

TA THRASHER ANALYTICS

APRIL 21, 2024



WEEKLY RESEARCH & ANALYSIS

BY ANDREW THRASHER, CMT

SUMMARY OF MODELS

| | Current | Wkly Change |
|-------------------------|---------|-------------|
| Maestro Model | 6 | Decreasing |
| Volatility Risk Trigger | 0 | Unchanged |
| Risk Appetite Ratios | 51 | Decreasing |
| S&P 500 Long-Term Trend | Up | Unchanged |

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Volatility

Sector Sentiment

Maestro Model

Equities

Sectors & Commodity

Sentiment

Trend Models

| Sector Rotation: April | |
|------------------------|------|
| Financial | XLFX |
| Technology | XLK |
| Communications | XLC |

| Maestro Model | |
|------------------|----------|
| Trend / Momentum | 5 |
| Sentiment / VIX | -1 |
| Breadth | 1 |
| Economic | 0 |
| Total | 6 |

(Breadth is weighted double in model)

| Index & Sector | | |
|----------------|----------|------------|
| | Up Trend | Down Trend |
| SPX | X | |
| QQQ | X | |
| XLFX | X | |
| XLFX | 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 | 20% | 30% |
| Nasdaq 100 | 24% | 37% |
| Nikkei | 50% | 56% |
| VIX | 49% | 44% |
| 10yr Treasury | 44% | 40% |
| 5yr Treasury | 44% | 42% |
| CRB Index | 77% | 79% |
| Crude Oil | 68% | 72% |
| Gold | 83% | 82% |
| U.S. Dollar | 84% | 87% |
| Bitcoin | 53% | 47% |

*Green<25% Red>80%

source: trade-futures.com

Brief Summary:

The S&P 500 is now down -5.46%, giving us this year's first 5% Canary signal which I address in greater detail in this week's letter. The decline in markets this week was heavily led by the mega caps and predominantly the Mag 7 which are collectively down almost -10%. While we hit new lows on SPX, most stocks did not participate to the same degree in selling. Over 80% of large cap stocks outperformed on Friday and the list of new lows contracted throughout the week, diverging from the Index.

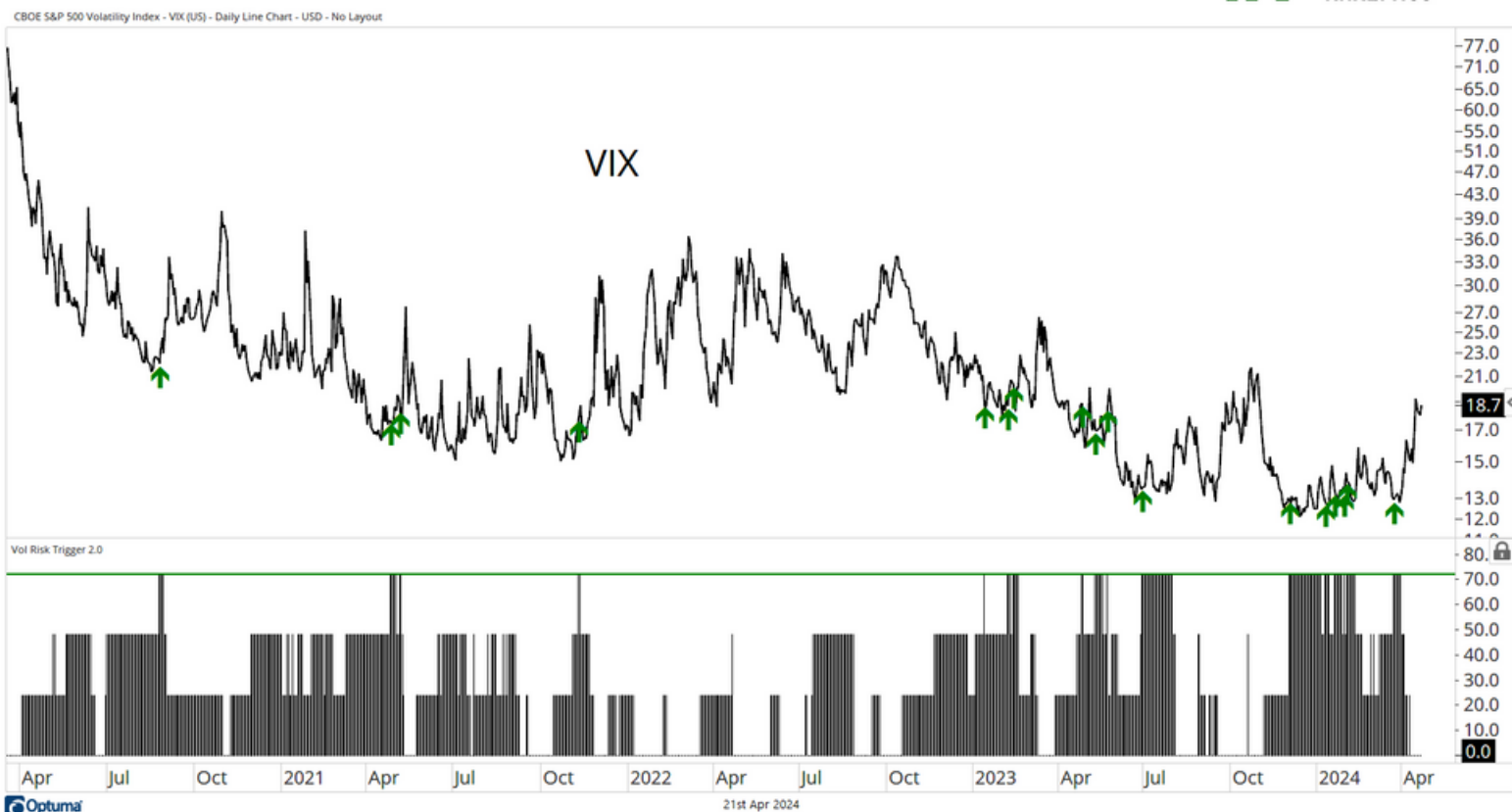
I wrote a special mid-week update last week with the Aggressive and Conservative Peak VIX signals, this week's letter looks at other data that suggests the VIX has peaked at least in the near-term as Commercial Traders unload their positions and sentiment becomes stretched between volatility and equities.

