THRASHER ANALYTICS

FEBUARY 18, 2024

WEEKLY RESEARCH & ANALYSIS

BY ANDREW THRASHER, CMT

SUMMARY OF MODELS

	Current	Wkly Change
Maestro Model	12	Increasing
Volatility Risk Trigger	48	Decreasing
Risk Appetite Ratios	60	Decreasing
S&P 500 Long-Term Trend	Up	Unchaged

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Volatility

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Maestro Model

Sector Sentiment

Sectors & Commodity

Sentiment

Trend Models

Market Dashboard

Sector Rotation: February	
Financial	XLF
Real Estate	XLRE
Communications	XLC

Maestro Model	
Trend / Momentum	5
Sentiment / VIX	1
Breadth	2
Economic	2
Total	12

(Breadth is weighted double in model)

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	70%	71%
Nasdaq 100	66%	68%
Nikkei	79%	82%
VIX	15%	18%
10yr Treasury	44%	50%
5yr Treasury	47%	50%
CRB Index	69%	66%
Crude Oil	78%	73%
Gold	60%	56%
U.S. Dollar	74%	75%
Bitcoin	75%	77%

*Green<25% Red>80%

source: trade-futures.com

Brief Summary:

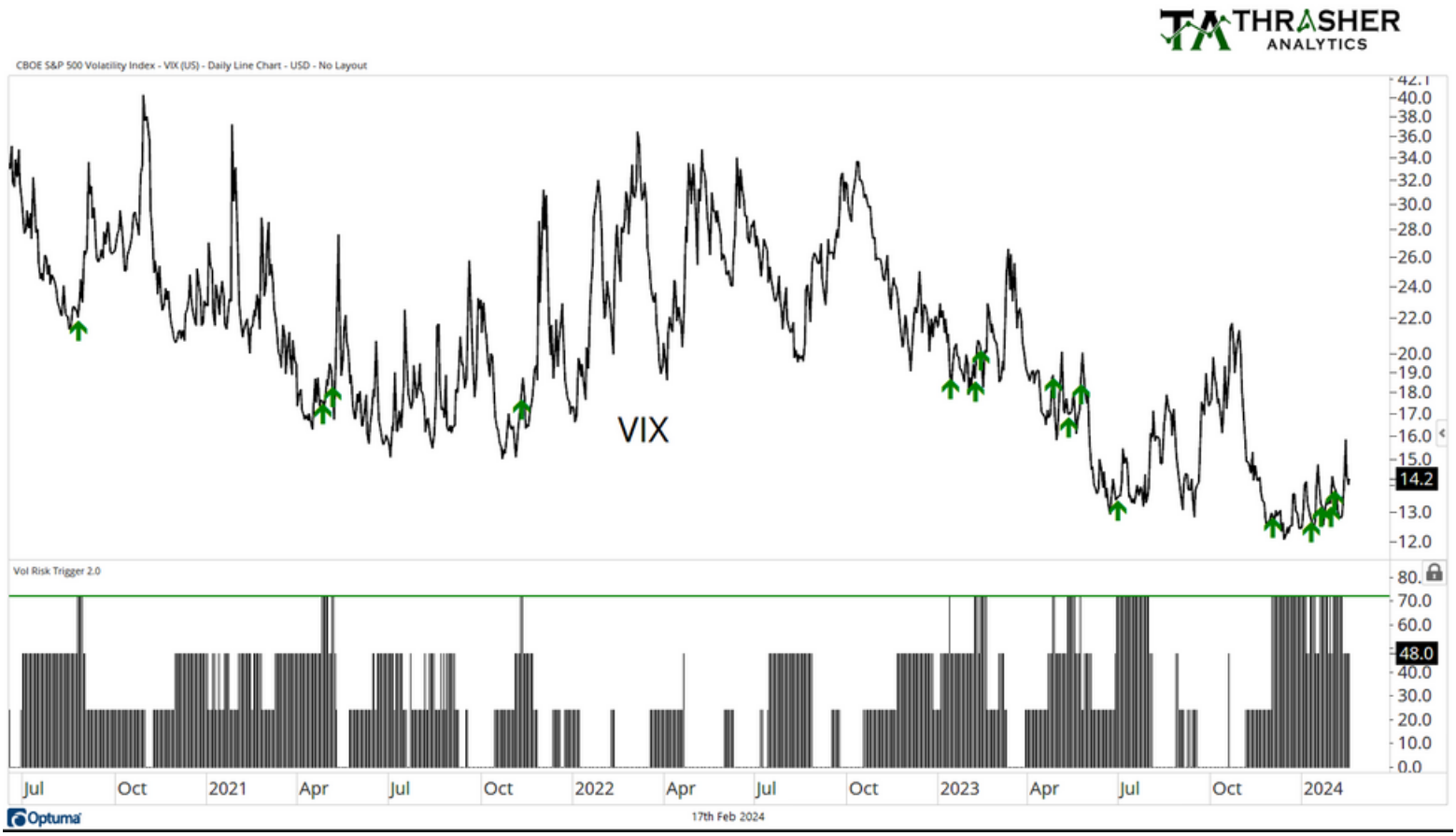
The large cap equity market now sits at a fork in the road. The bullish data has peaked but the bearish data hasn't increased. I've discussed each week this year how the breadth data had peaked and then we got the momentum data showing the market was stretched (% above the 200-day MA). We got a gap down on Tuesday, it was the second worst day for the Nasdaq 100 this year and the worst day for the Dow Industrial Average since March 2023. However, in this week's letter I share how the new low list hasn't begun to rise like in prior corrective periods. We aren't seeing a pickup in new 20-day lows or 6-month lows, and while the % above MAs has been declining, all three major figures are still above 50%. From here, the bears need to see a rise in the bearish breadth data and the bulls need to improve the bullish breadth data. Both are of course possible and until we see resolution there, we remain in 'wait and see' mode.

Natural Gas has a really interesting chart this week, price has fallen to a major historical level that's been support several times at major price lows that have also all come in March when price has been at its current level. Momentum is also stretched to the downside,

This week we have U.S. markets closed on Monday for President's Day. On Weds. we'll get a look at the FOMC minutes and the hotly anticipated NVDA earnings.

Volatility: VRT

On Tuesday we had VIX intraday spike up near 18 before setting at the close just under 16. This resulted in a 3-sigma move (shown on later page) and the VRT has pulled back to 48.

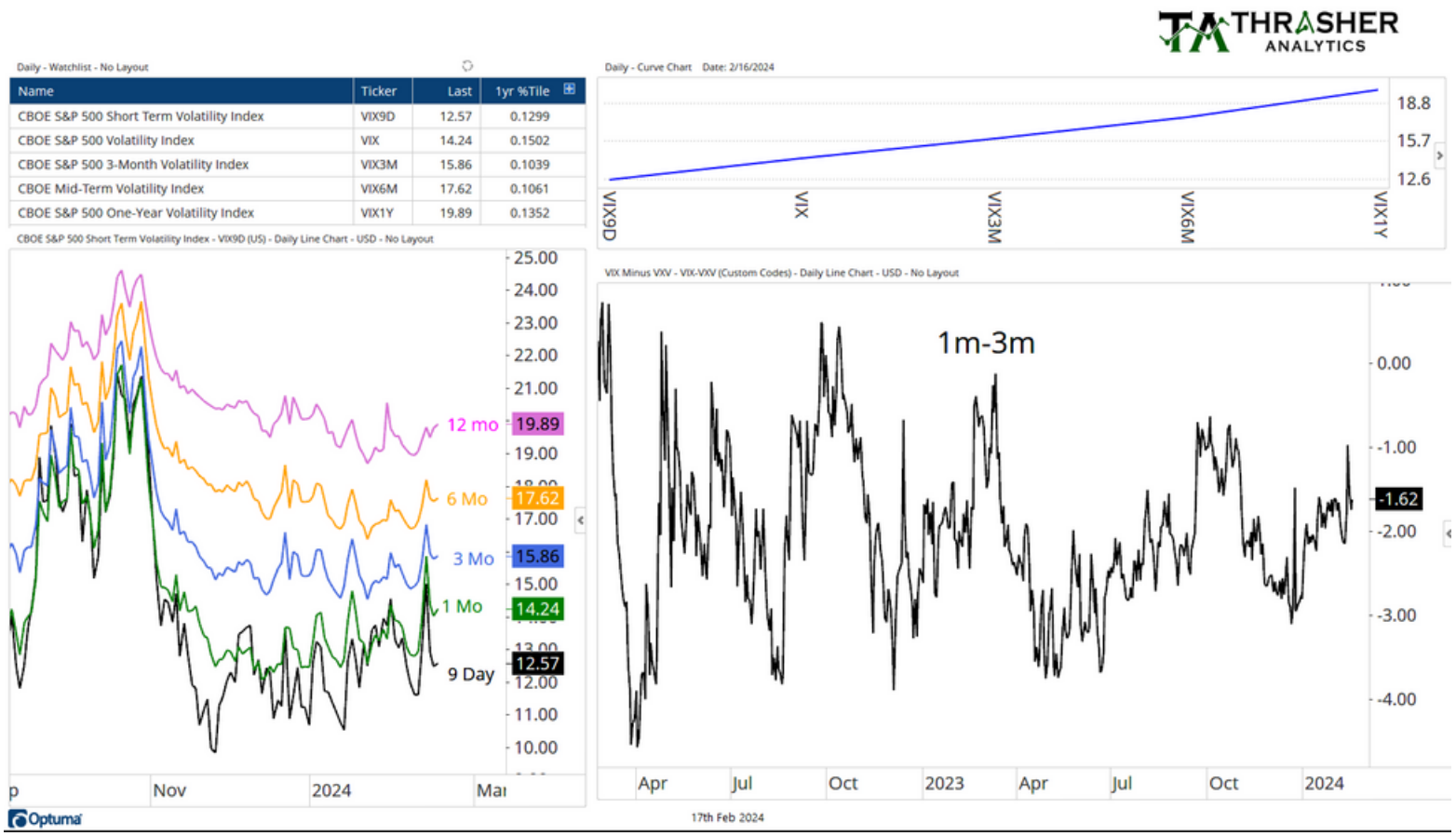


Volatility: Top & Environment

While the VIX had a spike last week, we did not get a VIX Top Signal.

Volatility - Curve

We remain in a firm contango curve for volatility.



Volatility - Sigma Move

Here's an updated look at the Sigma Chart, which shows when the VIX experiences a 4 of 3 sigma 3-day move. We haven't had one of these in quite a while, but Tuesday's move gave us the first 3 sigma advance in several months.

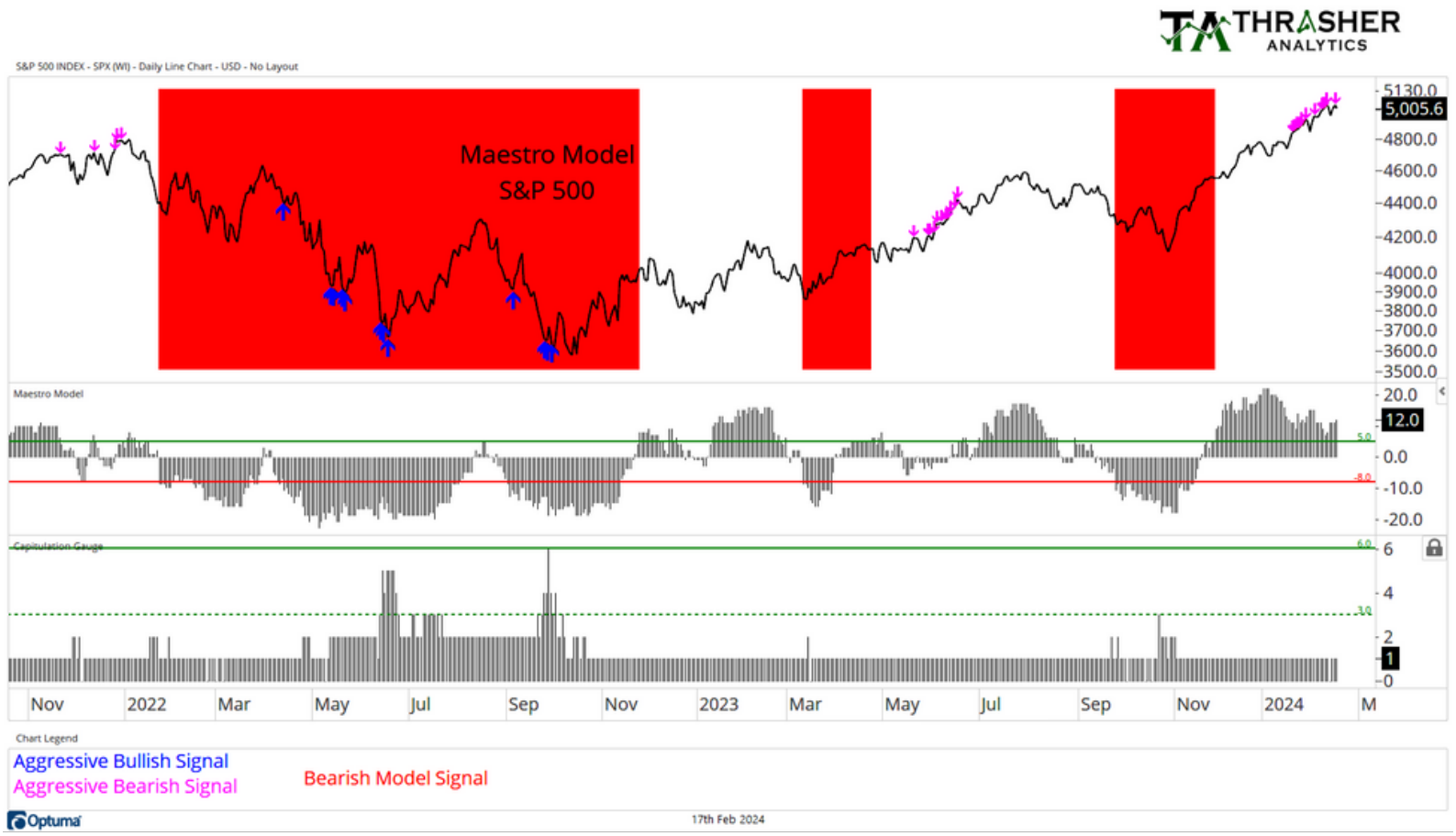
Volatility - SKEW

SKEW, an index created in attempt to measure tail risk in the S&P 500 30-day time horizon, defined as a two standard deviation event based on out-of-the-money option activity. SKEW by itself doesn't get a lot of attention but I like to look at it relative to VIX. Looking at the relative trend in the ratio and if its diverging from the price action in the S&P 500. The ratio peaked at the end of last year as VIX bottomed, and with the mild strength in the VIX, the 60-day correlation is close to moving negative. Notice the significance of prior instances of at or below negative correlation. It hasn't happened often. We have 2007, 2012, during the parabolic melt up at the end of 2017, again at the end of 2018, before the Covid Crash in 2020, at the end of 2021 and most recently before this past summer's brief pullback. And now it's happening today. The 60-day correlation is at the same low level as it was last summer.

