below \$67 a few hours before the US markets opened and recovered up to \$69.20 by the close this week.





Gold daily chart as of Mar 24, 2023 - Gold broke above \$2000 in the pre market on Monday then declined Monday and Tuesday. The rally resumed Wednesday and Thursday then paused and pulled back on Friday to end the week at \$1981.



US Dollar Index daily chart as of Mar 24, 2023 - The US Dollar crossed below its 50 day SMA on Monday and delivered lower lows and lower highs the first 4 days of this week. Friday saw a bounce that failed to reach its 50 day SMA.



US 10 year Treasury daily chart as of Mar 24, 2023 - The 10 year Treasury saw wide range days on Monday and Wednesday this week as it closed lower Monday and Tuesday below its 200 day SMA and rallied the last 3 days this week as buying volume began to return. The 10 year Treasury Futures delivered a new 2023 high on Friday.

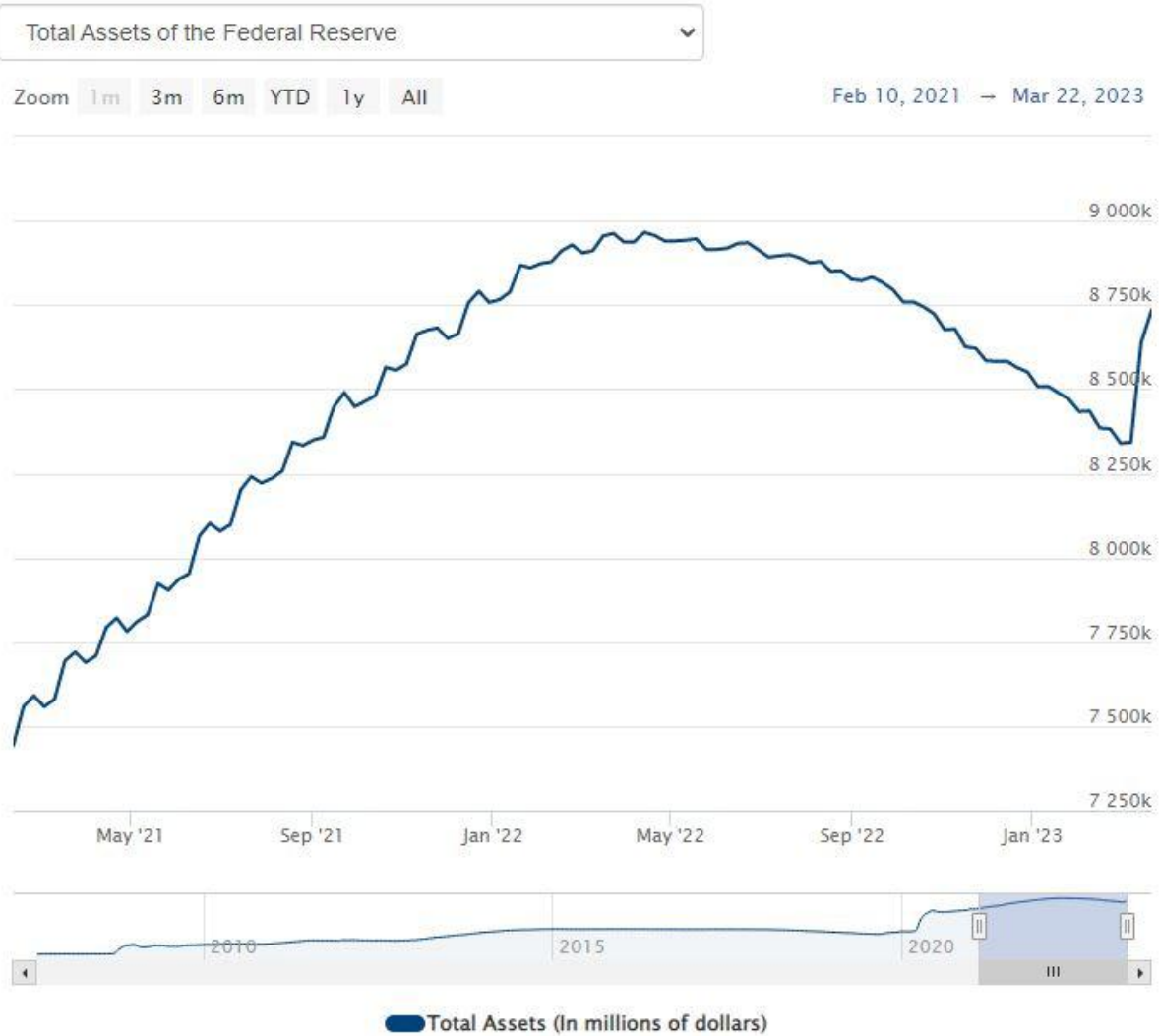


US 10 year Yield daily chart as of Mar 24, 2023 - The 10 year Yield bounced higher on Monday and Tuesday above its 200 day SMA. Wednesday saw a decline that continued Thursday and Friday with lower lows and lower highs each day. Friday saw a new low delivered for the 10 year Yield this year at 3.29%. Lower yields show us strong buying of Treasuries are driving down the yields as scared money seeks relative 'safety'.

Date	1 Mo	2 Mo	3 Mo	4 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	20 Yr	30 Yr
03/01/2023	4.67	4.82	4.90	5.02	5.20	5.06	4.89	4.61	4.27	4.17	4.01	4.17	3.97
