

TAA THRASHER ANALYTICS

FEBRUARY 27, 2022



WEEKLY RESEARCH & ANALYSIS

BY ANDREW THRASHER, CMT

SUMMARY OF MODELS

	Current	Wkly Change
Market Health Report	-5	Improving
Volatility Risk Trigger	0	Unchanged
Risk Appetite Ratios	0.36	Improving
Bullishish Confidence Score	+5	Improving
S&P 500 Long-Term Trend	Down	Unchanged

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Volatility

Equities

Market Health Report

Hedge Fund Stocks

Sectors & Commodity

Sentiment

Trend Models

Sector Rotation: February	
Energy	XLE
Financials	XLF
Technology	XLK

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

Market Health Report	
Breadth	0
Momentum	-2
Sentiment	-1
Trend	0
Volatility	-2
Total	-5

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

Daily Sentiment Index		
	% Bullish	5-day MA
S&P 500	25%	16%
Nasdaq 100	26%	16%
Nikkei	26%	16%
VIX	33%	41%
10yr Treasury	25%	27%
5yr Treasury	26%	26%
CRB Index	77%	84%
Crude Oil	82%	87%
Gold	62%	74%
U.S. Dollar	72%	73%
Bitcoin	29%	23%

*Green<25% Red>80%

source: trade-futures.com

Brief Summary:

Analyzing current markets is like trying to fly a kite during a hurricane. Sure it will fly for a few seconds until the wind abruptly changes direction and sends the kite back to earth. I feel like I describe the markets as "messy" each week, but there's no better word to depict what's happening in financial markets so far in 2022. Now that we must contend with the Russian invasion of Ukraine on top of inflation concerns, rising rates, falling equities, and recent negative earnings revisions - the proverbial kite doesn't stand a chance.

Stocks bounced at the end of last week, but this is being attributed more to short-covering than investors thirsty for risk assets. Charlie McElligott of Nomura had this to say, "the issue with impulsive 'downside monetization' flows from the options side being the primary catalyst is that the mechanical covering of dealer short hedges does dry up at some point and needs to be handed off." This helps explain why we see such a violent about-face in price trends to finish the week. While the headline risks were keeping causing hurricane-like winds, I'm more in the camp of it being a 'dead cat bounce' than a final low. Selling has shifted to the mega caps, with mid/small/micro caps not making a lower-low along with large caps. We still have over 30% of stocks down more than 20%, which makes it much easier for bears to whip the market around. But the biggest concern in my eyes is showing up in fixed income markets. Debt spreads continue to expand. The 1-year correlation to equities and corporate bond spreads has gone positive, a development that hasn't led to bullish price follow through in the past.

The financial winds are blowing and it doesn't appear yet that they are finished.

VOLATILITY: VRT



VRT remains below its signal threshold.



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



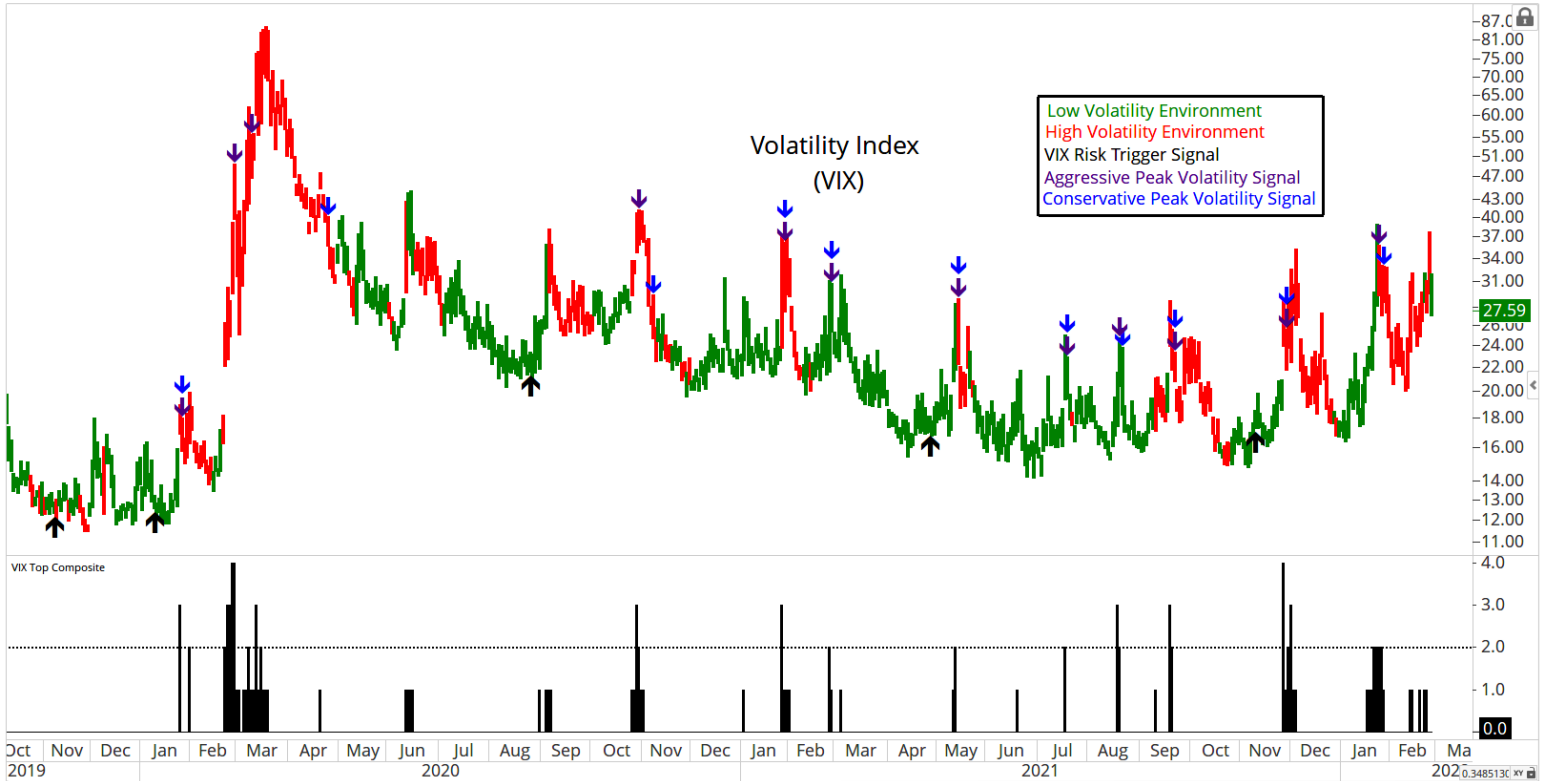
VOLATILITY: TOP & ENVIRONMENT



VIX remains below our prior Peak signals. On Friday we moved back to a Low Volatility Environment.



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



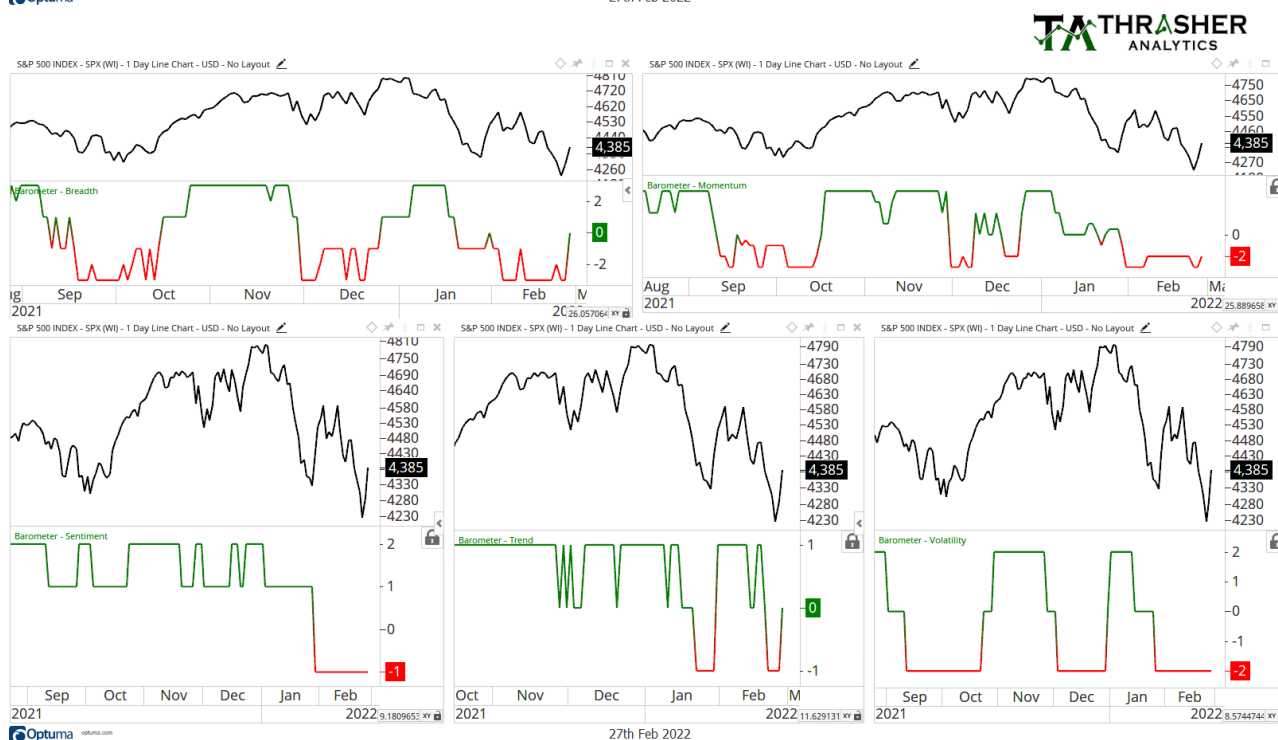
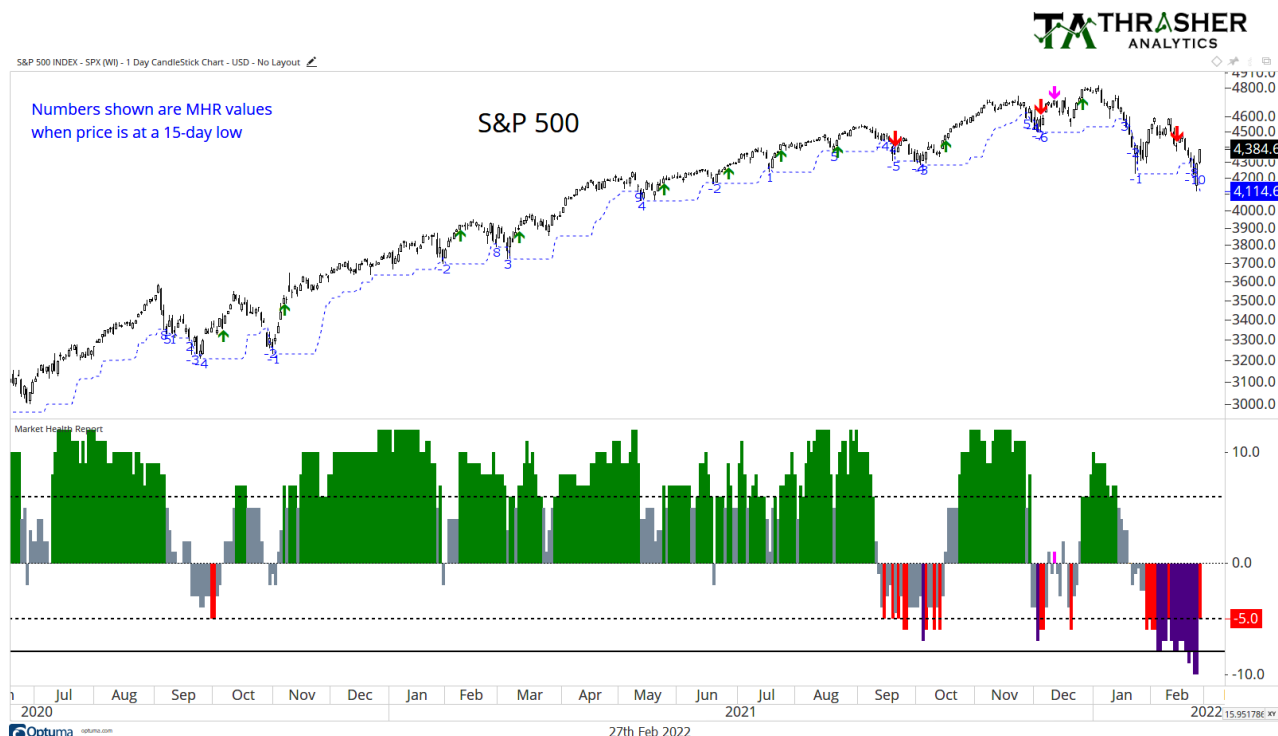
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27th Feb 2022