Maestro Model

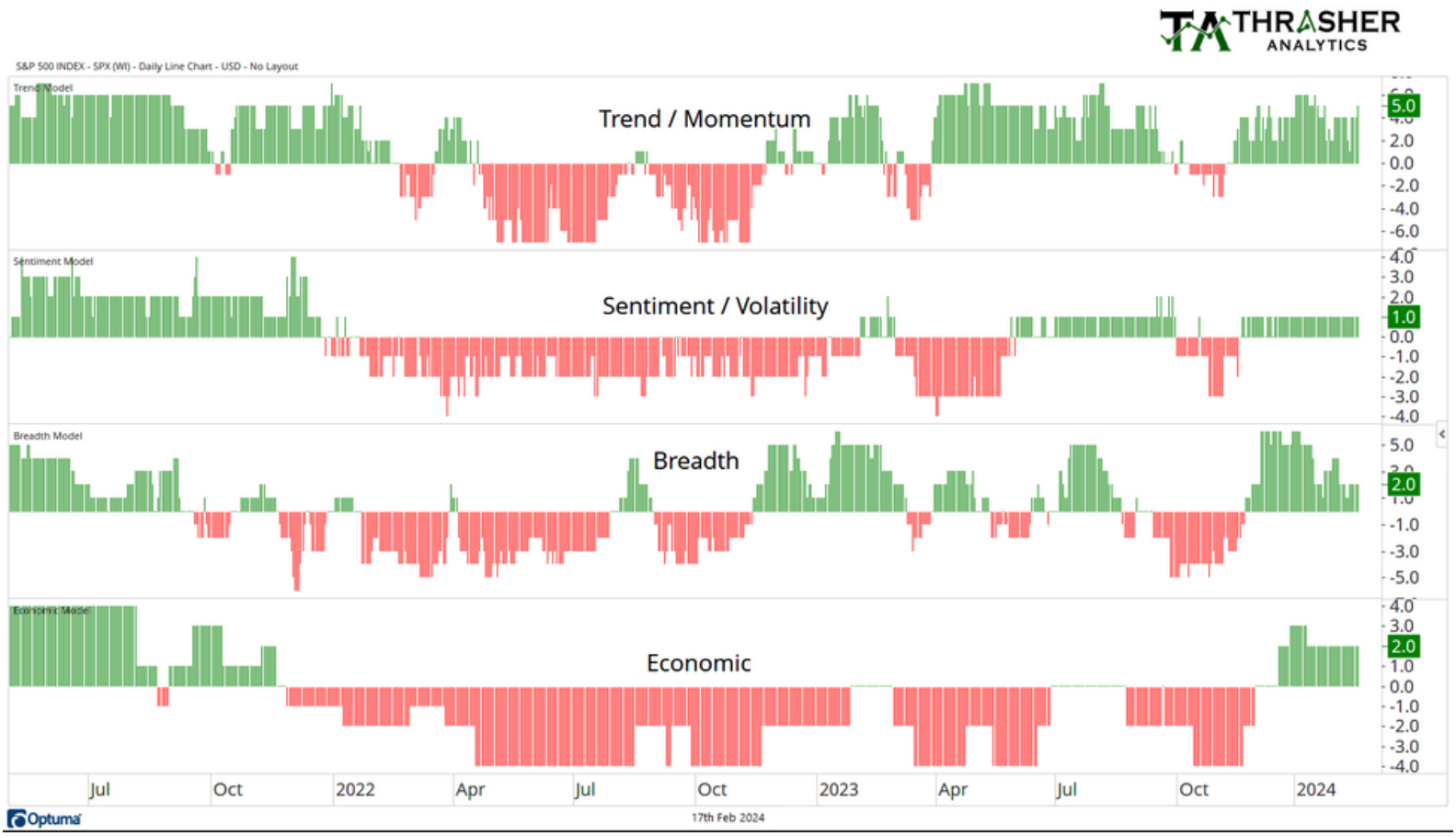
Please be sure to check out the Maestro Model Summary PDF in the Archive on the website.

The Maestro Model continued to print Aggressive Bearish Signals last week despite the slight improvement in the Trend/Momentum and Breadth categories.



Maestro Model - Categories

Breadth rose one point and Trend/Momentum increased by 3 points.



Sentiment Score

The average stock sentiment in XLE has been steadily rising to near a YTD high, this is worth keeping an eye on. The most recent XLB bullish signal marked the latest bottom, and the sector now has the second highest sentiment score. XLK sector sentiment has continued to diverge lower but the average stock sentiment remains elevated and confirming the weakness in the sector's score as of yet.

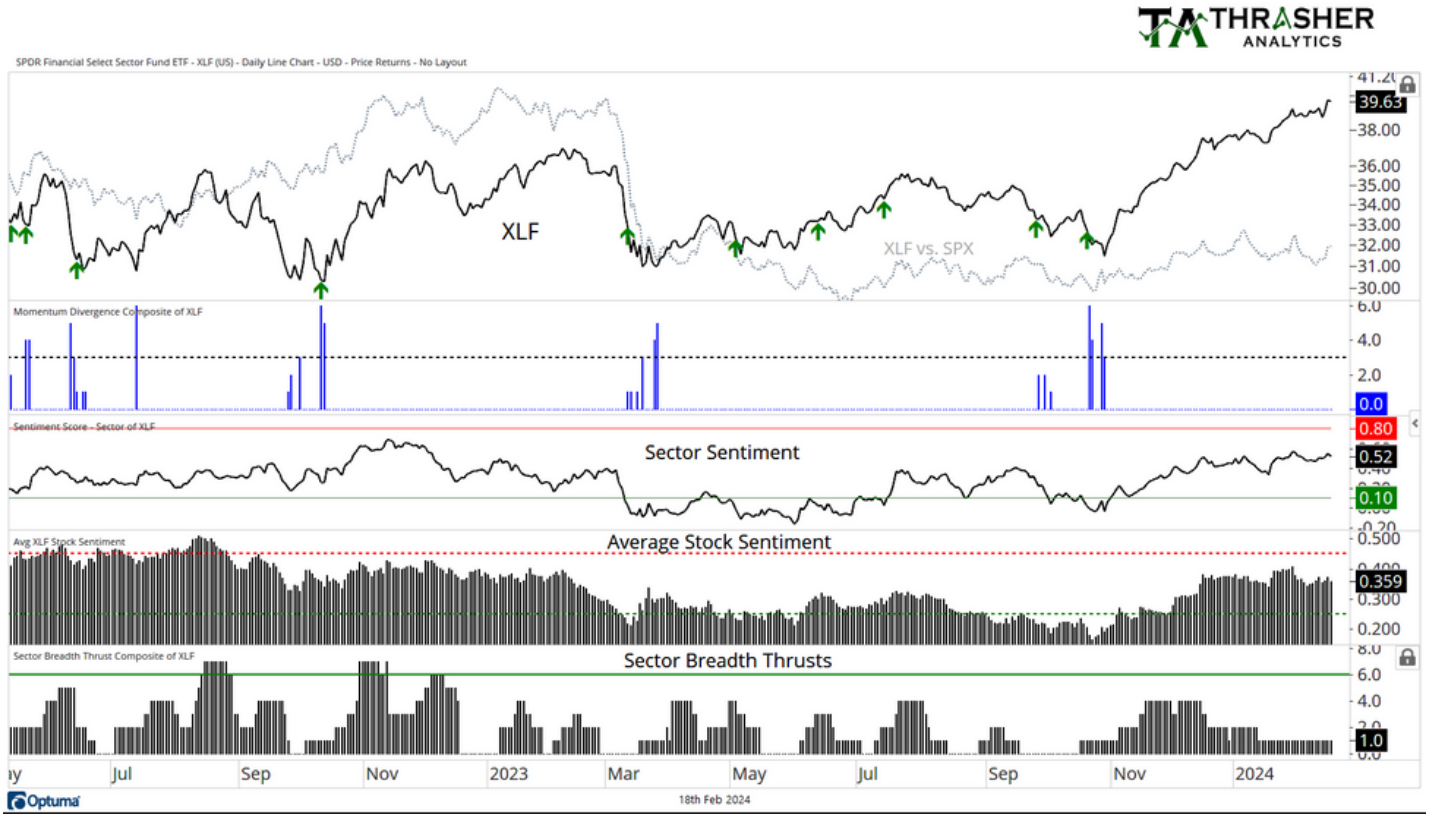
THRASHER ANALYTICS

Daily - Watchlist - No Layout

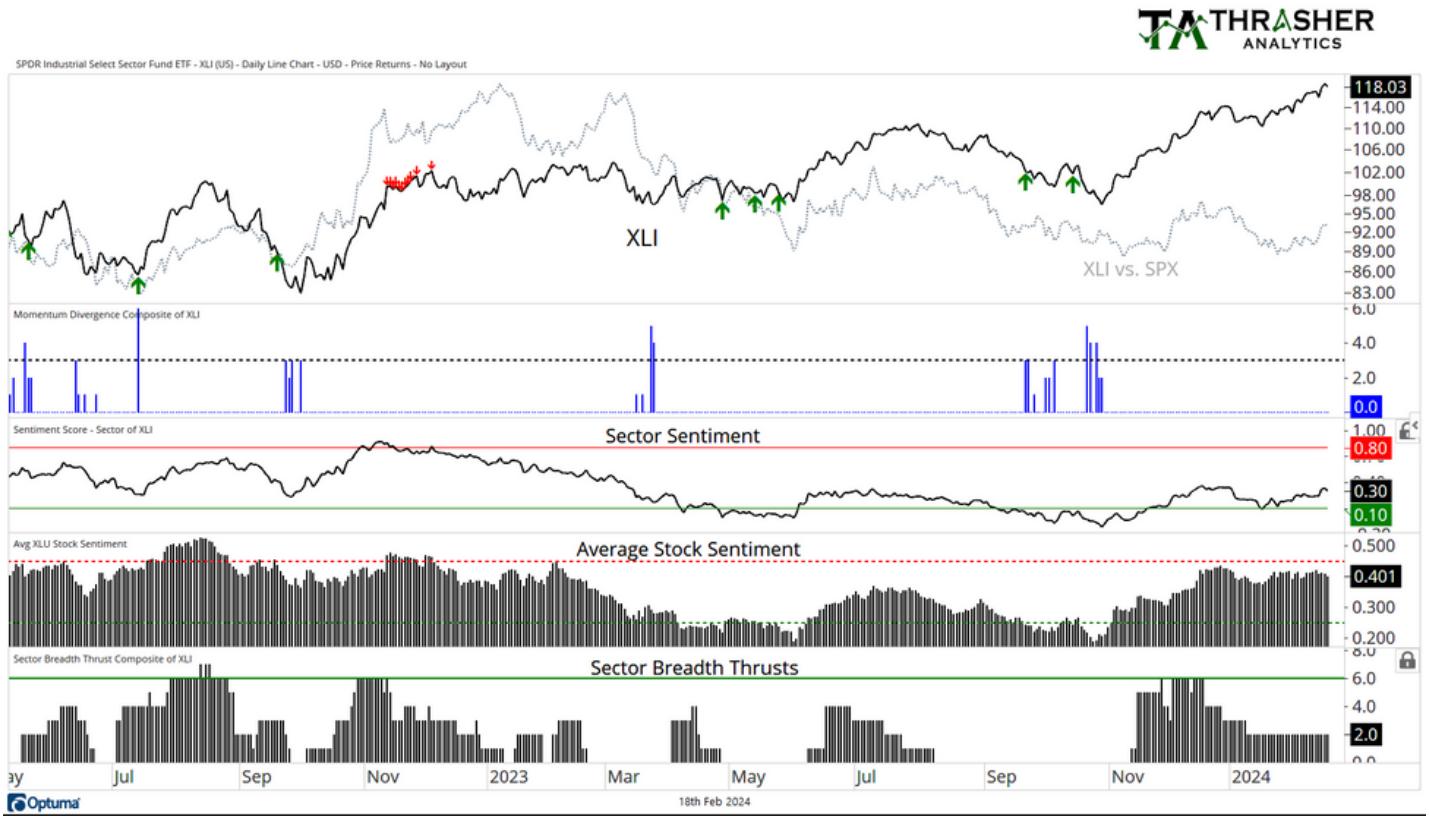
Sector	Ticker	Sector Sentiment	Change in Score	1W Perf	1M Perf	3M Perf
SPDR Financial Select Sector Fund ETF	XLF	0.52	0.05	1.41%	6.13%	13.78%
SPDR Materials Select Sector Fund ETF	XLB	0.49	0.23	2.44%	3.25%	6.30%
SPDR Health Care Select Sector Fund ETF	XLV	0.47	0.14	1.12%	4.25%	13.31%
SPDR Communication Services Select Sector ETF	XLC	0.39	0.07	-0.28%	7.58%	12.66%
SPDR Consumer Discretionary Select Sector Fund ETF	XLY	0.38	0.05	-0.49%	3.03%	7.82%
SPDR Real Estate Select Sector Fund ETF	XLRE	0.35	0.14	-0.16%	-2.42%	6.50%
SPDR Industrial Select Sector Fund ETF	XLI	0.30	0.07	0.92%	6.35%	12.47%
SPDR Technology Select Sector Fund ETF	XLK	0.20	-0.12	-2.54%	5.11%	10.59%
SPDR Consumer Staples Select Sector Fund ETF	XLP	0.16	0.07	0.23%	1.22%	5.32%
SPDR Utilities Select Sector Fund ETF	XLU	0.14	0.19	1.59%	-2.24%	-1.43%
SPDR Energy Select Sector Fund ETF	XLE	0.13	0.11	2.71%	6.02%	3.16%

