



Market Observations - as of April 19, 2024

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

Last week we saw a quiet pause on Monday followed by a small gap up on Tuesday that quickly sold off lower in the first 90 min. of the day, then rallied up, then down, then up to end the day with a small gain. Wednesday saw a larger gap down at the open that failed to be filled during the day. Thursday saw a small gap up at the open, but this time we saw strong follow through higher all day to deliver the largest gains of the week. Friday saw a strong gap down with strong follow through lower most of the day, reversing all of the prior day's gains plus more. Friday saw the largest True Range Day of last week. The Selling we saw on Friday was the strongest we have seen since Feb. 13th.

We saw a divergence between the S&P and Nasdaq last week, where the S&P delivered a lower low, lower high and lower close than the prior week. The Nasdaq Composite, however, delivered an 'Inside' week last week with a lower high, higher low and a lower Close.

This week we saw a gap up Monday that reversed and filled its small gap and continued lower with a strong decline all day. Tuesday saw a narrow range pause near the prior day's lows. Wednesday saw a continuation of selling the first half of the day and a failed rally the last half of the day. Thursday saw another failed rally and retest of Resistance before selling off the last half of the day to lower lows for the week then paused near these new lows. Friday saw a gap down and strong selling all day to new lows for April and March.

This week we saw the strongest declining week in the Nasdaq Composite in over 2 years and the strongest in the S&P-500 in one year. We will dig deeper in the charts and tables below to see who led this week's strong decline.

We saw oil prices decline this week with a brief wild spike up late on Thursday evening when news of Israel shooting missiles at Iran came out. Gold prices saw a small increase as they mostly hovered near \$2400 most of this week. US 10 year Treasuries declined a little more on Monday and Tuesday then paused most of the remainder of this week. The US Dollar Index continued to rise a little more on Monday and Tuesday then paused the rest of this week.

Nearly all of the major indexes closed this week lower with a larger decline than last week with the exception of the Dow Industrials that saw a tiny gain of +0.01% this week.

Netflix reported Earnings this week (Thursday after the close) with a strong negative reaction seen on Friday.

Earnings season is now in process with several of the biggest Tech companies scheduled to report this next week.

Let's look at the charts to see what they are telling us about this week and who may have led this week's strong decline.



S&P 500 weekly chart as of Apr 19, 2024 - The S&P saw the strongest decline this week since March 6 2023. This week briefly broke below the 20 week SMA (Yellow) and closed just 2 points above this weekly SMA. We see 3 weeks in a row of a decline.

