

Inside This Week's Bull Bear Report

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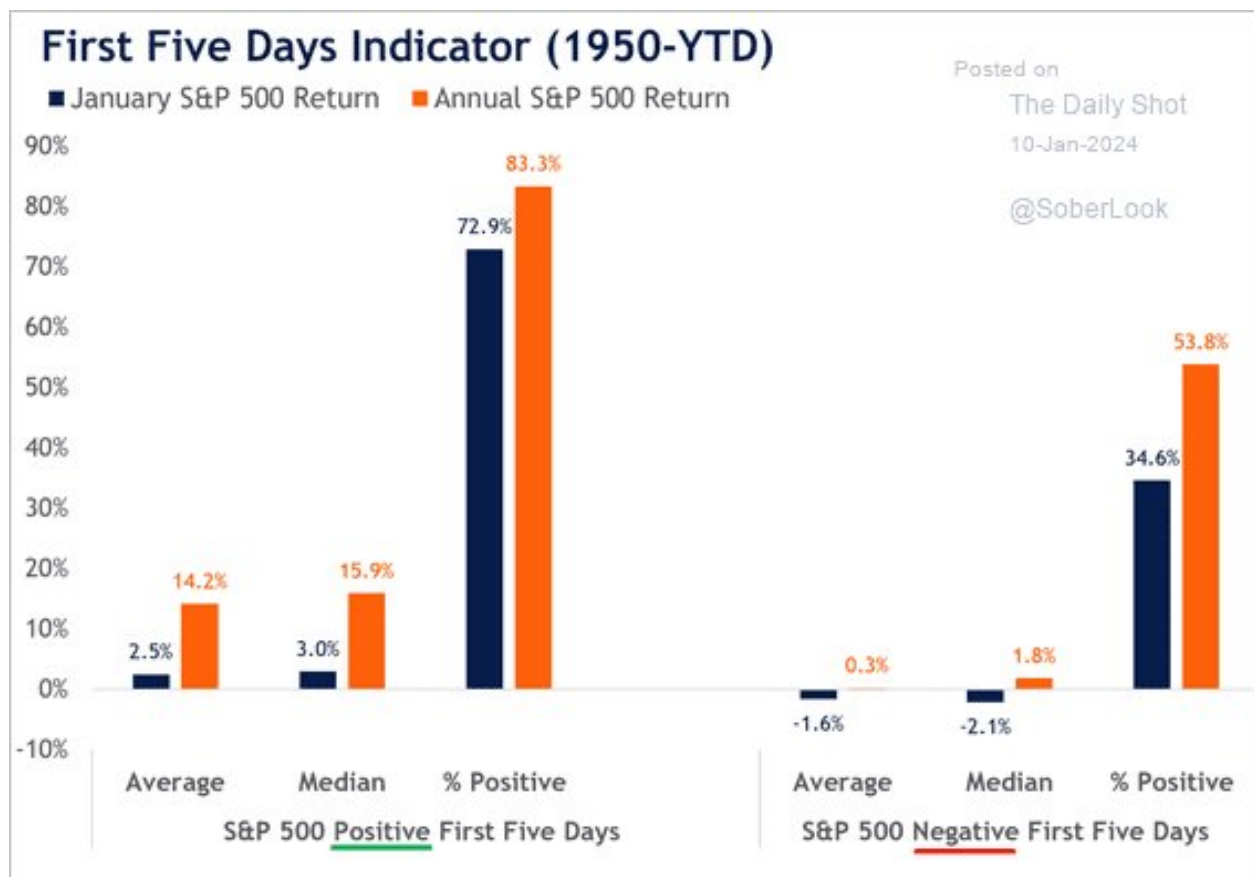
Market Review And Update

[Last week's newsletter](#) discussed how the S&P 500 index failed the Santa Claus Rally. To wit:

"With the Santa Claus Rally a no-show, we will now focus on the return for the first five days and the entire month. The old Wall Street axiom says, 'So goes the first five days of January, so goes the month, so goes the year.' Since 1950, there have been only three occurrences when the Santa Rally failed, and the first five days and the month of January were positive. Two out of three years were up over 20%, and 1994 was flat, at -1.5%. The average gain for those 3-years was 14.8%.

Next week, we will know how the first five days turn out."

Unfortunately, the S&P 500 Index failed that initial test of the New Year by providing a negative return over those first five trading days. As shown in the chart below, the implications of the failure are potentially lower returns for the entire year.



When the S&P 500 index is negative during the first 5 days of the year, it substantially lowers the odds of the year being favorable. Not only do the odds of a positive year decrease, but also the average annual rates of return. However, with that said, while the start of the year has been challenging, we still have a long way to go this year, and many possible outcomes still lie ahead. As such, the markets will focus on the return for January, which, historically, can save the dismal start to the New Year. As Stocktraders Almanac notes:

"Here's what we found going back to 1938. There were only 13 major errors. Using these 13 major errors, the accuracy ratio is 84.9% for the full 86-year period. Including the 9 flat year errors (less than +/- 5%) the ratio is 74.4% - still effective. For the benefit of the skeptics, the accuracy ratio calculated on the performance of the following 11 months is still solid. Including all errors - major and flat years - the ratio is still a decent 67.4%.

Now for the even better news: In the 52 up Januarys there were only 4 major errors for a 92.3% accuracy ratio. These years went on to post 16.2% average full-year gains and 11.6% February-to-December gains."

Monthly S&P Barometers Accuracy Ratio			
Since 1938			
	Calendar Year	11-month	12-month
January	74.4%	67.4%	69.4%
February	64.0%	62.4%	62.4%
March	68.6%	56.5%	51.8%
April	69.8%	63.5%	61.2%
May	61.6%	52.9%	55.3%
June	68.6%	60.0%	56.5%
July	61.6%	56.5%	57.6%
August	61.6%	50.6%	51.8%
September	64.0%	50.6%	50.6%
October	54.7%	45.9%	49.4%
November	62.8%	61.2%	61.2%
December	70.9%	60.0%	56.5%

Nonetheless, the market has remained rangebound since the highs of December. The market remains on a sell-signal while the overbought conditions, as the RSI shows, are slowly being reduced. Notably, the S&P 500 index has held support at the 20-DMA, which keeps the bullish trend intact.



So, with that bit of optimism, let's review the technical backdrop for both the S&P 500 index and Treasury bonds as we kick off the Q4 earnings season.

Investing Summit: *Early Bird Registration Available Now*

January 27th, we are hosting a live event featuring Greg Valliere to discuss investing in the 2024 presidential election. What will a new president mean for the markets, the risks, and where to invest through it all? **Greg will be joined by Lance Roberts, Michael Lebowitz, and Adam Taggart** for morning presentations covering everything you need to know for the New Year.

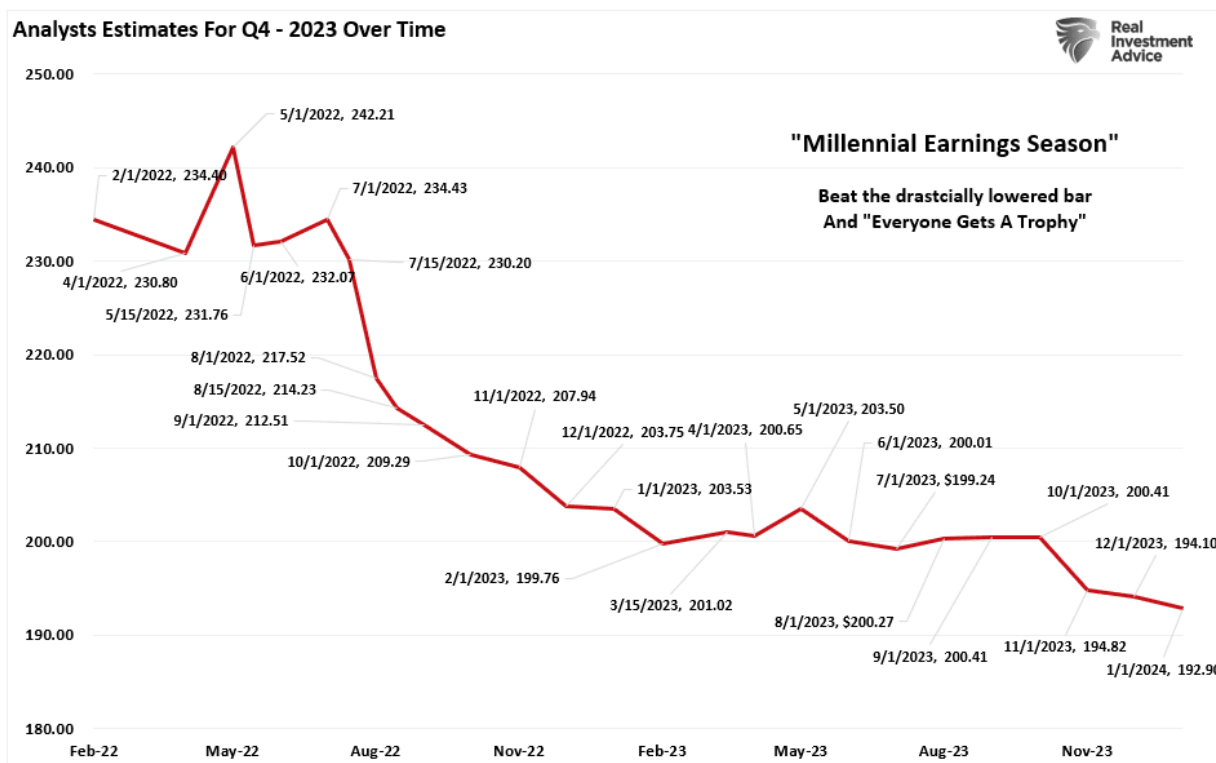
Register now, as there are only 150 seats. The session is a LIVE EVENT, and no recordings will be provided.



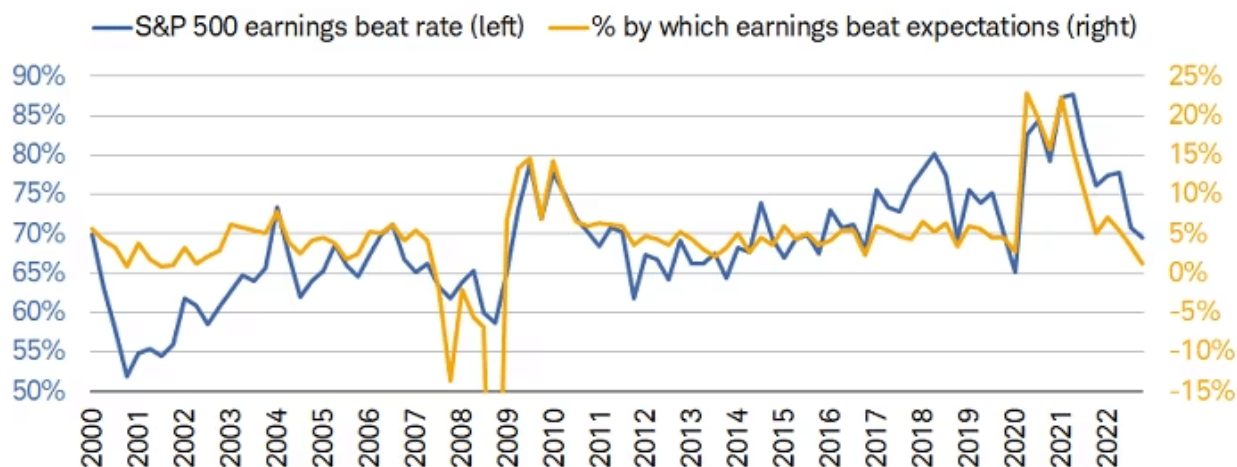
S&P 500 Index Q4 Earnings Season Coming Soon

On Tuesday, we will discuss the beginning of the Q4-2023 earnings season. As is always the case, Wall Street analysts were particularly aggressive in cutting estimates for Q4 during the last two months of the year.