Type Code or Name to add an item to the watchlist

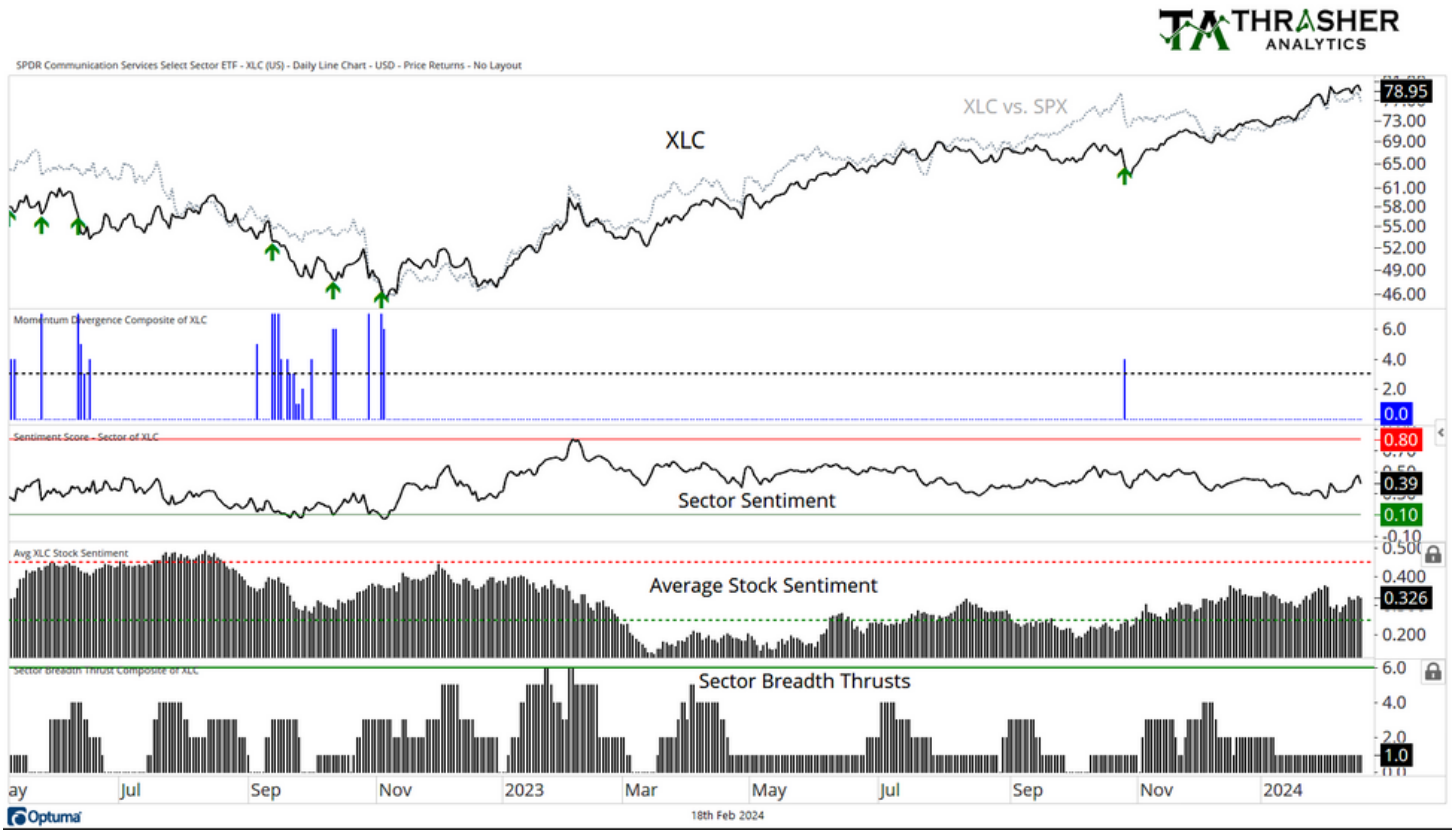
Sentiment Score: XLF & XLY



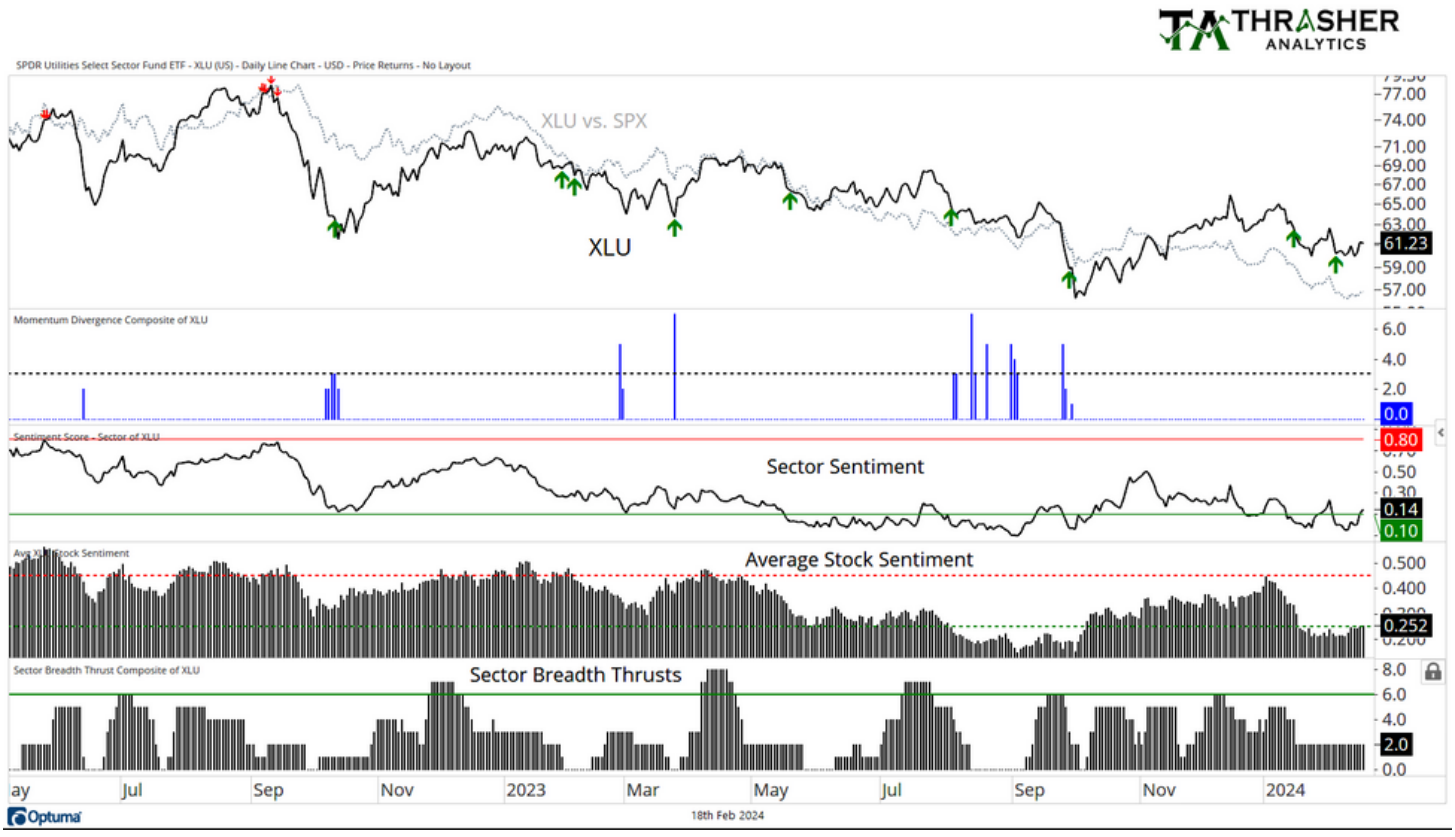
Sentiment Score: XLI & XLB



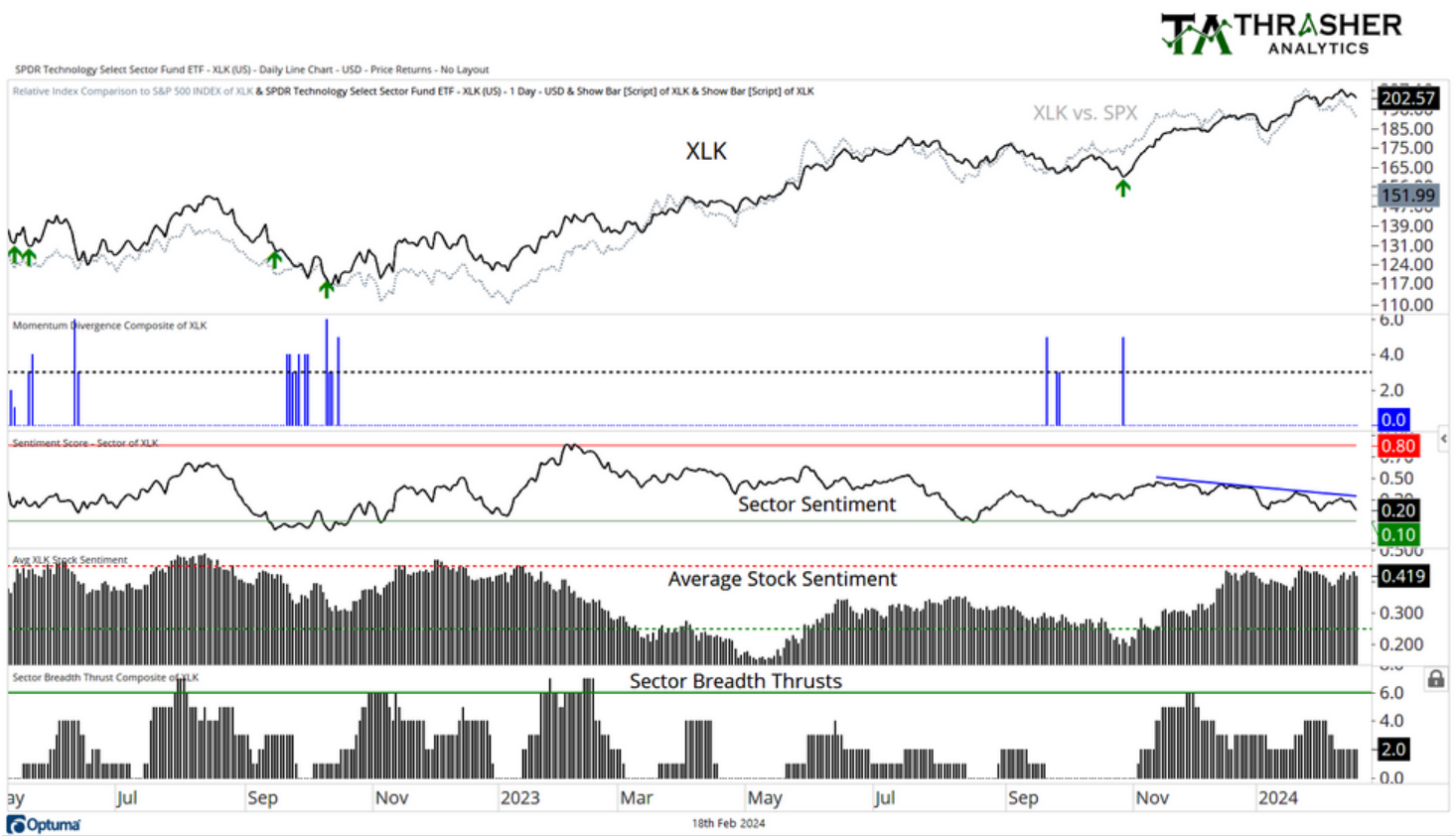
Sentiment Score: XLRE & XLC



Sentiment Score: XLP & XLU



Sentiment Score: XLK & XLV



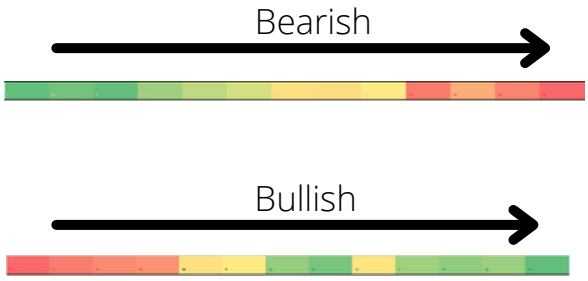
Sentiment Score: XLE

Risk Appetite Ratio

Below is a table of 16 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 60th 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	0.04	0.06	0.07	0.05	0.06	0.06	0.06	0.02	0.00	0.00	0.02	0.03	0.00	0.00	0.00	0.00	0.00	0.02	0.05	0.03	0.04	0.02	0.00	0.04	0.03	0.00	0.02	0.09	0.06	0.04	0.04	0.07	0.05	0.07	0.06	0.10
EAFE vs. SPX	0.06	0.04	0.07	0.03	0.04	0.07	0.07	0.05	0.00	0.01	0.01	0.03	0.00	0.00	0.00	0.00	0.01	0.00	0.04	0.02	0.05	0.04	0.04	0.10	0.09	0.00	0.00	0.02	0.00	0.00	0.00	0.01	0.00	0.01	0.04	0.07
HY Debt vs. Treasury	0.49	0.51	0.53	0.54	0.51	0.56	0.60	0.59	0.62	0.65	0.64	0.65	0.70	0.69	0.74	0.74	0.71	0.74	0.77	0.77	0.78	0.74	0.69	0.63	0.57	0.64	0.71	0.69	0.72	0.74	0.76	0.74	0.78	0.78	0.77	0.78
Home Construction vs. SPX	0.96	0.95	0.94	0.92	0.86	0.85	0.87	0.90	0.89	0.93	0.95	0.90	0.89	0.89	0.91	0.90	0.97	0.76	0.69	0.75	0.75	0.76	0.78	0.80	0.84	0.79	0.75	0.74	0.76	0.80	0.78	0.87	0.78	0.82	0.82	0.76
Offense vs. Defense Sectors	0.98	0.95	0.94	0.84	0.80	0.77	0.77	0.78	0.76	0.76	0.78	0.76	0.77	0.76	0.82	0.88	0.89	0.88	0.93	0.93	0.89	0.90	0.89	0.82	0.80	0.87	0.86	0.84	0.88	0.91	0.94	0.92	0.90	0.92	0.93	0.89
Broker-Dealer vs. SPX	0.46	0.47	0.46	0.44	0.40	0.43	0.42	0.41	0.36	0.33	0.33	0.30	0.30	0.30	0.27	0.26	0.28	0.27	0.27	0.25	0.26	0.25	0.29	0.30	0.26	0.24	0.21	0.19	0.19	0.17	0.19	0.22	0.17	0.18	0.21	0.23
S&P Growth vs. S&P Value	0.66	0.66	0.64	0.49	0.49	0.46	0.45	0.54	0.60	0.66	0.70	0.71	0.76	0.76	0.83	0.90	0.89	0.90	0.98	0.93	0.90	0.94	0.89	0.80	0.85	1.00	1.00	0.95	1.00	1.00	1.00	0.91	0.92	0.95	0.87	0.85
Semiconductor vs. SPX	0.98	0.98	0.97	0.87	0.84	0.83	0.85	0.91	0.92	0.90	0.93	0.91	0.99	0.99	1.00	1.00	1.00	1.00	1.00	0.98	0.90	0.92	0.88	0.89	0.87	0.91	0.99	0.94	0.98	1.00	1.00	0.99	0.97	1.00	0.96	0.97
Consumer Disc. Vs. Staples	0.94	0.94	0.92	0.84	0.78	0.78	0.81	0.84	0.78	0.83	0.82	0.76	0.78	0.76	0.81	0.88	0.92	0.84	0.87	0.87	0.87	0.90	0.87	0.84	0.85	0.86	0.84	0.87	0.93	0.98	1.00	1.00	0.95	1.00	1.00	0.96
Small Cap vs. Utilities	1.00	0.96	0.89	0.81	0.70	0.70	0.67	0.71	0.71	0.71	0.77	0.74	0.73	0.76	0.83	0.87	0.98	0.96	0.99	0.95	0.93	0.98	0.95	0.85	0.83	0.88	0.92	0.94	0.93	1.00	1.00	1.00	0.90	0.97	1.00	0.95
Transports vs. Utilities	0.89	0.88	0.84	0.76	0.69	0.70	0.69	0.69	0.67	0.70	0.76	0.71	0.72	0.74	0.84	0.87	0.97	0.96	1.00	0.98	0.96	0.94	0.91	0.85	0.82	0.93	0.97	1.00	1.00	1.00	1.00	0.95	0.93	0.92	0.88	0.83
Equal Weight vs. Cap Weight	0.22	0.23	0.23	0.26	0.22	0.23	0.24	0.22	0.20	0.18	0.16	0.14	0.13	0.12	0.09	0.07	0.09	0.07	0.03	0.06	0.07	0.06	0.06	0.09	0.08	0.01	0.00	0.02	0.00	0.01	0.00	0.04	0.03	0.03	0.06	0.06
Small cap vs. Large Cap	0.49	0.47	0.41	0.41	0.32	0.33	0.31	0.33	0.29	0.27	0.24	0.23	0.19	0.19	0.17	0.16	0.24	0.22	0.18	0.19	0.19	0.24	0.20	0.17	0.17	0.10	0.06	0.09	0.04	0.10	0.15	0.23	0.11	0.17	0.25	0.21
Equities. vs. VIX	0.92	0.99	0.99	0.89	0.79	0.77	0.86	0.91	0.94	0.96	0.99	0.96	0.83	0.73	0.80	0.91	0.92	1.00	0.93	0.90	0.92	0.90	0.93	0.79	0.86	0.88	0.89	0.97	1.00	1.00	0.99	0.88	0.68	0.82	0.87	0.84
Aussie Dollar vs. Yen	0.79	0.79	0.78	0.82	0.87	0.87	0.86	0.84	0.92	0.88	0.86	0.87	0.86	0.87	0.90	0.93	0.90	0.92	0.87	0.88	0.90	0.91	0.91	0.83	0.80	0.83	0.82	0.83	0.83	0.86	0.90	0.91	0.90	0.93	0.94	0.96
Copper vs. Gold	0.21	0.19	0.18	0.17	0.20	0.17	0.14	0.17	0.12	0.15	0.17	0.07	0.14	0.15	0.13	0.16	0.15	0.17	0.28	0.26	0.24	0.25	0.27	0.24	0.15	0.15	0.12	0.11	0.07	0.04	0.04	0.09	0.12	0.12	0.16	0.22
AVERAGE	0.63	0.63	0.62	0.57	0.54	0.54	0.54	0.56	0.55	0.56	0.57	0.55	0.55	0.54	0.57	0.60	0.62	0.61	0.62	0.61	0.60	0.61	0.60	0.56	0.55	0.57	0.57	0.58	0.59	0.60	0.61	0.61	0.57	0.61	0.61	0.60



Risk Appetite Ratio

The Average Risk Appetite Ratio saw a very small tick lower last week, from 61st to 60th %tile.

