

DECEMBER 18, 2022



WEEKLY RESEARCH & ANALYSIS

BY ANDREW THRASHER, CMT

## SUMMARY OF MODELS

	Current	Wkly Change
Maestro Model	5	Increasing
Volatility Risk Trigger	48	Unchanged
Risk Appetite Ratios	0.43	Decreasing
S&P 500 Long-Term Trend	Down	Unchanged

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Volatility

Equities

Maestro Model

Sector Sentiment

Sectors & Commodity

Sentiment

Trend Models

Sector Rotation: December	
Energy	XLE
Financials	XLF
Health Care	XLV

Maestro Model	
Trend / Momentum	2
Sentiment / VIX	-1
Breadth	4
Economic	-4
<b>Total</b>	<b>5</b>

(Breadth is weighted double in model)

Index & Sector		
	Up Trend	Down Trend
SPX		X
QQQ		X
XLF		X
XLV		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	21%	32%
Nasdaq 100	20%	31%
Nikkei	45%	55%
VIX	25%	19%
10yr Treasury	47%	46%
5yr Treasury	46%	44%
CRB Index	28%	32%
Crude Oil	30%	34%
Gold	69%	70%
U.S. Dollar	33%	30%
Bitcoin	10%	14%

\*Green<25% Red>80%

source: trade-futures.com

## Brief Summary:

Thank you for the kind words from those that emailed me about my surgery. I'm doing fine but I appreciate the sentiment.

This week I share one of my favorite seasonality charts. It's a favorite because it's a chart you won't find anywhere else. It's related to volatility and has nothing to do with Santa. Last year I discussed it as it led to a massive move in volatility that caught many by surprise. This potential bullish seasonal pattern for the VIX, if it does develop, occurs as have volatility consolidating to one of its tightest ranges all year and it's begun to improve in correlation to the equity market, another factor that's often led to moves higher in volatility.

The major equity indices lost their 200-day moving average and the hoped-for improvement at this level was lost after the Fed and ECB caused investors to panic, shedding risk exposure. We've known that risk appetite has been waning recently with the Risk Appetite chart remaining below the 50th percentile and actually diverging from the market in recent weeks. Breadth data has begun to improve but Friday saw the most new 20-day lows since September and sector leadership remains defensive. Speaking of breadth, we do have the possible setup for a Zweig Breadth Thrust if we see a strong return to bullishness into year-end. I'll monitor this closely and share if it does occur.

This week we'll get VIX option expiration and also several housing reports. Including, NAHB Housing Index, housing starts, building permits, and existing sales.

# VOLATILITY: VRT



VRT remains at 48 with spot VIX consolidating around 23.



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



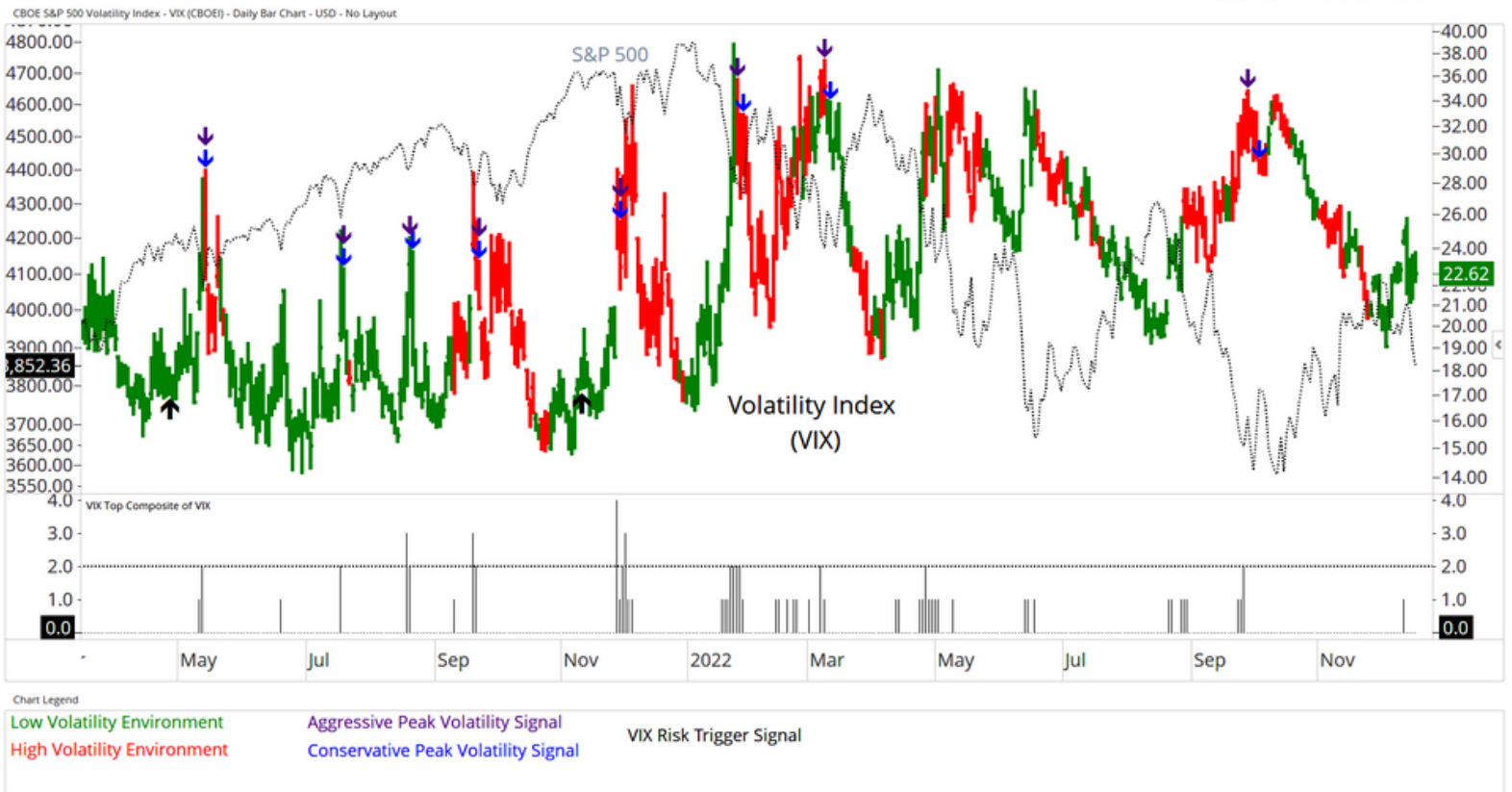
Optima

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# VOLATILITY: TOP & ENVIRONMENT



VIX remains in a Low Volatility Environment.



# VOLATILITY - CURVE

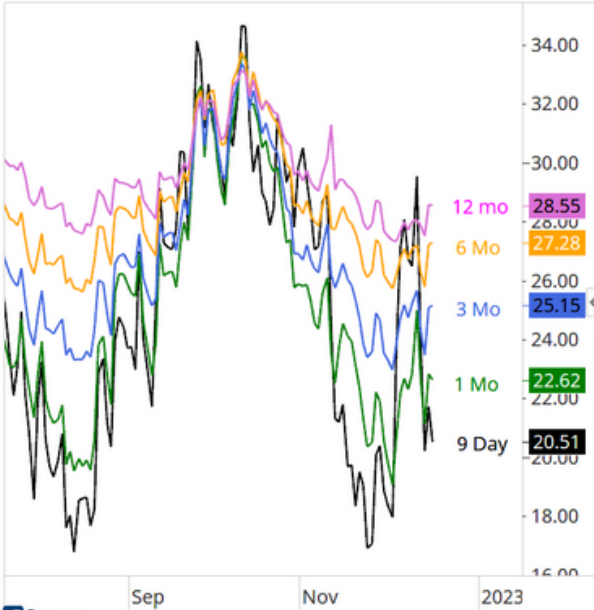


The VIX curves moves out of equity option week back in full upward sloping as the premium in 9-day vol gets sucked out. We now move into VIX OpEx.

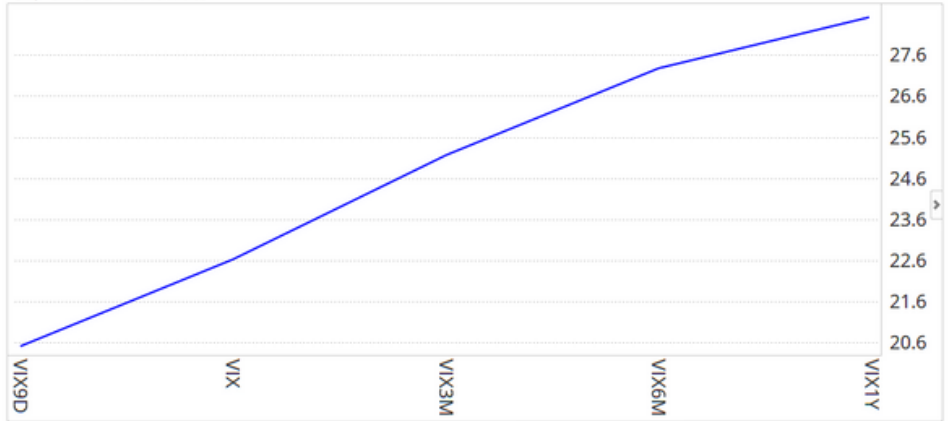
Daily - Watch List - No Layout

Name	Last	1yr %Tile
CBOE S&P 500 Short Term Volatility Index	20.51	0.2945
CBOE S&P 500 Volatility Index	22.62	0.3033
CBOE S&P 500 3-Month Volatility Index	25.15	0.2548
CBOE Mid-Term Volatility Index	27.28	0.2885
CBOE S&P 500 One-Year Volatility Index	28.55	0.3160

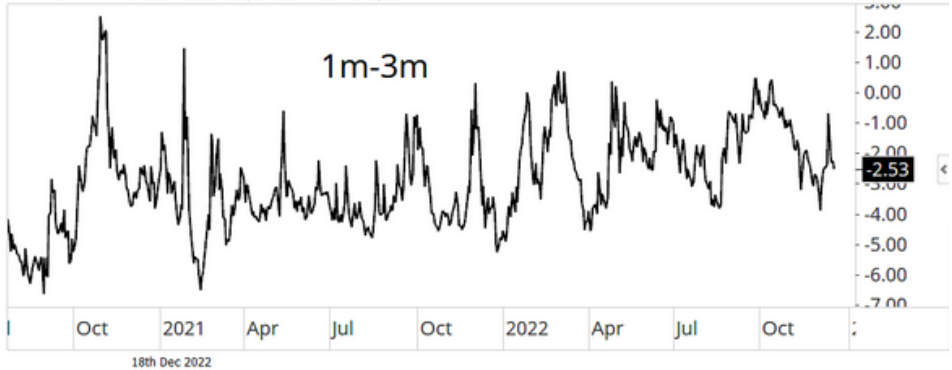
CBOE S&P 500 Short Term Volatility Index - VIX9D (CBOE) - Daily Line Chart - USD - No Layout



Daily - Curve Chart Date: 12/16/2022



VIX Minus VIX - VIX-VIX (Custom Codes) - Daily Line Chart - USD - No Layout



# VOLATILITY - OPEX



VIX Options have their December expiration this week. We saw November OpEx met with little fanfare, similar to October with the prior two months seeing a strong move higher in spot VIX.



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



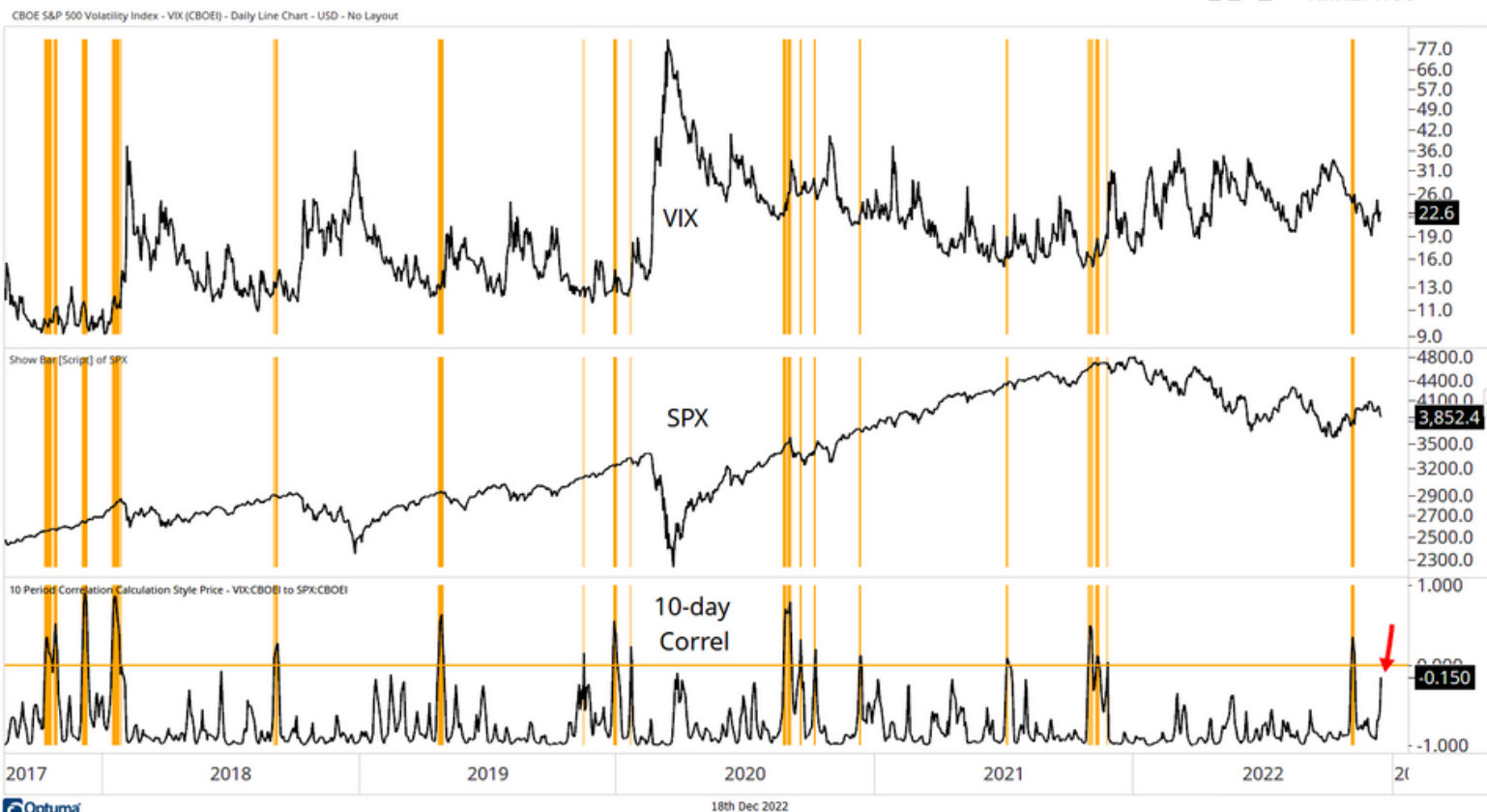
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# VOLATILITY - CORRELATION



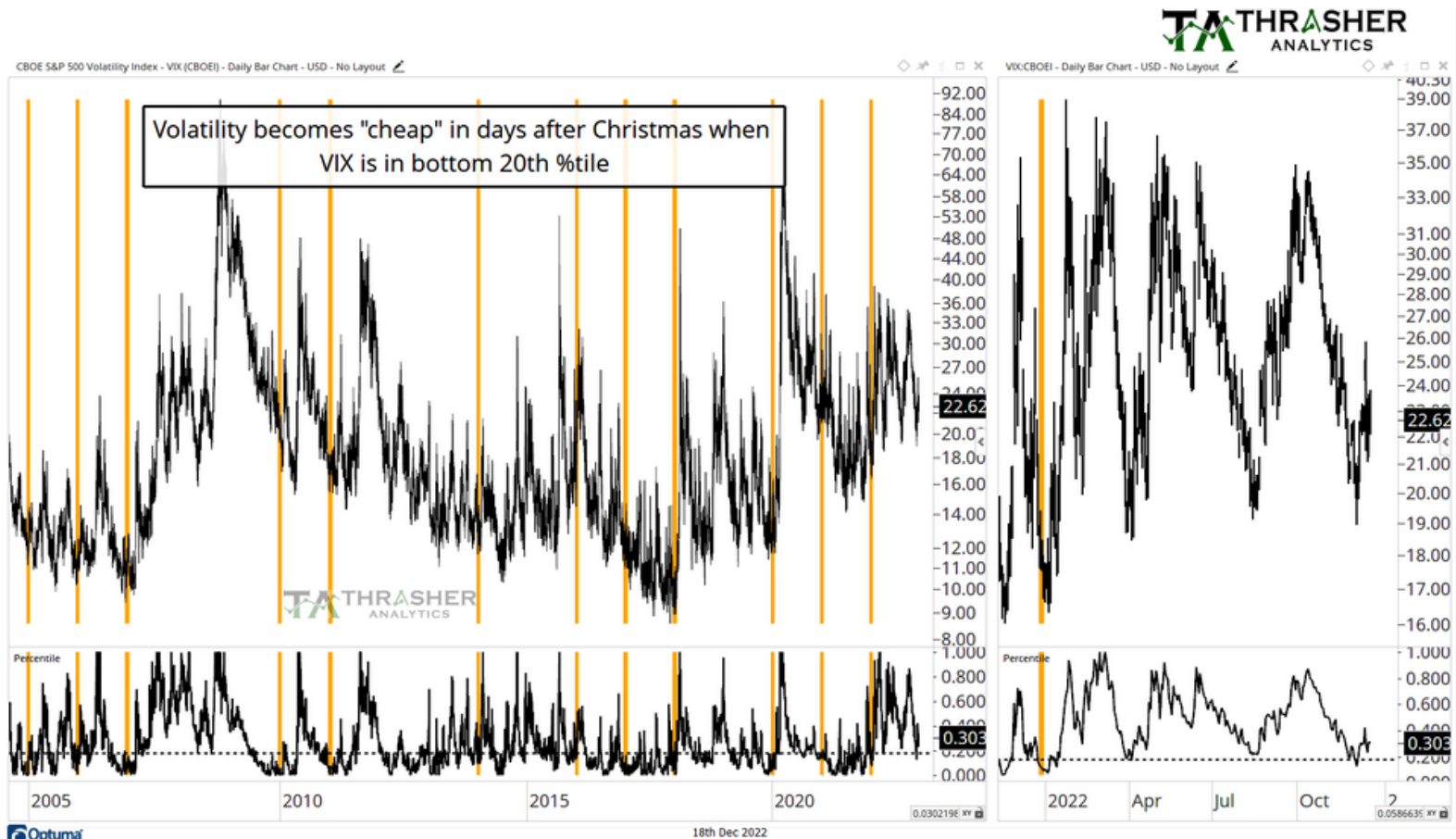
While still negative, the 10-day correlation between equities and the VIX has begun to rise again. I share this as it's interesting development while we move into VIX OpEX and spot has begun to consolidate.



# VOLATILITY - VIX CHRISTMAS



I shared this chart last year and we saw a move in spot VIX from 17 to 35. We're now approaching the same seasonal potential this year. This study looks at when VIX is in the bottom 20th percentile in the days after Christmas. VIX becomes "cheap", delivering a proverbial present to those that are paying attention. Since 2005 there's been 11 years that this has occurred and VIX was higher 72% of the time with a median change of +23% 1-month later. Currently, VIX is at the 30th percentile, having dipped below the 20th when it had fallen below 20 a couple weeks ago. If we see a continued decline, then it's possible we see this setup once again next week. I'll of course write about this in next Sunday's note (Yes, I'll still write a brief note on Christmas - don't tell my wife!)