MARKET HEALTH REPORT



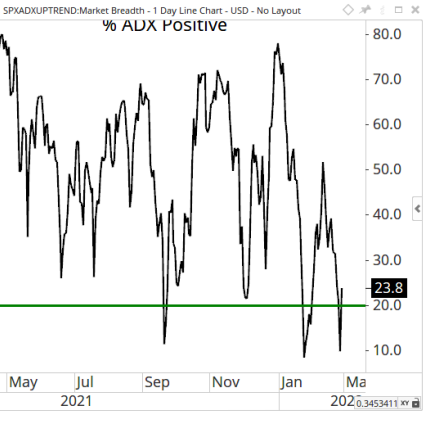
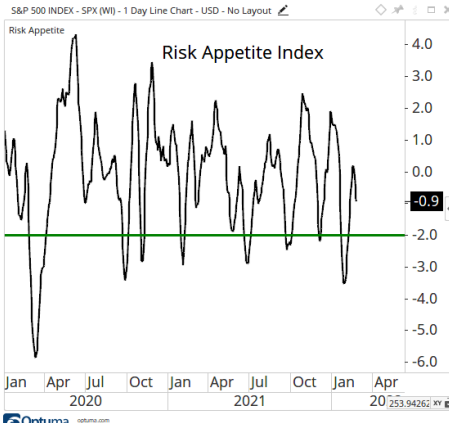
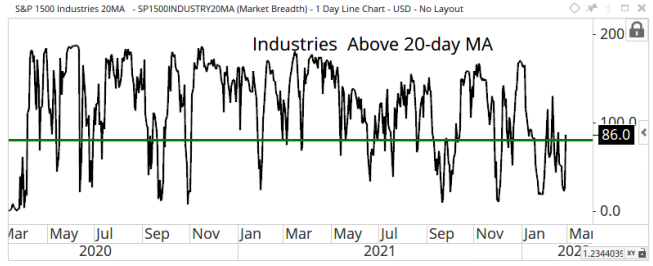
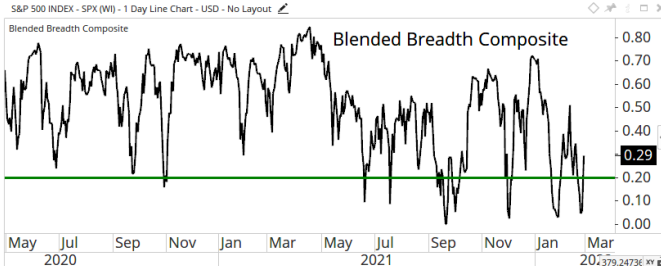
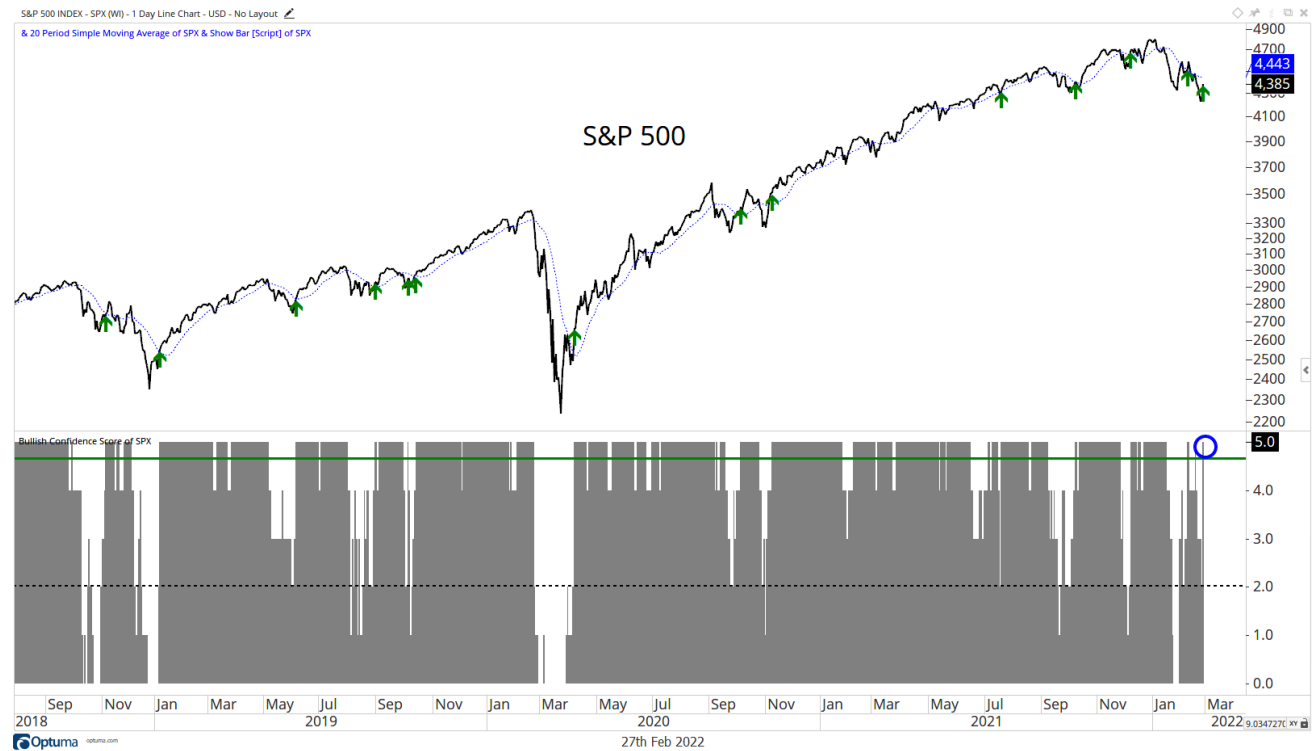
The Market Health Report (MHR) moved down to -10 at one point mid-week but finished on Friday at -5 due to improvements in the breadth and trend categories as equities attempted to bounce on Thursday and Friday. We're still well off a MHR level that would suggest enough improvement has been made to suggest a final low has been put in, we at least need to get MHR positive and then back to +6 to make such an assumption.



BULLISH CONFIDENCE SCORE



With the bounce in stocks on Thursday and Friday, all five categories moved above their respective thresholds, giving a bullish confidence signal. The last signal we got during this down trend was very short-lived and I'd be surprised if we didn't see a repeat here as well but the improvement is encouraging at least.



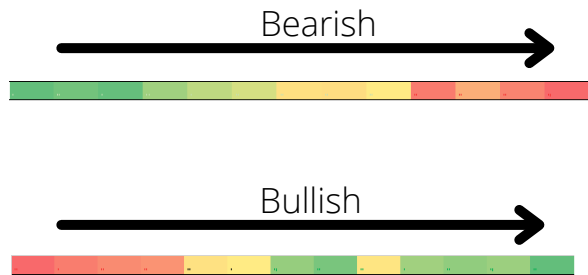
RISK APPETITE RATIO



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 saw moved lower last week.

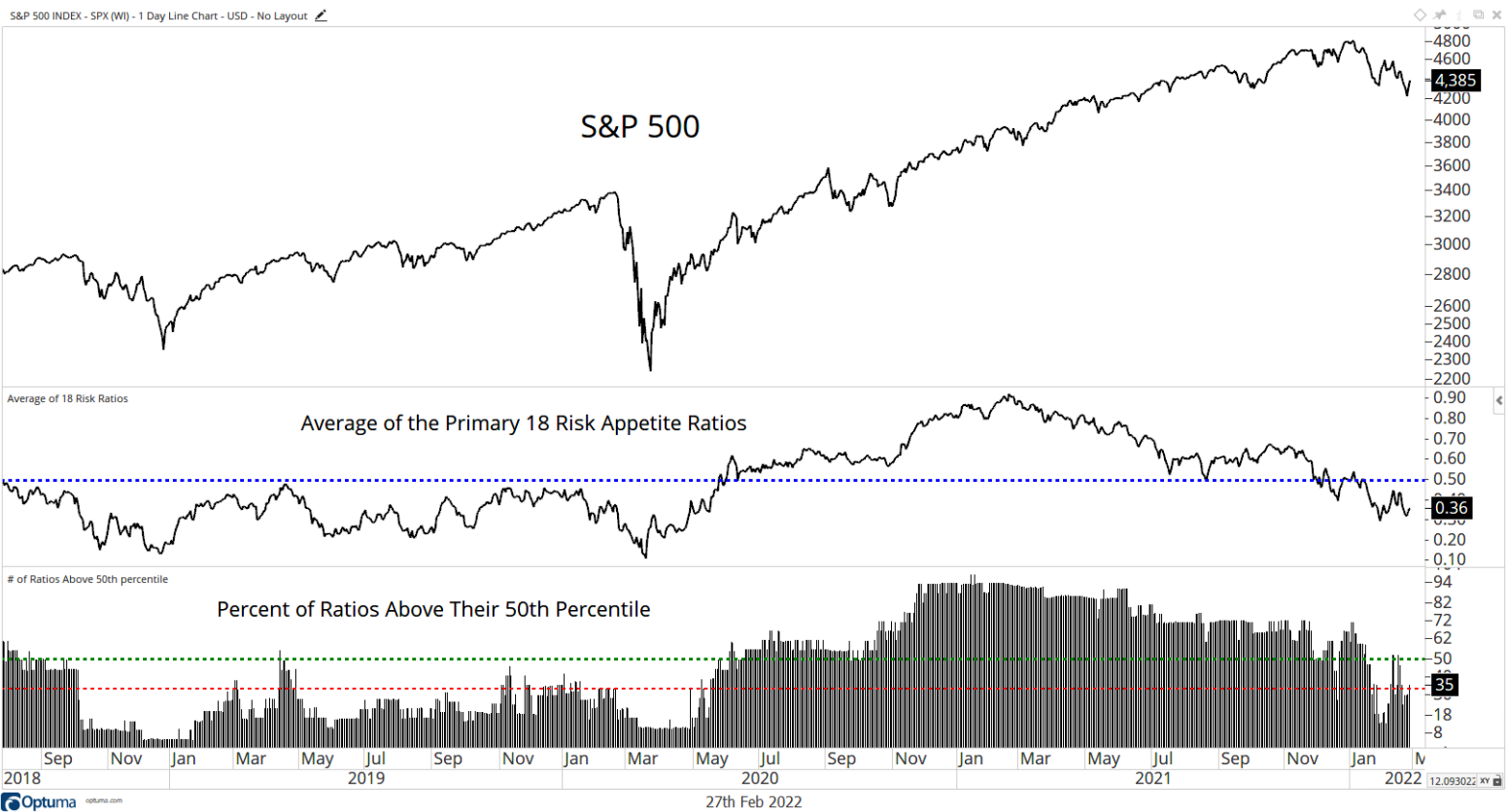
Risk Metric	-35	-34	-33	-32	-31	-30	-29	-28	-27	-26	-25	-24	-23	-22	-21	-20	-19	-18	-17	-16	-15	-14	-13	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	Current
Emerging Market vs. SPX	0.03	0.04	0.07	0.07	0.10	0.14	0.13	0.13	0.13	0.17	0.21	0.22	0.18	0.20	0.18	0.16	0.12	0.15	0.15	0.12	0.15	0.15	0.15	0.15	0.15	0.18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



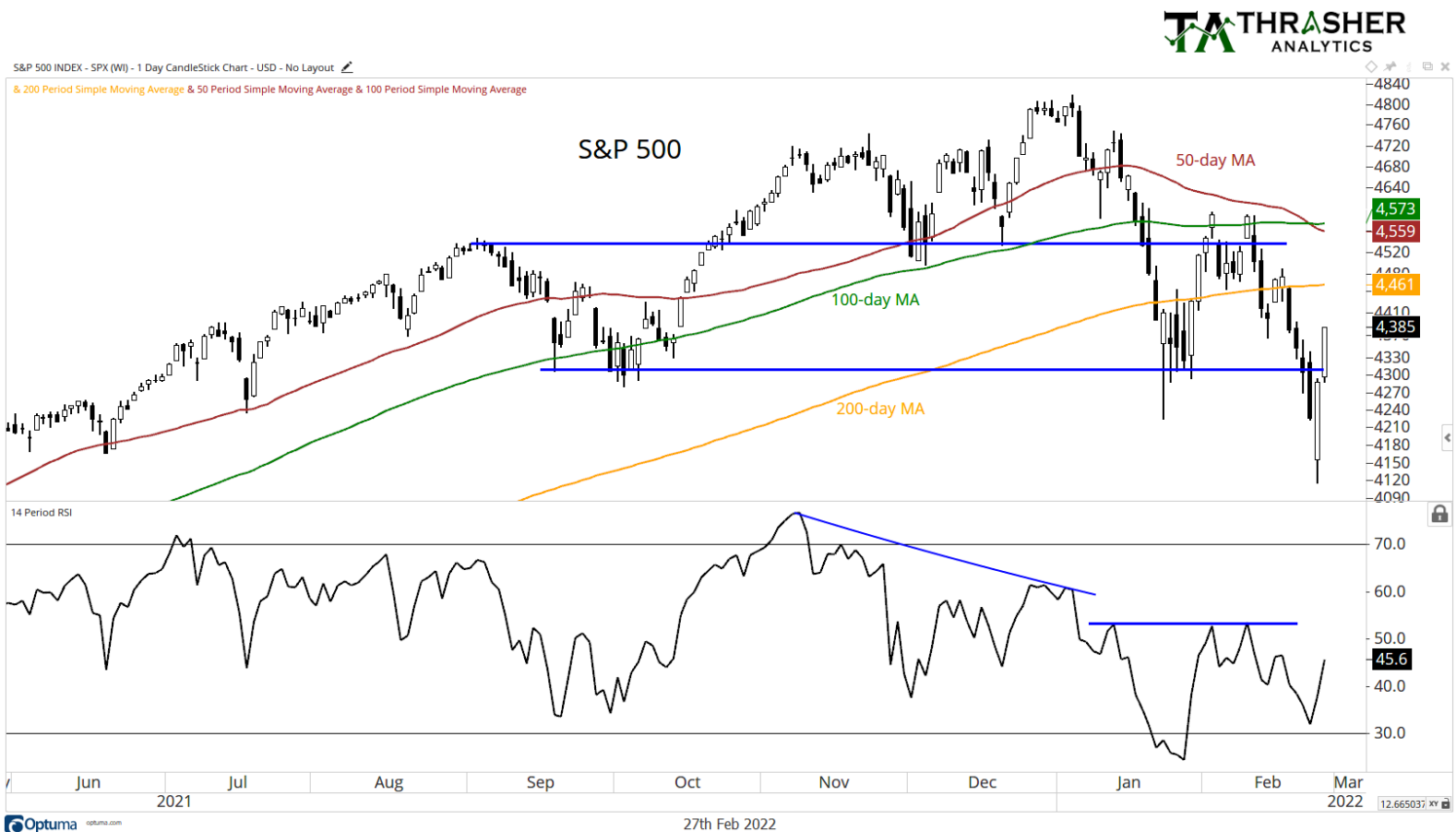
RISK APPETITE RATIO



The average of the 18 RARs moved down to the 32nd percentile mid-week and finished at the 36th on Friday.