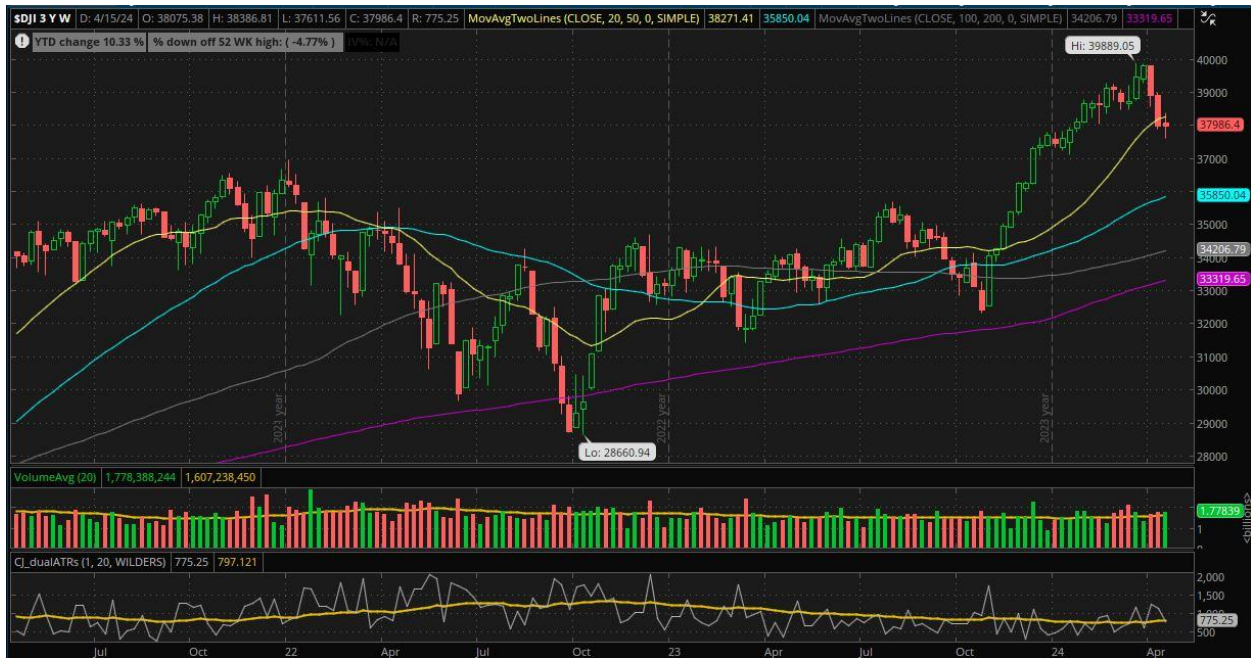


S&P 500 daily chart as of Apr 19, 2024 - On April 2nd we saw the S&P break below its Trend Line Support (Purple line) followed by a failed rally 2 days later with a lower high, confirming the change in trend. We have seen a strengthening decline since crossing below its 20 day SMA that crossed below its 50 day SMA on Monday to briefly find support at the prior support from late Feb/early March (Red dash line). The S&P has delivered a lower low and lower close every day this week, ending the week down -3.05% and is now below 2 of its 3 key daily SMAs.



S&P 500 15 min. chart as of Apr 19, 2024 - Here we can see the strong decline on Monday and a pause on Tuesday near its prior support (Red dash line). Wednesday broke below this support and broke below its lower weekly Expected Move mid day then saw a failed rally nearly up to prior Support as new Resistance (Red dash line) and then pulled back to end the day nearly on the lower Expected Move. Thursday saw a second failed rally and test of new Resistance (Red dash line) then rolled over and declined to lower lows and paused the last 2 hours of the day. Friday saw a decline lower nearly all day to deliver lower lows and get within 65% of the way towards the -2x lower Expected Move. This week clearly closed below the lower Expected Move.

Next week's S&P Expected Move is a little smaller than last week's, +/--\$96.05 from Friday's close at \$4967.23.



DJIA weekly chart as of Apr 19, 2024 - The Dow Industrials saw a two weeks of declines that crossed below its 20 week SMA last week and remained below this week with a nearly flat week this week.



DJIA daily chart as of Apr 19, 2024 - The decline continued Monday then paused the rest of this week with little change, ending this week up +0.01%.



Nasdaq weekly chart as of Apr 19, 2024 - We see 3 declining weeks in a row, with this week seeing the strongest declining week in about 2 years, crossing below its 20 week SMA this week and reversing all of the gains seen since the end of Jan. 2024.



Nasdaq daily chart as of Apr 19, 2024 - We see a lower low and lower close every day this week, even with the brief pause on Tuesday. Monday crossed below the 50 day SMA Friday crossed below the 100 day SMA (Grey). The week ended with the Nasdaq Composite down -5.52%.



Russell 2000 weekly chart as of Apr 19, 2024 - We see 3 weeks in a row of declines in the Russell after a test of Resistance near the prior highs from March 29, 2022 (Grey dash line).

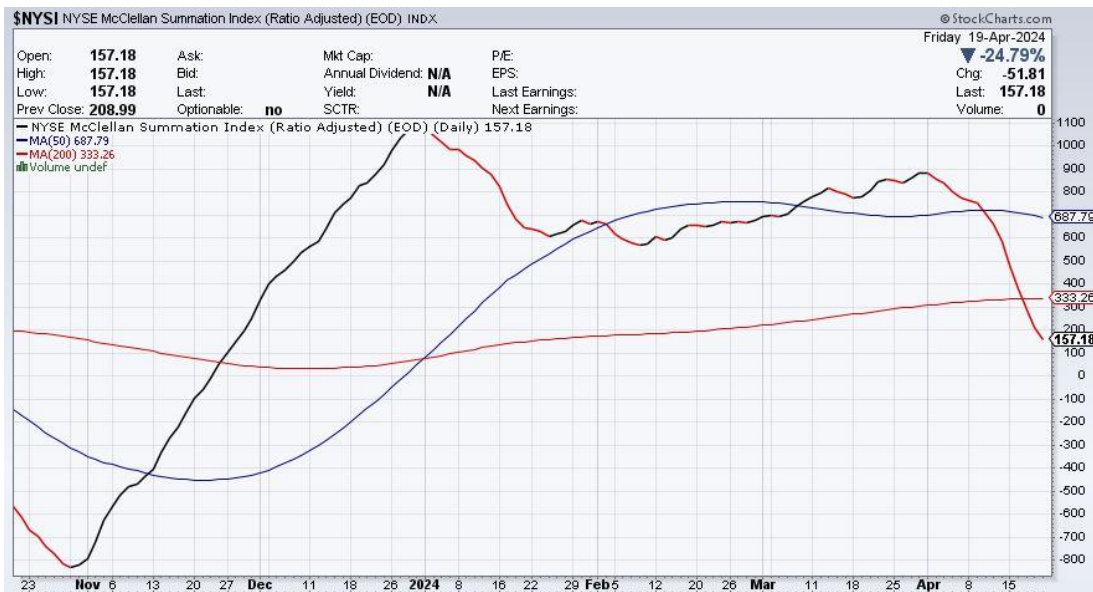


Russell 2000 daily chart as of Apr 19, 2024 - We saw the Russell break below its 20 day and 50 day SMAs last week and continued lower this week with lower lows seen every day, ending this week down - 2.77%.