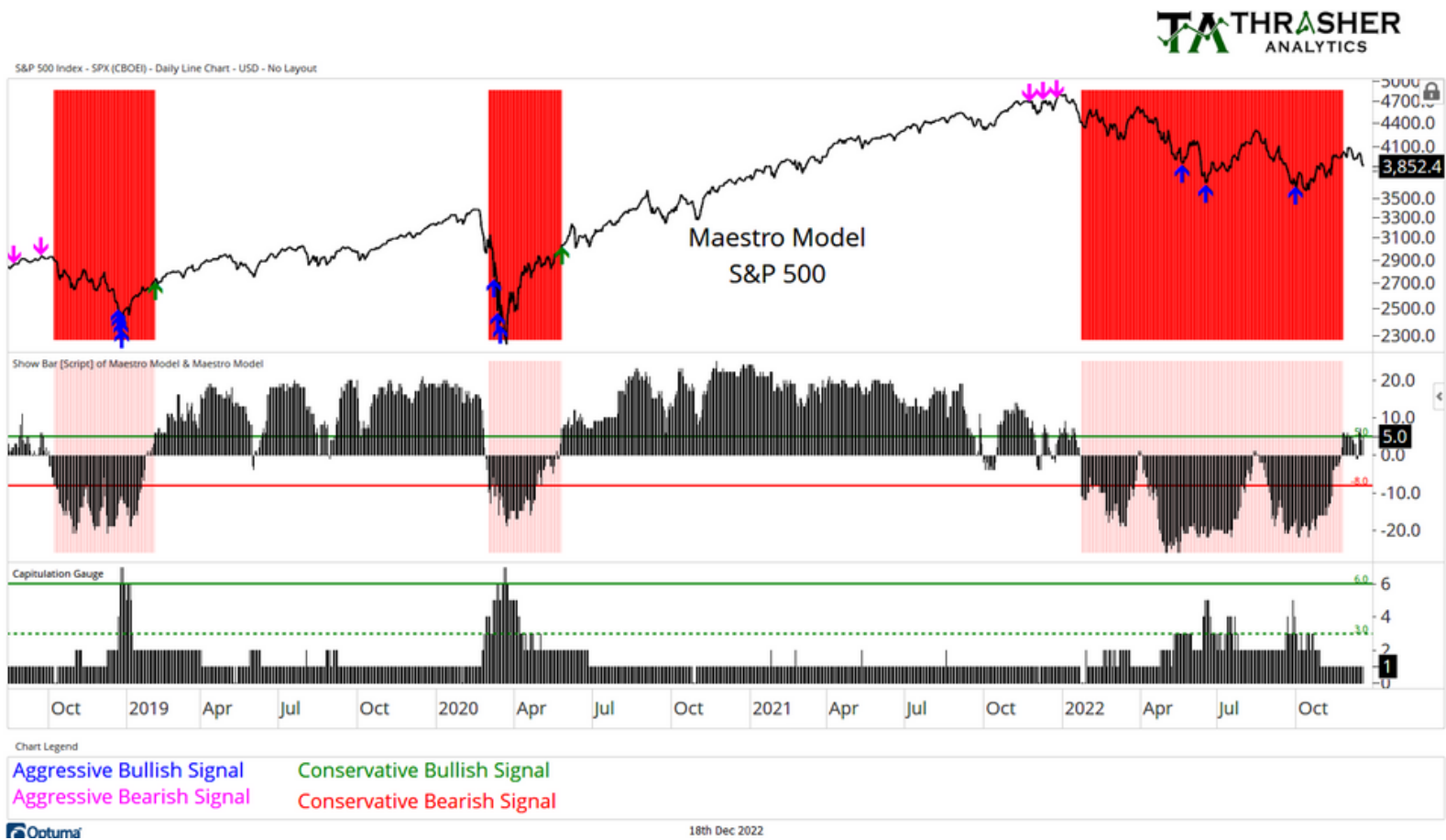


# MAESTRO MODEL



Please be sure to check out the Maestro Model Summary PDF in the Archive on the website.

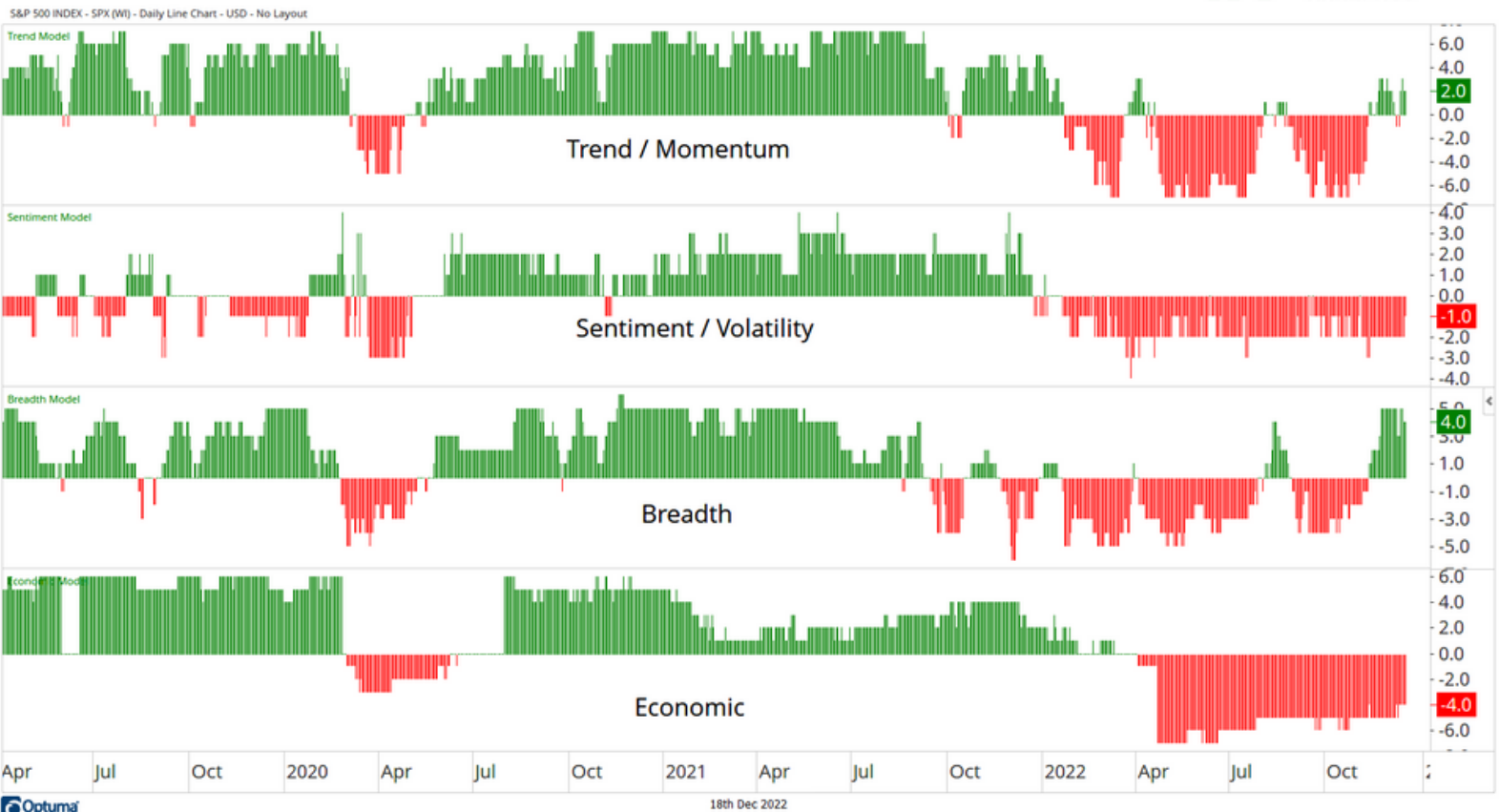
The Maestro Model improved to +5 last week.



# MAESTRO MODEL - CATEGORIES



Interesting to see trend and breadth actually both see their scores improve last week. A degree of this is the momentum component of the Trend category.



# SENTIMENT SCORE



XLE was the only positive sector last week, doubling the performance of the S&P 500. XLY sector sentiment has continued to stay low, sitting at 0.04. Tesla has weighed heavily on the performance of the sector in recent weeks.



Daily - Watch List - No Layout

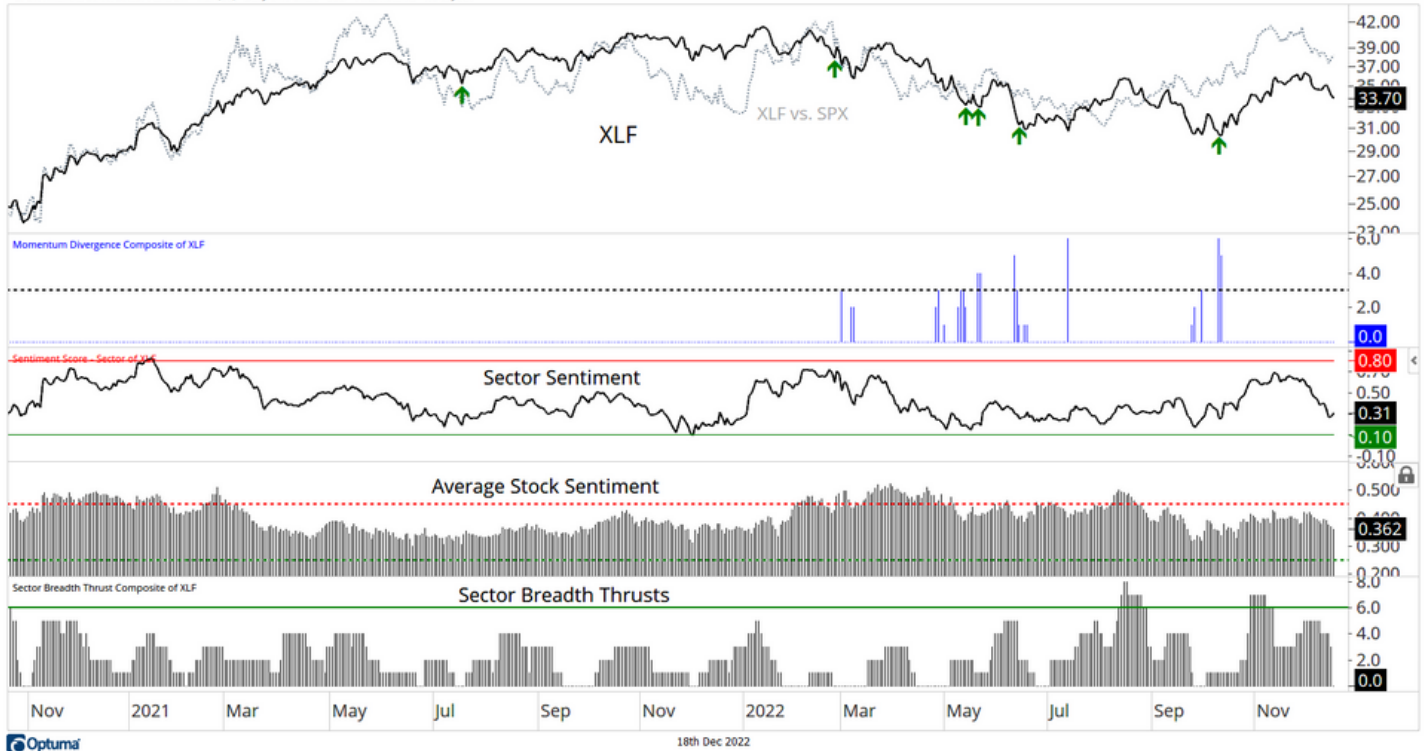
Sector	Ticker	Sector Sentiment	Change in Score	1W Perf	1M Perf	3M Perf	
SPDR Materials Select Sector Fund ETF	XLB	0.73	-0.02	-2.35%	-1.43%	8.48%	
SPDR Industrial Select Sector Fund ETF	XLI	0.71	-0.01	-0.98%	-0.79%	9.97%	
SPDR Health Care Select Sector Fund ETF	XLV	0.64	-0.05	-1.78%	1.89%	6.34%	
SPDR Utilities Select Sector Fund ETF	XLU	0.58	0.01	-0.49%	2.71%	-5.36%	
SPDR Consumer Staples Select Sector Fund ETF	XLP	0.58	0.00	-1.36%	1.29%	4.95%	
SPDR Energy Select Sector Fund ETF	XLE	0.41	0.02	2.03%	-8.46%	7.55%	
SPDR Technology Select Sector Fund ETF	XLK	0.34	-0.09	-2.62%	-3.26%	-0.96%	
SPDR Real Estate Select Sector Fund ETF	XLRE	0.32	-0.04	-2.09%	-1.08%	-7.06%	
SPDR Communication Services Select Sector ETF	XLC	0.32	-0.10	-2.81%	-4.02%	-7.84%	
SPDR Financial Select Sector Fund ETF	XLF	0.31	-0.08	-2.40%	-4.45%	1.94%	
SPDR Consumer Discretionary Select Sector Fund	XLY	0.04	-0.12	-3.96%	-6.05%	-15.21%	

# SENTIMENT SCORE: XLF & XLY



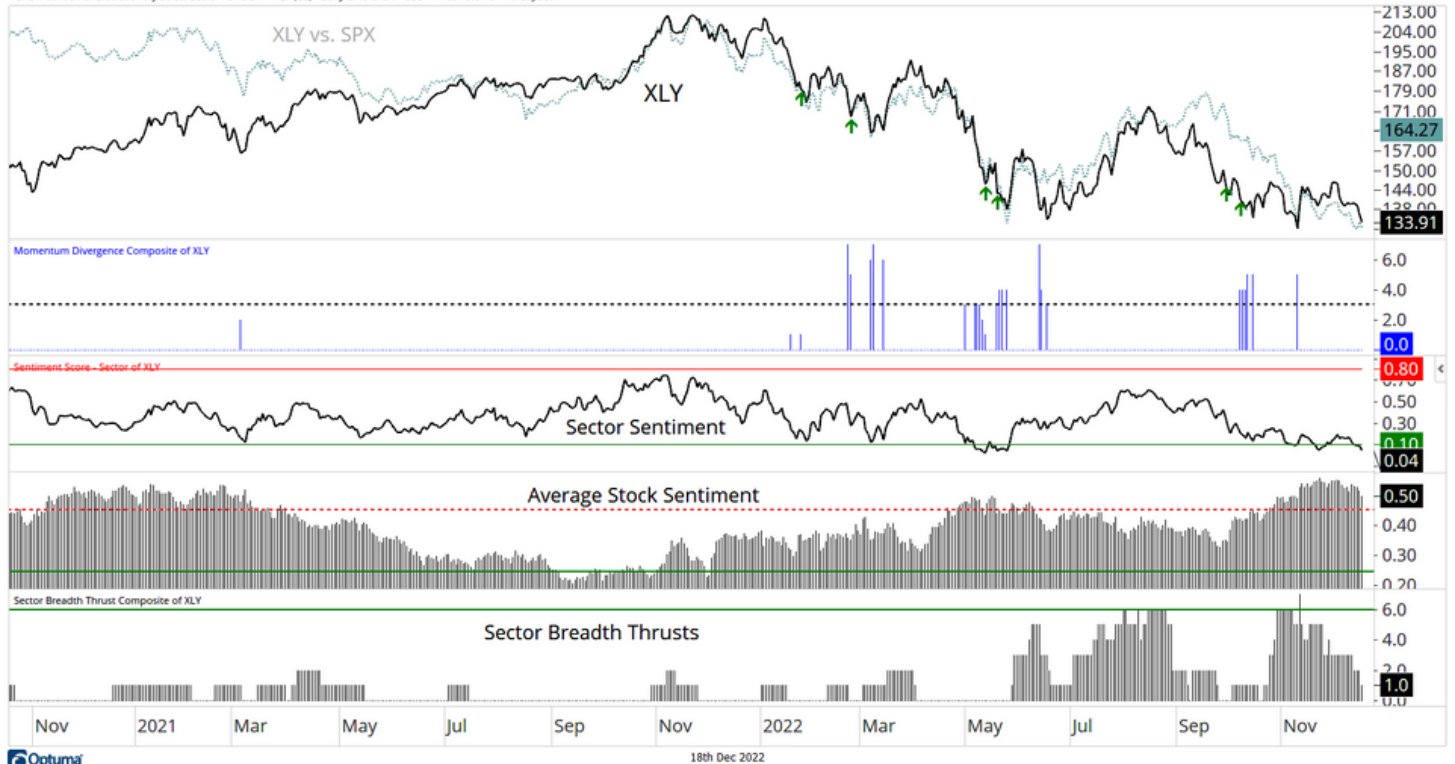
**TA THRASHER**  
ANALYTICS

SPDR Financial Select Sector Fund ETF - XLF (US) - Daily Line Chart - USD - Price Returns - No Layout



**TA THRASHER**  
ANALYTICS

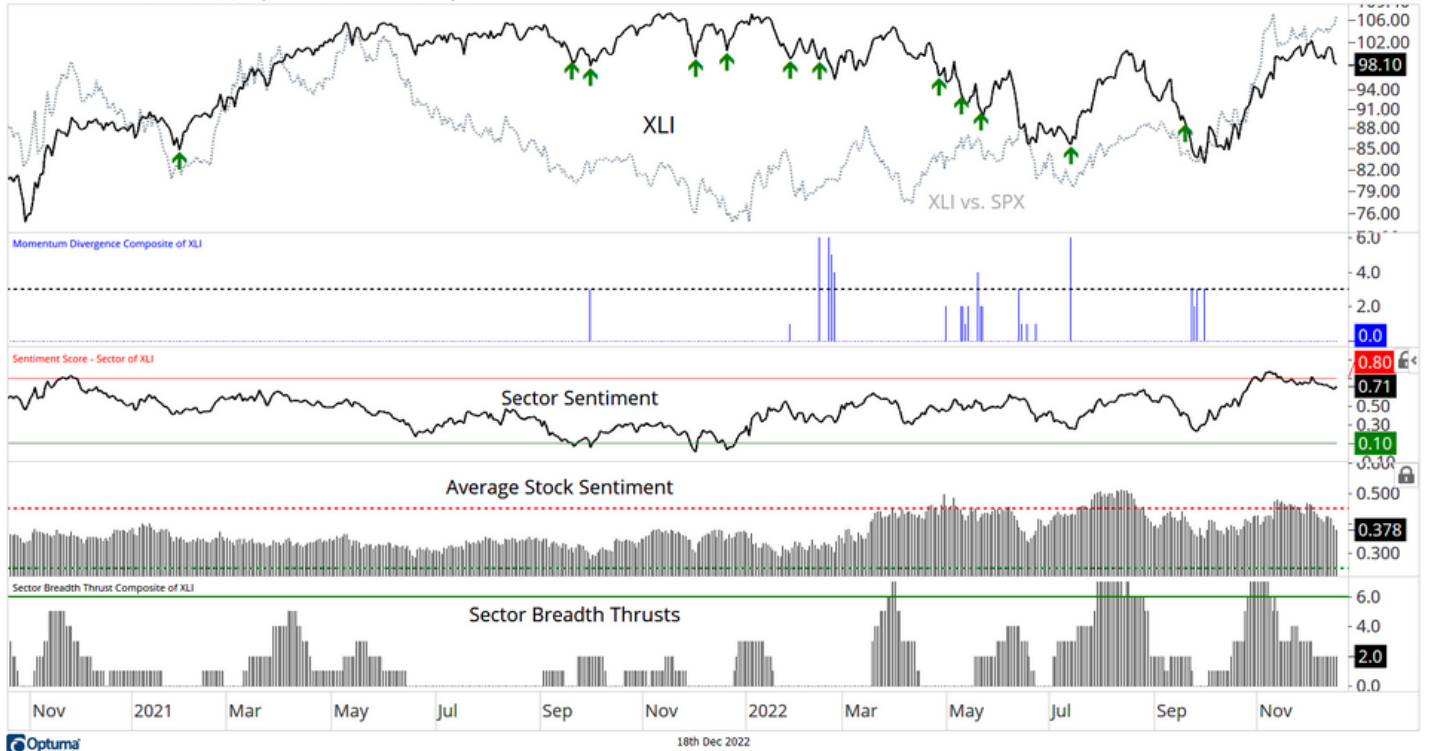
SPDR Consumer Discretionary Select Sector Fund ETF - XLY (US) - Daily Line Chart - USD - Price Returns - No Layout