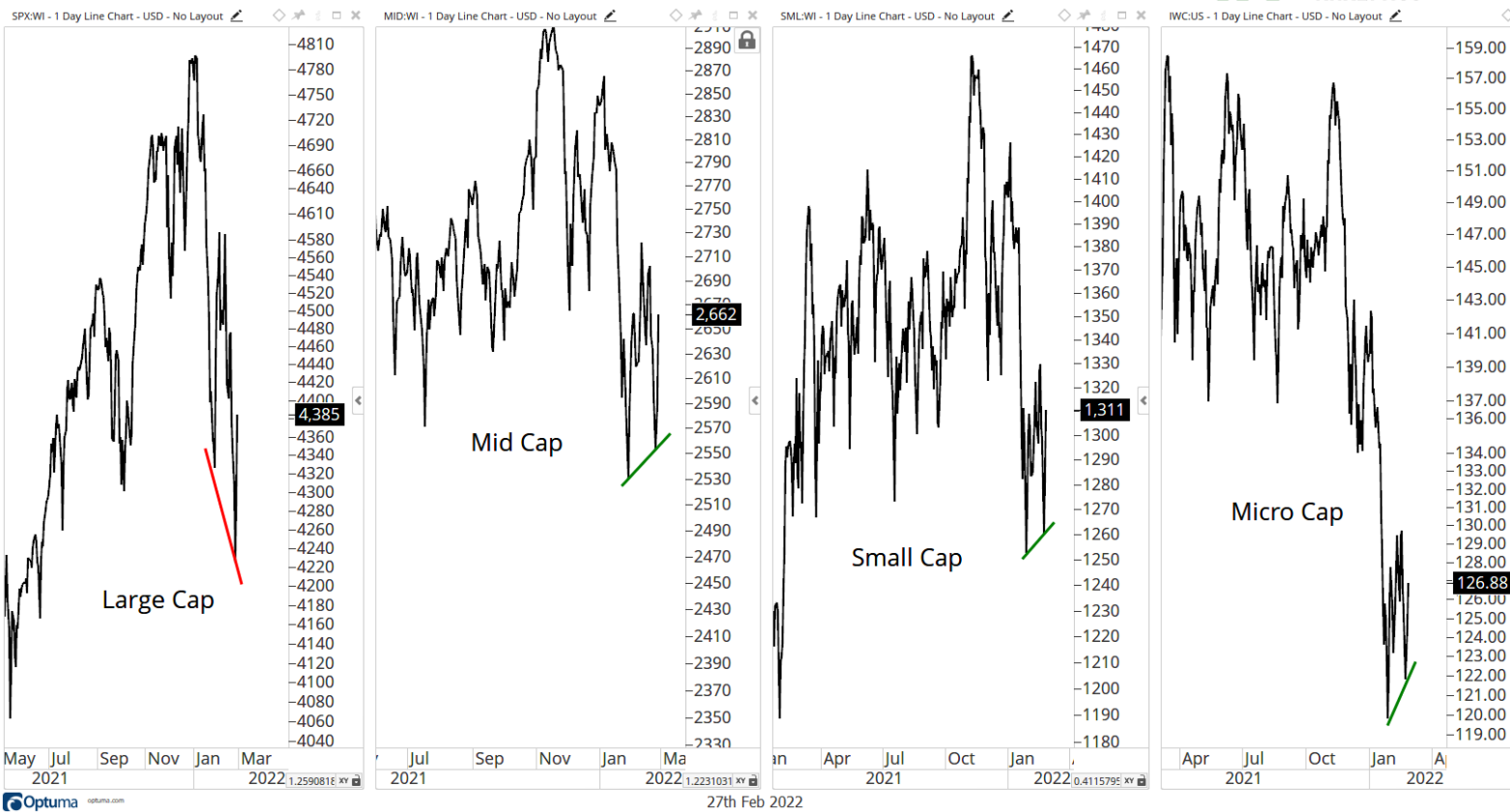
The start of the work looked much different than how we finished. Initially we saw large caps break under that key October low. The drop below the January closing low setup for a bullish divergence in momentum with the RSI holding above 30. On Friday we get a close back above the October and January lows and we'll be looking closer at that bounce later in the letter. As we currently stand, the 200-day MA is the target of bulls.



EQUITIES - ASSET SIZE



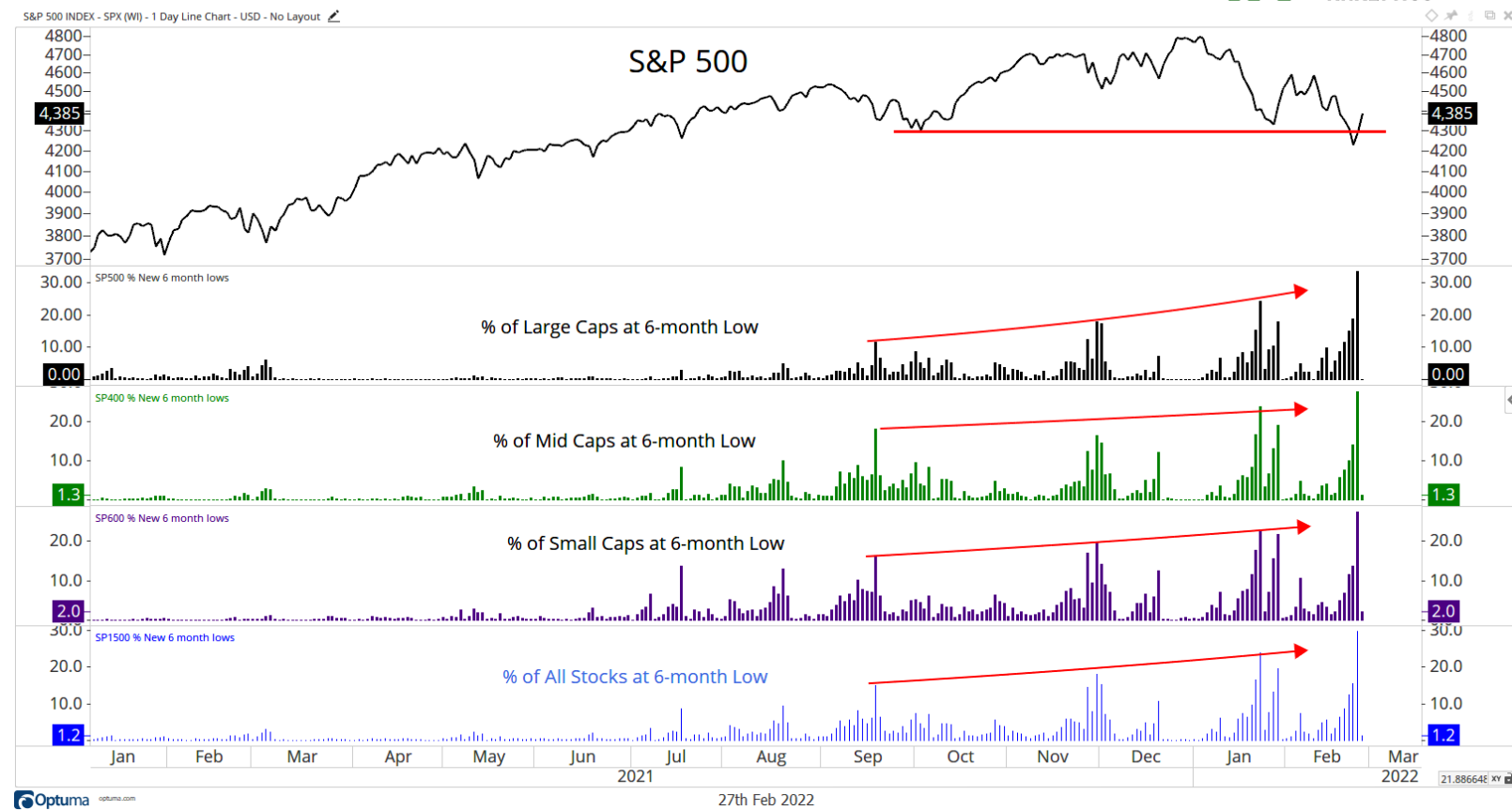
While large cap equities made a lower-low last week, this was not confirmed by the other asset sizes. Instead we saw higher-lows in mid-, small- and micro cap indices. While smaller capitalized stocks had been the focus of sellers at the end of last year (or rather, most of last year), it's been the mega caps that have been catching the eye of bears as of late. The FAAMG group has been underperforming and are a large reason why we got a lower-low in the S&P 500 but not the corners of the U.S. equity market.



EQUITIES - NEW 6-MONTH LOWS



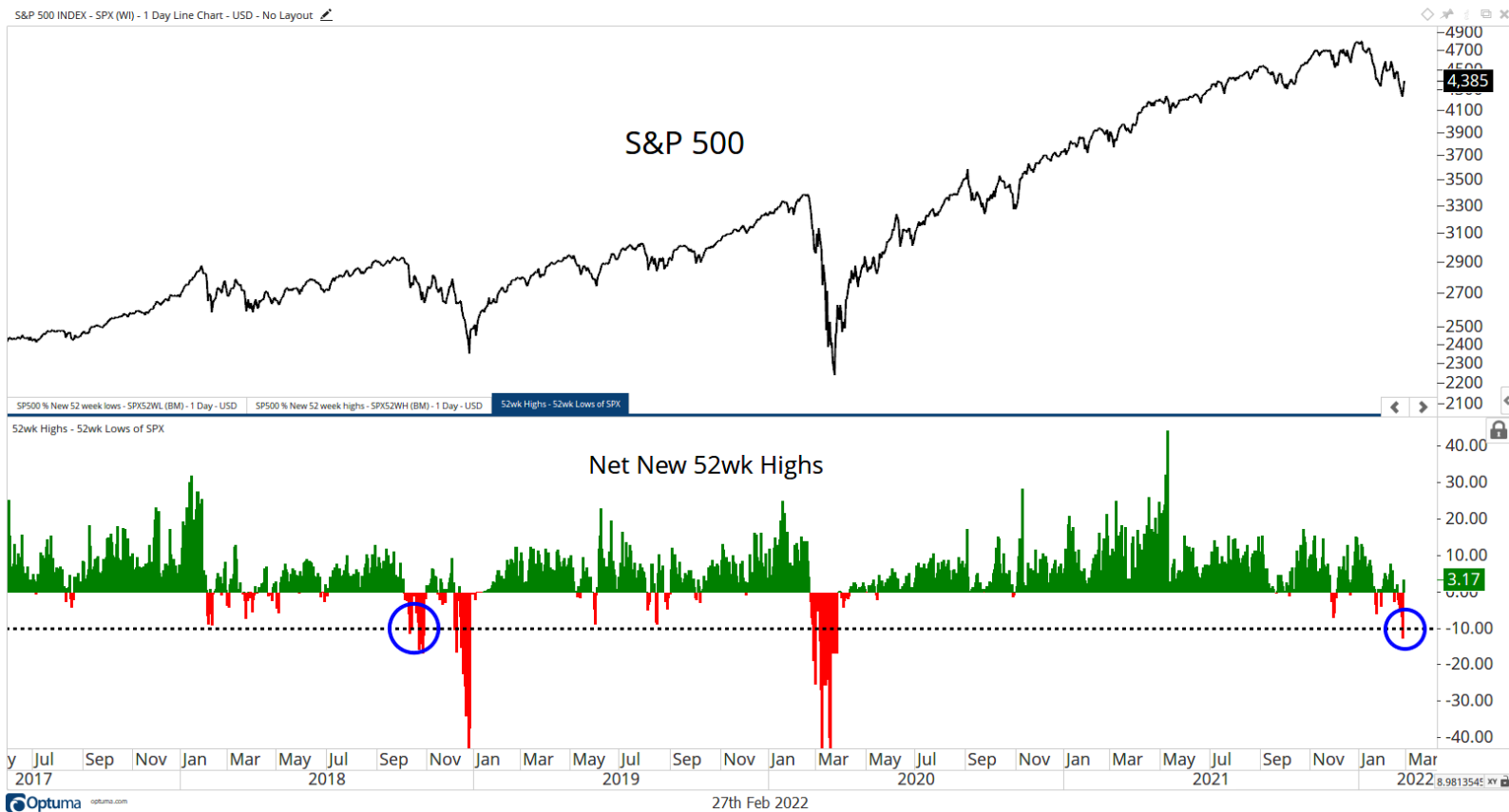
Sticking with the topic of asset sizes, below we can see the percentage of large-, mid, and small-caps that are making new 6-month lows. We continue to see expansion in new lows across asset sizes. While the other indices didn't break their January lows as noted on the prior page, the percentage of their constituents making new 6-month lows did expand beyond January levels.



EQUITIES - NET 52WK HIGHS



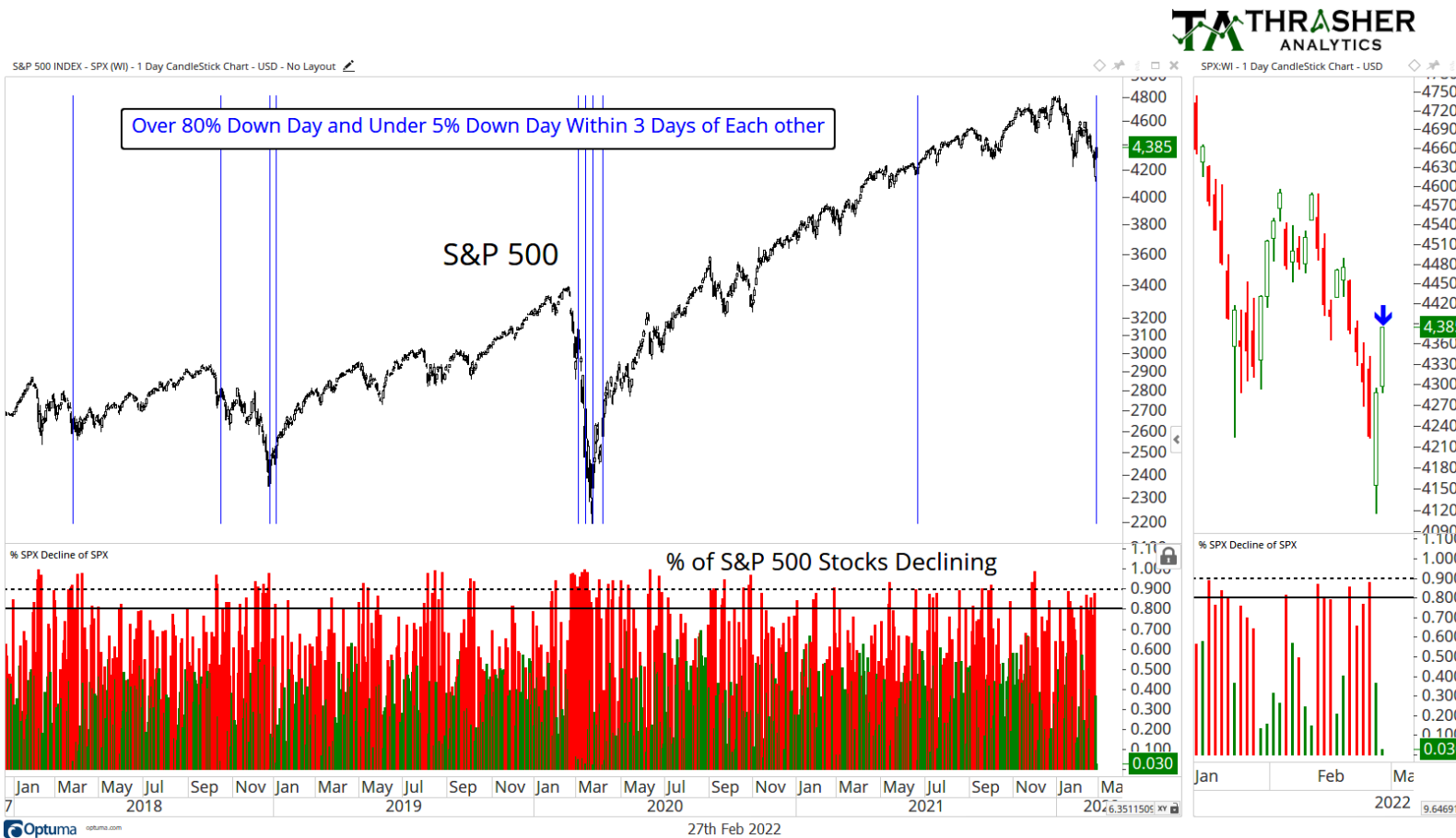
Turning now back to the S&P 500 and the net percentage of stocks making 52-week highs, we broke below -10% last week, which is the lowest level since the Covid Crash. I last shared this chart when comparing the Q4 '18 decline, -10% is when we saw the counter-trend bounces and it appears that's playing out once again with stocks attempting to rally last Thursday and Friday. The fact that we saw a lower-low in net-52wk highs is another sign of expansion in selling, not what bulls want to see.