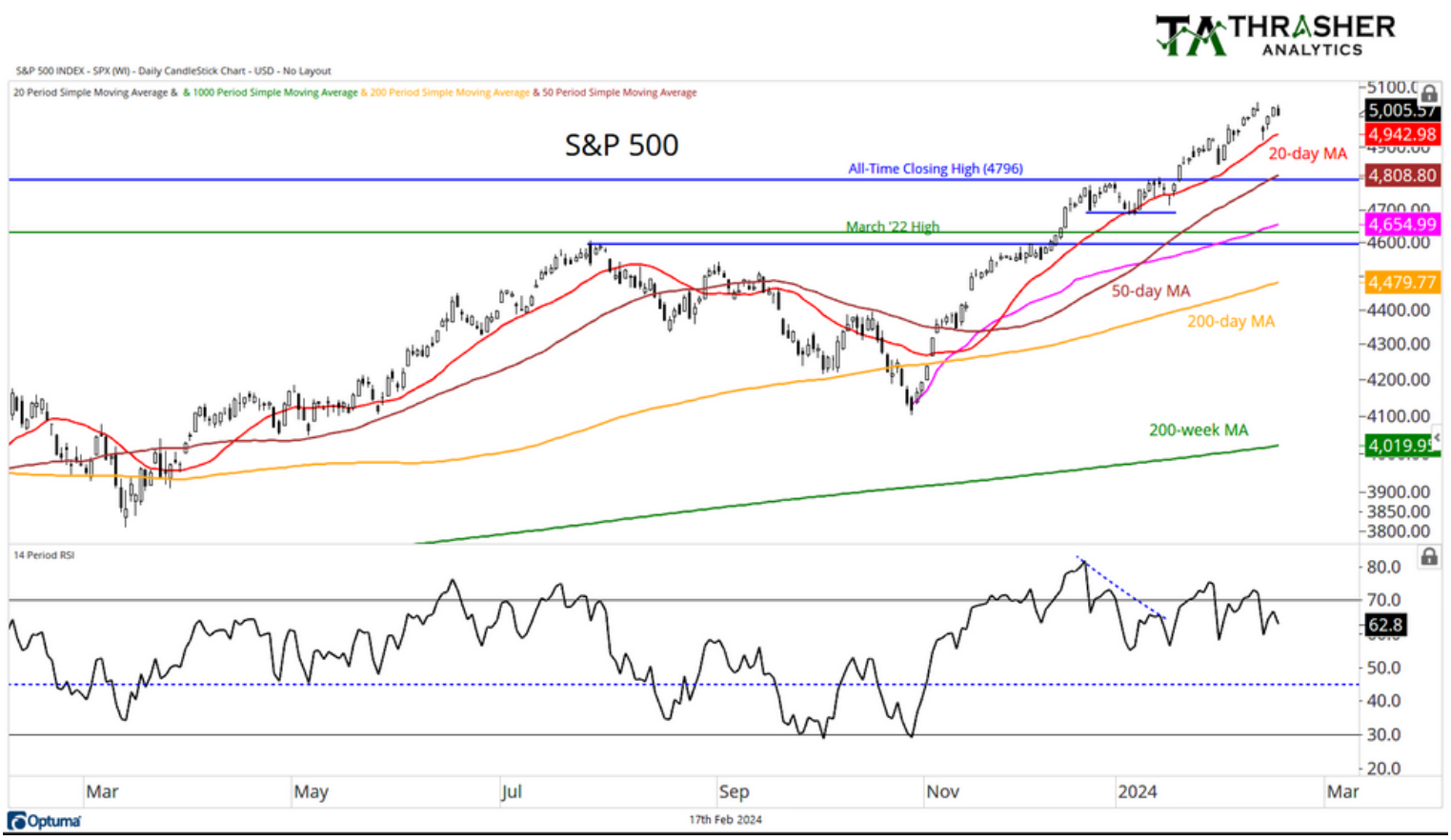
Equities - Breadth

Below is a table showing the changes in breadth data over the last 35 days. This provides insight into whether bullish or bearish data is improving or declining.

	35 Days Ago	30 Days Ago	25 Days Ago	20 Days Ago	15 Days Ago	10 Days Ago	5 Days Ago	Current
				Moving Average Breadth				
S&P 500 % above 200-day MA	74.6	74.2	73.0	68.6	69.8	69.9	68.5	69.0
Nasdaq 100 % above 200-day MA	85.0	82.0	79.0	79.2	77.2	77.2	75.3	74.3
S&P 500 % above 50-day MA	88.7	88.3	83.3	74.0	75.4	64.7	61.8	58.9
Nasdaq 100 % above 50-day MA	93.0	81.0	79.0	82.2	76.2	69.3	67.3	59.4
S&P 500 % above 20-day MA	82.5	52.7	47.1	45.7	58.7	57.4	57.6	60.0
Nasdaq 100 % above 20-day MA	84.0	37.0	50.0	67.3	67.3	61.4	59.4	52.5
				Bullish Breadth				
S&P 500 % RSI(14) > 70	28.8	4.4	6.0	9.5	10.5	11.8	11.8	10.1
Nasdaq 100 % RSI(14) > 70	35.0	29.0	7.0	7.0	21.8	17.8	14.9	20.8
S&P 400 % New 52 week highs	12.8	11.8	0.8	1.0	5.8	4.8	8.3	11.3
S&P 600 % New 52 week highs	14.1	2.2	0.7	2.7	3.0	4.2	7.7	6.2
S&P 500 % New 52 week highs	9.7	3.2	7.4	11.7	7.0	13.8	9.4	12.1
Nasdaq 100 % New 52 week highs	17.0	5.0	9.0	11.9	22.8	7.9	19.8	11.9
S&P 500 % New 6 month highs	13.1	5.0	7.8	12.9	8.0	15.5	10.2	13.9
Nasdaq 100 % New 6 month highs	15.0	16.0	4.0	14.0	29.7	9.9	18.8	18.8
				Bearish Breadth				
S&P 500 % RSI(14) < 30	0.0	0.2	0.2	0.4	2.2	1.2	1.8	1.8
Nasdaq 100 % RSI(14) < 30	0.0	0.0	1.0	1.0	2.0	1.0	3.0	2.0
S&P 400 % New 52 week lows	0.0	0.0	0.0	0.5	0.5	0.0	1.0	0.5
S&P 600 % New 52 week lows	0.0	0.0	0.2	1.8	1.5	0.5	2.0	1.3
S&P 500 % New 52 week lows	0.0	0.0	0.2	0.6	0.2	0.8	0.8	0.6
Nasdaq 100 % New 52 week lows	0.0	0.0	0.0	0.0	0.0	0.0	2.0	1.0
S&P 500 % New 6 month lows	0.0	0.2	0.4	1.4	0.2	1.2	1.0	0.6
Nasdaq 100 % New 6 month lows	1.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0

Equities - S&P 500 Daily

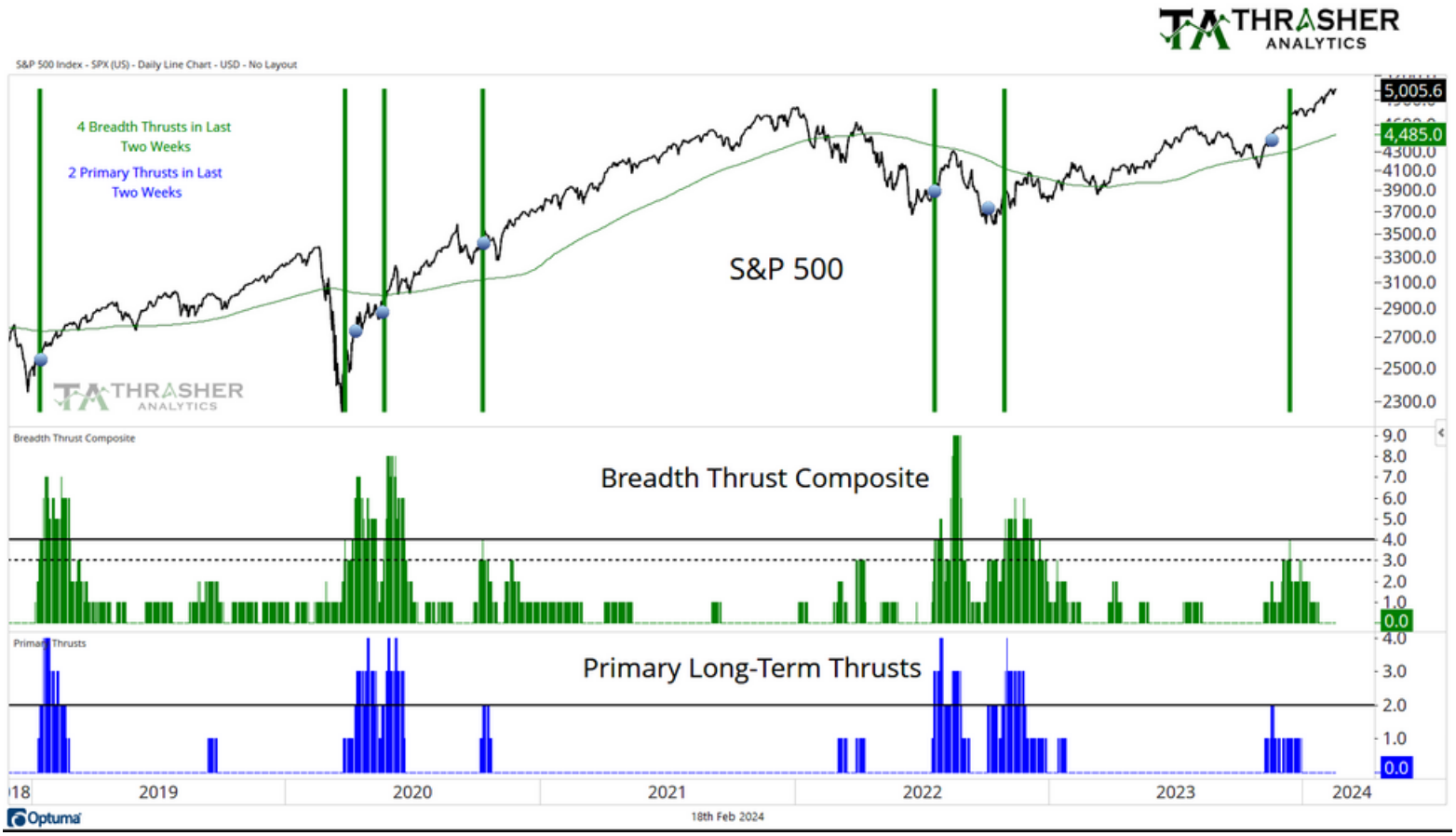
The 20-day moving average continues to be short-term support for the S&P 500. I referenced this in a recent Bloomberg interview which I also discussed the 13% spread between the Index and its long-term average that I've shown a few times recent in this letter. Until this short-term average breaks, the bulls remain in somewhat control. Momentum has once again dipped back under 70 with last week's gap down in the majority of large cap stocks and the index itself.



Equities - Breadth Thrusts

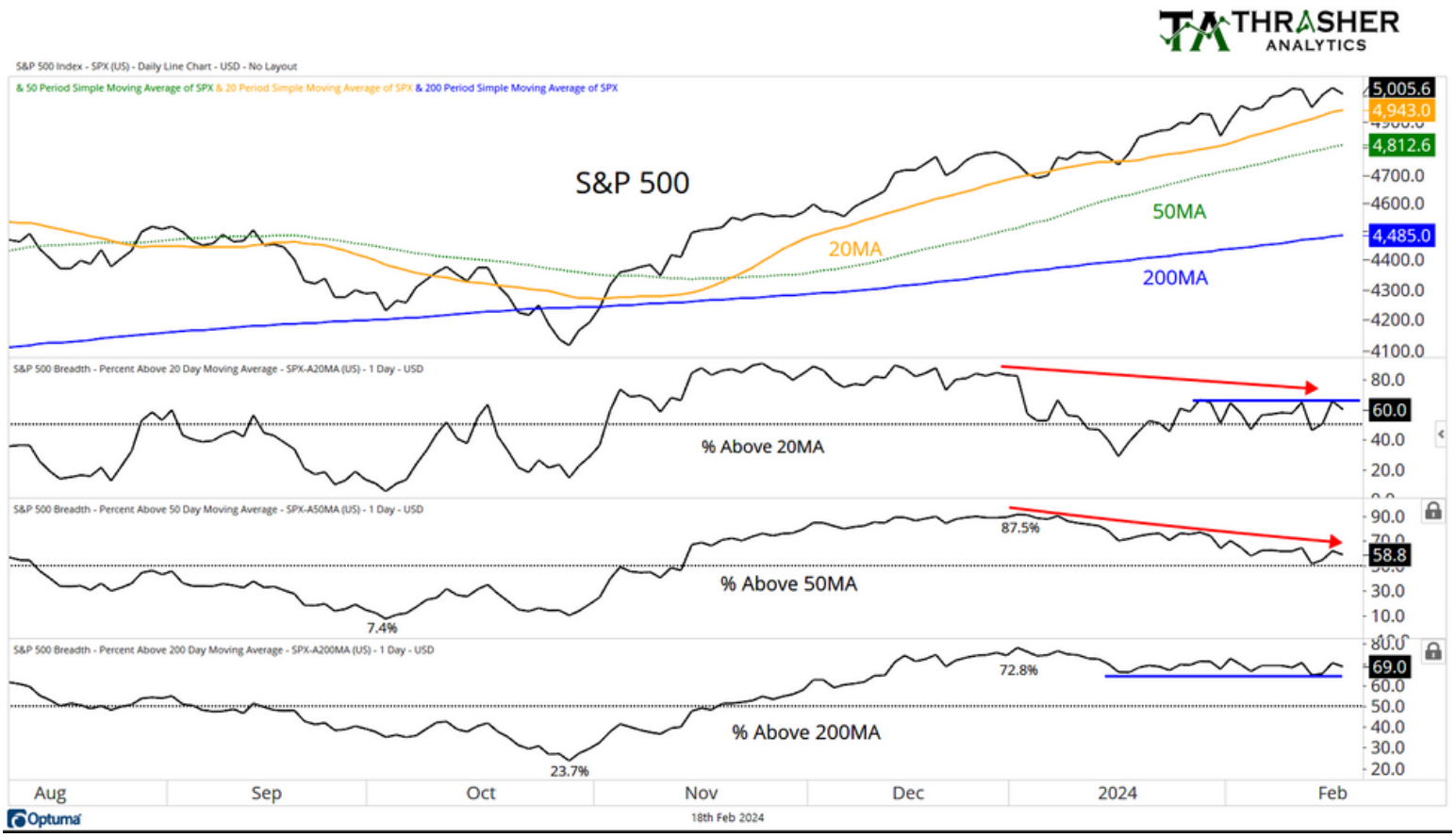
I've added an add'l section of the breadth thrust composite chart, titled Primary Long-Term Thrusts. These are the handful of thrusts that are in the original composite that have the best track record and only have the highest bar to clear to signal. The original composite is still what 'feeds' the breadth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

Thrust count is at 0.