# SENTIMENT SCORE: XLI & XLB



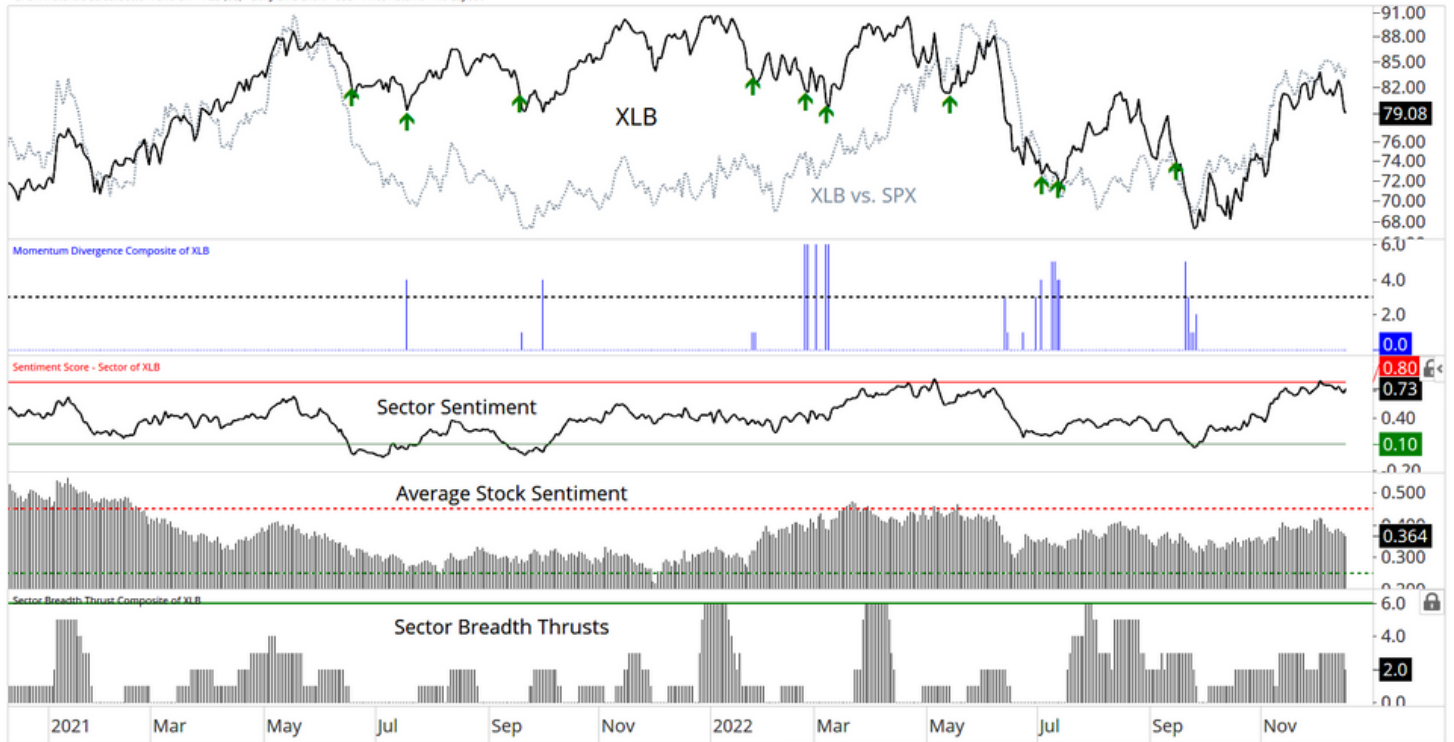
SPDR Industrial Select Sector Fund ETF - XLI (US) - Daily Line Chart - USD - Price Returns - No Layout



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SPDR Materials Select Sector Fund ETF - XLB (US) - Daily Line Chart - USD - Price Returns - No Layout

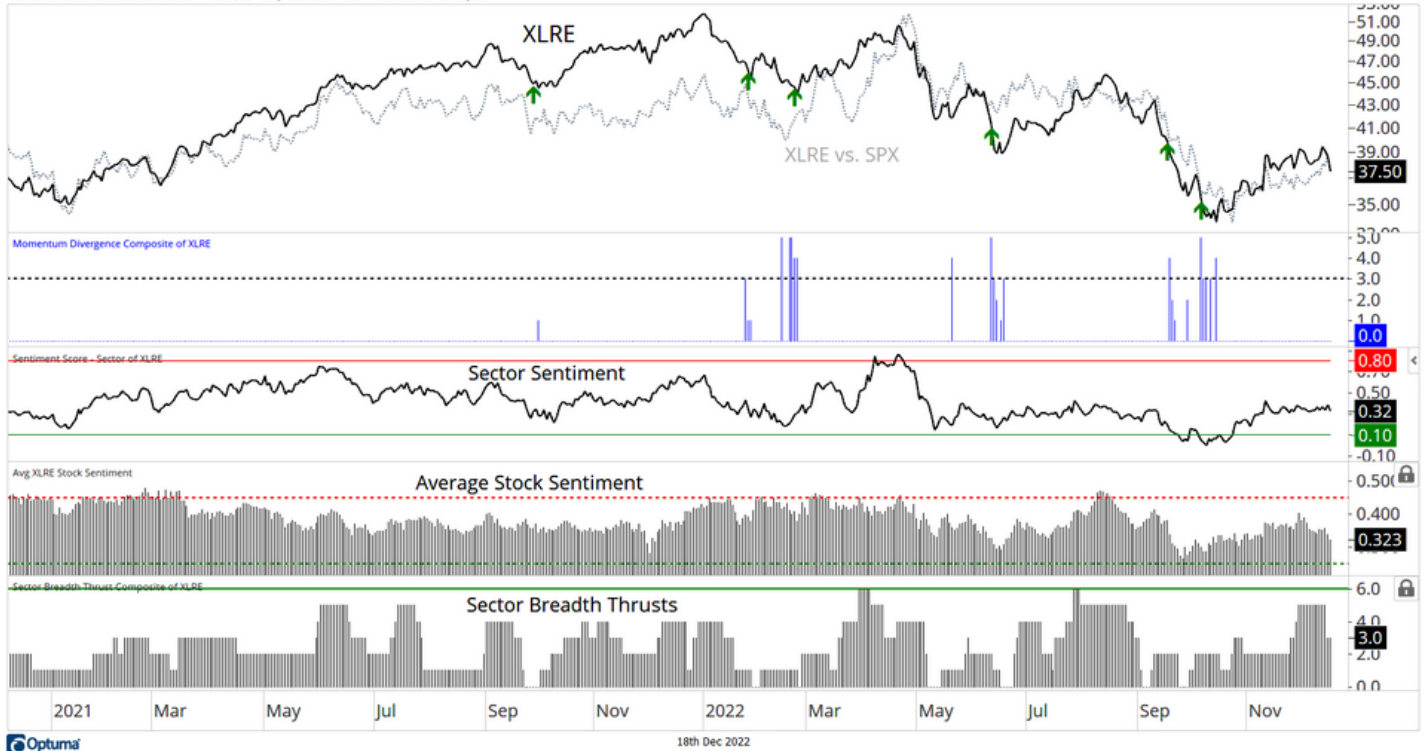


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# SENTIMENT SCORE: XLRE & XLC



SPDR Real Estate Select Sector Fund ETF - XLRE (US) - Daily Line Chart - USD - Price Returns - No Layout

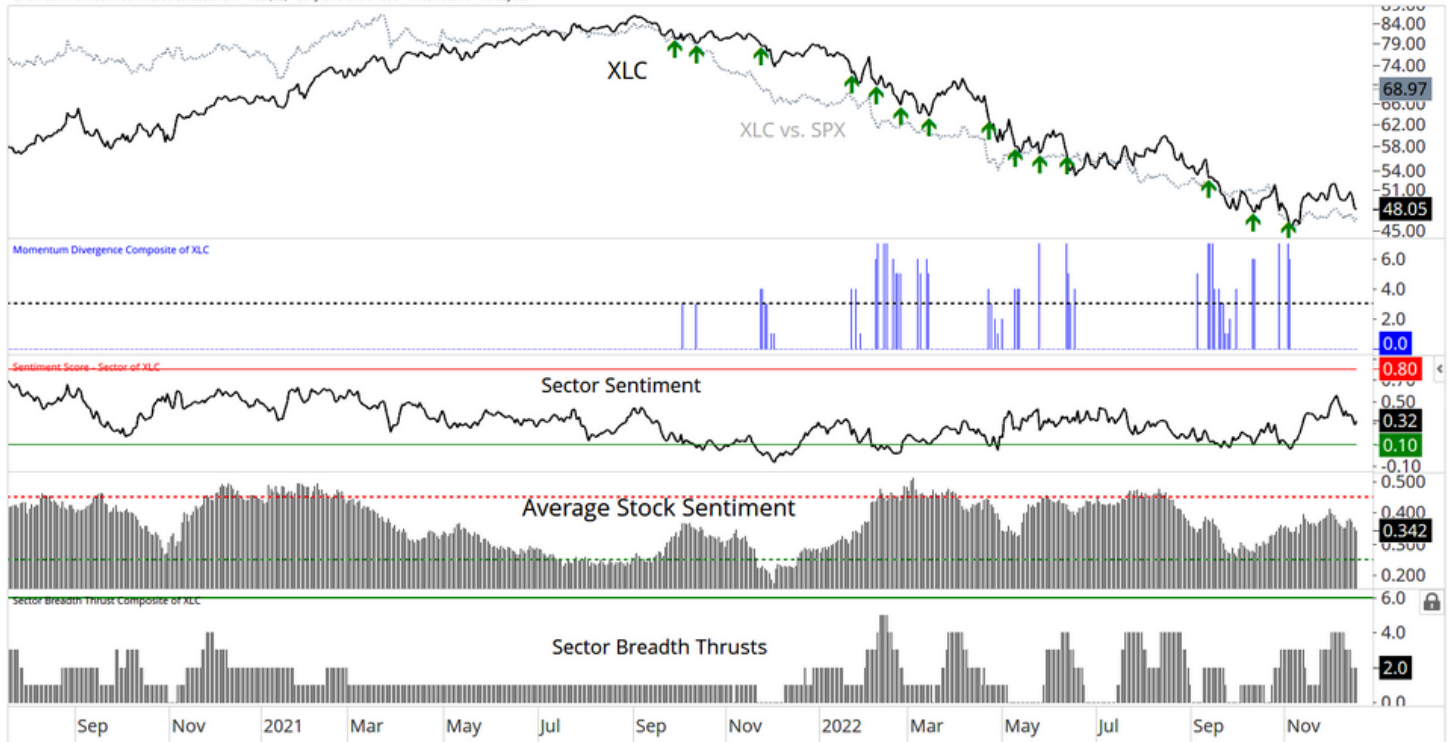


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SPDR Communication Services Select Sector ETF - XLC (US) - Daily Line Chart - USD - Price Returns - No Layout



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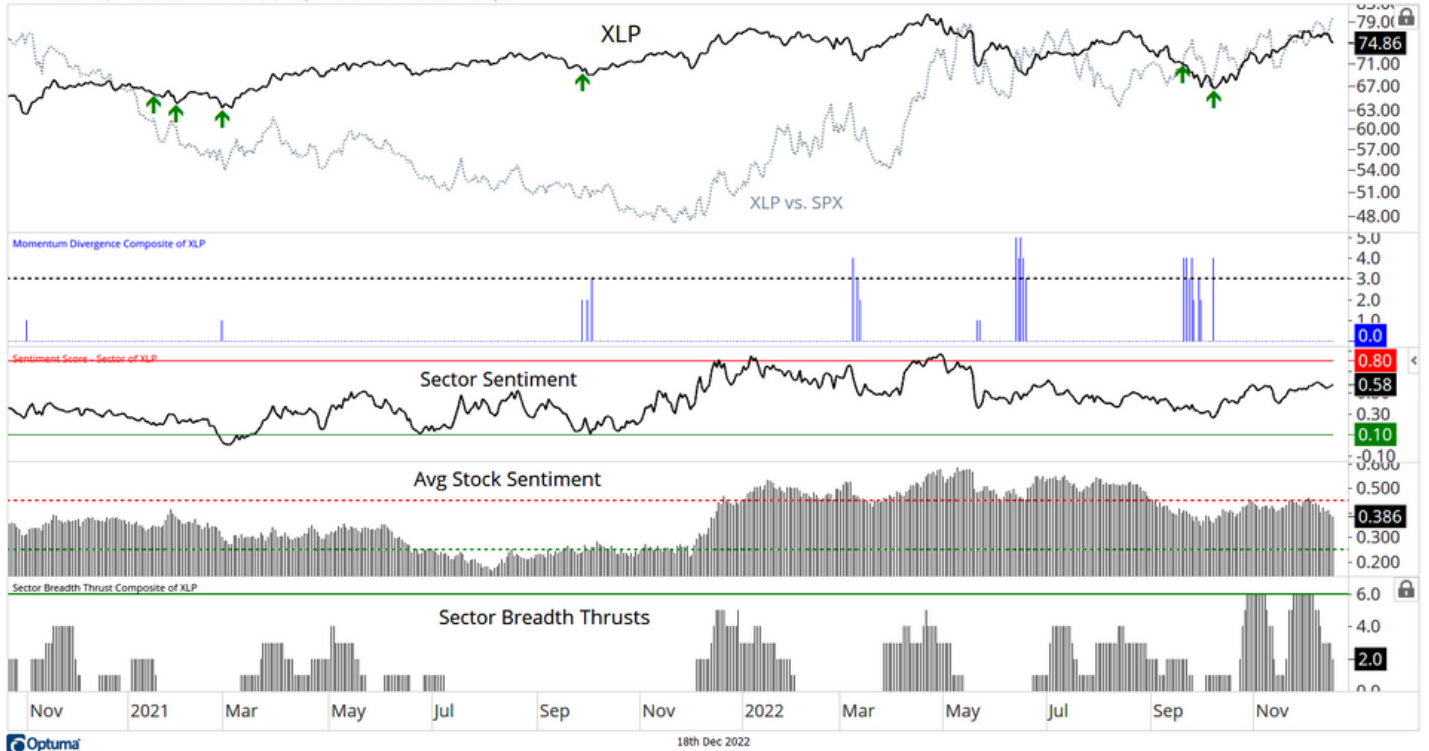
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# SENTIMENT SCORE: XLP & XLU



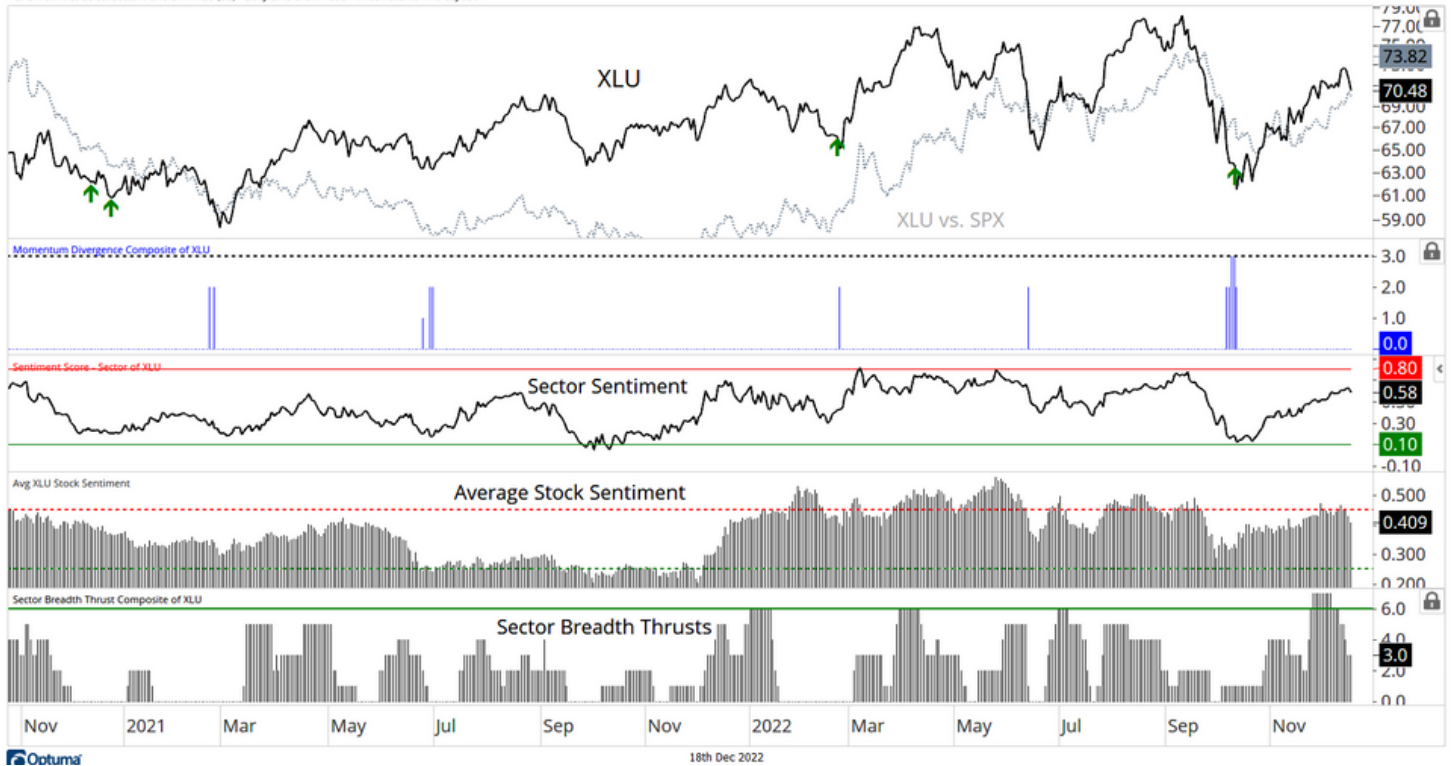
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ANALYTICS

SPDR Consumer Staples Select Sector Fund ETF - XLP (US) - Daily Line Chart - USD - Price Returns - No Layout