EQUITIES - % DAILY DOWN



Last Weds. we had over 80% of S&P 500 stocks down on the day and then two days later (Friday) less than 5% were negative. I've plotted blue lines when this pattern has occurred before over the last couple of years. It happened before a mini-double bottom during the Q1 '18 correction and then again in the Q4 correction, at the bottom in '18, several times during the Covid Crash and once during a tiny dip last year. Looking further back in history there's more examples of this type of major flip in stock performance from nearly all down to nearly all up in the span of three days, and when it's occurred after stocks had already been in a down trend, it often was a symptom of a counter-trend rally rather than a final low. It's important to note this isn't always the case, as Dec. '18 show.

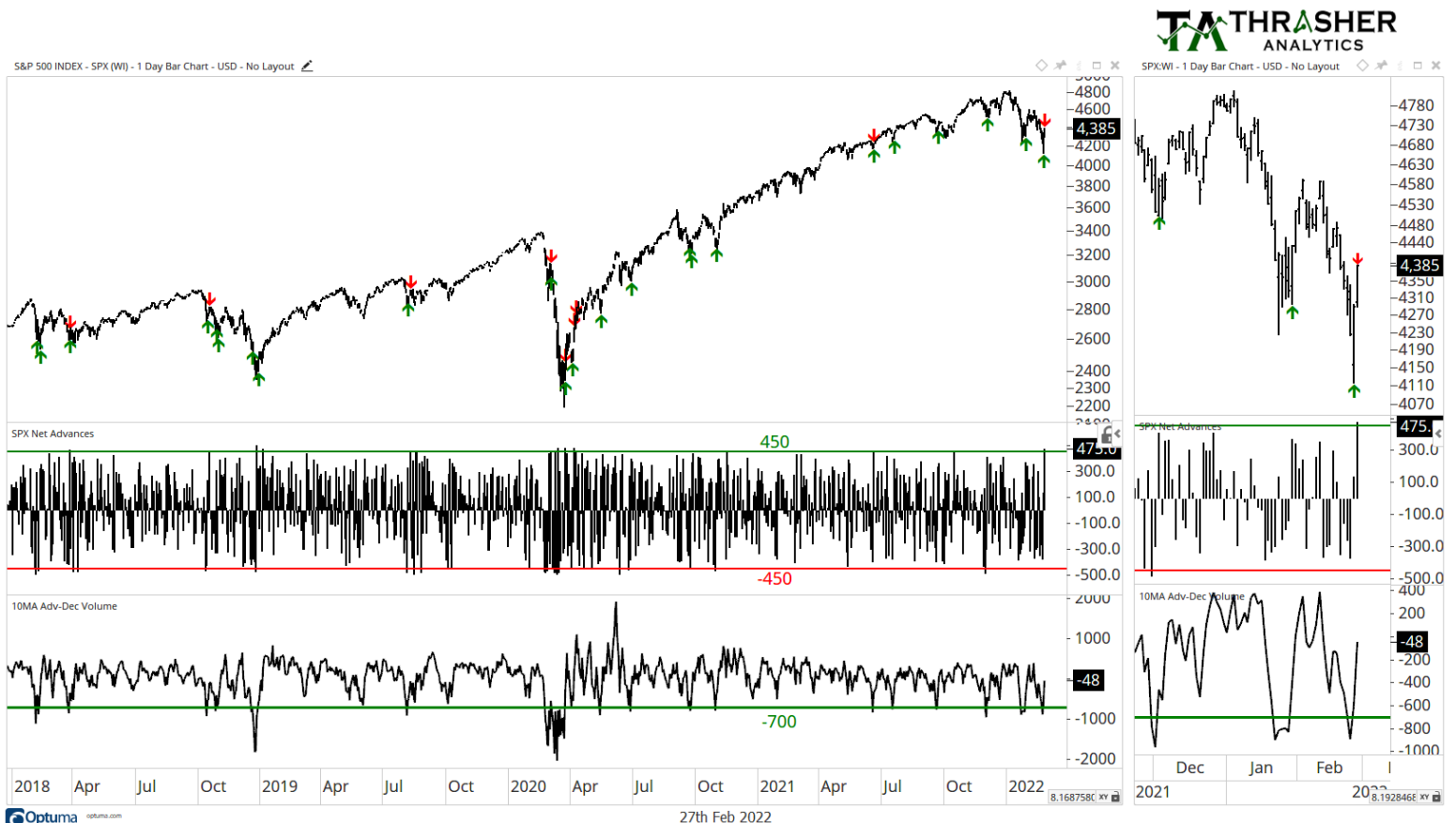


EQUITIES - DAILY INTERNALS



Looking again at the daily internal movement during last week's Thurs/Fri strength, we had a move back above -700 on the 10-day average of advancing-declining volume. As the green arrows show, this is a common occurrence at minor dip lows, something that happened several times last year. This was then followed by a strong advance on Friday of over 450 S&P 500 stocks advancing. I've plotted red arrows when this occurs just after a green arrow - meaning an extremely strong day after the 10-day average had been very negative (under -700). Once again, we see similar dates as the prior page, before the double bottom in Q1 '18, counter-trend bounce in Q4 '18, counter-trend bounce in '19, tiny bounce during the Covid Crash as well as after the final bottom in March '20.

Again, I believe this type of 180-degree price action is more indicative of a counter-trend "dead cat" bounce than a capitulation low. As Charlie McElligott had said, much of the activity on Thurs./Fri. was a result of hedge monetization rather than a chase for risk. Meaning, the bounce was more a result of short-covering than aggressive buying.



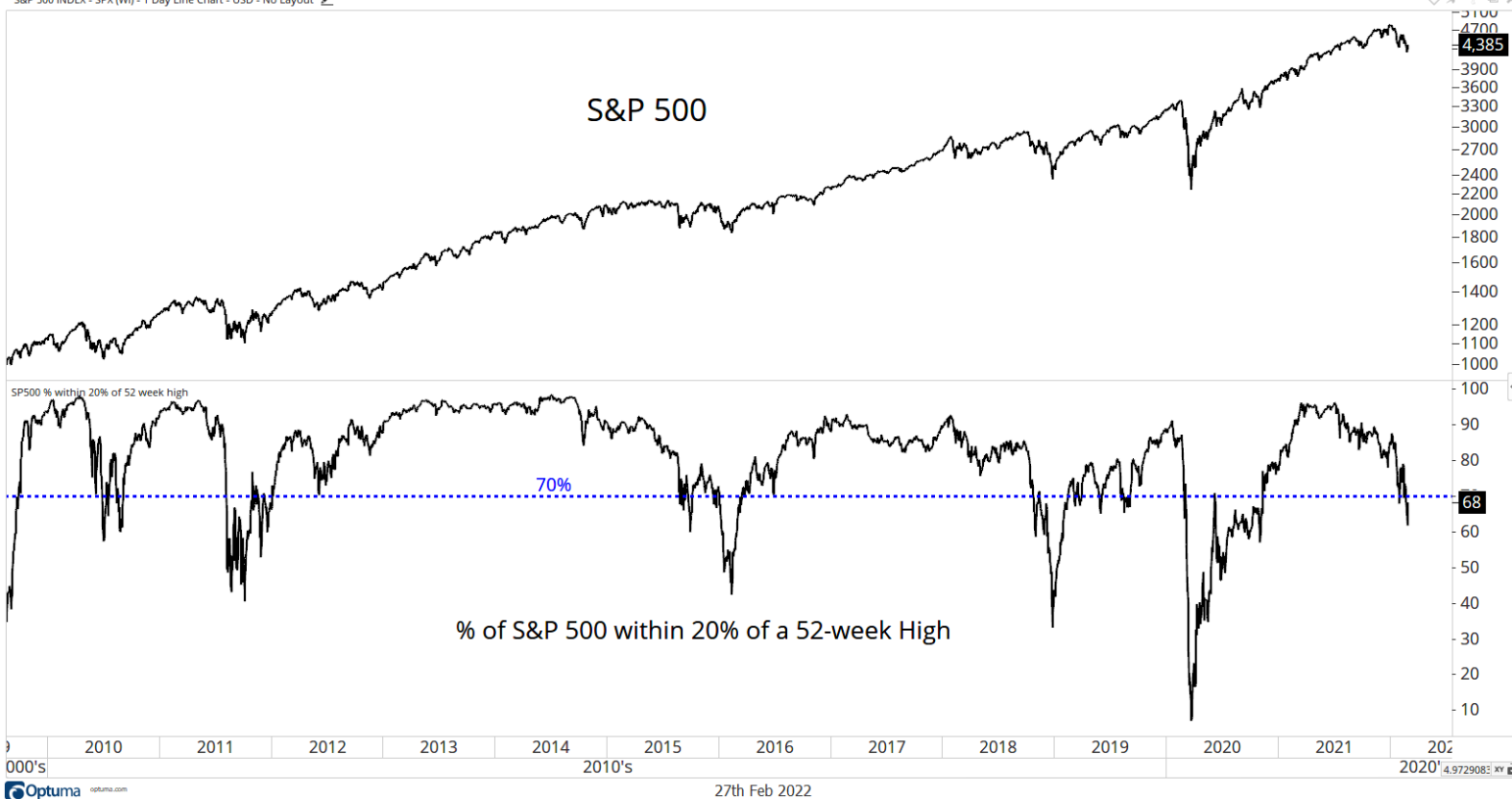
EQUITIES - WITHIN 20% OF HIGH



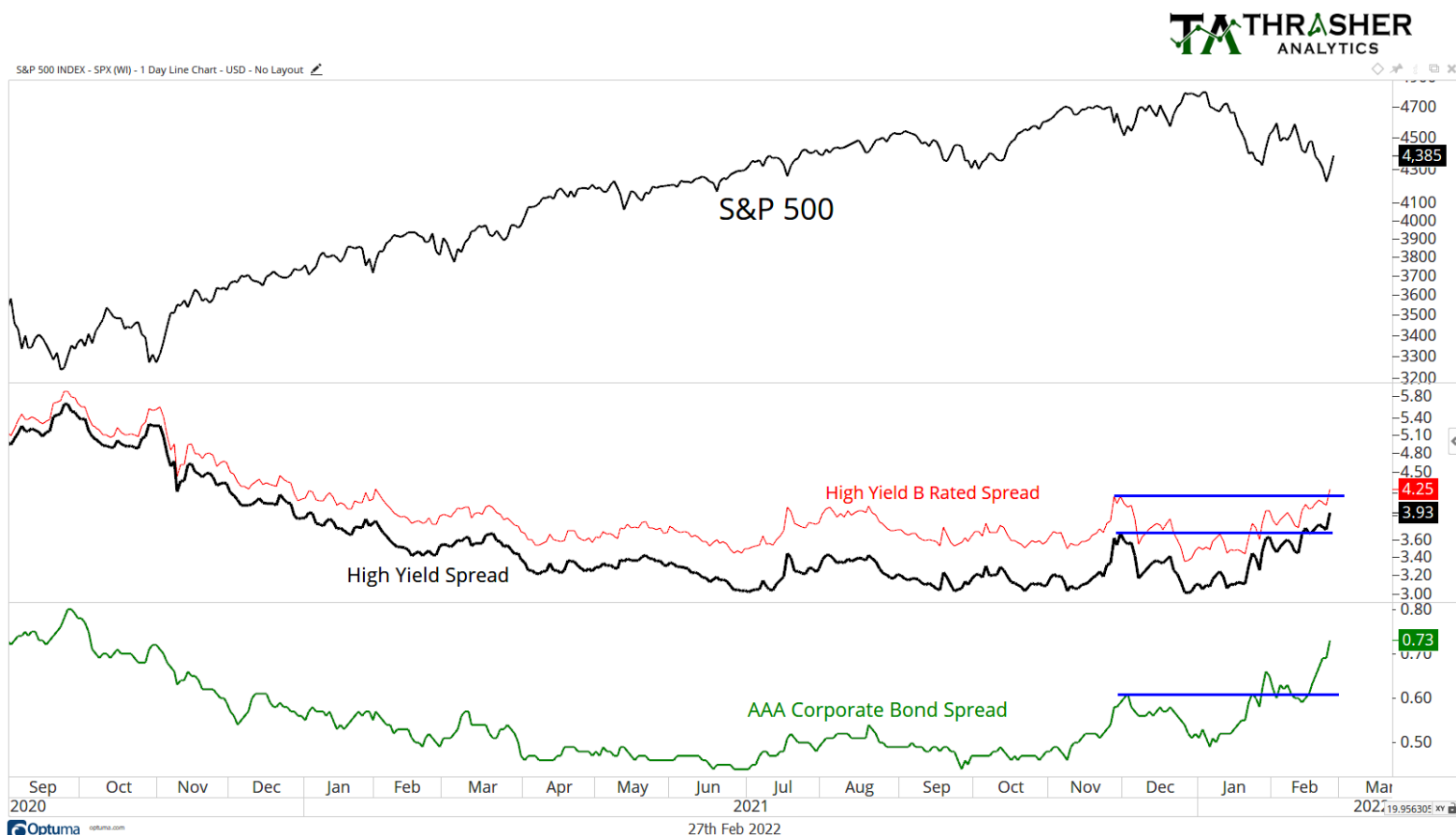
I've shared this chart several times, noting that when we have less than 70% of stocks that are within 20% of a 52-week high - that's when markets remain messy and bears have an easier time taking control. Even though we saw a bounce on Thursday and Friday, we still remain below 70%; currently at 68%, of stocks down less than 20%. The bounce was encouraging but we aren't out of the woods yet.