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



McClellan Summation Index weekly chart as of Apr 19, 2024 - Last week saw a stronger decline than the prior week, ending last week at 584.65. This week we see an even stronger decline crossing below its 50 week and 200 week SMAs, ending this week at 157.18.



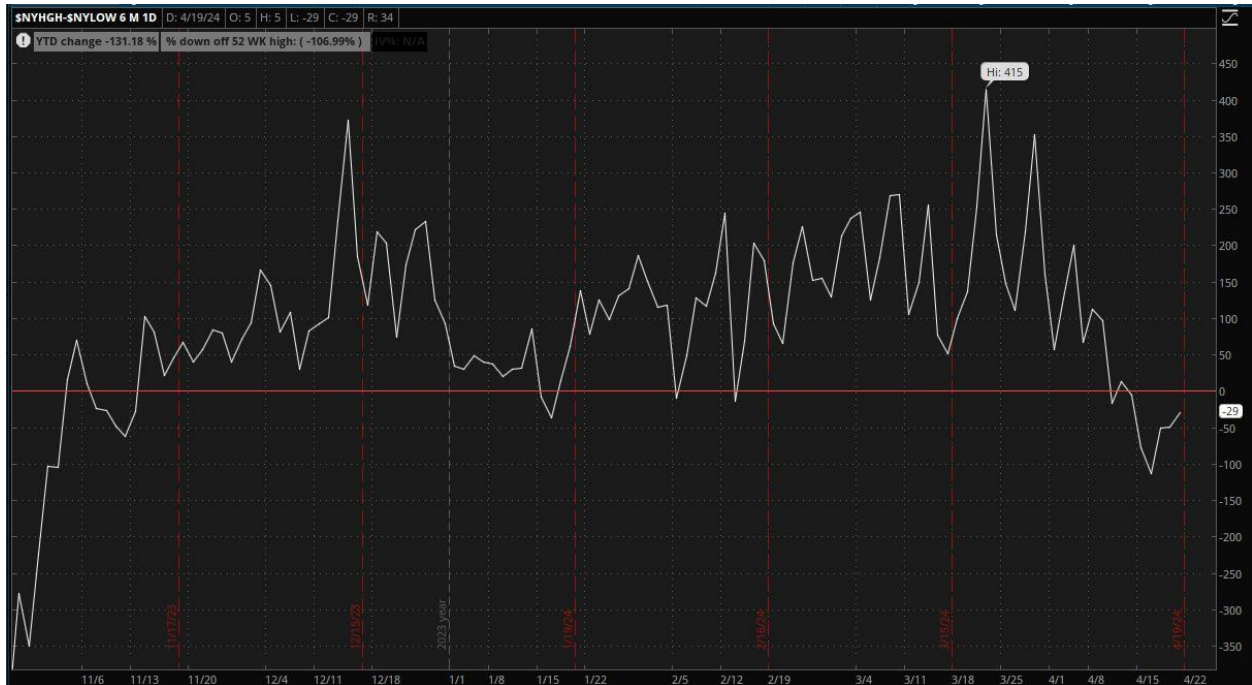
McClellan Summation Index daily chart as of Apr 19, 2024 - We can see the decline get a bit steeper this week, crossing below its 200 day SMA and ending this week at 157.18.



NYSE Percent above 200 day SMA daily chart as of Apr 19, 2024 - Last week we saw a decline to 65.61%. This week we saw a drop below 61% on Wednesday and a bounce back up to 62.99% on Friday.



NYSE Percent above 50 day SMA daily chart as of Apr 19, 2024 - Last week we saw a sharp decline to 43.64%. This week we saw the decline continue to about 31% on Wednesday and a bounce to end this week on Friday at 36.28%.



NYSE New High - New Low daily chart as of Apr 19, 2024 - We saw negative values every day this week in this index, with the lowest lows seen this week on Tuesday at -113 and ending the week on Friday at -29.



VIX weekly chart as of Apr 19, 2024 - Here we can see the declining peaks over the past two years on the weekly chart above. This week tested both this Trend Line (Yellow Line) and the 200 week SMA (Purple) with new highs for 2024.



VIX daily chart as of Apr 19, 2024 - Here we can see the highs this week were on Friday above 21 with a close that day back down at 18.71.



VVIX weekly chart as of Apr 19, 2024 - We marked the 112 level years ago since that level seemed to define support back in 2020 and 2021 and resistance the latter half of 2022 and since. Levels above this 112 level indicate strong uncertainty with the Volatility of the VIX.



VVIX daily chart as of Apr 19, 2024 - Here we can see the 112 level tested last Friday and nearly on Monday of this week. Tuesday, Wednesday and Thursday saw a decline back to nearly the 95 level before the slightly higher range seen on Friday.