Going forward, I'm looking for some short-term signs that buyers have begun to return, such as strong advance day with 70-80% of stocks moving higher and the SPX recovering its 50-day MA after its now filled the gap from Feb. 22nd.

VOLATILITY: VRT

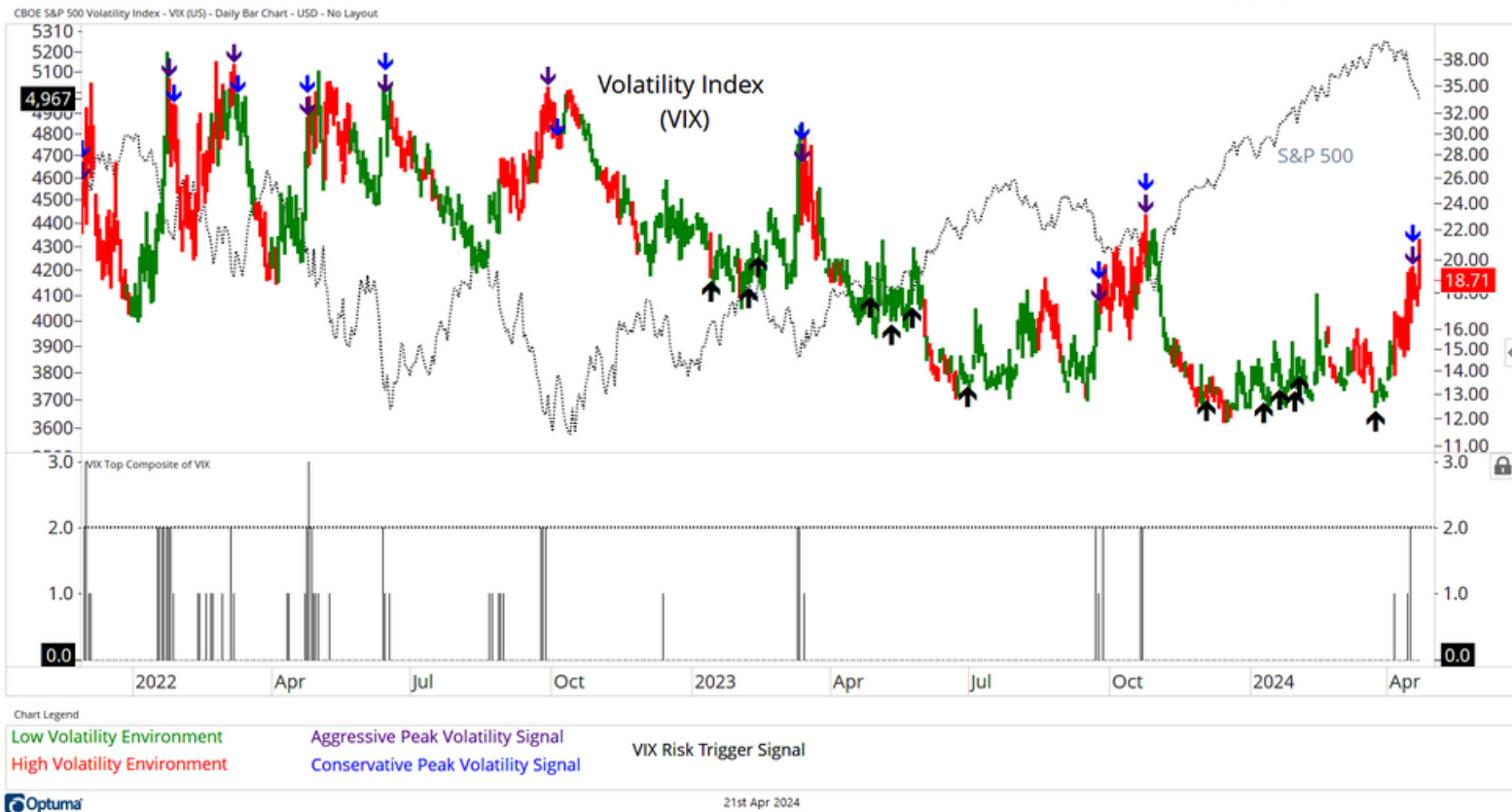


VIX attempted to get higher this week but was unable to hold its break above 21, seeing a large reversal on Friday back below 19. VRT remains at 0.



VOLATILITY: TOP & ENVIRONMENT

VIX Top Composite hit +2 with VIX closing at 19.29, I sent a special update email mid-week when we got the Aggressive/Conservative Top Signals the following day with VIX at 18.40. On Friday VIX has a big reversal from over 21 to under 19.



