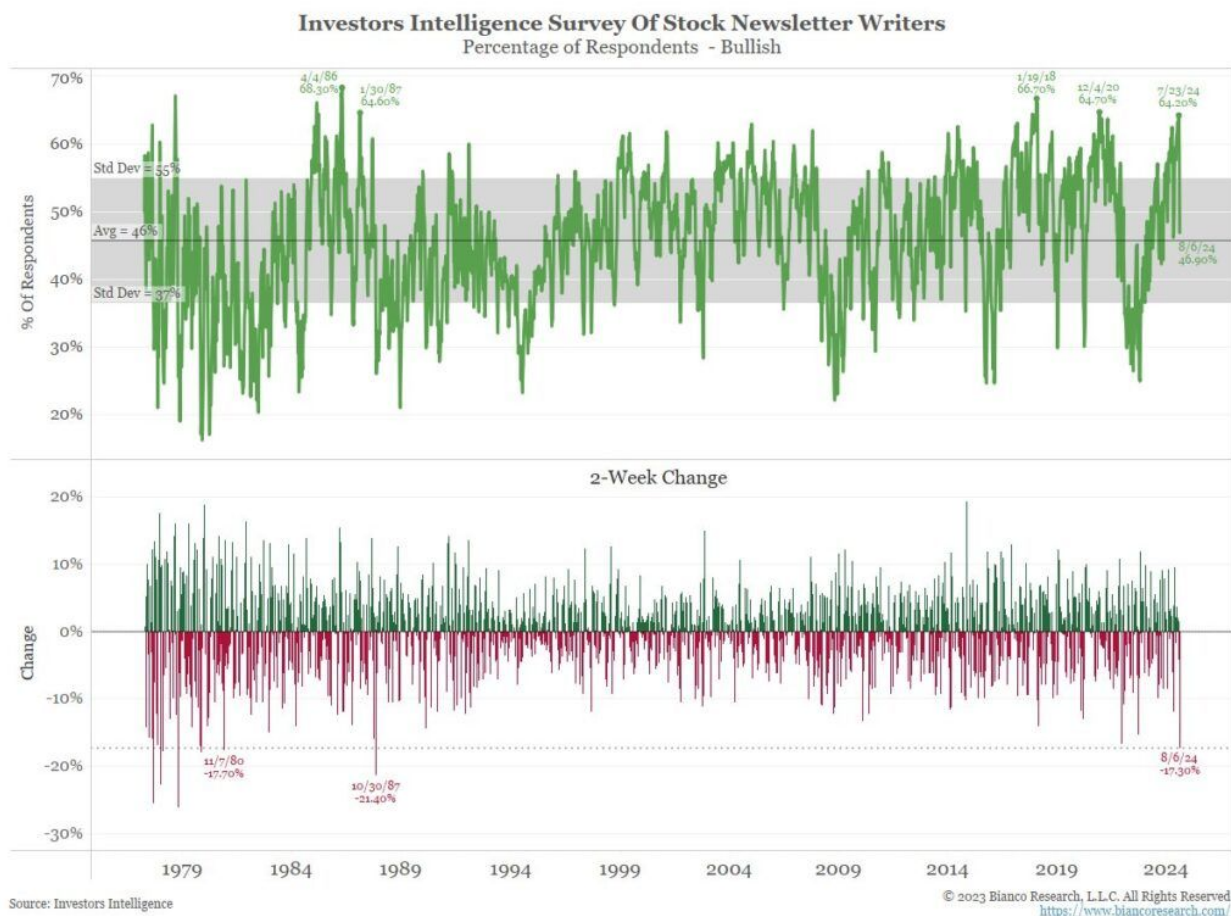


The graph below from Bianco Research shows a stunning change in sentiment among stock market newsletter writers. The top graph shows that on July 23rd, newsletter writers were extremely bullish. In fact, such a high level of bullish optimism has only been recorded twice since 1990. The Investor's Intelligence survey of newsletter writers fell to its long-term average in only two weeks. Accordingly, such a decline in such a short period is one for the books.

