



Market Observations - as of August 18, 2023

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

Last week we saw the decline continue with Lower Lows and Lower Highs most days. Monday saw a brief pause and some consolidation in the S&P with an Inside day before delivering Lower Lows every day that followed this week. The Nasdaq composite delivered Lower Lows every day this week and saw the largest weekly decline as compared to the other major Indexes.

This week we saw the decline continue and even strengthen a bit. Monday saw a mild rally that failed to exceed prior highs and reversed on Tuesday to deliver Lower Lows in the S&P and a lower close in both the S&P and Nasdaq. The S&P delivered Lower Lows every day this week except on Monday. The Nasdaq composite delivered Lower Lows every day this week except on Tuesday. The Nasdaq again showed a greater decline this week than the S&P.

The Nasdaq Composite crossed and closed below its 50 day SMA last week on Aug. 9th. Over the past 8 sessions the Nasdaq has closed below its 50 day SMA 7 days.

The S&P-500 crossed and closed below its 50 day SMA this week on Tuesday Aug. 15th and has closed below every day since (4 days this week).

The Index that saw the biggest decline this week was the Russell 2000. All of the major indexes were down this week and were down a greater percentage than seen last week.

The US Dollar continued to drift higher this week to retest the July highs. Gold continued to drift lower this week as it gets closer to its July lows. Oil prices dropped the first 3 days this week then saw a mild bounce Thursday and Friday.

The US 10 year Yield rates increased each day this week (except on Friday) and peaked on Thursday near its prior Oct. 2022 highs and not far from its 2008 highs. 30 year Mortgage rates also saw new 20 year highs this week which can scare off some Home Buyers (Demand) in a limited Supply market.

Failed rallies continue to give ample opportunities for the Bears again this week. Most stocks tend to move 'with' the overall markets. Rare 'outliers' do occur within Bearish markets for Bullish trade opportunities, but they tend to be few and short lived. Nvidia provided a bullish opportunity on Monday this week that was over mid-day on Tuesday and drifted lower the rest of the week.

Let's look at the charts to see what the markets are telling us.



S&P 500 weekly chart as of Aug 18, 2023 - We see 3 declining weeks in a row with this week's lows nearing the 20 week SMA.



S&P 500 daily chart as of Aug 18, 2023 - Here we see a failed rally on Monday that was followed with Lower Lows on Tuesday as the S&P crossed and closed below its 50 day SMA. We saw Lower Lows and Lower Highs every day this week except on Monday, ending the week down -2.11%. Four out of five days this week closed below its 50 day SMA.



S&P 500 15 min. chart as of Aug 18, 2023 - On Monday we saw a mild rally that failed to reach or exceed the prior high on Aug. 10th. Selling was strong at the open Tuesday to deliver lower lows and new lows for August. In the last hour Tuesday we saw a break of the 'Red' Support Trend Line. This line is drawn between the March 13th and May 24th Lows and represents price trend over the past 5 months.

FYI, the Orange Support Trend Line that was broken below on Aug. 2nd was drawn between the May 24th and July 10th lows and represented a price trend study over the prior 2 months.

Wednesday tested the Red Trend Line for about 2 hours before dropping lower and closing lower for the day.

Thursday saw a tiny gap up that was quickly filled as prices dropped lower. The S&P tested its lower weekly Expected Move as support about 2 hours into the day, bounced a little to a lower high for the day then dropped and crossed below the Expected Move about 4 hours into the day. About an hour before the close the S&P crossed below its July lows (Green line) and delivered lower lows for the day again.

Friday saw a strong gap down at the open that came within 3 points of touching twice its (-2x) Expected Move for this week. It took about half of the day to fill the opening gap. The last half of the day remained within a narrow range as is common on Expiration Fridays as settlement approaches.

There were tradable 'failed rallies' on Monday, Wednesday and Thursday this week within the above SPX chart that provided lots of opportunities for the Bears.



DJIA weekly chart as of Aug 18, 2023 - The Industrials saw a pause last week with a strong resumption of the decline seen this week the neared its 20 week SMA.