03/02/2023	4.75	4.80	4.91	5.02	5.18	5.04	4.89	4.63	4.32	4.24	4.08	4.24	4.03
03/03/2023	4.75	4.79	4.91	5.01	5.18	5.03	4.86	4.60	4.26	4.15	3.97	4.12	3.90
03/06/2023	4.75	4.79	4.93	5.02	5.22	5.05	4.89	4.61	4.27	4.16	3.98	4.14	3.92
03/07/2023	4.80	4.88	5.04	5.12	5.32	5.22	5.00	4.66	4.31	4.17	3.97	4.11	3.88
03/08/2023	4.77	4.88	5.06	5.21	5.34	5.25	5.05	4.71	4.34	4.19	3.98	4.11	3.88
03/09/2023	4.83	4.96	5.05	5.19	5.32	5.18	4.90	4.56	4.22	4.10	3.93	4.09	3.88
03/10/2023	4.81	4.91	5.01	5.08	5.17	4.90	4.60	4.31	3.96	3.86	3.70	3.90	3.70
03/13/2023	4.62	4.81	4.87	4.87	4.81	4.30	4.03	3.88	3.68	3.65	3.55	3.85	3.70
03/14/2023	4.47	4.77	4.88	4.95	4.93	4.45	4.20	4.05	3.78	3.74	3.64	3.91	3.77
03/15/2023	4.23	4.56	4.75	4.85	4.73	4.19	3.93	3.83	3.59	3.57	3.51	3.82	3.70
03/16/2023	4.22	4.66	4.74	4.92	4.94	4.49	4.14	3.99	3.72	3.67	3.56	3.87	3.71
03/17/2023	4.31	4.51	4.52	4.79	4.71	4.26	3.81	3.68	3.44	3.45	3.39	3.76	3.60
03/20/2023	4.34	4.56	4.81	4.84	4.80	4.34	3.92	3.77	3.56	3.55	3.47	3.83	3.65
03/21/2023	4.07	4.50	4.78	4.89	4.96	4.68	4.17	3.98	3.73	3.68	3.59	3.90	3.73
03/22/2023	4.16	4.56	4.79	4.91	4.95	4.56	3.96	3.76	3.54	3.53	3.48	3.83	3.68
03/23/2023	4.26	4.48	4.73	4.84	4.80	4.38	3.76	3.57	3.39	3.39	3.38	3.78	3.66
03/24/2023	4.28	4.48	4.74	4.78	4.76	4.32	3.76	3.58	3.41	3.40	3.38	3.77	3.64

US Yields daily table as of Mar 24, 2023 - Most terms (not all) show us a small decline in Yields from last week to this week as buying continues to drive down these Yield Rates.