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ANALYTICS

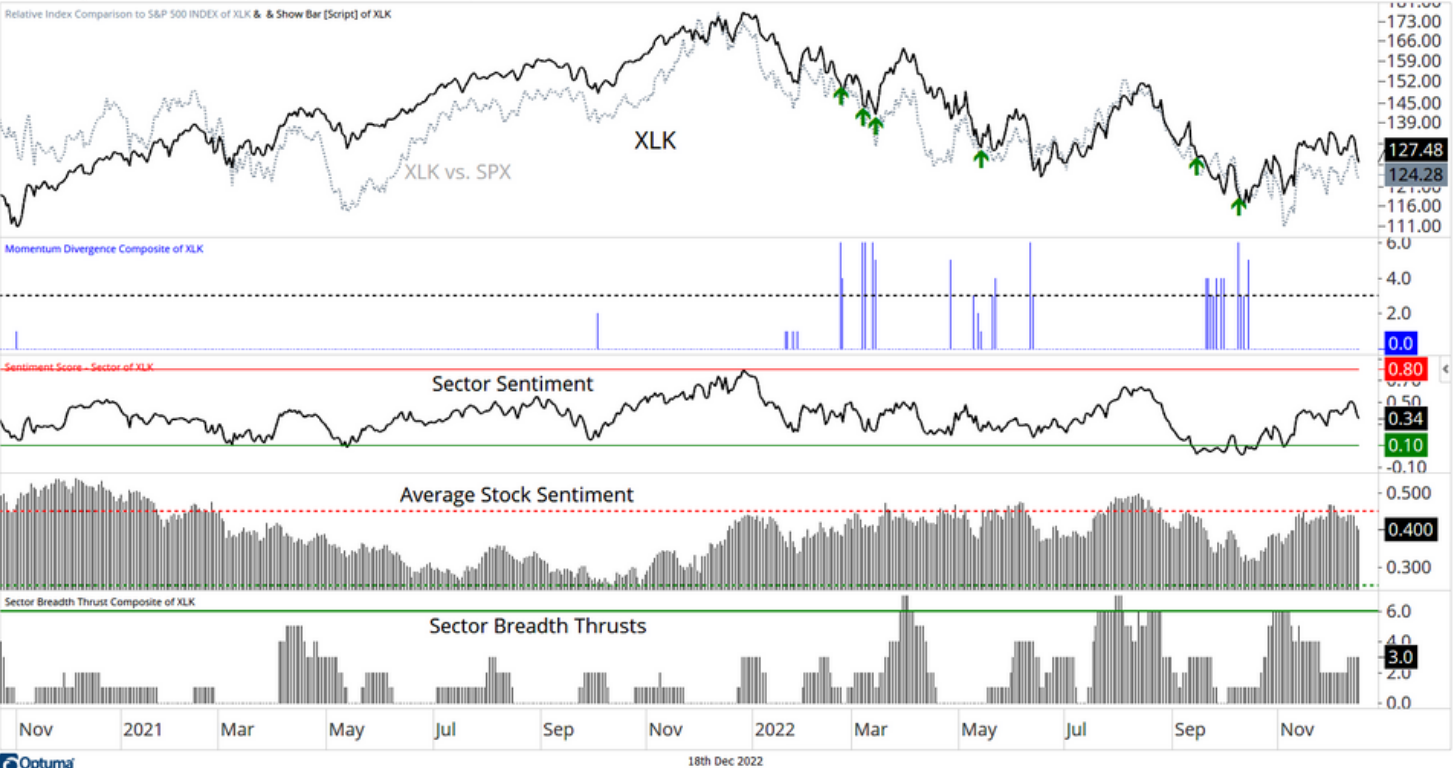
SPDR Utilities Select Sector Fund ETF - XLU (US) - Daily Line Chart - USD - Price Returns - No Layout



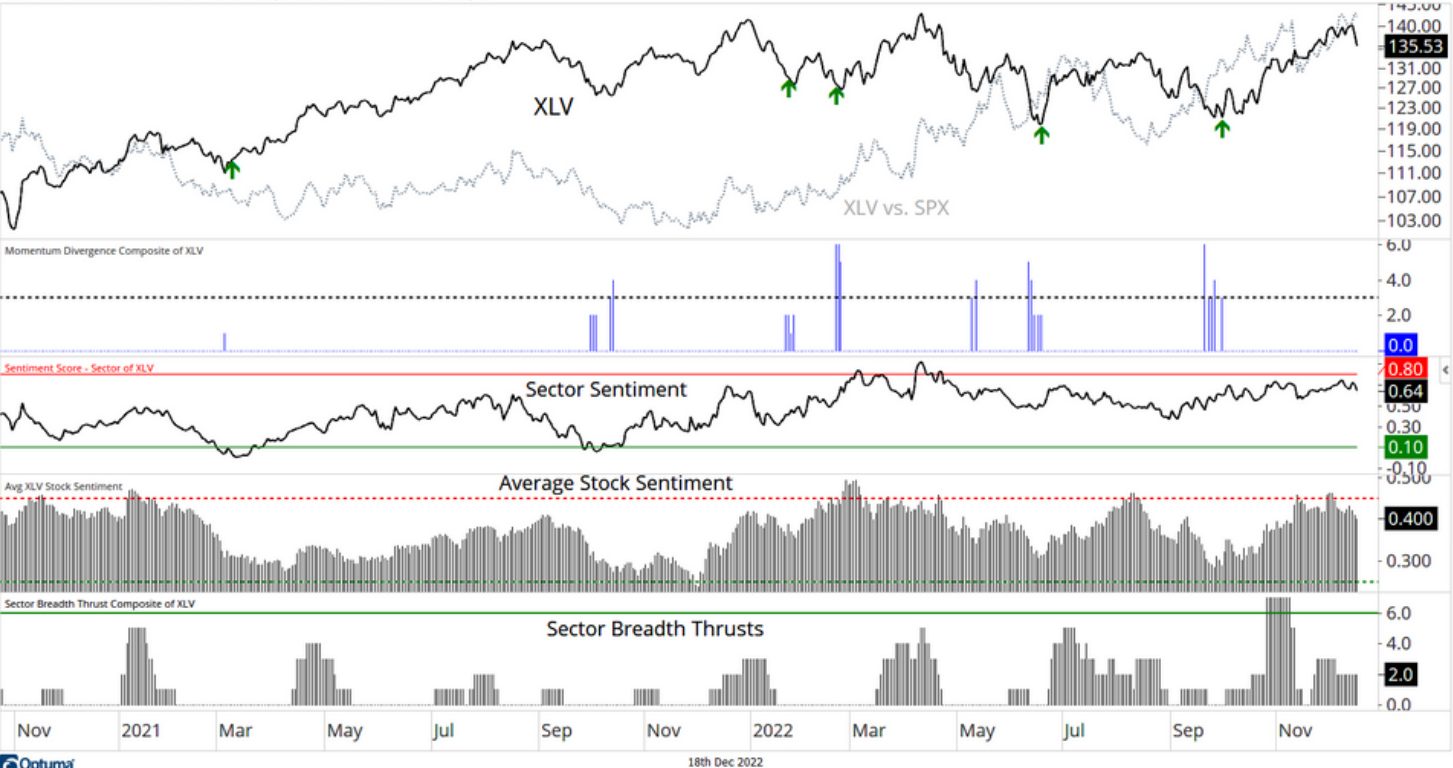
# SENTIMENT SCORE: XLK & XLV



SPDR Technology Select Sector Fund ETF - XLK (US) - Daily Line Chart - USD - Price Returns - No Layout



SPDR Health Care Select Sector Fund ETF - XLV (US) - Daily Line Chart - USD - Price Returns - No Layout



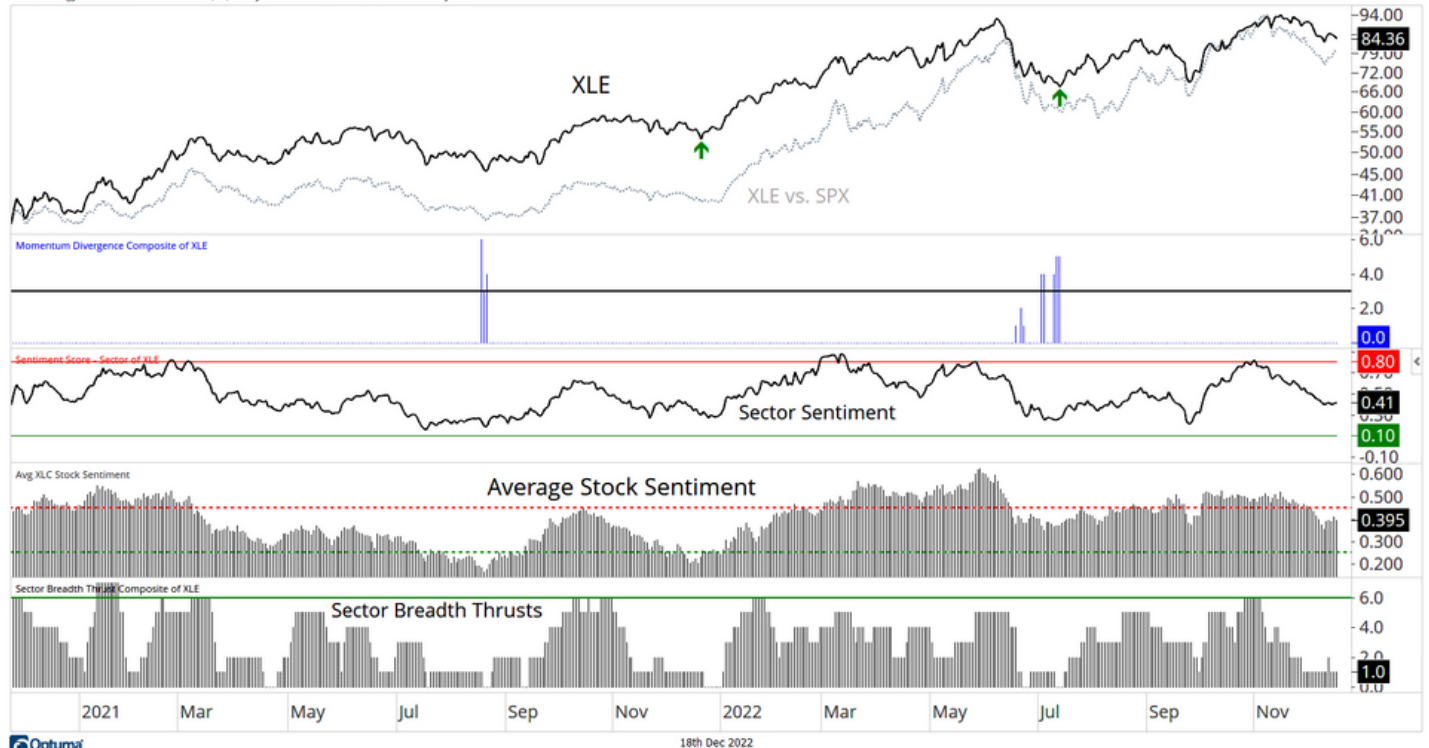


# SENTIMENT SCORE: XLE



**TA THRASHER**  
ANALYTICS

SPDR Energy Select Sector Fund ETF - XLE (US) - Daily Line Chart - USD - Price Returns - No Layout



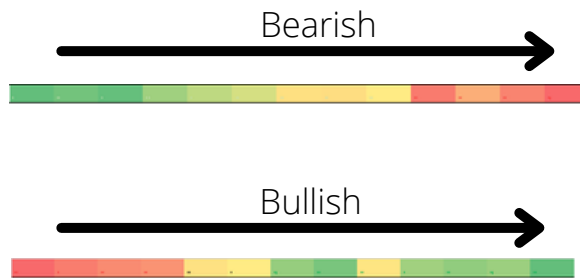
# RISK APPETITE RATIO



Below is a table of 17 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 35 trading days. As the data improves, it turns green and as it declines it becomes red.

The average Risk Appetite Ratio percentile is at the 43rd percentile.

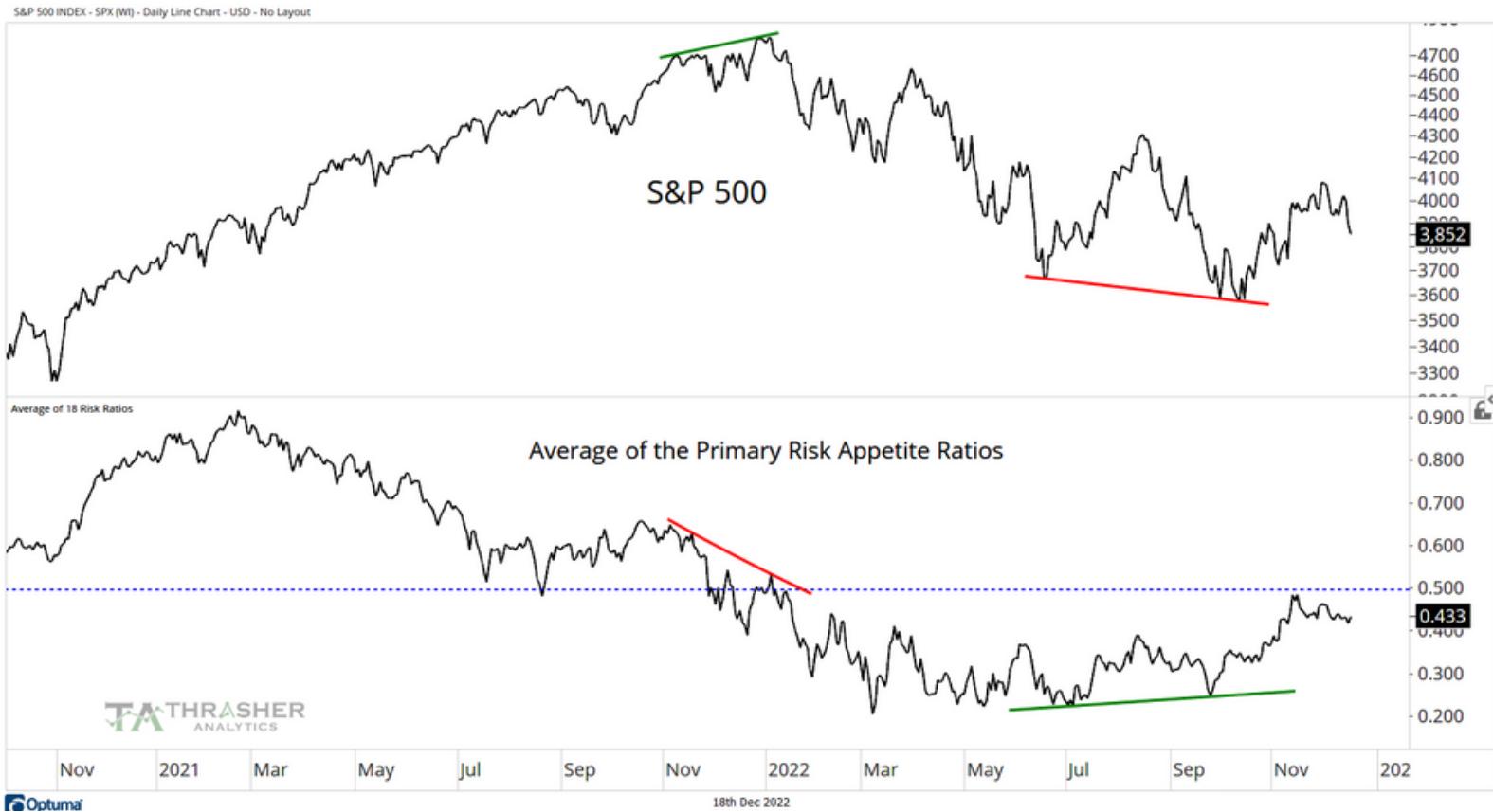
Risk Metric	-35	-34	-33	-32	-31	-30	-29	-28	-27	-26	-25	-24	-23	-22	-21	-20	-19	-18	-17	-16	-15	-14	-13	-12	-11	-10	-9	-8	-7	-6	-5	-4	-3	-2	-1	Current	
Emerging Market vs. SPX	0.08	0.00	0.02	0.10	0.16	0.22	0.33	0.29	0.30	0.31	0.24	0.31	0.32	0.38	0.34	0.36	0.32	0.29	0.24	0.25	0.23	0.28	0.37	0.36	0.35	0.37	0.40	0.45	0.43	0.45	0.45	0.38	0.32	0.35	0.35	0.43	
EAFE vs. SPX	0.16	0.07	0.06	0.14	0.21	0.23	0.41	0.36	0.41	0.45	0.46	0.53	0.52	0.51	0.54	0.56	0.54	0.52	0.52	0.55	0.59	0.61	0.65	0.55	0.62	0.63	0.66	0.74	0.75	0.73	0.79	0.71	0.73	0.77	0.76	0.81	
HY Debt vs. Treasury	0.89	0.93	0.91	0.89	0.88	0.87	0.95	0.98	0.94	0.89	0.87	0.89	0.88	0.85	0.77	0.79	0.82	0.81	0.79	0.75	0.75	0.71	0.76	0.79	0.69	0.65	0.65	0.59	0.53	0.54	0.63	0.63	0.60	0.56	0.58		
Home Construction vs. SPX	0.39	0.40	0.38	0.39	0.35	0.32	0.34	0.33	0.31	0.36	0.51	0.51	0.43	0.48	0.47	0.43	0.42	0.41	0.44	0.45	0.45	0.45	0.48	0.46	0.50	0.48	0.48	0.48	0.57	0.55	0.55	0.57	0.59	0.61	0.72	0.73	
Offense vs. Defense Sectors	0.27	0.25	0.25	0.24	0.18	0.18	0.21	0.23	0.24	0.17	0.28	0.38	0.37	0.38	0.32	0.32	0.27	0.23	0.26	0.26	0.24	0.20	0.22	0.24	0.24	0.18	0.13	0.10	0.10	0.11	0.12	0.15	0.11	0.08	0.09		
Broker-Dealer vs. SPX	0.87	0.88	0.92	0.99	1.00	1.00	1.00	1.00	1.00	1.00	0.92	0.91	0.91	0.91	0.89	0.86	0.85	0.89	0.87	0.86	0.88	0.89	0.93	0.86	0.86	0.87	0.85	0.87	0.81	0.78	0.83	0.81	0.76	0.70	0.71	0.76	
S&P Growth vs. S&P Value	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.09	0.13	0.12	0.13	0.12	0.12	0.10	0.06	0.07	0.08	0.07	0.06	0.03	0.10	0.11	0.10	0.10	0.07	0.06	0.08	0.08	0.08	0.10	0.10	0.06	0.05	
Semiconductor vs. SPX	0.06	0.09	0.06	0.09	0.08	0.08	0.16	0.18	0.23	0.21	0.33	0.39	0.39	0.45	0.37	0.40	0.39	0.35	0.39	0.40	0.37	0.35	0.34	0.41	0.41	0.37	0.39	0.37	0.38	0.44	0.44	0.45	0.48	0.44	0.40	0.41	
Consumer Disc. Vs. Staples	0.12	0.12	0.12	0.13	0.10	0.11	0.12	0.11	0.12	0.09	0.19	0.26	0.24	0.27	0.20	0.19	0.18	0.15	0.17	0.18	0.18	0.17	0.19	0.20	0.22	0.20	0.19	0.17	0.15	0.17	0.17	0.19	0.21	0.20	0.20	0.17	
Small Cap vs. Utilities	0.30	0.29	0.31	0.31	0.26	0.23	0.25	0.30	0.29	0.26	0.29	0.33	0.34	0.35	0.30	0.32	0.30	0.29	0.29	0.27	0.28	0.26	0.29	0.31	0.30	0.33	0.27	0.21	0.22	0.24	0.22	0.19	0.19	0.17	0.14	0.16	
Transports vs. Utilities	0.40	0.38	0.40	0.39	0.33	0.35	0.38	0.48	0.48	0.44	0.46	0.54	0.57	0.56	0.49	0.51	0.47	0.46	0.45	0.43	0.45	0.43	0.49	0.48	0.46	0.48	0.40	0.35	0.34	0.34	0.34	0.40	0.39	0.42	0.37	0.40	
Equal Weight vs. Cap Weight	0.95	0.91	0.95	1.00	1.00	1.00	1.00	0.98	0.99	1.00	0.98	0.98	0.95	0.97	0.93	0.90	0.93	0.97	0.97	0.94	0.99	1.00	0.91	0.94	0.94	0.94	0.92	0.97	0.97	0.95	0.95	0.95	0.95	0.95	0.95	0.98	1.00
Small cap vs. Large Cap	0.45	0.44	0.49	0.52	0.47	0.49	0.49	0.46	0.44	0.40	0.43	0.44	0.44	0.48	0.45	0.44	0.48	0.47	0.46	0.44	0.53	0.54	0.59	0.55	0.53	0.60	0.50	0.49	0.48	0.51	0.46	0.43	0.39	0.39	0.38	0.48	
Equities vs. VIX	0.16	0.22	0.21	0.21	0.19	0.21	0.26	0.27	0.24	0.20	0.34	0.39	0.33	0.31	0.32	0.32	0.36	0.38	0.45	0.50	0.49	0.39	0.41	0.50	0.54	0.59	0.47	0.39	0.37	0.39	0.36	0.29	0.39	0.45	0.35	0.35	
Aussie Dollar vs. Yen	0.80	0.83	0.81	0.77	0.74	0.82	0.83	0.81	0.78	0.74	0.73	0.76	0.78	0.78	0.76	0.75	0.77	0.75	0.75	0.74	0.75	0.66	0.68	0.74	0.65	0.60	0.62	0.62	0.63	0.67	0.69	0.69	0.69	0.70	0.66	0.61	
Lumber vs. Gold	0.09	0.07	0.07	0.06	0.05	0.04	0.02	0.05	0.03	0.04	0.03	0.01	0.01	0.02	0.00	0.01	0.00	0.02	0.01	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.03	0.04	0.02	0.02	0.02	0.01	0.00	0.00	0.00		
Copper vs. Gold	0.35	0.31	0.27	0.34	0.34	0.33	0.48	0.40	0.40	0.42	0.40	0.50	0.42	0.41	0.37	0.32	0.29	0.28	0.30	0.29	0.28	0.29	0.30	0.39	0.36	0.37	0.37	0.39	0.40	0.42	0.39	0.36	0.34	0.38	0.34	0.32	
AVERAGE	0.37	0.37	0.37	0.39	0.37	0.38	0.43	0.43	0.42	0.41	0.44	0.49	0.47	0.48	0.45	0.45	0.44	0.43	0.44	0.44	0.44	0.43	0.43	0.46	0.46	0.46	0.46	0.44	0.43	0.43	0.43	0.44	0.43	0.43	0.42	0.43	



# RISK APPETITE RATIO



Risk Appetite has continued to decline, finishing the week at the 43rd percentile.