DJIA daily chart as of Aug 18, 2023 - Monday saw the pause continue straddling the 20 day SMA. Tuesday and every day the followed this week delivered Lower Lows and Lower Highs each day, crossing below its 50 day SMA on Thursday and ending the week down -2.21% on Friday.



Nasdaq weekly chart as of Aug 18, 2023 - We see 3 strong weeks in a row of decline in the Nasdaq Composite that came close to testing its 20 week SMA this week.



Nasdaq daily chart as of Aug 18, 2023 - Monday saw a lower low but also a higher high that closed just about 4.5 points above its 50 day SMA. Tuesday saw a lower high but not a lower low and closed back below its 50 day SMA. Each of the next 3 days this week delivered Lower Lows and Lower Highs. Wednesday broke below its July lows and Friday saw a small bounce that still closed lower on the day, down -2.59% for the week.



Russell 2000 weekly chart as of Aug 18, 2023 - The Russell has seen 3 down weeks in a row this week being the largest decline, crossing below its 200 week SMA and testing its 50 week and 20 week SMAs.



Russell 2000 daily chart as of Aug 18, 2023 - The Russell delivered lower lows and lower highs every day this week, closing below its 50 day SMA on Tuesday and crossing below its 200 day SMA on Friday before bouncing and closing back above its 200 day, down -3.41% for the week.

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



McClellan Summation Index weekly chart as of Aug 18, 2023 - Last week we saw a stronger decline to +595.00. This week we see an even stronger decline to +217.99 that broke below its 200 week SMA.



McClellan Summation Index daily chart as of Aug 18, 2023 - Here we see the decline this week became steeper than the slope last week, showing an increasing negative momentum of declining breadth.



NYSE Percent above 200 day SMA daily chart as of Aug 18, 2023 - Last week we saw a decline just below its 50 day SMA to 61.34%. This week we see a steeper decline that crossed below its 200 day SMA with only a tiny bounce up on Friday to end this week at 51.37%. This tells us that just over half of all the stocks listed on the NYSE are now above their 200 day SMAs.



NYSE Percent above 50 day SMA daily chart as of Aug 18, 2023 - Last week we saw a decline that crossed below its 200 day SMA and ended the week at 56.55%. This week we see a steeper decline with a pause on Friday to end this week at 37.54%. This tells us that 62.46% of all stocks listed on the NYSE are now 'Below' their 50 day SMA. This week saw a big change from 43.45% to 62.46% of stocks below their 50 day SMAs.



VIX daily chart as of Aug 18, 2023 - The VIX delivered higher highs every day this week except on Monday and remains above its 50 day and 20 day SMAs. Friday saw a peak near its 200 day SMA in the opening hour.



VVIX daily chart as of Aug 18, 2023 - The Volatility of the VIX saw higher highs every day this week except on Monday. Friday saw a huge reversal that was most likely related to the Friday expiration cycle.

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



Oil daily chart as of Aug 18, 2023 - Oil priced declined Monday, Tuesday and Wednesday, crossing and closing below its 20 day SMA on Wednesday. Thursday and Friday saw a small rally that remained below its 20 day SMA.



Gold daily chart as of Aug 18, 2023 - Gold continued its steady decline in price this week with a low of the week seen on Thursday not far from July lows. Friday saw an 'Inside' day.



US Dollar Index daily chart as of Aug 18, 2023 - The US Dollar continued to trend higher this week, touching its 200 day SMA and exceeding its July highs on Thursday and Friday. A stronger Dollar tends to make all Dollar priced commodities lower in price - assuming other factors that impact Supply and Demand for a commodity are neutral.