The second graph charts two-week changes in newsletter writers' bullishness. The recent decline was the sharpest since the crash of 1987. That is stunning, considering that on Black Monday in 1987, the S&P 500 had its largest one-day decline in history, falling over 20%. The recent decline was 8%, but over two weeks. Jim Bianco summarizes newsletter writers' sentiment over the last couple of weeks as follows:

Did the world end in the last 14 days and I did not get the memo? This metric suggests that investment professionals who get paid to write newsletters freaked about the stock market over the last 14 days to a degree not seen in the last 37 years.



What To Watch Today

Earnings

Time	Symbol	Company Name	Market Cap ▼	Fiscal Quarter Ending	Consensus EPS* Forecast	# Of Ests	Last Year's Report Date	Last Year's EPS*
☀	HD	Home Depot, Inc. (The)	\$345,418,885,551	Jul/2024	\$4.55	13	8/15/2023	\$4.65
☺	NU	Nu Holdings Ltd.	\$56,666,992,761	Jun/2024	\$0.10	2	8/15/2023	\$0.05
☀	SE	Sea Limited	\$35,988,144,838	Jun/2024	\$0.28	3	8/15/2023	\$0.54
☺	FLUT	Flutter Entertainment plc	\$34,017,990,718	Jun/2024	\$1.07	1	N/A	N/A
☀	ONON	On Holding AG	\$24,581,644,414	Jun/2024	\$0.14	5	8/15/2023	\$0.01
☀	TME	Tencent Music Entertainment Group	\$23,252,845,125	Jun/2024	\$0.16	2	8/15/2023	\$0.12
☺	FNV	Franco-Nevada Corporation	\$23,015,358,847	Jun/2024	\$0.78	4	8/08/2023	\$0.95
☹	KB	KB Financial Group Inc	\$22,912,948,050	Jun/2024	\$2.70	1	7/25/2023	\$2.81
☺	EC	Ecopetrol S.A.	\$21,257,331,159	Jun/2024	\$0.59	2	8/08/2023	\$0.45
☹	LI	Li Auto Inc.	\$20,659,483,555	Jun/2024		N/A	8/08/2023	\$0.30
☀	JHX	James Hardie Industries plc.	\$14,228,135,995	Jun/2024		N/A	8/07/2023	\$0.39
☀	SRAD	Sportradar Group AG	\$12,459,521,529	Jun/2024	\$0.03	5	8/09/2023	N/A
☺	XP	XP Inc.	\$9,588,655,886	Jun/2024	\$0.35	1	8/14/2023	\$0.37
☹	PCVX	Vaxcyte, Inc.	\$8,011,677,644	Jun/2024	(\$1.06)	4	8/08/2023	(\$0.70)
☀	TLN	Talen Energy Corporation	\$6,074,501,916	Jun/2024	(\$1.13)	1	N/A	N/A
☀	CIG	Comp En De Mn Cemig ADS	\$5,380,148,347	Jun/2024		N/A	9/12/2023	\$0.09
☀	LOAR	Loar Holdings Inc.	\$5,364,273,545	Jun/2024	\$0.10	1	N/A	N/A
☀	MSGS	Madison Square Garden Sports Corp.	\$4,634,254,284	Jun/2024	\$0.33	3	8/17/2023	(\$0.39)
☹	RNA	Avidity Biosciences, Inc.	\$4,004,310,638	Jun/2024	(\$0.76)	4	8/08/2023	(\$0.66)

Economy

Time	Event	Impact	Actual	Dev	Consensus	Previous
TUESDAY, AUGUST 13						
10:00	🇺🇸 USD NFIB Business Optimism Index (Jul)	🟡	-	-	91.7	91.5
12:30	🇺🇸 USD Producer Price Index (MoM) (Jul)	🟠	-	-	0.1%	0.2%
12:30	🇺🇸 USD Producer Price Index (YoY) (Jul)	🟠	-	-	2.3%	2.6%
12:30	🇺🇸 USD Producer Price Index ex Food & Energy (MoM) (Jul)	🟠	-	-	0.2%	0.4%
12:30	🇺🇸 USD Producer Price Index ex Food & Energy (YoY) (Jul)	🔴	-	-	2.7%	3%
12:55	🇺🇸 USD Redbook Index (YoY) (Aug 9)	🟡	-	-	-	5.1%
17:15	🇺🇸 USD Fed's Bostic speech	🟠			SPEECH	

