

# TA THRASHER ANALYTICS

JANUARY 16, 2022



WEEKLY RESEARCH & ANALYSIS

BY ANDREW THRASHER, CMT

## SUMMARY OF MODELS

	Current	Wkly Change
Market Health Report	+4	Declining
Volatility Risk Trigger	0	Unchanged
Risk Appetite Ratios	0.47	Improving
Bullish Confidence Score	+5	Unchanged
S&P 500 Long-Term Trend	Up	Unchanged

### Note to Subscribers:

The Thrasher Analytics website went through an update and some of the recent subscriber accounts will require a password reset. In the next week, some of you may receive an email requesting to update your password, please use the link that will be included in the email. I'm sorry for the inconvenience. Please email if there are any problems. Thank you.

## TABLE OF CONTENTS

Volatility

Equities

Market Health Report

Hedge Fund Stocks

Sectors & Fixed Income

Sentiment

Trend Models

Sector Rotation: January	
Real Estate	XLRE
Technology	XLK
Materials	XLB

Fixed Income Rotation: Q1	
Emerging Market Debt	PCY
High Yield Corp. Bond	HYG

Market Health Report	
Breadth	3
Momentum	0
Sentiment	1
Trend	0
Volatility	0
<b>Total</b>	<b>4</b>

Index & Sector		
	Up Trend	Down Trend
SPX	X	
QQQ	X	
XLF	X	
XLY	X	
XLK	X	
XLV	X	
XLU	X	
XLP	X	
XLI	X	
XLRE	X	
XLE	X	
XLB	X	

Daily Sentiment Index		
	% Bullish	5-day MA
S&P 500	62%	60%
Nasdaq 100	56%	56%
Nikkei	52%	50%
VIX	21%	22%
10yr Treasury	45%	45%
5yr Treasury	49%	49%
CRB Index	81%	76%
Crude Oil	85%	79%
Gold	39%	40%
U.S. Dollar	65%	64%
Bitcoin	23%	22%

\*Green<25% Red>80%

source: trade-futures.com

## Brief Summary:

U.S. equities dipped slightly lower last week, continuing the choppy price action that's been plaguing stocks since November. The majority of large cap stocks remain above the 50-day MA as the SPX moved below its own on Thursday of last week. Growth stocks continue to weaken relative to Value but the ratio between the two groups is now "oversold" and testing potential support. This could cause some counter-trend reversion in Growth during what appears to be a longer-term rotation favoring Value.

Energy stocks have shown tremendous strength and on Friday over 70% of XLE hit a 52-week high, the largest amount in twenty years. Crude oil is back to its November high and many are looking for a breakout, I'm watching the Canadian Dollar to see if we get confirmation from forex in the commodity strength. The positioning data appears bullish for oil with Producers and Commercial trader groups both adding to their net positions.

No one wants to old gold or Treasury's these days. Both assets are seeing extremely low levels of net positions and thus could be setup for a contrarian rally.

As a reminder, this is a holiday-shortened week in the U.S. with market's closed on Monday in observance of MLK Jr. day.

# VOLATILITY: VRT



VRT remains below its signal threshold.



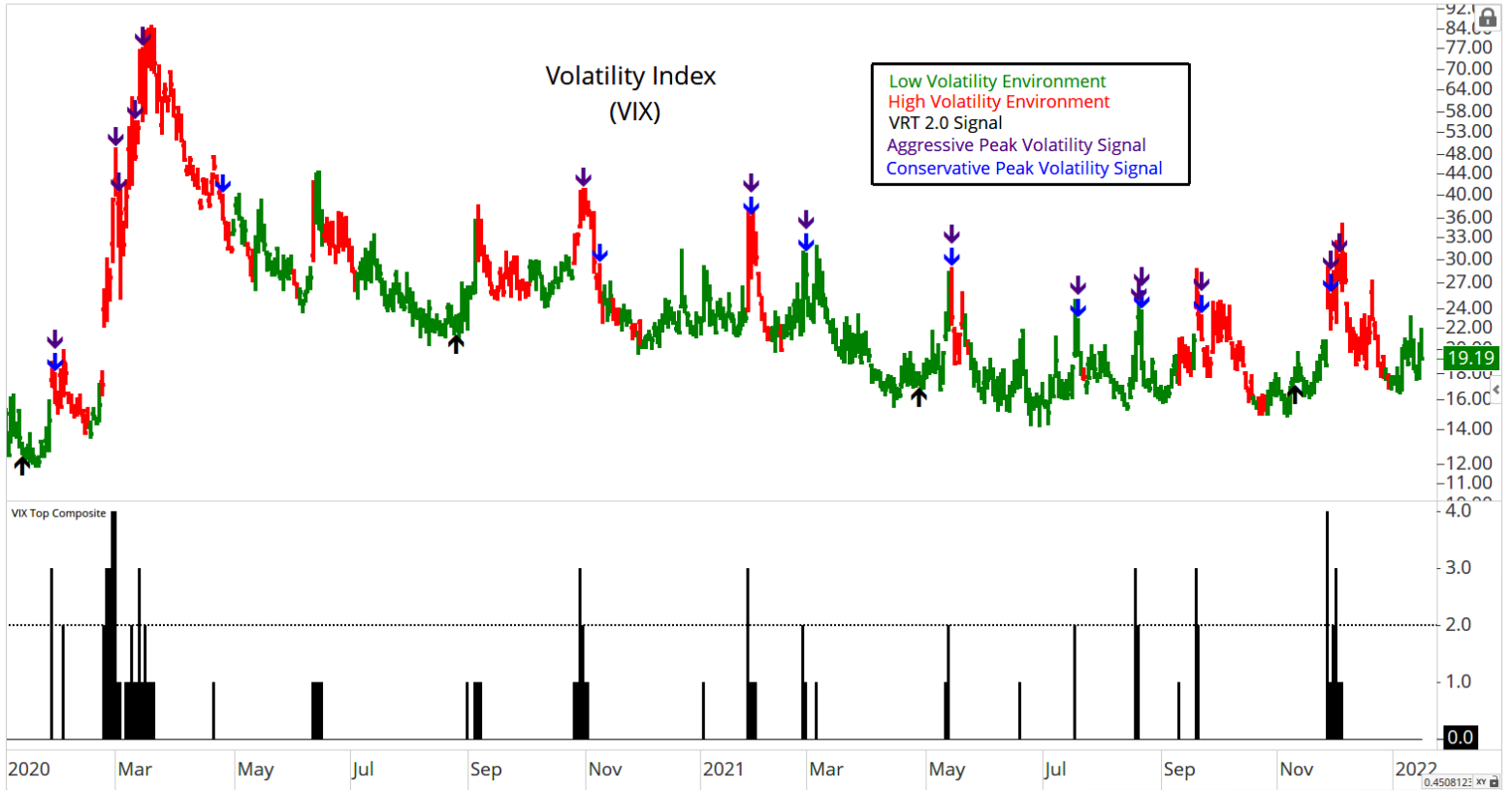
# VOLATILITY: TOP & ENVIRONMENT



While volatility rose slightly last week, VIX remains in a Low Volatility Environment.



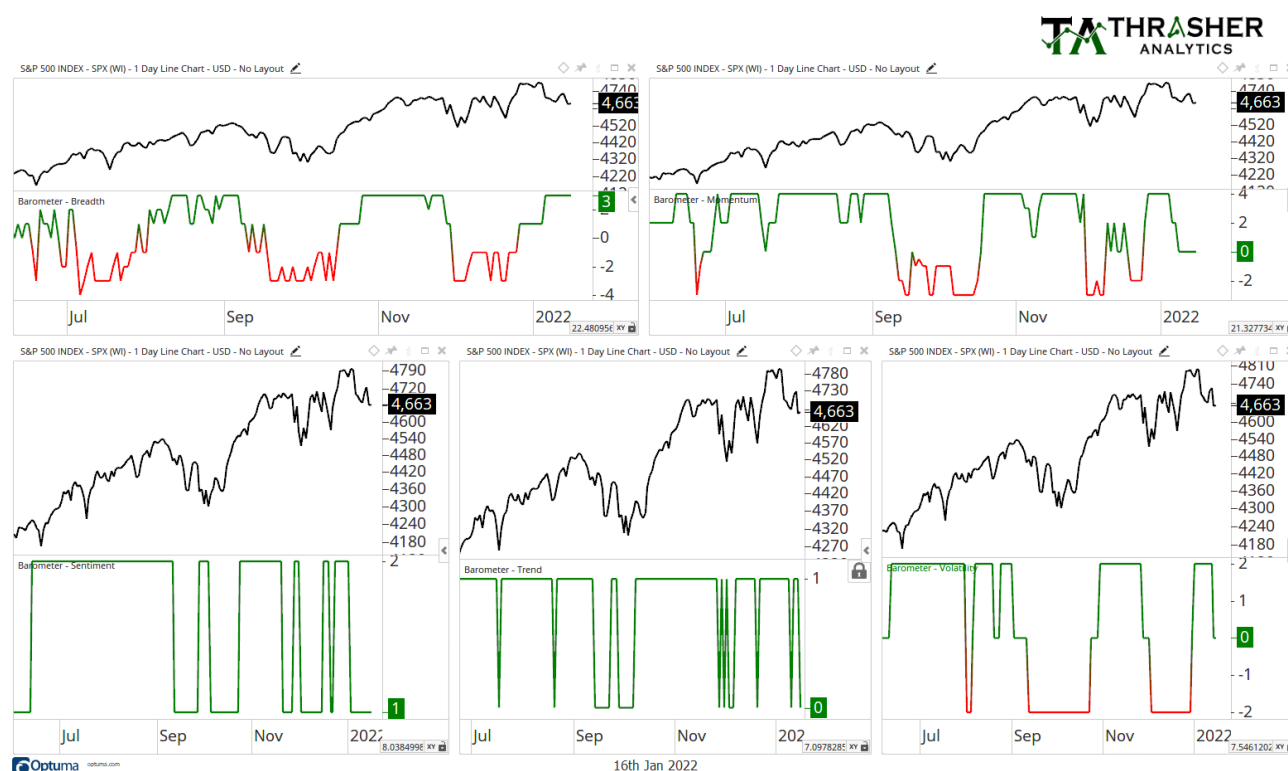
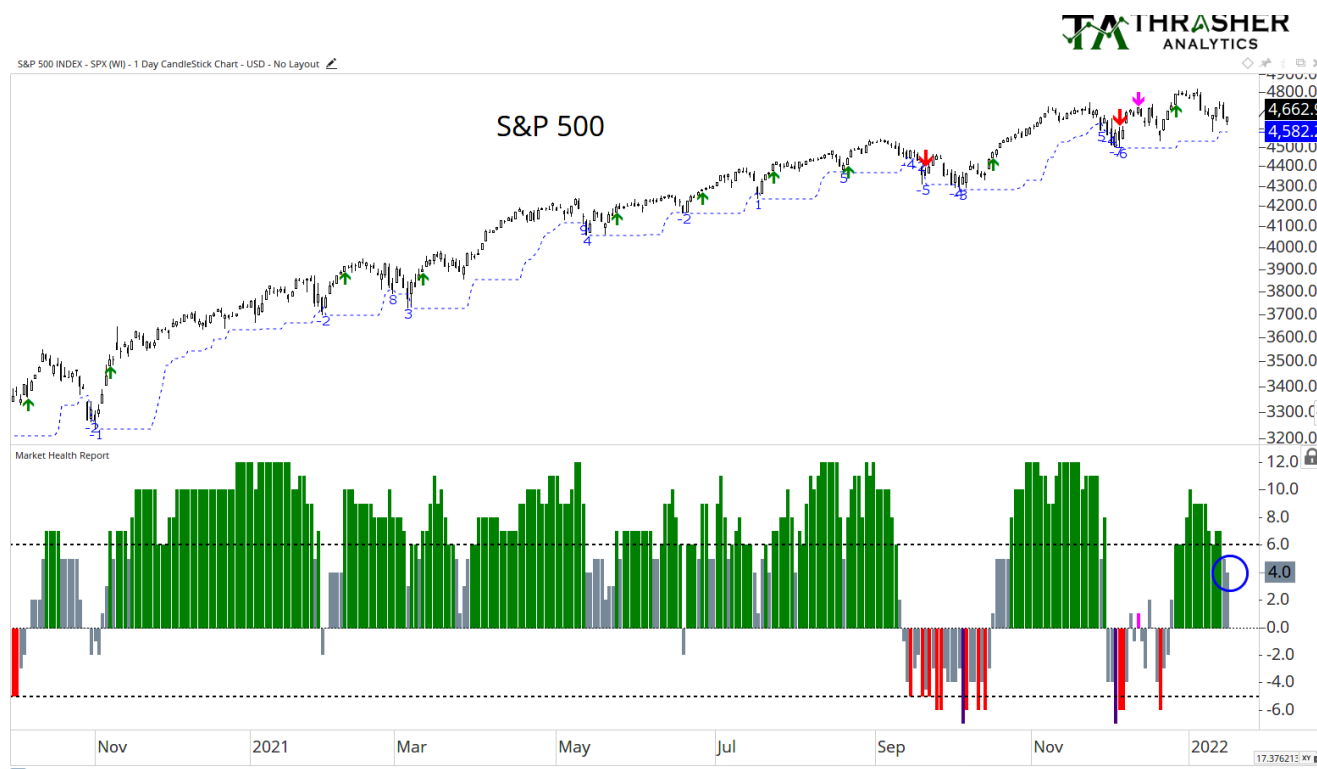
CBOE S&P 500 Volatility Index - VIX (CBOE) - 1 Day Bar Chart - USD - No Layout



# MARKET HEALTH REPORT



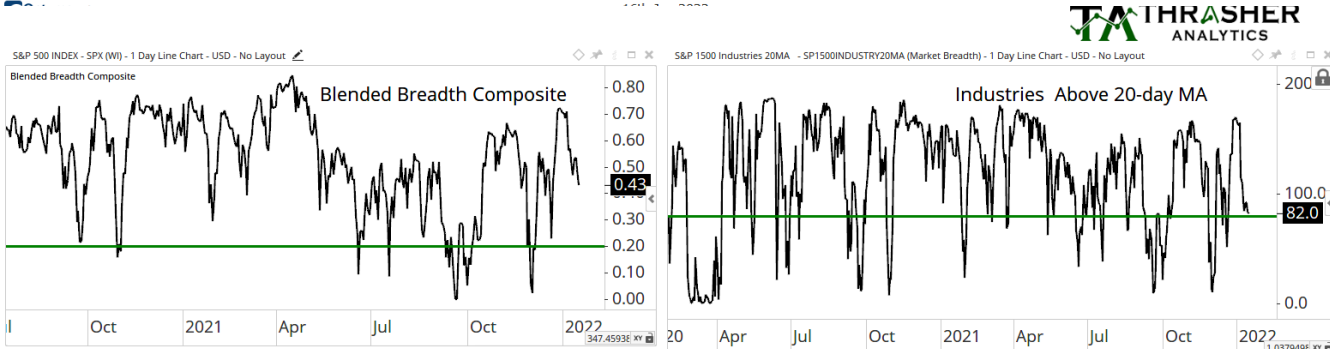
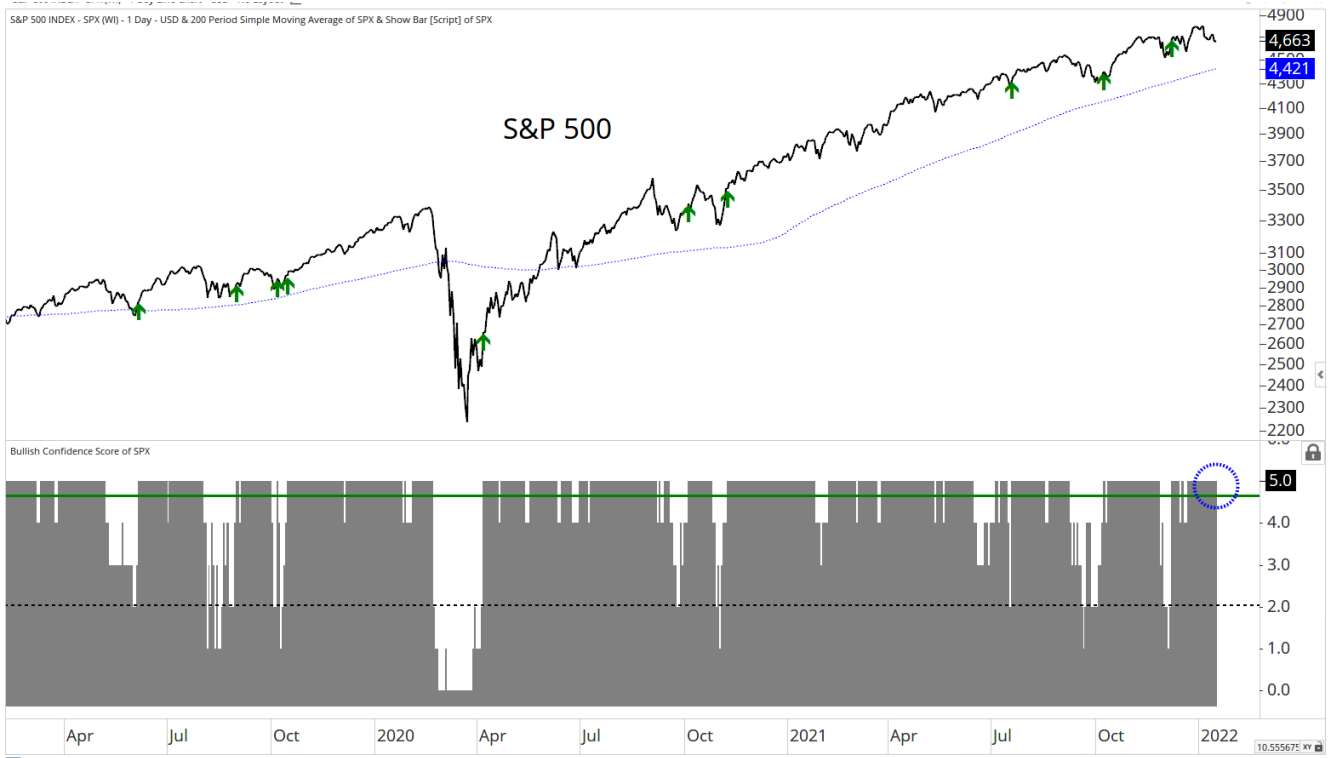
The Market Health Report (MHR) moved lower last week to +4 with several categories moving to zero. We don't have any categories in the negative but there's a 'cooling' off taking place as equities weaken and have a negative impact on the inputs for the five categories.