FOMC Balance Sheet weekly chart as of Mar 22, 2023 - The Fed 'Increased' its Balance Sheet last week by \$297.017 Billion and again this week by \$94.487 Billion for a two week total Increase of \$391.504 Billion for their 'Special' Bank Lending window (aka Bail Out). This 2-week increase negates the prior 5 to 6 months of Declines (Quantitative Tightening). The Fed's Balance Sheet Total Assets is now at \$8.733787 Trillion.

A crazy situation the Fed has created for the US Economy, simultaneously 'fighting' Inflation with a record setting pace of rate hikes while also creating Inflation with added Liquidity (Balance Sheet).

Next we will look at a few key Sectors.



Dow Transportation Index daily chart as of Mar 24, 2023 - The Transports saw a small dip Monday below its 200 day SMA and a small rally above its 200 day SMA Tuesday. Wednesday saw a decline to give back all of this week's gains. The first 3 days this week were all 'Inside' the prior week's range (aka, no trend). Thursday saw a lower low and lower high that was just a few points below the prior week's range. Friday saw another lower low and lower high with a higher close to end the week down -0.49%.



XLE daily chart as of Mar 24, 2023 - The Energy sector rallied Monday and gapped up Tuesday to find Resistance. Wednesday saw a pause then selling the last 75 min. below the prior day's lows. Thursday saw even stronger selling that continued lower early on Friday. Friday saw lower lows that did not exceed the prior week's lows and rallied to close the day higher and end the week up +2.25%.



XLF daily chart as of Mar 24, 2023 - The Financial sector saw a failed rally Monday and Tuesday that sold off to lower lows Wednesday, Thursday and Friday. Friday delivered new 2023 lows as support was found at the July 2022 lows. XLF ended the week up +0.03%.



QQQ daily chart as of Mar 24, 2023 - The Nasdaq-100 ETF opened lower and saw a small rally Monday followed by a gap up and rally Tuesday. Wednesday saw a mild rally continued in the first half of the day then saw wild reactions up and down after the Fed notice. The highs Wednesday and Thursday briefly exceeded the prior highs from Feb. 2<sup>nd</sup> to deliver a new 2023 high on Wednesday. Thursday saw a wide 'Inside' day that was followed by a narrower day Friday with a slightly higher close to end the week up +1.97%.





SOXX daily chart as of Mar 24, 2023 - The Semiconductor sector saw a small rally Monday and Tuesday that nearly retested the prior highs from Feb. 2<sup>nd</sup>. Wednesday saw a wide range day and Fed reaction that delivered new highs for 2023 but closed lower for the day at a higher low than the prior day's lows. Thursday again delivered a new high for 2023 and closed higher for the day. Friday saw a small pull back to end the week up +1.20%.



XLC daily chart as of Mar 24, 2023 - The Communication Services sector saw the rally resume Monday and Tuesday with new highs for the week on Wednesday but with a lower low and close. Thursday saw an 'Inside' day followed by another 'Inside' day on Friday with a higher close to end the week up +3.26%.