VOLATILITY - CURVE



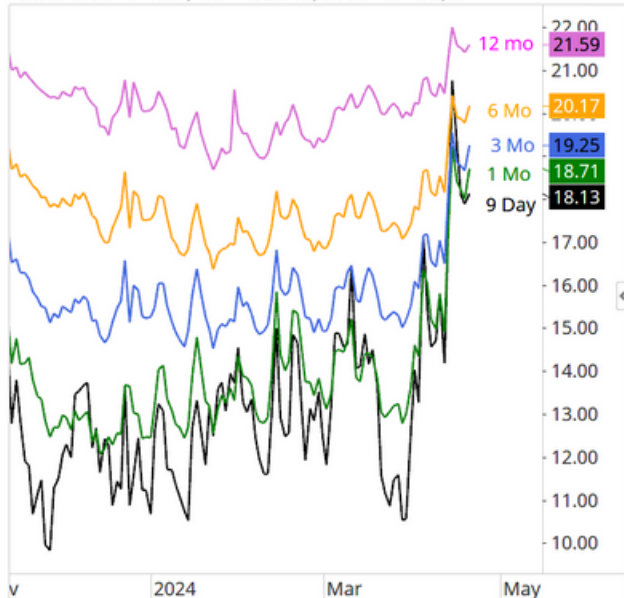
Prior minor inversion has been corrected and no real fear showing up in the futures curve.



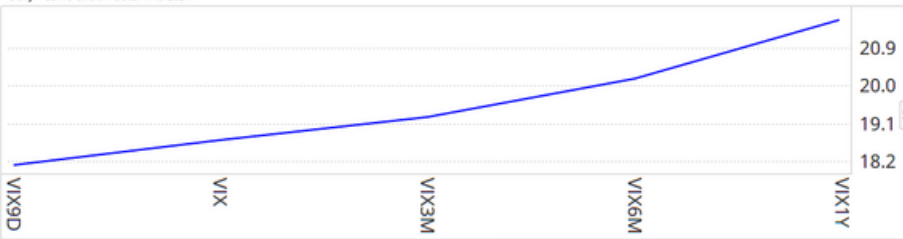
Daily - Watchlist - No Layout

| Name | Ticker | Last | 1yr %Tile |
|--|--------|-------|-----------|
| CBOE S&P 500 Short Term Volatility Index | VIX9D | 18.13 | 0.7137 |
| CBOE S&P 500 Volatility Index | VIX | 18.71 | 0.6888 |
| CBOE S&P 500 3-Month Volatility Index | VIX3M | 19.25 | 0.5733 |
| CBOE Mid-Term Volatility Index | VIX6M | 20.17 | 0.4451 |
| CBOE S&P 500 One-Year Volatility Index | VIX1Y | 21.59 | 0.4205 |

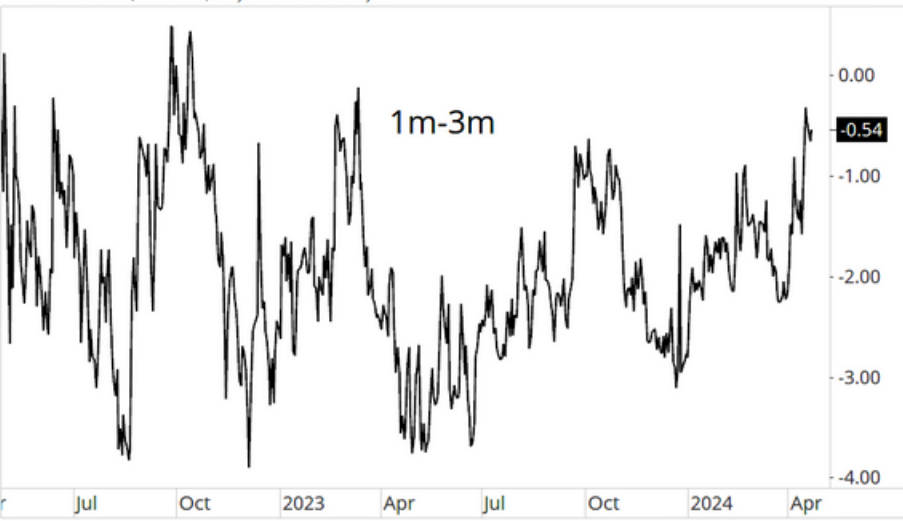
CBOE S&P 500 Short Term Volatility Index - VIX9D (US) - Daily Line Chart - USD - No Layout