# BULL CONFIDENCE SCORE



All five categories of the Bullish Confidence Score are still above their thresholds.



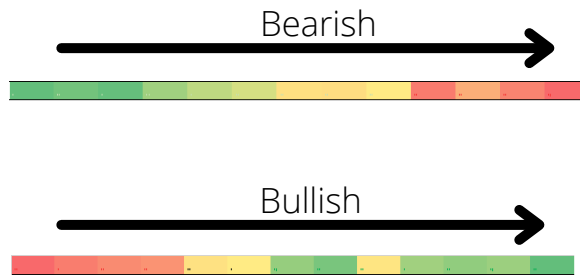
# RISK APPETITE RATIO



Below is a table of 18 gauges of risk appetite such as offense vs. defense sectors, foreign markets vs. domestic, small vs. large cap, lumber vs gold, high beta vs. broad market, high yield debt vs. Treasury debt, etc. The table shows each ratio's 1-year percentile going back the last 3-months (35 trading days). As the data improves, it turns green and as it declines it becomes red.

The average Risk Appetite Ratio percentile finished higher than last week and briefly got above 50. The next page shows a chart version of the average with additional commentary.

Risk Metric	-35	-34	-33	-32	-31	-30	-29	-28	-27	-26	-25	-24	-23	-22	-21	-20	-19	-18	-17	-16	-15	-14	-13	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	Current
Emerging Market vs. SPX	0.00	0.00	0.00	0.05	0.08	0.08	0.06	0.05	0.04	0.04	0.05	0.03	0.00	0.01	0.00	0.02	0.04	0.03	0.03	0.02	0.02	0.00	0.00	0.00	0.03	0.02	0.03	0.04	0.07	0.07	0.10	0.14	0.13	0.13		
EAFE vs. SPX	0.00	0.00	0.00	0.05	0.08	0.07	0.09	0.08	0.08	0.08	0.07	0.03	0.00	0.01	0.00	0.04	0.05	0.09	0.06	0.05	0.05	0.02	0.03	0.02	0.01	0.02	0.02	0.05	0.10	0.08	0.12	0.08	0.09	0.12	0.16	0.15
HY Debt vs. Treasury	0.45	0.27	0.35	0.19	0.15	0.18	0.11	0.22	0.30	0.40	0.34	0.37	0.27	0.27	0.35	0.33	0.26	0.29	0.35	0.30	0.37	0.36	0.39	0.45	0.39	0.38	0.53	0.54	0.52	0.50	0.54	0.53	0.51	0.55	0.46	0.56
High Beta vs. SPX	0.84	0.73	0.78	0.78	0.69	0.72	0.62	0.65	0.73	0.75	0.70	0.67	0.54	0.53	0.53	0.43	0.48	0.42	0.57	0.56	0.59	0.61	0.57	0.54	0.52	0.51	0.59	0.63	0.53	0.57	0.55	0.54	0.63	0.63	0.59	0.65
Home Construction vs. SPX	0.57	0.57	0.53	0.53	0.61	0.72	0.73	0.79	0.74	0.76	0.77	0.80	0.74	0.71	0.71	0.65	0.61	0.59	0.62	0.67	0.65	0.65	0.68	0.72	0.70	0.75	0.61	0.66	0.64	0.60	0.36	0.38	0.43	0.41	0.49	0.38
Offense vs. Defense Sectors	0.99	0.87	0.91	0.96	0.88	0.94	0.81	0.82	0.91	0.91	0.83	0.85	0.65	0.61	0.58	0.46	0.46	0.39	0.53	0.55	0.60	0.64	0.62	0.59	0.55	0.54	0.67	0.74	0.64	0.70	0.66	0.61	0.69	0.73	0.67	0.69
Broker-Dealer vs. SPX	0.78	0.73	0.69	0.66	0.67	0.75	0.72	0.72	0.74	0.71	0.69	0.61	0.58	0.63	0.59	0.68	0.62	0.53	0.56	0.55	0.57	0.55	0.55	0.52	0.50	0.50	0.52	0.64	0.64	0.71	0.77	0.77	0.79	0.68	0.70	0.60
Value vs. Growth	0.09	0.08	0.02	0.00	0.03	0.08	0.12	0.14	0.09	0.06	0.09	0.08	0.10	0.15	0.09	0.20	0.18	0.17	0.15	0.12	0.11	0.09	0.12	0.12	0.14	0.16	0.14	0.22	0.32	0.34	0.39	0.37	0.36	0.34	0.44	0.42
Semiconductor vs. SPX	0.92	0.88	1.00	0.99	1.00	0.93	0.92	0.83	0.98	0.94	0.85	0.83	0.74	0.74	0.88	0.69	0.74	0.73	0.82	0.83	0.84	0.91	0.86	0.85	0.81	0.80	0.89	0.86	0.78	0.84	0.70	0.71	0.77	0.80	0.78	0.89
Consumer Disc. Vs. Staples	0.91	0.82	0.83	0.85	0.79	0.85	0.75	0.77	0.84	0.89	0.83	0.80	0.64	0.59	0.58	0.46	0.49	0.44	0.59	0.61	0.64	0.65	0.61	0.62	0.62	0.60	0.60	0.60	0.48	0.49	0.40	0.36	0.41	0.41	0.37	0.31
Small Cap vs. Utilities	0.59	0.51	0.45	0.49	0.40	0.42	0.23	0.25	0.29	0.32	0.20	0.17	0.03	0.01	0.01	0.00	0.09	0.07	0.18	0.20	0.23	0.25	0.19	0.18	0.16	0.14	0.23	0.23	0.10	0.16	0.09	0.10	0.18	0.14	0.08	0.11
Transports vs. Utilities	0.91	0.83	0.81	0.80	0.72	0.78	0.74	0.77	0.75	0.74	0.76	0.75	0.66	0.63	0.59	0.55	0.56	0.49	0.59	0.56	0.62	0.65	0.62	0.61	0.58	0.59	0.58	0.66	0.60	0.63	0.59	0.55	0.59	0.57	0.56	0.56
Equal Weight vs. Cap Weight	0.15	0.09	0.04	0.00	0.00	0.12	0.16	0.20	0.15	0.15	0.14	0.11	0.13	0.14	0.08	0.17	0.18	0.15	0.18	0.14	0.15	0.13	0.16	0.19	0.20	0.24	0.17	0.28	0.34	0.38	0.41	0.36	0.37	0.34	0.47	0.44
Small cap vs. Large Cap	0.10	0.03	0.00	0.00	0.00	0.05	0.00	0.03	0.04	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.08	0.07	0.10	0.10	0.11	0.09	0.07	0.07	0.08	0.08	0.11	0.10	0.05	0.07	0.05	0.04	0.05	0.01	0.03	0.03
Equities vs. VIX	0.73	0.29	0.49	0.32	0.21	0.30	0.23	0.33	0.55	0.65	0.56	0.73	0.62	0.53	0.69	0.61	0.55	0.48	0.58	0.73	0.78	0.82	0.83	0.88	0.84	0.85	0.91	0.88	0.66	0.67	0.71	0.67	0.75	0.81	0.62	0.68
Aussie Dollar vs. Yen	0.41	0.42	0.34	0.27	0.29	0.13	0.26	0.36	0.45	0.39	0.42	0.35	0.32	0.45	0.44	0.35	0.32	0.43	0.52	0.59	0.56	0.64	0.61	0.66	0.67	0.70	0.60	0.76	0.73	0.61	0.61	0.57	0.63	0.68	0.63	0.54
Lumber vs. Gold	0.28	0.26	0.29	0.32	0.35	0.40	0.38	0.41	0.42	0.44	0.48	0.52	0.55	0.55	0.56	0.55	0.52	0.49	0.46	0.47	0.49	0.53	0.57	0.59	0.58	0.56	0.55	0.56	0.57	0.62	0.61	0.59	0.61	0.61	0.63	0.64
Copper vs. Gold	0.79	0.67	0.71	0.69	0.66	0.72	0.67	0.72	0.71	0.74	0.72	0.67	0.67	0.68	0.64	0.67	0.65	0.66	0.70	0.72	0.70	0.76	0.72	0.72	0.70	0.72	0.73	0.67	0.69	0.71	0.67	0.69	0.78	0.77	0.69	0.69
AVERAGE	0.53	0.45	0.46	0.44	0.42	0.46	0.42	0.45	0.49	0.50	0.47	0.46	0.40	0.40	0.41	0.38	0.38	0.36	0.42	0.43	0.45	0.46	0.46	0.46	0.45	0.45	0.47	0.51	0.47	0.48	0.46	0.44	0.48	0.49	0.48	0.47

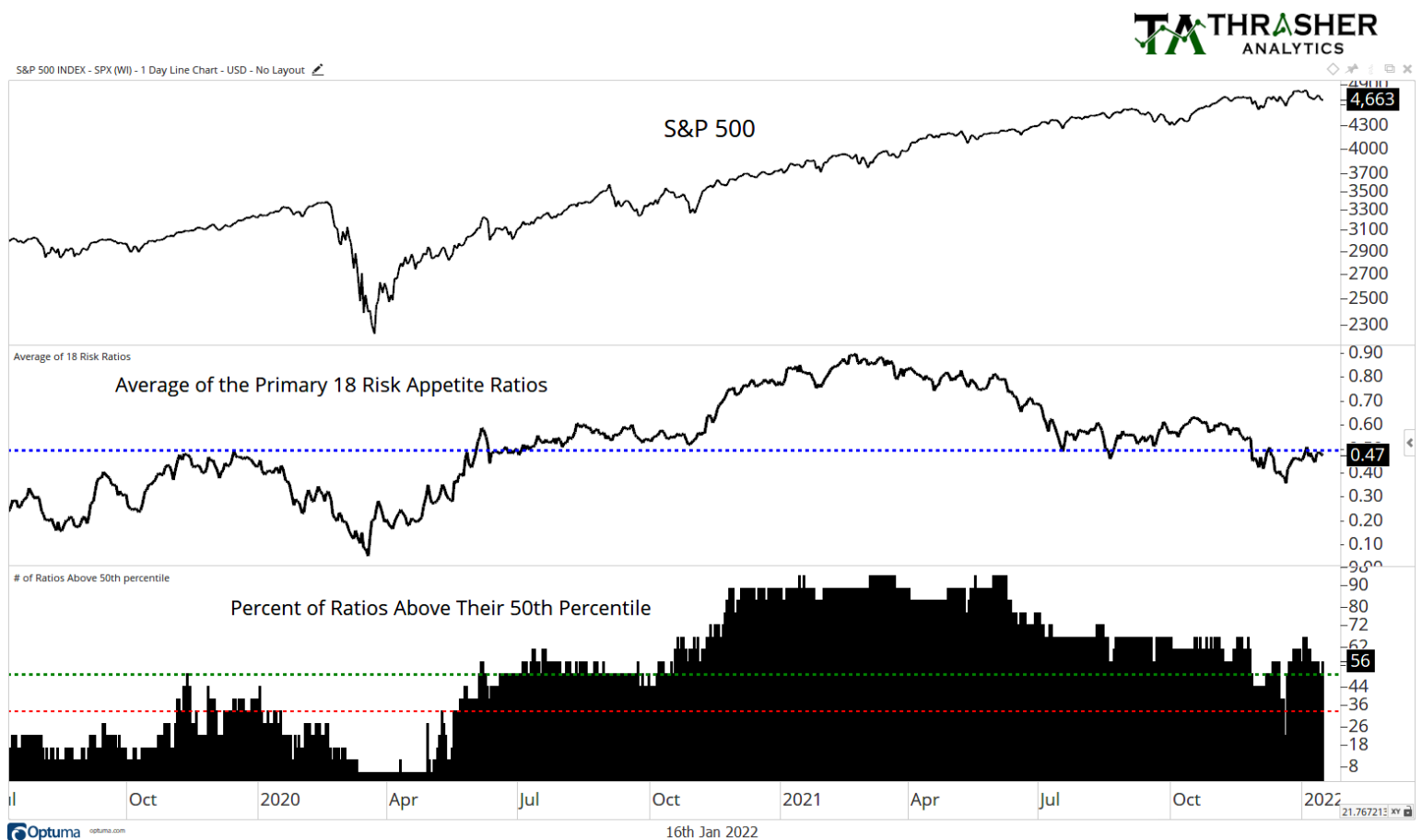


# RISK APPETITE RATIO



Here's a look at the historical average of the 18 Risk Appetite Ratio. You can see they've been steadily declining the last twelve months after the strong run in 2020 which set a high percentile bar. However, for the bulk of 2021 the average remained above the 50th percentile, meaning Risk Appetite, while declining, still remained positive. Currently, the average Risk Ratio is below 0.5, meaning it's in the bottom half of its 1-year range.

In the bottom panel of the chart we have the percent of the ratios that are still above their 50th percentile, currently at 56%. Bulls want to see this figure stay above 33%, meaning at least one-third of the ratios are in the top half of of their ranges. We haven't fallen under 33% since following the Covid Crash, with equities weakening at we kick off 2022 we'll see if that continues to be the case.





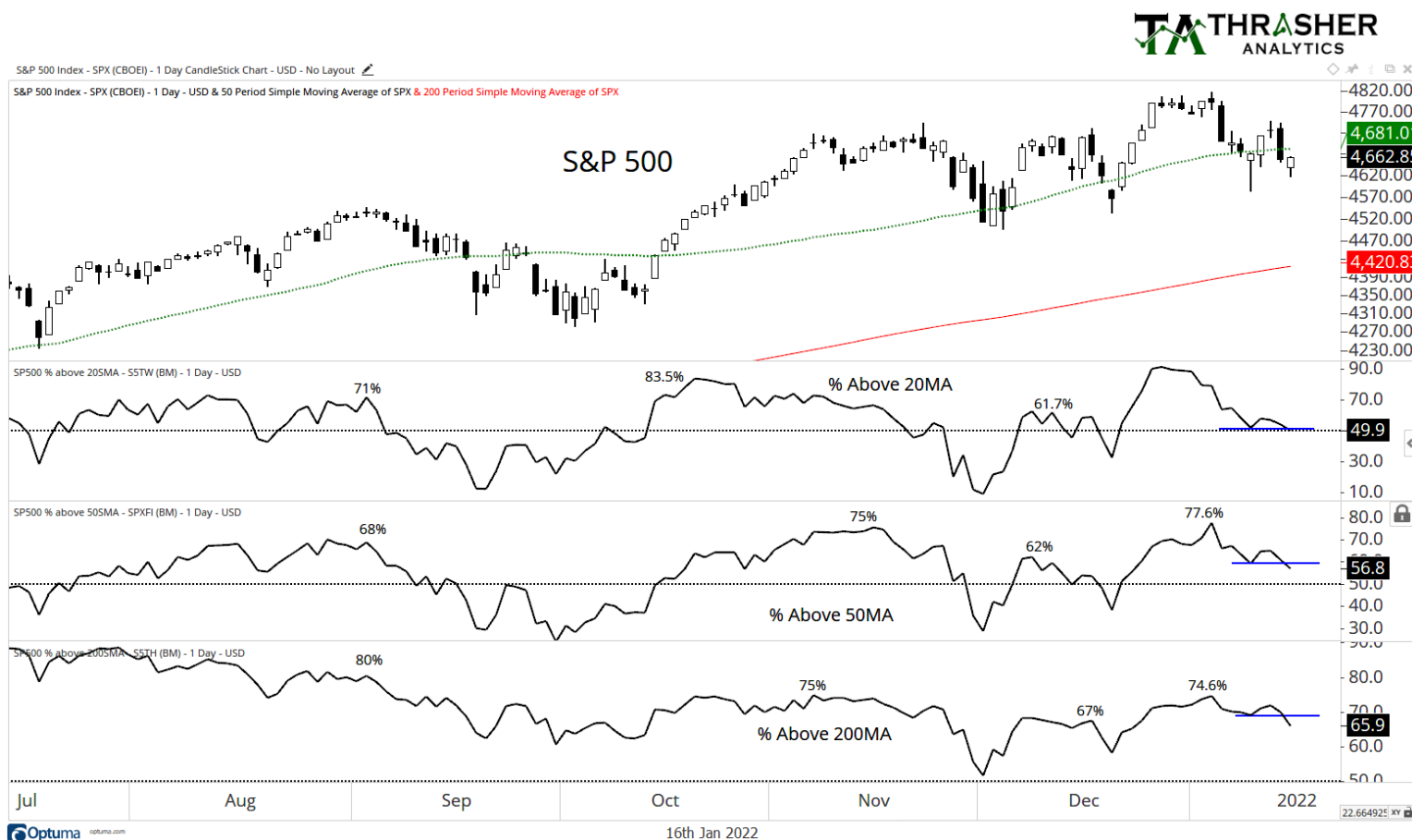
We finished the week under the 50-day moving average but early in the week saw dip buyers defend the 100-day MA as the intraday low on Monday neared the intermediate moving average. Momentum remains below the prior high ends of its range with the price action in large cap stocks being best described as sloppy. The S&P 500 has basically gone nowhere over the last nearly three months. We've had a few marginal new highs, each getting sold soon after its made and SPX currently sits just below where we started November.