# EQUITIES - S&P 500 DAILY



The S&P 500 continued to slide last week, moving further away from the 200-day moving average and on Friday breaking below 3900. We also slid under the 50-day MA which hasn't been a key level for buyers or sellers this year. We remain in a down trend until price shows a shift in character with bulls shifting resistance to support and a sector rotation takes place. Just not seeing that yet.

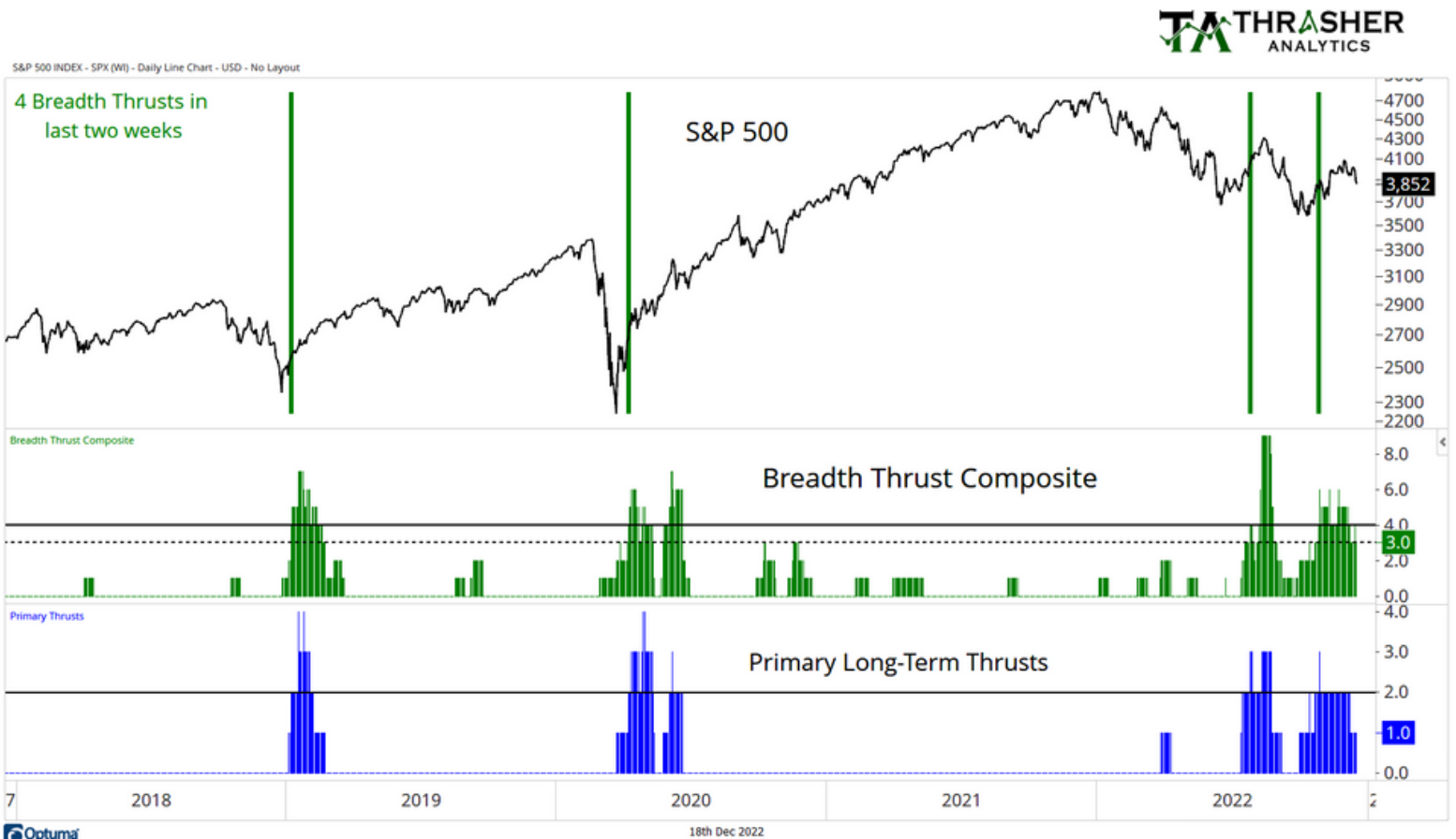


# EQUITIES - BREADTH THRUSTS



*I've added an add'l section of the breadth thrust composite chart, titled Primary Long-Term Thrusts. These are the handful of thrusts that are in the original composite that have the best track record and only have the highest bar to clear to signal. The original composite is still what 'feeds' the breadth category of the Maestro Model.*

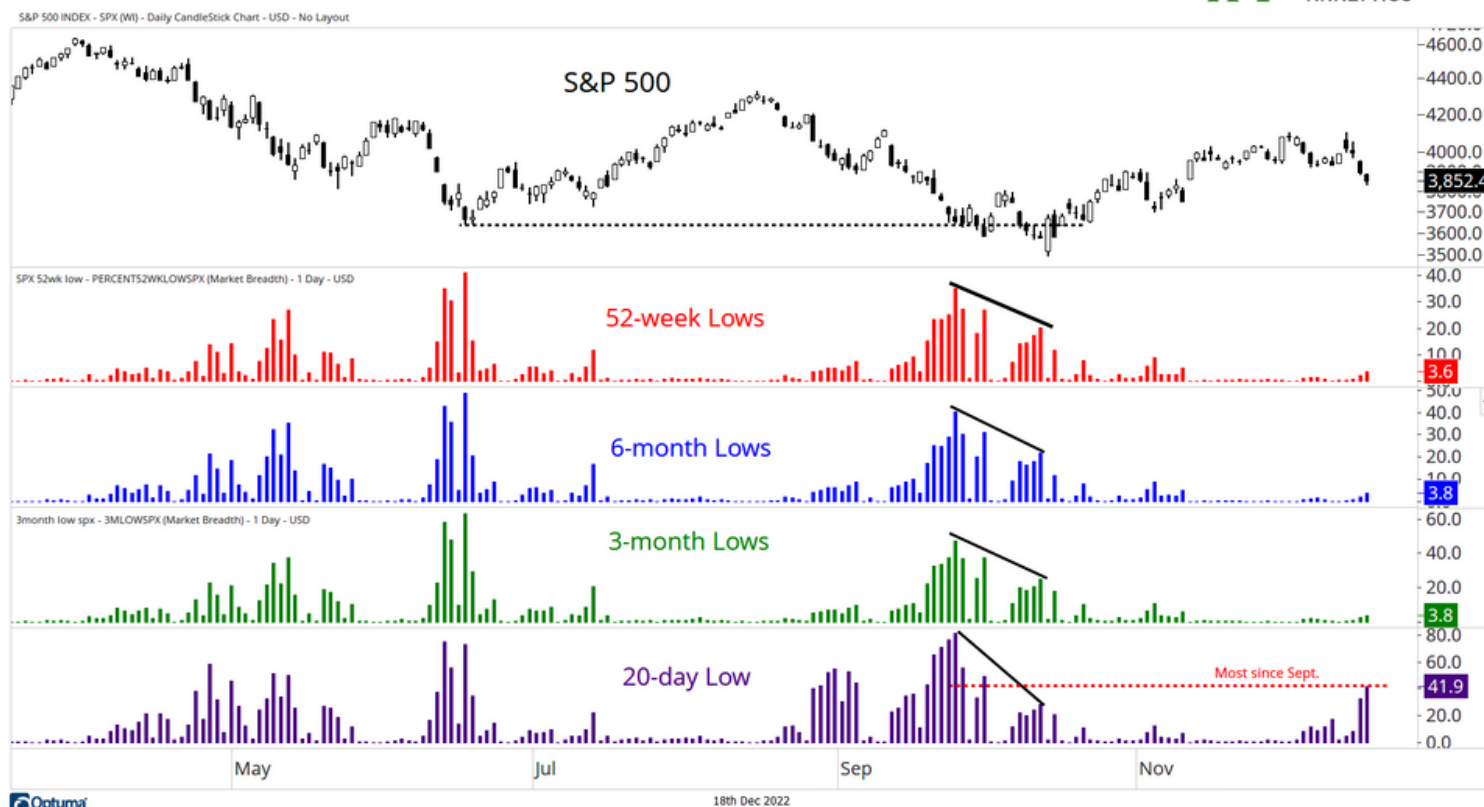
Thrust count sits at +3.



# EQUITIES - NEW LOWS



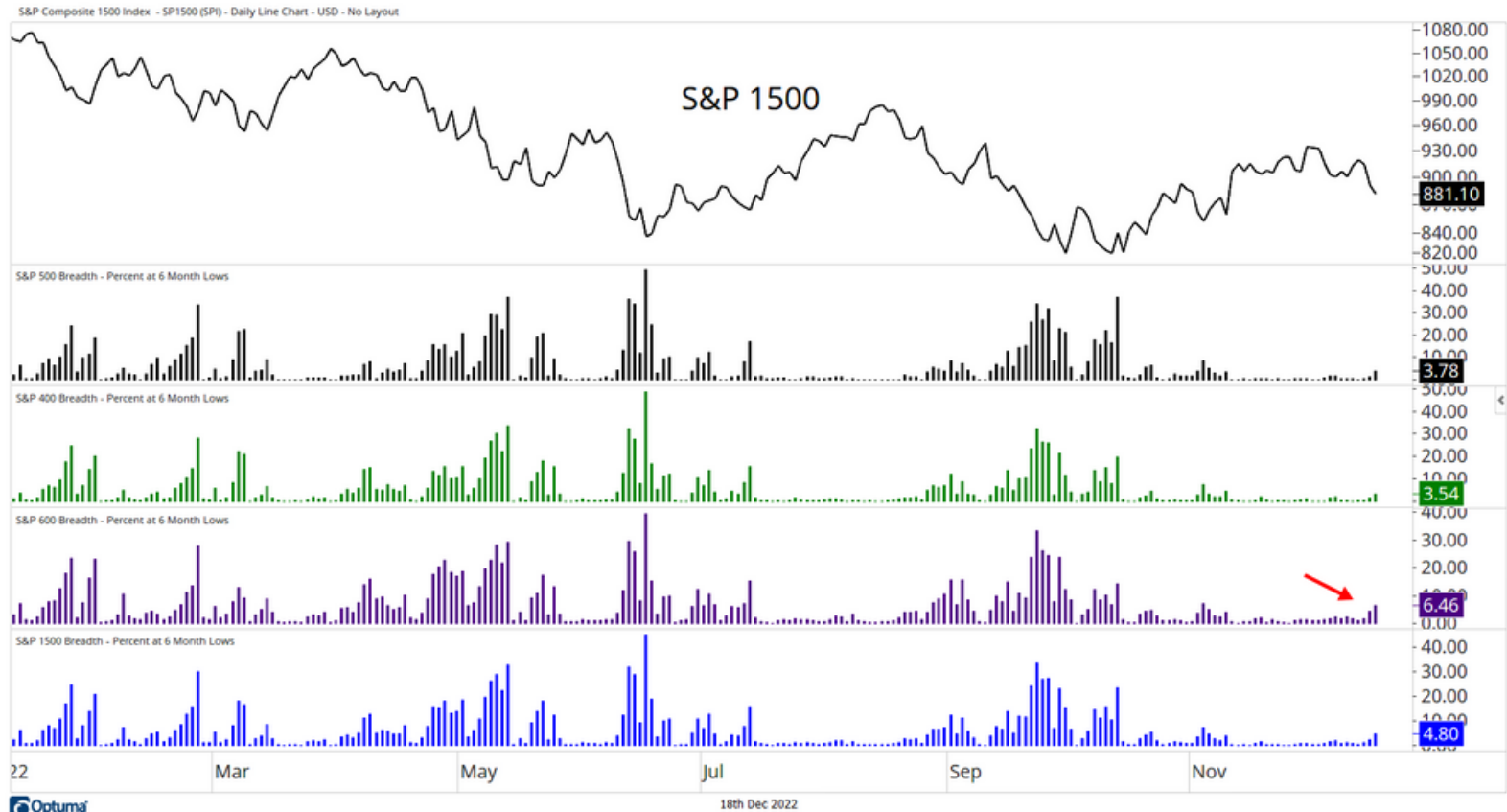
Sadly, we're back to monitoring the list of new lows for the equity market. Friday saw the percentage of stocks at a new 20-day low hit the highest level since September, when the S&P 500 made one of its lowest closes on the year.



# EQUITIES - 6-MONTH LOWS



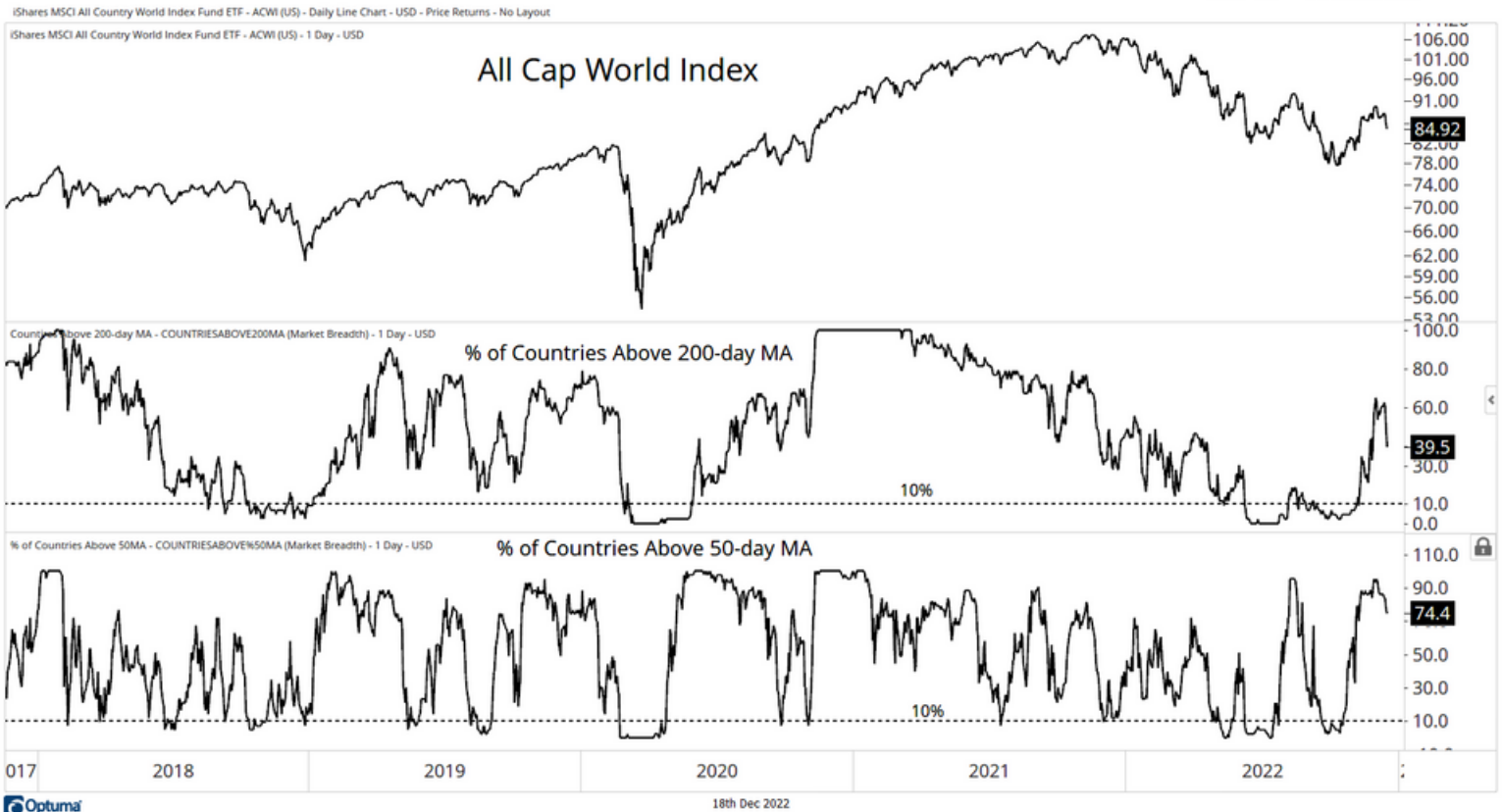
Looking across asset sizes, it's the small cap stocks that appear to be under the most pressure recently 6.5% of the S&P 600 hit a new 6-month low on Friday, almost double what was experienced by large and mid-caps. Seasonally, this is the time of year that small cap stocks typically show strength but that hasn't been the case recently.



# EQUITY - GLOBAL BREADTH



Globally, equities have weakened with less than 40% of countries still trading above their respective 200-day moving averages. Like the S&P 500, international markets have also been under pressure.