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



Oil daily chart as of Apr 19, 2024 - Monday and Tuesday saw a small decline that accelerated lower on Wednesday, crossing below its 20 day SMA. Thursday saw the decline continue before we saw a large swing up then down in the evening as markets reacted to Israel shooting missiles into Iran. Market soon settled back down Friday to end this week near \$82.11.



Gold daily chart as of Apr 19, 2024 - Gold prices rallied up to the \$2400 area on Monday then stayed in a narrow range the rest of the week, with only a brief spike Thursday night on news of the Missile strike in Iran.



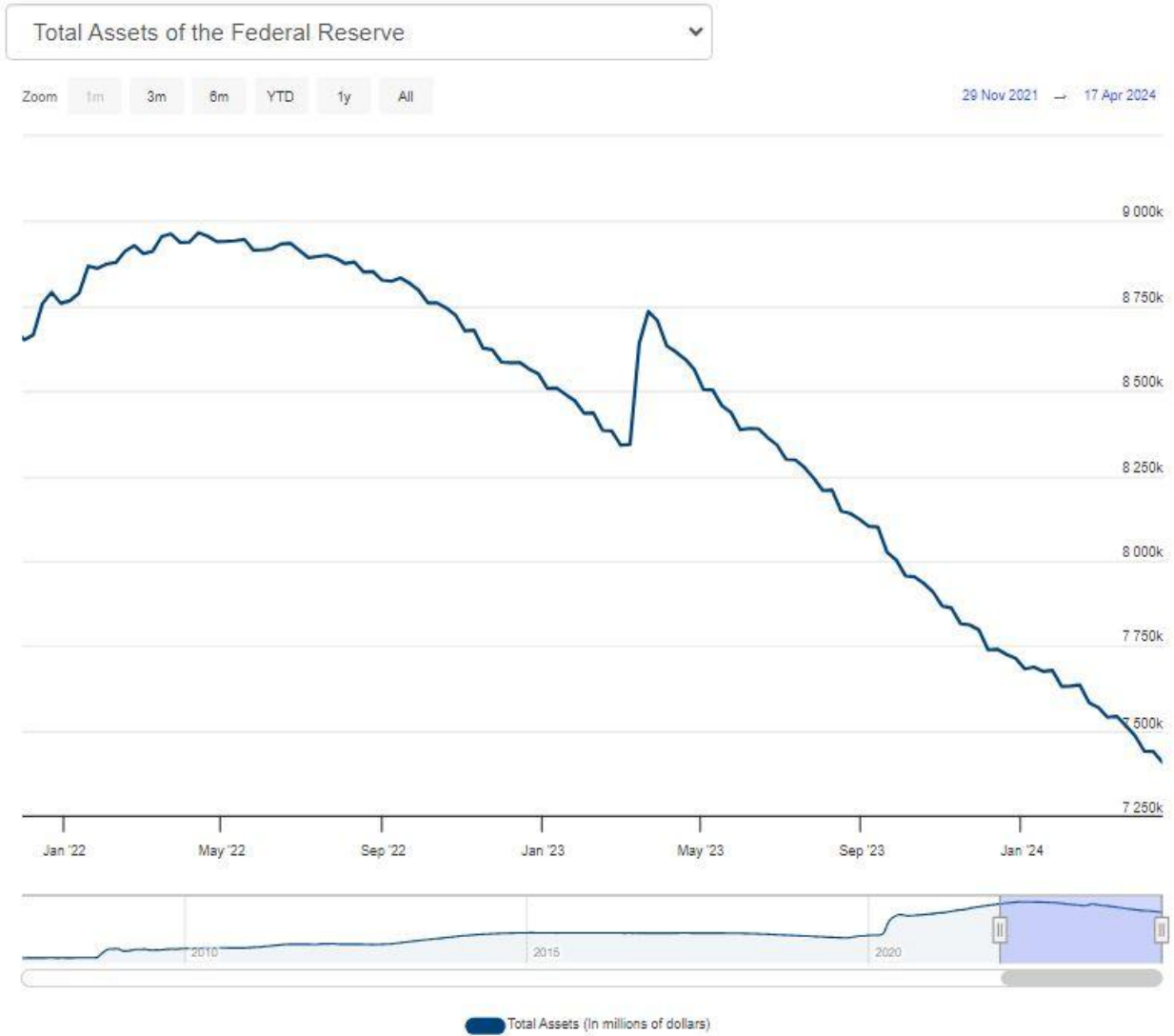
US Dollar Index daily chart as of Apr 19, 2024 - The US Dollar Index continued higher on Monday and Tuesday then pulled back on Wednesday, bounced and consolidated Thursday and Friday near the middle of this week's range.



US 10 year Treasury daily chart as of Apr 19, 2024 - The 10 year Treasuries continued to sell lower Monday and Tuesday then saw a small bounce Wednesday before consolidating Thursday. Friday saw a brief overnight spike due to the Missile attack that soon returned to nearly the prior day's close.

