

STOCKS HIT AN INTERMEDIATE-TERM EXTREME LOW

The TPA Marketscope has identified an intermediate-term extreme for stocks. **The percent of stocks in the Russell 1000 that are trading above their 50DMA hit 13% yesterday.** Since TPA was founded in 2009, 13 years ago, we have found that this signal has marked a low extreme for the market. This signal has been correct on a consistent basis, although not 100% of the time. When the percent of stocks trading above their 50DMA goes below 15%, the market is oversold and there has been a very consistent move higher for the intermediate-term.

Clients should expect stocks to be more positive for the intermediate-term. TPA defines the intermediate-term as 50 trading days or approximately 2.3 months.