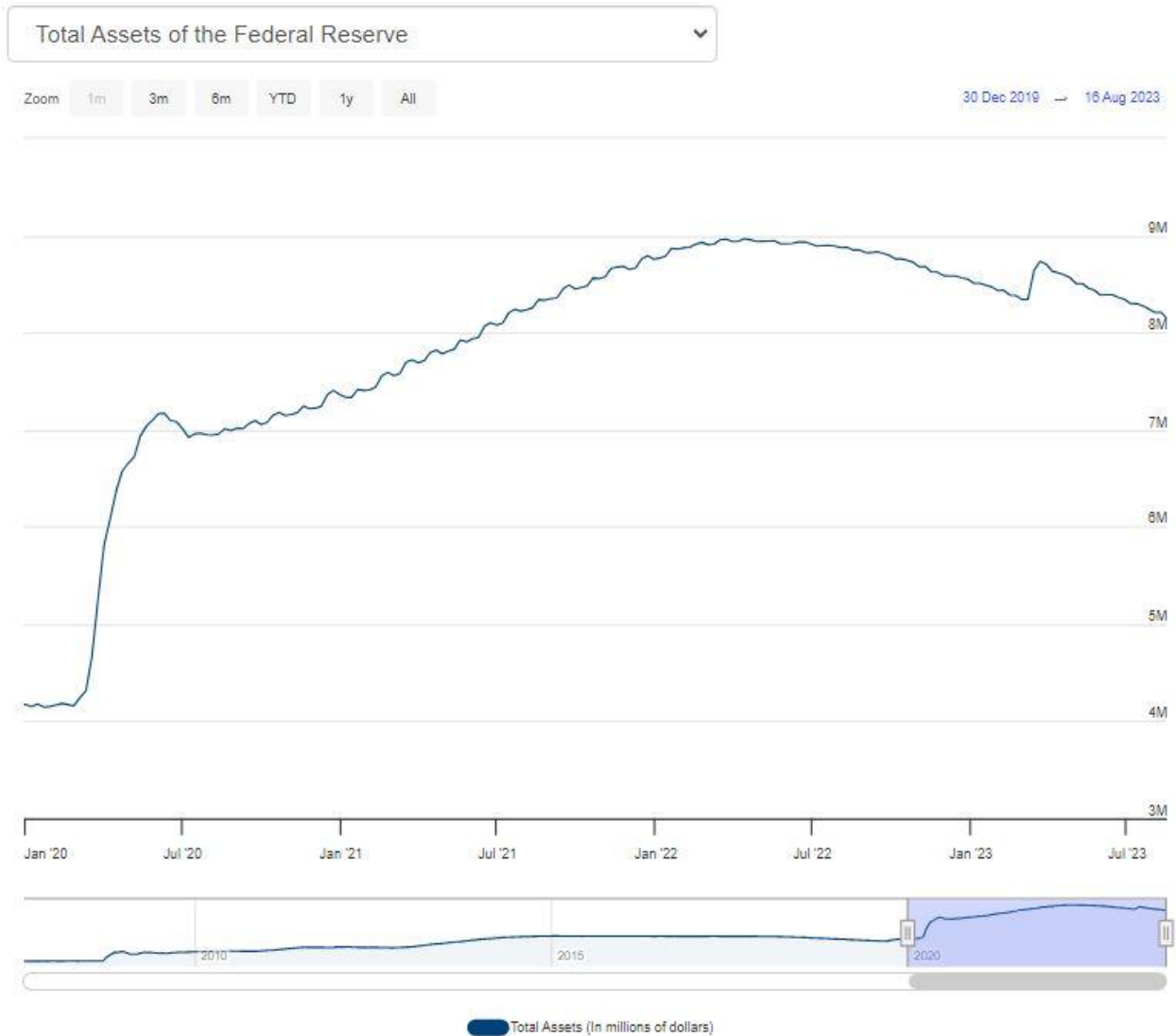
US 10 year Treasury daily chart as of Aug 18, 2023 - The US 10 year Treasuries sold off each day this week except on Friday, with strong volume seen Tuesday, Wednesday and Thursday.



US 10 year Yield daily chart as of Aug 18, 2023 - As the Treasuries sold off this week, the Yields on the 10 year climbed higher, delivering new 9-month highs on Monday, Tuesday and Thursday this week. The high yield this week peaked near the Oct. 2022 highs and just above the June 2008 highs.