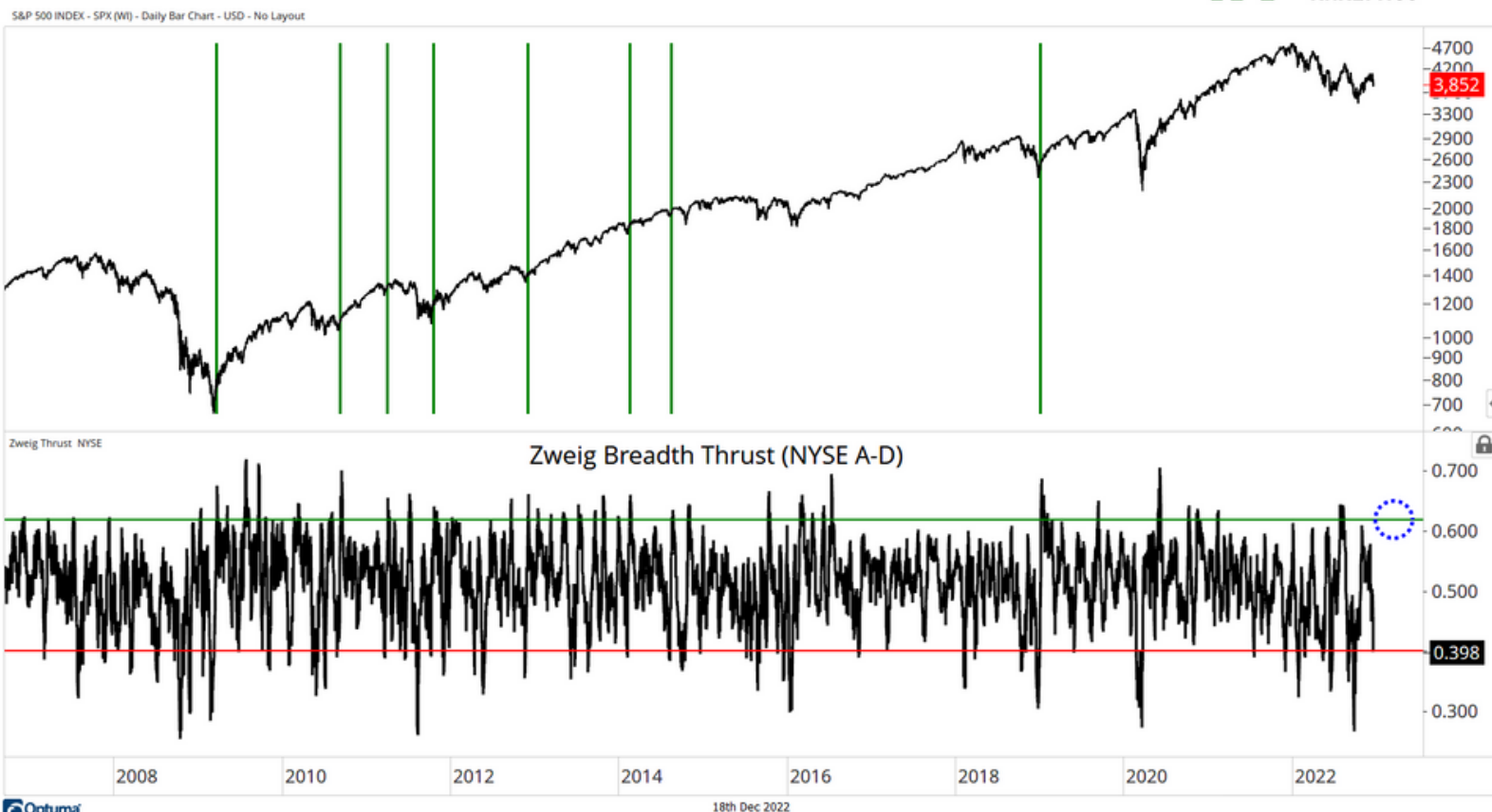




# EQUITIES - ZWEIG THRUST



The one possible positive to come out of this recent weakness, is the possible setup for the famous Zweig Breadth Thrust. These are rare to see, we've had less than 10 in the last decade. The most recent one came after the 2018 decline. The Thrust occurs when NYSE advance/decline goes from less than 0.4 to over 0.615 in ten trading days. This signals a move from extreme weakness to extreme strength but must occur in a short period of time, which is why we don't see it happen very often. On Friday the data was less than 0.4, so if we get a strong move into year-end, it could signal a Zweig Thrust but of course nothing is promised. I'll share this chart again if we do indeed see this trigger. If we do, it would be a big bullish development that we haven't seen occur this year on prior counter-trend rallies.



# EQUITIES - BIG 4 STOCKS



Last week I shared the Big 4 assets and their importance economically. It's been a little while since we last checked in on the Big 4 stocks. Below we have the daily charts for Apple, Microsoft, Amazon, and Tesla. At one time they were the largest four companies in the U.S. and how do their trends look? Awful. Tesla is at a new low and the other three aren't far from their own respective 52-week lows. Investors have yet to return to their believed tech leaders. There isn't a requirement that these four lead the next leg higher, but I find it interesting from a sentiment perspective that investors aren't seeking shelter in these mega caps and instead are keeping them in distribution mode, moving lower even when the broad indices have rallied.



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# SECTOR PERFORMANCE



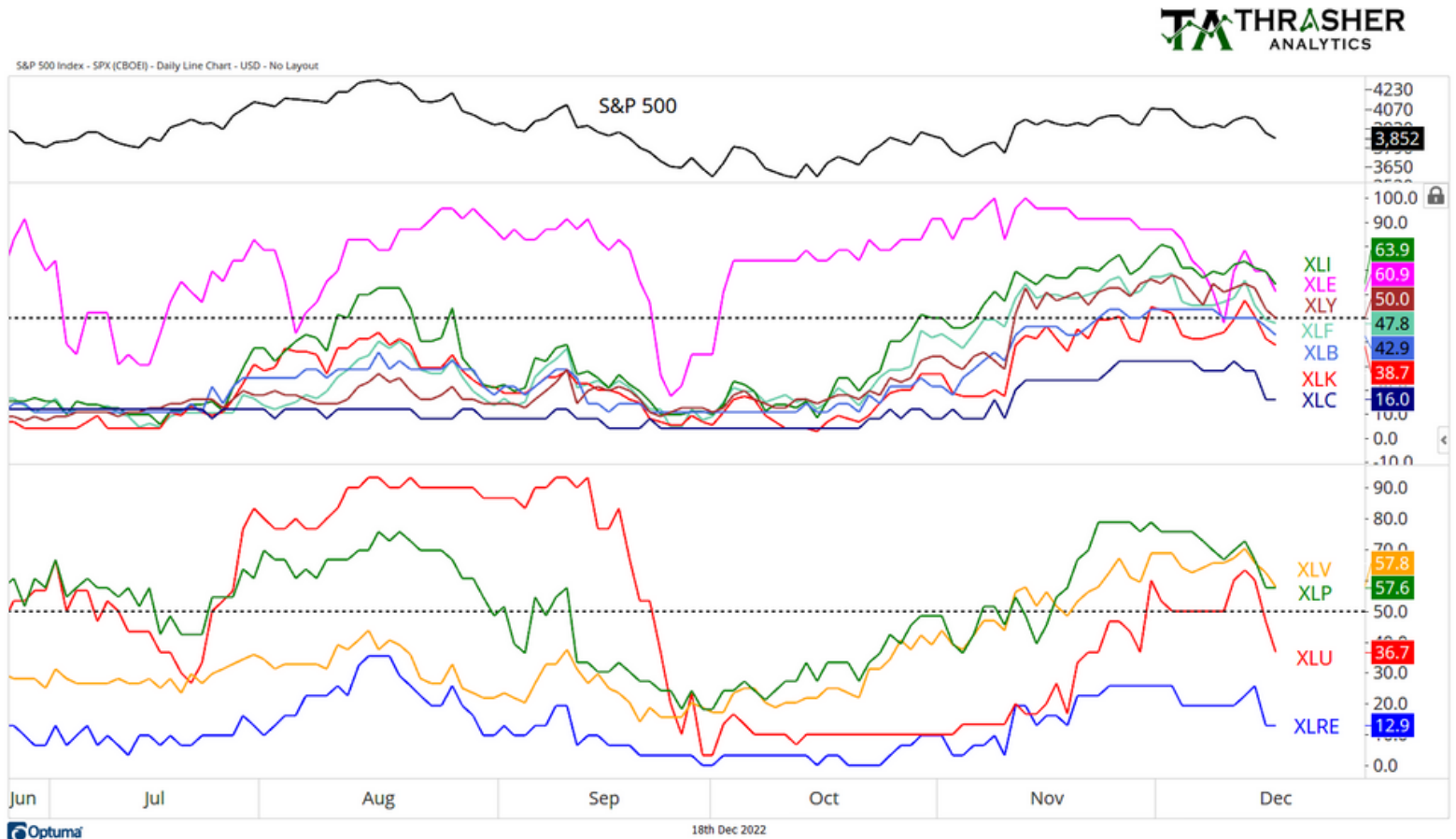
Daily - Performance - No Layout

- 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: 0.88%			AVG: 19.75%			AVG: 10.51%			AVG: -0.68%	
DJI	Dow Jones Industrial Average	-9.41%	12.08%	-1.66%	-1.89%	6.81%	10.00%	10.91%	14.86%	-2.86%	1.03%	1.43%
SPX	S&P 500 INDEX	-19.17%	0.00%	-2.08%	-2.69%	-0.54%	5.06%	20.05%	10.33%	-3.27%	-0.30%	-4.34%
MID	S&P Midcap 400 Index	-14.97%	5.20%	-2.15%	-3.66%	1.52%	9.80%	16.02%	10.55%	-3.76%	-0.66%	-1.82%
SML	S&P SmallCap 600 Index	-17.63%	1.90%	-2.70%	-4.93%	0.83%	6.17%	19.45%	9.13%	-4.51%	-2.06%	-4.08%
NDY	NASDAQ 100 Index	-31.10%	-14.76%	-2.76%	-3.89%	-5.21%	1.04%	32.30%	7.69%	-3.74%	-1.40%	-9.37%
- Sectors		AVG: 10.57%			AVG: 19.03%			AVG: 17.52%			AVG: 0.39%	
XLE	SPDR Energy Select Sector Fund ETF	52.00%	88.06%	2.03%	-8.46%	7.55%	8.52%	10.93%	63.30%	-4.36%	-3.95%	5.18%
XLU	SPDR Utilities Select Sector Fund ETF	-1.54%	21.82%	-0.49%	2.71%	-5.36%	7.64%	9.90%	16.79%	-0.54%	4.27%	-1.15%
XLI	SPDR Industrial Select Sector Fund ETF	-7.29%	14.71%	-0.98%	-0.79%	9.97%	14.36%	9.07%	18.55%	-2.15%	2.86%	3.92%
XLP	SPDR Consumer Staples Select Sector Fund ETF	-2.92%	20.11%	-1.36%	1.29%	4.95%	8.37%	7.97%	13.12%	-1.60%	2.70%	1.55%
XLV	SPDR Health Care Select Sector Fund ETF	-3.80%	19.01%	-1.78%	1.89%	6.34%	12.98%	5.50%	14.13%	-1.55%	2.27%	3.55%
XLRE	SPDR Real Estate Select Sector Fund ETF	-27.62%	-10.45%	-2.09%	-1.08%	-7.06%	-3.47%	28.12%	13.21%	-2.61%	1.48%	-10.45%
XLB	SPDR Materials Select Sector Fund ETF	-12.72%	7.98%	-2.35%	-1.43%	8.48%	5.37%	14.33%	18.29%	-2.98%	2.71%	-0.15%
XLF	SPDR Financial Select Sector Fund ETF	-13.70%	6.77%	-2.40%	-4.45%	1.94%	9.27%	19.18%	13.89%	-4.29%	-0.81%	-1.54%
XLK	SPDR Technology Select Sector Fund ETF	-26.68%	-9.29%	-2.62%	-3.26%	-0.96%	3.23%	27.99%	12.84%	-3.69%	-0.06%	-6.61%
XLC	SPDR Communication Services Select Sector ETF	-38.14%	-23.47%	-2.81%	-4.02%	-7.84%	-9.48%	39.59%	7.11%	-3.78%	-2.26%	-14.61%
XLY	SPDR Consumer Discretionary Select Sector Fund	-34.50%	-18.96%	-3.96%	-6.05%	-15.21%	-0.53%	36.78%	1.52%	-4.86%	-4.88%	-13.45%

# SECTOR - BREADTH 200-MA



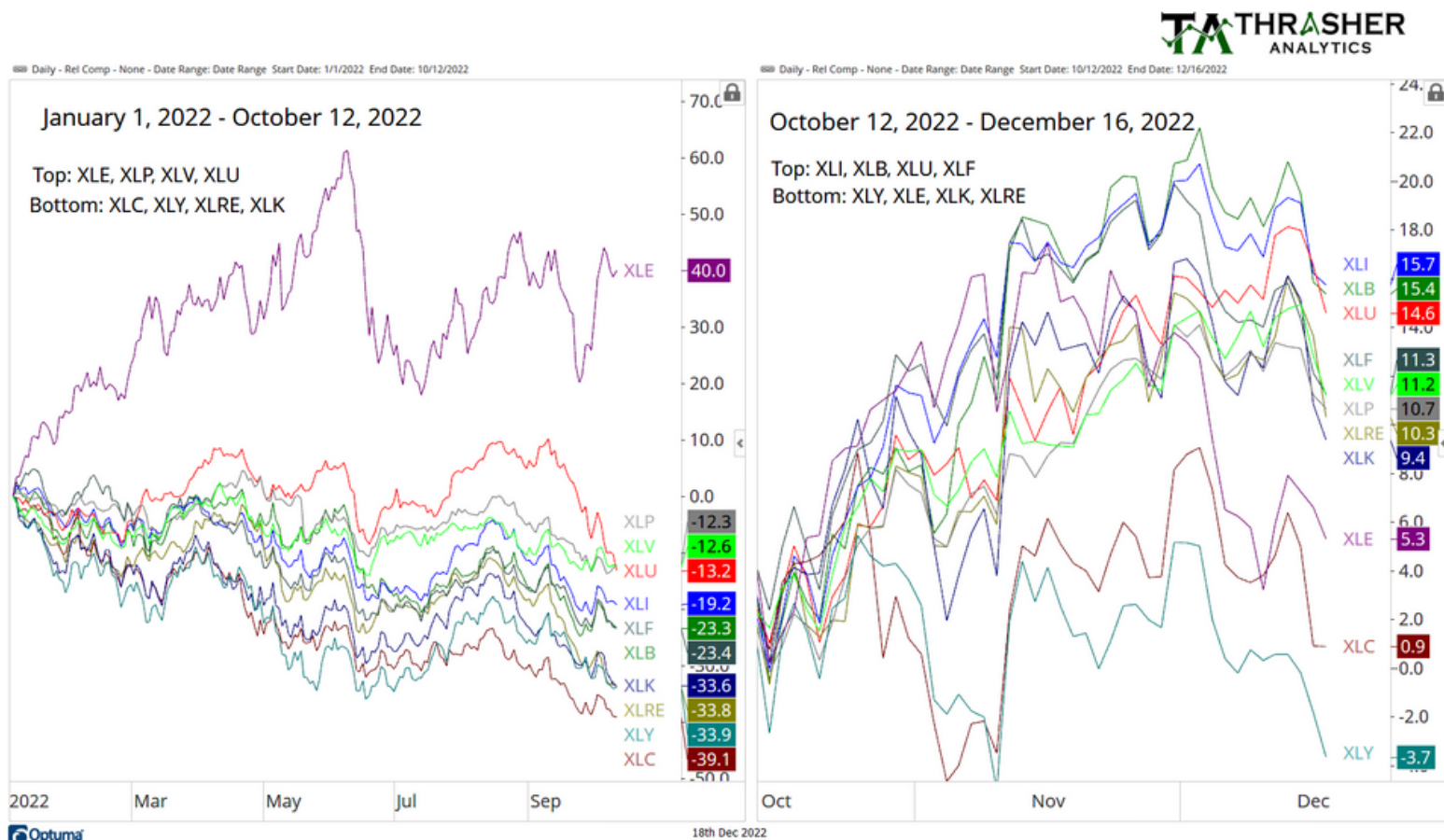
Lots of moves under 50% for many sectors last week in percent of stocks above the 200-day MA. We now just have XLI, XLE, XLY, XLV, and XLP with the majority of stocks still above the long-term average.



# SECTOR - LEADERSHIP



I've discussed several times in this letter the need for sector rotation to occur to help signal a new bull market. Here's an updated look at the sector performance going into the current low and since then. We still have XLC, XLY, XLK, and XLRE the worst performers since October 12th. The only major development has been the bout of weakness in energy, which was still the best-performer last week. This doesn't resemble the development of a new bull market as some other analysts would suggest.



I shared last week the big outflows being experienced by the major energy ETFs. That got followed by energy being the best performing sector on the week, but they still saw outflows continue. This can be partially explained (potentially) by equity option expiration and the impact that had on ETF flows, but it still seems investors have been losing their love for energy, even when it still has some of the best breadth data and other sentiment gauges (shared last week) are in the gutter. Consumer Staples have seen 4.2% of AUM traded on inflows over the last month, the largest inflow by more than double of the next sector (utilities). Notice the top three sectors by 1-month flows as a percent of AUM: XLP, XLU, XLV - defensive ETFs. Investors still aren't showing a preference for 'risk on' sectors and the performance of the market has begun to reflect that fact.

Daily - ETF Flows - Fund Flows Layout

Name	Ticker	Net Flows YTD	Net Flows 3 Month	Net Flows 1 Month	1 Month Flow % of AUM
- Bond ETFs					
iShares 20+ Year Treasury Bond ETF	TLT	16,351,280,610	4,732,106,818	3,139,875,314	9.15%
iShares 7-10 Year Treasury Bond ETF	IEF	8,621,785,607	1,224,459,791	797,153,250	3.65%
iShares 10-20 Year Treasury Bond ETF	TLH	5,231,422,385	1,473,656,885	179,280,837	2.89%
iShares 3-7 Year Treasury Bond ETF	IEI	2,624,759,670	-300,072,335	-311,725,196	-2.73%
iShares iBoxx \$ Investment Grade Corporate Bond ETF	LQD	6,384,841,818	4,068,557,217	-73,709,654	-4.59%
iShares TIPS Bond ETF	TIP	-9,421,572,641	-4,479,894,154	-1,588,584,281	-5.88%
iShares 1-3 Year Treasury Bond ETF	SHY	8,003,588,072	1,589,114,212	-2,209,925,962	-8.25%
- SPDR Equity ETFs					
SPDR Consumer Staples Select Sector Fund ETF	XLP	4,594,500,823	909,324,870	516,425,048	4.18%
SPDR Utilities Select Sector Fund ETF	XLU	3,973,769,939	-399,984,150	138,621,081	1.36%
SPDR Health Care Select Sector Fund ETF	XLV	7,208,121,885	965,893,032	344,869,921	1.10%
SPDR Technology Select Sector Fund ETF	XLK	1,158,202,797	124,202,554	523,311,555	0.76%
SPDR Financial Select Sector Fund ETF	XLF	-6,654,922,348	-198,679,497	61,101,574	-0.42%
SPDR Materials Select Sector Fund ETF	XLB	-1,570,318,006	-157,656,892	-22,548,714	-0.71%
SPDR S&P 500 ETF	SPY	-4,831,720,902	21,600,012,995	861,488,551	-0.82%
SPDR Consumer Discretionary Select Sector Fund ETF	XLY	-2,558,647,670	-730,266,982	-319,364,929	-1.04%
SPDR Real Estate Select Sector Fund ETF	XLRE	510,049,590	152,263,269	-71,748,871	-1.30%
SPDR Communication Services Select Sector ETF	XLC	-1,135,148,991	84,129,769	-167,349,329	-1.58%
SPDR Industrial Select Sector Fund ETF	XLI	-2,186,316,766	-289,931,069	-206,421,055	-2.73%
SPDR Energy Select Sector Fund ETF	XLE	-1,221,303,331	85,697,039	-1,257,943,618	-4.86%