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
04/01/2024	5.49	5.47	5.44	5.41	5.36	5.06	4.72	4.51	4.34	4.33	4.33	4.58	4.47
04/02/2024	5.49	5.45	5.42	5.40	5.34	5.05	4.70	4.51	4.35	4.37	4.36	4.61	4.51
04/03/2024	5.47	5.44	5.42	5.40	5.33	5.03	4.68	4.48	4.34	4.36	4.36	4.61	4.51
04/04/2024	5.47	5.49	5.41	5.40	5.32	5.00	4.65	4.46	4.30	4.31	4.31	4.57	4.47
04/05/2024	5.47	5.50	5.43	5.41	5.34	5.05	4.73	4.54	4.38	4.39	4.39	4.65	4.54
04/08/2024	5.48	5.49	5.43	5.41	5.35	5.07	4.78	4.60	4.43	4.43	4.42	4.65	4.55
04/09/2024	5.48	5.49	5.43	5.41	5.34	5.03	4.74	4.52	4.37	4.38	4.36	4.60	4.50
04/10/2024	5.49	5.50	5.45	5.44	5.40	5.19	4.97	4.77	4.61	4.59	4.55	4.76	4.64
04/11/2024	5.48	5.51	5.45	5.44	5.38	5.17	4.93	4.77	4.61	4.60	4.56	4.77	4.65
04/12/2024	5.48	5.50	5.45	5.42	5.36	5.13	4.88	4.70	4.54	4.53	4.50	4.73	4.61
04/15/2024	5.49	5.51	5.45	5.44	5.38	5.16	4.93	4.78	4.65	4.65	4.63	4.85	4.74
04/16/2024	5.49	5.51	5.45	5.44	5.39	5.18	4.97	4.83	4.69	4.69	4.67	4.88	4.77
04/17/2024	5.49	5.49	5.45	5.44	5.38	5.16	4.93	4.77	4.62	4.61	4.59	4.81	4.71
04/18/2024	5.49	5.52	5.46	5.44	5.39	5.18	4.98	4.83	4.68	4.67	4.64	4.85	4.74
04/19/2024	5.49	5.51	5.45	5.44	5.39	5.17	4.97	4.81	4.66	4.65	4.62	4.83	4.72

US Yield Rates daily table as of Apr 19, 2024 - Yield rates only oscillated in a narrow range this week with little overall change in short, mid and long term yields.



FOMC Weekly Balance Sheet chart as of Apr 17, 2024 - The Fed decreased its balance sheet this week by \$32.670 Billion to a new Total Assets of \$7.405506 Trillion.

Next we will look at a few key Sectors.



Dow Transportation Index daily chart as of Apr 19, 2024 - Last week the Transports crossed below all 3 of its key daily SMAs. This week we see the decline continue with lower lows and lower closes on Monday, Tuesday and Wednesday with a lower close also on Thursday. Friday saw a small bounce to end the week down -2.67% and still below all 3 of its key daily SMAs.



XLE daily chart as of Apr 19, 2024 - The Energy sector peaked last Friday and ended last week with a big bearish engulfing day last Friday. This week we see the decline continue with lower lows and lower closes on Monday, Tuesday and Wednesday. Thursday saw a lower close without a lower low. Friday saw a bounce and test of its 20 day SMA as Resistance to end the week down -1.21%.



XLF daily chart as of Apr 19, 2024 - The Financial sector crossed below its 50 day SMA late last week. On Monday of this week we saw a failed rally above the 50 day SMA that failed and closed lower on the day. Tuesday saw a lower low and lower Close. Wednesday saw a second test of support with a slightly higher close. Thursday and Friday saw higher closes that could not rally above the 50 day SMA, ending the week up +0.80% but still below 2 of its 3 key daily SMAs.



QQQ weekly chart as of Apr 19, 2024 - The Nasdaq-100 ETF saw the largest declining week this week in 2 years, crossing below its 20 week SMA.



QQQ daily chart as of Apr 19, 2024 - The QQQ crossed below its 50 day SMA on Monday and delivered lower lows every day this week and lower closes every day but on Tuesday. Friday broke below the 100 day SMA (grey) and ended the week down -5.39%. Note the huge volume on Friday, expiration day.



SOXX daily chart as of Apr 19, 2024 - The Semiconductor sector crossed below its 50 day SMA on Monday and delivered lower lows and lower closes every day this week except on Tuesday where we saw a pause. Friday crossed below its 100 day SMA to end the week down -9.02%. Note the very strong volume the last 3 days this week.



XLC daily chart as of Apr 19, 2024 - The Communication Services sector saw the decline continue Monday, crossing below its 20 day SMA and nearly closing on its 50 day SMA. Tuesday gapped below its 50 day SMA with a lower low and lower close. Wednesday saw another lower low and lower close. Thursday briefly gapped up to its 50 day SMA. Friday saw a strong decline back below its 50 day SMA to lower lows and a lower close, down -2.29% for this week.