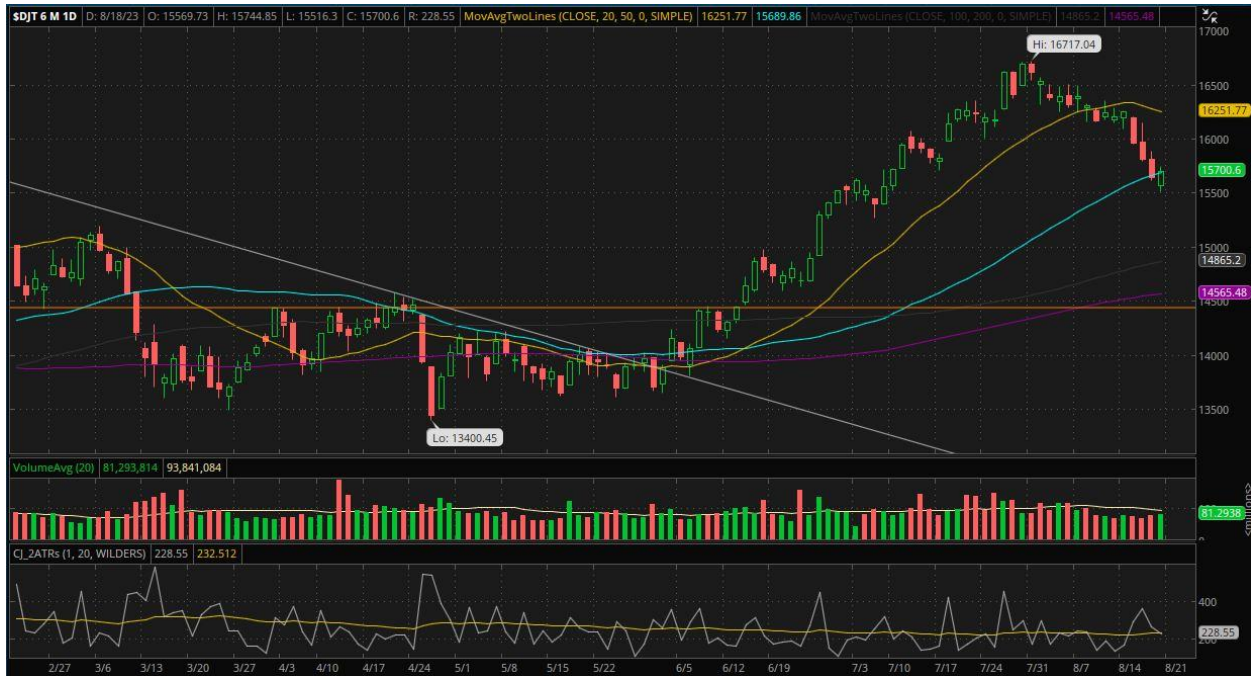
Date	1 Mo	2 Mo	3 Mo	4 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	20 Yr	30 Yr
08/01/2023	5.49	5.54	5.54	5.57	5.54	5.38	4.92	4.57	4.24	4.15	4.05	4.30	4.11
08/02/2023	5.48	5.53	5.53	5.54	5.52	5.36	4.88	4.54	4.24	4.17	4.08	4.35	4.17
08/03/2023	5.54	5.52	5.54	5.53	5.52	5.37	4.90	4.58	4.30	4.26	4.20	4.49	4.32
08/04/2023	5.54	5.51	5.54	5.52	5.50	5.33	4.78	4.45	4.15	4.10	4.05	4.36	4.21
08/07/2023	5.54	5.51	5.56	5.53	5.53	5.30	4.76	4.44	4.16	4.13	4.09	4.42	4.27
08/08/2023	5.54	5.53	5.57	5.52	5.53	5.35	4.74	4.36	4.10	4.06	4.02	4.35	4.20
08/09/2023	5.51	5.52	5.55	5.34	5.54	5.35	4.79	4.41	4.12	4.07	4.00	4.33	4.18
08/10/2023	5.55	5.52	5.54	5.53	5.52	5.33	4.82	4.47	4.21	4.17	4.09	4.41	4.24
08/11/2023	5.54	5.51	5.54	5.54	5.52	5.36	4.89	4.56	4.31	4.26	4.16	4.45	4.27
08/14/2023	5.55	5.52	5.56	5.53	5.56	5.37	4.96	4.64	4.36	4.29	4.19	4.46	4.29
08/15/2023	5.53	5.52	5.56	5.51	5.55	5.36	4.92	4.64	4.36	4.31	4.21	4.49	4.32
08/16/2023	5.52	5.53	5.56	5.54	5.54	5.37	4.97	4.68	4.42	4.37	4.28	4.55	4.38
08/17/2023	5.55	5.52	5.56	5.54	5.53	5.36	4.94	4.67	4.42	4.38	4.30	4.58	4.41
08/18/2023	5.53	5.52	5.55	5.54	5.52	5.35	4.92	4.63	4.38	4.34	4.26	4.55	4.38