# EQUITIES - BREADTH



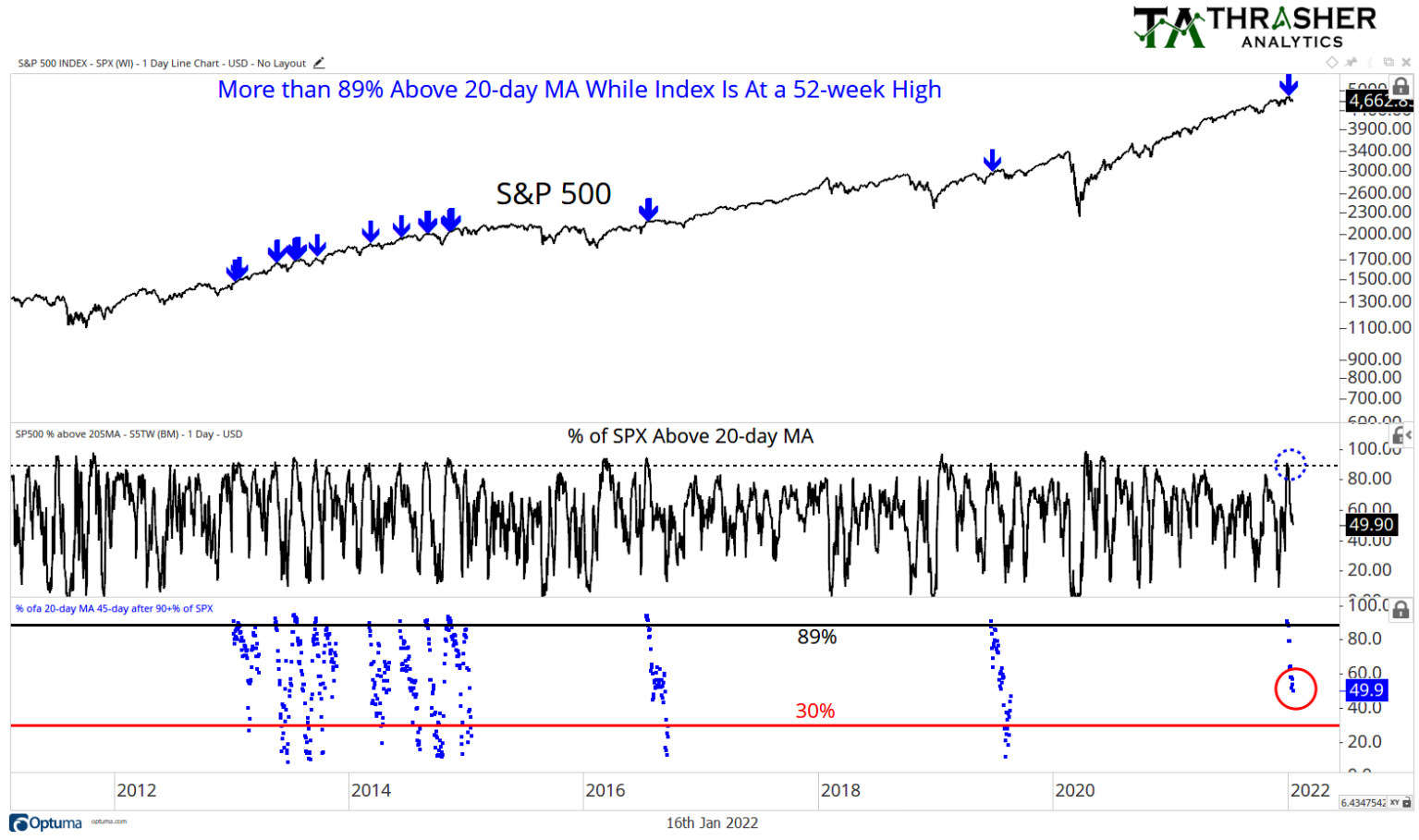
With the weakness in equities last week, albeit marginal, we did the percentage of stocks above the 20-day, 50-day, and 200-day moving averages make lower-lows. Seeing signs of selling expansion like this isn't a good sign but it can be partially explained by the fact price has been in a chopfest for almost three months which allows the moving averages to "catch up" to price. On the bright side, we still have over half the market trading above their 50-day MA while the index undercut its own on Thursday. We'll see if this week can get some strength back into large caps and these lower-lows get corrected, or if we see continued expansion of selling and a break below 50% of stocks above the 50-MA.



# EQUITIES - SHORT-TERM BREADTH TA



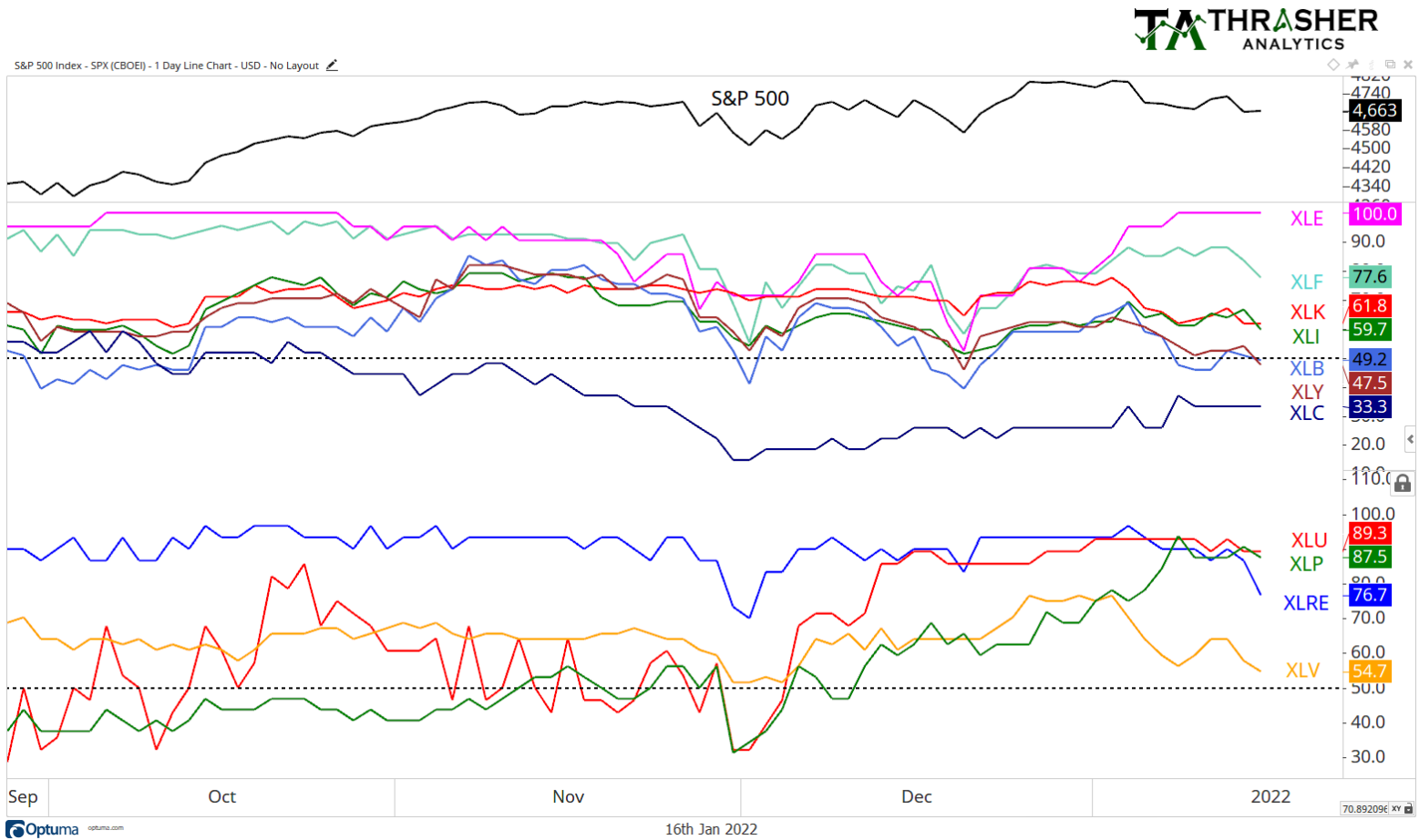
An update to this chart from last week's letter. We finished last week at 58% of stocks above the 20-day moving average, I noted that historically we see this figure get to 30% by the time selling is exhausted. We saw further downside during trading this past week, which took the data to 49.9%. A step closer to 30% but still well above. I'll repeat what I wrote last week, nothing says we are REQUIRED to hit 30%, that's just what history has shown us, but so far we seem to be following that same roadmap which implies we may see further weakness in stocks in the short-term as we lose more stocks to the short-term moving average and the current 49.9% gets into the 30s.



# EQUITIES - SECTOR BREADTH



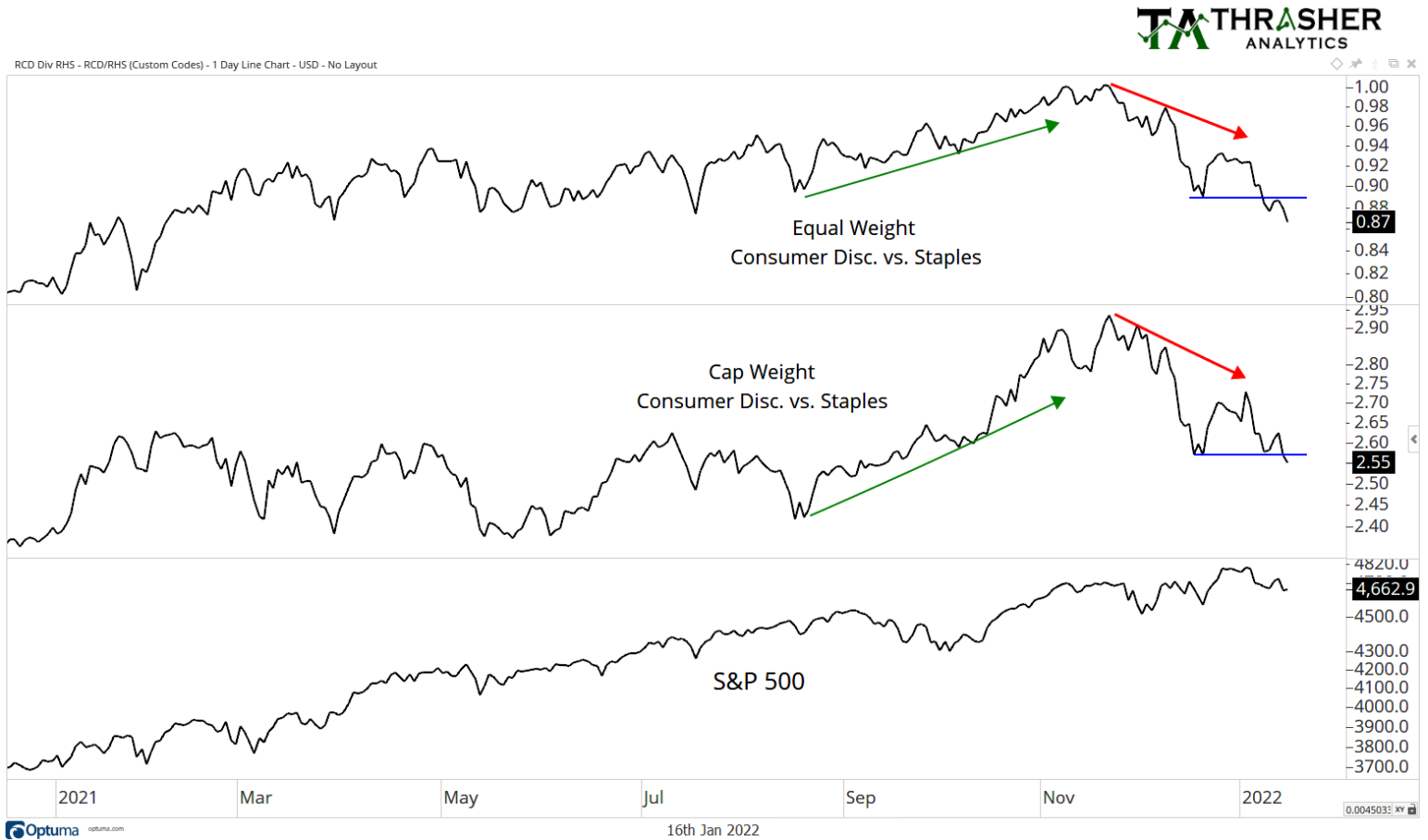
The energy sector remains with all of its stocks above the 200-day moving average. We saw Materials (XLB) and Consumer Disc. (XLY) fall under 50% last week. All of the defensive sectors still are holding with more than half of their stocks above the long-term moving average.



# EQUITIES - CONSUMER RATIO



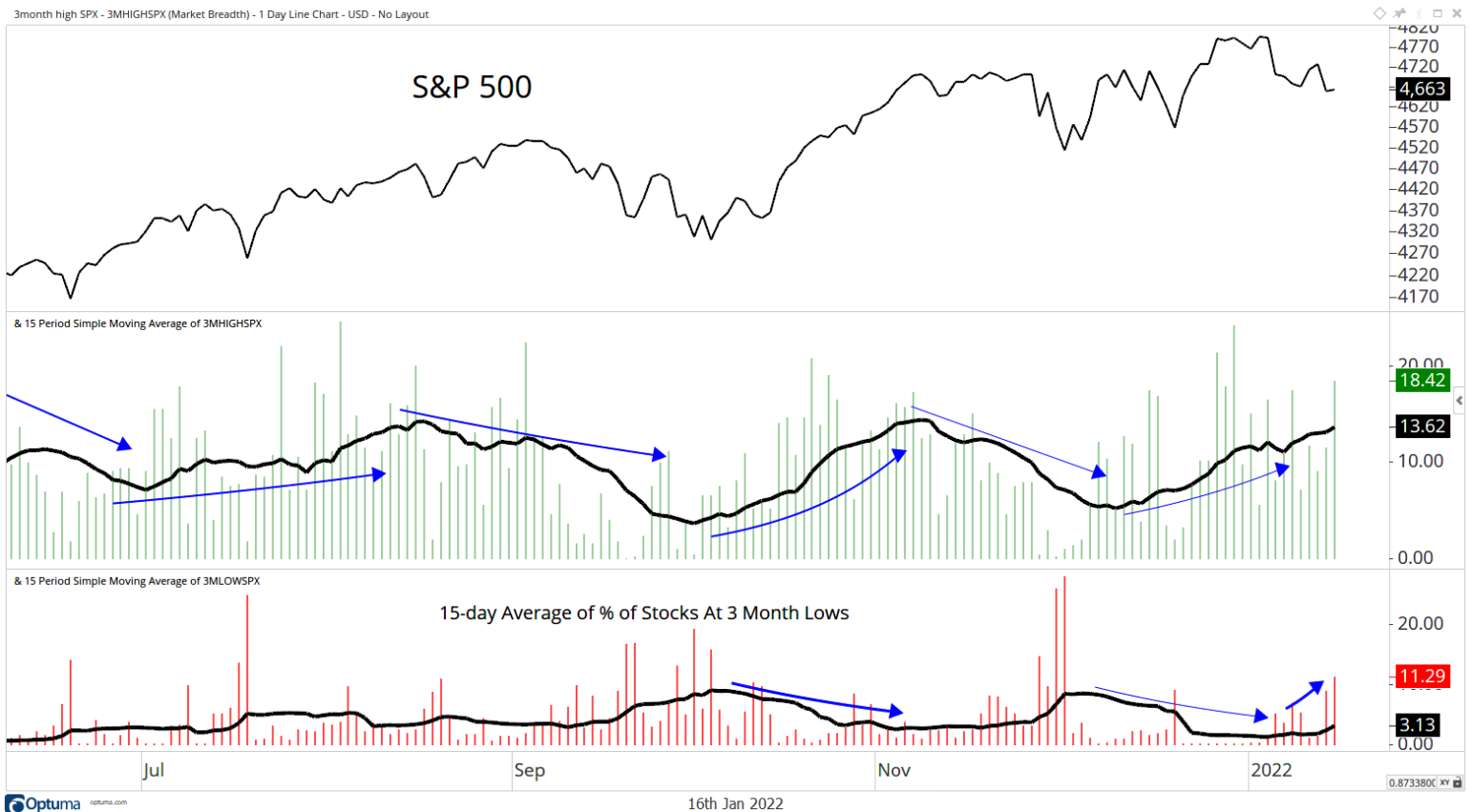
I shared this chart last week, highlighting the lower-low in the equal weight version of Consumer Disc. vs. Consumer Staples. This led to a lower-low as well in the cap weight version of the ratio as consumer discretionary stocks continue to struggle. Last week we saw XLY fall -1.48% and Staples moved lower by -0.5%.



# EQUITIES - 3-MONTH HIGHS



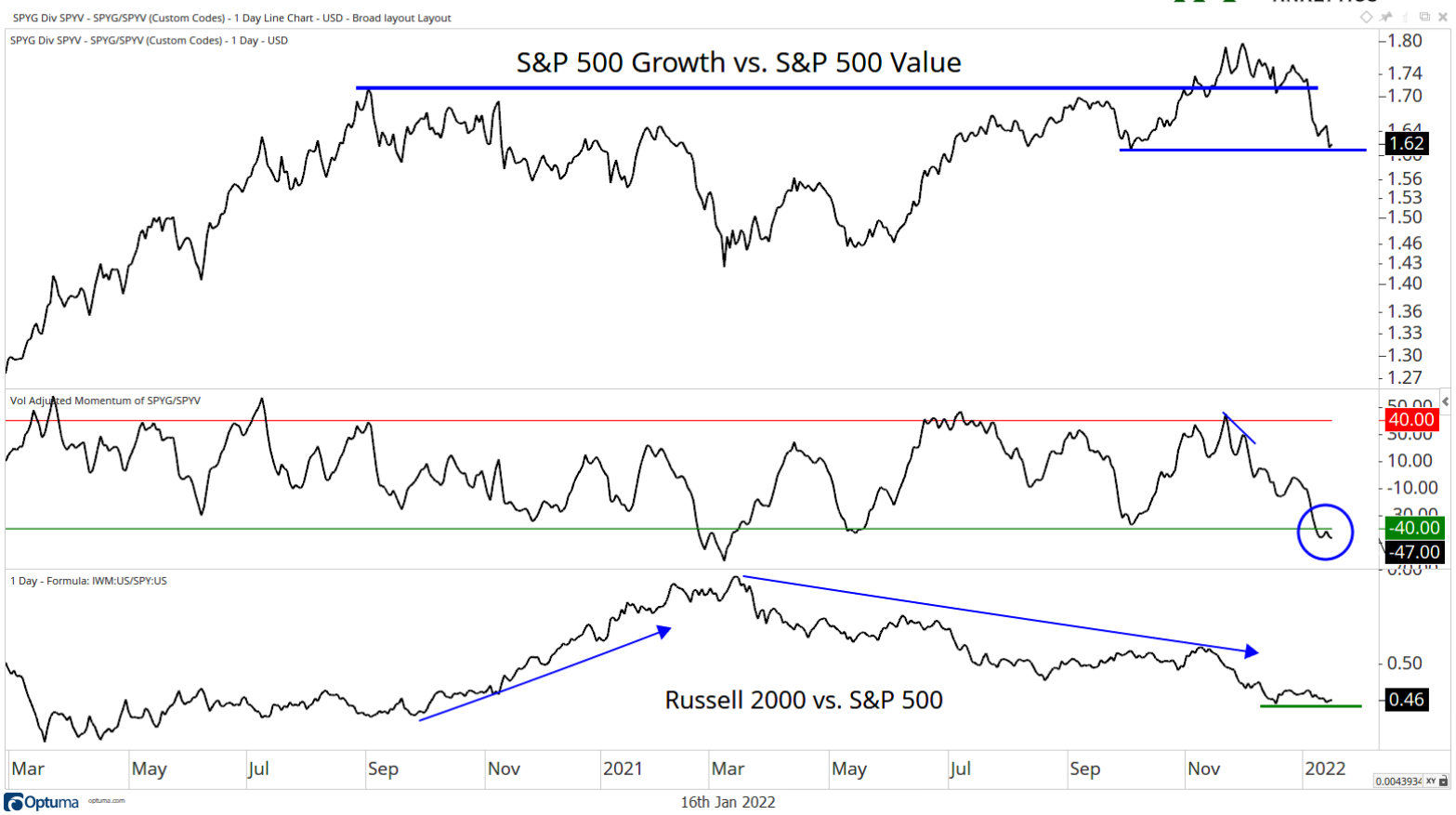
Even though the S&P 500 only declined by 30bps last week, we did see an expansion in new 3-month lows by individual large cap stocks. 11.3% of stocks made a 3-month low on Friday, the largest amount since the drop in late-November. However, while 3-month lows expanded, we still have a rising trend in 3-month highs as well. This expansion in both new lows and new highs shows the fracturing of the market and the breakdown in individual stock correlations, giving way to stock pickers who can show an ability to find those winners and avoid the laggards.