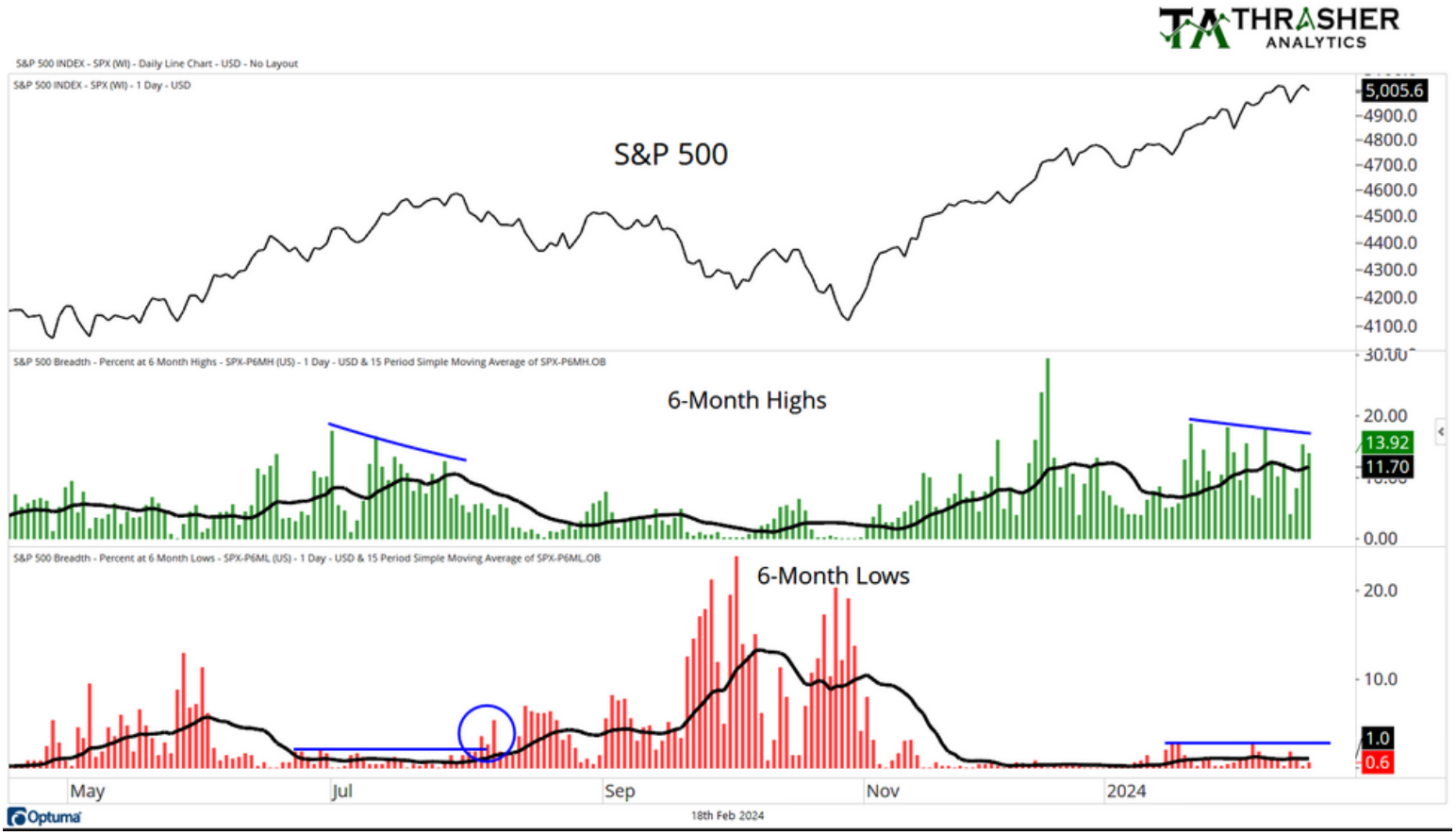
Equities - MA Breadth

Breadth data based on moving averages remains relatively positive, as the three major averages are still above 50% (most stocks are above) but we remain well off the highs set in December '23. While watching the new lost lists closing (more later in the letter), I'm also keeping a close eye on the % above the 200-day MA which is holding firm above 60%. Until we start seeing stocks break lower, setting new intermediate new lows and also a break under 60% of stocks above their long-term average, it's very tough for bears to get a large enough grip to move the broad market lower.



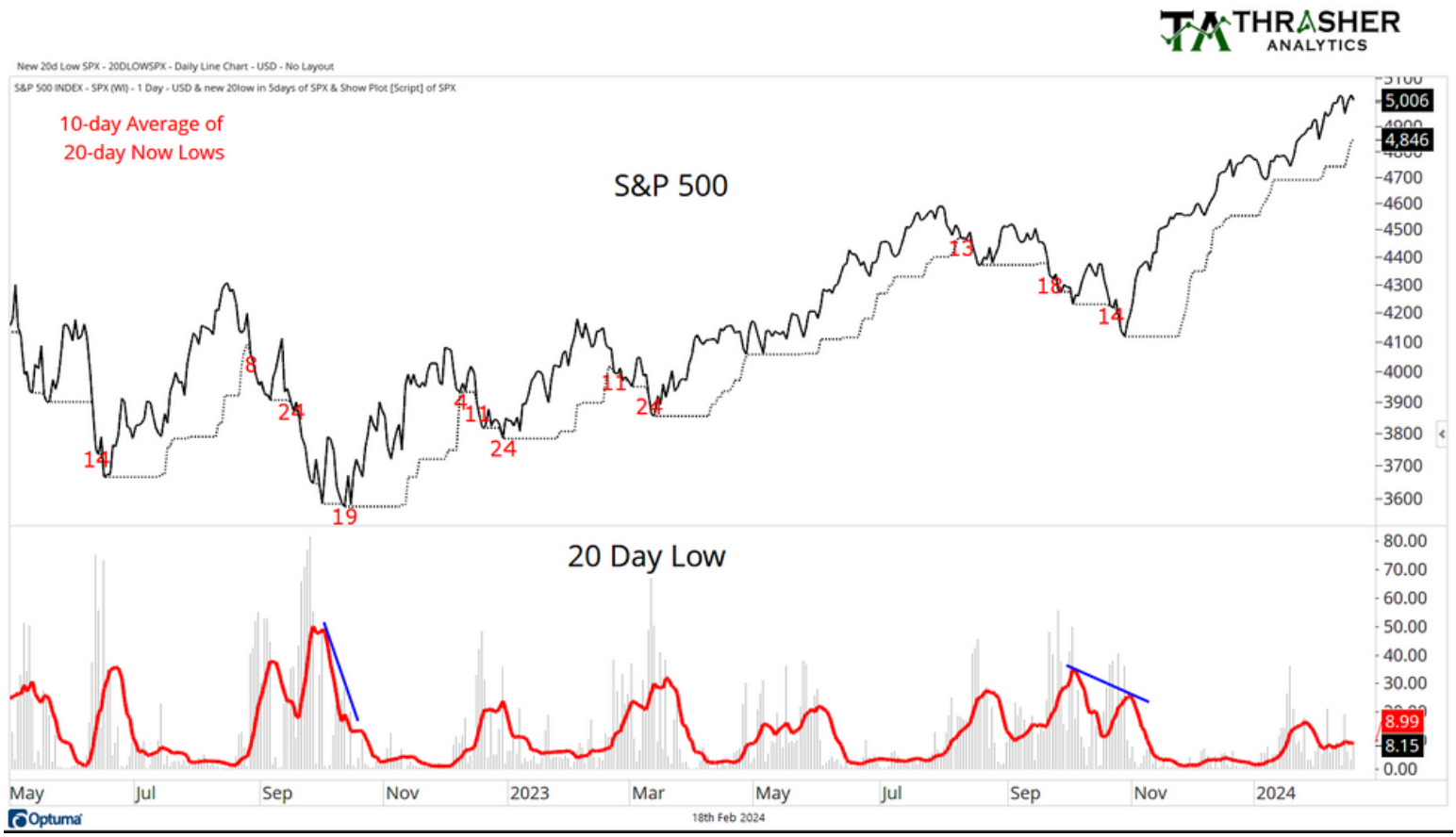
Equities - 6-month Highs/Lows

Here's the fork in the road the equity market has hit. We have the divergence in new highs but a lack of new lows. We saw the same type of setup develop last summer that resulted in a 10% drawdown. This doesn't *have* to be the result, but it was back then so we'll use it as the example today. We had 6-month highs peak in late June/early July and drift lower until the market peaked a month later. While the new high list was diverging, we didn't get a pickup in new lows the Index had moved lower by about 2% in early August and then we saw a 'breakout' in the new low list with the most new 6-month lows in several months. Again, this happened when the Index itself had decline just a couple of percent. Right now, the 15-day average of new lows is at 1%, basically zero. I'm watching for a new 2024 new high in this data to give a better chance that bears could get the Index trending lower.



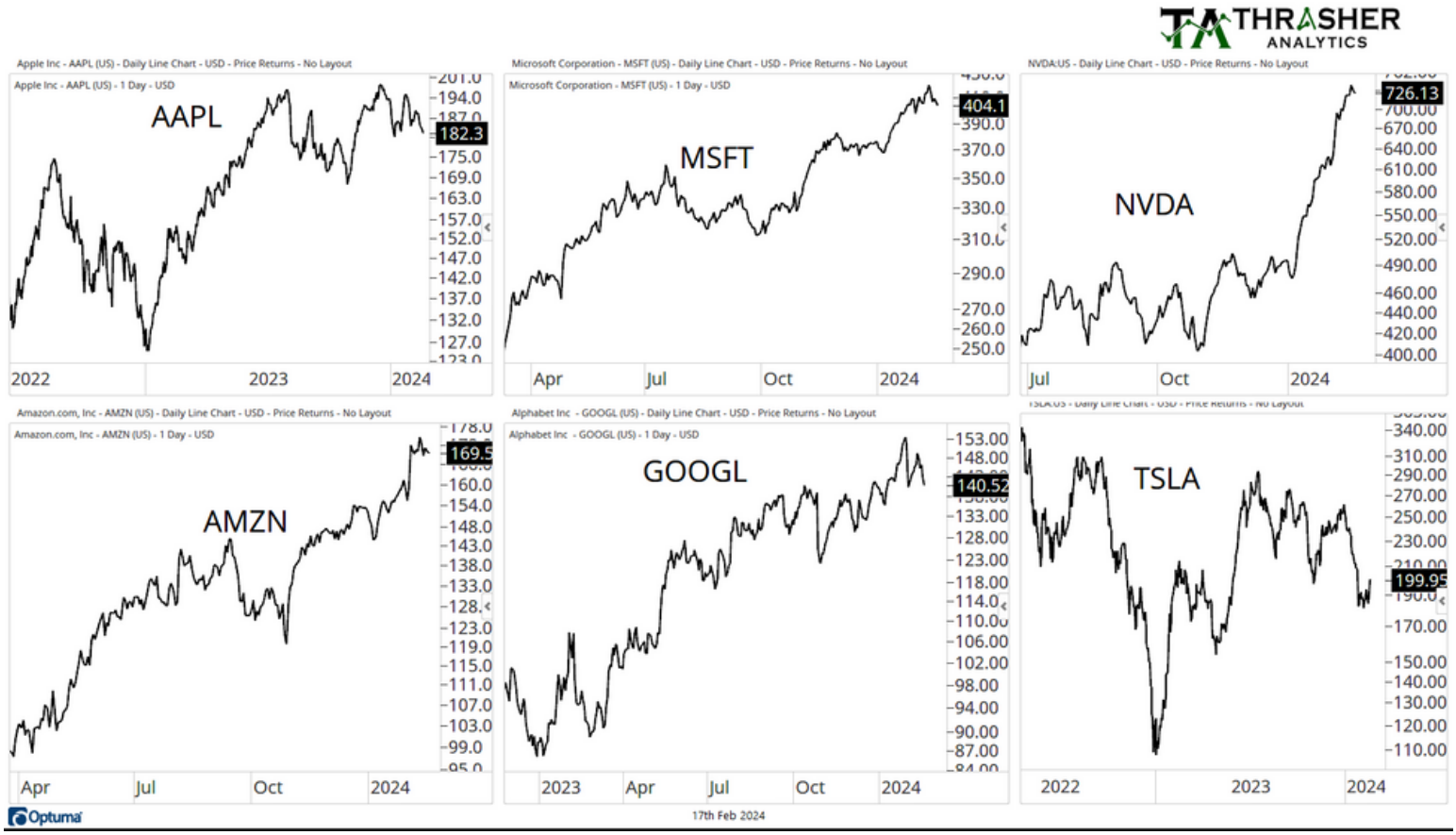
Equities - 20-day Low

Along the same theme as the prior chart, here we have the new 20-day low data. We can see the bullish divergence last year as a lower-low in 20-day lows shows selling exhaustion, we went from 18% to 14% of stocks making a fresh low and a few days later the Index bottomed. Fast forward to today, we don't have a major pick up in this data, less than 10% of stocks (smoothed by 2 weeks) are making new 20-day lows. Like the 6-month low list on the prior page, the 20-day low list will need to start showing an up trend to suggest a breakdown in the trends of individual stocks. It hasn't happened yet, but that doesn't mean it can't.



Equities - Leadership

Here's six of the market leaders. The names everyone recognizes, AAPLE, MSFT, NVDA, AMZN, GOOGL, AND TSLA. These were the stocks that have helped drive the broad market higher and account for the lions' share of the YTD contributive gains. The concern here is, several are starting to weaken. Apple is starting to make some lower-highs, Google is off its 2024 high, Tesla has been in a down trend since mid-2023. It's now down to NVDA, AMZN, and MSFT to keep the bull train moving. While we could also see rotation in strength, the problem is the size of these stocks in their weighting. They account for too much of the SPX to simply have some other names step forward as leaders while these stocks turn into down trends and it not be 'felt' by the large cap index.