S&P 500 INDEX - SPX (WI) - 1 Day Line Chart - USD - No Layout

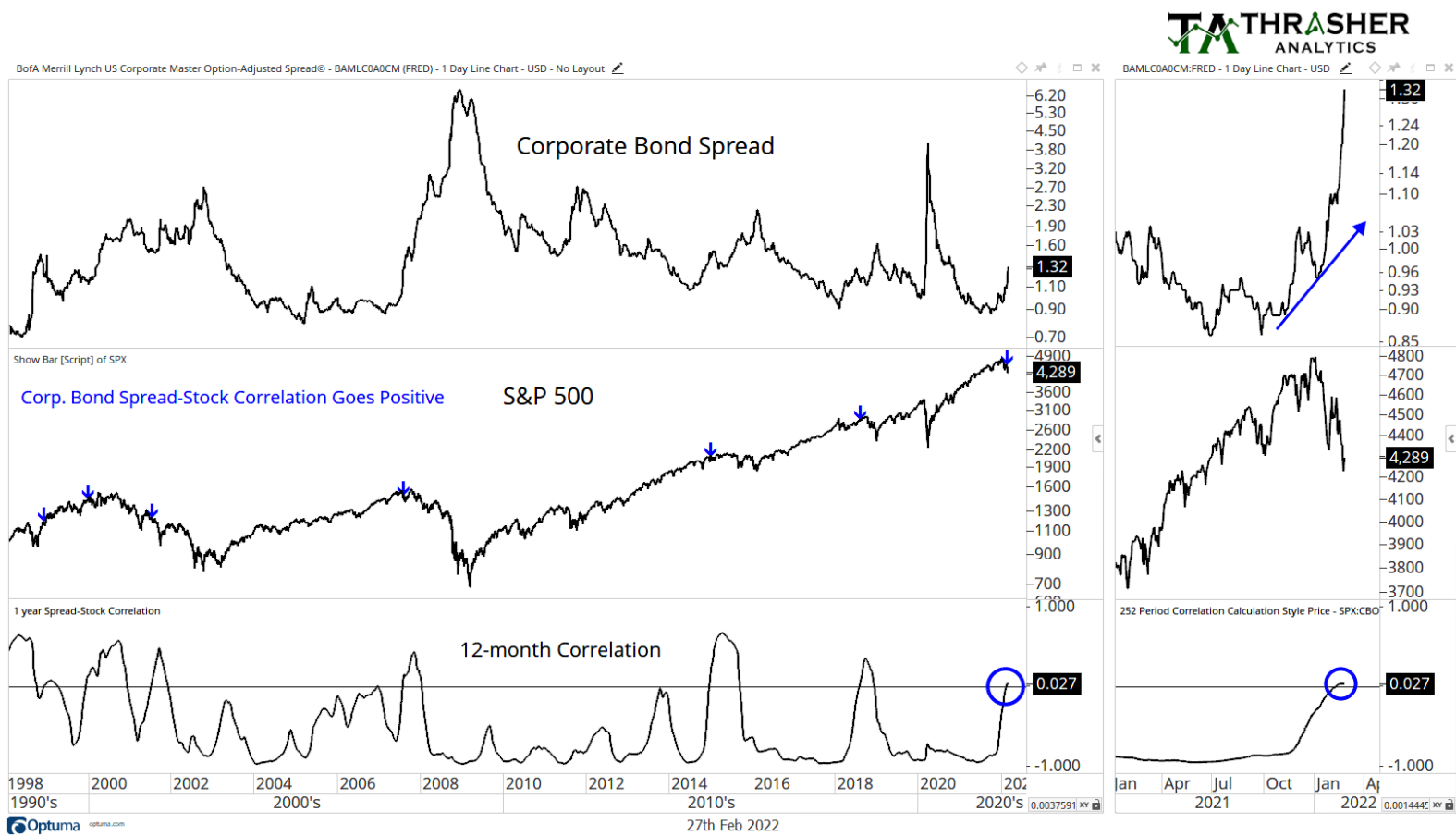


Last week I shared this chart as the HY spread was breaking out, following the expansion Investment Grade spread. That action continued last week, with a large increase in the AAA spread and now with a higher-high in the B-rated spread as well. I think this development in the fixed income market is one of the biggest concerns for the market right now. More on the next page.



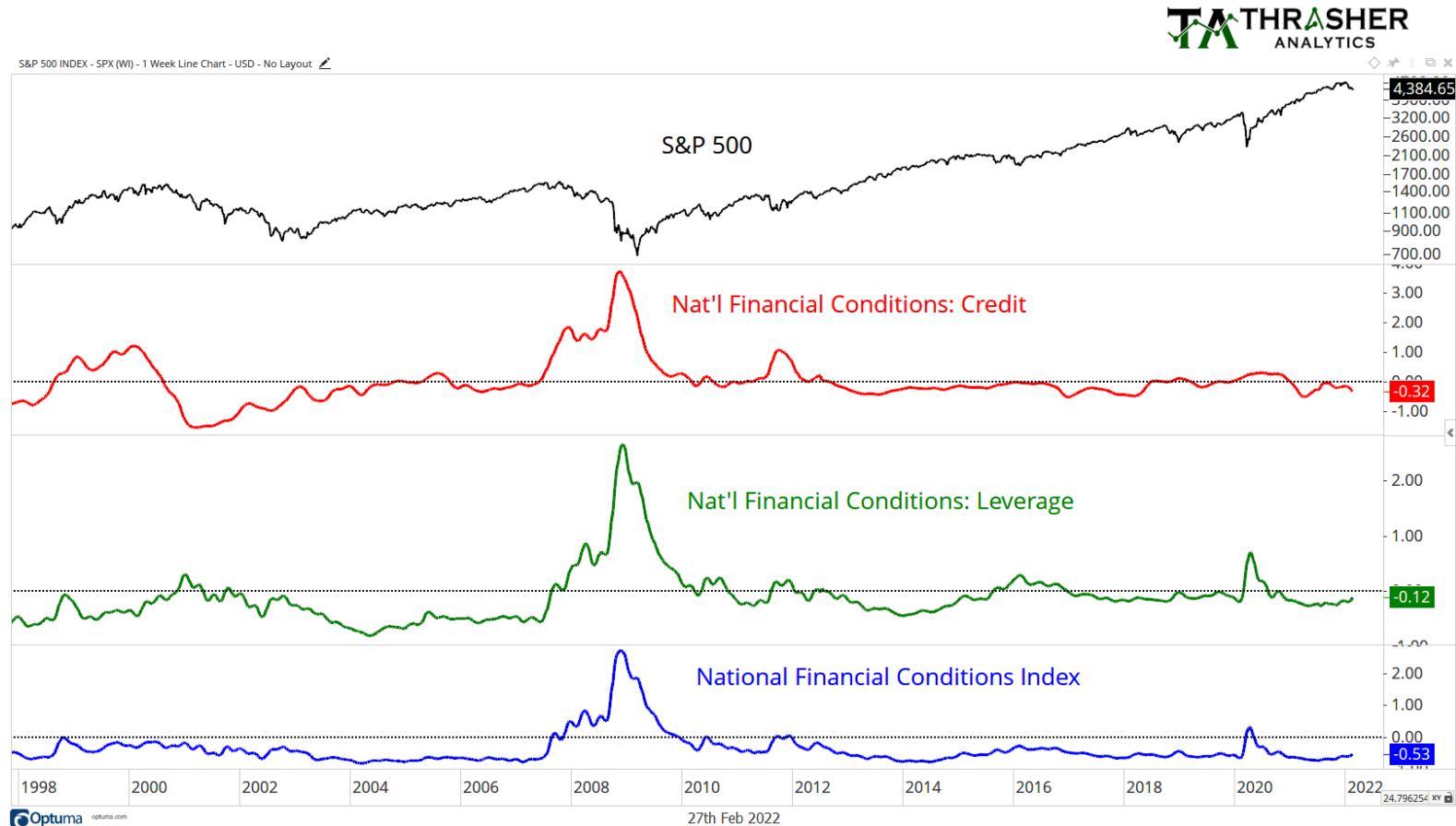
Here we are looking at the 12-month correlation between the Corporate Bond Spread and the equity market. Typically, these two are negatively correlated, as equities go up the spread narrows - confirming the bullishness between both equity and fixed income markets. However, that's not the case any longer. The 12-month correlation has now gone positive. This is just the seventh time in nearly 25 years. Note the blue arrows on the chart: Q4 '18, 2015, 2007, 2001, 1999, 1998. '98 occurred after the market had already been down 20% following the Russian debt crisis but the other instances weren't kind time periods to equity bulls and that's a big concern.

Debt spreads are rising and when fixed income markets get nervous, that fear becomes the very large tail that wags a the very important dog.



EQUITIES - FINANCIAL CONDITIONS

Is the worry that's being expressed in debt spreads showing up in other corners of the financial market? For that, we can look at the sub-categories of the National Financial Conditions Index. Specifically the Credit and Leverage categories, shown below along w/ the Index itself. As you can see on this long-term chart, when credit and leverage move positive (which they don't do very often) it's often associated with large financial concerns (ala the '08 crisis). We saw them both go positive during the Covid Crash but then began to relax and stay negative ever sense. As of now we have the Leverage category rising but still negative and Credit is still trending down. This is a good sign that the longer-term look at the health of the debt market hasn't begun to ring a bearish siren just yet.



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 not 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: 3.77%	AVG: -9.05%	AVG: -33.54%	AVG: -1.963		AVG: -52.00
Five9 Inc	FIVN	-7.09%	-12.27%	-28.71%	-2.318	-69.31	-70.66
PayPal Holdings Inc	PYPL	7.03%	-32.16%	-42.70%	-2.427	-67.71	-70.64
Shopify Inc	SHOP	3.06%	-23.26%	-59.96%	-2.557	-65.74	-68.73
Meta Platforms Inc - Ordinary Shares - Class A	FB	2.10%	-30.57%	-39.04%	-2.852	-53.47	-57.52
Adobe Inc	ADBE	5.19%	-6.88%	-32.37%	-1.336	-48.94	-51.33
Netflix Inc	NFLX	-0.13%	-1.69%	-42.43%	-1.986	-48.71	-48.86
Block Inc - Ordinary Shares - Class A	SQ	22.62%	1.46%	-46.78%	-1.941	-47.68	-48.40
Salesforce.com Inc	CRM	5.72%	-4.82%	-30.91%	-1.355	-44.22	-46.60
RH	RH	-0.97%	1.26%	-38.54%	-2.085	-43.03	-45.62
Twitter Inc	TWTR	2.83%	1.35%	-27.09%	-1.842	-37.42	-41.49
Fiserv, Inc.	FISV	4.16%	-6.49%	-2.01%	-1.536	-42.79	-38.53
Charter Communications Inc.	CHTR	0.73%	5.52%	-11.90%	-1.323	-35.17	-35.62
Combined Score 2nd Quartile		AVG: 5.10%	AVG: 5.29%	AVG: -18.43%	AVG: -0.906		AVG: -28.30
Combined Score 3rd Quartile		AVG: 2.43%	AVG: 1.39%	AVG: -22.64%	AVG: -1.047		AVG: -9.44
Combined Score 4th Quartile		AVG: -0.57%	AVG: 8.13%	AVG: -7.92%	AVG: 0.663		AVG: 13.00
Peloton Interactive Inc	PTON	-4.86%	4.18%	-40.20%	-1.660	-4.35	-3.44
Bill.com Holdings Inc	BILL	2.29%	46.19%	-27.91%	0.241	-4.41	-2.70
Transdigm Group Incorporated	TDG	2.08%	7.43%	4.84%	1.471	-4.78	-1.00
Snowflake Inc - Ordinary Shares - Class A	SNOW	-1.59%	0.70%	-31.30%	-0.266	1.56	3.02
Tesla Inc	TSLA	-5.50%	-14.20%	-28.78%	0.071	2.36	3.72
Booking Holdings Inc	BKNG	-12.80%	-2.75%	-2.50%	-0.455	4.77	8.07
Micron Technology Inc.	MU	-0.77%	9.97%	8.51%	1.084	7.79	9.71
Apple Inc	AAPL	-1.46%	1.50%	2.68%	1.067	12.58	17.72
Builders Firstsource Inc	BLDR	1.39%	8.54%	3.53%	1.294	17.16	21.93
Palo Alto Networks Inc	PANW	18.16%	17.81%	7.43%	1.719	22.78	26.43
WillScot Mobile Mini Holdings Corp	WSC	0.67%	3.58%	-5.50%	1.130	18.67	27.63
Expedia Group Inc	EXPE	-4.42%	14.63%	14.14%	2.260	39.05	44.88