<i>INDEXes</i>	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending	Week Ending
<i>SECTORs</i>	3/8/2024	3/15/2024	3/22/2024	3/28/2024	4/5/2024	4/12/2024	4/19/2024
\$SPX	-0.26%	-0.13%	2.29%	0.39%	-0.95%	-1.56%	-3.05%
\$INDU	-0.93%	-0.02%	1.97%	0.84%	-2.27%	-2.37%	0.01%
\$COMPQ	-1.17%	-0.70%	2.85%	-0.30%	-0.80%	-0.45%	-5.52%
\$NDX	-1.55%	-1.17%	2.98%	-0.46%	-0.80%	-0.58%	-5.36%
\$RUT	0.30%	-2.08%	1.60%	2.54%	-2.87%	-2.92%	-2.77%
QQQ	-1.48%	-1.16%	3.01%	-0.53%	-0.80%	-0.50%	-5.39%
\$TRAN	-0.72%	-1.40%	3.31%	1.25%	-1.80%	-2.65%	-2.67%
XLE	1.18%	3.84%	1.73%	2.18%	3.89%	-1.99%	-1.21%
XLF	0.82%	0.42%	1.93%	1.69%	-1.31%	-3.63%	0.80%
XLK	-1.62%	-0.83%	2.25%	-0.78%	-0.87%	-0.50%	-6.27%
SOXX	0.67%	-4.11%	3.16%	0.21%	-1.90%	-1.61%	-9.02%
XLV	0.06%	-0.73%	0.42%	1.57%	-3.05%	-3.01%	0.03%
XLY	-2.55%	-1.25%	2.85%	0.64%	-2.75%	-0.97%	-4.15%
XRT	-1.82%	-0.01%	2.35%	2.28%	-5.47%	-3.74%	-0.99%
XLI	0.64%	-0.21%	2.91%	0.60%	-0.23%	-2.20%	-1.98%
XLU	3.29%	-0.45%	1.46%	2.80%	-0.75%	-1.47%	1.92%
XME	2.09%	-3.50%	2.70%	4.04%	2.89%	-1.00%	-0.81%
XLP	0.94%	0.49%	0.88%	0.95%	-2.66%	-1.28%	1.44%
XLB	1.58%	1.62%	0.99%	1.66%	-0.13%	-3.07%	-1.07%
XLC	-0.54%	-0.38%	3.47%	-0.20%	1.05%	-1.44%	-2.29%
XHB	0.35%	0.41%	4.97%	1.22%	-2.69%	-4.01%	-3.91%

Weekly Percent Change US Indexes and Sectors table as of Apr 19, 2024 - Note the strongest decline this week was seen in the Nasdaq Composite. Also note that the decline this week were all much stronger than the declines last week with the exception of the Dow Industrials that closed this week with a tiny gain and the Russell 2000 that saw less of a loss this week than last week. This week saw the 3rd week in a row for declines in most of the major Indexes and this week was the strongest decline.

The strongest sectors this week were: XLU, XLP, XLF and XLV that all had gains this week. The XLU and XLP are the typical 'flight to safety' sectors when markets sell off.

The weakest sector this week was the SOXX by a large margin, down -9.02%. Other weak sectors included: XLK, QQQ, XLY and XHB that were all down by more than -3.9%. There is some overlap of the components within the SOXX, XLK and QQQ so keep that in mind as you dig deeper to find the weakest of the weak.

On a daily basis, we saw the SOXX as the weakest sector on Wednesday, Thursday and Friday this week and the strongest on Tuesday. Leadership can work both ways.