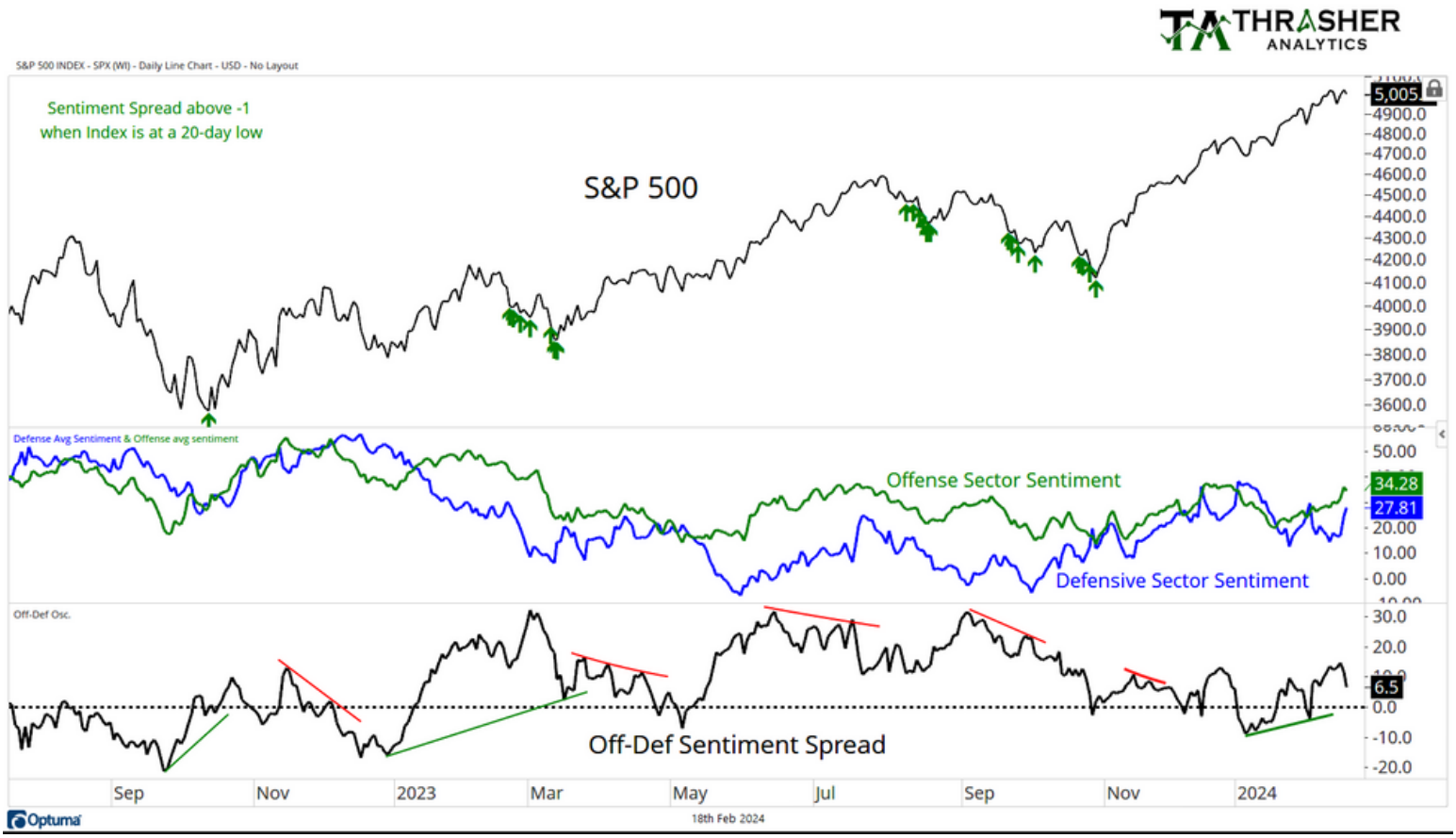


Equities - Outperformance

Speaking of the other 490+ stocks that also make up the S&P 500. Here's an updated look at the 20-day average of outperformance by large cap stocks. I last noticed that this indicator had drifted to prior major inflection points that had led to several up trends in the relative performance of the equal weight SPX (RSP) vs. the cap weighted (SPY). We started to see a very small tick up in this ratio last week and the Outperformance indicator also moved higher. This is a positive sign for RSP but you'll note when RSP has rallied in these instances in the recent past, the Index has had some short-term struggles.

Equities - Sector Sentiment

The Offense-Defense Sentiment Spread moved lower last week with an uptick in Defensive Sector Sentiment.



ETF Fund Flow

Below is a table with fund flow data through Thursday of last week.

THRASHER ANALYTICS

Daily - ETF Flows - Fund Flows Layout

Name	Ticker	Net Flows YTD	Net Flows 1 Month	Net Flows 3 Month	1 Month Flow % of AUM
– Bond ETFs					
iShares 7-10 Year Treasury Bond ETF	IEF	939,730,873	664,336,034	-330,710,450	2.38%
iShares 10-20 Year Treasury Bond ETF	TLH	211,338,040	146,210,433	13,679,763	1.88%
iShares 20+ Year Treasury Bond ETF	TLT	801,629,499	876,833,256	4,682,889,545	1.77%
iShares 3-7 Year Treasury Bond ETF	IEI	441,917,885	161,594,467	68,085,531	1.22%
iShares TIPS Bond ETF	TIP	105,653,875	30,165,058	-1,820,880,363	0.16%
iShares 1-3 Year Treasury Bond ETF	SHY	-367,301,011	-195,622,915	-2,219,742,022	-0.77%
iShares iBoxx $ Investment Grade Corporate Bond ETF	LQD	2,542,818,142	-2,974,584,605	1,789,392,685	-8.96%
– SPDR Equity ETFs					
SPDR Consumer Discretionary Select Sector Fund ETF	XLY	521,529,614	1,199,373,302	1,815,773,463	5.93%
SPDR Real Estate Select Sector Fund ETF	XLRE	349,235,714	144,152,208	963,819,753	2.45%
SPDR Technology Select Sector Fund ETF	XLK	909,477,391	961,568,531	2,876,161,362	1.53%
SPDR Industrial Select Sector Fund ETF	XLI	550,481,784	171,894,207	398,169,745	1.03%
SPDR Communication Services Select Sector ETF	XLC	-330,783,743	143,332,379	891,440,820	0.81%
SPDR Financial Select Sector Fund ETF	XLF	946,254,018	270,687,989	2,240,943,658	0.73%
SPDR Health Care Select Sector Fund ETF	XLV	681,079,739	-200,509,589	-360,520,751	-0.17%
SPDR Energy Select Sector Fund ETF	XLE	-1,391,962,316	-901,343,070	-2,665,958,277	-2.54%
SPDR Consumer Staples Select Sector Fund ETF	XLP	-620,760,841	-395,263,699	-1,379,871,582	-2.66%
SPDR S&P 500 ETF	SPY	-31,900,712,218	-13,250,211,129	17,352,245,081	-2.69%
SPDR Utilities Select Sector Fund ETF	XLU	-1,479,710,688	-1,653,831,331	-1,142,964,666	-13.46%
SPDR Materials Select Sector Fund ETF	XLB	-477,590,129	-831,325,258	-815,610,564	-17.16%

Sector - Performance

THRASHER ANALYTICS

Daily - Performance - No Layout

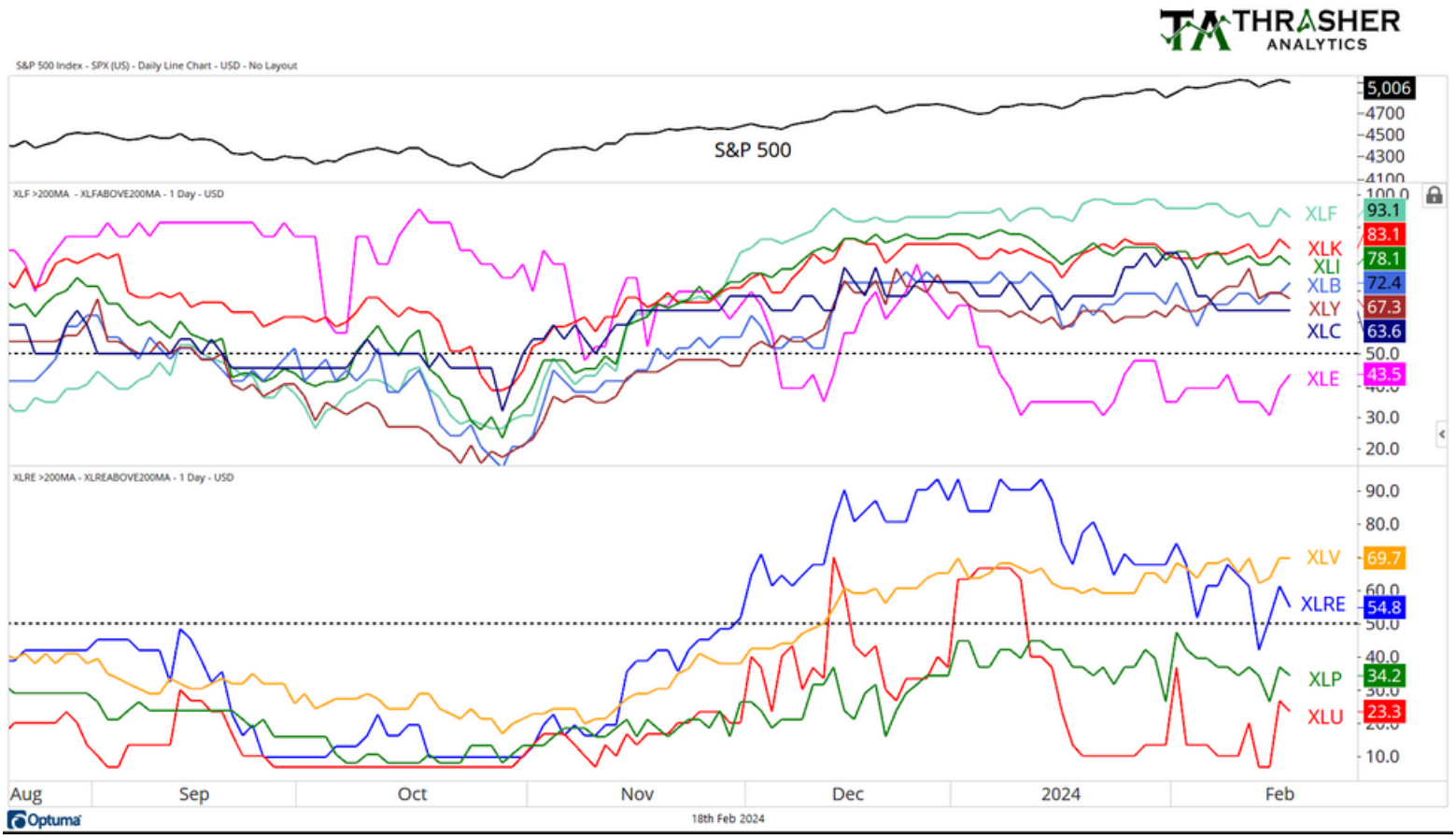
Ticker	Name	2024	YTD Rel% to SPX	1W %	1M %	3M%	6M%	% from 52Wk High	% from 52Wk Low	% From 20MA	% From 50MA	% From 200MA
– Index			AVG: -2.19%					AVG: 1.53%	AVG: 29.96%		AVG: 3.15%	
SML	S&P SmallCap 600 Index	-1.01%	-5.67%	1.29%	3.81%	12.64%	8.00%	3.01%	22.48%	1.62%	2.11%	8.76%
MID	S&P Midcap 400 Index	1.68%	-3.11%	0.71%	4.33%	12.43%	8.60%	1.04%	21.78%	1.79%	3.08%	9.29%
DJI	Dow Jones Industrial Average	2.49%	-2.34%	-0.11%	3.39%	10.54%	11.11%	0.77%	22.90%	0.61%	2.47%	10.26%
SPX	S&P 500 INDEX	4.94%	0.00%	-0.42%	5.03%	11.03%	13.65%	0.85%	31.42%	1.27%	4.09%	11.74%
NDY	NASDAQ 100 Index	5.11%	0.16%	-1.54%	5.08%	11.70%	18.89%	1.97%	51.22%	0.52%	3.99%	14.38%
– Sectors			AVG: -2.50%					AVG: 3.90%	AVG: 25.65%		AVG: 2.50%	
XLE	SPDR Energy Select Sector Fund ETF	2.06%	-2.74%	2.71%	6.02%	3.16%	-1.53%	8.66%	13.56%	2.42%	2.68%	1.26%
XLB	SPDR Materials Select Sector Fund ETF	-0.43%	-5.12%	2.44%	3.25%	6.30%	5.15%	1.31%	14.58%	2.68%	1.92%	5.17%
XLU	SPDR Utilities Select Sector Fund ETF	-3.32%	-7.87%	1.59%	-2.24%	-1.43%	-3.27%	12.88%	11.79%	0.58%	-1.92%	-3.40%
XLF	SPDR Financial Select Sector Fund ETF	5.40%	0.44%	1.41%	6.13%	13.78%	16.01%	0.55%	30.40%	1.94%	4.48%	13.94%
XLV	SPDR Health Care Select Sector Fund ETF	6.78%	1.75%	1.12%	4.25%	13.31%	8.23%	0.67%	18.79%	2.45%	4.89%	9.54%
XLI	SPDR Industrial Select Sector Fund ETF	3.54%	-1.33%	0.92%	6.35%	12.47%	10.37%	0.70%	23.99%	2.33%	4.21%	11.01%
XLP	SPDR Consumer Staples Select Sector Fund ETF	1.74%	-3.06%	0.23%	1.22%	5.32%	-0.25%	5.83%	12.43%	0.20%	1.38%	1.53%
XLRE	SPDR Real Estate Select Sector Fund ETF	-4.27%	-8.78%	-0.16%	-2.42%	6.50%	5.47%	5.89%	19.88%	0.06%	-1.47%	3.95%
XLC	SPDR Communication Services Select Sector ETF	8.66%	3.54%	-0.28%	7.58%	12.66%	19.24%	1.83%	53.69%	1.16%	5.93%	16.13%
XLY	SPDR Consumer Discretionary Select Sector Fund	0.12%	-4.60%	-0.49%	3.03%	7.82%	7.95%	1.74%	31.91%	1.88%	1.72%	7.56%
XLK	SPDR Technology Select Sector Fund ETF	5.24%	0.29%	-2.54%	5.11%	10.59%	21.82%	2.83%	51.08%	-0.22%	3.67%	15.07%

Sector - Relative Strength

Below is a look at each sector's relative performance trend against the S&P 500.