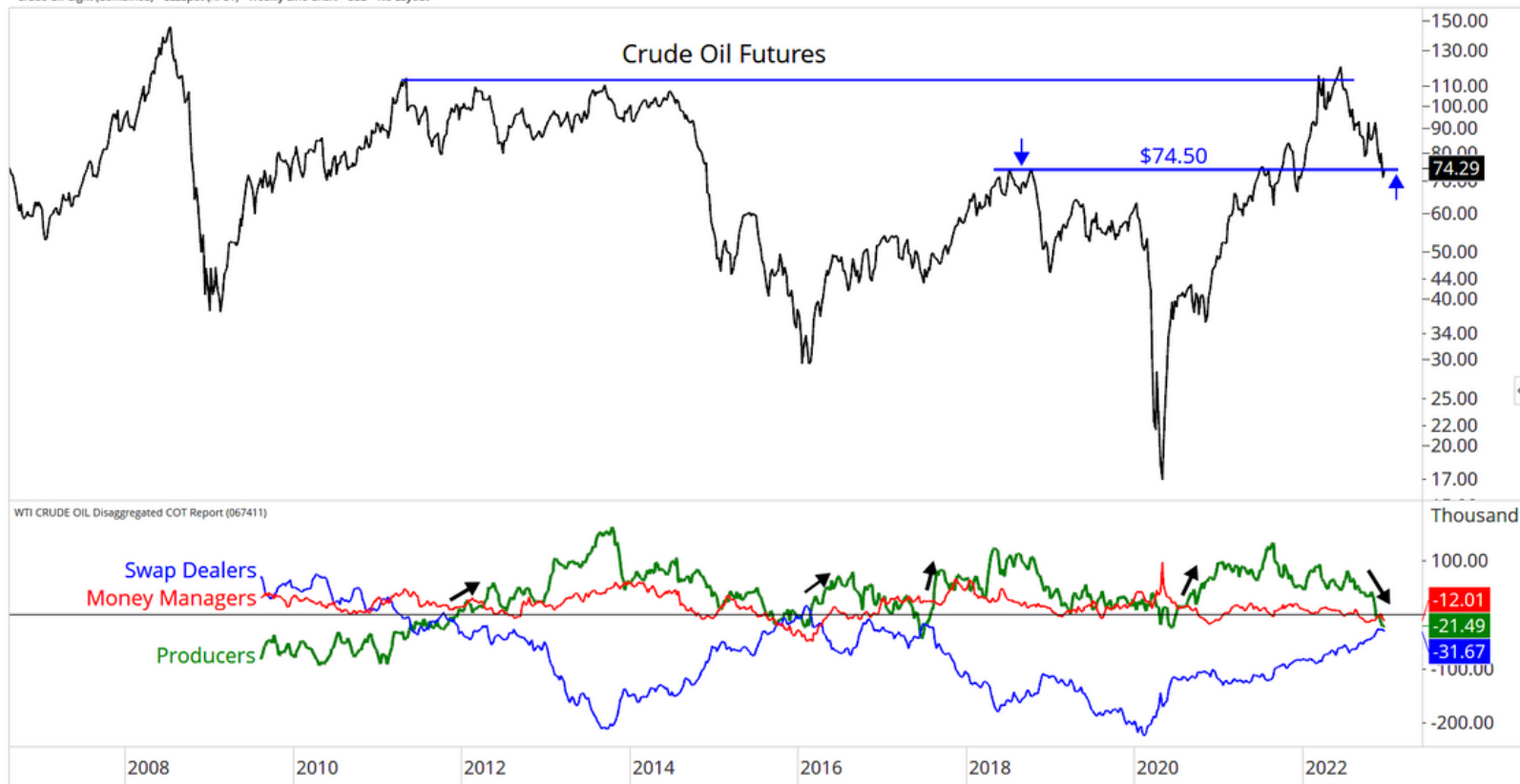
# COMMODITY - CRUDE OIL



Producers have continued to go net-short crude oil futures as the price of oil moves below a key price level of \$74.50. From here we want to see if/when producers return to being bullish on their net position, going from net-short to net-long, that's when we've seen strong bullish price action in crude. Note the black arrows on the second panel showing four prior examples. Today, we still have that trend going against crude but they aren't short a heavy amount at *just* 21,000 contracts - an amount that could easily be reversed fairly quickly as they were net-long over 100,000 contracts at the end of last year.



Crude Oil-Light (Combined) - CL2Spot (AFUT) - Weekly Line Chart - USD - No Layout



# DAILY SENTIMENT INDEX



Daily - Watch List - No Layout

Code	% Bullish ^	5-day MA	History
Bitcoin DSI	10	14	
Palladium DSI	17	32	
Nasdaq DSI	20	31	
SPX DSI	21	32	
Wheat DSI	23	23	
Lumber DSI	23	31	
VIX DSI	25	19	
Coffee DSI	26	29	
Corn DSI	27	29	
CRB Index DSI	28	32	
Swiss Franc DSI	30	35	
Crude Oil DSI	30	34	
Gasoline DSI	31	35	
US Dollar DSI	33	30	
Heating Oil DSI	37	38	
Natural Gas DSI	38	42	
Australian Dollar DSI	40	46	
EuroDollar DSI	43	42	
Nikkei DSI	45	55	

Daily - Watch List - No Layout

Code	% Bullish ^	5-day MA	History
5YR DSI	46	44	
10Y DSI	47	46	
Cotton DSI	49	46	
Copper DSI	51	55	
Cocoa DSI	52	57	
Lean Hog DSI	55	51	
Yen DSI	56	53	
Euro DSI	58	61	
British Pound DSI	58	58	
Orange Juice DSI	60	58	
Platinum DSI	63	71	
Gold DSI	69	70	
Soybean DSI	70	70	
Sugar DSI	71	70	
Mexican Peso DSI	74	74	
Silver DSI	75	79	
New Zealand Dollar DSI	77	78	
Cattle DSI	77	77	

Type Code or Name to add an item to the watchlist

Source: trade-futures.com



# DAILY SENTIMENT INDEX



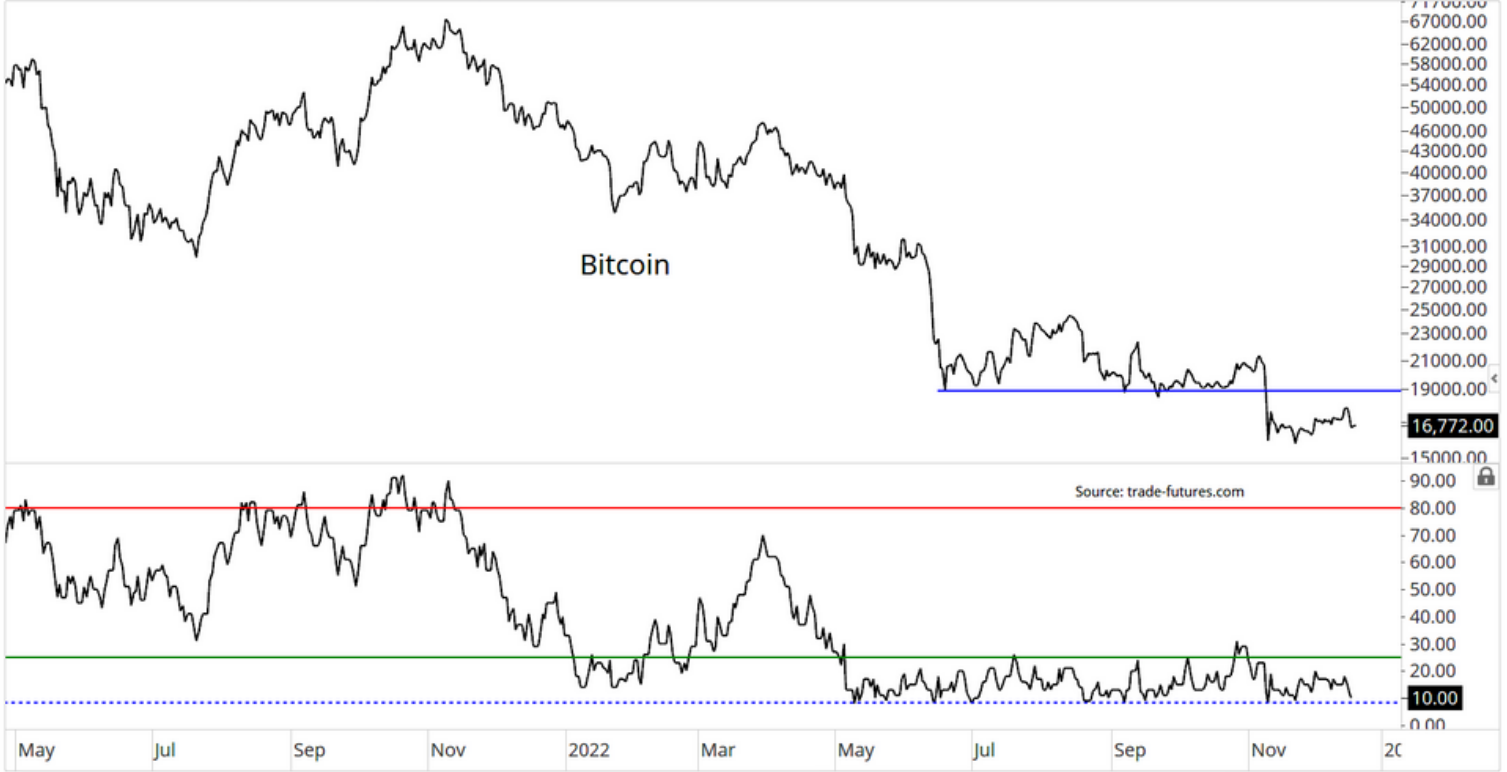
**TA** THRASHER  
ANALYTICS



# DAILY SENTIMENT INDEX



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



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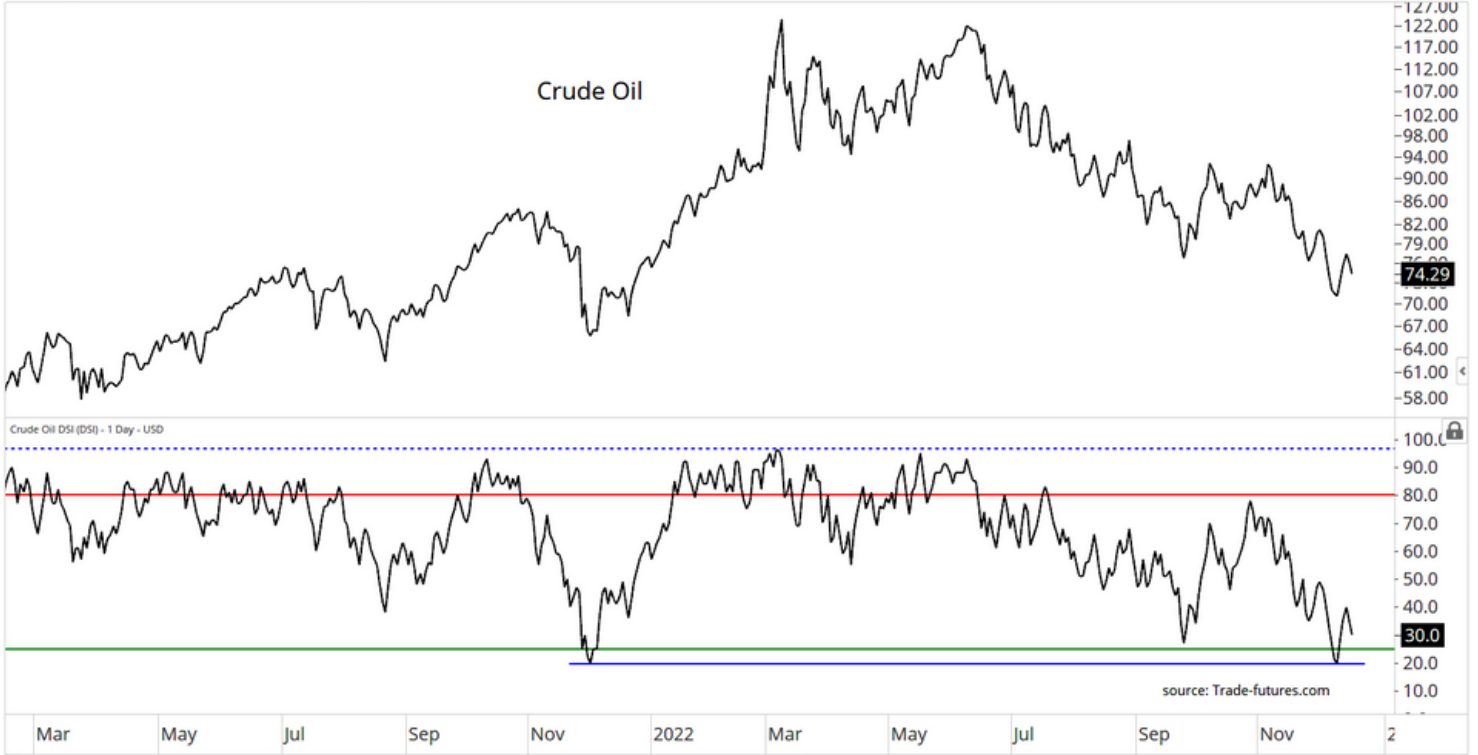
18th Dec 2022