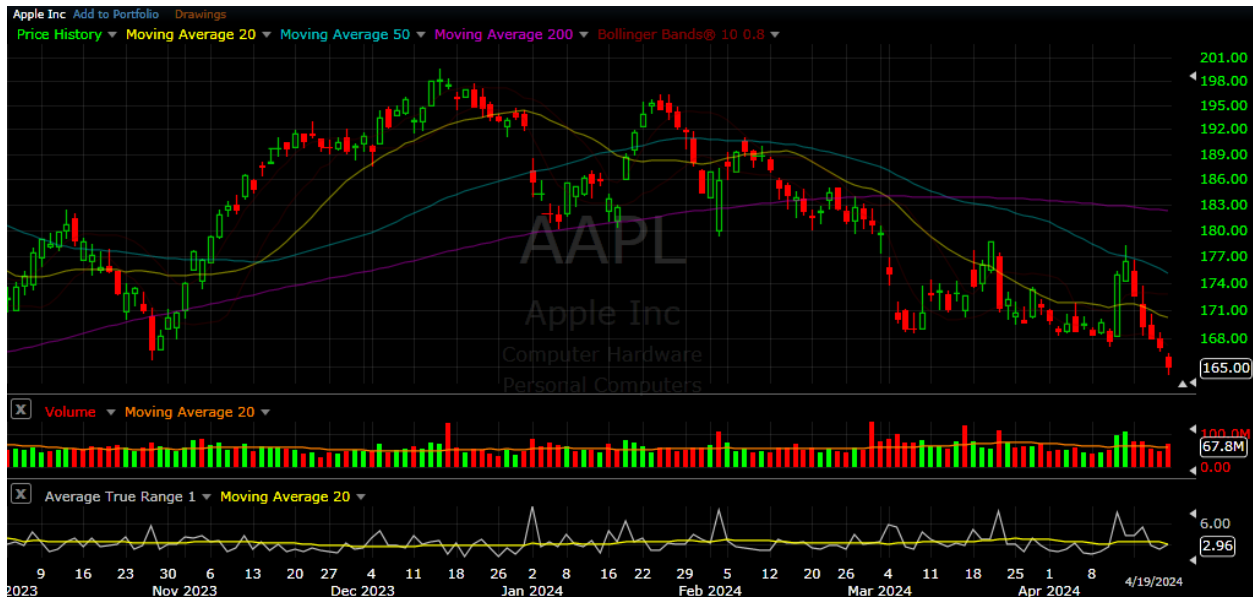
	Mon	Tue	Wed	Thur	Fri	Mon	Tue	Wed	Thur	Fri
INDEXes	End of Day	End of Day	End of Day	End of Day	End of Day	End of Day	End of Day	End of Day	End of Day	End of Day
SECTORS	04/08/24	04/09/24	04/10/24	04/11/24	04/12/24	04/15/24	04/16/24	04/17/24	04/18/24	04/19/24
\$SPX	-0.04%	0.14%	-0.95%	0.74%	-1.46%	-1.20%	-0.21%	-0.58%	-0.22%	-0.88%
\$INDU	-0.03%	-0.02%	-1.09%	-0.01%	-1.24%	-0.65%	0.17%	-0.12%	0.06%	0.56%
\$COMPQ	0.03%	0.32%	-0.84%	1.68%	-1.62%	-1.79%	-0.12%	-1.15%	-0.52%	-2.05%
\$RUT	0.50%	0.34%	-2.52%	0.70%	-1.93%	-1.37%	-0.42%	-0.99%	-0.26%	0.24%
QQQ	0.03%	0.37%	-0.87%	1.60%	-1.59%	-1.65%	0.01%	-1.22%	-0.57%	-2.07%
\$TRAN	0.09%	0.23%	-2.29%	0.93%	-1.59%	-0.71%	-0.92%	-1.70%	-0.26%	0.92%

Daily Percent Change US Indexes table as of Apr 19, 2024 - Note how the Dow Industrials led on four days this week, all but on Friday when the Dow Transports led. Weakness rotated from the Nasdaq Composite on Monday to the Transports on Tuesday and Wednesday then the QQQ on Thursday and Friday.

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



MSFT daily chart as of Apr 19, 2024 - Microsoft saw a large decline on Monday, crossing below its 20 day and 50 day SMAs. Tuesday saw a narrow range pause near the prior day's lows. Wednesday saw a failed rally above the 50 day SMA with a lower close that continued lower on Thursday and Friday to end the week down -5.40%. Microsoft reports Earnings next week on Thursday April 25th.



AAPL daily chart as of Apr 19, 2024 - Apple saw a big failed rally last Thursday and Friday that could not close above the 50 day SMA. This week we see all of those gains given back plus more with a lower low and lower close every day this week, crossing below its 20 day SMA on Tuesday and ending the week down -6.54% with new 11 month lows. Apple reports Earnings on May 2nd.



NVDA daily chart as of Apr 19, 2024 - Nvidia confirmed its down trend on March 26th with the failed new high and lower low that day. Last week we saw a failed rally on Wednesday and Thursday that declined last Friday. That decline continued on Monday this week, paused on Tuesday then resumed with lower lows on Wednesday, Thursday and Friday breaking below its 50 day SMA and ending the week down - 13.59%. Friday saw the largest decline this week of -10%. Once the 50 day SMA support was broken, look out below. Note the volume on Friday.



AMZN daily chart as of Apr 19, 2024 - Amazon delivered a new all time high last week on Thursday then saw a small pullback the next day. This week we see lower lows and lower closes every day this week, crossing below its 20 day SMA on Wednesday and below its 50 day SMA on Friday, ending the week down -6.18%. Apple reports Earnings on April 30th.



GOOGL daily chart as of Apr 19, 2024 - Alphabet delivered a new all time high last Friday and then closed lower that day. This week we see lower lows on Monday and Tuesday followed by a small bounce Wednesday and pause Thursday. Friday saw selling resume to deliver a new low for this week with a break below its 20 day SMA and a bounce to close 5 cents back above its 50 day SMA, ending the week down -2.31%. Alphabet reports Earnings next week on April 25th.



META daily chart as of Apr 19, 2024 - Meta saw a brief rally 2 weeks ago then drifted lower last week. This week we see a decline on Monday below its 20 day SMA, a pause on Tuesday then a decline on Wednesday that broke below its 50 day SMA but did not close below. Thursday saw a failed rally that was followed with strong selling on Friday below its 50 day SMA, ending the week down -6.02%. Meta reports Earnings next week on Wednesday April 24th.