<i>INDEXes</i>	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending
<i>SECTORs</i>	2/10/2023	2/17/2023	2/24/2023	3/3/2023	3/10/2023	3/17/2023	3/24/2023
\$SPX	-1.11%	-0.28%	-2.67%	1.90%	-4.55%	1.43%	1.39%
\$INDU	-0.17%	-0.13%	-2.99%	1.75%	-4.44%	-0.15%	1.18%
\$COMPQ	-2.41%	0.59%	-3.33%	2.58%	-4.71%	4.41%	1.66%
\$RUT	-3.36%	1.44%	-2.87%	2.00%	-8.07%	-2.64%	0.52%
QQQ	-2.12%	0.49%	-3.09%	2.68%	-3.71%	5.83%	1.97%
\$TRAN	-3.06%	0.62%	-3.35%	3.31%	-5.98%	-3.07%	-0.49%
XLE	4.94%	-6.34%	0.20%	3.07%	-5.31%	-6.85%	2.25%
XLF	-0.27%	-0.27%	-2.01%	0.93%	-8.50%	-5.92%	0.03%
XLK	-0.98%	-0.40%	-2.67%	2.98%	-3.12%	5.66%	1.97%
SOXX	-2.01%	-0.39%	-2.32%	3.28%	-3.50%	5.07%	1.20%
XLV	-0.15%	-0.38%	-2.64%	0.51%	-3.89%	1.38%	1.54%
XLY	-2.11%	1.63%	-4.46%	1.70%	-5.54%	2.27%	0.48%
XRT	-6.39%	3.44%	-6.71%	0.83%	-6.07%	-3.70%	-0.31%
XLI	-0.69%	0.87%	-2.64%	3.35%	-4.50%	-2.35%	0.66%
XLU	-0.29%	1.14%	-2.73%	-0.54%	-2.76%	3.96%	-1.19%
XME	-4.61%	1.66%	-4.25%	9.83%	-11.14%	-5.73%	1.93%
XLP	-0.59%	0.97%	-1.32%	-0.23%	-1.97%	1.41%	1.68%
XLB	-1.65%	-0.89%	-0.14%	4.20%	-7.59%	-3.42%	2.16%
XLC	-5.57%	0.71%	-3.81%	2.85%	-4.57%	5.26%	3.26%
XHB	-3.51%	0.36%	-3.22%	3.10%	-4.85%	-0.82%	0.68%

Weekly Percent Change US Indexes and Sectors table as of Mar 24, 2023 - The strongest index this week was the Nasdaq and the weakest the Russell, again. Most all the major indexes were up this week by 1% or more except for the Russell.

The strongest sectors this week included: XLC, XLE, XLB, QQQ, XLK and XME that were all up by over +1.9%.

The weakest sectors this week included: XLU, Transports and XRT that were all down this week. The XLF closed up by 1 cent this week.

INDEXes SECTORS	Mon	Tue	Wed	Thur	Fri	Mon	Tue	Wed	Thur	Fri
	End of Day 03/13/23	End of Day 03/14/23	End of Day 03/15/23	End of Day 03/16/23	End of Day 03/17/23	End of Day 03/20/23	End of Day 03/21/23	End of Day 03/22/23	End of Day 03/23/23	End of Day 03/24/23
\$SPX	-0.15%	1.68%	-0.70%	1.76%	-1.10%	0.89%	1.30%	-1.65%	0.30%	0.56%
\$INDU	-0.28%	1.06%	-0.87%	1.17%	-1.19%	1.20%	0.98%	-1.63%	0.23%	0.41%
\$COMPQ	0.45%	2.14%	0.05%	2.48%	-0.74%	0.39%	1.58%	-1.60%	1.01%	0.31%
\$RUT	-1.60%	1.87%	-1.74%	1.45%	-2.56%	1.11%	1.88%	-2.83%	-0.41%	0.85%
QQQ	0.74%	2.30%	0.52%	2.64%	-0.47%	0.20%	1.43%	-1.36%	1.19%	0.37%
\$TRAN	-1.65%	-0.38%	-0.96%	1.28%	-1.37%	-0.06%	1.67%	-2.03%	-0.16%	0.14%

Daily Percent Change US Indexes table as of Mar 24, 2023 - The Russell led the way up on Tuesday and Friday and led the way down on Wednesday and Thursday and saw the largest move down on Wednesday. The S&P led up Monday and was the weakest up on Tuesday. The QQQ saw the least decline Wednesday and strongest gain on Thursday. The Transports saw weakness on Monday and Friday. These changes in leadership can provide us with hints as to where to look for either the weakest or strongest sectors and stocks.