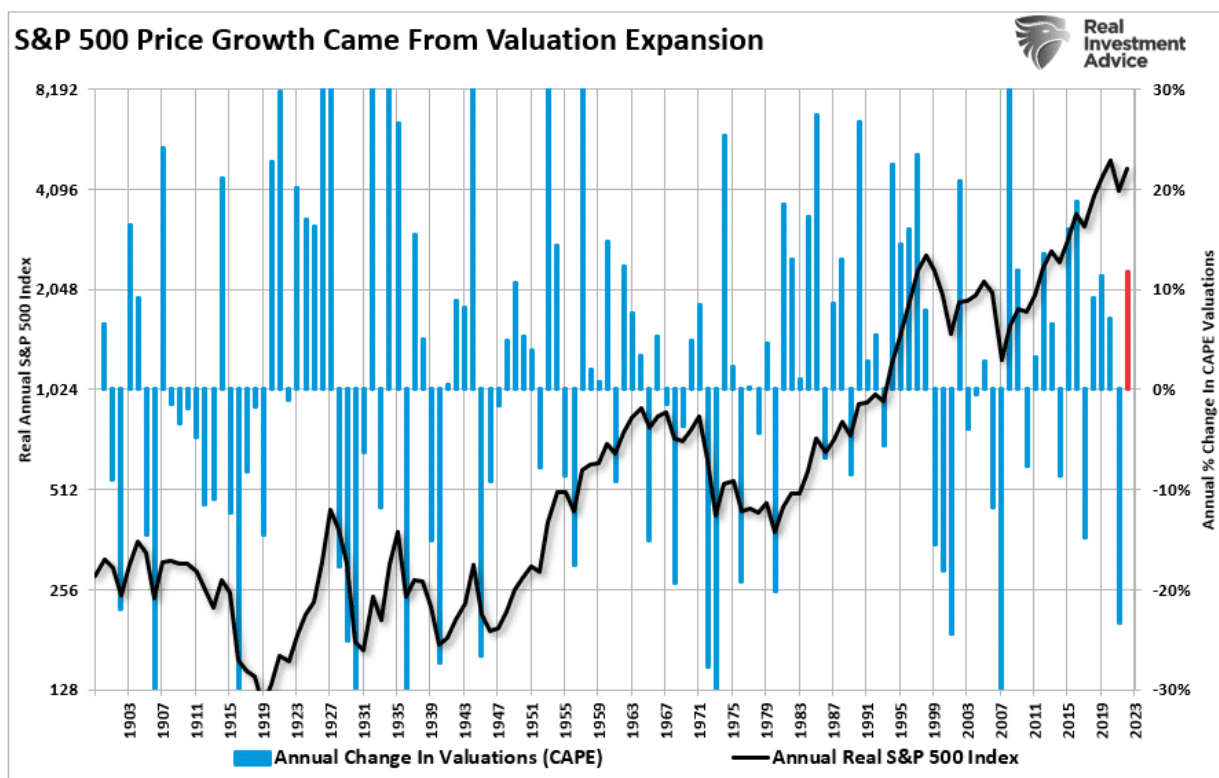
Such is interesting, given the sharp rally in stocks during the last two months of the year. Unsurprisingly, we will see many companies *"beat"* Wall Street estimates. Of course, the high beat rate is always the case due to the sharp downward revisions in analysts' estimates as the reporting period begins. The chart below shows the changes for the Q4 earnings period from when analysts provided their first estimates.



This is why we call it **"Millennial Earnings Season."** Wall Street continuously lowers estimates as the reporting period approaches so **"everyone gets a trophy."** An easy way to see this is the number of companies beating estimates each quarter, regardless of economic and financial conditions. Since 2000, roughly 70% of companies regularly beat estimates by 5%. Again, that number would be lower if analysts were held to their original estimates.



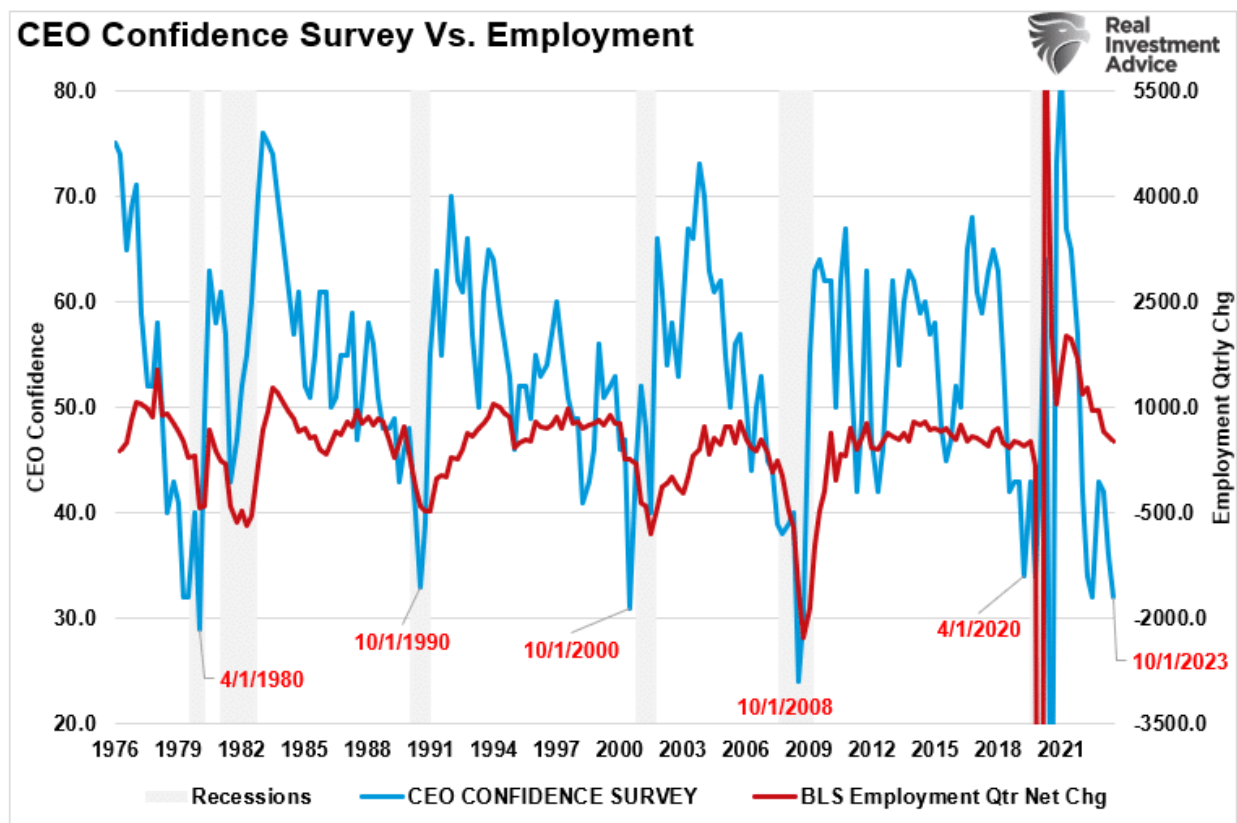
However, such was the case all last year as earnings were regularly lowered to generate a high beat rate. Even with more dramatic cuts to those estimates, the beat rate fell from 85% in 2020 to 65% last year. At the same time, valuations surged as the market's dramatic price increases outstripped more modest earnings growth.



In other words, investors were willing to pay more for less earnings growth in anticipation of it being made up in the future. However, with economic growth slowing, as seen in much of the economic data as of late, as shown by the Citi Surprise index, those hopes may be disappointed.



Nonetheless, in the short term, the consistent drumbeat of "*earnings beats*" by companies will help lift the spirits of the markets. While many companies will beat their lowered estimates, investors will focus on the guidance for the rest of the year. As noted in Friday's blog, CEO confidence is not exactly confident.

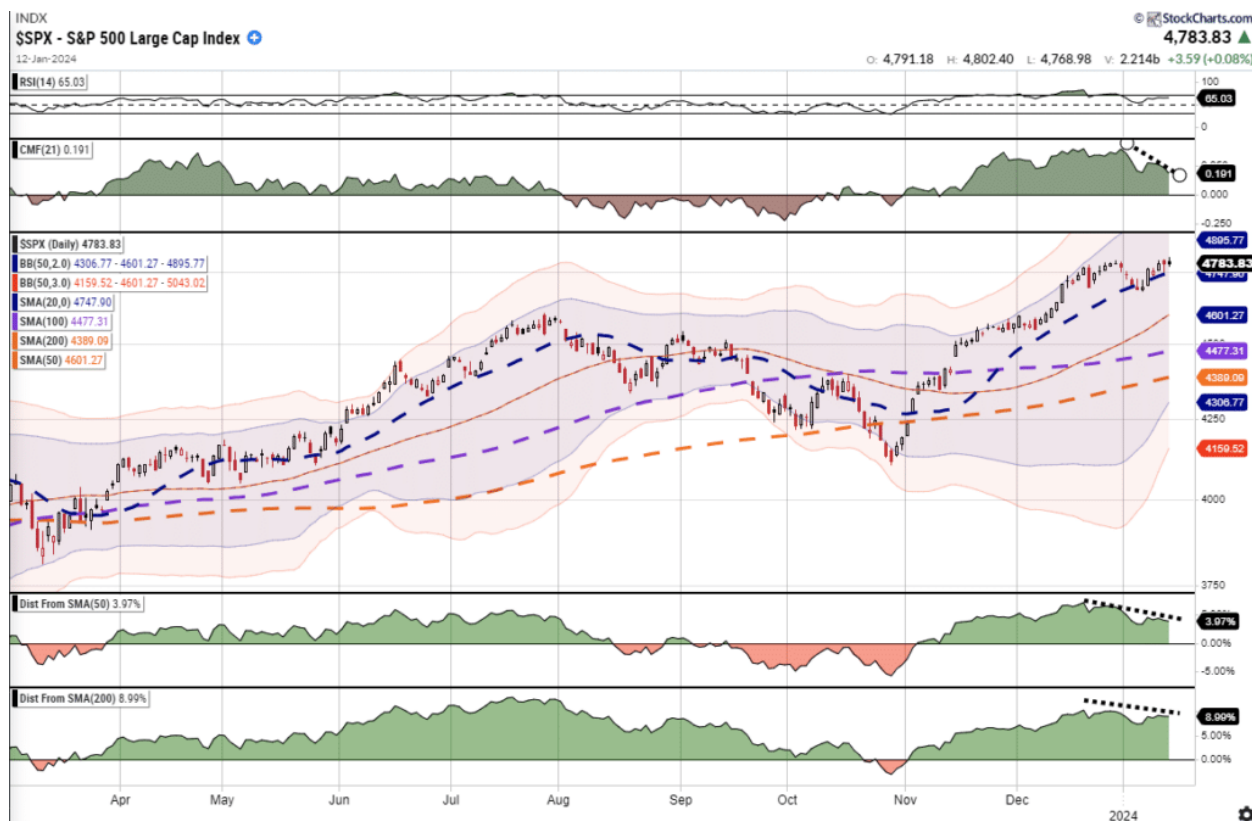


So, after a rough start to the year, what are the technicals telling us now?