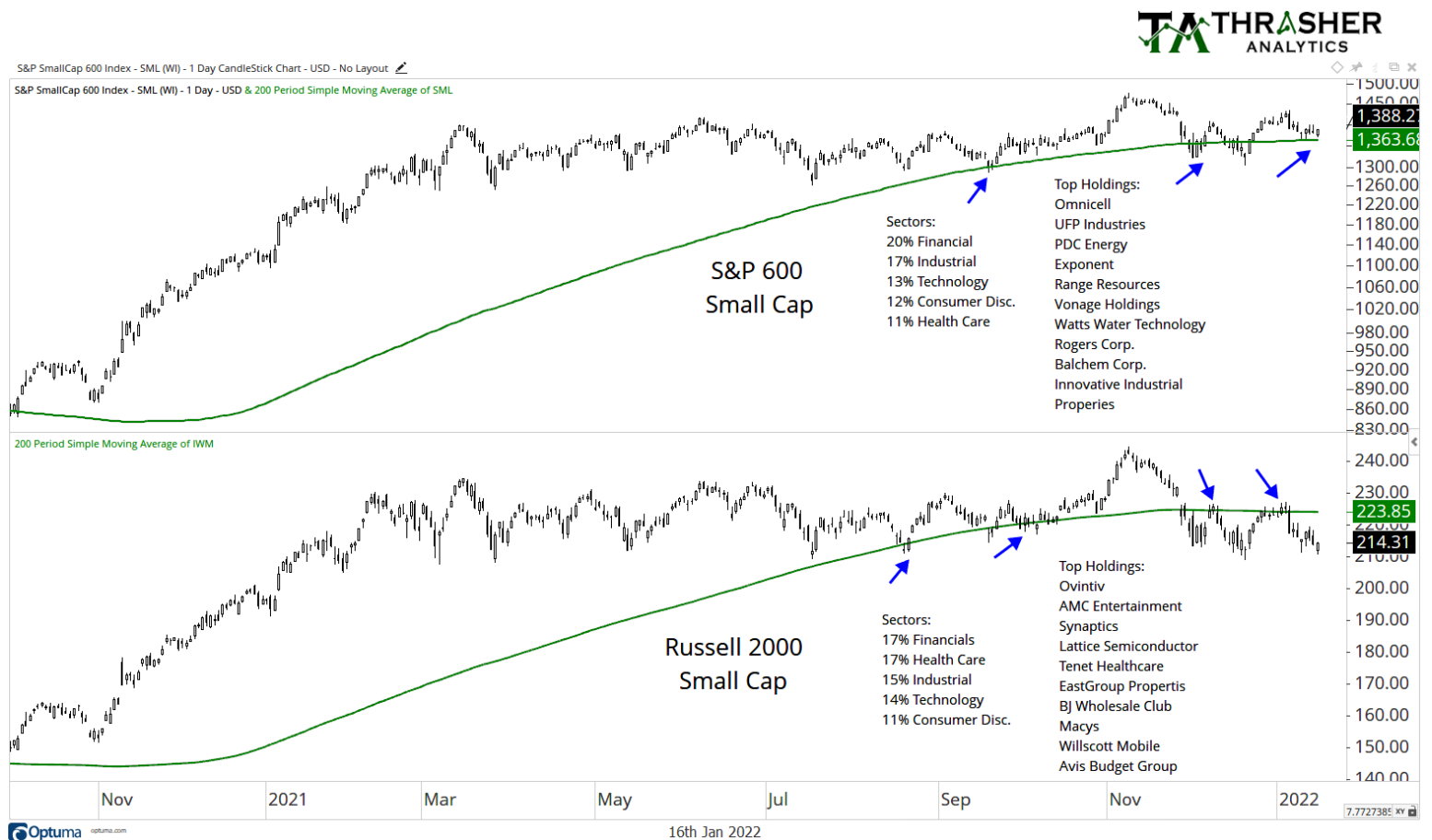
# EQUITIES - GROWTH VS. VALUE



The ratio of growth vs. value has now moved down to its October 4th low and is being accompanied by Volatility Adjusted Momentum (VaM) falling into "oversold" territory. If growth bulls are going to step back in and "buy the dip" then this is the likely place for them to be pulling that trigger. If we don't see growth improve from here, and a lower-low develops, I think that will be a big tell in longer-term rotation out of growth and into value.



Not all small caps are created equal and not all small cap indices are equal either. The Russell 2000 gets the most attention whenever small caps get discussed but IWM is very different than the other major small cap index: the S&P 600. I've plotted both below and show their 200-day moving averages. The S&P 600 has been finding support at the 200-MA while IWM is treating its 200-MA as resistance. I've also noted their sector breakdown and top holdings. Notice how the second largest (and at one time it was the largest) holding is AMC, the nearly bankrupt movie theatre chain. The S&P 600 has a slightly higher weighting towards financials, which have benefited from the rise in interest rates but beyond that, they have a similar concentration across sectors. I point this out to show that when looking at small caps, to recognize there are differences in the representing indices and there's more to the small cap story than just the Russell 2000.





# EQUITIES - TOP PERFORMERS



Below is a table of the S&P 500 stocks, sorted by their 1-month performance. The stocks are then grouped into their respective industry categories. Notice anything? Oil!

Oil/energy-related industries have crushed it over the last month. Putting up an average of 20.5%-24.6% 1-month gains in a period when the broad market is basically flat is wildly impressive. The top industries are all energy-related and this helps explain why every energy stock in XLE is above its 20 and 200-day moving average. I'll be discussing this sector more later in the letter.

+ <input type="checkbox"/>	Name	1 Day Change	Industry Name	Sector Name	3 Month Change	1 Month Change	5 Day Change
Oilfield Services Or Equipment					AVG: 8.51%	AVG: 24.66%	AVG: 8.27%
<input type="checkbox"/>	Halliburton Co.	2.90%	Oilfield Services Or Equipment	Industrial Services	10.50%	29.05%	10.45%
<input type="checkbox"/>	Schlumberger Ltd.	4.53%	Oilfield Services Or Equipment	Industrial Services	11.21%	29.00%	7.94%
<input type="checkbox"/>	NOV Inc	1.91%	Oilfield Services Or Equipment	Industrial Services	10.21%	25.34%	9.55%
<input type="checkbox"/>	Baker Hughes Co - Ordinary Shares	4.53%	Oilfield Services Or Equipment	Industrial Services	2.12%	15.23%	5.13%
Oil And Gas Production					AVG: 15.95%	AVG: 24.55%	AVG: 6.57%
<input type="checkbox"/>	Marathon Oil Corporation	4.85%	Oil And Gas Production	Energy Minerals	20.33%	28.51%	6.74%
<input type="checkbox"/>	Devon Energy Corp.	1.51%	Oil And Gas Production	Energy Minerals	25.66%	26.04%	3.07%
<input type="checkbox"/>	EOG Resources, Inc.	3.56%	Oil And Gas Production	Energy Minerals	17.86%	24.55%	7.61%
<input type="checkbox"/>	Diamondback Energy Inc	4.13%	Oil And Gas Production	Energy Minerals	19.33%	24.54%	6.33%
<input type="checkbox"/>	Occidental Petroleum Corp.	3.98%	Oil And Gas Production	Energy Minerals	12.16%	24.51%	6.93%
<input type="checkbox"/>	Pioneer Natural Resources Co.	4.05%	Oil And Gas Production	Energy Minerals	13.47%	23.85%	8.35%
<input type="checkbox"/>	Conoco Phillips	3.73%	Oil And Gas Production	Energy Minerals	16.99%	22.67%	7.56%
<input type="checkbox"/>	Hess Corporation	1.29%	Oil And Gas Production	Energy Minerals	1.81%	21.74%	5.96%
Oil Refining Or Marketing					AVG: 9.75%	AVG: 23.36%	AVG: 6.21%
<input type="checkbox"/>	Phillips 66	2.07%	Oil Refining Or Marketing	Energy Minerals	9.06%	25.61%	8.08%
<input type="checkbox"/>	Valero Energy Corp.	2.21%	Oil Refining Or Marketing	Energy Minerals	8.31%	24.85%	5.19%
<input type="checkbox"/>	Marathon Petroleum Corp	2.22%	Oil Refining Or Marketing	Energy Minerals	11.89%	19.62%	5.37%
Integrated Oil					AVG: 19.57%	AVG: 20.51%	AVG: 6.56%
<input type="checkbox"/>	APA Corporation	3.74%	Integrated Oil	Energy Minerals	26.24%	32.63%	12.20%
<input type="checkbox"/>	Exxon Mobil Corp.	1.76%	Integrated Oil	Energy Minerals	14.83%	17.30%	4.34%
<input type="checkbox"/>	Chevron Corp.	1.70%	Integrated Oil	Energy Minerals	17.65%	11.60%	3.14%
+ Other Metals Or Minerals					AVG: 14.08%	AVG: 18.34%	AVG: 5.25%
+ Broadcasting					AVG: -3.36%	AVG: 16.50%	AVG: 4.63%
+ Cable Or Satellite TV					AVG: 0.77%	AVG: 16.17%	AVG: 1.94%
+ Hotels Or Resorts Or Cruiselines					AVG: -2.98%	AVG: 15.00%	AVG: 1.42%
+ Major Telecommunications					AVG: 3.85%	AVG: 14.00%	AVG: 0.81%
+ Major Banks					AVG: 10.43%	AVG: 13.39%	AVG: 1.79%
+ Precious Metals					AVG: 7.35%	AVG: 12.89%	AVG: 3.01%
+ Life Or Health Insurance					AVG: 6.59%	AVG: 12.70%	AVG: 2.44%
+ Computer Processing Hardware					AVG: 25.88%	AVG: 12.34%	AVG: 0.96%
+ Motor Vehicles					AVG: 30.10%	AVG: 12.19%	AVG: 1.13%
+ Regional Banks					AVG: 10.42%	AVG: 12.18%	AVG: 1.43%
+ Airlines					AVG: -4.84%	AVG: 11.36%	AVG: -1.46%
+ Financial Conglomerates					AVG: -7.41%	AVG: 11.11%	AVG: 1.75%
+ Tobacco					AVG: 4.71%	AVG: 11.02%	AVG: 3.18%
+ Medical Or Nursing Services					AVG: 3.66%	AVG: 10.61%	AVG: 4.24%

A new section of the report I'll be sharing in the new year will be looking at the most important stocks to hedge funds. Using data from [HedgeMind](#), which publishes a list of the 50 stocks that the most hedge funds hold in their top 10 largest positions. This means these stocks likely are "in play" by many hedge funds as they accumulate shares or exit positions.

Using the Thrasher Analytics Mean Reversion Indicator (TAMRI), I've sorted the stocks by their combined (Absolute & Relative) score, showing the 1st and 4th quartiles. These are no buy and sell recommendations. These lists show stocks that have potential to mean revert higher (when the TAMRI is low) or revert lower (TAMRI is high). I've also included the 1-year z-score of each stock.

This can act as a great source of idea generation of stocks that hedge funds may be active buyers or sellers in the coming weeks. I'll provide an updated list each week.

Name	Ticker	1W Change	1M Change	3M Change	1yr Z-Score	Absolute Score	Combined Score
Combined Score 1st Quartile		AVG: -2.32%	AVG: -10.17%	AVG: -20.44%	AVG: -1.656		AVG: -48.00
Five9 Inc	FIVN	-4.22%	-2.79%	-10.16%	-2.074	-66.82	-67.13
PayPal Holdings Inc	PYPL	-4.89%	-5.35%	-31.39%	-2.082	-51.31	-54.88
T-Mobile US Inc	TMUS	-1.11%	-5.45%	-10.48%	-1.842	-53.38	-52.34
Block Inc - Ordinary Shares - Class A	SQ	-5.83%	-26.49%	-44.11%	-2.944	-47.61	-49.21
Adobe Inc	ADBE	1.94%	-20.45%	-9.75%	-0.562	-46.89	-48.91
Shopify Inc	SHOP	-3.63%	-24.54%	-19.96%	-1.477	-44.02	-46.61
RH	RH	-9.57%	-25.79%	-30.82%	-2.087	-42.70	-44.57
Charter Communications Inc.	CHTR	-0.46%	-0.52%	-13.94%	-1.340	-45.18	-43.37
Twitter Inc	TWTR	-3.10%	-15.63%	-39.64%	-2.192	-41.25	-43.34
Mercadolibre Inc	MELI	3.44%	-1.90%	-25.70%	-1.841	-40.66	-42.58
Fiserv, Inc.	FISV	0.26%	5.74%	1.13%	-0.302	-44.05	-42.51
Liberty Broadband Corp - Ordinary Shares - Se	LBRDK	-0.69%	1.11%	-10.43%	-1.128	-41.08	-40.58
Combined Score 2nd Quartile		AVG: -2.46%	AVG: -9.28%	AVG: -15.50%	AVG: -0.753		AVG: -27.48
Combined Score 3rd Quartile		AVG: -5.03%	AVG: -13.50%	AVG: -23.81%	AVG: -1.003		AVG: -10.34
Combined Score 4th Quartile		AVG: 0.29%	AVG: -2.32%	AVG: 15.29%	AVG: 1.172		AVG: 13.52
DoorDash Inc - Ordinary Shares - Class A	DASH	-0.56%	-16.75%	-35.66%	-1.433	-2.22	-2.27
Booking Holdings Inc	BKNG	0.67%	9.60%	-0.95%	1.121	-0.16	0.43
Advanced Micro Devices Inc.	AMD	3.70%	-1.21%	30.29%	1.415	3.73	2.88
Snowflake Inc - Ordinary Shares - Class A	SNOW	-3.37%	-21.99%	-7.63%	0.118	3.42	3.63
Nvidia Corp	NVDA	-1.12%	-10.78%	29.34%	1.151	6.54	9.21
Micron Technology Inc.	MU	3.08%	13.82%	38.85%	2.034	15.16	15.04
Expedia Group Inc	EXPE	2.50%	10.45%	8.48%	1.479	13.52	15.51
Apple Inc	AAPL	0.52%	-3.56%	21.11%	1.918	14.82	17.98
Tesla Inc	TSLA	2.21%	3.20%	33.62%	1.549	17.63	18.22
WillScot Mobile Mini Holdings Corp	WSC	0.79%	-3.35%	21.87%	1.626	18.83	23.38
Palo Alto Networks Inc	PANW	-5.02%	-6.16%	1.28%	1.049	25.49	26.18
Builders Firstsource Inc	BLDR	0.06%	-1.12%	42.82%	2.033	26.77	32.02