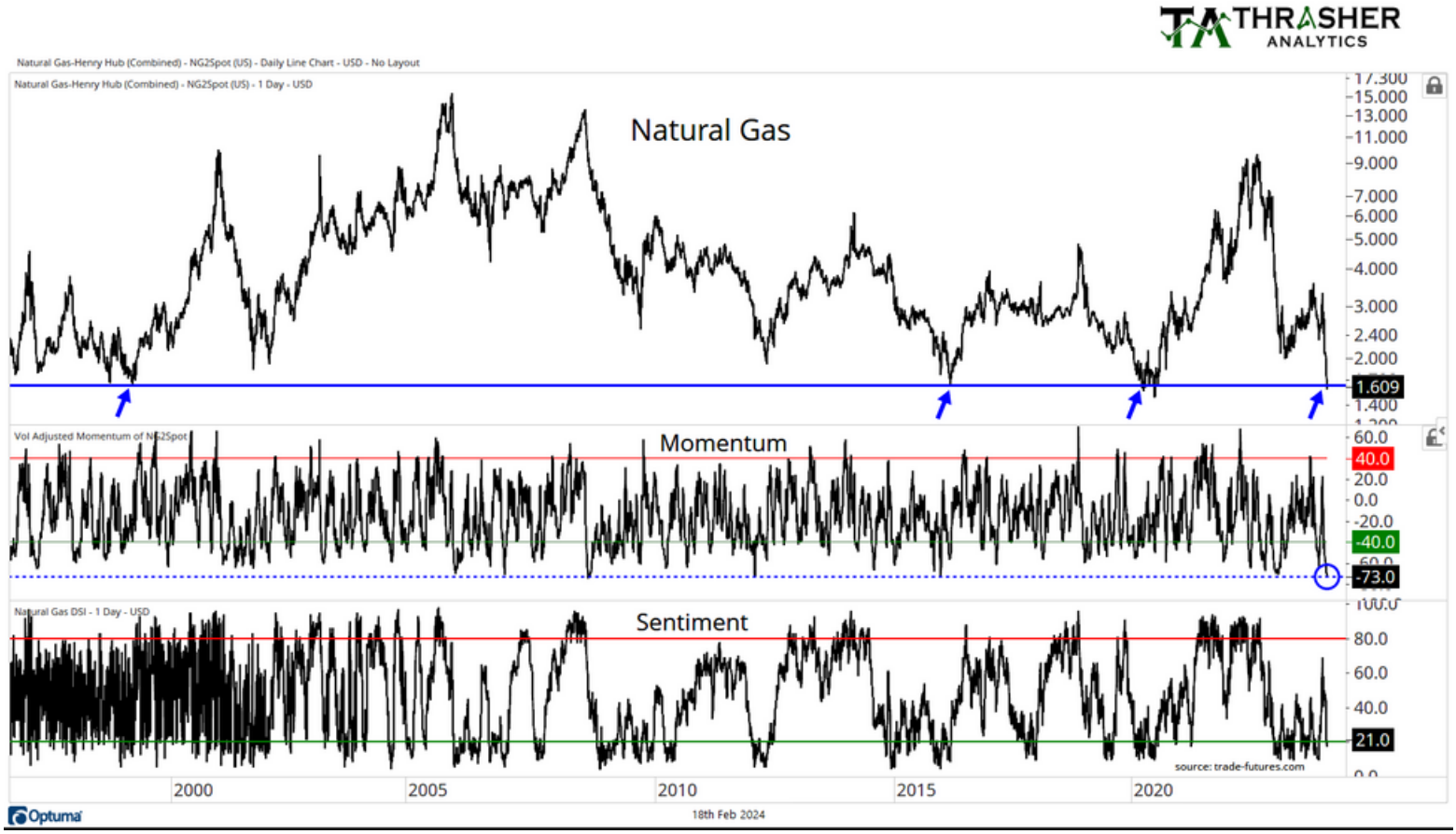
Sector - Breadth 200-MA

No major changes to sector breadth last week, slight uptick in XLB, rising above XLY.



Commodity - Natural Gas

Last week I shared the chart of the CRACK Spead which had begun rising, which was bullish for crude oil. This week we'll look at natural gas. Futures are now back at a major historical low. This was where price bottomed back in March 1999 as well as March 2016, March 2020 and it's where we find nat gas today. Notice anything about the above dates? They all saw a bottom form in March. The 2020 instance saw price consolidate until June before the move higher but price began forming the low in March. It's really interesting that we once again find natural gas at this same price and it's almost March. Looking at Volatility Adjusted Momentum, this is the lowest level it's been since 2008. We got close to this level in January '12 and December '15, each were the first low before price made its final bottom at slightly lower levels (in the '15 occurrence, the March '16 was the final bottom). So, clearly momentum is 'oversold' at these levels. Now what about sentiment, the Daily Sentiment Index (DSI) is at 21% bullish, higher than its prior 2024 low, creating a slight bullish divergence.



Daily Sentiment Index

Daily - DSI - No Layout

Code	History	% Bullish	5-day MA
Corn DSI		10	11
Wheat DSI		15	25
VIX DSI		15	18
Yen DSI		16	16
Soybean DSI		16	14
Palladium DSI		21	18
Natural Gas DSI		21	19
Platinum DSI		26	22
Lumber DSI		26	21
Swiss Franc DSI		37	36
Euro DSI		40	36
Australian Dollar DSI		43	38
10Y DSI		44	50
5YR DSI		47	50
Sugar DSI		51	51
Lean Hog DSI		51	41
New Zealand Dollar DSI		53	51
EuroDollar DSI		53	55
British Pound DSI		53	53

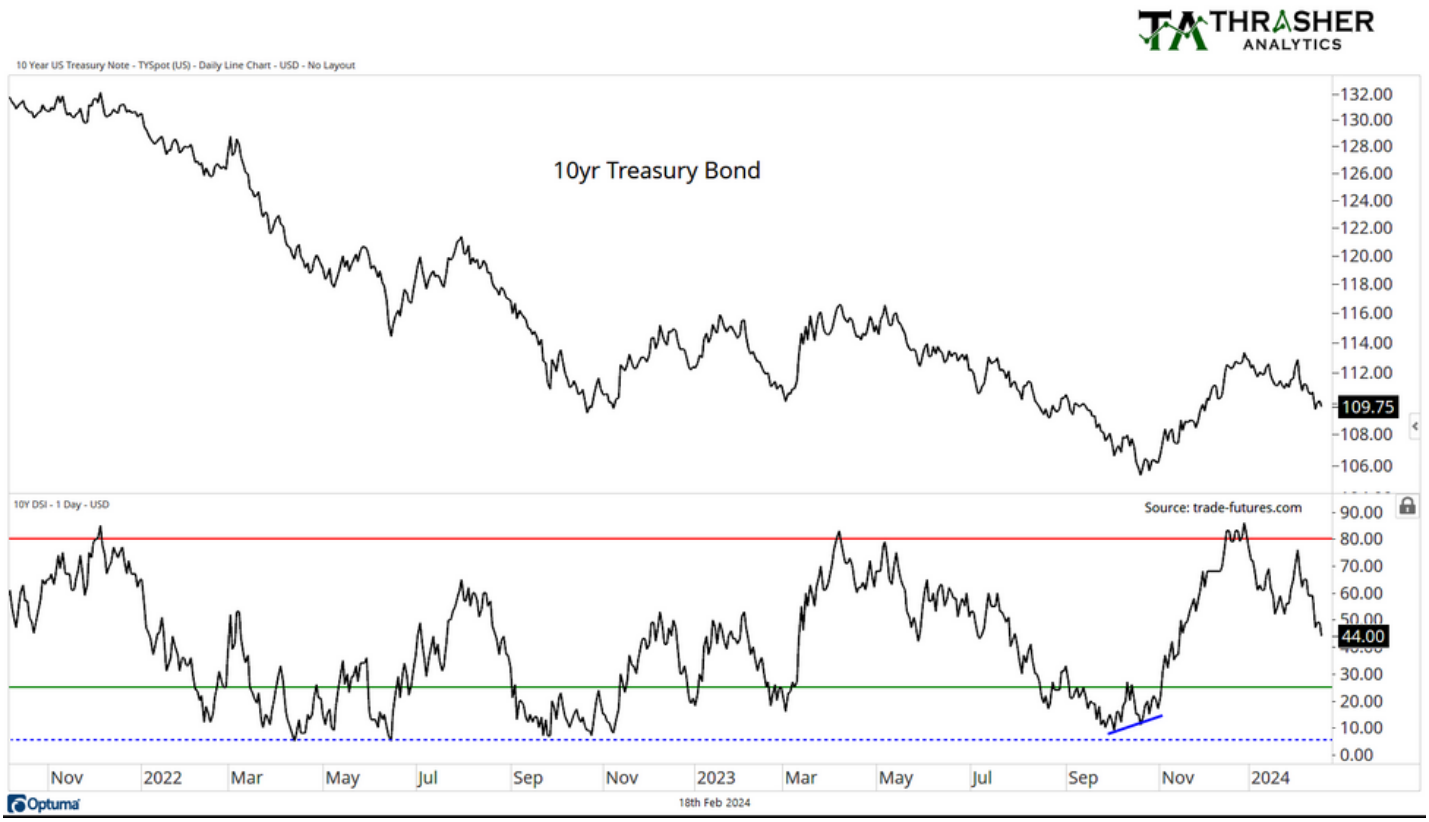
Daily - DSI - No Layout

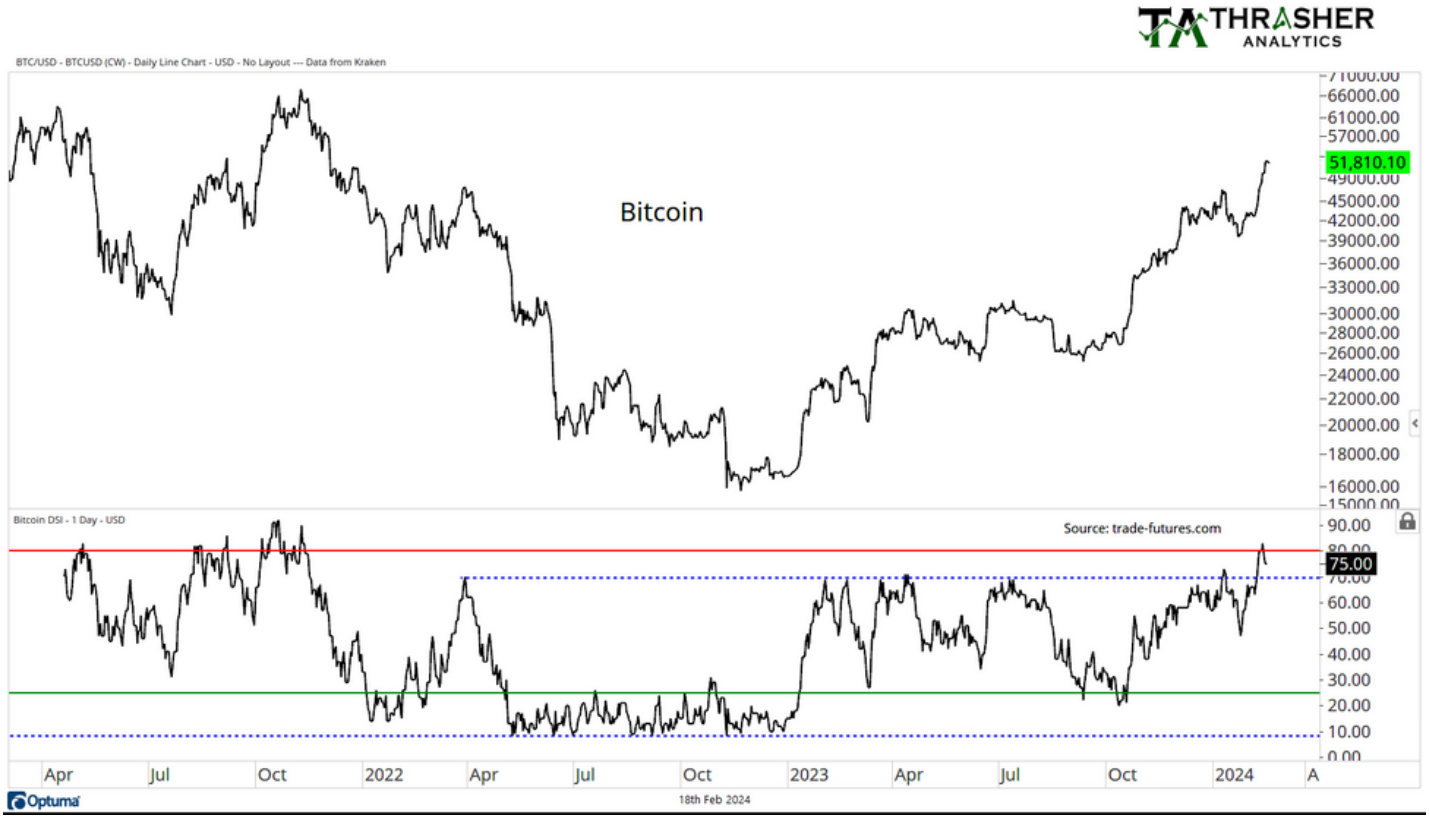
Code	History	% Bullish	5-day MA
Silver DSI		59	49
Orange Juice DSI		60	57
Gold DSI		60	56
Coffee DSI		60	60
Copper DSI		62	55
Nasdaq DSI		66	68
Heating Oil DSI		67	69
Cocoa DSI		67	80
Gasoline DSI		68	68
CRB Index DSI		69	66
SPX DSI		70	71
US Dollar DSI		74	75
Bitcoin DSI		75	77
Mexican Peso DSI		77	78
Crude Oil DSI		78	73
Nikkei DSI		79	82
Cotton DSI		83	85
Cattle DSI		85	79

Type Code or Name to add an item to the watchlist

Source: trade-futures.com

Daily Sentiment Index





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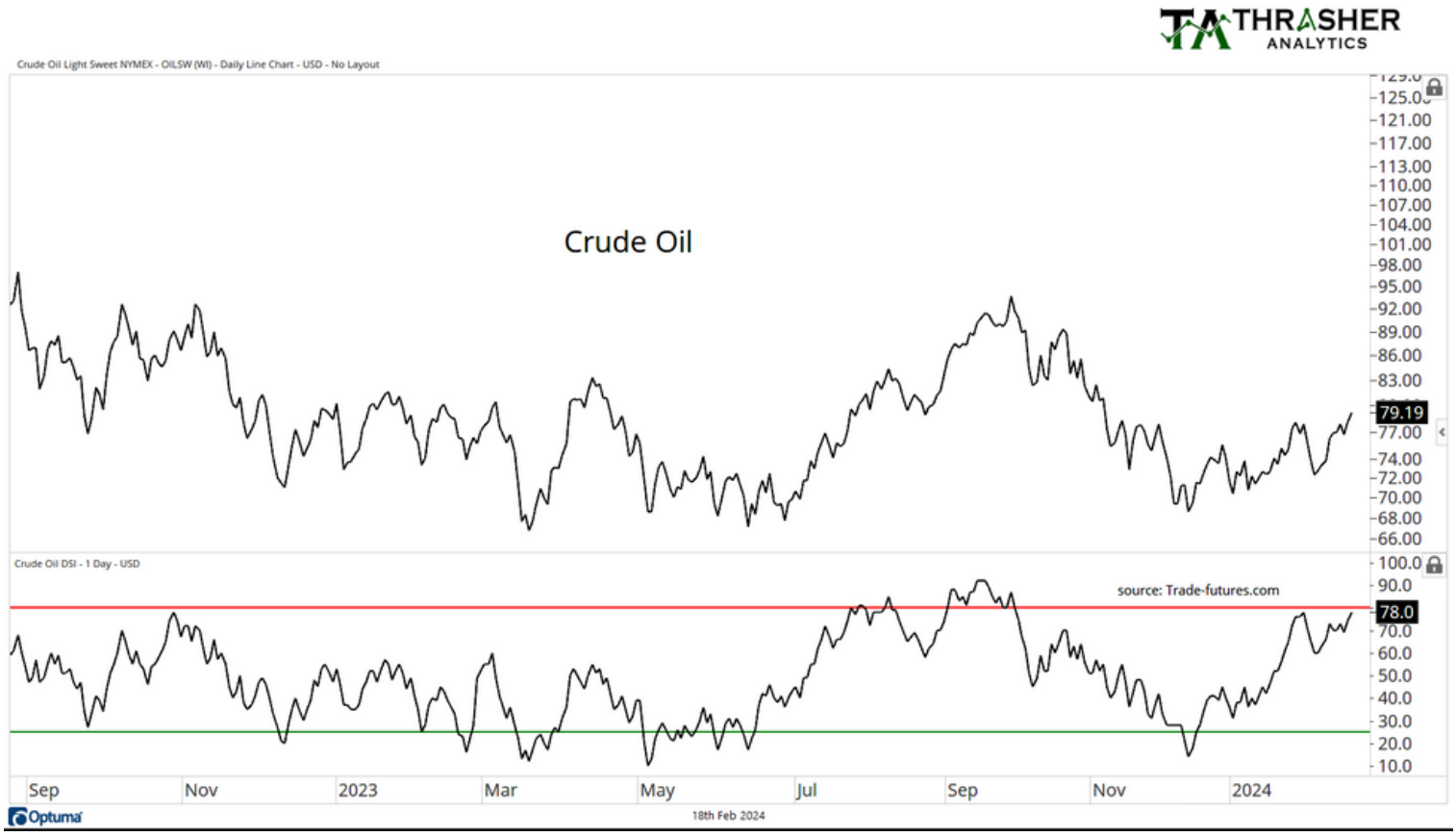