Next we will look at a few key Stocks starting with the 7 biggest names in several key indexes.



AAPL daily chart as of Mar 24, 2023 - Apple delivered a bullish engulfing day on Monday and continued with higher highs and higher lows the next two day, delivering new 2023 highs on Wednesday before dropping to close the day down. Thursday saw a lower high and lower low but with a higher close. Friday saw an 'Inside' day with a higher close to end the week up +3.39%.





MSFT daily chart as of Mar 24, 2023 - Microsoft dipped lower Monday and Tuesday then saw a higher high and failed rally Wednesday. Thursday and Friday saw higher closes to end the week up +0.41%.



GOOGL daily chart as of Mar 24, 2023 - Alphabet saw a failed rally up to its 200 day SMA on Monday. Tuesday saw a strong rally above its 200 day SMA to new highs for the month. Wednesday saw higher highs with a lower close. Thursday saw an 'Inside' day with a higher close. Friday saw a slightly lower low, lower high and lower close to end the week up +3.76%.



AMZN daily chart as of Mar 24, 2023 - Amazon oscillated within a horizontal range this week mostly above its 50 day SMA and ending the week down -0.83%.



TSLA daily chart as of Mar 24, 2023 - Tesla saw a mild rally Monday that retested last week's highs but failed to close above them. Tuesday saw a strong gap up and rally above its 20 day SMA. Wednesday saw a higher high and higher low but a lower close. Thursday saw a test of its 20 day SMA as Support with a lower high that day. Friday saw a lower high, lower low and a lower close to end the week up +5.71%.

Note how the above 3 stocks (GOOGL, AMZN and TSLA) all made most of this week's gains on Tuesday.