# SECTORS - PERFORMANCE

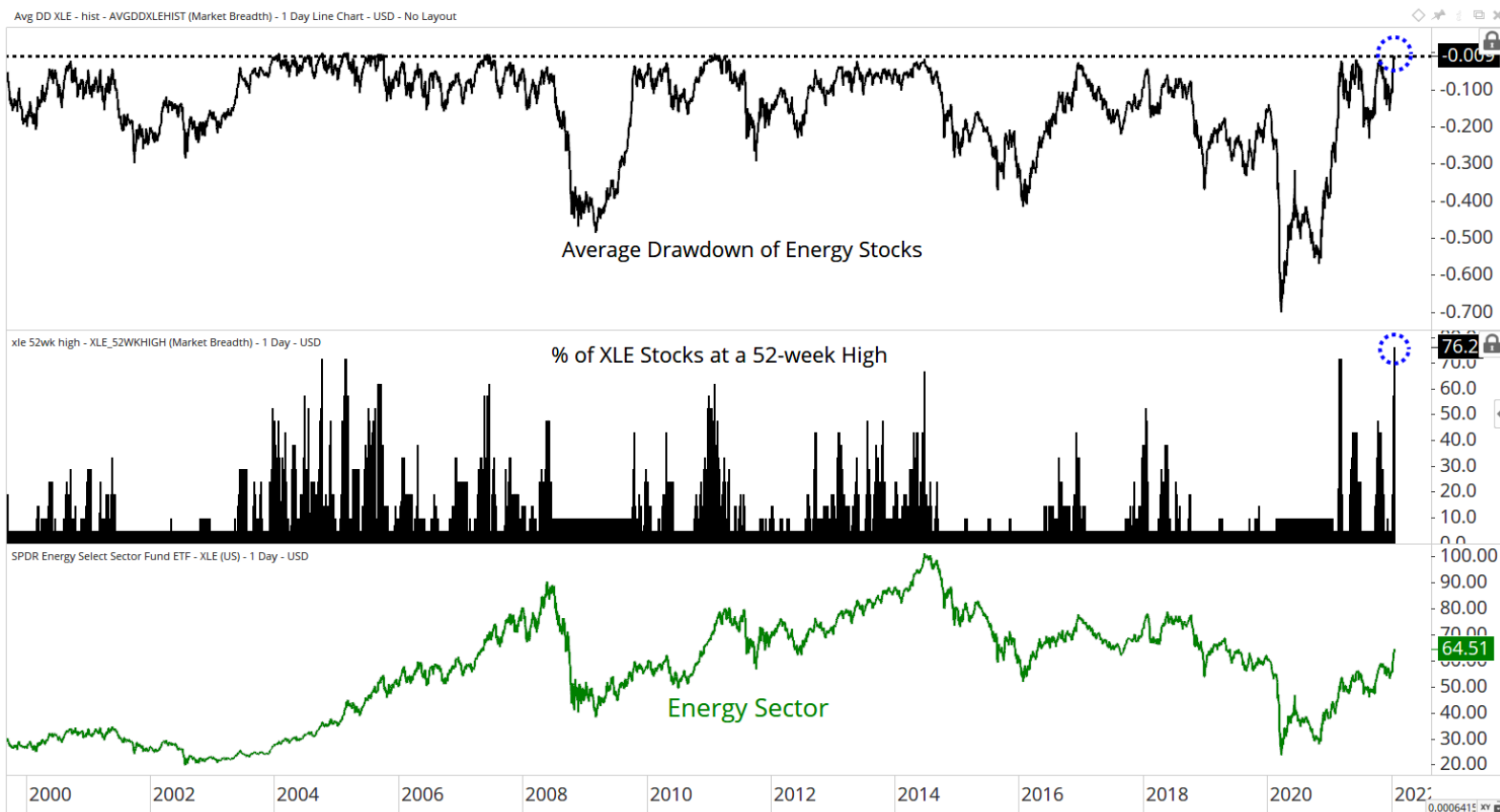


1 Day - Watch List - No Layout

Ticker	Name	2022	YTD Rel% to SPX	1W %	1M %	3M %	6M %	% from 52Wk High	% from 52Wk Low	% From 20MA	% From 50MA	% From 200MA	
- Index		AVG: -0.68%			AVG: 6.32%			AVG: 19.75%			AVG: -1.96%		
NDY	NASDAQ 100 Index	-4.34%	-2.22%	0.12%	-1.91%	3.71%	4.77%	6.88%	27.88%	-2.60%	-3.19%	4.23%	
SPX	S&P 500 INDEX	-2.17%	0.00%	-0.30%	0.62%	5.06%	6.60%	3.23%	26.22%	-1.08%	-0.39%	5.47%	
IWM	iShares Russell 2000 ETF	-3.66%	-1.52%	-0.81%	0.06%	-5.12%	-2.08%	12.33%	4.62%	-2.20%	-4.49%	-4.26%	
DJI	Dow Jones Industrial Average	-1.17%	1.02%	-0.88%	1.03%	2.86%	2.80%	2.82%	20.28%	-0.56%	0.22%	2.79%	
- Sectors		AVG: 1.66%			AVG: 4.74%			AVG: 30.79%			AVG: 1.11%		
XLE	SPDR Energy Select Sector Fund ETF	16.23%	18.81%	5.17%	16.40%	13.08%	26.96%	0.16%	65.67%	10.93%	12.69%	21.43%	
XLC	SPDR Communication Services Select Sector ETF	-1.44%	0.74%	0.16%	0.60%	-4.91%	-6.58%	11.34%	17.21%	-0.93%	-1.68%	-4.04%	
XLK	SPDR Technology Select Sector Fund ETF	-4.66%	-2.55%	-0.10%	-2.18%	7.17%	8.30%	6.37%	32.92%	-2.74%	-2.23%	7.67%	
XLV	SPDR Health Care Select Sector Fund ETF	-4.84%	-2.73%	-0.21%	-0.91%	5.29%	4.16%	5.57%	21.96%	-2.66%	-0.72%	3.44%	
XLP	SPDR Consumer Staples Select Sector Fund ETF	-0.10%	2.11%	-0.50%	2.42%	8.52%	9.05%	1.47%	22.29%	0.75%	3.67%	7.63%	
XLB	SPDR Materials Select Sector Fund ETF	-2.00%	0.17%	-0.56%	1.28%	5.84%	7.87%	3.80%	26.84%	-0.36%	0.52%	4.64%	
XLI	SPDR Industrial Select Sector Fund ETF	0.04%	2.25%	-0.60%	2.50%	3.87%	3.15%	1.88%	25.25%	0.80%	0.85%	2.57%	
XLF	SPDR Financial Select Sector Fund ETF	4.56%	6.88%	-0.83%	5.07%	4.88%	11.86%	2.08%	41.62%	2.60%	3.34%	7.61%	
XLU	SPDR Utilities Select Sector Fund ETF	-3.05%	-0.90%	-1.43%	-0.26%	5.36%	6.97%	3.38%	19.10%	-1.12%	0.99%	3.92%	
XLV	SPDR Consumer Discretionary Select Sector Fund	-3.87%	-1.74%	-1.48%	-1.02%	5.57%	8.45%	8.62%	31.32%	-2.52%	-3.54%	5.66%	
XLRE	SPDR Real Estate Select Sector Fund ETF	-6.79%	-4.73%	-1.99%	-2.05%	4.57%	4.73%	7.44%	34.55%	-3.50%	-1.72%	4.88%	

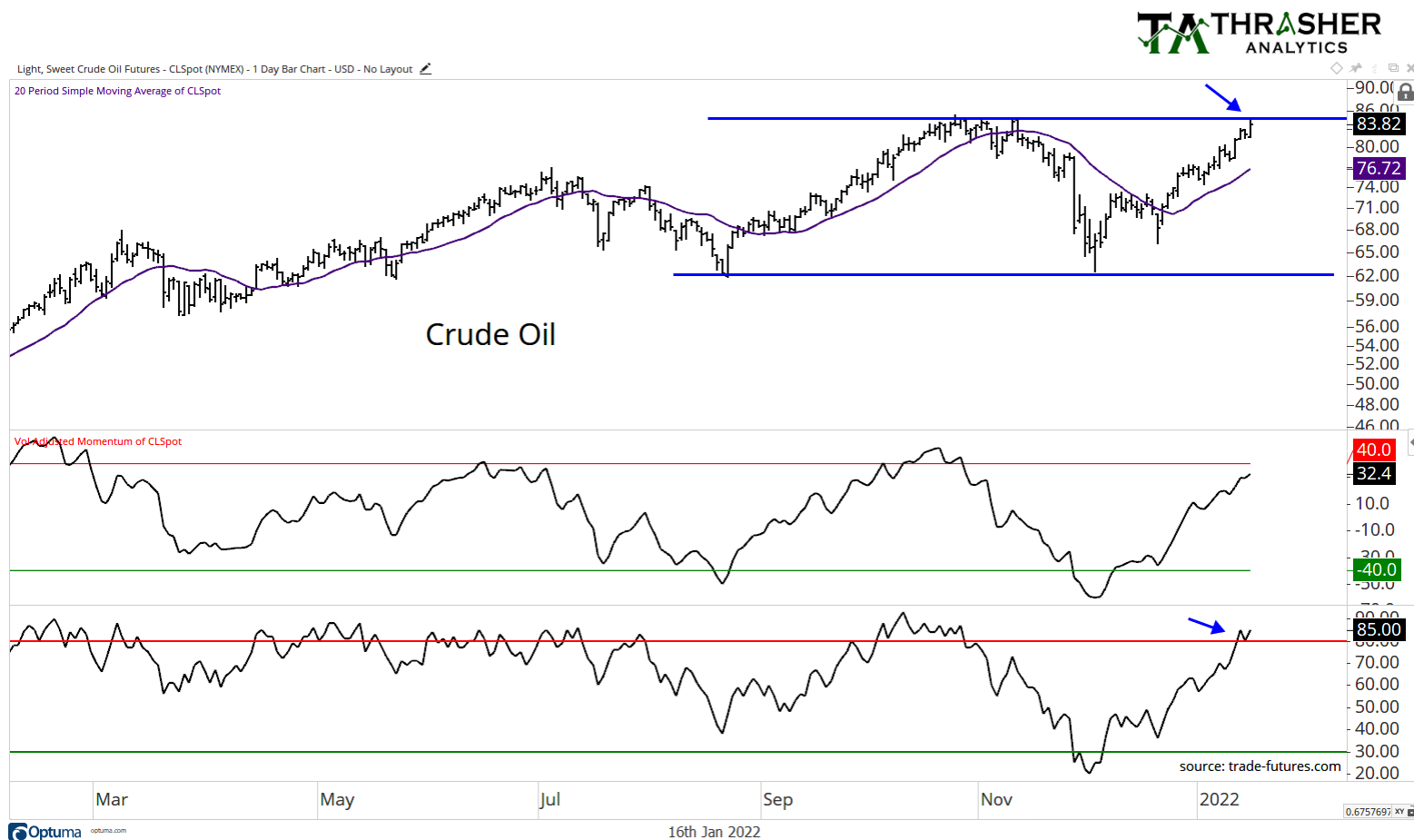
Type Code or Name to add an item to the watchlist

I mentioned early how impressive the last month has been for energy stocks, posting 20+% gains. This has driven 76.2% of the sector to a new 52-week high on Friday, the highest breadth reading in over twenty years for the sector. And with it, the average drawdown of energy stocks is almost zero, sitting on Friday at under -1%. There are plenty of catalysts still in the market to keep giving a boost to the sector, but it's hard at least recognize the potential for some mean-reversion to take place at least in the short-term. Prior spikes in % at 52-week high have been met with some profit taking by traders and investors in the past, notably in the summers of 2020 and 2014.



While on the topic of energy, let's shift focus to the commodity side of the ledger, specifically crude oil.

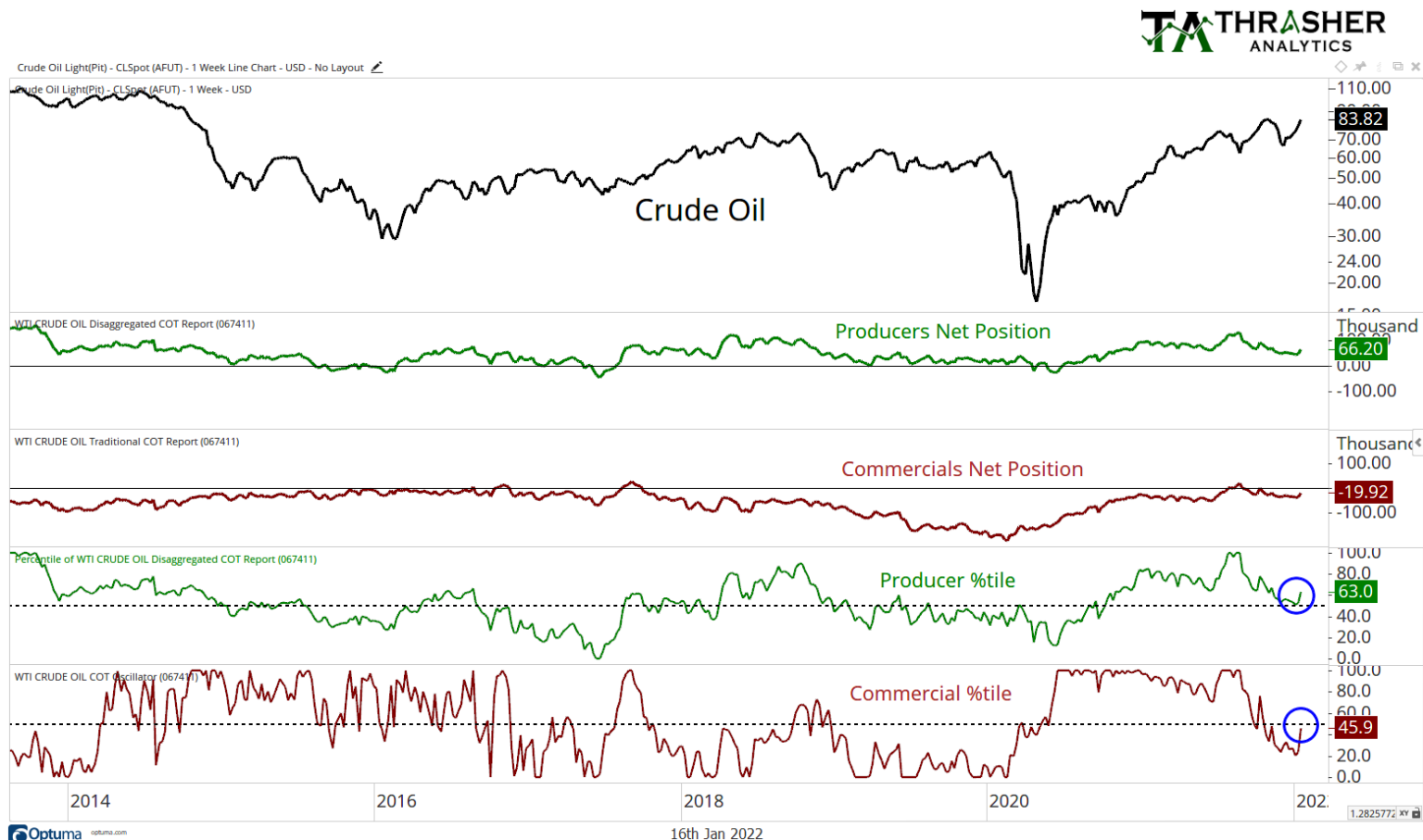
Oil is back to the November high, and traders are eagerly waiting to see if we get a breakout. The energy crisis in Europe, conflicts in the Middle East and continued poor weather conditions in many parts of the globe and in the Northeast U.S. have helped push oil prices higher. Sentiment is now at 83% bullish (bottom panel of chart). As October '21 showed, we can get above 80% bullish and still see price climb, it's when we start seeing sentiment diverge lower that can cause trouble for crude oil bulls, which is what pegged the high in November.



# COMMODITY - CRUDE OIL -2



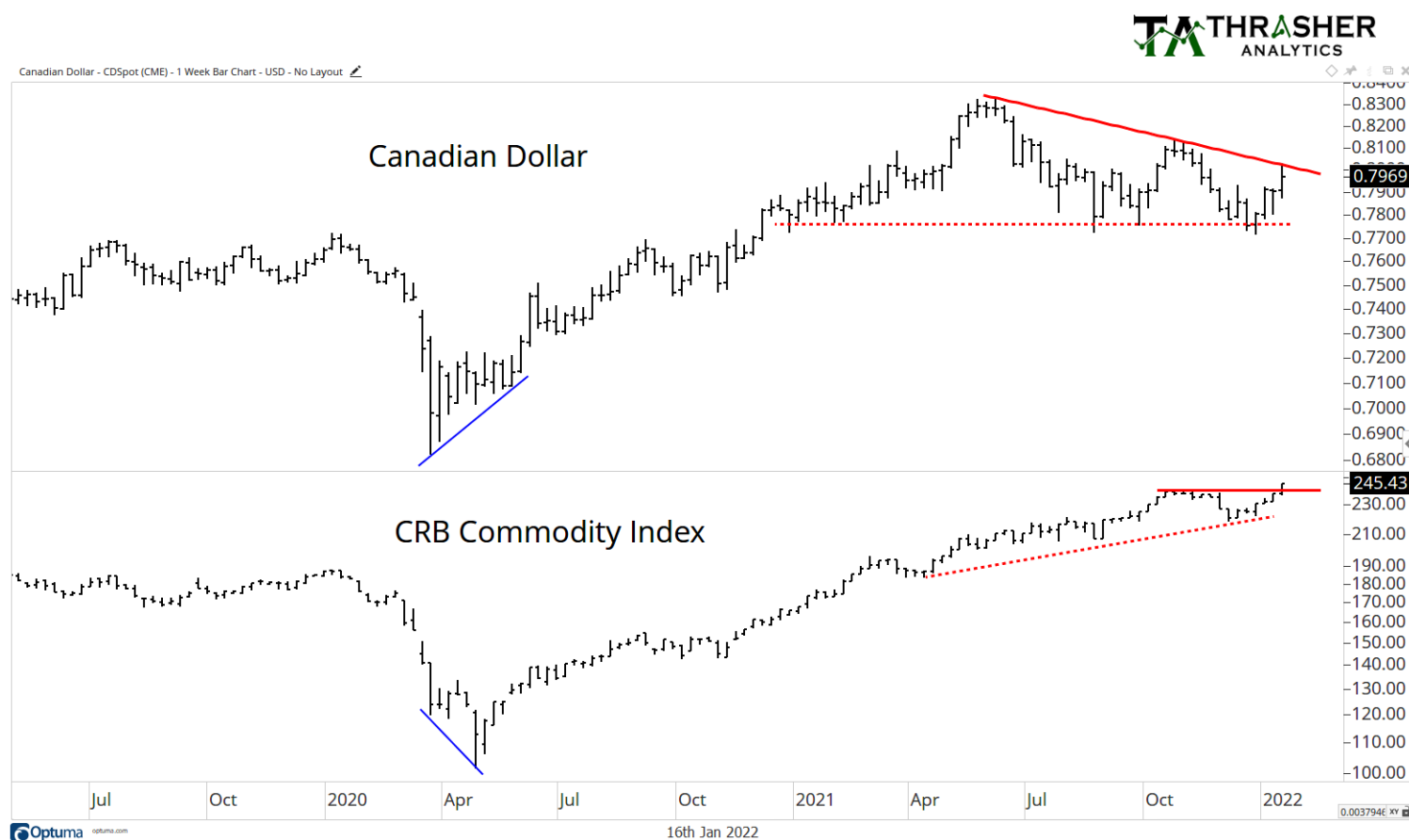
Looking at how traders are positioned in crude oil, it appears both producers and commercial traders are adding back exposure to their net position. Producers have raised their net position to the 63rd percentile and commercials have taken theirs to nearly the 46th. It doesn't appear, at least not yet, that these two classifications of traders are selling the strength in oil prices which could give clue to their belief in further upside potential. We'll see if they are right.