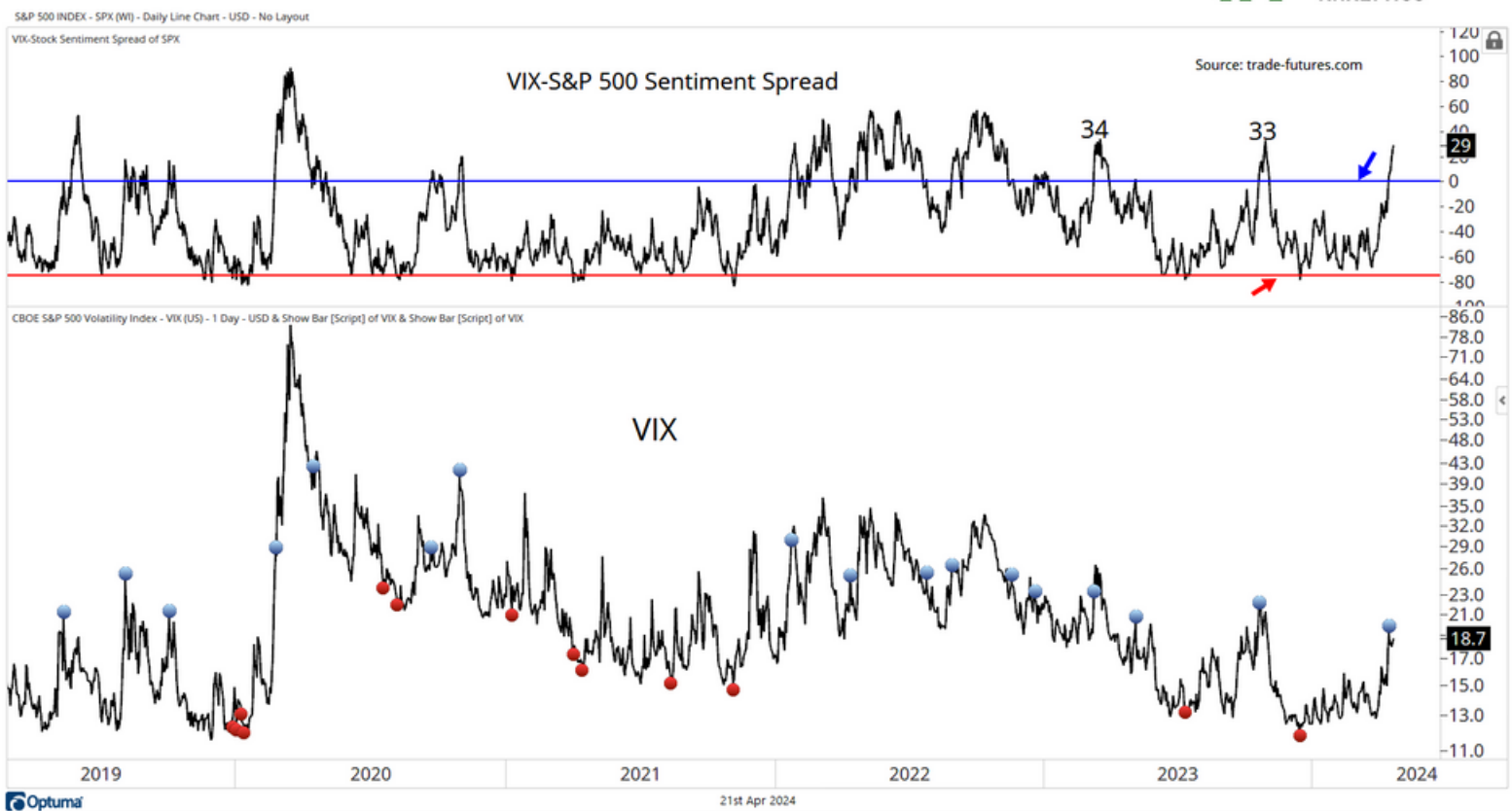
Daily - Curve Chart Date: 4/19/2024



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



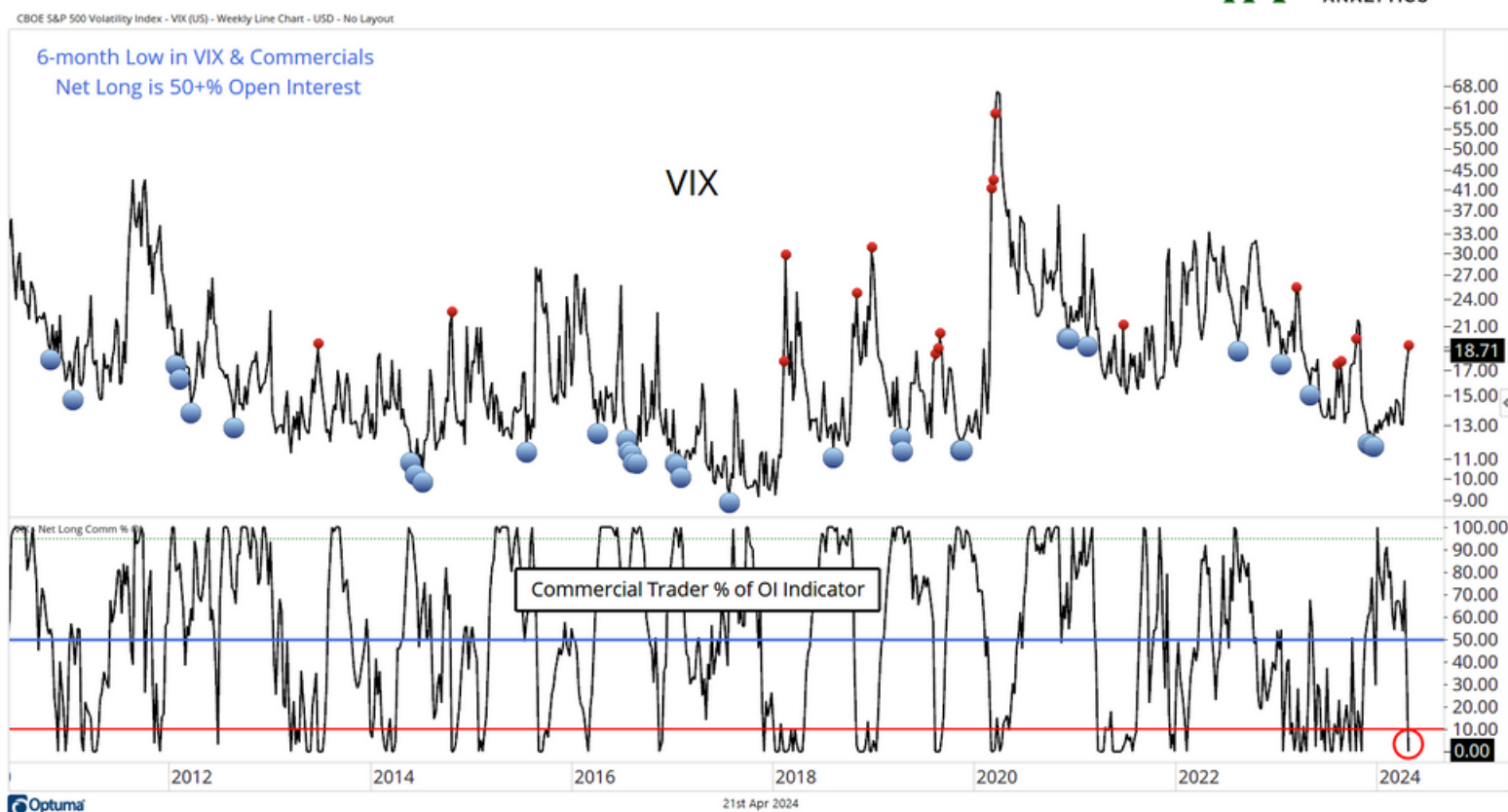
An update from last week on the sentiment spread between equities and volatility. VIX is now 29 points above the S&P 500, suggesting sentiment is stretched and approaching the two most recent peaks of 34 and 33.