US Yield rates daily table as of Aug 18, 2023 - The longer terms rose this week, peaking on Thursday while the short terms changed very little this week. The Yield curve has remained Inverted from July 2022.



FOMC Balance Sheet weekly chart as of Aug 16, 2023 - The Fed decreased its Balance Sheet this week by \$62.514 Billion to a new Total Assets of \$8.145727 Trillion. This week was the first time we have seen the Total Assets break below \$8.2 Trillion since July 2021. That is still a lot of 'stimulus' out there.

Next we will look at a few key **Sectors**.



Dow Transportation Index daily chart as of Aug 18, 2023 - The Dow Transports delivered Lower Lows and Lower Highs every day this week, crossing and closing below its 50 day SMA on Thursday then closing back above its 50 day SMA on Friday to end the week down -3.14%.



XLE daily chart as of Aug 18, 2023 - The Energy sector saw an 'Inside' day on Monday as it declined with lower closes each for the first 3 days this week, closing Wednesday 5 cents above its 20 day SMA. Thursday and Friday saw a bounce to recover about 2/3 of this week's decline, closing the week down - 1.21%. The XLE closely followed Oil prices again this week.



XLF daily chart as of Aug 18, 2023 - The Financial sector saw a pause Monday then a sharp decline Tuesday down to test its 50 day SMA as support. Every day this week saw both lower lows and lower highs except on Monday. Wednesday straddled the 50 day SMA. Thursday saw a break below both the 50 day and 200 day SMAs. Friday saw lower lows, lower highs and a lower close by 1 cent, ending the week down -2.69%.



QQQ daily chart as of Aug 18, 2023 - The Nasdaq-100 ETF saw a failed rally Monday above the 50 day SMA that failed to exceed the prior Highs from last Thursday. Tuesday saw a decline from the 50 day SMA that continued with lower lows and lower highs the rest of this week. Friday's bounce still closed the day with a lower close, ending the week down -2.21%.



SOXX daily chart as of Aug 18, 2023 - The Semiconductor sector saw a strong rally Monday that filled last Friday's gap but failed to reach the 50 day SMA and failed to exceed the prior high from last Thursday. Tuesday saw a lower close that was followed by lower lows and lower highs the rest of this week. Friday's bounce closed the day above Thursday's close but not above Thursday's high, ending the week down -1.23%.



XLC daily chart as of Aug 18, 2023 - The Communication Services sector saw a failed rally Monday that failed to reach the prior highs from last Thursday but did close above its 20 day SMA. Tuesday dropped down and closed back below its 20 day SMA. The rest of this week saw lower lows and lower highs, crossing below its 50 day SMA on Thursday and closing lower Friday to end the week down -3.07%.