# COMMODITY - CRB INDEX



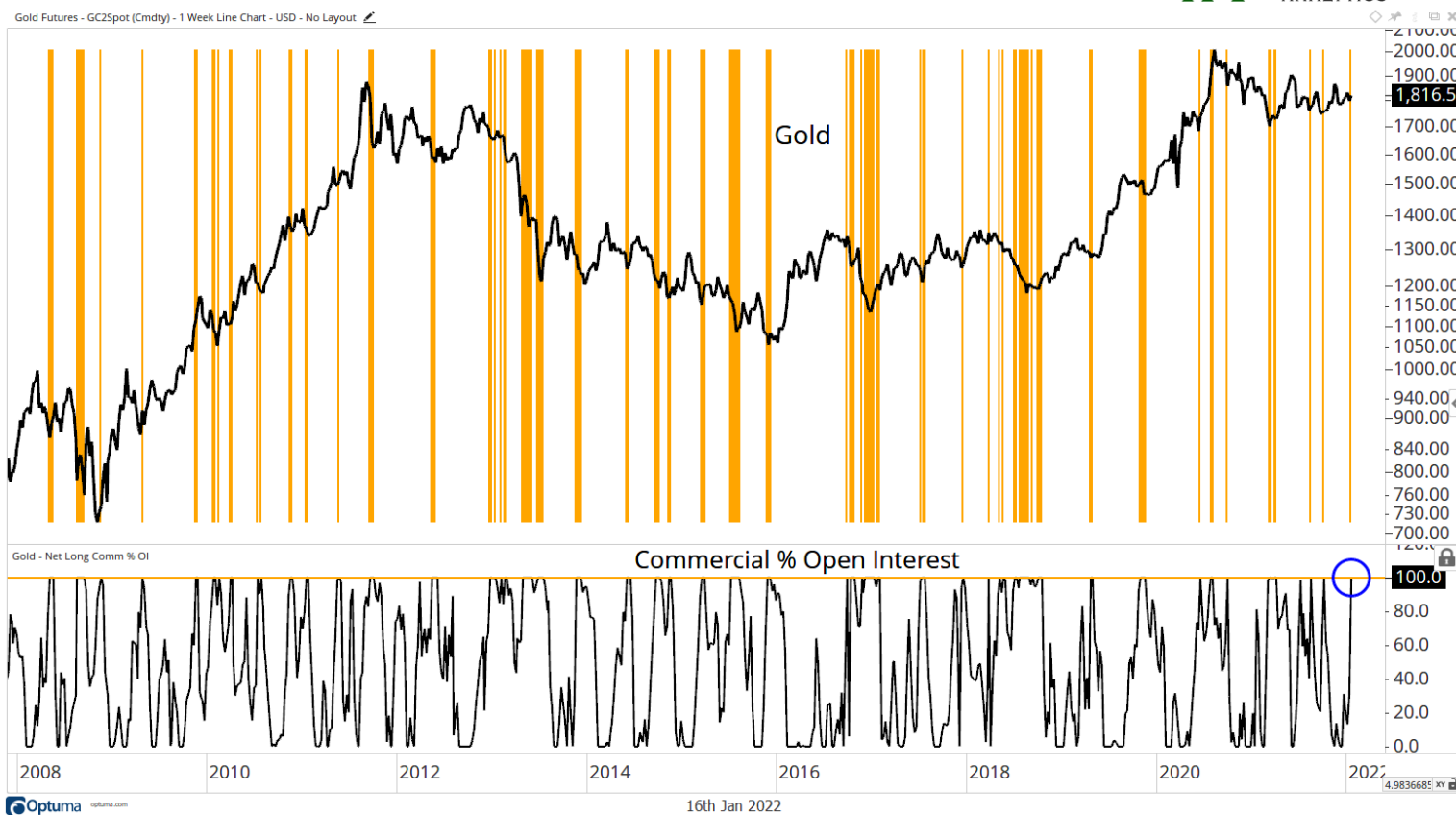
I've mentioned in the past the importance of the Canadian Dollar to the commodity market, most notably the energy-specific commodities. Canada is very sensitive to commodity price changes and so its currency is a good one to keep an eye on. I last flagged the test of support in the Canadian Dollar which held up well and rose along with energy prices and the broad CRB Commodity Index. The CRB has since broken out to a higher-high. However, the Canadian Dollar is still below its most recent high. To get confidence in the breakout by the CRB and specifically the possible breakout in energy markets, I'd like to see Canadian Dollar continue to rise from here.



# COMMODITY - GOLD - 1



It looks like just about everyone hates gold right now. At least that's what the COT data is suggesting with small and large traders dropping their net positions and in-turn the Commercials now hold a net position that accounts for 100% of open interest. As the orange vertical bars on the chart show, when commercials make up 100% of OI, its been a pretty good indicator that gold prices are near at least a short-term bottom. We often see gold produce a counter-trend rally or begin a new long-term trend higher.





Looking now at a daily chart of gold prices, we are at the upper end of multiple ranges. Price is at the high end of its multi-month range, Volatility Adjusted momentum is back near its highs, and sentiment keeps struggling to break 50% bullish. I'm watching all three of these levels and if we can get a breakout, then it's possible we see a further advance in gold prices, which based on the prior chart, few traders are positioned for.



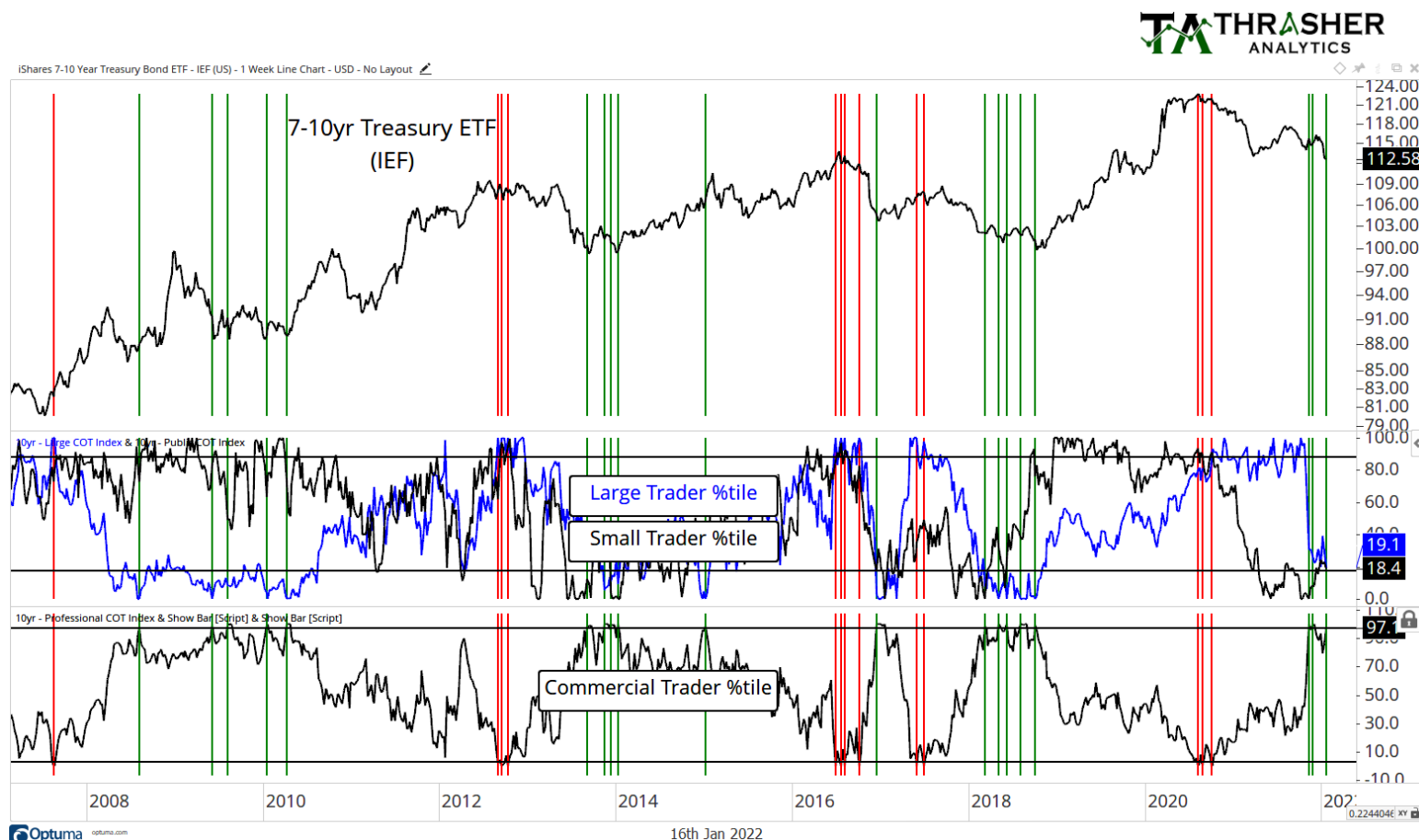
# FIXED INCOME - POSITIONING



Just like no one seems to want to old gold, no one wants to be long Treasury bonds either.

The Large and Small Trader percentiles of their net position is under the 20th %tile, sending the Commercial Trader to a net position in the 97th %tile. I've put green lines when Commercials get over the 97th and red when under the 3rd percentile. Often when Commercials are this heavy in their historical exposure to bonds, we see a rally, likely as a result of demand having been wiped out. Do note that this is a weekly chart and sometimes bonds chop around while Commercials hold a heavy position like in early '18 and late '13.

The market seems to have entirely flipped bearish on bonds ahead of the expected rate hike in March. I don't think the market is wrong about the Fed raising rates but the sentiment in positioning is getting historically stretched, so it'll be interesting to see how bonds move from here as it sentiment is quite bearish.



# TA MEAN REVERSION INDICATOR



*Below are short-term, intermediate, and major signals produced from improvements in the Thrasher Analytics Mean Reversion Indicator. Please refer to the summery PDF in the newsletter archive on the website for more details.*

<b>New TAMRI Signals:</b>
<b>Blue (short-term):</b>
--
<b>Orange (intermediate):</b>
EWI
<b>Green (major):</b>
--

# TA MEAN REVERSION INDICATOR



Below are short-term, intermediate, and major signals produced from improvements in the Thrasher Analytics Mean Reversion Indicator. Please refer to the summery PDF in the newsletter archive on the website for more details.



# DAILY SENTIMENT INDEX



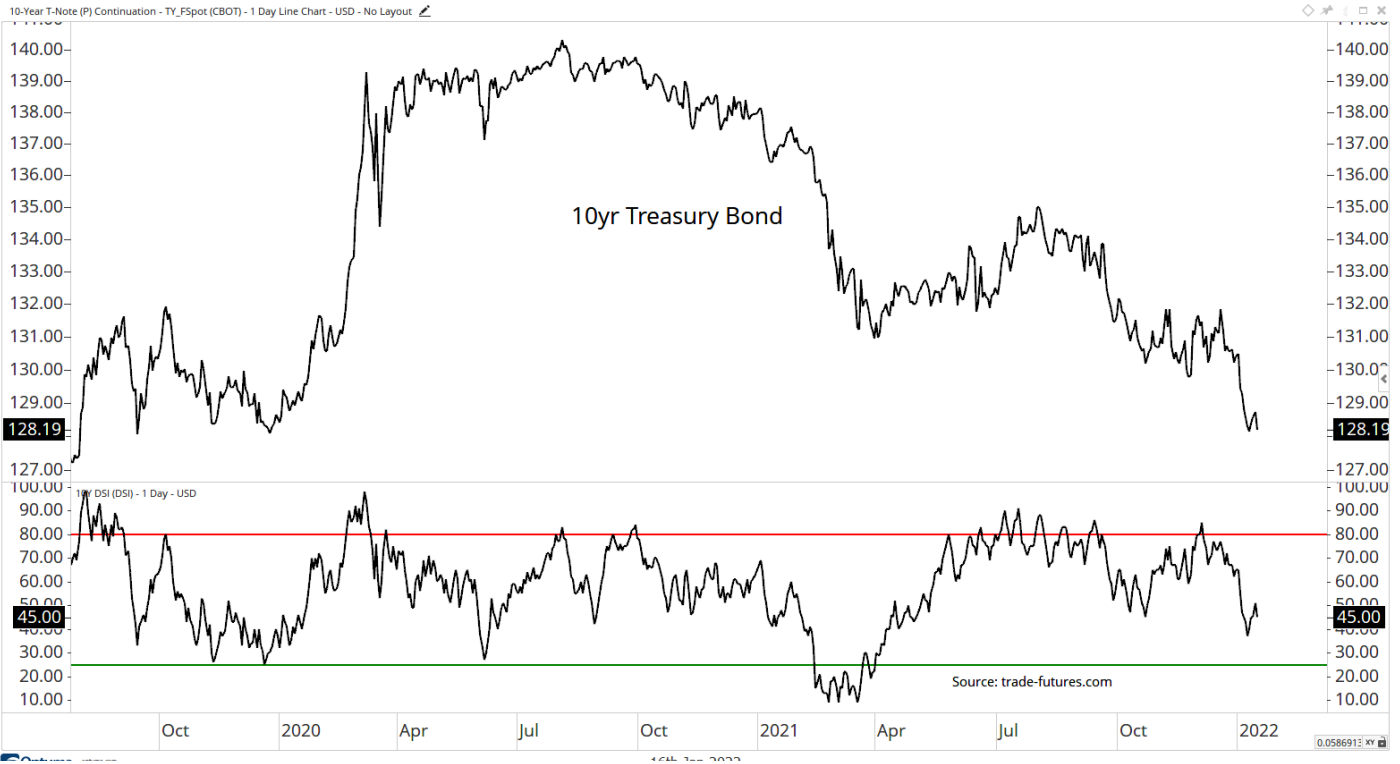
1 Day - Watch List - No Layout				1 Day - Watch List - No Layout			
Code	% Bullish ^	5-day MA	History	Code	% Bullish ^	5-day MA	History
VIX DSI	21	22		Nasdaq DSI	56	56	
Sugar DSI	22	18		EuroDollar DSI	57	59	
Bitcoin DSI	23	22		Copper DSI	58	60	
Platinum DSI	24	25		Cocoa DSI	58	47	
Lean Hog DSI	28	17		Corn DSI	59	59	
Cattle DSI	33	29		British Pound DSI	60	61	
Yen DSI	35	34		SPX DSI	62	60	
Silver DSI	39	40		Natural Gas DSI	63	59	
Gold DSI	39	40		US Dollar DSI	65	64	
Wheat DSI	40	45		Mexican Peso DSI	71	70	
Palladium DSI	43	43		Orange Juice DSI	73	68	
Soybean DSI	44	52		Cotton DSI	75	66	
10Y DSI	45	45		Coffee DSI	80	80	
Swiss Franc DSI	47	43		Lumber DSI	81	85	
5YR DSI	49	49		CRB Index DSI	81	76	
Australian Dollar DSI	51	52		Heating Oil DSI	85	82	
Nikkei DSI	52	50		Crude Oil DSI	85	79	
Euro DSI	55	45		Gasoline DSI	88	83	