SECTORS - PERFORMANCE

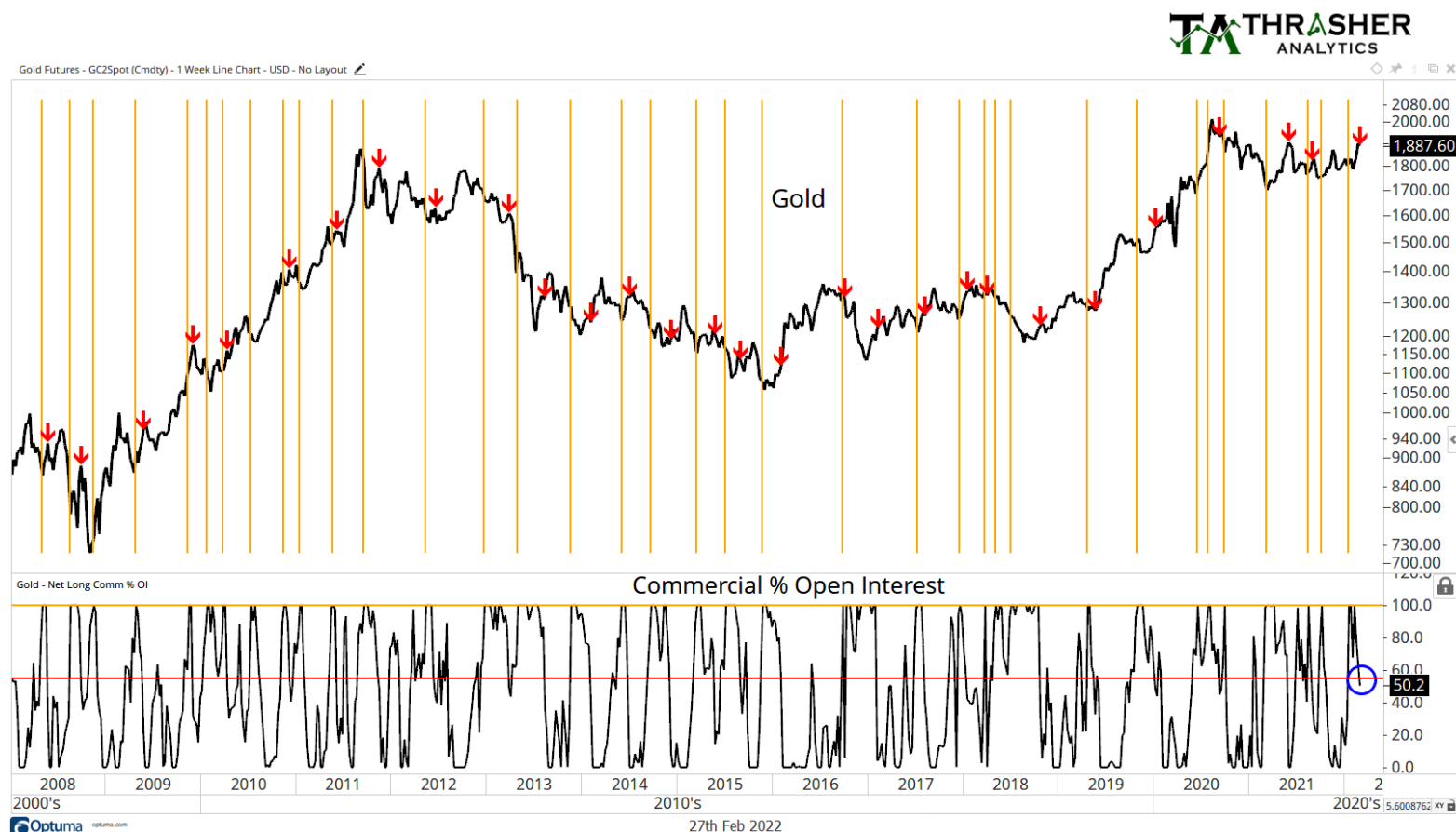


1 Day - Watch List - No Layout

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: -1.16%			AVG: 12.34%			AVG: 13.31%			AVG: -4.17%	
IWM	iShares Russell 2000 ETF	-8.97%	-1.05%	1.52%	1.84%	-12.56%	-9.01%	17.16%	7.76%	0.88%	-2.89%	-8.24%
NDY	NASDAQ 100 Index	-13.06%	-5.49%	1.28%	0.28%	-13.31%	-7.68%	15.36%	16.22%	-1.90%	-6.45%	-5.91%
SPX	S&P 500 INDEX	-8.00%	0.00%	0.82%	0.65%	-6.74%	-2.48%	9.01%	17.76%	-1.31%	-3.82%	-1.71%
DJI	Dow Jones Industrial Average	-6.27%	1.88%	-0.06%	-0.70%	-4.88%	-3.80%	7.83%	11.49%	-1.89%	-3.51%	-2.78%
- Sectors		AVG: 3.61%			AVG: 9.59%			AVG: 21.03%			AVG: -2.28%	
XLV	SPDR Health Care Select Sector Fund ETF	-7.06%	1.03%	2.70%	2.14%	-1.14%	-3.22%	7.77%	19.12%	0.30%	-1.98%	0.05%
XLRE	SPDR Real Estate Select Sector Fund ETF	-11.48%	-3.78%	2.64%	-2.13%	-6.66%	-1.21%	12.10%	27.78%	-0.19%	-4.23%	-1.76%
XLU	SPDR Utilities Select Sector Fund ETF	-5.59%	2.63%	2.05%	0.70%	-0.35%	-1.64%	5.92%	15.98%	0.29%	-1.70%	0.86%
XLC	SPDR Communication Services Select Sector ETF	-11.78%	-4.10%	1.66%	-3.83%	-12.83%	-18.54%	20.64%	7.03%	-2.38%	-7.04%	-13.22%
XLK	SPDR Technology Select Sector Fund ETF	-11.23%	-3.50%	1.25%	1.85%	-9.33%	-1.99%	12.82%	23.77%	-1.88%	-5.21%	-1.26%
XLE	SPDR Energy Select Sector Fund ETF	24.11%	34.91%	1.22%	5.47%	18.94%	41.23%	2.30%	52.59%	1.05%	9.28%	23.95%
XLI	SPDR Industrial Select Sector Fund ETF	-6.31%	1.84%	0.80%	-1.64%	-6.55%	-5.28%	8.11%	10.33%	-0.76%	-3.18%	-3.77%
XLB	SPDR Materials Select Sector Fund ETF	-6.92%	1.18%	0.57%	1.21%	-4.06%	-1.26%	8.63%	16.59%	0.38%	-2.32%	-0.81%
XLP	SPDR Consumer Staples Select Sector Fund ETF	-1.56%	7.01%	-0.16%	1.39%	4.16%	5.64%	2.90%	20.51%	0.30%	-0.10%	4.82%
XLF	SPDR Financial Select Sector Fund ETF	0.13%	8.84%	-0.31%	1.64%	-2.49%	1.09%	6.23%	19.94%	-1.32%	-1.10%	1.72%
XLY	SPDR Consumer Discretionary Select Sector Fund	-13.82%	-6.32%	-2.12%	-1.84%	-16.02%	-3.13%	18.07%	17.73%	-2.94%	-7.50%	-5.67%

I previously shared this COT chart for gold when Commercial Traders held 100% of net Open Interest. I wrote that historically this led to a rally in gold prices, and in fact it did. Gold has now risen nearly \$1,900. Since then, Commercial Traders have dropped their % of OI to 50.2% and this has often led to a brief peak in gold prices, as marked by the red arrows.

Longer-term, gold has been in a multi-month consolidation that has the eyes of nearly every technical-based trader. The breakout from that range is an encouraging sign and while we could see a short-term pull back, if gold can hold above \$1,700 I think there's still some good potential in precious metals.



TA MEAN REVERSION INDICATOR



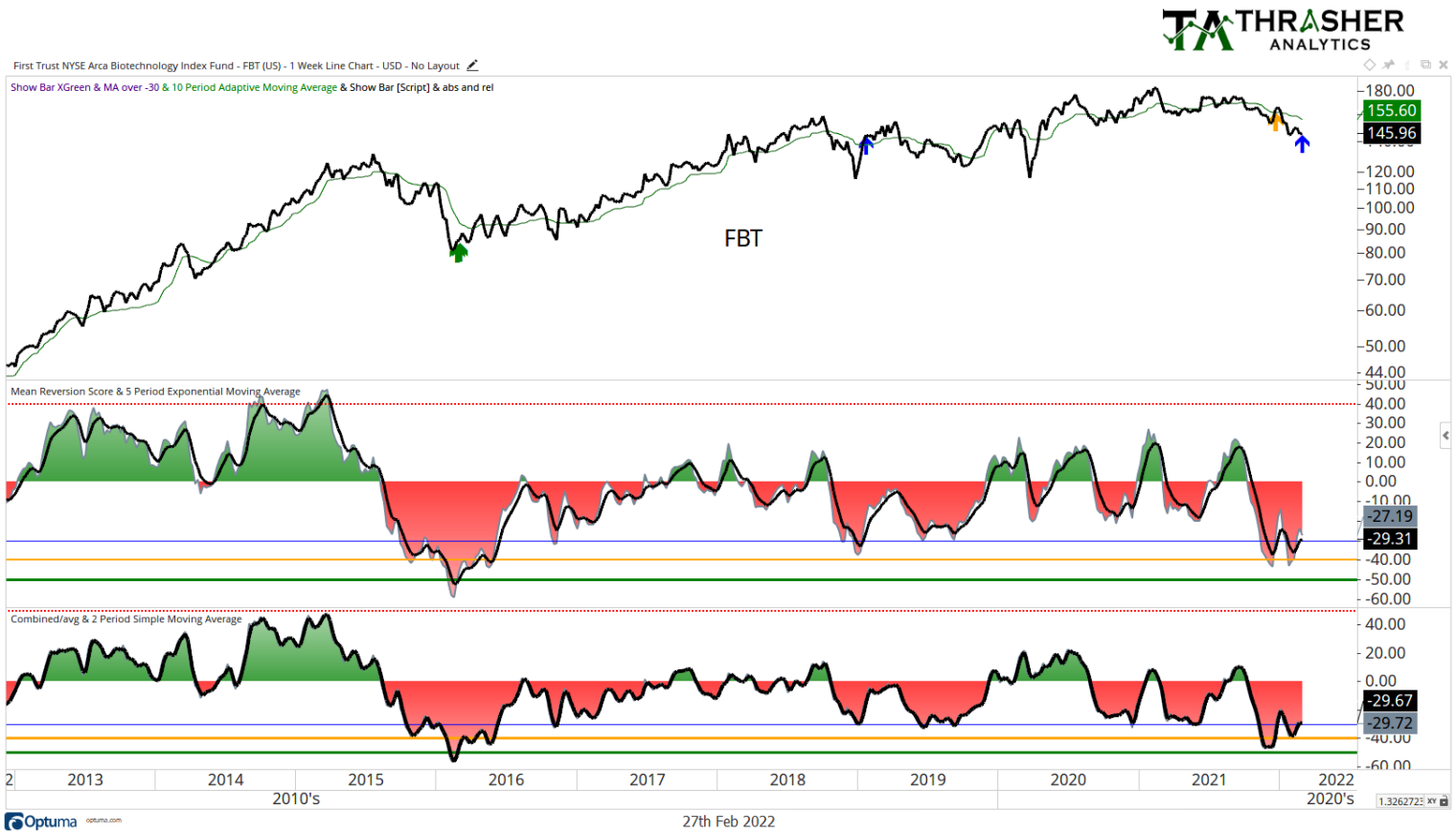
Below are short-term, intermediate, and major signals produced from improvements in the Thrasher Analytics Mean Reversion Indicator. Please refer to the summery PDF in the newsletter archive on the website for more details.

New TAMRI Signals:
Blue (short-term):
FBT
Orange (intermediate):
-
Green (major):
-

TA MEAN REVERSION INDICATOR



Below are short-term, intermediate, and major signals produced from improvements in the Thrasher Analytics Mean Reversion Indicator. These are not buy/sell signals, but show potential setups in over-extended markets. 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

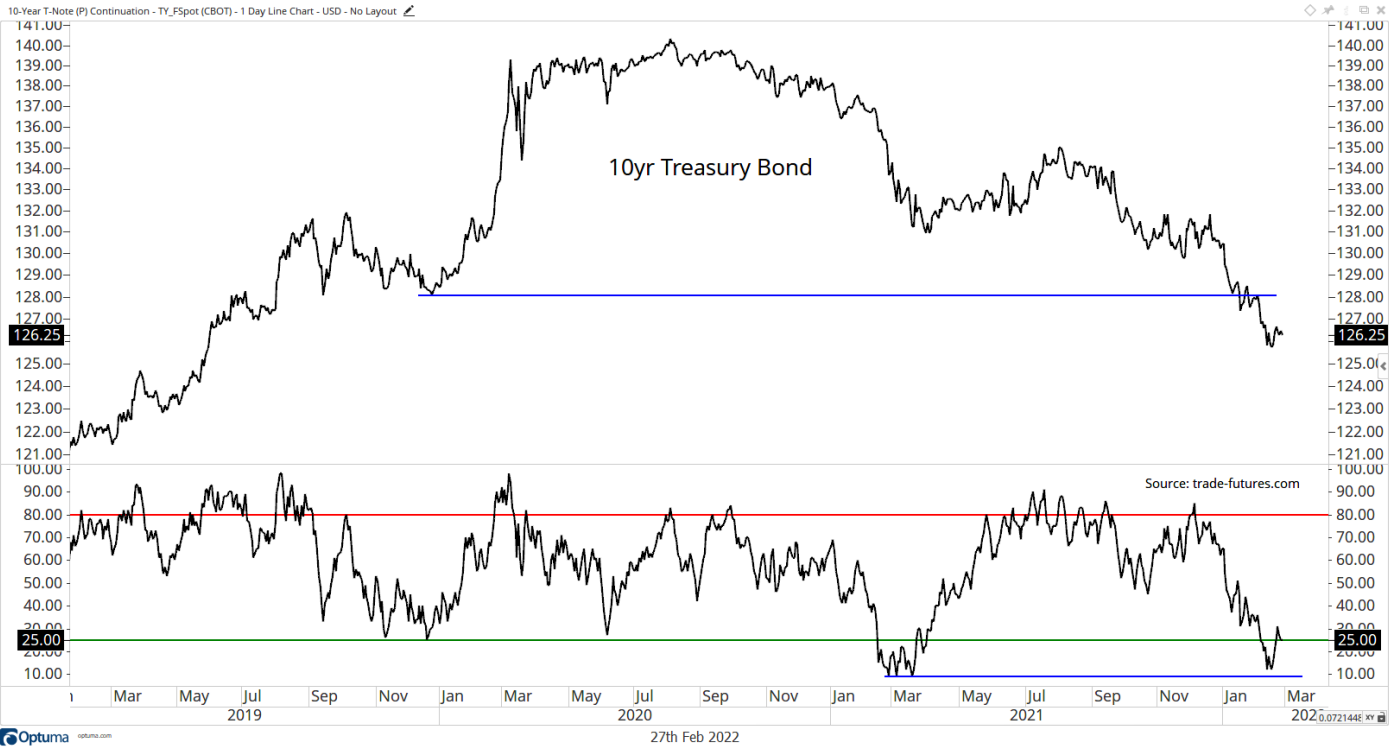
Code	% Bullish ^	5-day MA	History
Sugar DSI	19	22	
Euro DSI	19	21	
Yen DSI	22	25	
Swiss Franc DSI	25	28	
SPX DSI	25	16	
10Y DSI	25	27	
Nikkei DSI	26	16	
Nasdaq DSI	26	16	
5YR DSI	26	26	
British Pound DSI	27	34	
Australian Dollar DSI	27	26	
Bitcoin DSI	29	23	
VIX DSI	33	41	
EuroDollar DSI	39	42	
Orange Juice DSI	49	50	
Platinum DSI	50	55	
Cocoa DSI	50	52	
Copper DSI	53	49	

1 Day - Watch List - No Layout

Code	% Bullish ^	5-day MA	History
Cotton DSI	55	61	
Coffee DSI	60	66	
Cattle DSI	60	67	
Lean Hog DSI	62	77	
Gold DSI	62	74	
Silver DSI	63	72	
Palladium DSI	65	75	
Mexican Peso DSI	68	67	
Soybean DSI	69	82	
US Dollar DSI	72	73	
Lumber DSI	74	75	
CRB Index DSI	77	84	
Corn DSI	77	81	
Gasoline DSI	79	86	
Wheat DSI	80	78	
Natural Gas DSI	81	86	
Heating Oil DSI	82	87	
Crude Oil DSI	82	87	