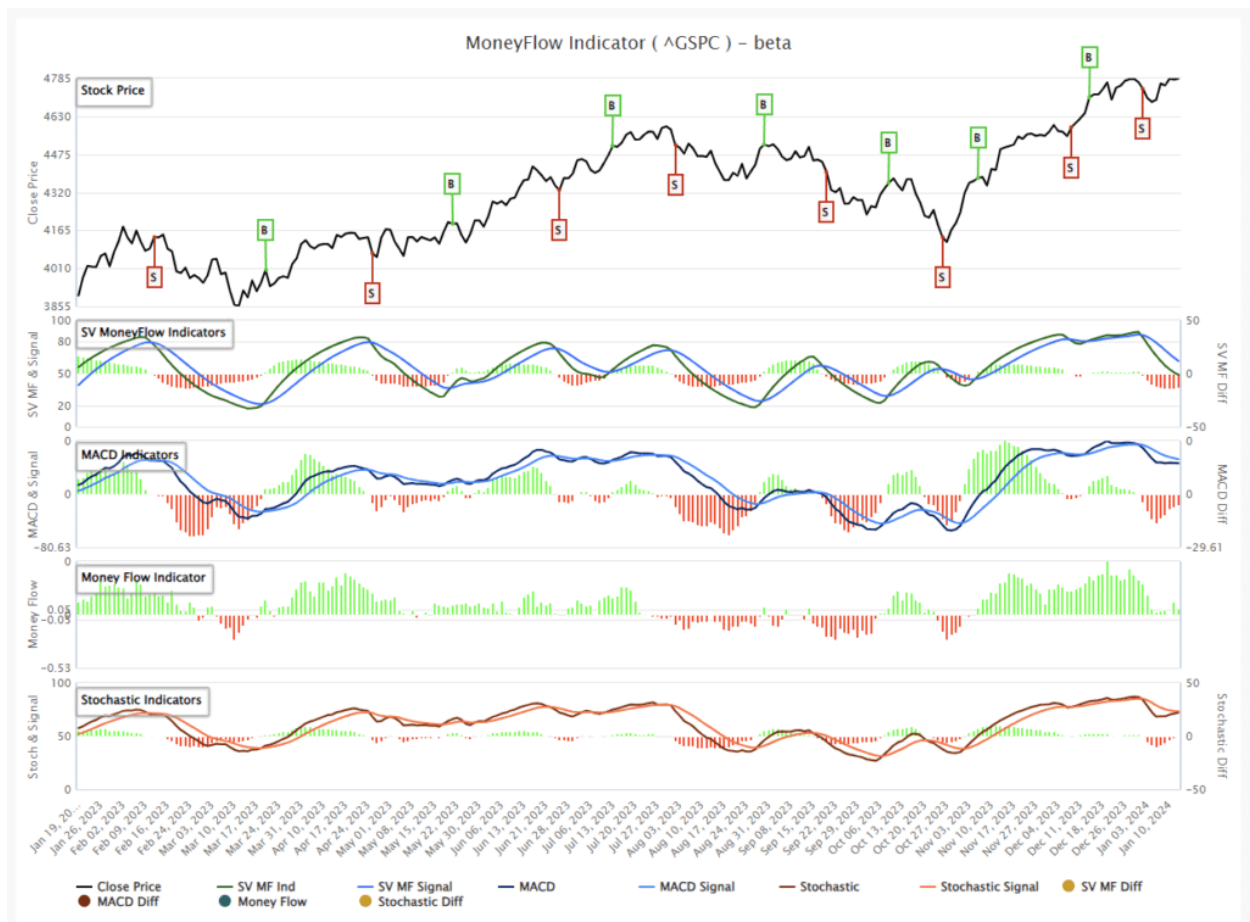
S&P 500 Index Technical Review

On a technical basis, the market has been consolidating since December. As we noted previously, the more egregious overbought condition of the market would limit upside gains. Such has indeed

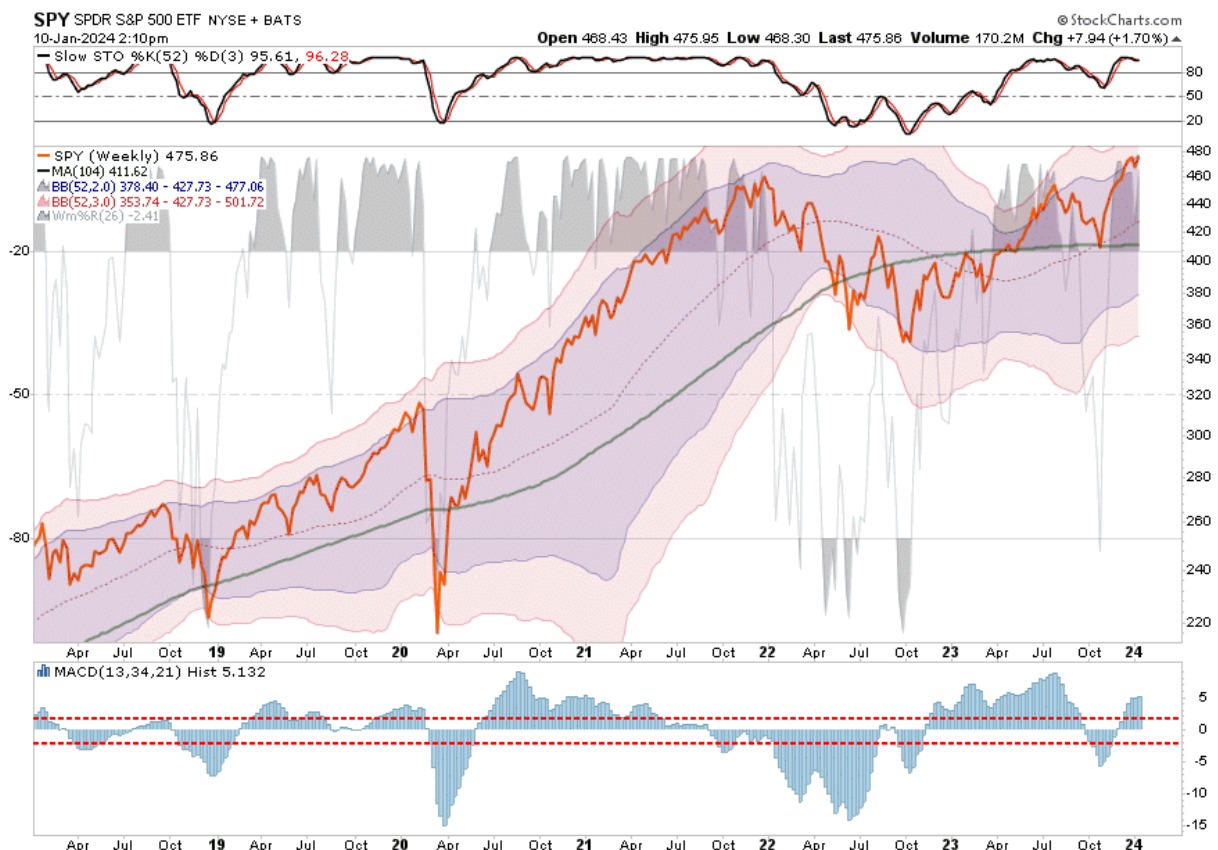
been the case. However, the good news is that the market consolidation allows the moving averages to catch up, thereby reducing the deviation in early December. While more work is needed, further consolidation can be accomplished over the next few weeks. Notably, the 50-DMA has turned sharply, supporting more bullish price action in the near term.



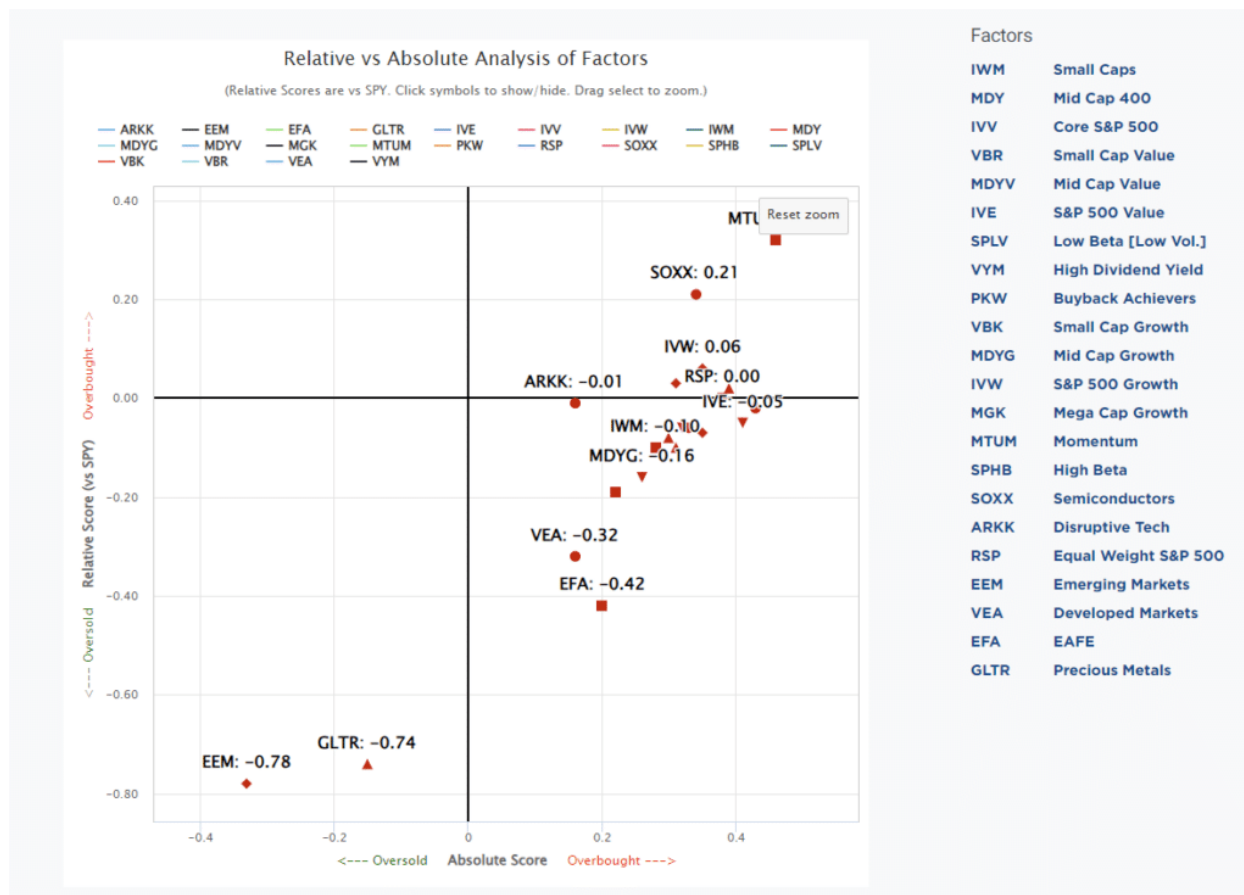
Our money-flow indicators are also moving through its correctional process and reversing much of the previous overbought condition. Again, while there appears to be more work ahead, we are likely closer to an opportunity to increase equity exposure than not. Furthermore, as noted above, earnings season could catalyze investors to step back into the markets for now.



On a weekly basis, which smooths out the day-to-day volatility, the market remains overbought on many levels. While such does NOT mean the market can not experience a short-term rally, it suggests that gains may be somewhat limited until those excesses are reversed. That is unless there is another massive injection of capital into the markets, as seen in 2020-21.



Notably, the market trend remains positive, and there is little reason to be overly cautious. While risks lay ahead, the markets will signal if a more defensive positioning is needed. Over the next few weeks, we are looking for what sectors or markets will begin to define themselves as the leaders for this year. Will it be the "Magnificent 7" again, or will last year's laggards, like Healthcare, take center stage?



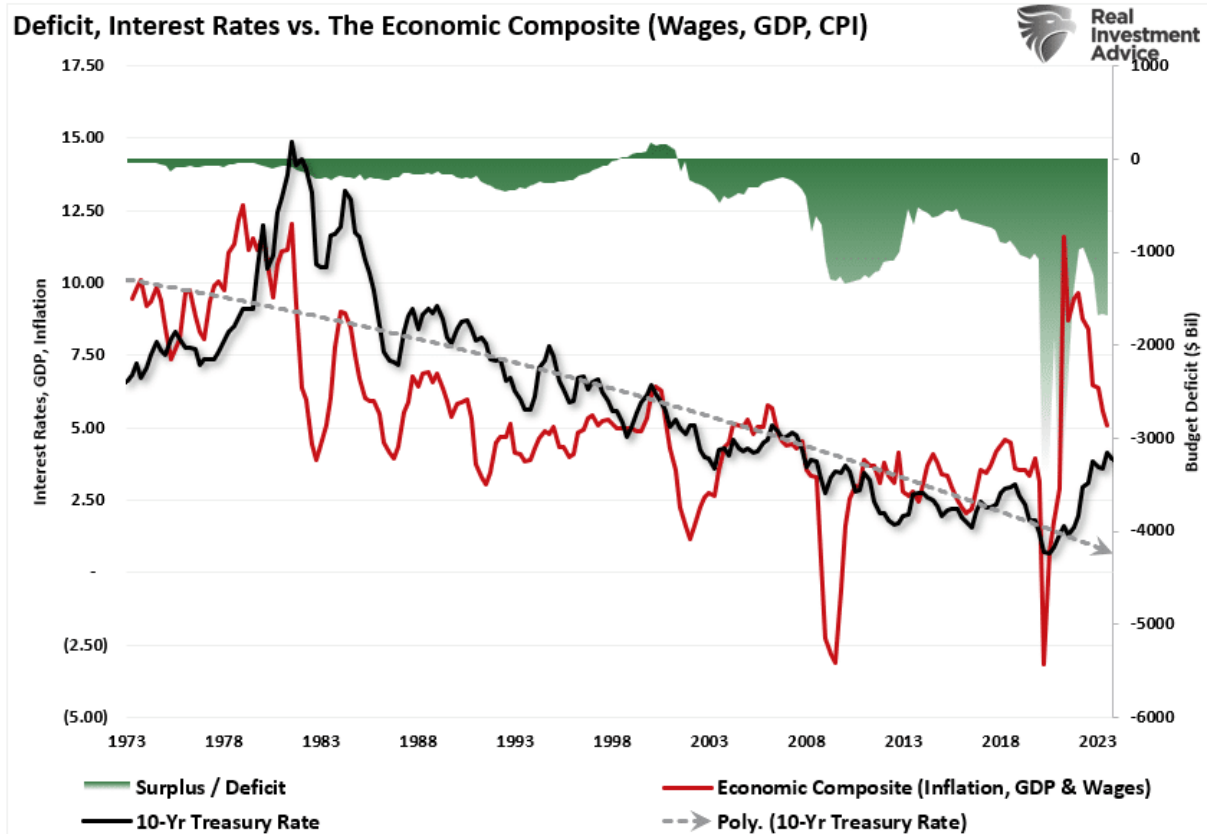
We are watching the rotation of various factors, courtesy of [SimpleVisor.com](https://www.simplevisor.com), to see which will emerge as the next leaders. As is often the case, it most likely won't be what many expect.