Source: trade-futures.com

# DAILY SENTIMENT INDEX



TA THRASHER ANALYTICS

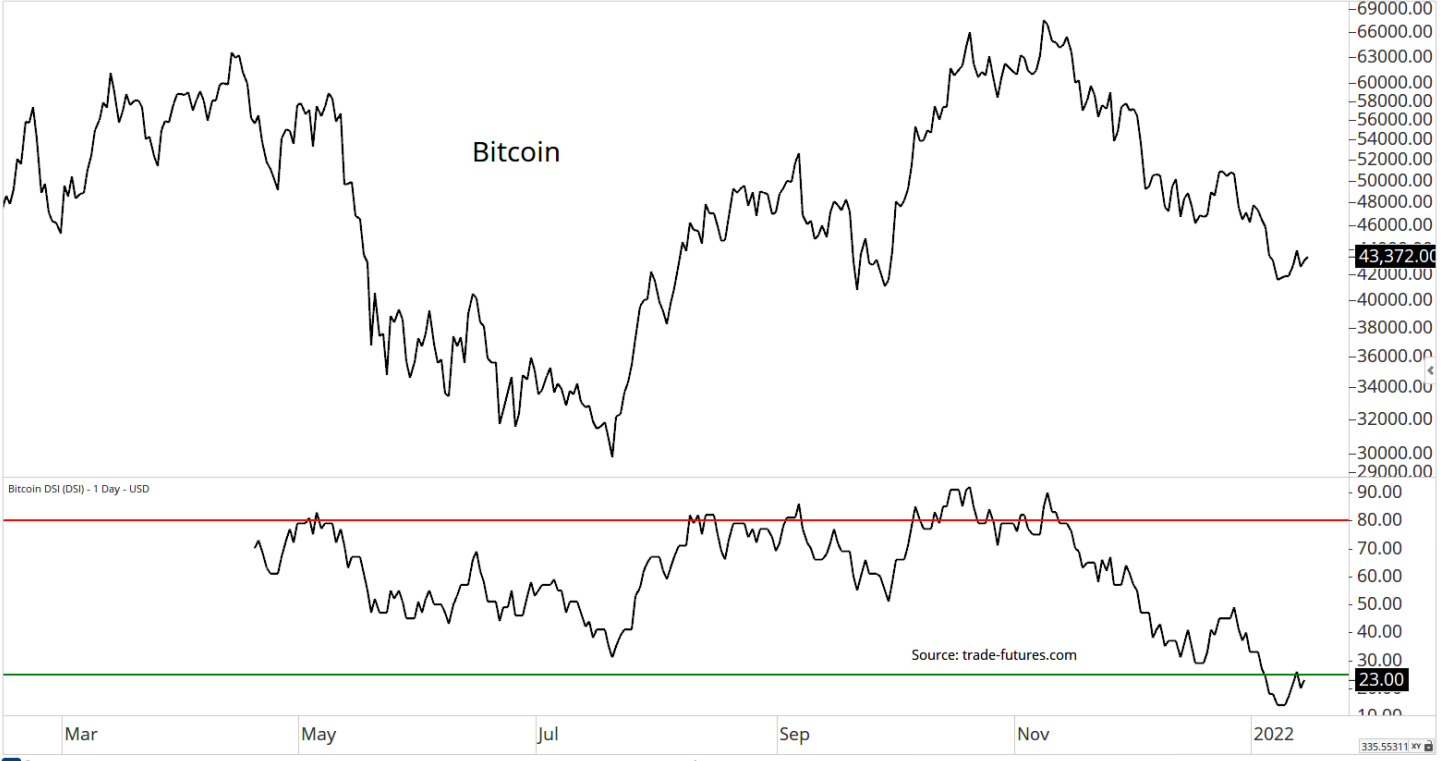


# DAILY SENTIMENT INDEX

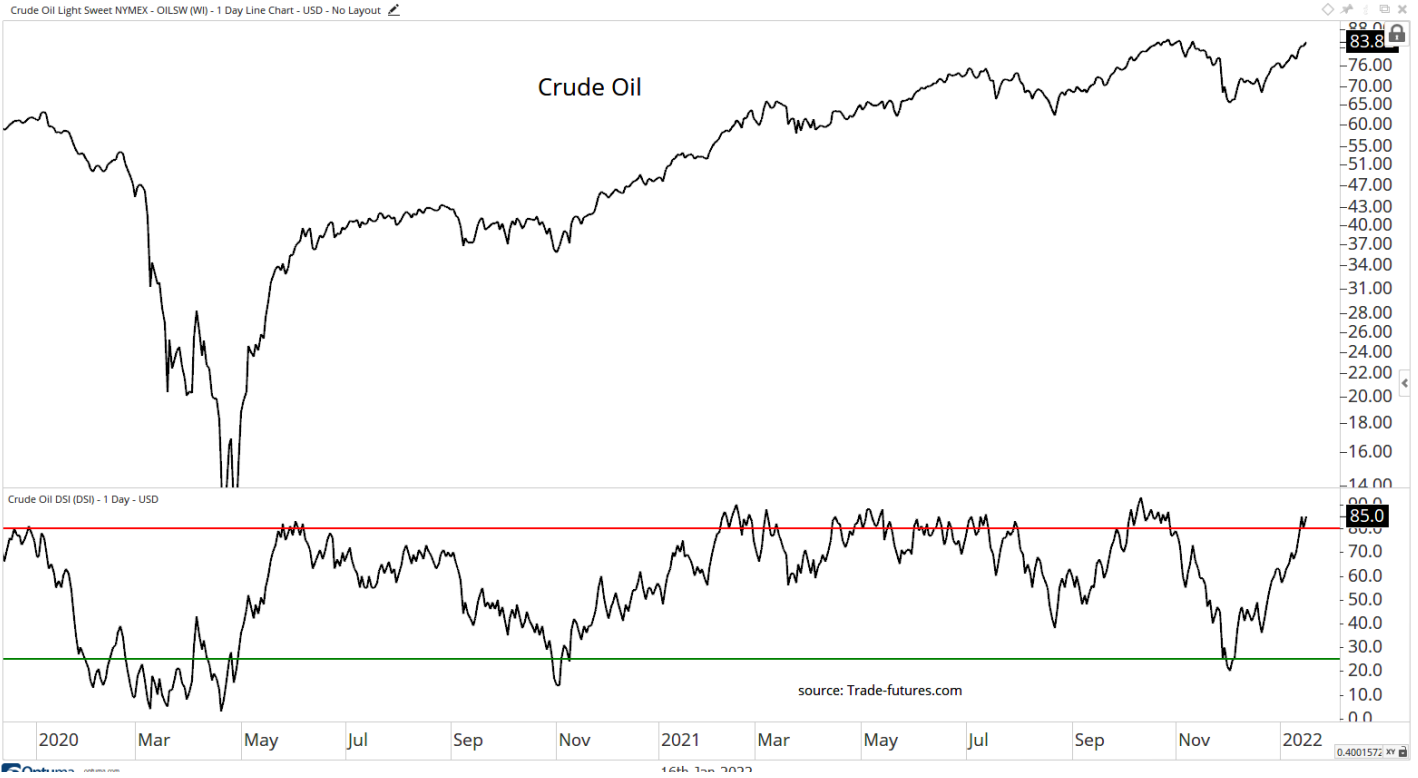


**TA THRASHER**  
ANALYTICS

Bitcoin/United States dollar - BTCUSD (CW) - 1 Day Line Chart - USD - No Layout --- Data from Cryptowatch



# DAILY SENTIMENT INDEX



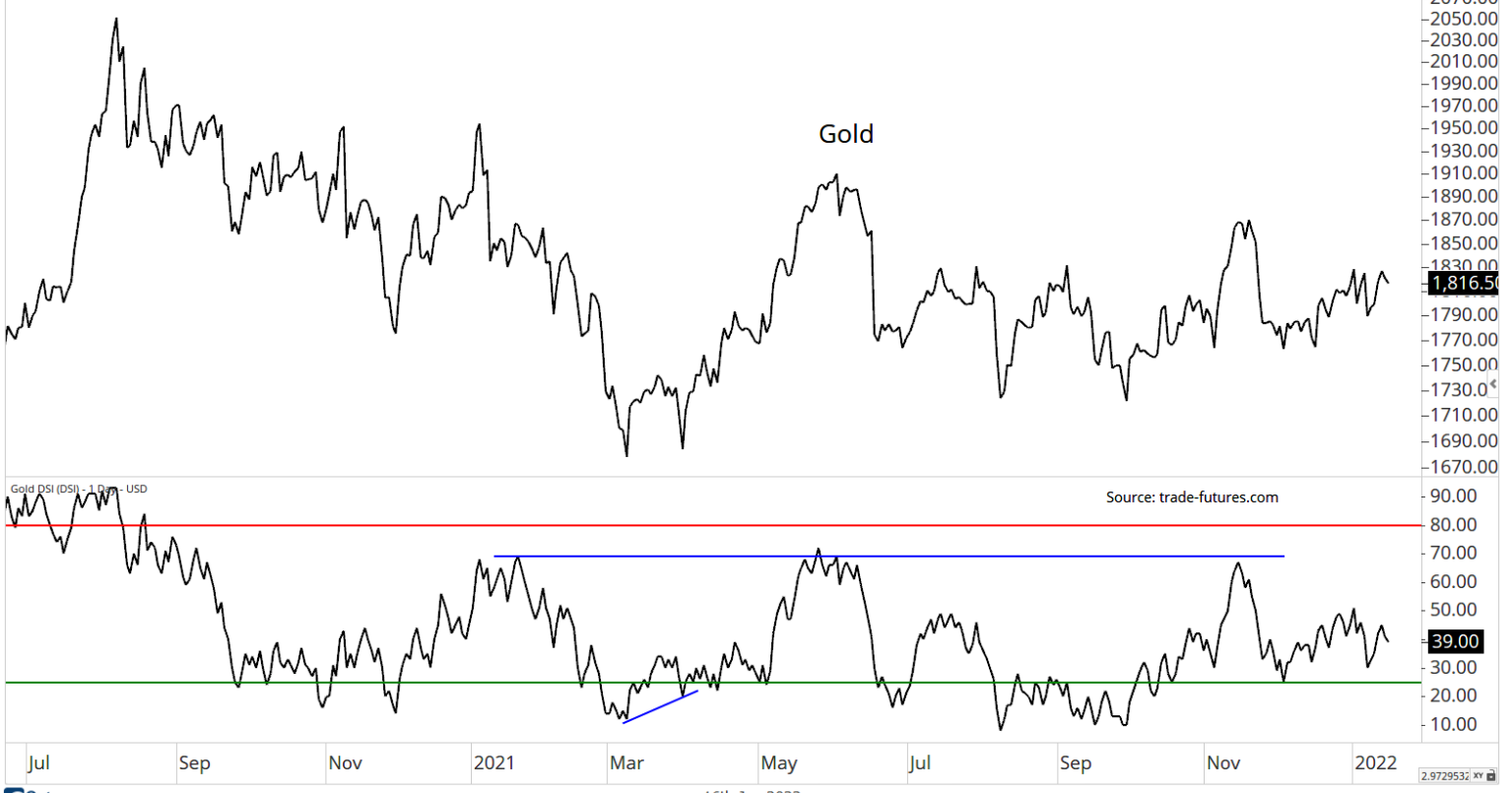


# DAILY SENTIMENT INDEX



**TA THRASHER**  
ANALYTICS

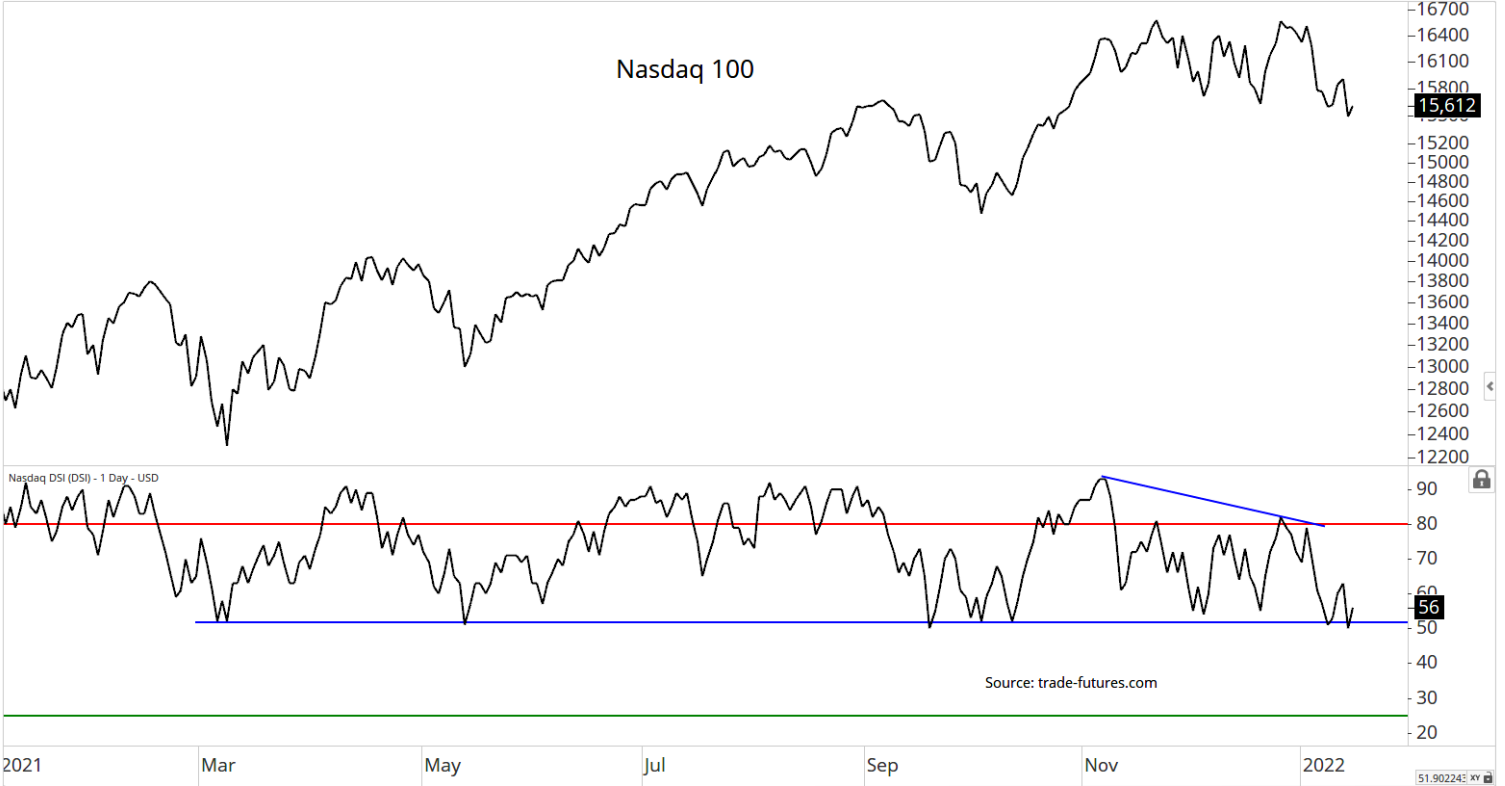
Gold Futures - GCSPot (NYMEX) - 1 Day Line Chart - USD - No Layout