Source: trade-futures.com

DAILY SENTIMENT INDEX



DAILY SENTIMENT INDEX

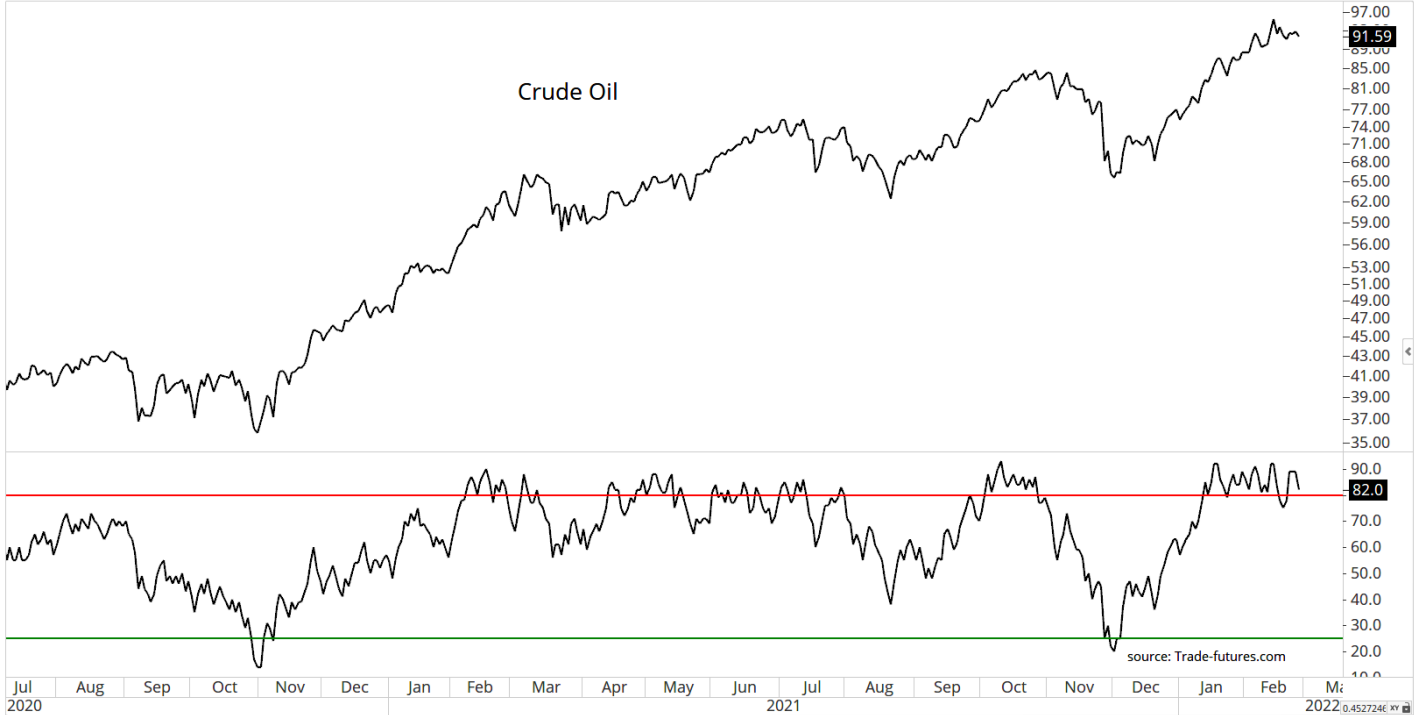


DAILY SENTIMENT INDEX



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ANALYTICS

Crude Oil Light Sweet NYMEX - OILSW (W) - 1 Day Line Chart - USD - No Layout

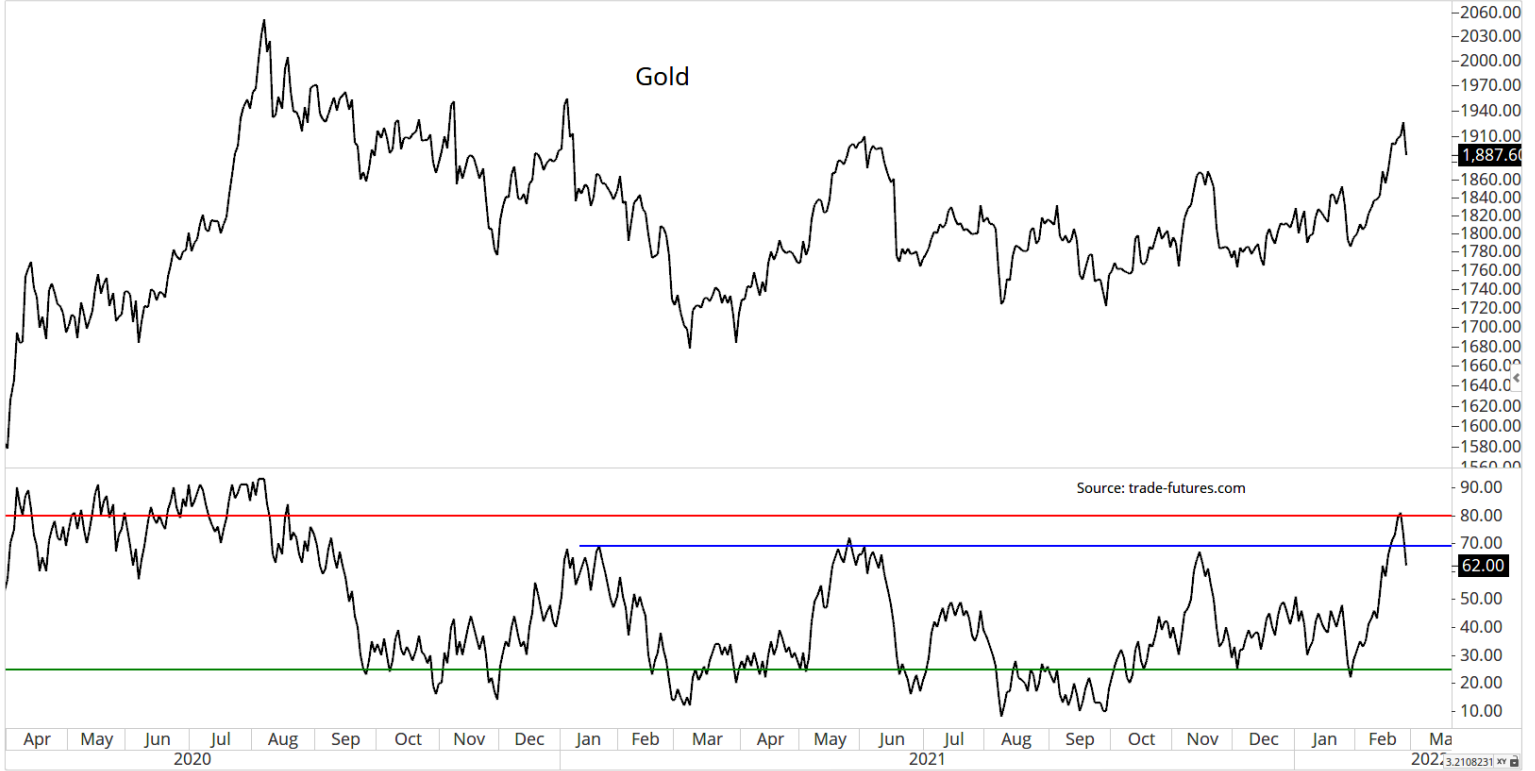


DAILY SENTIMENT INDEX



TA THRASHER
ANALYTICS

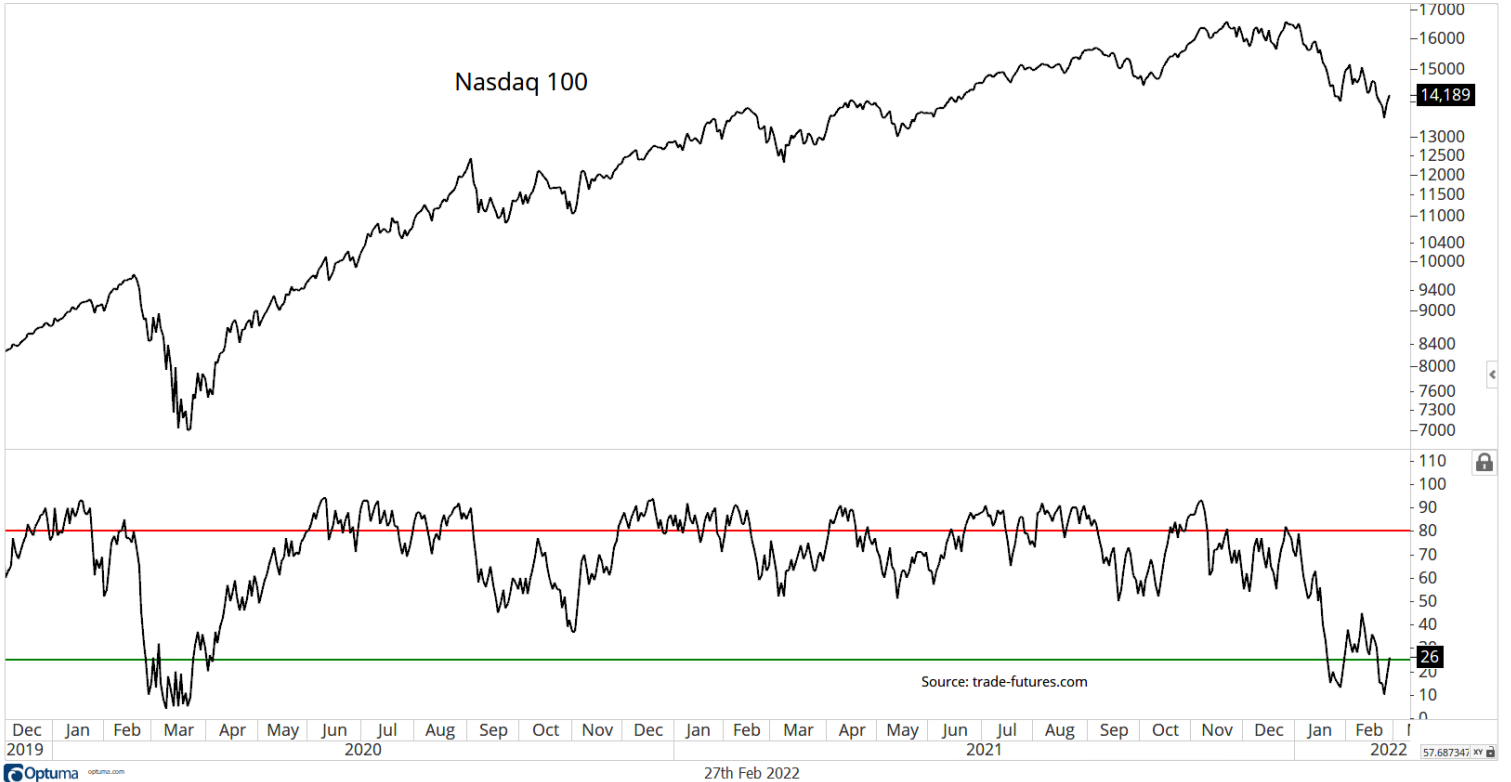
Gold Futures - GCSpot (NYMEX) - 1 Day Line Chart - USD - No Layout