Bonds Also Looking Better

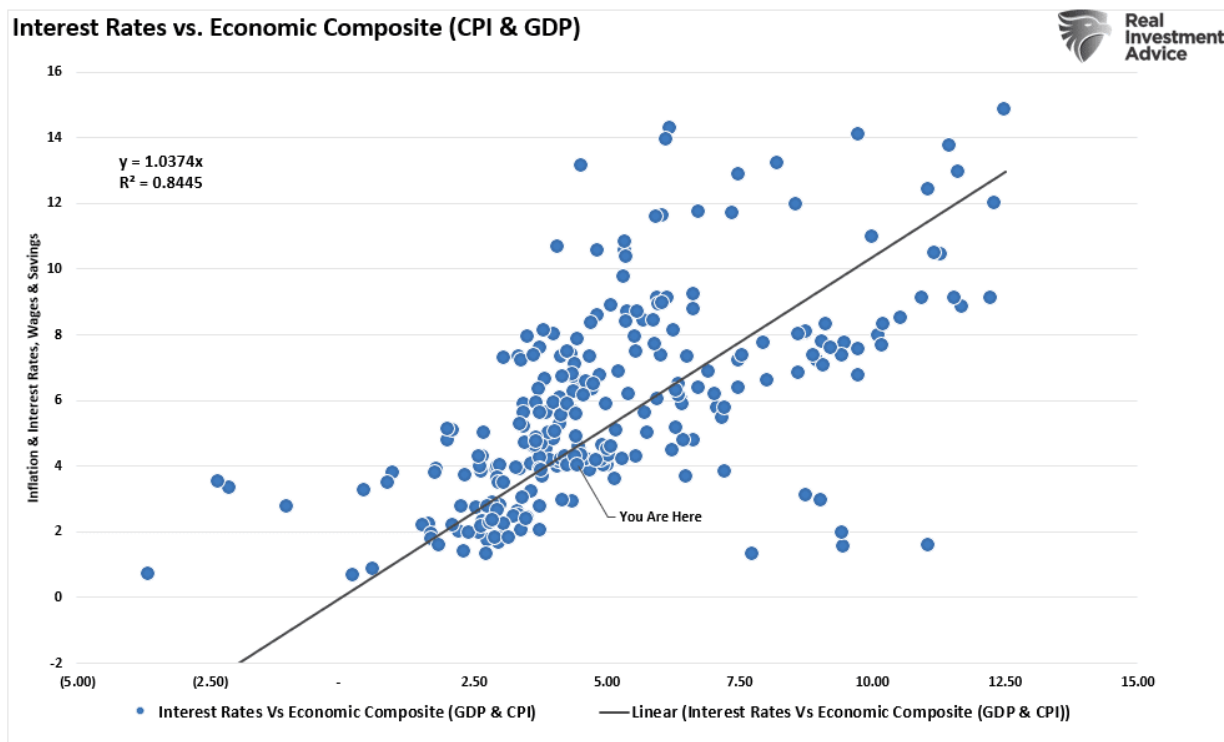
After a stellar run into year-end, we warned that we could see a pullback in Treasury prices due to more extreme overbought conditions. With the onset of the MACD "sell signal," the Treasury bond market is becoming more appealing for adding exposure. The more severe overbought condition has been worked off to a degree, and we are about halfway through the MACD "sell signal." As represented by TLT below, Treasury bonds are wrestling with the 200-DMA, but the 50-DMA remains in an uptrend.



Notably, the setup for bonds remains bullish as inflation cools and economic growth slows. More importantly, the Federal Reserve suggests they will cut rates this year, putting further downside pressure on yields. The surge in deficit spending and a declining economic composite (GDP, Wages & Inflation) suggest lower yields in the future. Such is particularly true considering that most economic growth has been financed by cheap debt.



Unsurprisingly, the correlation between interest rates, GDP, and inflation is a significant 84%.



As such, our thesis on owning bonds in 2024 remains. As we stated in [*"Bonds or Stocks,"*](#)

"As monetary liquidity reverses and the lag effect of higher interest rates collides with economic realities, the risk of a recession indeed remains prevalent. But, even if the economy does avoid a recession and only slows down, with stocks overvalued and Government bonds deeply undervalued, there is an opportunity for those who can look

ahead rather than behind.

The hope is that the Fed will again start dropping interest rates. However, as we have noted previously, the only reason for the Fed to cut rates would be to offset the risk of an economic recession or a financially related event. Should such occur, the risk off rotation would cause a drop in rates toward the pandemic-era lows. Such a decline would imply an increase in bond prices of approximately 50%."

In other words, it is possible that given the economic backdrop as we move further into the year, bonds could wind up outperforming the S&P 500 index.

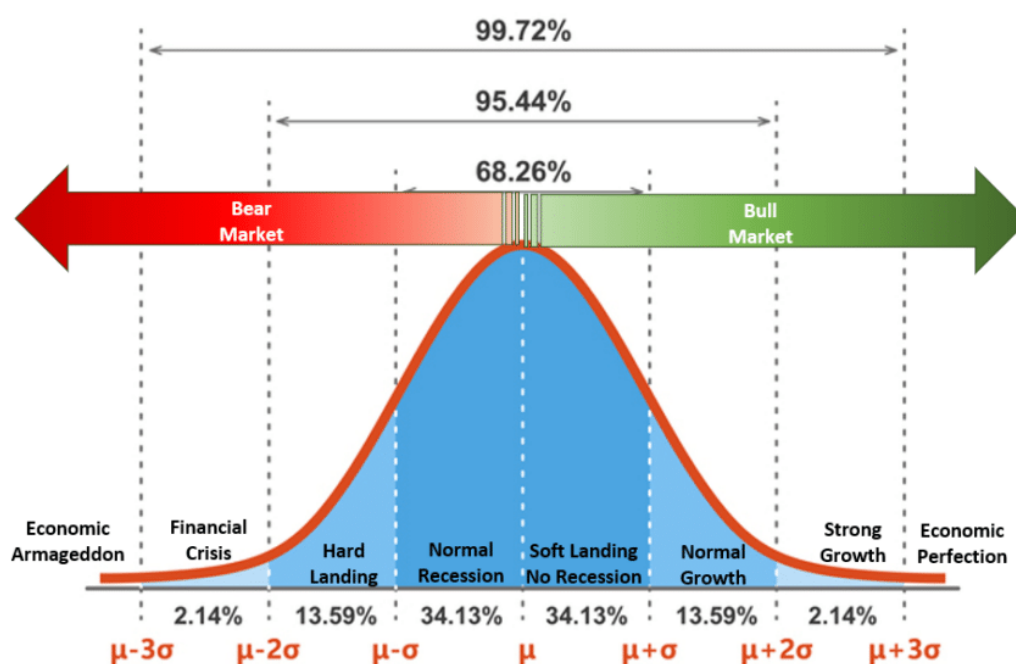
How We Are Trading It

While the sell-off started the year on a soft footing, we have no idea how things will turn out this year. As we noted in [*"Analysts Are Optimistic"*](#), there is a broad range of potential outcomes based on earnings and valuations. As we kick off the New Year, this is a great time to refocus our attention on what the market is doing rather than what we think it should. This is often where we make the most mistakes.

There are undoubtedly many reasons to be pessimistic, [*but as we discussed previously*](#), we must focus on the range of possibilities and probabilities of macro outcomes. To wit:

"The chart below is a normally distributed 'bell curve' of potential events and outcomes. In simple terms, 68.26% of the time, typical outcomes occur. Economically speaking, such would be a normal recession or the avoidance of a recession. 95.44% of the time, we are most likely dealing with a range of outcomes between a reasonably deep recession and average economic growth rates. However, there is a 2.14% chance that we could see another economic crisis like the 2008 Financial Crisis.

But what about 'economic armageddon'?•An event where nothing matters but "gold, beanie weenies, and bunker." is just a 0.14% possibility."

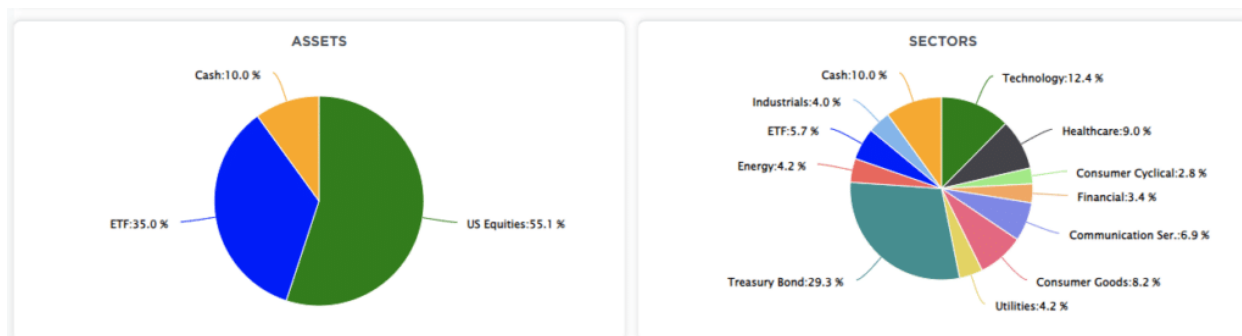


While fear sells, we must assess the probabilities versus possibilities of various outcomes.

The reality is that we can't control outcomes; the most we can do is influence the probability of specific outcomes, which is why the day-to-day management of risks and investing based on probabilities rather than possibilities is essential not only to capital preservation but to investment success over time.

As discussed this week, there is little reason to be overly pessimistic about the markets. Such is why we are currently slowly adding to equity exposures opportunistically. However, at the same time, we are controlling our risks and watching the markets for any evidence of a turn in outcomes.

If such occurs, we will begin raising cash immediately.



Have a great week.

Research Report

Real Investment Daily



Full-Time Jobs Suggest Recession Risks Higher Than Thought

Written by Lance Roberts | Jan 12, 2024 | Economics

In the most recent BLS employment report, the percentage of full-time jobs relative to the populati...