# DAILY SENTIMENT INDEX



NASDAQ 100 Index - NDY (W) - 1 Day Line Chart - USD - No Layout

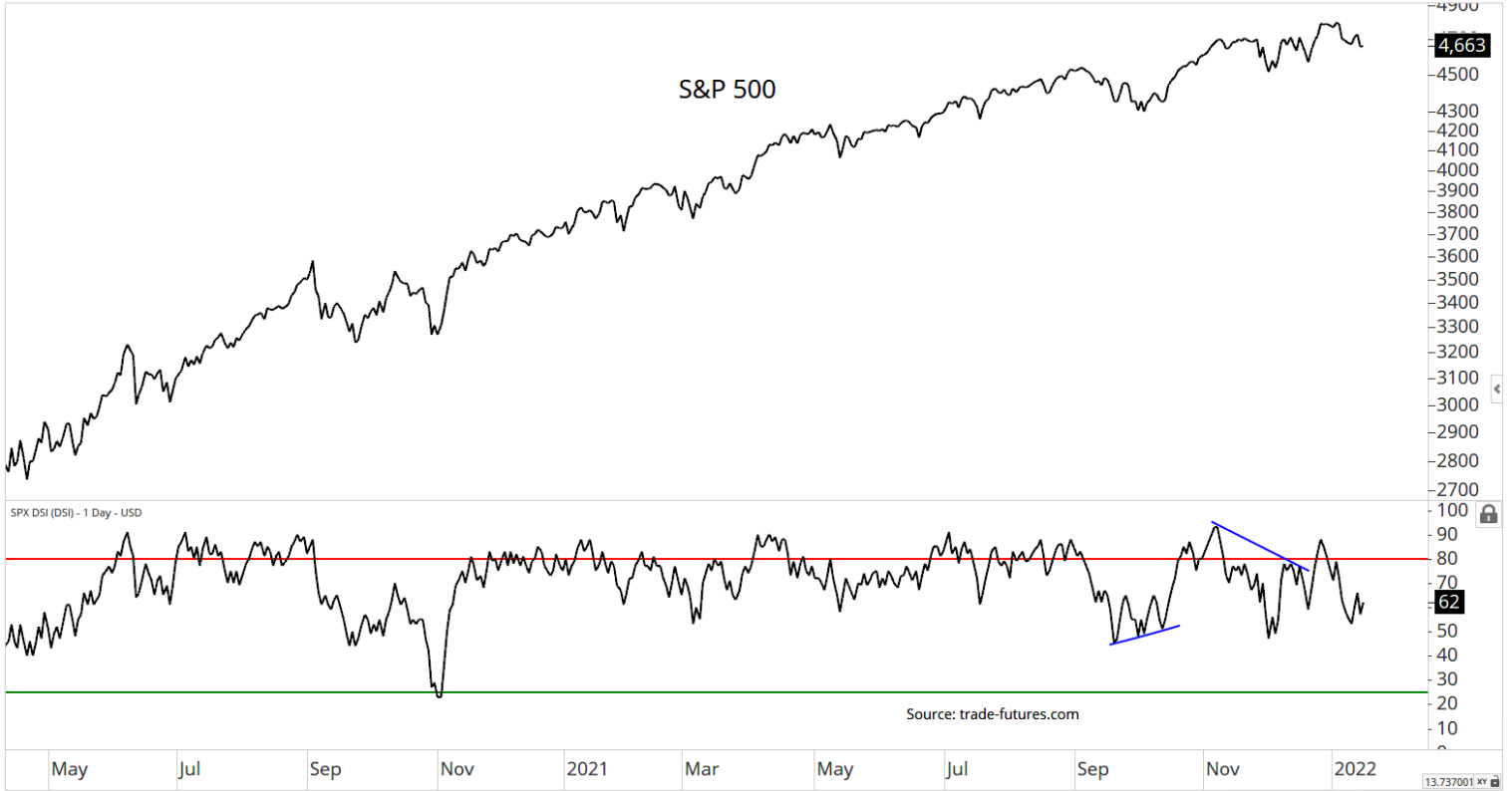


# DAILY SENTIMENT INDEX



**TA THRASHER**  
ANALYTICS

S&P 500 Index - SPX (CBOEI) - 1 Day Line Chart - USD - No Layout

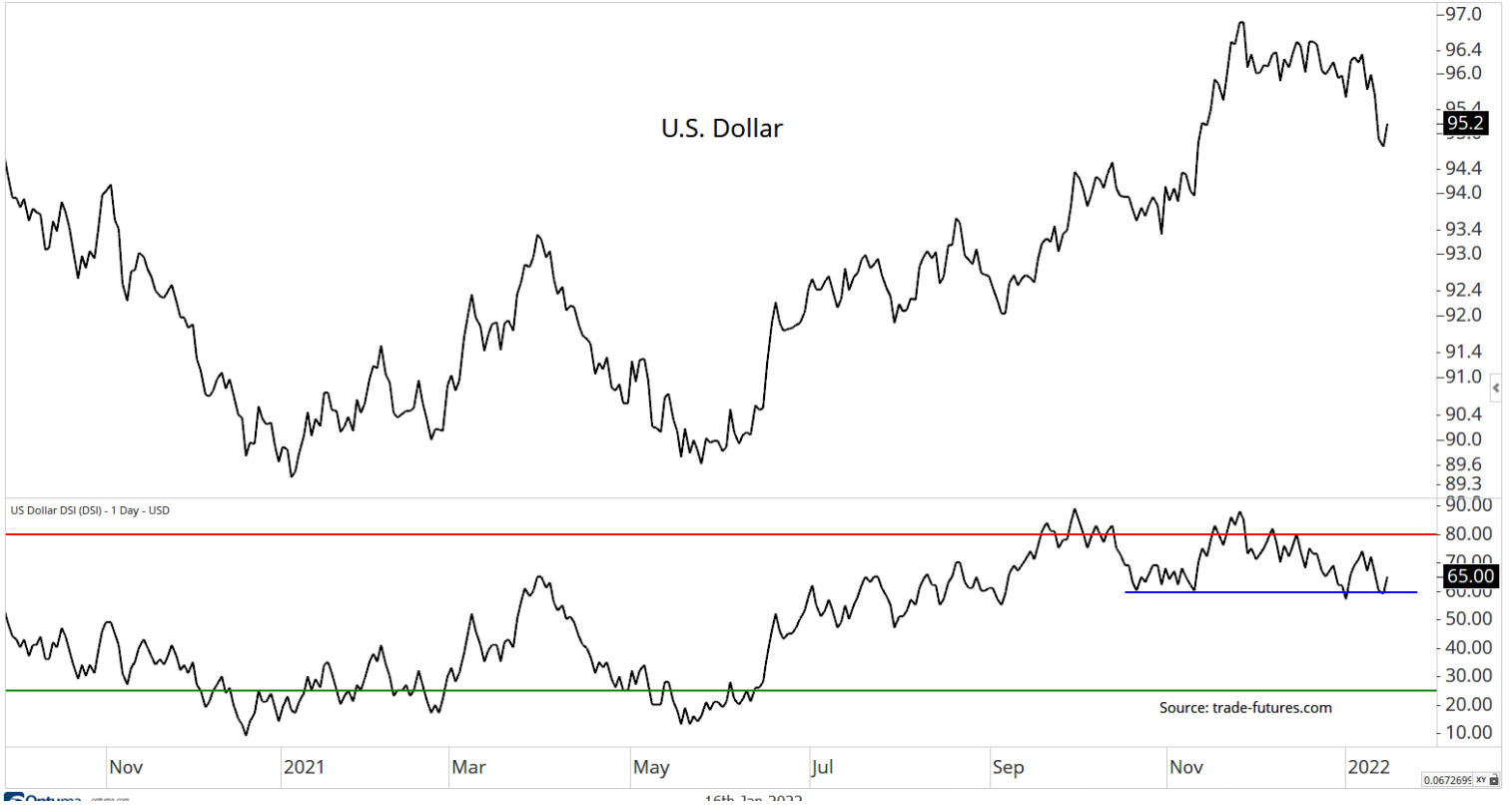


# DAILY SENTIMENT INDEX



THRASHER ANALYTICS

U.S. Dollar Index - DXSpot (AFUT) - 1 Day Line Chart - USD - No Layout

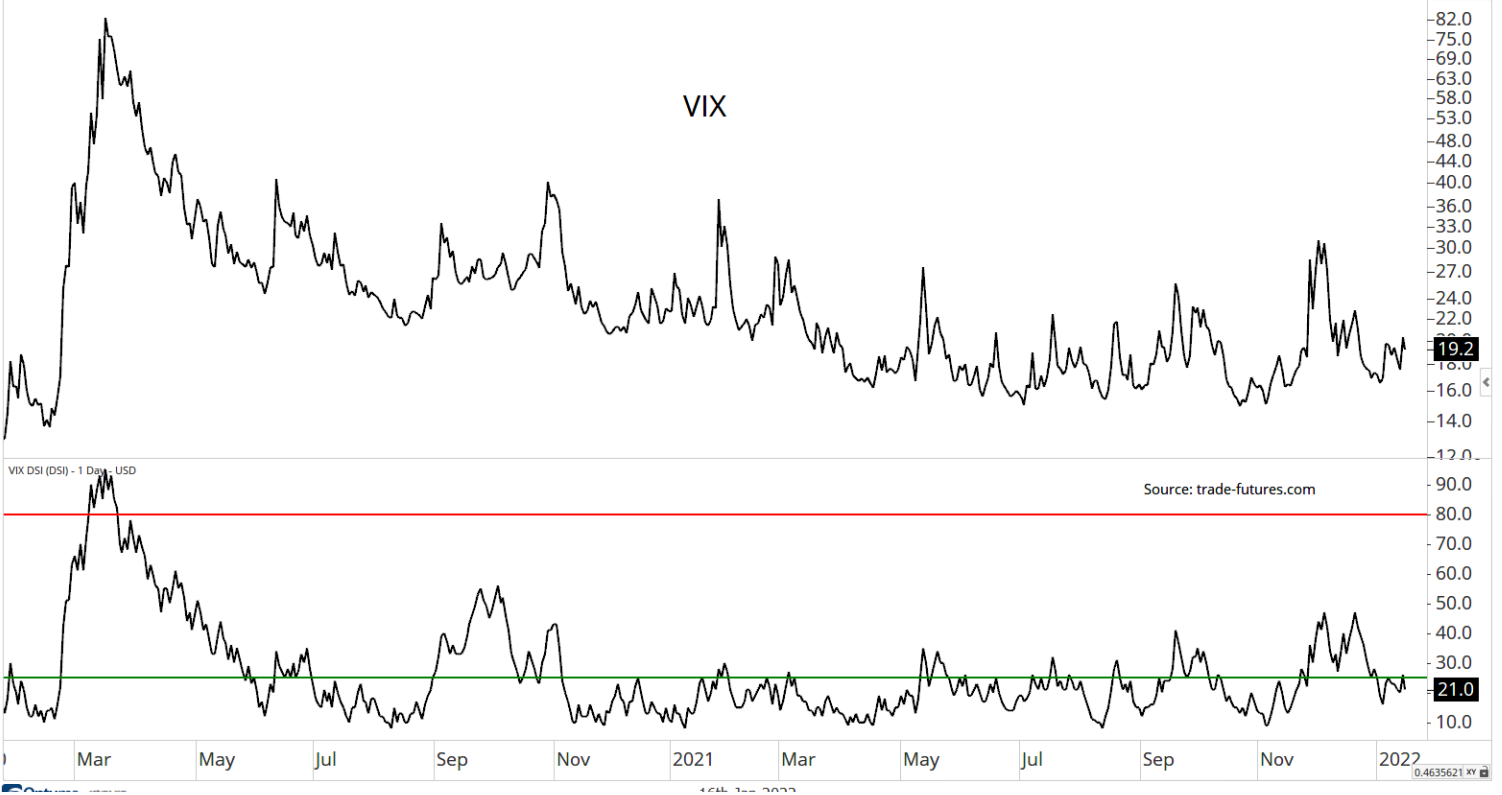


# DAILY SENTIMENT INDEX

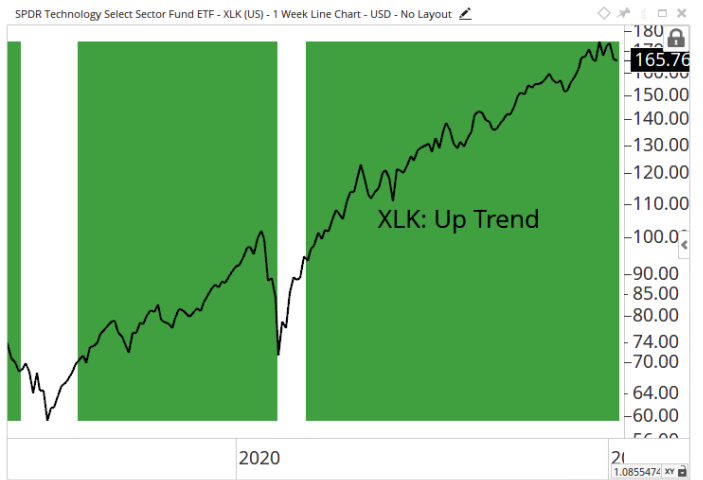
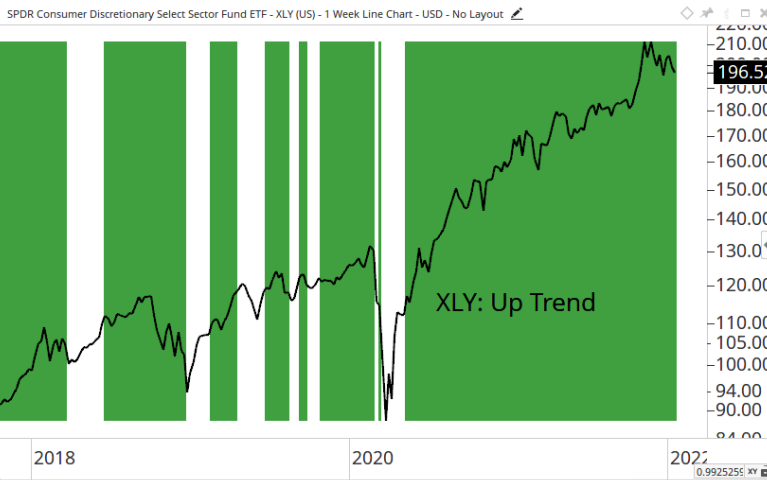
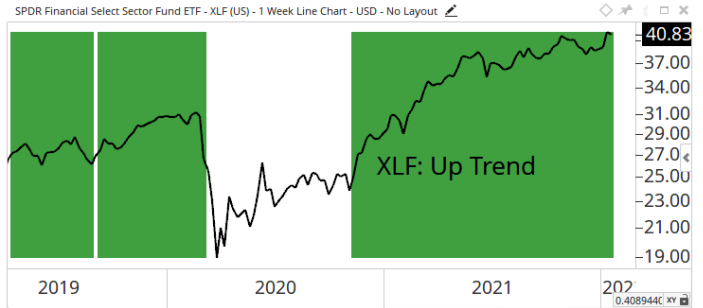
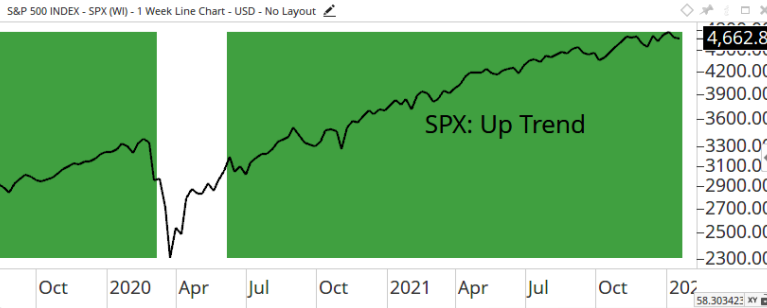


TA THRASHER ANALYTICS

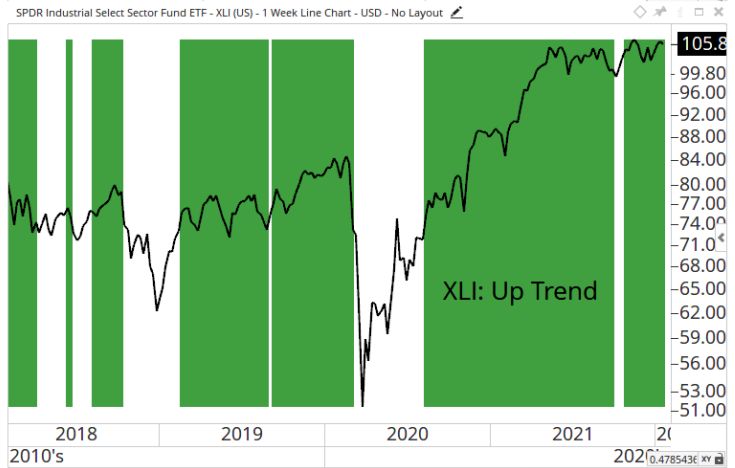
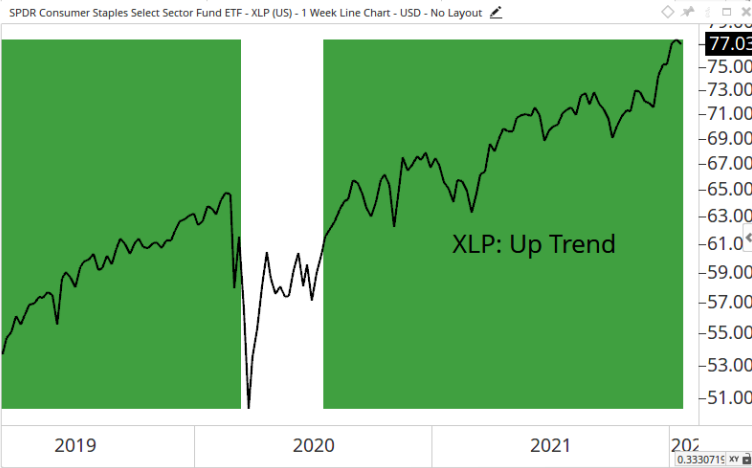
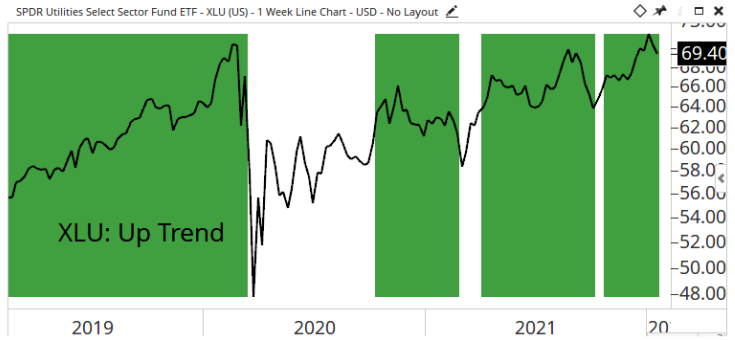
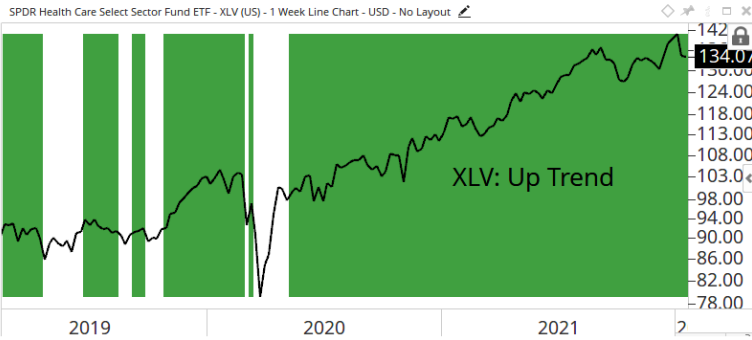
CBOE S&P 500 Volatility Index - VIX (CBOE) - 1 Day Line Chart - USD - No Layout



# TREND MODELS



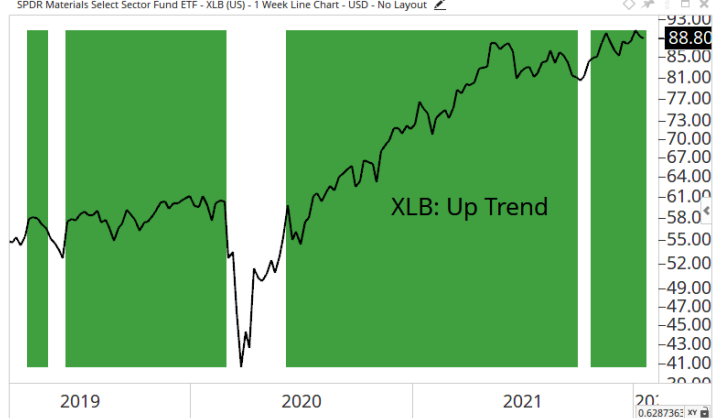
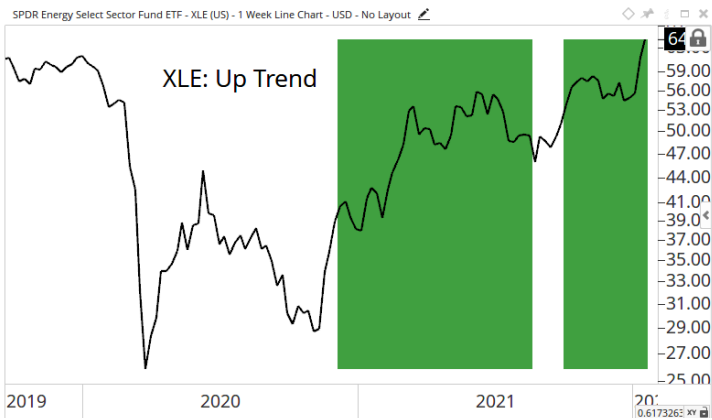
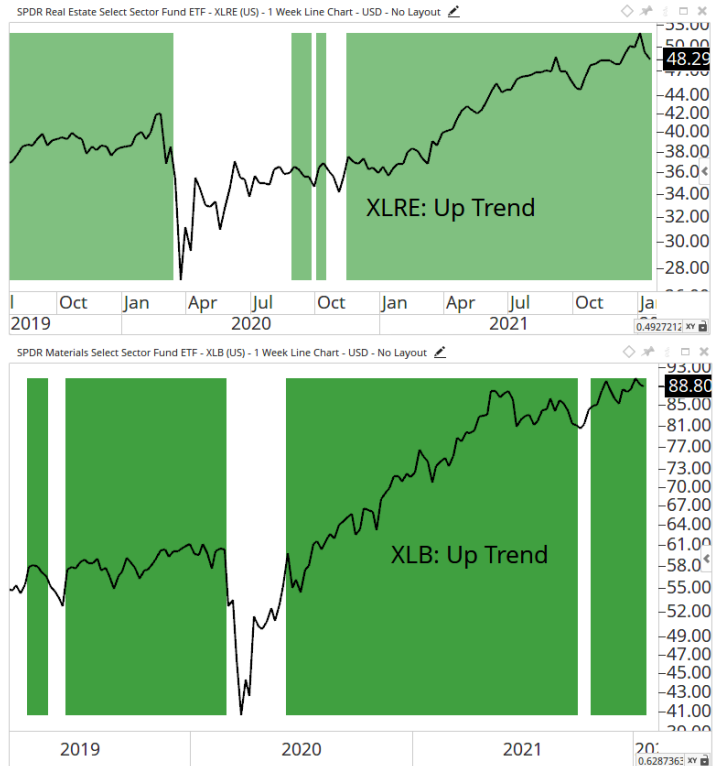
# TREND MODELS



# TREND MODELS



THRASHER ANALYTICS





## **DISCLAIMER:**

No reproduction, transmission, or distribution permitted without consent of Thrasher Analytics LLC ("Thrasher Analytics"). The material contained herein is the sole opinion of Thrasher Analytics. This research has been prepared using information sourced believed to be reliable. Such information has not been independently verified and no guarantee, representation or warranty, express or implied, is made as to its accuracy completeness or correctness. It is intended for the sole use by the receipt to whom it has been delivered to by Thrasher Analytics. The delivery of this report to any person shall not be deemed a recommendation by Thrasher Analytics to effect any transaction in any securities discussed herein. For more information please refer to our Terms & Service page of our website:  
<http://thrasheranalytics.com/terms-of-service-agreement>.