VOLATILITY - POSITIONING

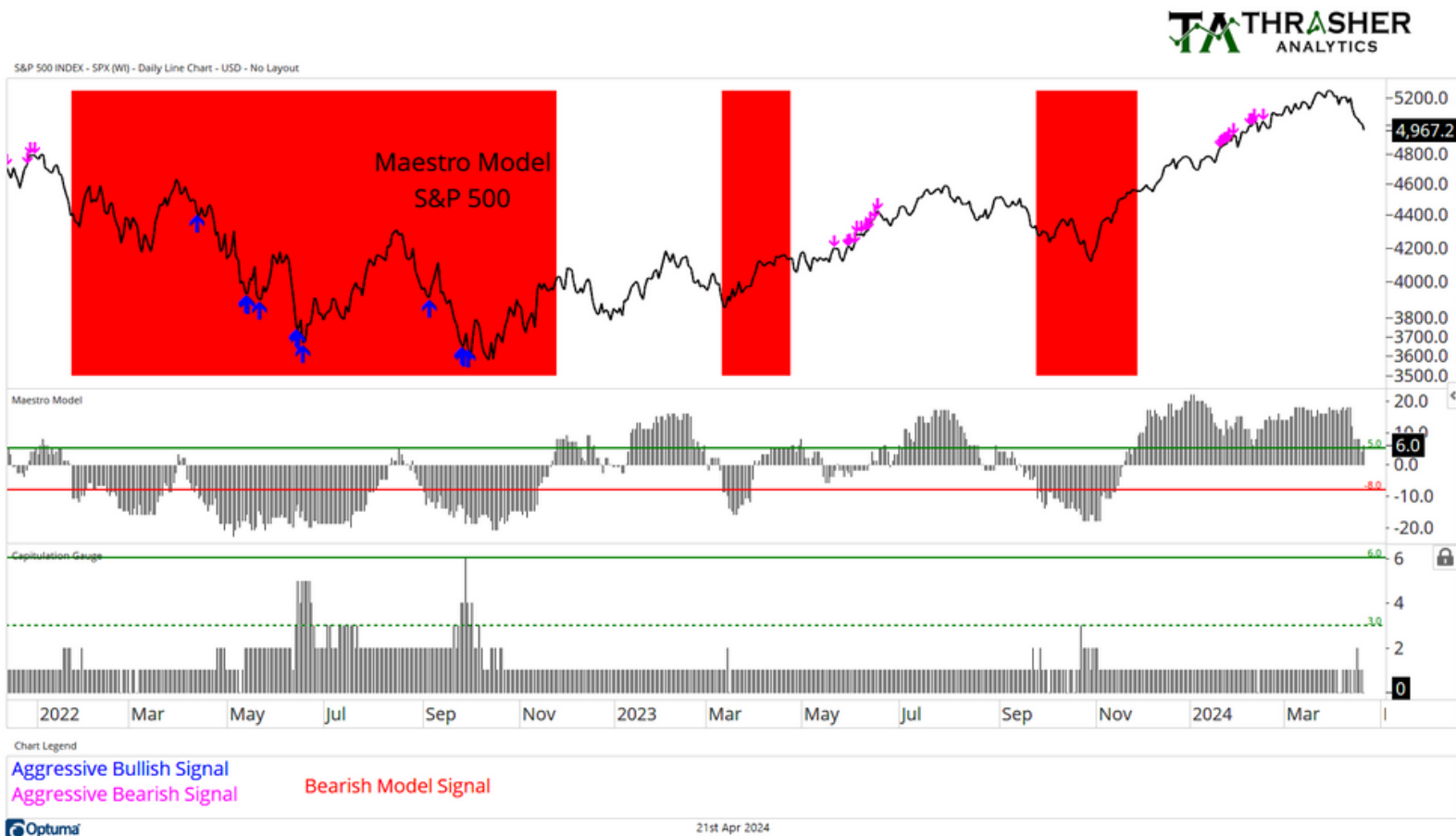


I had shared previously when Commercials owned a huge amount of the open interest in VIX contracts, at one point hitting over 90%. Now that VIX has spiked higher, Commercials have unloaded their exposure, dropping to the 8th percentile and 0% of open interest. Red dots on the chart below show prior occurrences of them owning 0% of OI, often aligning with VIX peaks.