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<https://www.youtube.com/watch?v=5lpw9STGzHI>

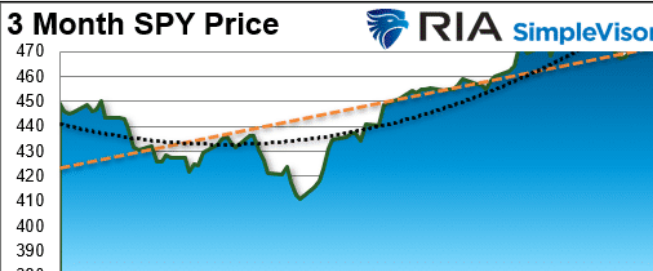
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SimpleVisor Top & Bottom Performers By Sector

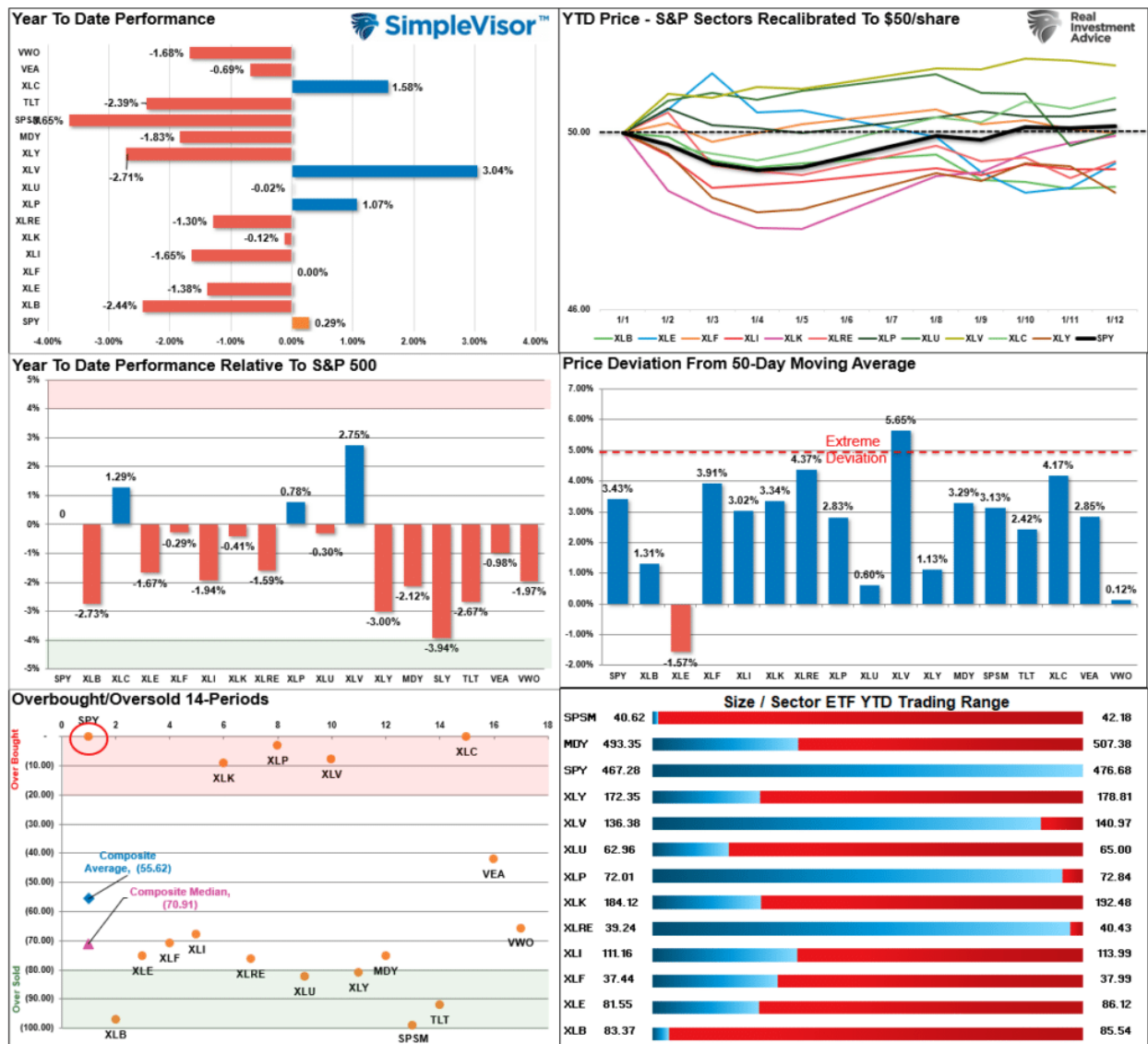
Today's Top & Bottom Performer by Sector															Click on a Symbol to see details below				
Healthcare					Industrials					Technology					Consumer Cyclical				
MRNA	REGN	PFE	SYK	TFX	NOC	AXON	RTX	GNRC	LHX	CTSH	EPAM	ACN	UBER	ANET	MHK	WYNN	LKQ	BBY	LVS
2.15%	1.54%	1.48%	1.47%	1.24%	1.5%	1.39%	1.27%	1.23%	1.14%	3.53%	2.15%	2.01%	1.94%	0.92%	1.71%	1.55%	1.22%	0.96%	0.88%
BSX	MDT	GEN	STE	A	CHRW	J	TXT	LMT	URI	TYL	FTNT	PANW	GCOM	FFIV	ULTA	ORLY	GPC	ROL	HAS
1.1%	1.03%	1%	1%	0.95%	1.03%	0.96%	0.92%	0.89%	0.85%	0.88%	0.84%	0.77%	0.76%	0.74%	0.82%	0.8%	0.76%	0.46%	0.41%
MOH	ILMN	VTRS	DXCM	WBA	ETN	TT	JCI	PNR	MAS	MCHP	ZBRA	ON	PAYC	SNPS	PHM	LEN	VFC	BWA	RCL
-0.58%	-0.85%	-0.91%	-1.17%	-1.3%	-0.53%	-0.58%	-0.61%	-0.76%	-0.84%	-0.42%	-0.42%	-0.49%	-0.5%	-0.87%	-0.93%	-1.16%	-1.24%	-1.25%	-1.46%
CNC	ELV	HUM	UNH	CVS	BA	LUV	DAL	AAL	UAL	NXPI	MPWR	INTC	ANSS	MU	TSLA	TPR	CCL	RL	NCLH
-1.42%	-1.43%	-2.64%	-2.99%	-3.45%	-1.36%	-3.87%	-6.53%	-6.55%	-6.67%	-0.89%	-1.02%	-1.15%	-1.39%	-1.44%	-1.47%	-1.7%	-1.89%	-2.38%	-2.57%
Financial					Consumer Goods					Utilities					Materials				
BK	BRO	JPM	STT	AJG	HSY	ADM	COST	HRL	MKC	AES	ATO	NEE	WEC	AWK	IFF	NEM	FCX	FMC	STLD
3.51%	1.48%	0.96%	0.9%	0.89%	1.78%	0.98%	0.87%	0.87%	0.83%	1.47%	0.94%	0.92%	0.86%	0.74%	1.94%	1.17%	0.87%	0.65%	0.4%
MMC	C	MA	ICE	TROW	MNST	STZ	CAG	SJM	TSN	AEP	ETR	CMS	SRE	FE	LYB	CTVA	CE	NUE	ECL
0.85%	0.74%	0.57%	0.45%	0.45%	0.73%	0.65%	0.59%	0.56%	0.56%	0.72%	0.68%	0.63%	0.61%	0.58%	0.31%	0.24%	0.19%	0.14%	0.13%
USB	CINF	CFG	ZION	AIZ	KVUE	SYF	DG	WMT	CHD	CNP	DTE	ED	PPL	XEL	EMN	DOW	APD	DD	MLM
-0.9%	-0.99%	-1.1%	-1.3%	-1.44%	-0.01%	-0.01%	-0.03%	-0.07%	-0.11%	0.37%	0.37%	0.29%	0.28%	0.26%	-0.02%	-0.07%	-0.11%	-0.21%	-0.23%
SYF	KEY	BAC	DFS	WFC	TGT	PEP	MO	EL	TAP	AEE	D	EXC	NRG	ES	MOS	ALB	CF	PPG	VMC
-1.46%	-1.53%	-1.86%	-1.95%	-2.04%	-0.14%	-0.2%	-0.3%	-0.39%	-0.58%	0.25%	0.24%	0.23%	0.15%	0.04%	-0.25%	-0.36%	-0.62%	-0.82%	-0.89%
Real Estate					Energy					Communication Ser.									
PEAK	WELL	ARE	DLR	VTR	EGT	MRO	VLO	CTRA	FANG	T	VZ	PARA	META	DIS					
2.24%	1.8%	1.7%	1.62%	1.6%	3.08%	2.03%	2%	1.91%	1.76%	2%	1.75%	1.2%	0.99%	0.93%					
AMT	EQIX	SBAC	CCI	MAA	SLB	APA	MPC	EOG	HES	EA	FOXA	LYV	FOX	WBD					
1.17%	1.17%	1.13%	1.12%	1.1%	1.72%	1.67%	1.5%	1.43%	1.37%	0.5%	0.34%	0.32%	0.31%	0.24%					
EXR	UDR	WY	BXP	IRM	PXD	COP	HAL	WMB	XOM	TMUS	TTWO	GOOG	NFLX	NWSA					
0.51%	0.49%	0.38%	0.36%	0.36%	1.11%	1.05%	1.05%	1.01%	0.94%	0.2%	0.1%	0.06%	0.06%	0.02%					
PLD	INVH	REG	HST	O	OKE	KMI	DVN	FI	BKR	NWS	CHTR	CMCSA	OMC	IPG					
0.32%	0.21%	0.16%	-0.33%	-0.56%	0.91%	0.84%	0.57%	0.38%	-0.06%	0%	-0.03%	-0.16%	-0.68%	-0.71%					

S&P 500 Weekly Tear Sheet

3 Month SPY Price								SPY RISK INFO																																															
								<table><tr><th>Item</th><th>T 2-Yr</th><th>T 1-Yr.</th><th>YTD</th><th>% Diff YTD/T1-YR</th></tr><tr><td>Price Return</td><td>1.20%</td><td>20.08%</td><td>0.29%</td><td>(98.56%)</td></tr><tr><td>Max Drawdown</td><td>(26.43%)</td><td>(10.93%)</td><td>(2.22%)</td><td>(79.68%)</td></tr><tr><td>Sharpe</td><td>0.03</td><td>1.41</td><td>0.32</td><td>(0.77)</td></tr><tr><td>Sortino</td><td>0.05</td><td>2.25</td><td>0.67</td><td>(0.70)</td></tr><tr><td>Volatility</td><td>19.45</td><td>12.82</td><td>10.68</td><td>(0.17)</td></tr><tr><td>Daily VaR-5%</td><td>(27.81)</td><td>2.22</td><td>(7.87)</td><td>(4.54)</td></tr><tr><td>Mnthly VaR-5%</td><td>(29.27)</td><td>3.07</td><td>3.07</td><td>0.00</td></tr></table>								Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR	Price Return	1.20%	20.08%	0.29%	(98.56%)	Max Drawdown	(26.43%)	(10.93%)	(2.22%)	(79.68%)	Sharpe	0.03	1.41	0.32	(0.77)	Sortino	0.05	2.25	0.67	(0.70)	Volatility	19.45	12.82	10.68	(0.17)	Daily VaR-5%	(27.81)	2.22	(7.87)	(4.54)	Mnthly VaR-5%	(29.27)	3.07	3.07	0.00
Item	T 2-Yr	T 1-Yr.	YTD	% Diff YTD/T1-YR																																																			
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S&P 500 Market Cap Analysis																																																							
Item		2 years ago	1 year ago	Current	1 Yr % Change	5 Year High	5 year Low	% From High	% From Low	Item		12-M Ago	Current	% Chg																																									
Dividend Yield		1.21%	1.62%	1.37%	(17.92%)	2.14%	1.20%	(35.89%)	14.40%	Shares	3,707.4	3,608.3	(2.67%)																																										
P/E Ratio		24.88	18.34	22.51	18.55%	29.44	16.71	(23.5%)	34.74%	Sales	108,397	113,498	4.71%																																										
P/S Ratio		4.74	3.36	4.01	16.32%	4.98	3.23	(19.45%)	24.30%	SPS	29.2	31.5	7.58%																																										
P/B Ratio		6.69	5.25	6.09	13.80%	6.76	4.30	(9.96%)	41.54%	Earnings	19,191	18,420	(4.01%)																																										
ROE		29.55%	25.98%	25.67%	(1.22%)	29.55%	19.19%	(13.16%)	33.75%	EPS TTM	5.7	5.6	(1.86%)																																										
ROA		6.72%	6.00%	6.10%	1.56%	6.72%	4.47%	(9.27%)	36.45%	Dividend	1.6	1.7	6.61%																																										
S&P 500 Asset Allocation																																																							
Sector	1 Year Price Return	Weight	Beta	P/E	P/E High-5yr (Mo.)	P/E Low-5Yr (Mo.)	P/E % From Peak	ROE	DIV. YIELD	TTM Earnings Yield	Current Forward Earnings	Forward PE																																											
Energy	(9.23%)	3.77%	1.32	10.16	93.64	(357.54)	(89.2%)	19.6%	3.2%	9.81%	6.96	11.10																																											
Materials	1.82%	2.35%	1.16	18.57	26.84	11.31	(30.8%)	12.4%	2.0%	5.38%	4.75	19.93																																											
Industrials	4.84%	8.61%	1.16	20.92	60.96	16.82	(65.7%)	22.6%	1.6%	4.54%	5.96	22.37																																											
Discretionary	30.92%	10.72%	1.44	30.39	71.65	24.50	(57.6%)	16.5%	0.7%	3.27%	4.52	30.19																																											
Staples	(5.37%)	6.16%	0.60	20.41	22.79	18.21	(10.4%)	30.8%	2.6%	4.89%	4.42	20.55																																											
Health Care	4.43%	13.01%	0.66	20.63	19.84	14.89	4.0%	24.7%	1.6%	4.85%	6.87	21.17																																											
Financials	8.09%	12.99%	1.16	16.02	21.47	12.76	(25.4%)	12.4%	1.7%	6.20%	6.95	15.99																																											
Technology	54.01%	28.72%	1.18	36.13	34.58	16.67	4.5%	65.3%	0.8%	2.77%	6.04	33.63																																											
Telecom	50.20%	8.71%	0.98	23.29	28.38	15.42	(17.9%)	23.2%	0.5%	4.30%	5.10	21.05																																											
Utilities	(11.64%)	2.37%	0.69	17.71	21.24	15.58	(16.6%)	10.6%	3.5%	5.64%	3.20	16.97																																											
Real Estate	(0.36%)	2.48%	1.05	18.50	26.21	15.47	(29.4%)	6.6%	3.5%	5.39%	4.60	19.01																																											
Momentum Analysis																																																							
Item	Price	ROC 50-Days	50-DMA	# Days Since Cross	% Dev 50-Day	200-DMA	# Days Since Cross	% Dev 200-Day	% Dev 50-200 DMA	% From 52-W High	% From 52-W Low	Buy/Sell																																											
Large Cap	476.68	9.66%	461.40	50	3.31%	439.41	52	8.48%	5.00%	(0.40%)	25.23%	Buy																																											
Mid Cap	498.09	9.95%	482.79	44	3.17%	468.60	41	6.29%	3.03%	(3.09%)	17.41%	Buy																																											
Small Cap	40.64	10.28%	39.46	44	3.00%	38.14	31	6.56%	3.45%	(5.53%)	18.93%	Buy																																											