TSLA daily chart as of Apr 19, 2024 - Tesla saw a pause last week then the decline resumed this week with strong selling on Monday and lower lows every day this week except on Wednesday and lower closes every day this week, ending the week down -14.03%. Tesla is now below all 3 of its key daily SMAs. Tesla reports Earnings next week on Tuesday.

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

Stock	% Change Last week	% Change This week
QQQ	-0.50%	-5.39%
MSFT	-0.85%	-5.40%
AAPL	4.11%	-6.54%
NVDA	0.20%	-13.59%
AMZN	0.57%	-6.18%
GOOGL	3.43%	-2.31%
META	-2.93%	-6.02%
TSLA	3.73%	-14.03%

In the table above the green highlighted values are where the gains were greater than were the QQQ's gains for that week (or less negative).

Note that all but one of the above 7 stocks saw larger losses this week than the QQQ. The one exception was Alphabet that saw a much smaller loss this week than the QQQ. Note the biggest losses this week were seen with TSLA and NVDA, and both came down from gains last week. Needless to say, bearish trades this week did very well, especially with TSLA and NVDA.



JPM daily chart as of Apr 19, 2024 - JP Morgan gapped down last week after reporting Earnings. The decline continued lower this week on Monday, Tuesday and Wednesday. Thursday saw a small bounce that continued higher Friday to end this week up +1.65%.



MS daily chart as of Apr 19, 2024 - Morgan Stanley saw a sharp decline last week to test its 200 day SMA on last Thursday and Friday. This week we saw a bounce Monday followed by a gap up Tuesday after reporting Earnings above its 50 day SMA. Wednesday and Thursday saw a pause just below its 20 day SMA. Friday saw a brief attempt above the 20 day SMA that failed to close above that SMA, ending the week up +5.19%.



COST daily chart as of Apr 19, 2024 - Costco has oscillated within a range over the past few weeks (\$700 - \$740) as it straddles its 50 day and 20 day SMAs. This week we saw a decline below the 50 day and 20 day SMAs on Monday and continued with lower lows every day this week, ending the week down -2.98%.



AMD daily chart as of Apr 19, 2024 - AMD saw a small decline last week that continued lower this week with lower lows every day except on Tuesday. Friday saw new 3-month lows, ending the week down -10.19%. AMD reports Earnings on April 30th.



MU daily chart as of Apr 19, 2024 - Micron saw a new all time high back on April 4th that was followed by a mild decline last week and a stronger decline this week. Micron saw lower lows every day this week, crossing below its 20 day SMA on Wednesday and ending the week Friday, down -12.86%.



INTC daily chart as of Apr 19, 2024 - Intel has seen strong declines the prior two weeks that continued lower this week after a failed bounce on Monday. Every day that followed saw lower lows and lower closes to end the week down -4.17%.

Note the strong declines in the Semiconductors this week as seen with the NVDA, AMD, MU and INTC charts above.



NFLX daily chart as of Apr 19, 2024 - Netflix has straddled its 20 day SMA the prior 2 weeks and broke below that SMA on Monday this week, remaining below the 20 day SMA and above the 50 day SMA until it reported Earnings on Thursday after the close. Friday saw a large gap down and continued selling that closed the day an extra \$5 below the Options Market's pricing of risk at \$560. NFLX ended this week down -10.88%.



CAT daily chart as of Apr 19, 2024 - Caterpillar delivered a new all time high last week on Monday then drifted lower last week. This week the decline continued, crossing below its 20 day SMA this Monday and delivering lower lows every day this week except on Thursday. CAT ended this week down -2.65%. CAT reports Earnings next week on Thursday before the open.



BA daily chart as of Apr 19, 2024 - Boeing has been in a decline nearly all of this year. BA continued lower on Monday this week where it found some support and paused just above that support the rest of this week, ending this week up +0.16%.

By looking at the size of this week's 'True Range' we can see that the decline this week in the S&P and Nasdaq were significant, the largest declines seen in 1 (or 2) years respectively. The Dual ATR study I created for Think-or-Swim makes it easy to see these exceptionally strong days. The ThinkScript code for this custom study is available for free at my web site (TradeObjectives.com under the Resources, Files, ToS ThinkScript page). I like this study since it is easy to see when markets are quiet, or make large moves by comparing the Daily True Range to the 20-day ATR. It is also an easy reference to answer the question of 'how big of a move can this stock make in a day'.

The Decline continued this week for a 3rd week with even stronger momentum than seen in the prior two weeks. What is going to happen next week? I do not know. At this point we might see some selling continue next week, or maybe not. We do not try to predict the future but we prepare for it by imaging multiple scenarios (bearish, bullish or neutral) and imaging what we would do 'IF'. This way we are less likely to be surprised and more likely to do the 'right thing' when the market reveals itself next week.

I hope this helps.

Trade Smart,

CJ