DAILY SENTIMENT INDEX



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

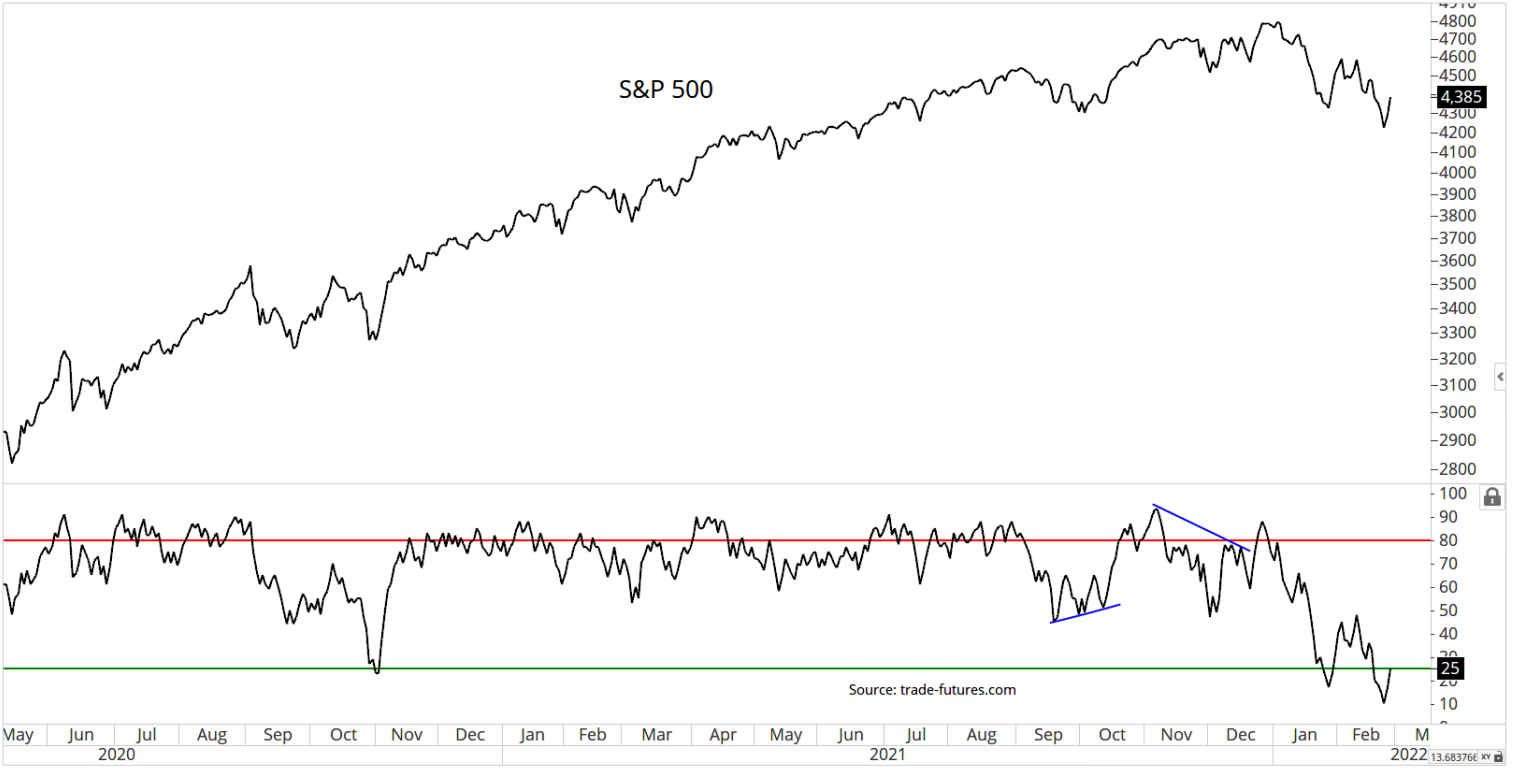


DAILY SENTIMENT INDEX



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ANALYTICS

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



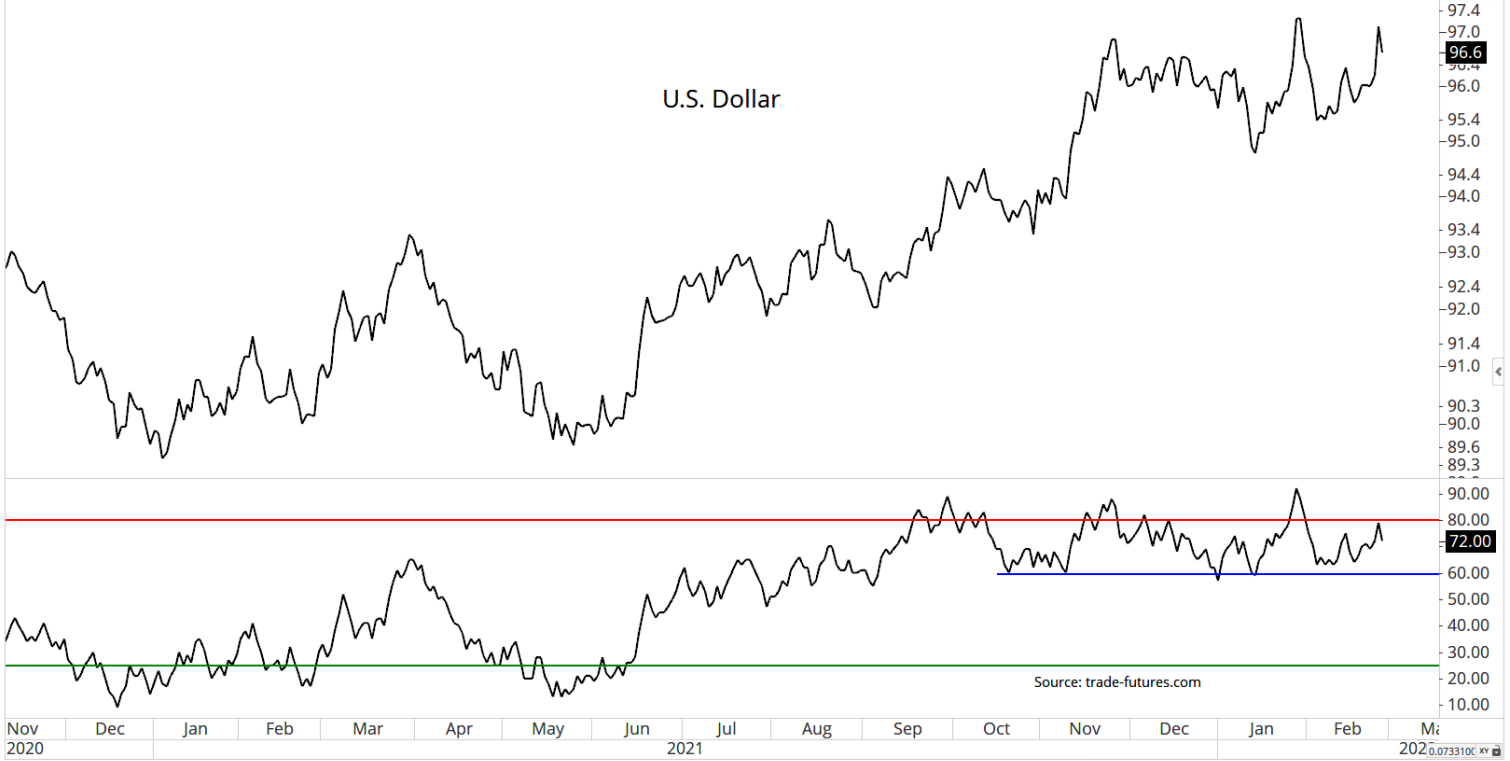
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27th Feb 2022

DAILY SENTIMENT INDEX



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



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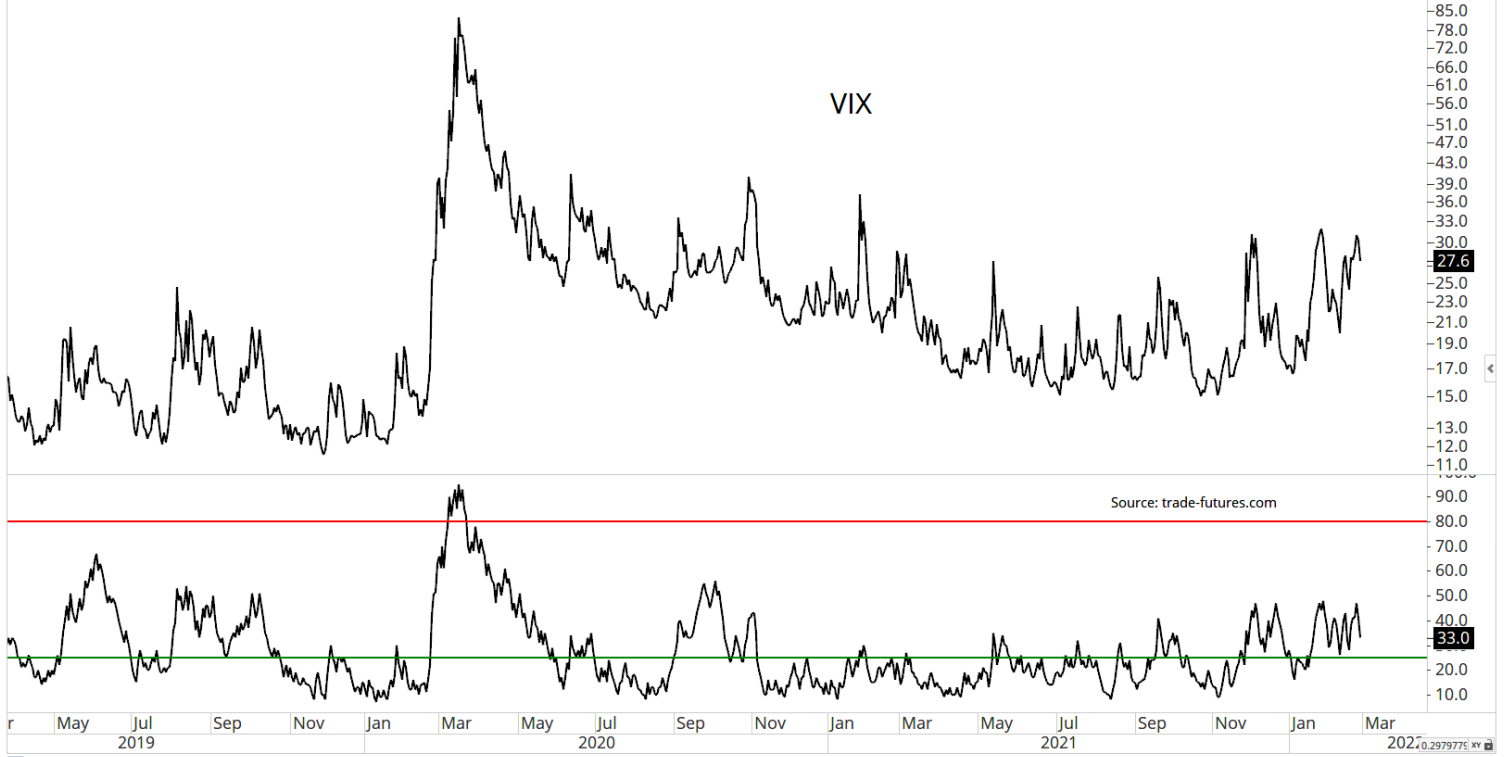
27th Feb 2022

DAILY SENTIMENT INDEX



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ANALYTICS

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



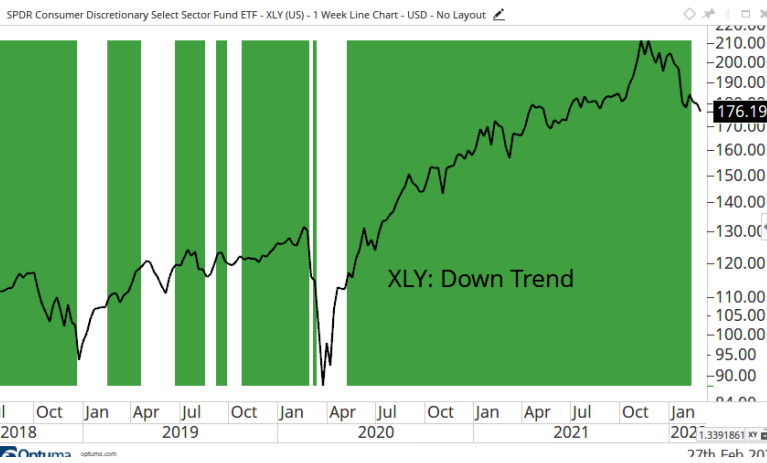
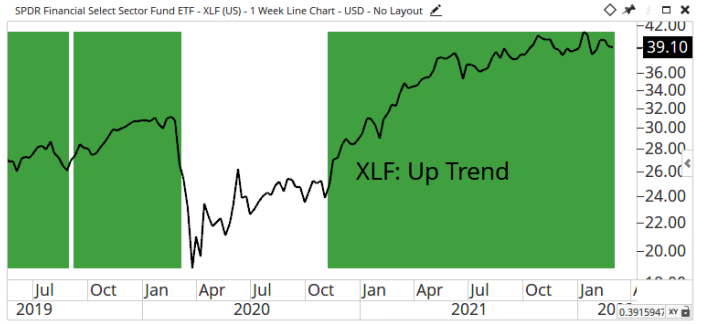
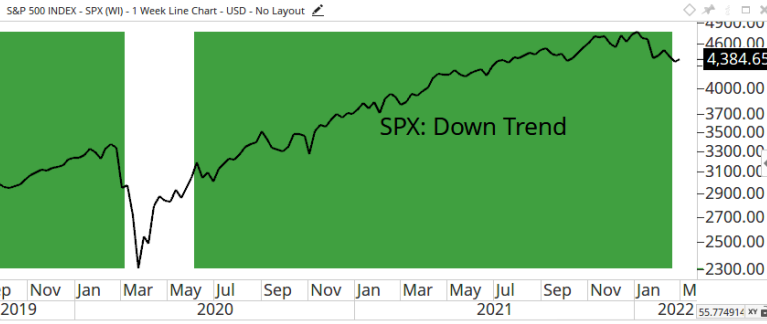
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27th Feb 2022

TREND MODELS



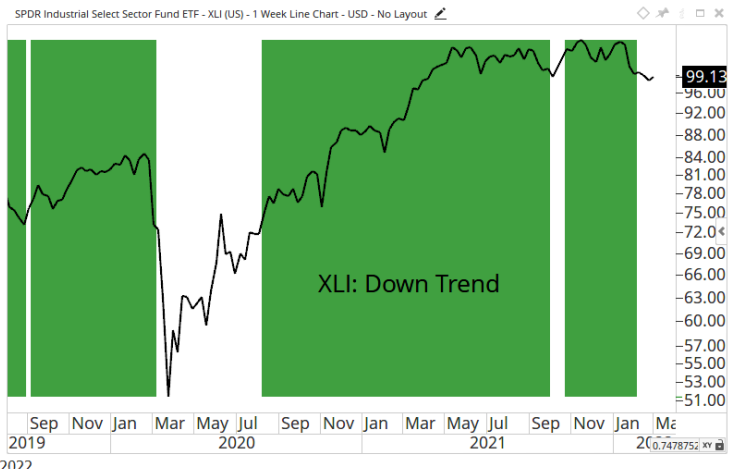
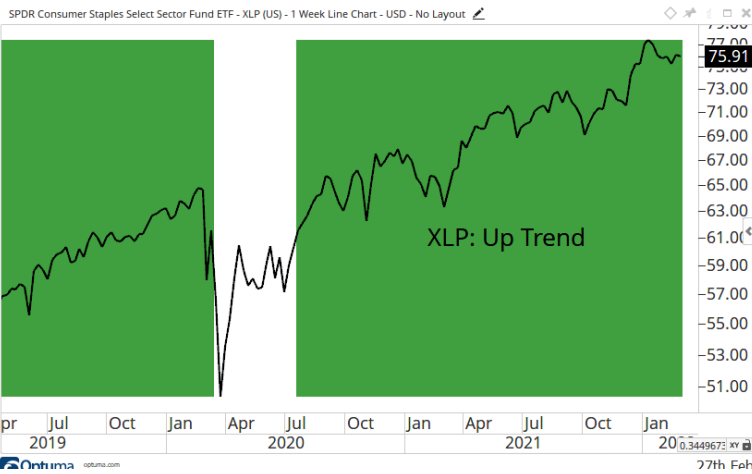
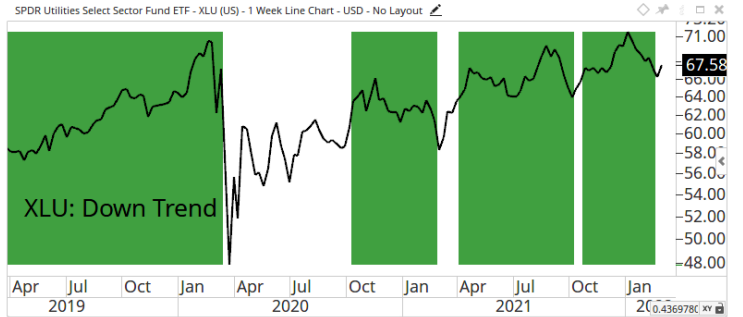
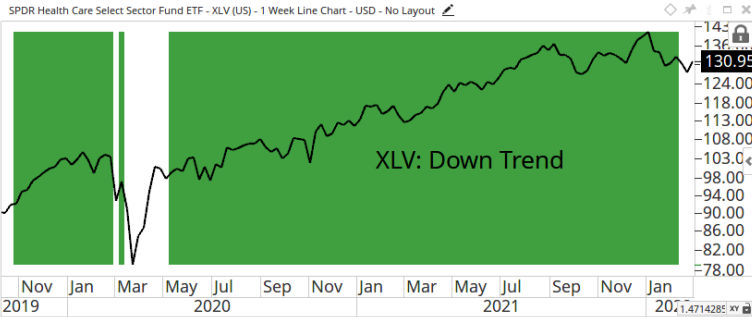
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TREND MODELS



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TREND MODELS



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