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

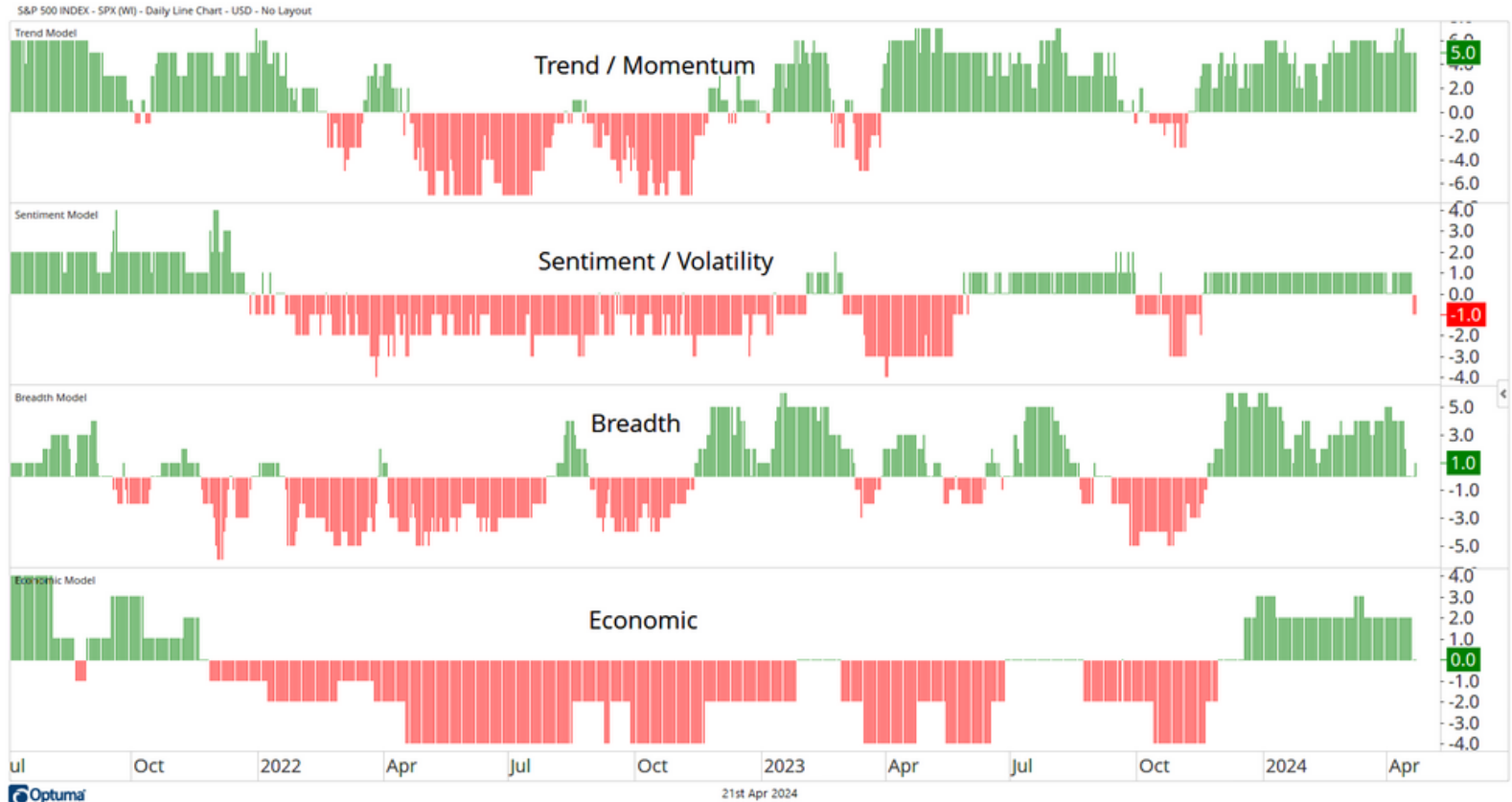
Maestro Model saw a big drop last week, going from +12 to +6 with declines in all four categories.



MAESTRO MODEL - CATEGORIES



All four categories saw declines with Sentiment/VIX going negative and Breadth being 0 at one point mid-week last week, finishing on Friday at just +1.



SENTIMENT SCORE



XLU is now the highest sentiment score and while XLK is the lowest and saw the largest decline, it did get a bullish sentiment signal at the end of last week.



Daily - Watchlist - No Layout



| Sector | Ticker | Sector Sentiment | Change in Score | 1W Perf | 1M Perf | 3M Perf | |
|--|--------|------------------|-----------------|---------|---------|---------|--|
| SPDR Utilities Select Sector Fund ETF | XLU | 0.59 | 0.18 | 1.92% | 2.57% | 7.30% | |
| SPDR Energy Select Sector Fund ETF | XLE | 0.50 | -0.02 | -1.21% | 3.03% | 18.46% | |
| SPDR Materials Select Sector Fund ETF | XLB | 0.49 | 0.05 | -1.07% | -1.86% | 8.18% | |
| SPDR Financial Select Sector Fund ETF | XLF | 0.43 | 0.21 | 0.80% | -1.68% | 6.46% | |
| SPDR Industrial Select Sector Fund ETF | XLI | 0.42 | -0.04 | -1.98% | -2.00% | 7.13% | |
| SPDR Consumer Staples Select Sector Fund ETF | XLP | 0.39 | 0.25 | 1.44% | -1.72% | 3.32% | |
| SPDR Communication Services Select Sector ETF | XLC | 0.31 | -0.01 | -2.29% | -1.49% | 6.20% | |
| SPDR Health Care Select Sector Fund ETF | XLV | 0.25 | 0.17 | 0.03% | -4.69% | -0.37% | |
| SPDR Consumer Discretionary Select Sector Fund ETF | XLY | 0.14 | -0.13 | -4.15% | -5.99% | -2.93% | |
| SPDR Real Estate Select Sector Fund ETF | XLRE | 0.11 | -0.09 | -3.65% | -7.45% | -7.29% | |
| SPDR Technology Select Sector Fund ETF | XLK | 0.02 | -0.14 | -6.27% | -7.16% | -3.82% | |