Relative Performance Analysis

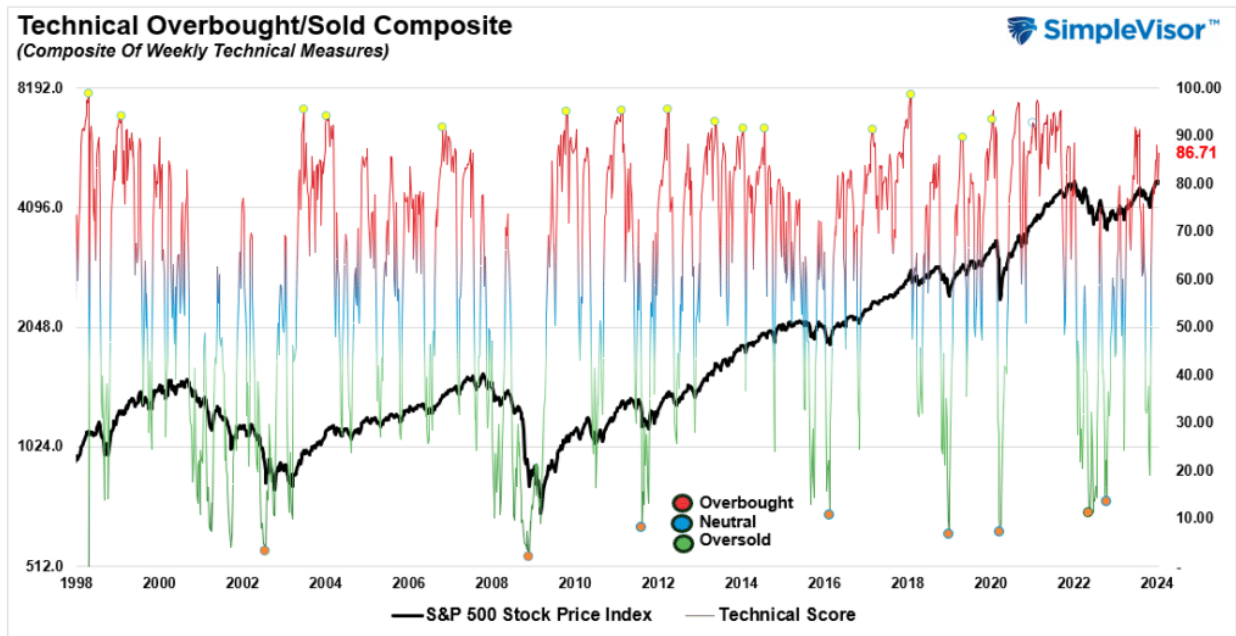
The market has continued to trade poorly since the beginning of the year. While the market is now positive for the year, it is only barely so, and there is a split between Technology, Staples, Healthcare, and Communications, which make up a significant chunk of the S&P index, which is now overbought, and everything else that isn't. As such, the "capitalization-weighted index" is overbought, but the Composite index average and median are not. We would not be surprised to see a bit of rotation next week from leaders to laggards UNLESS we are setting up to repeat 2023, where just a handful of stocks will lead the way most of the year.



Technical Composite

The technical overbought/sold gauge comprises several price indicators (R.S.I., Williams %R, etc.), measured using "weekly" closing price data. Readings above "80" are considered overbought, and below "20" are oversold. The market peaks when those readings are 80 or above, suggesting prudent profit-taking and risk management. **The best buying opportunities exist when those readings are 20 or below.**

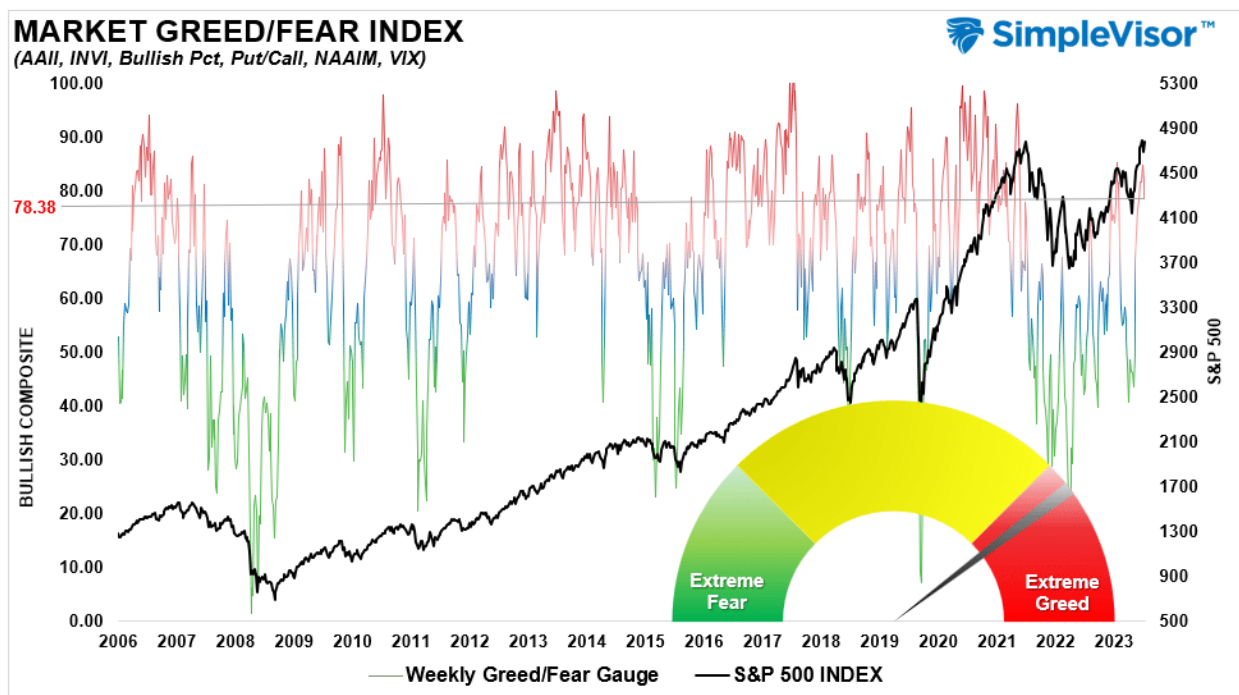
The current reading is 86.71 out of a possible 100.



Portfolio Positioning "Fear / Greed" Gauge

The "Fear/Greed" gauge is how individual and professional investors are "positioning" themselves in the market based on their equity exposure. From a contrarian position, the higher the allocation to equities, the more likely the market is closer to a correction than not. The gauge uses weekly closing data.

NOTE: The Fear/Greed Index measures risk from 0 to 100. It is a rarity that it reaches levels above 90. The current reading is 78.38 out of a possible 100.



Relative Sector Analysis

Relative Analysis of Sectors against SPY

(click sector symbol for sector details including a relative analysis of its top ten holdings)

Energy (XLE) -0.66 >>	Utilities (XLU) -0.56 >>	Materials (XLB) -0.45 >>	Transportation (XTN) -0.20 >>	Consumer Discretionary (XLY) -0.17 >>	Industrials (XLI) -0.16 >>
Consumer Staples (XLP) -0.12 >>	Real Estate (XLRE) -0.08 >>	Technology (XLK) -0.04 >>	Financial (XLF) 0.06 >>	Communication Services (XLC) 0.15 >>	Health Care (XLV) 0.28 >>

Overbought - could be a good time to reduce holdings. **Oversold** - could be a good time to increase holdings

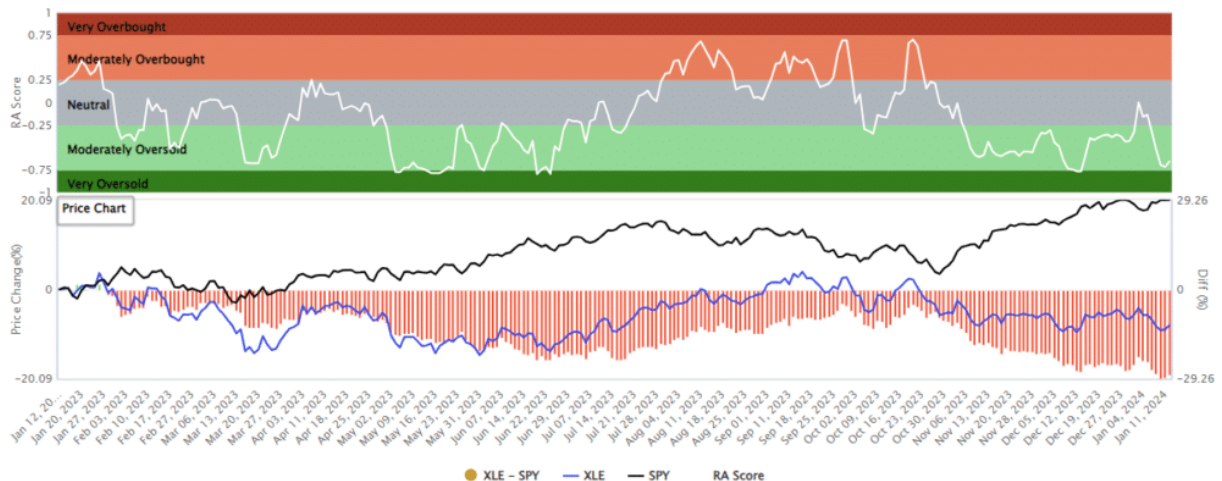
About Relative Analysis

This analysis uses the price ratio of two securities to establish a relative technical score. 13 technical measures are applied to the ratio to determine the score. The score tells us how one stock compares to another stock. We like to compare sector ETFs to the S&P 500 to help assess relative strength or weakness of the sectors.