<i>INDEXes</i>	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending
<i>SECTORs</i>	7/7/2023	7/14/2023	7/21/2023	7/28/2023	8/4/2023	8/11/2023	8/18/2023
\$SPX	-1.16%	2.42%	0.69%	1.01%	-2.27%	-0.31%	-2.11%
\$INDU	-1.96%	2.29%	2.08%	0.66%	-1.11%	0.62%	-2.21%
\$COMPQ	-0.92%	3.32%	-0.57%	2.02%	-2.85%	-1.90%	-2.59%
\$RUT	-1.27%	3.56%	1.51%	1.09%	-1.22%	-1.65%	-3.41%
QQQ	-0.86%	3.50%	-0.91%	2.09%	-2.98%	-1.56%	-2.21%
\$TRAN	0.19%	1.72%	2.56%	2.85%	-2.25%	-0.67%	-3.14%
XLE	-0.47%	0.82%	3.50%	1.84%	1.25%	3.43%	-1.21%
XLF	-0.36%	1.96%	2.95%	-0.17%	-0.82%	0.03%	-2.69%
XLK	-1.52%	2.79%	0.08%	1.03%	-3.81%	-2.49%	-1.16%
SOXX	-2.54%	4.81%	-1.44%	4.39%	-3.77%	-5.13%	-1.23%
XLV	-2.81%	2.09%	3.45%	-0.77%	-2.06%	2.47%	-1.58%
XLY	-0.26%	3.28%	-2.25%	1.04%	-0.70%	-1.07%	-4.16%
XRT	0.19%	2.10%	1.27%	1.76%	-0.70%	-1.15%	-1.71%
XLI	-1.04%	2.27%	0.87%	0.56%	-1.74%	0.60%	-2.43%
XLU	-0.08%	2.23%	2.41%	-2.07%	-4.55%	0.91%	-1.67%
XME	-0.57%	2.04%	0.16%	1.99%	-1.90%	-1.41%	0.49%
XLP	-0.96%	1.12%	1.82%	0.62%	-1.91%	0.20%	-2.38%
XLB	-1.97%	2.49%	0.59%	1.81%	-1.99%	-1.02%	-2.28%
XLC	-0.05%	3.23%	-2.37%	4.96%	-2.50%	0.04%	-3.07%
XHB	-2.93%	7.12%	-1.21%	2.38%	-0.69%	-0.75%	-4.41%

Weekly Percent Change US Indexes and Sectors table as of Aug 18, 2023 - Note that all of the above Indexes were down this week and down by a larger percentage than last week (Including the Dow Transports and the QQQ).

Only one sector was up this week, and that was the XME. This was likely due to one stock, US Steel (X) that is the largest component within the XME and was up by over +36% this week due to receiving multiple acquisition offers.

The weakest sector this week was the XHB that could be related to new 20 year highs seen this week in 30 year Mortgage rates. Other weak sectors this week included: XLY, Transports, XLC and XLF that were all down by over -2.6%. With 15 out of 16 Sectors all being down this week, this is another indication of 'Broad' based selling in this market this week.

INDEXes SECTORS	Mon	Tue	Wed	Thur	Fri	Mon	Tue	Wed	Thur	Fri
	End of Day 08/07/23	End of Day 08/08/23	End of Day 08/09/23	End of Day 08/10/23	End of Day 08/11/23	End of Day 08/14/23	End of Day 08/15/23	End of Day 08/16/23	End of Day 08/17/23	End of Day 08/18/23
\$SPX	0.90%	-0.42%	-0.70%	0.03%	-0.11%	0.58%	-1.16%	-0.76%	-0.77%	-0.01%
\$INDU	1.16%	-0.45%	-0.54%	0.15%	0.30%	0.07%	-1.02%	-0.52%	-0.84%	0.07%
\$COMPQ	0.61%	-0.79%	-1.17%	0.12%	-0.68%	1.05%	-1.14%	-1.15%	-1.17%	-0.20%
\$RUT	0.08%	-0.59%	-0.86%	-0.42%	0.13%	-0.24%	-1.29%	-1.28%	-1.15%	0.51%
QQQ	0.85%	-0.85%	-1.10%	0.18%	-0.64%	1.12%	-1.05%	-1.06%	-1.09%	-0.13%
\$STRAN	0.47%	-0.56%	-0.83%	0.46%	-0.21%	0.26%	-1.76%	-0.98%	-1.04%	0.37%

Daily Percent Change US Indexes table as of Aug 18, 2023 - We saw daily changes in leadership with the Dow Industrial leading on Tuesday and Wednesday and the QQQ only leading on Monday, the failed rally day this week. The Nasdaq Composite showed its weakness Thursday and Friday this week while the Russell 2000 showed its weakness on Monday and Wednesday. Remember, we also saw the Nasdaq show strong weakness last week too (hint).