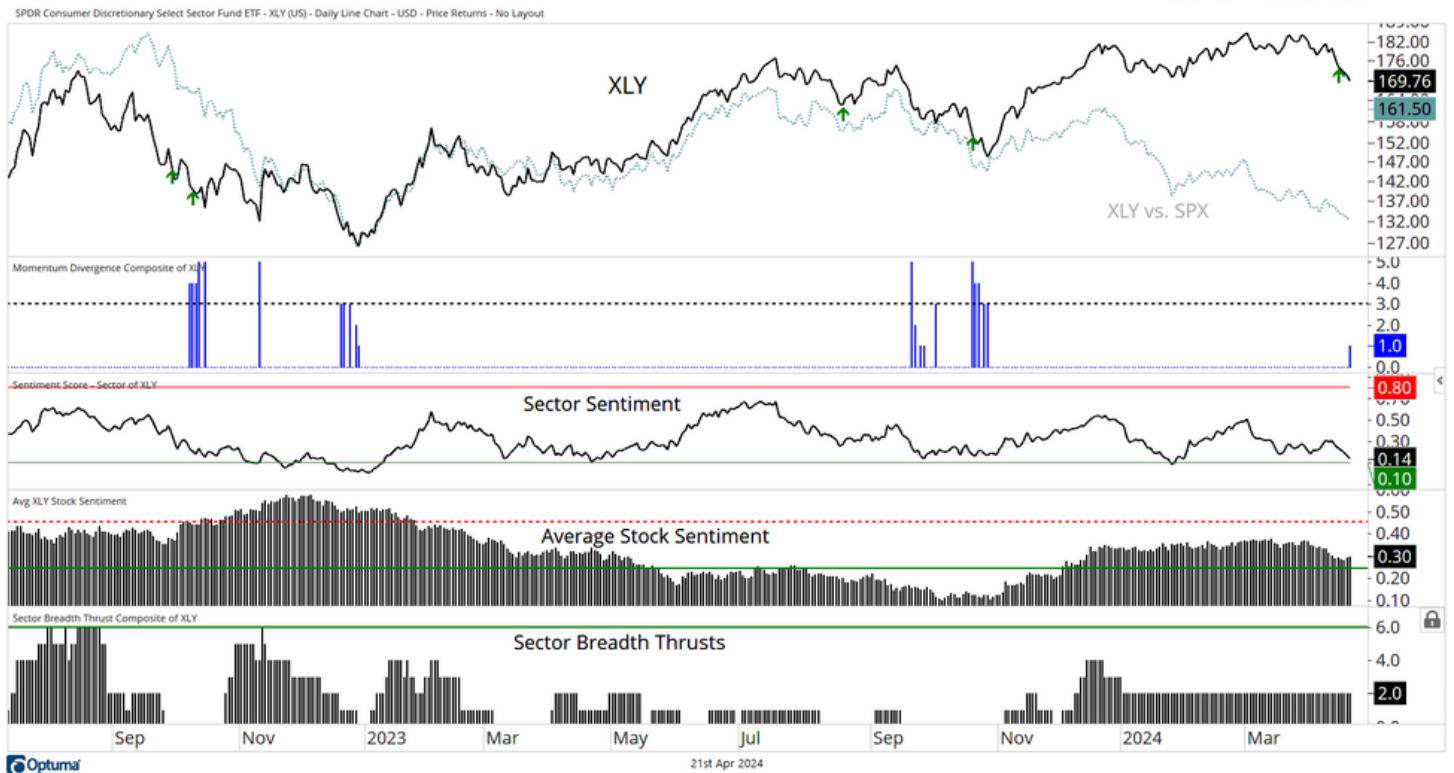
SENTIMENT SCORE: XLF & XLY



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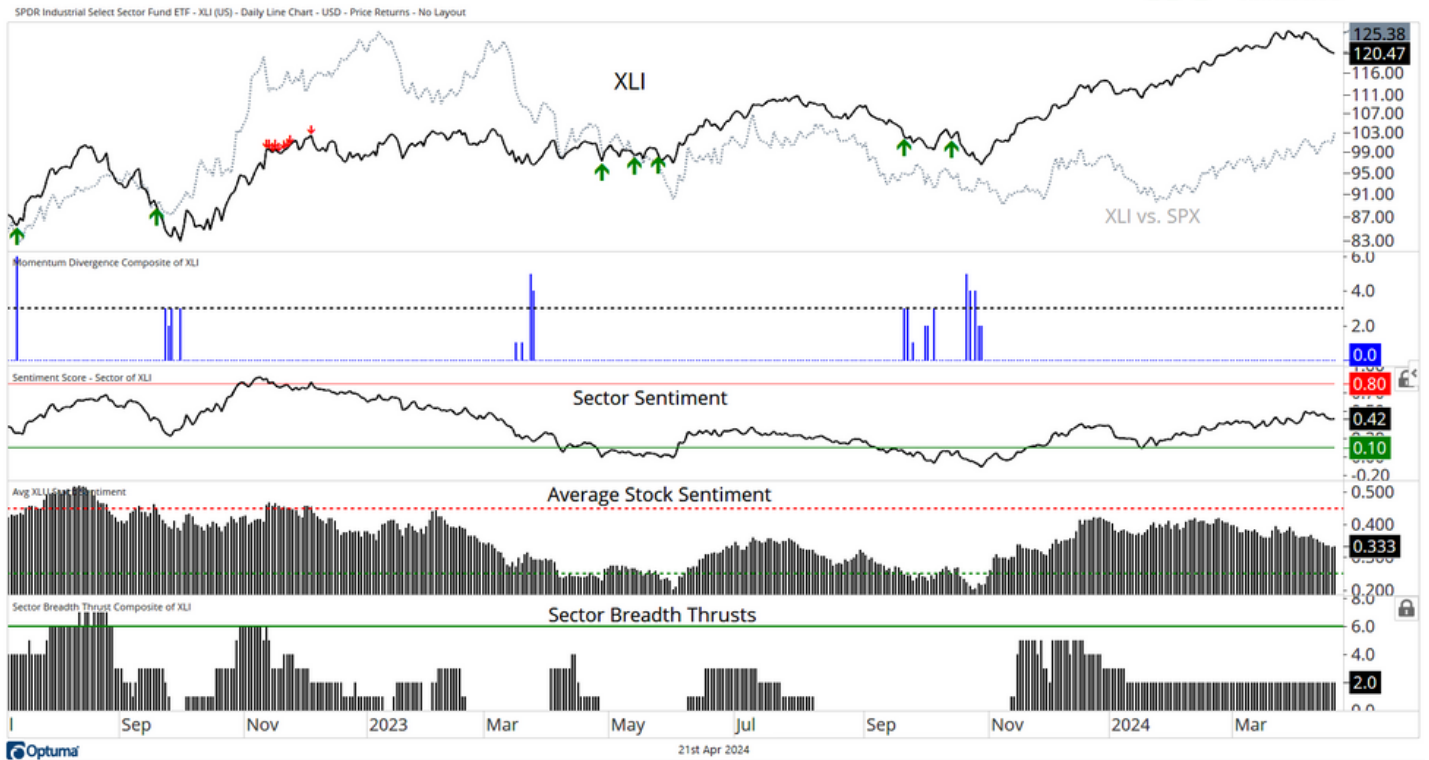