Market Trading Update

As [noted yesterday](#), patience pays in a volatile market. Often, during sharp market corrections, our initial reaction is to "do something." However, as is often the case, remaining calm tends to be more prudent. Stocks have essentially wiped out all the losses from last week's market meltdown, and traders await key inflation data that will help shape the outlook for the Federal Reserve's next steps.

We continue to suggest using near-term rallies to reduce risk and rebalance portfolios. This week's economic data will very likely instill some volatility into the markets between PPI, CPI, and Retail Sales. Don't sleep on this morning's NFIB report, which is highly correlated to the annual ROC for the Russell 2000.

The most likely path for equities remains a retest of recent lows at some point. However, there is no guarantee of that, which is why we continue to navigate markets from one week to the next. For now, markets remain oversold enough to elicit a further rally, and the MACD has turned towards a "buy signal." However, overall market action remains weak, so we suggest caution. For now, do not

try to anticipate what the market will do next. Just respond tactically to the changes as they come.



Don't Be Fooled - It's Not Over Yet, Says TPA

TPA is a valuable add-on service available to SimpleVisor subscribers. It uses TPA's unique brand of relative rotation analysis to help subscribers stay abreast of market and stock rotations.

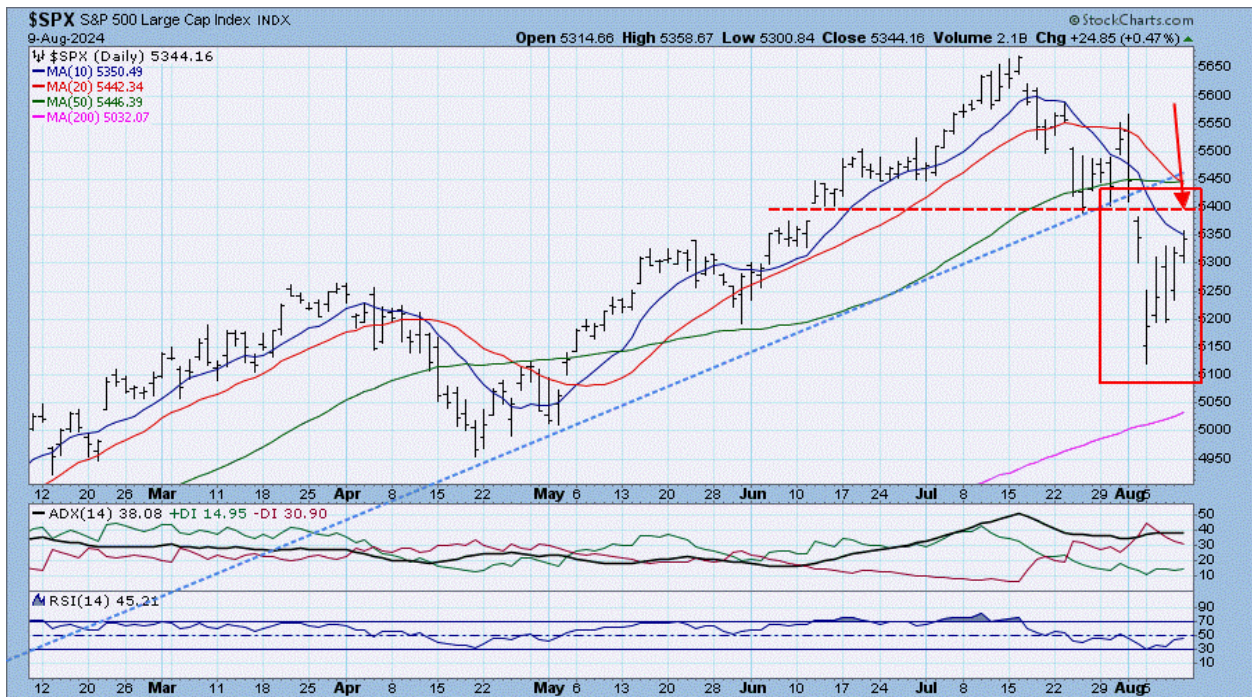
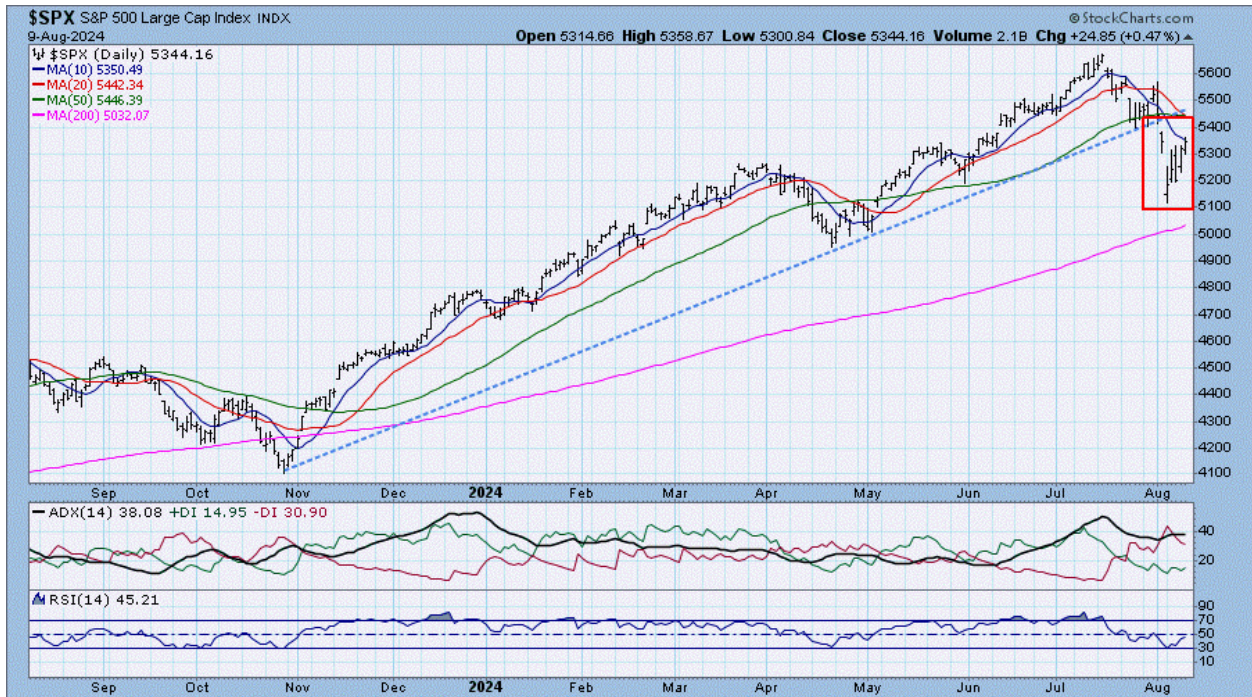
Their latest analysis is worth heeding. TPA warns that recent market trends are not over. To wit:

The 4 charts below show that:

1. *The decline of stocks is not over*
 2. *The decline in rates is not over*
- *Chart 1: The S&P500 broke down through its 9-month uptrend line. It did this on a huge gap-down day, confirming the move.*
 - *Chart 2: The recent rally will run into resistance at the break at about 5370.*
 - *Chart 3: The downtrend in the 10-year yield since late April led to a breakdown below support at 4.20%*
 - *Chart 4: Long-term support for the 10-year is far below Friday's close of 3.93%; all the way down at 3.4%.*

Stocks down and rates down mean that the former stock market leaders will stall, and new leaders will emerge.

TPA subscribers have access to all of TPA's research, as well as its trades and portfolios.