Next we will look at a few key Stocks, mostly the same names we looked at last week.



AAPL daily chart as of Aug 18, 2023 - Apple broke below its 50 day SMA Aug. 8th and has continued lower since, pausing most of last week. This week we see the pause continue Monday and Tuesday then breaking down lower lows Wednesday, Thursday and Friday to exceed June lows and end this week down -1.86%.



MSFT daily chart as of Aug 18, 2023 - Microsoft continued its decline this week after a failed rally on Monday that was followed with lower closes each day for the rest of this week, briefly breaking below the prior May 24th lows on Friday and ending this week down -1.20%.



GOOGL daily chart as of Aug 18, 2023 - Alphabet mostly continued in a horizontal range this week, testing its 20 day SMA support on Wednesday, a failed rally Thursday that was followed by a gap down Friday that broke below the 20 day SMA to end the week down -1.62%.



AMZN daily chart as of Aug 18, 2023 - Amazon saw a failed rally Monday that was followed by lower lows each day that followed this week, crossing below its 20 day SMA on Thursday testing its 50 day SMA support on Friday to end the week down -3.75%. The Earnings rally seen on Aug. 4th started from the 50 day SMA the prior day.



TSLA daily chart as of Aug 18, 2023 - Tesla continued its decline this week by delivering both lower lows and lower highs every day this week, ending the week down -11.19%. This is the biggest weekly decline we have seen in TSLA since March 10th.



NVDA daily chart as of Aug 18, 2023 - Nvidia ended last week on a declining week. This week we saw a small gap down Monday that was very quickly filled in 3 minutes and exceeded in 8 minutes into the day, showing great strength and convictions by the bulls. Monday saw a huge rally above its 50 day SMA that saw a daily range of over 2.2 times its ATR (20 day Average True Range). This daily range was only exceeded once this year, on the day that we saw the Earnings reaction on May 25th. The rally this week continued a little higher early Tuesday briefly above its 20 day SMA then stalled and began to roll over the last half of Tuesday. The rest of this week saw a slow drift lower crossing back below its 50 day SMA on Thursday and below this SMA on Friday to end the week up +5.98%. NVDA reports Earnings next week on Wednesday Aug. 23rd after the close. Due to the huge reaction last quarter, odds are very high that there will be LOTS of EYES watching NVDA's Earnings reactions this week. Anything can happen.



META daily chart as of Aug 18, 2023 - Meta saw a failed rally Monday that could not reach its 20 day SMA and reversed on Tuesday and was followed by lower lows and lower highs the rest of this week, crossing below its 50 day SMA on Wednesday and ending the week Friday below its July lows, down - 6.10% for the week.

Let's compare the above 7 biggest stocks in the table below to help see the relative strength last week as compared to this week.

Stock	% Change Last week	% Change This week
QQQ	-1.56%	-2.21%
AAPL	-2.18%	-1.86%
MSFT	-2.07%	-1.20%
GOOGL	1.13%	-1.62%
AMZN	-0.83%	-3.75%
TSLA	-4.42%	-11.19%
NVDA	-8.56%	5.98%
META	-2.93%	-6.10%

In the table above the **green highlighted** values are where the gains were greater (or less negative) than were the QQQ's gains for that week. This comparison helps us see changes week to week and relative strength improving or declining. AAPL and MSFT were mildly less negative this week while most of the others were more negative this week than last week. The one exception is NVDA that saw a big gain this week and was the ONLY gainer on this list. TSLA saw the largest decline this week.



JPM daily chart as of Aug 18, 2023 - JP Morgan saw a failed rally Monday that was followed by four days of Lower Lows, crossing below its 50 day SMA on Thursday then bouncing Friday from below to close on its 50 day SMA, down -3.55% for the week.