Quite often scores of +.75 or greater are good times to reduce holdings and -.75 are good times to buy. However, scores can stay extremely overbought or sold for a few weeks so at times patience is required.

Most Oversold Sector Analysis

XLE (Energy) / SPY - Analysis



Description

In seeking to track the performance of the index, the fund employs a replication strategy. It generally invests substantially all, but at least 95%, of its total assets in the securities comprising the index. The index includes companies that have been identified as Energy companies by the GICS®, including securities of companies from the following industries: oil, gas and consumable fuels; and energy equipment and services. It is non-diversified.

Latest Price (Jan 20, 1970, 11:37:51 AM)

\$82.62 ▲ (\$0.86) (1.05%)

Last Close
\$81.76

Open
\$83.02

Volume
3,674,318

Annual Div.
\$2.16

52 Week Range

\$75.36

\$93.69

Day Range

\$82.56

\$83.35

Avg. Volume (3m)

N/A

Div. Yield

2.64%

Symbol	Name	Holdings	COP/	EOG/	MPC/	PSX/	PXD/	SLB/	VLO/	WMB/	CVX/	XLE/	XOM/	
XOM	Exxon Mobil Corp	22.32%	0.00	-0.27	0.83	0.47	0.03	-0.33	0.58	0.34	0.26	0.11	-0.05	COP
CVX	Chevron Corp	17.45%	0.27	0.00	0.83	0.49	0.21	-0.04	0.78	0.58	0.40	0.38	0.38	EOG
COP	ConocoPhillips	9.18%	-0.83	-0.83	0.00	-0.10	-0.82	-0.74	-0.38	-0.76	-0.58	-0.82	-0.81	MPC
EOG	EOG Resources Inc	4.70%	-0.47	-0.49	0.10	0.00	-0.45	-0.49	-0.15	-0.36	-0.43	-0.40	-0.41	PSX
SLB	Schlumberger Ltd	4.64%	-0.03	-0.21	0.82	0.45	0.00	-0.27	0.31	0.41	0.02	0.11	0.25	PXD
PSX	Phillips 66	3.93%	0.33	0.04	0.74	0.49	0.27	0.00	0.73	0.53	0.36	0.36	0.06	SLB
MPC	Marathon Petroleum Corp	3.78%	-0.58	-0.78	0.38	0.15	-0.31	-0.73	0.00	-0.20	-0.60	-0.68	-0.45	VLO
PXD	Pioneer Natural Resources Co	3.52%	-0.34	-0.58	0.76	0.36	-0.41	-0.53	0.20	0.00	-0.10	-0.23	-0.39	WMB
VLO	Valero Energy Corp	2.97%	-0.26	-0.40	0.58	0.43	-0.02	-0.36	0.60	0.10	0.00	-0.11	-0.07	CVX
WMB	Williams Companies Inc	2.84%	-0.11	-0.38	0.82	0.40	-0.11	-0.36	0.68	0.23	0.11	0.00	-0.25	XLE
			0.05	-0.38	0.81	0.41	-0.25	-0.06	0.45	0.39	0.07	0.25	0.00	XOM

Sector Model Analysis & Risk Ranges

How To Read This Table

- The table compares the relative performance of each sector and market to the S&P 500 index.
- "MA XVER" (Moving Average Crossover) is determined by the short-term weekly moving average crossing positively or negatively with the long-term weekly moving average.
- The risk range is a function of the month-end closing price and the "beta" of the sector or market. (Ranges reset on the 1st of each month)
- The table shows the price deviation above and below the weekly moving averages.

As noted last week:

"The start of the year has been sloppy. However, as we look forward to 2024, numerous sectors and markets are trading bearishly despite the market's 24% advance last year. Furthermore, multiple sectors continue to remain deviated well above their longer-term moving averages. Over the next couple of weeks, we should begin to get clarity as to where money is flowing. Will it be another narrow advance year, or will this finally be a year where the laggards finally have their day?"

So far this year, as noted in the Relative Market Sector Analysis above, it remains a reasonably narrow advance, with only a handful of sectors leading the charge. Transportation, Small Caps, and Gold Miners, all economically sensitive sectors, have been lagging sharply since the beginning of the year. This contrasts last year's leaders, who remain highly deviated above their short- and long-term weekly moving averages.

RELATIVE PERFORMANCE		Current	PERFORMANCE RELATIVE TO S&P 500 INDEX					SHORT		MONTH END		RISK RANGE		% DEV -	% DEV -	MA XVER
Ticker	ETF NAME	Price	1 Week	4 Week	12 Weeks	24 Weeks	52 Weeks	WMA	LONG WMA	PRICE	BETA	HIGH	LOW	Short M/A	Long M/A	SIGNAL
IVV	ISHARS-SP500	478.96	1.88	1.15	13.20	4.30	19.63	454.90	446.46	477.63	1.00	489.57	465.69	0%	7%	BULLISH
XLB	SPOR-MATLS SELS	83.45	(2.94)	(3.17)	(2.37)	(6.43)	(20.04)	81.03	80.97	85.54	1.08	88.60	82.48	3%	3%	BULLISH
XLC	SPOR-COMM SV SS	73.81	0.58	2.78	(2.24)	2.97	21.36	69.81	67.31	72.66	1.03	75.22	70.10	0%	10%	BULLISH
XLE	SPOR-EGY SELS	82.68	(4.24)	(3.07)	(21.60)	(7.99)	(27.71)	84.88	85.10	83.84	1.26	87.00	80.68	-3%	-3%	BEARISH
XLF	SPOR-FINL SELS	37.60	(2.28)	(0.48)	3.57	2.52	(15.53)	35.40	34.45	37.60	1.08	38.95	36.25	0%	0%	BULLISH
XLK	SPOR-TECH SELS	192.24	2.53	(0.87)	4.07	3.74	27.89	181.60	174.44	192.48	1.14	199.48	185.48	0%	10%	BULLISH
XLI	SPOR-INDU SELS	112.11	(1.27)	(1.95)	0.39	(2.53)	(10.21)	106.75	105.79	113.99	1.10	118.10	109.88	0%	0%	BULLISH
XLP	SPOR-CONS STPL	72.80	(0.78)	1.04	(4.98)	(8.64)	(22.22)	70.12	71.76	72.03	0.59	74.26	69.80	4%	1%	BEARISH
XLRE	SPOR-RE SELS	39.54	(1.24)	(2.30)	7.54	0.06	(19.68)	36.87	36.74	40.06	0.91	41.43	38.69	7%	0%	BULLISH
XLU	SPOR-UTL SELS	63.32	(3.76)	(2.16)	(4.08)	(9.85)	(30.86)	62.17	63.43	63.33	0.56	65.27	61.39	2%	0%	BEARISH
XLV	SPOR-HLTH CR	140.52	(0.87)	3.89	(3.47)	(8.38)	(15.89)	131.72	131.75	136.38	0.65	140.68	132.88	7%	7%	BEARISH
XLV	SPOR-CONS DISCR	173.96	(1.19)	(4.08)	1.48	(3.09)	4.89	168.13	166.80	178.81	1.21	185.44	172.18	3%	4%	BULLISH
XTN	SPOR-SP TRANSP	79.56	(3.66)	(5.37)	(1.35)	(13.67)	(13.42)	76.23	78.33	83.49	1.35	86.70	80.28	4%	2%	BEARISH
SDY	SPOR-SP DIV ETF	124.44	(1.61)	(0.40)	(1.93)	(6.11)	(23.61)	119.19	120.30	124.97	0.87	129.18	120.76	4%	3%	BEARISH
RSP	INVS-SPS EQ ETF	156.05	(1.66)	(1.38)	0.70	(3.23)	(14.95)	147.97	147.51	157.80	1.07	163.44	152.16	0%	0%	BULLISH
SPSM	SPOR-PRT SC	40.64	(1.83)	(3.32)	2.62	(4.30)	(17.05)	38.50	38.41	42.18	1.15	43.72	40.64	0%	0%	BULLISH
MDY	SPOR-SP MC 400	498.09	(1.28)	(1.65)	0.74	(3.86)	(13.80)	472.70	471.76	507.38	1.12	525.77	488.99	5%	0%	BULLISH
EEM	ISHARS-EMG MKT	39.20	(2.49)	(3.10)	(6.65)	(19.81)	(24.71)	38.89	39.21	40.21	0.77	41.53	38.89	1%	0%	BEARISH
EFA	ISHARS-EAFE	75.07	(0.67)	(0.17)	(0.43)	(3.45)	(13.19)	71.72	71.56	75.35	0.88	77.90	72.80	0%	5%	BULLISH
IAU	ISHARS-GOLD TR	38.75	(1.65)	0.34	(9.78)	0.09	(13.32)	37.99	37.05	39.03	0.20	40.08	37.98	2%	5%	BULLISH
GDX	VANECK-GOLD MNR	29.70	(3.12)	(5.19)	(12.45)	(7.62)	(28.66)	29.70	29.65	31.01	0.96	32.08	29.94	0%	0%	BULLISH
UUP	INVS-DB USS BU	27.45	(1.73)	(6.79)	(21.21)	(6.85)	(19.70)	28.84	28.77	27.09	(0.20)	27.71	26.47	-5%	-5%	BULLISH
BOND	PIMCO-ACTV BOND	92.46	(0.84)	(0.85)	(4.96)	(2.89)	(20.43)	89.48	89.92	92.45	0.23	94.97	89.93	3%	3%	BEARISH
TLT	ISHARS-20+YTB	96.52	(1.64)	(3.80)	2.76	(7.59)	(29.21)	92.15	95.13	98.88	0.18	101.53	96.23	0%	1%	BEARISH
BNX	VANGD-TTL INT B	49.10	(1.49)	(3.77)	(9.77)	(3.64)	(18.43)	48.92	48.61	49.37	0.17	50.68	48.05	0%	1%	BULLISH
HYG	ISHARS-IBX HYCB	77.70	(0.55)	(0.15)	(5.18)	(1.14)	(18.25)	75.28	74.76	77.39	0.45	79.67	75.11	3%	4%	BULLISH



RISK RANGE REPORT



Weekly SimpleVisor Stock Screens

We provide three stock screens each week from [SimpleVisor](#).

This week, we are searching for the Top 20:

- Relative Strength Stocks
- Momentum Stocks
- Fundamental & Technical Strength

(Click Images To Enlarge)

R.S.I. Screen

Scan Result: 20 Item(s) found								
Tables								
Overview								
Technicals								
Fundamentals								
Performance								
Symbol	Name	Sector	Last	Today's Change	MTD	YTD	52 Week Range (Low-High)	
AIZ	Assurant Inc	Financial	\$164.20	-\$2.41 (-1.44%)	-2.55%	-2.55%	\$104.49 - \$173.61	
ALL	Allstate Corp	Financial	\$149.53	-\$0.84 (-0.56%)	6.82%	6.82%	\$100.57 - \$152.00	
AMD	Advanced Micro Devices Inc	Technology	\$147.59	-\$0.43 (-0.29%)	0.12%	0.12%	\$67.27 - \$151.05	
AMGN	Amgen Inc	Healthcare	\$304.42	\$1.31 (0.43%)	5.69%	5.69%	\$211.71 - \$311.05	
ANET	Arista Networks Inc	Technology	\$254.07	\$2.33 (0.92%)	7.88%	7.88%	\$111.00 - \$254.49	
AXON	Axon Enterprise, Inc.	Industrials	\$253.01	\$3.47 (1.39%)	-2.06%	-2.06%	\$168.30 - \$260.69	
FICO	Fair Isaac Corp	Technology	\$1,223.00	\$8.15 (0.67%)	5.07%	5.07%	\$599.22 - \$1,231.50	
INTC	Intel Corp	Technology	\$47.09	-\$0.55 (-1.15%)	-6.29%	-6.29%	\$24.73 - \$51.28	
JNPR	Juniper Networks Inc	Technology	\$37.69	-\$0.06 (-0.17%)	27.83%	27.83%	\$24.87 - \$38.03	
KEY	KeyCorp	Financial	\$14.17	-\$0.22 (-1.53%)	-1.60%	-1.60%	\$8.54 - \$20.30	
LLY	Eli Lilly and Co	Healthcare	\$634.53	-\$1.19 (-0.19%)	8.85%	8.85%	\$309.20 - \$640.00	
NRG	NRG Energy Inc	Utilities	\$50.59	\$0.08 (0.15%)	-2.16%	-2.16%	\$30.25 - \$52.42	
NWS	News Corporation	Communication Ser.	\$25.37	\$0.00 (0.00%)	-1.36%	-1.36%	\$15.73 - \$26.00	
PANW	Palo Alto Networks Inc	Technology	\$326.00	\$2.50 (0.77%)	10.55%	10.55%	\$134.54 - \$330.40	
PGR	Progressive Corp	Financial	\$168.43	\$0.41 (0.24%)	5.74%	5.74%	\$111.41 - \$169.77	
PHM	PulteGroup Inc	Consumer Cyclical	\$104.84	-\$0.98 (-0.93%)	1.57%	1.57%	\$49.27 - \$106.39	
STX	Seagate Technology PLC	Technology	\$82.02	\$0.28 (0.34%)	-3.92%	-3.92%	\$54.32 - \$87.93	
UBER	Uber Technologies, Inc.	Technology	\$64.70	\$1.23 (1.94%)	5.08%	5.08%	\$28.34 - \$64.77	
WDC	Western Digital Corp	Technology	\$50.80	\$0.20 (0.40%)	-3.00%	-3.00%	\$31.97 - \$53.21	
WRK	WestRock Co	Consumer Cyclical	\$41.68	\$0.14 (0.34%)	0.39%	0.39%	\$26.84 - \$43.58	