SimpleVisor Sector Analysis- Technology

Believe it or not, the markets closed the week relatively flat despite the rollercoaster ride. Check out the Tweet of the Day below for a summary of last week's activity. Moreover, the technology sector and the largest cap stocks, most negatively affected on Monday, finished relatively well for the week. The first table below, courtesy of [SimpleVisor](#), shows the relative performance of each sector versus the S&P 500 for the last five days and the twenty days before last week. Technology beat the market by about half a percent last week but is still down over 8% versus the S&P 500 over the prior 20 days.

Because our relative sector analysis uses short and mid-term technical gauges, the technology sector remains oversold, as shown in the second graphic. Furthermore, the scatter plot to the right of the relative sector data shows how technology went from very overbought on an absolute and relative basis to decently oversold on both measures.

Factors **Sectors** Custom

SPY Excess Returns Over Time

SPY Excess Return

Lookback Days: **Update**

Symbol Name	5 days		20 days	
	2024-08-02 to 2024-08-09 ↑		2024-07-05 to 2024-08-02 ↑↓	
XLB Materials	-1.66%	6.35%		
XLX Consumer Discretionary	-1.05%	-3.02%		
XLU Utilities	-0.84%	12.19%		
XLV Health Care	-0.60%	8.39%		
XTN Transportation	-0.40%	1.82%		
XLP Consumer Staples	-0.16%	6.35%		
XLRE Real Estate	-0.14%	13.21%		
XLK Technology	0.43%	-8.17%		
XLC Communication Services	0.54%	0.48%		
XLF Financial	0.79%	5.17%		
XLE Energy	1.13%	2.03%		
XLI Industrials	1.25%	5.17%		

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 Performance Analysis Factor Analysis Screener Stock Summary Strategy Builder

Sectors Factors

Sectors Analysis - Absolute and Relative Score (vs SPY)

Symbol Name	Top 10 Holdings	Absolute Score	Relative Score (vs SPY)	Chart
XLU Utilities		0.43	0.49	<input type="checkbox"/>
XLRE Real Estate		0.44	0.36	<input type="checkbox"/>
XLP Consumer Staples		0.49	0.32	<input type="checkbox"/>
XLV Health Care		0.26	0.32	<input type="checkbox"/>
XLE Energy		0.06	0.30	<input type="checkbox"/>
XLC Communication Services		0.11	0.28	<input type="checkbox"/>
XLI Industrials		0.10	0.27	<input type="checkbox"/>
XLF Financial		0.12	0.06	<input type="checkbox"/>
SPY		-0.16	0.00	<input type="checkbox"/>
XLB Materials		-0.07	-0.03	<input type="checkbox"/>
XTN Transportation		-0.44	-0.28	<input type="checkbox"/>
XLK Technology		-0.43	-0.35	<input checked="" type="checkbox"/>
XLX Consumer Discretionary		-0.47	-0.52	<input type="checkbox"/>

How it works

Relative Score (vs SPY) Chart

Tweet of the Day



Michael Lebowitz, CFA ✓

@michaellebowitz



Markets last week were like a roller coaster. They start and end at the same place, but scare and thrill you at all points in between.

	Friday Close (8/2)	Low	Friday Close (8/9)	Max Drawdown	Period Return
S&P 500	5337	5119	5368	-4.08%	0.58%
Nasdaq	18513	18102	18617	-2.22%	0.56%
Russell 2k	2111	1992	2088	-5.64%	-1.09%
Dow Jones	39755	38541	39625	-3.05%	-0.33%
10-Year UST Yield	3.80%	3.66%	3.92%	-0.14%	0.12%
Gold	2486	2403	2469	-3.34%	-0.68%
Bitcoin	62534	49728	60224	-20.48%	-3.69%

All prices based on futures to capture 24 hour trading.

RIA SimpleVisor

?Want to achieve better long-term success in managing your portfolio? Here are our [15-trading rules for managing market risks](#)?

Please [subscribe to the daily commentary](#) to receive these updates every morning before the opening bell.

If you found this blog useful, please send it to someone else, share it on social media, or contact us to set up a meeting.