CAT daily chart as of Aug 18, 2023 - Caterpillar delivered lower lows and lower highs every day but on Thursday this week. Wednesday and Thursday seemed to respect its 20 day SMA as Support but then gapped below the 20 day SMA on Friday to end the week down -4.00%.



COST daily chart as of Aug 18, 2023 - Costco saw a lower high last week (Aug 10th) that was followed by a lower low the next day. This week we saw a failed rally Monday with an even lower high than last week that was followed by lower lows Tuesday, Thursday and Friday, straddling its 20 day SMA on Tuesday and Wednesday before delivering a large decline Thursday below its 20 day SMA and nearly reached its 50 day SMA. Friday saw a test of the 50 day SMA but closed above, lower for the day and down -3.20% for the week.



AMD daily chart as of Aug 18, 2023 - AMD saw a failed rally Monday and early Tuesday that only briefly crossed above its 20 day SMA. Tuesday, Wednesday and Thursday all saw lower closes, lower lows and lower highs. Friday saw a lower low with a bounce to close the day a little higher, ending the week down -1.97%.



INTC daily chart as of Aug 18, 2023 - Intel saw a failed rally Monday above its 20 day SMA. Tuesday was a lower close and was followed with lower lows and lower highs each day that followed this week, crossing below its 50 day SMA on Wednesday and seeing a small bounce Friday to end the week down - 6.13%.



HAL daily chart as of Aug 18, 2023 - Halliburton saw lower lows every day this week, testing its 20 day SMA as support on Thursday, then gapping below on Friday to rally back above its 20 day SMA, ending the week down -3.19%. The rally we saw in HAL last week seems to be over this week since we only saw lower highs along with plenty of lower lows.



SLB daily chart as of Aug 18, 2023 - SLB rallied to higher highs last week but failed to exceed last week's highs this week as we mostly see lower lows and lower highs this week, straddling its 20 day SMA Wednesday and Thursday then breaking below this SMA on Friday and closing the day just 7 cents below its 50 day SMA, down -2.72% for the week.



XOM daily chart as of Aug 18, 2023 - Exxon saw a nice rally last week but gave it all back in the first 3 days of this week, crossing below its 200 day SMA on Tuesday and below its 20 day SMA on Wednesday. Thursday saw a bounce back above its 20 day SMA that continued higher Friday above its 200 day SMA to end the week down only -0.79%.



DE daily chart as of Aug 18, 2023 - Last week's highs in John Deere were lower than the prior highs seen on July 25th. This week we see a pause continue on Monday before dropping Tuesday below its 20 day SMA. Wednesday and Thursday both saw lower lows that briefly broke below its 50 day SMA and were lower than the prior week's lows. This gave us both a lower high and lower low this week going into Earnings that were announced Friday before the open. Friday's reaction was a big gap below its 50 day and 200 day SMAs and selling down lower to eventually find support at \$395.38. DE closed at \$397.02 Friday to end the week down -8.75%.

The market 'continued' its decline this week with signs of greater bearish strength than last week. Most all of the 'Breadth' charts above ('Market Internals') showed us how this week the bears were stronger than last week, as well as the Percentage declines this week were larger than last week for most all Indexes.

The one day big rally we saw on Monday in NVDA likely caused other semiconductor companies (and Tech companies) to rally that day in sympathy. This rally turned out to end early Tuesday and most Semiconductor stocks pulled back the rest of this week after Monday's show. In fact, most stocks we have looked at above in this 'Market Observations' saw a failed rally on Monday that was followed by a series of Lower Lows the rest of this week. Even with Monday's big 'show' we did not see prior highs exceeded this week and lower lows quickly appeared either Tuesday or Wednesday this week.

Most stock move 'with' the market, but we saw a brief exception on Monday this week in NVDA that was over quickly as the Bearish Trend soon resumed.

Hope these examples help you improve your chart reading skills. Nobody knows the future, but we can get clues from the charts that can give us a statistical edge at times, if we use discipline to only take a risk when the odds are clearly in our favor.

Trade Smart,

CJ