# DAILY SENTIMENT INDEX



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



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18th Dec 2022

source: Trade-futures.com

# DAILY SENTIMENT INDEX



Gold Futures - GC25pot (AFUT) - Daily Line Chart - USD - No Layout

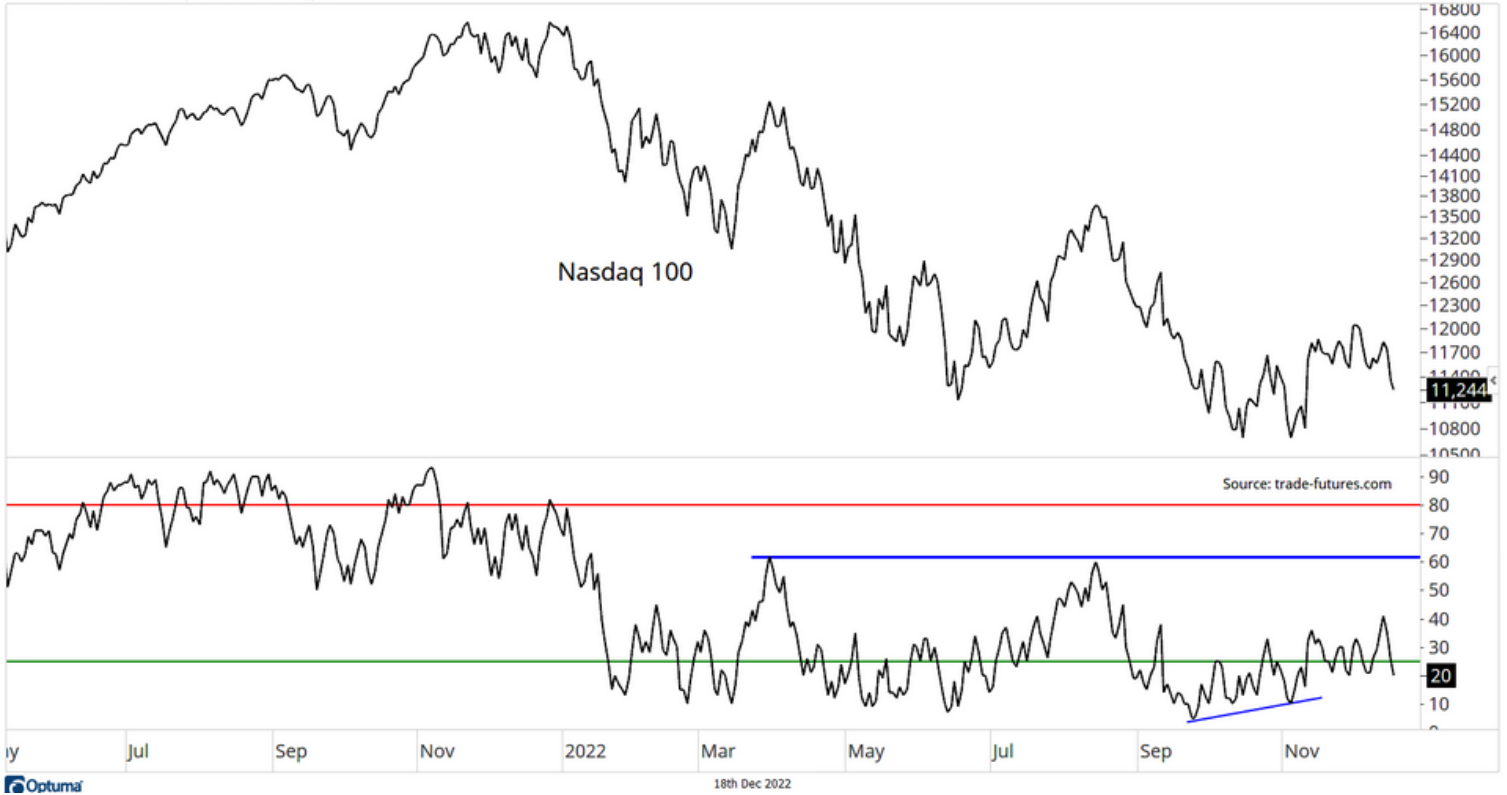


18th Dec 2022

# DAILY SENTIMENT INDEX



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

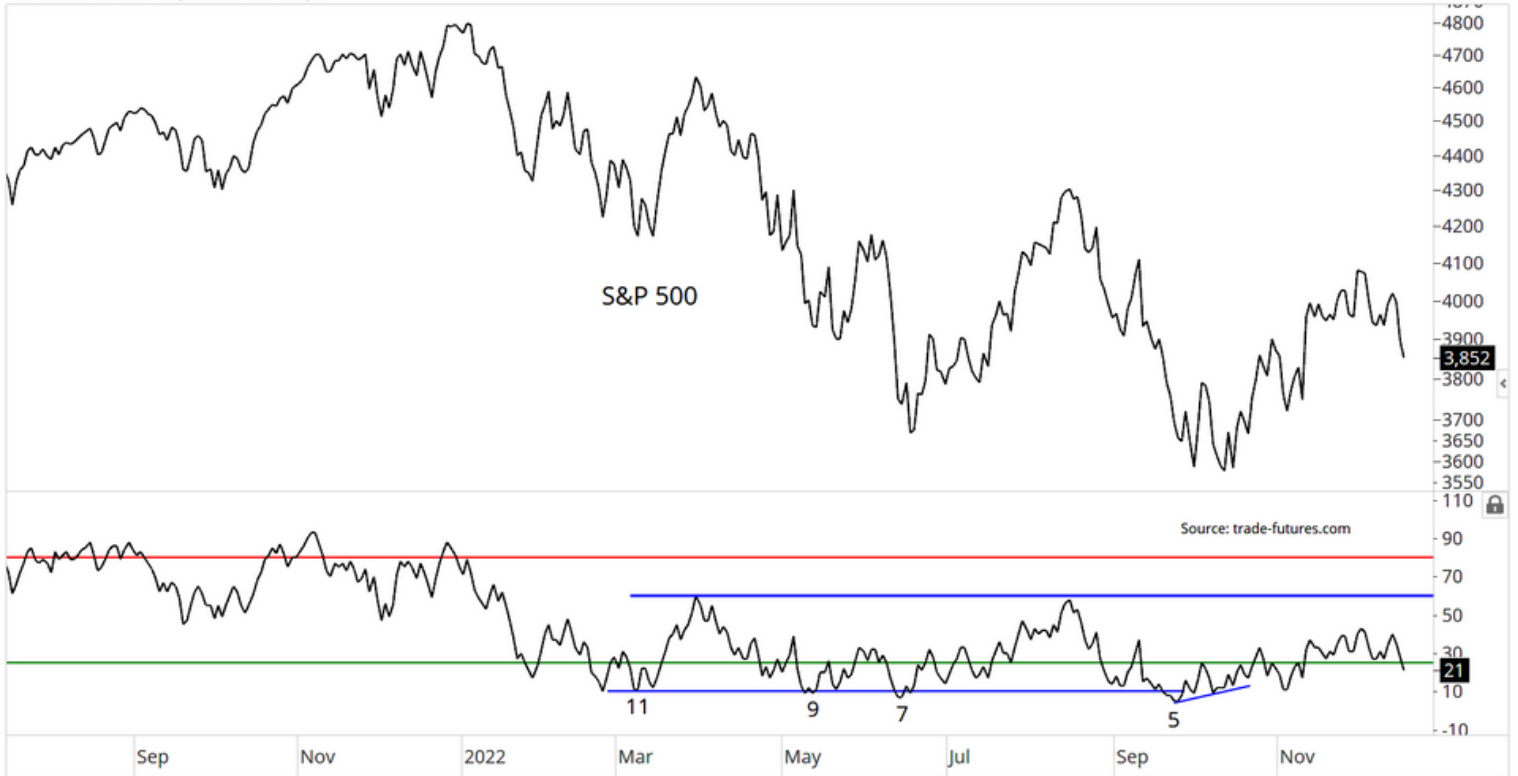


# DAILY SENTIMENT INDEX



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



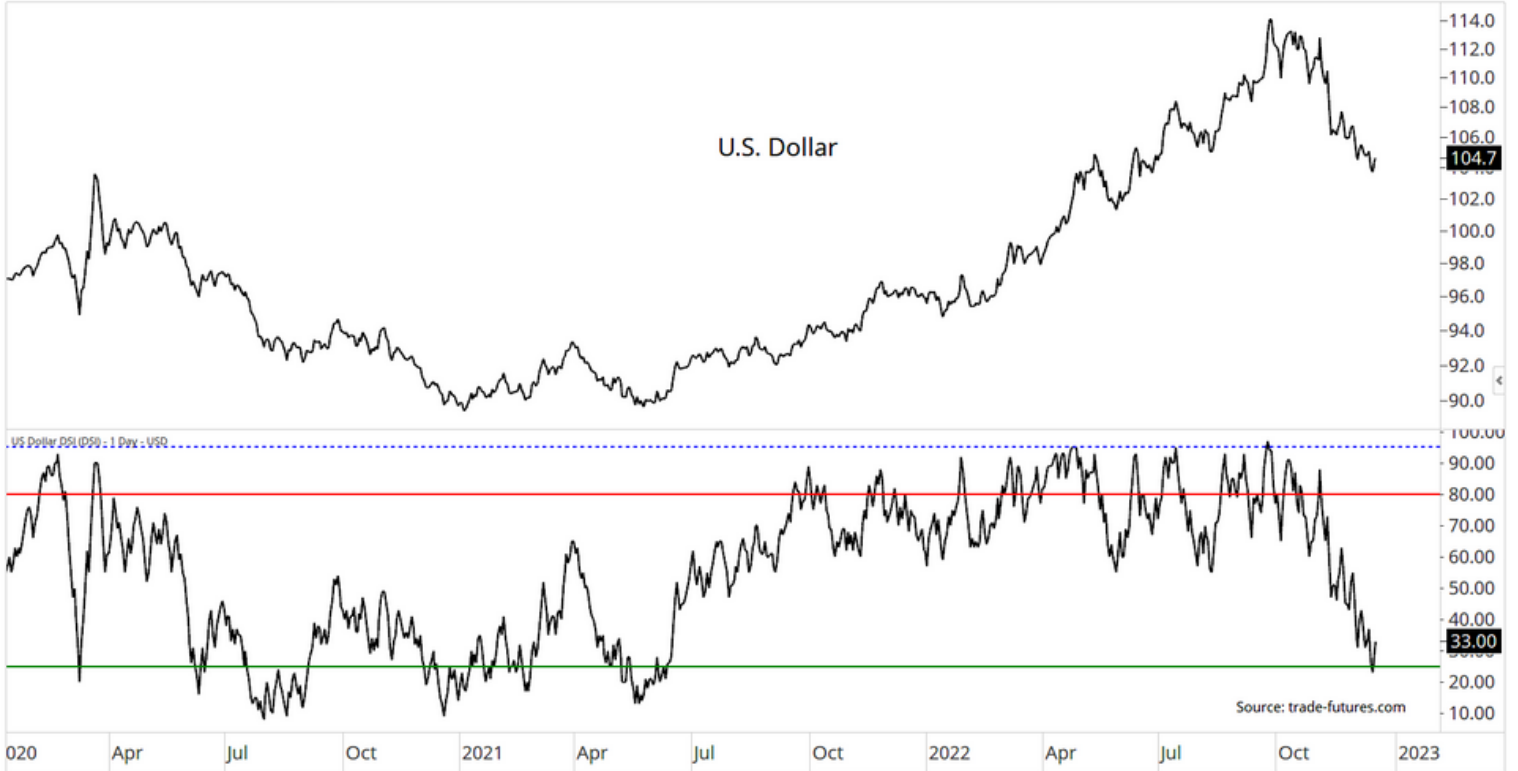
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# DAILY SENTIMENT INDEX



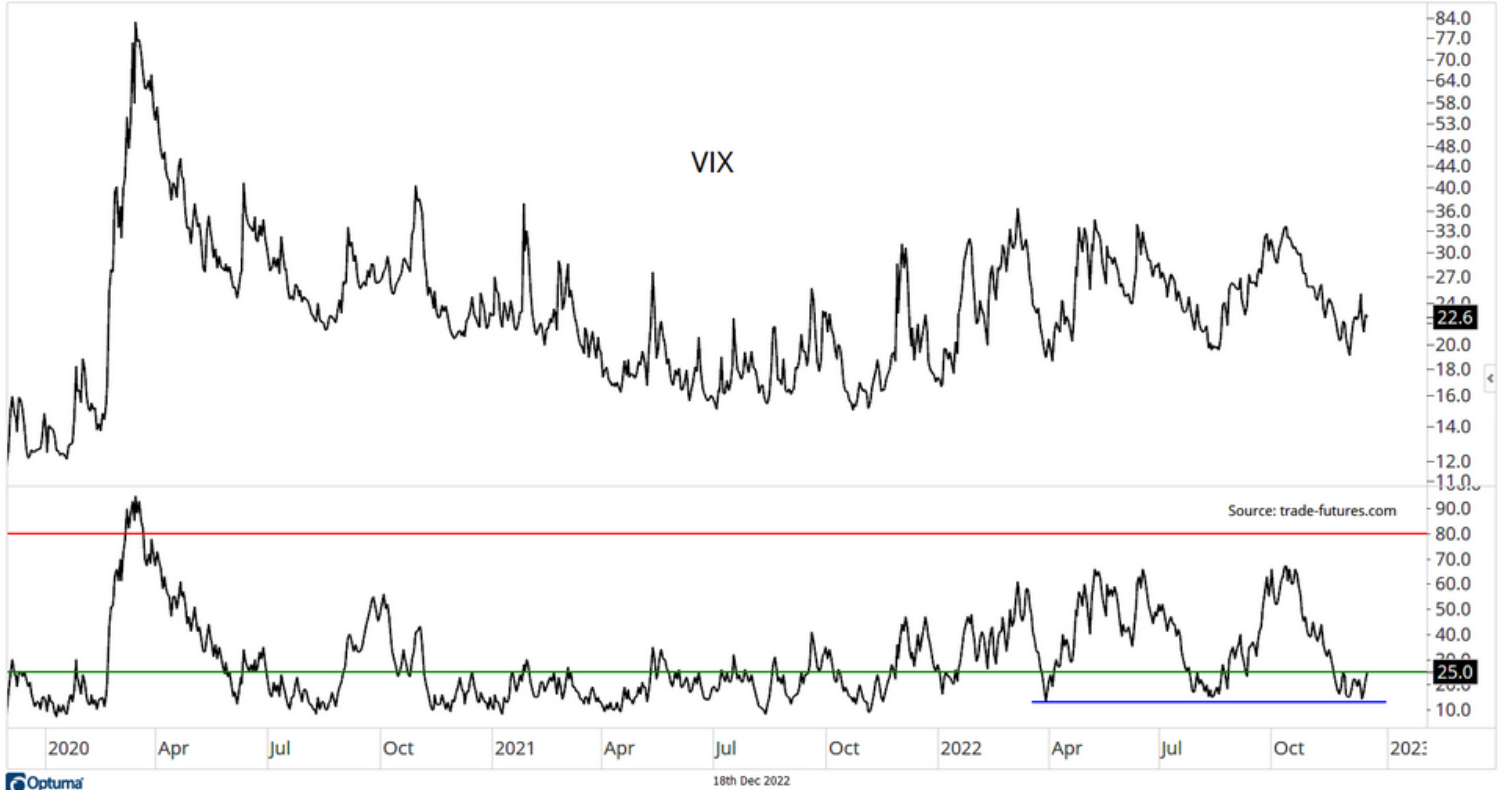
U.S. Dollar Index - DISpot (AFUT) - Daily Line Chart - USD - No Layout



# DAILY SENTIMENT INDEX

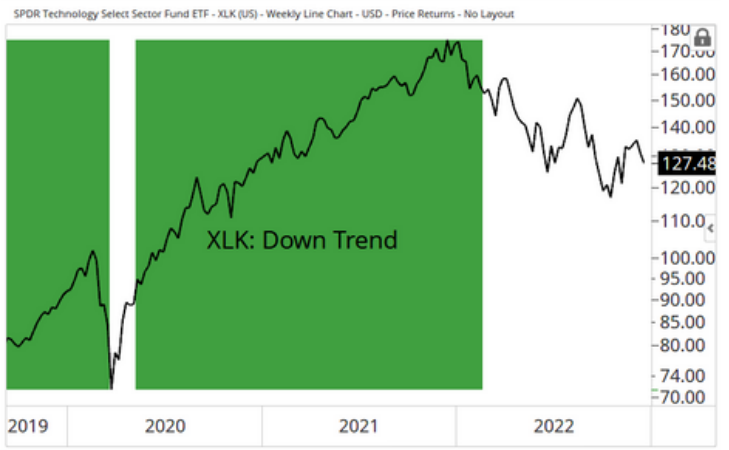
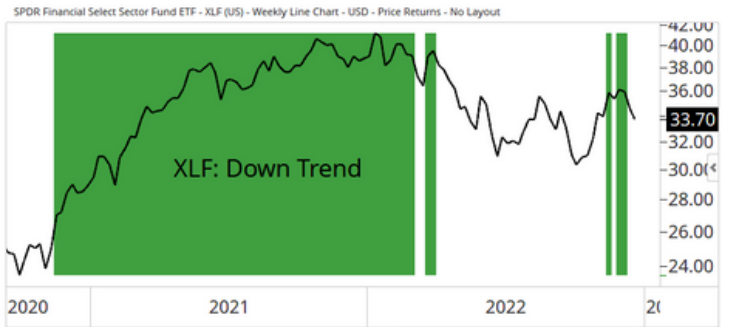
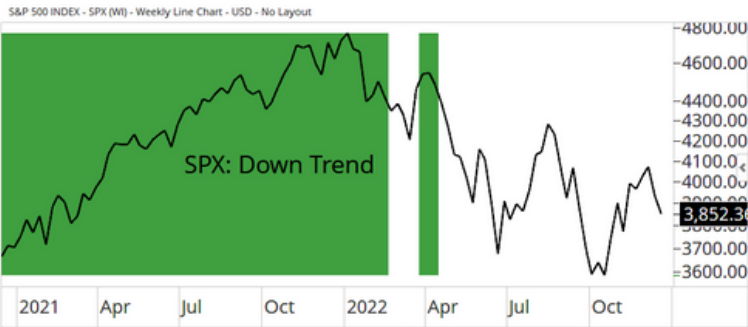


CBOE S&P 500 Volatility Index - VIX (CBOE) - Daily Line Chart - USD - No Layout





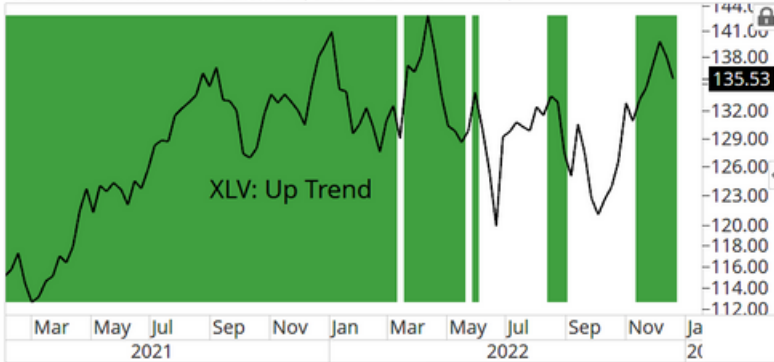
# TREND MODELS



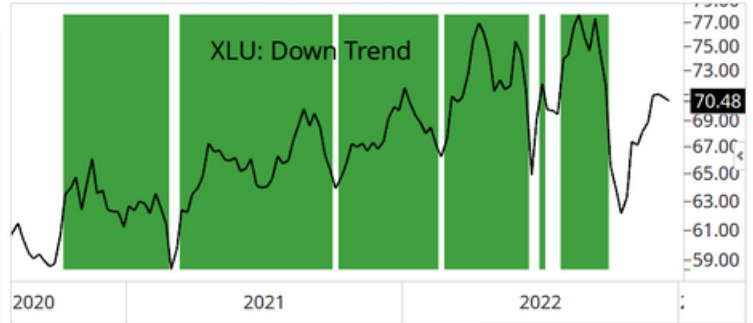
# TREND MODELS



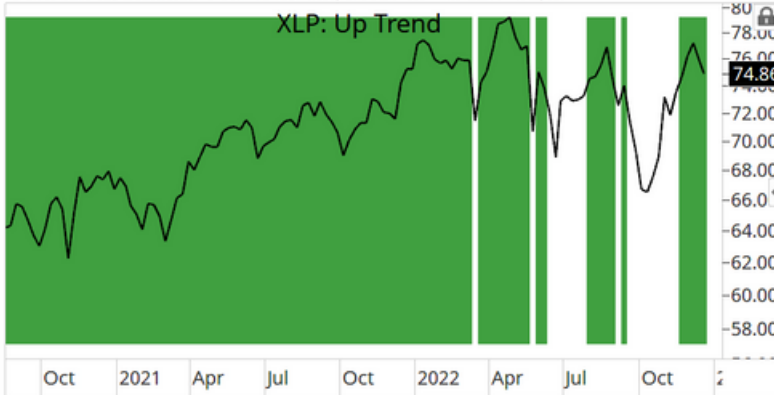
SPDR Health Care Select Sector Fund ETF - XLV (US) - Weekly Line Chart - USD - Price Returns - No Layout



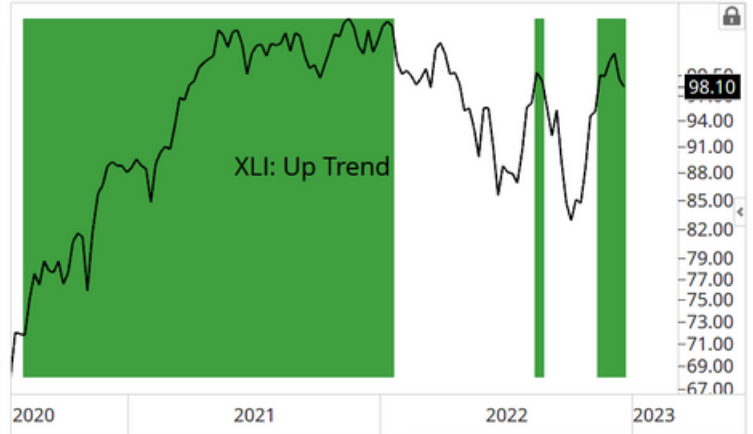
SPDR Utilities Select Sector Fund ETF - XLU (US) - Weekly Line Chart - USD - Price Returns - No Layout



SPDR Consumer Staples Select Sector Fund ETF - XLP (US) - Weekly Line Chart - USD - Price Returns - No Layout



SPDR Industrial Select Sector Fund ETF - XLI (US) - Weekly Line Chart - USD - Price Returns - No Layout

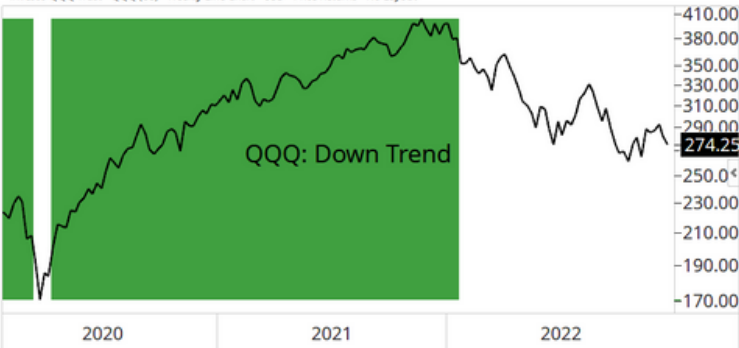


18th Dec 2022

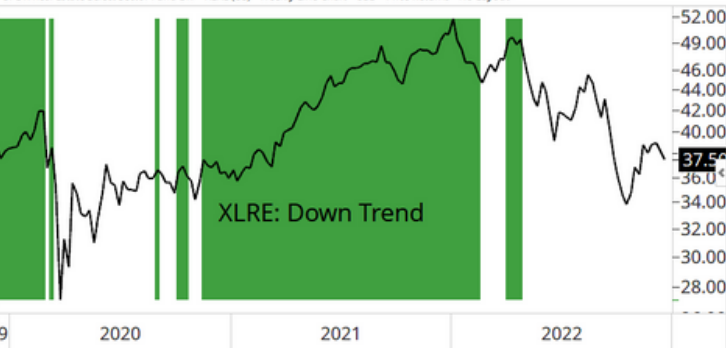
# TREND MODELS



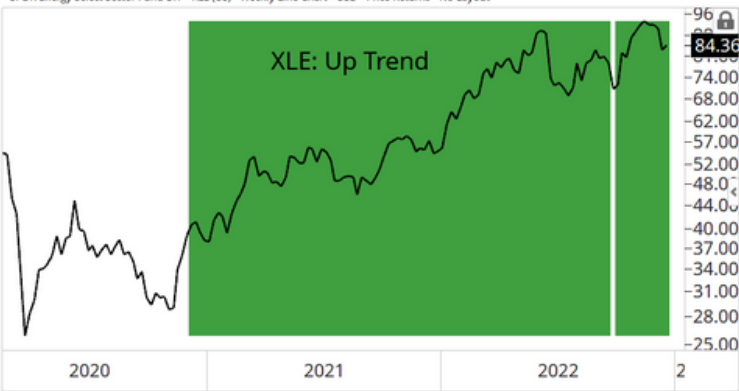
Invesco QQQ Trust - QQQ (US) - Weekly Line Chart - USD - Price Returns - No Layout



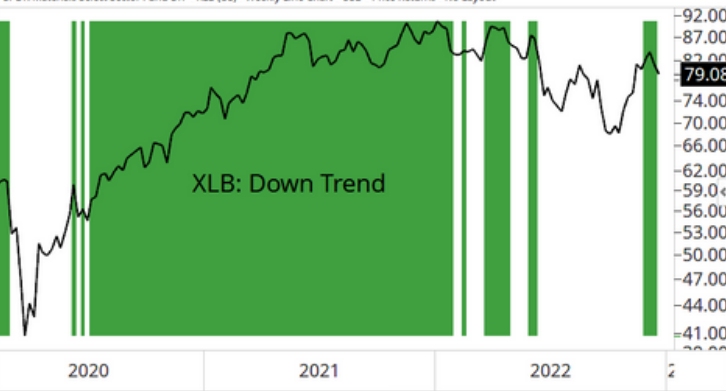
SPDR Real Estate Select Sector Fund ETF - XLRE (US) - Weekly Line Chart - USD - Price Returns - No Layout



SPDR Energy Select Sector Fund ETF - XLE (US) - Weekly Line Chart - USD - Price Returns - No Layout



SPDR Materials Select Sector Fund ETF - XLB (US) - Weekly Line Chart - USD - Price Returns - No Layout



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