Momentum Screen

Scan Result: 20 Item(s) found								
Tables								
Overview								
Technicals								
Fundamentals								
Performance								
Symbol	Name	Sector	Last	Today's Change	MTD	YTD	52 Week Range (Low-High)	
AMGN	Amgen Inc	Healthcare	\$304.42	\$1.31 (0.43%)	5.69%	5.69%	\$211.71 - \$311.05	
ANET	Arista Networks Inc	Technology	\$254.07	\$2.33 (0.92%)	7.88%	7.88%	\$111.00 - \$254.49	
BKNG	Booking Holdings Inc	Consumer Cyclical	\$3,539.23	-\$13.05 (-0.37%)	-0.23%	-0.23%	\$2,222.16 - \$3,580.62	
COR	Cencora, Inc.	Healthcare	\$219.81	\$0.88 (0.40%)	7.02%	7.02%	\$147.48 - \$220.10	
ELV	Elevance Health, Inc.	Healthcare	\$475.42	-\$6.89 (-1.43%)	0.82%	0.82%	\$412.00 - \$508.78	
FICO	Fair Isaac Corp	Technology	\$1,223.00	\$8.15 (0.67%)	5.07%	5.07%	\$599.22 - \$1,231.50	
ISRG	Intuitive Surgical Inc	Healthcare	\$365.09	\$2.78 (0.77%)	8.22%	8.22%	\$222.65 - \$366.86	
LLY	Eli Lilly and Co	Healthcare	\$634.53	-\$1.19 (-0.19%)	8.85%	8.85%	\$309.20 - \$640.00	
MCK	McKesson Corp	Healthcare	\$487.49	-\$1.35 (-0.28%)	5.29%	5.29%	\$331.75 - \$489.73	
MOH	Molina Healthcare Inc	Healthcare	\$381.29	-\$2.24 (-0.58%)	5.53%	5.53%	\$256.19 - \$386.34	
NOW	ServiceNow Inc	Technology	\$725.93	-\$0.53 (-0.07%)	2.75%	2.75%	\$405.37 - \$734.30	
NVDA	NVIDIA Corp	Technology	\$546.01	-\$2.21 (-0.40%)	10.26%	10.26%	\$161.65 - \$553.46	
NVR	NVR Inc	Consumer Cyclical	\$7,252.59	\$10.35 (0.14%)	3.60%	3.60%	\$4,873.14 - \$7,261.01	
PANW	Palo Alto Networks Inc	Technology	\$326.00	\$2.50 (0.77%)	10.55%	10.55%	\$134.54 - \$330.40	
REGN	Regeneron Pharmaceuticals Inc	Healthcare	\$930.10	\$14.13 (1.54%)	5.90%	5.90%	\$684.81 - \$933.99	
STZ	Constellation Brands Inc	Consumer Goods	\$259.09	\$1.67 (0.65%)	7.17%	7.17%	\$210.15 - \$273.65	
TDG	TransDigm Group Inc	Industrials	\$1,020.37	\$0.55 (0.05%)	0.87%	0.87%	\$659.59 - \$1,027.30	
TMO	Thermo Fisher Scientific Inc	Healthcare	\$550.00	\$4.00 (0.73%)	3.62%	3.62%	\$415.60 - \$609.85	
UNH	UnitedHealth Group Inc	Healthcare	\$523.55	-\$16.13 (-2.99%)	-0.56%	-0.56%	\$445.68 - \$554.70	
VRTX	Vertex Pharmaceuticals Inc	Healthcare	\$433.04	\$2.96 (0.69%)	6.43%	6.43%	\$283.60 - \$434.85	

Fundamental & Technical Strength

Scan Result: 61 Item(s) found													
Tables													
Overview Technicals Fundamentals Performance													
Symbol ↑↓	Sector ↑↓	Trend ↑↓	Last ↑↓	FairValue ↑↓	RSI ↑↓	20 SMA ↑↓	50 SMA ↑↓	100 SMA ↑↓	Mohanram ↑↓	Piotroski ↑↓	SV Rank ↑↓	Yield% ↑↓	
AMD	Technology	10/10	\$146.87		64.75	\$141.78(3.59%)	\$128.16(14.60%)	\$115.76(26.87%)	5	7	1	%	
COST	Consumer Goods	10/10	\$679.46	\$410.23(-65.63%)	70.31	\$654.76(3.77%)	\$605.94(12.13%)	\$574.24(18.32%)	5	8	3	0.73%	
CRM	Technology	10/10	\$272.28	\$210.14(-29.57%)	69.39	\$261.38(4.17%)	\$240.99(12.98%)	\$225.11(20.95%)	6	—	3	%	
DHI	Consumer Cyclical	10/10	\$154.04		73.49	\$150.50(2.35%)	\$135.75(13.47%)	\$122.57(25.68%)	3	7	1	0.94%	
EPAM	Technology	10/10	\$306.15	\$296.84(-3.14%)	63.93	\$294.38(4.00%)	\$268.68(13.95%)	\$258.12(18.61%)	1	6	3	%	
IT	Technology	10/10	\$445.82	\$158.74(-180.85%)	56.50	\$443.46(0.53%)	\$427.21(4.36%)	\$387.60(15.02%)	6	7	3	%	
LEN	Consumer Cyclical	10/10	\$153.15		72.05	\$148.68(3.00%)	\$135.32(13.17%)	\$123.78(23.72%)	3	7	2	1.17%	
META	Communication Ser.	10/10	\$372.75	\$312.16(-19.41%)	69.88	\$351.28(6.11%)	\$336.49(10.78%)	\$320.08(16.45%)	—	—	—	%	
PHM	Consumer Cyclical	10/10	\$104.88		72.41	\$102.62(2.20%)	\$93.09(12.67%)	\$84.13(24.66%)	4	7	2	0.80%	
SPG	Real Estate	10/10	\$144.84	\$70.31(-106.00%)	67.98	\$142.97(1.31%)	\$129.59(11.77%)	\$118.80(21.92%)	—	6	3	6.56%	
AMGN	Healthcare	9/10	\$304.50	\$229.82(-32.49%)	68.18	\$290.15(4.95%)	\$276.39(10.17%)	\$270.42(12.60%)	1	4	3	2.97%	
NVR	Consumer Cyclical	9/10	\$7,255.00		75.51	\$6,965.94(4.15%)	\$6,475.35(12.04%)	\$6,231.55(16.42%)	1	7	2	%	
PTC	Technology	9/10	\$171.78	\$111.56(-53.98%)	59.52	\$170.96(0.48%)	\$161.19(6.57%)	\$151.50(13.38%)	—	6	3	%	
TDG	Industrials	9/10	\$1,020.37	\$617.61(-65.21%)	64.46	\$997.04(2.34%)	\$960.50(6.23%)	\$893.26(14.23%)	5	8	3	%	
TT	Industrials	9/10	\$245.13	\$105.97(-131.32%)	66.21	\$241.74(1.40%)	\$231.15(6.05%)	\$215.49(13.75%)	5	8	3	1.36%	
ABBV	Healthcare	8/10	\$162.92		77.12	\$157.25(3.60%)	\$147.97(10.10%)	\$147.79(10.23%)	5	8	3	4.35%	
ADSK	Technology	8/10	\$241.73	\$216.85(-11.47%)	60.60	\$238.29(1.44%)	\$222.89(8.45%)	\$216.27(11.77%)	6	5	3	%	
ARE	Real Estate	8/10	\$127.72		54.53	\$127.66(0.05%)	\$114.37(11.67%)	\$108.94(17.24%)	5	4	4	4.04%	
BKNG	Consumer Cyclical	8/10	\$3,535.13		66.58	\$3,489.82(1.30%)	\$3,254.86(8.61%)	\$3,142.40(12.50%)	2	6	3	%	
BR	Technology	8/10	\$200.96	\$169.73(-18.40%)	61.44	\$198.88(1.05%)	\$189.75(5.91%)	\$184.98(8.64%)	4	3	3	1.65%	
CAT	Industrials	8/10	\$290.46	\$271.91(-6.82%)	64.23	\$289.80(0.23%)	\$264.15(9.96%)	\$266.46(9.01%)	1	7	3	1.82%	
CMG	Consumer Cyclical	8/10	\$2,282.10	\$1,022.39(-123.21%)	56.91	\$2,276.52(0.25%)	\$2,207.62(3.37%)	\$2,041.49(11.79%)	1	7	3	1.90%	
CTAS	Industrials	8/10	\$588.61	\$296.93(-98.23%)	59.18	\$582.25(1.09%)	\$558.25(5.44%)	\$528.64(11.34%)	6	7	3	0.90%	
ETN	Industrials	8/10	\$242.35	\$75.57(-220.70%)	66.37	\$238.19(1.75%)	\$229.95(5.39%)	\$222.15(9.09%)	7	8	3	1.43%	
GWV	Industrials	8/10	\$836.14	\$672.34(-24.36%)	63.67	\$824.45(1.42%)	\$803.78(4.03%)	\$752.13(11.17%)	5	6	2	0.90%	
HD	Consumer Cyclical	8/10	\$354.90	\$349.12(-1.66%)	70.87	\$348.12(1.95%)	\$323.10(9.84%)	\$314.10(12.99%)	—	4	3	2.40%	
ICE	Financial	8/10	\$127.39	\$123.19(-3.41%)	62.59	\$125.58(1.44%)	\$117.00(8.88%)	\$114.32(11.43%)	2	7	3	1.34%	
JPM	Financial	8/10	\$172.12		69.69	\$168.06(2.42%)	\$157.24(9.47%)	\$150.55(14.33%)	—	5	5	2.91%	
MLM	Materials	8/10	\$496.30	\$352.12(-40.95%)	61.80	\$493.16(0.64%)	\$470.91(5.39%)	\$447.65(10.87%)	3	4	4	0.59%	
NFLX	Communication Ser.	8/10	\$492.09	\$236.97(-107.66%)	60.61	\$482.81(1.92%)	\$465.76(5.65%)	\$432.62(13.75%)	4	—	5	%	

SimpleVisor Portfolio Changes

We post all of our portfolio changes as they occur at [SimpleVisor](#):

January 12th

"This morning, United Healthcare (UNH) reported stronger-than-expected earnings and revenue. Despite the good news, the stock opened lower by 5%. The decline is a function of rising costs. Despite rising expenses, their profit guidance is unchanged. This morning's sell-off allowed us to add to our position, as we have wanted to. We added 1% of UNH to the equity model."

Equity Model

- Add 1% of the Portfolio to United Healthcare (UNH)



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Lance Roberts, C.I.O.

Have a great week!