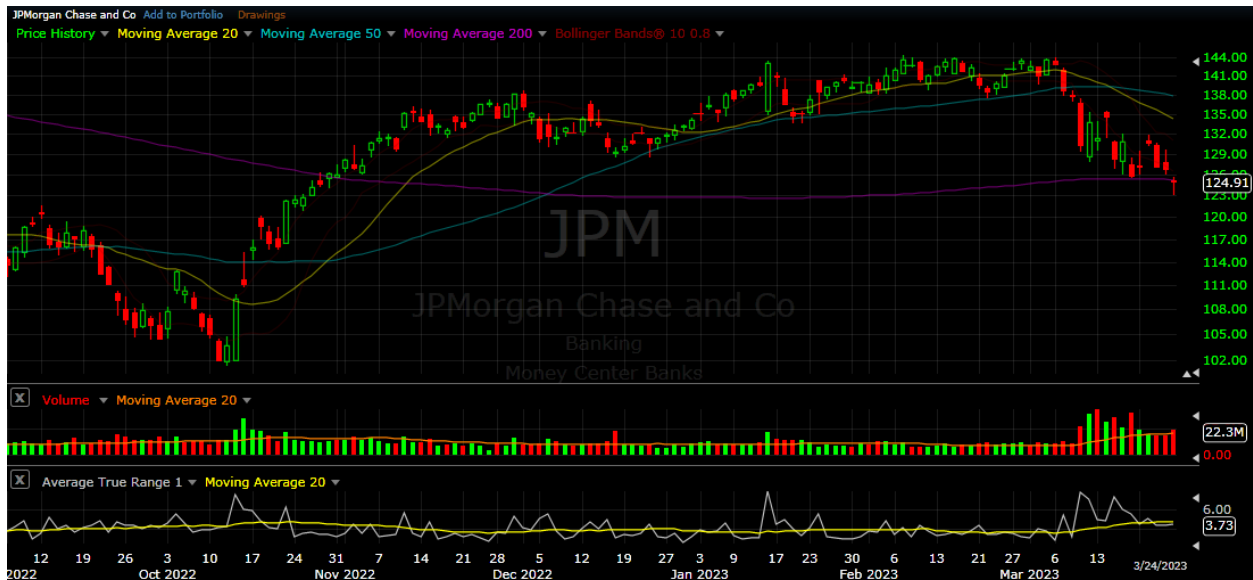


NVDA daily chart as of Mar 24, 2023 - Monday saw a lower low and lower high but with a higher close than last Friday. Tuesday and Wednesday saw higher highs, higher lows and a higher close with new 11-month highs delivered on Wednesday. Thursday saw an 'Inside' day with a higher close. Friday saw a small pull back to end the week up +4.10%.



META daily chart as of Mar 24, 2023 - Meta saw a small pull back on Monday that was followed by higher highs and higher lows the next 3 days. Friday saw an 'Inside' day with a higher close to end the week up +5.32%.





JPM daily chart as of Mar 24, 2023 - JP Morgan saw a failed rally Monday and Tuesday followed by a sharp decline Wednesday that continued lower Thursday and Friday, gapping below its 200 day SMA on Friday to deliver new 2023 lows, down -0.72% for the week.



WFC daily chart as of Mar 24, 2023 - Wells Fargo continued lower this week with a small failed rally on Tuesday. Friday saw new 2-year lows to end the week down -4.05%. Clearly banking contagion fears persist this week.



INTC daily chart as of Mar 24, 2023 - Intel declined Monday, Tuesday and Wednesday to find support at its 50 day SMA. Thursday and Friday saw a rally to recover part of this week's losses, ending the week down -1.51%.



AMD daily chart as of Mar 24, 2023 - AMD broke above its Cup-n-handle last week and its rally paused this week on Monday and Tuesday. Wednesday saw the rally up resume to nearly its Aug. 11<sup>th</sup> prior highs. Thursday saw a retest of the Aug. 11<sup>th</sup> prior highs with a higher close. Friday saw a small pull back to end the week up +0.11%.



CAT daily chart as of Mar 24, 2023 - Caterpillar saw a test of its 200 day SMA (Purple) last week. Monday and Tuesday saw a failed rally that dropped back down Wednesday, Thursday and Friday to nearly retest the 200 day SMA support, ending the week up +0.93%.



SLB daily chart as of Mar 24, 2023 - SLB saw a bounce Monday back above its 200 day SMA that gapped higher Tuesday. This rally failed and declined Wednesday and Thursday back below its 200 day SMA. Friday saw a gap down to new 2023 lows to end the week down -0.25%.





X daily chart as of Mar 24, 2023 - US Steel saw a failed rally Monday and Tuesday that decline Wednesday, Thursday and Friday with lower lows with a bounce on Friday to end the week up 4.30%.

We saw a continuation of money moving out of growth stocks and into 'safer' sectors this week. Treasuries, Gold, with Consumer Staples a leading sector on Wednesday and Friday and Utilities led on Friday. The Semiconductor sector did well on Wednesday and Thursday this week.

Another key observation this week is the difference between the Nasdaq-100 and the Nasdaq Composite. The Nasdaq-100 retested its highs from Feb. 2<sup>nd</sup> this week while the Nasdaq Composite failed to reach its Feb. 2<sup>nd</sup> prior highs by over 255 points.

When we look deeper, we see that a few big tech stocks provided a lot of this week's gains, such as Tesla, META, Nvidia, Alphabet and Apple. These same few names are also a big part of the reason why the Nasdaq-100 has done so much better than the Nasdaq Composite done for this week and this year. This reinforces why it is important to monitor these names, regardless if you trade them or not.

I hope this report helps you improve your Observation Skills. Lots of practice is always the best way to work at improving any skills.

Trade Smart,

CJ