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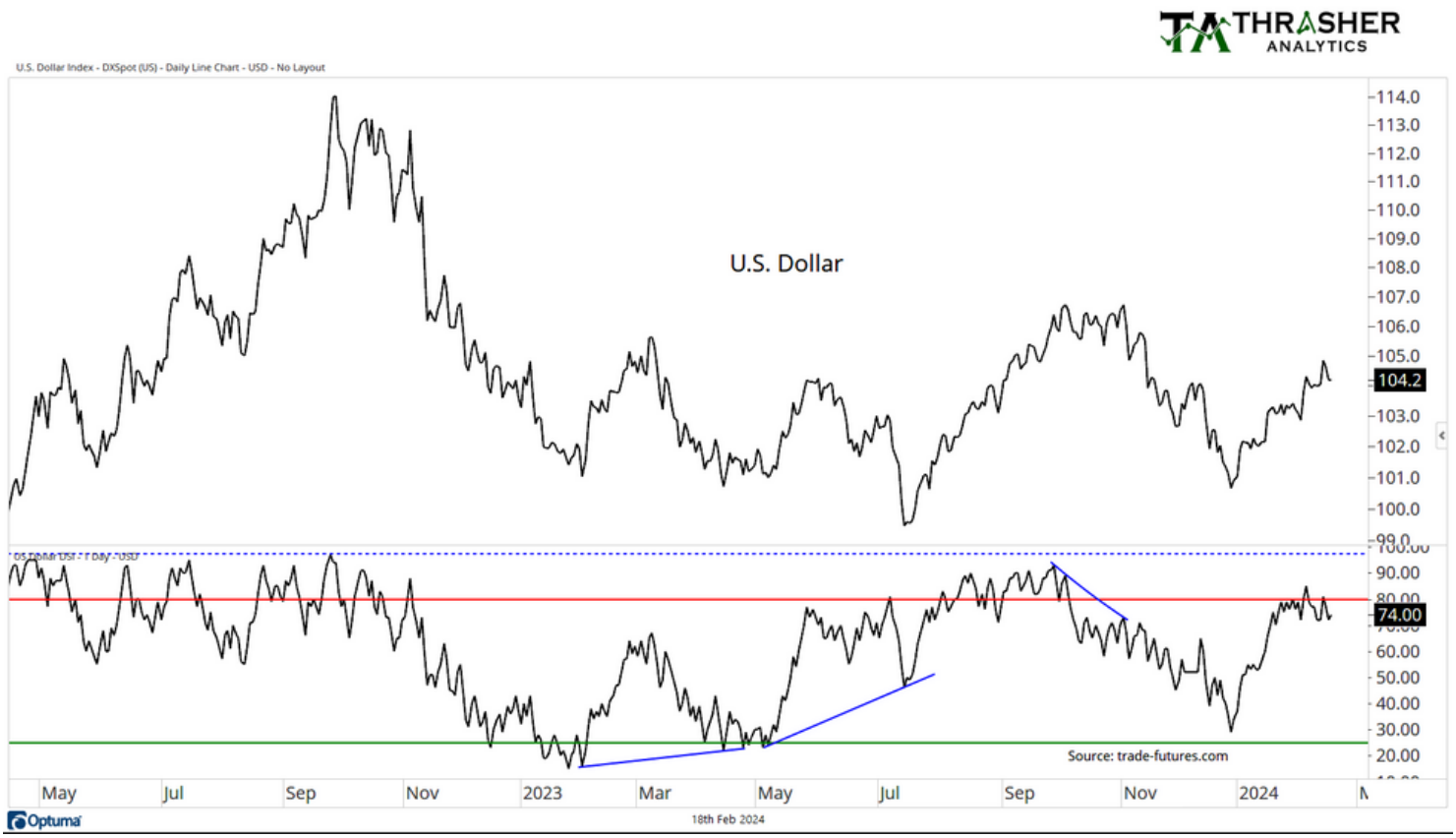
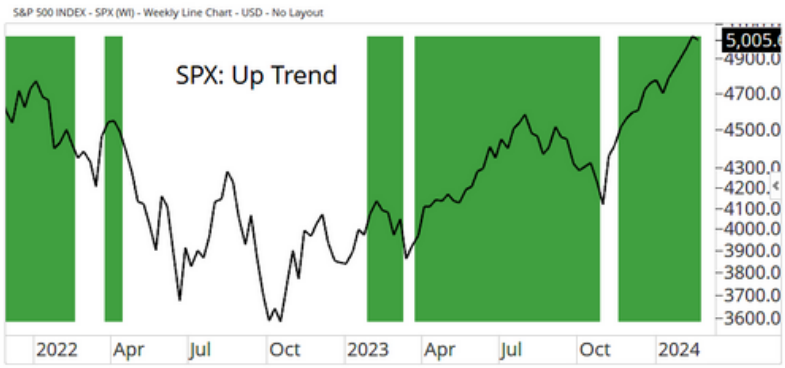
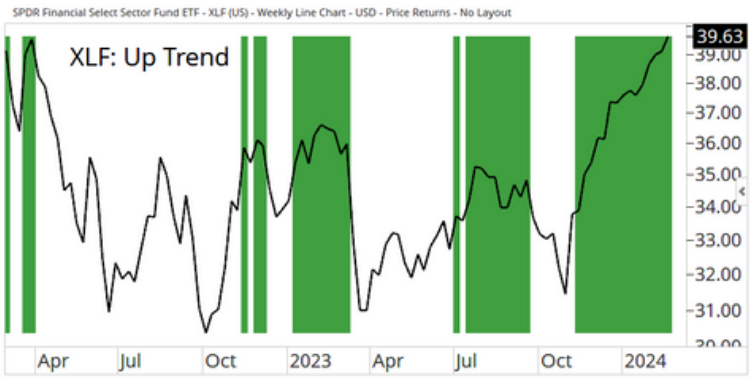


Daily Sentiment Index

Trend Models





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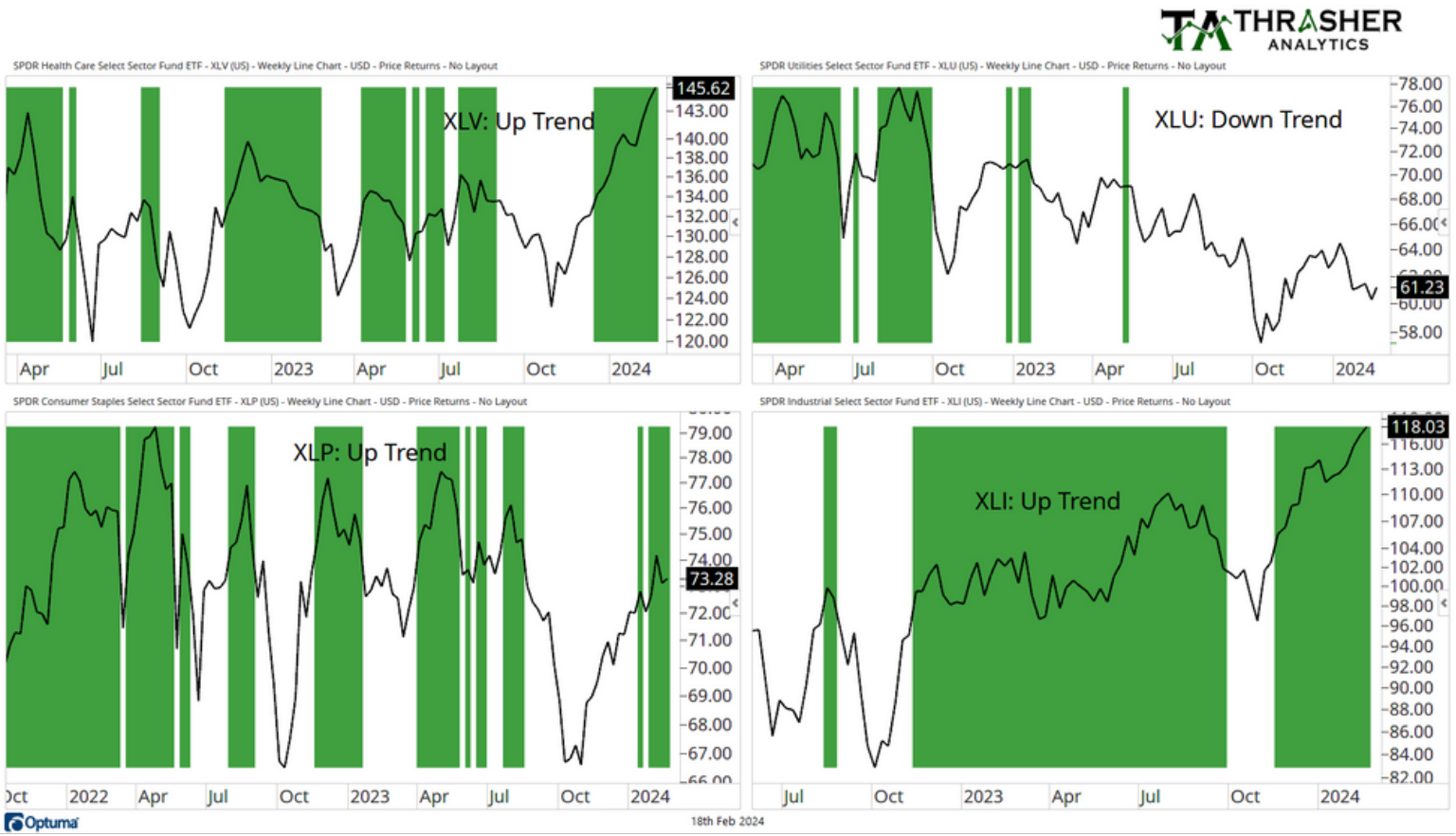

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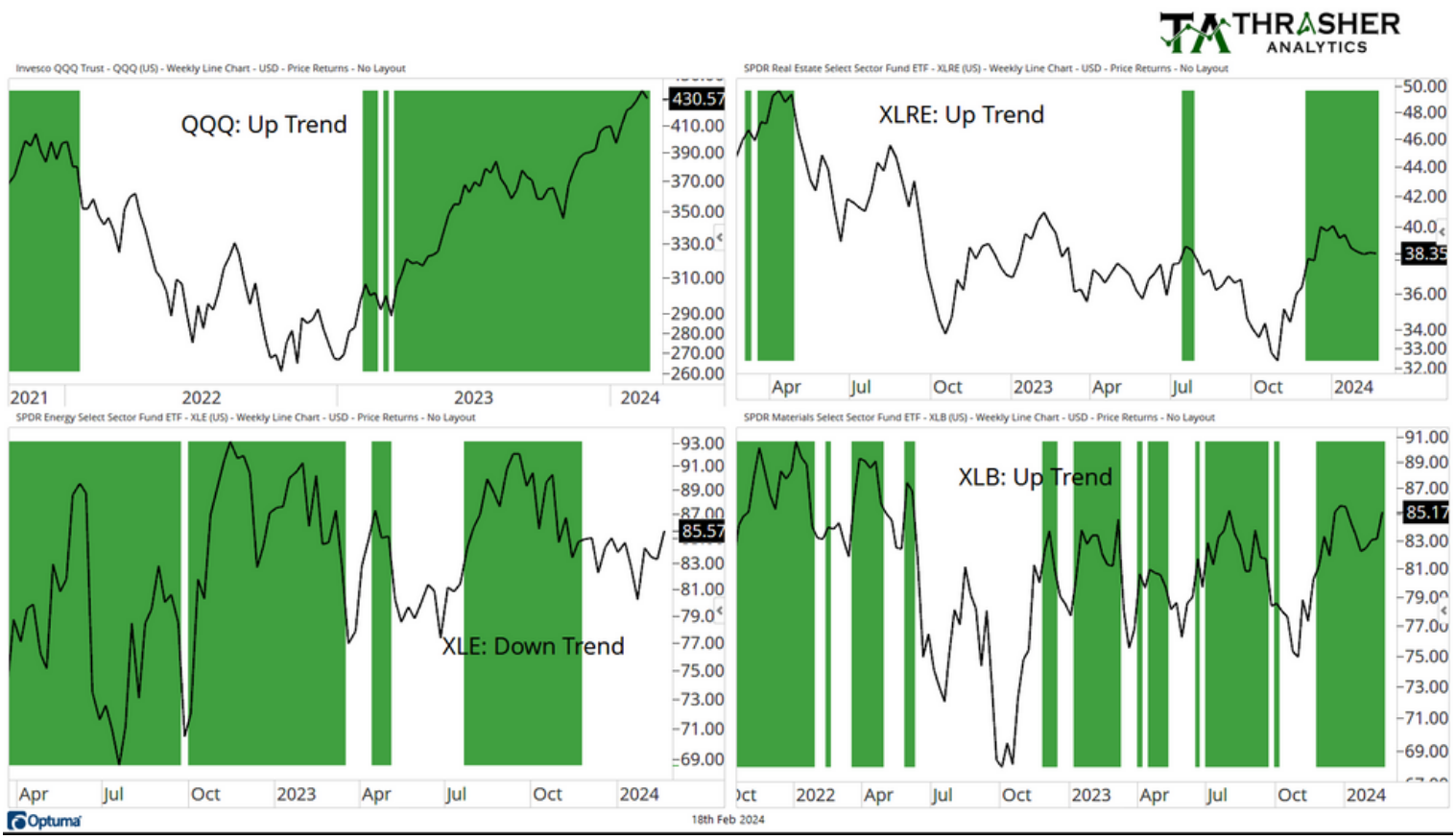

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