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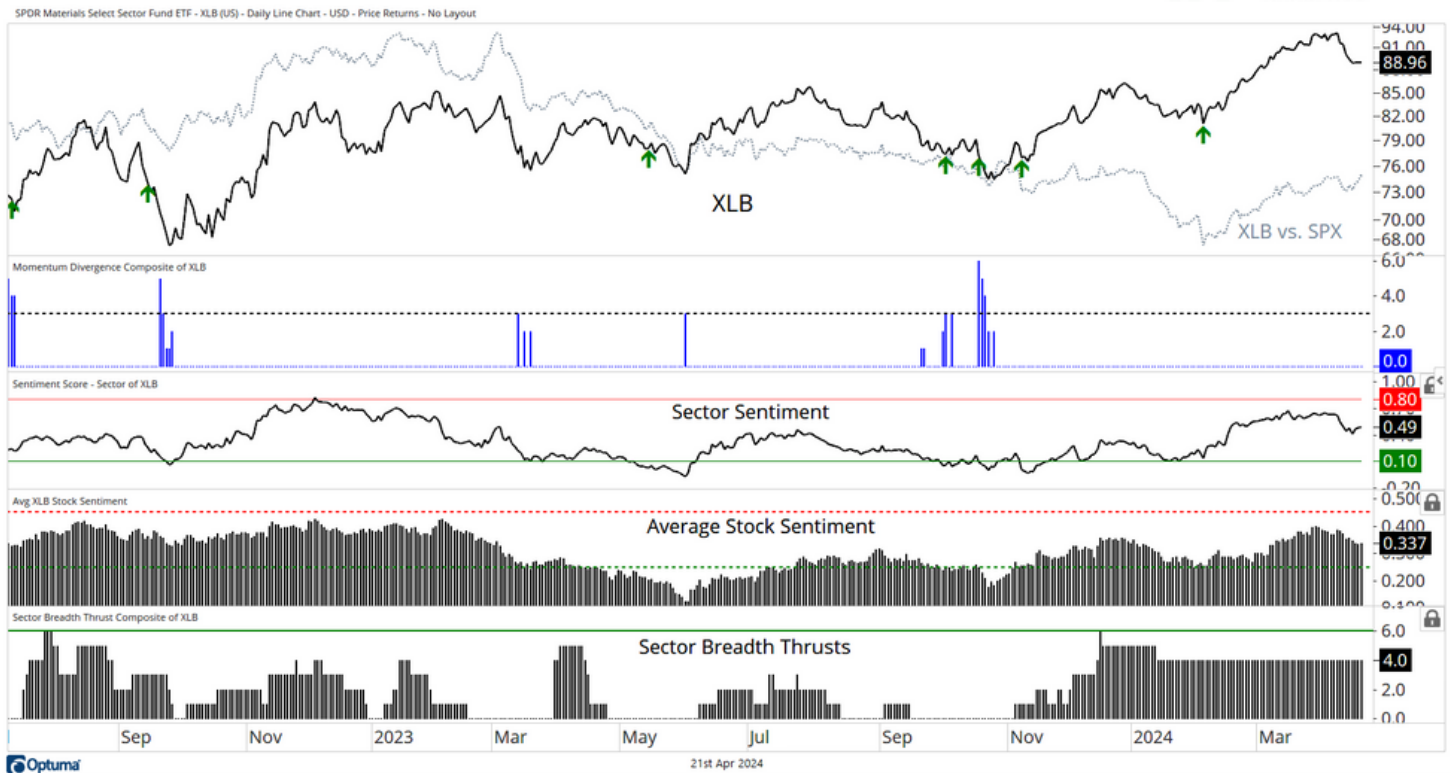
SENTIMENT SCORE: XLI & XLB



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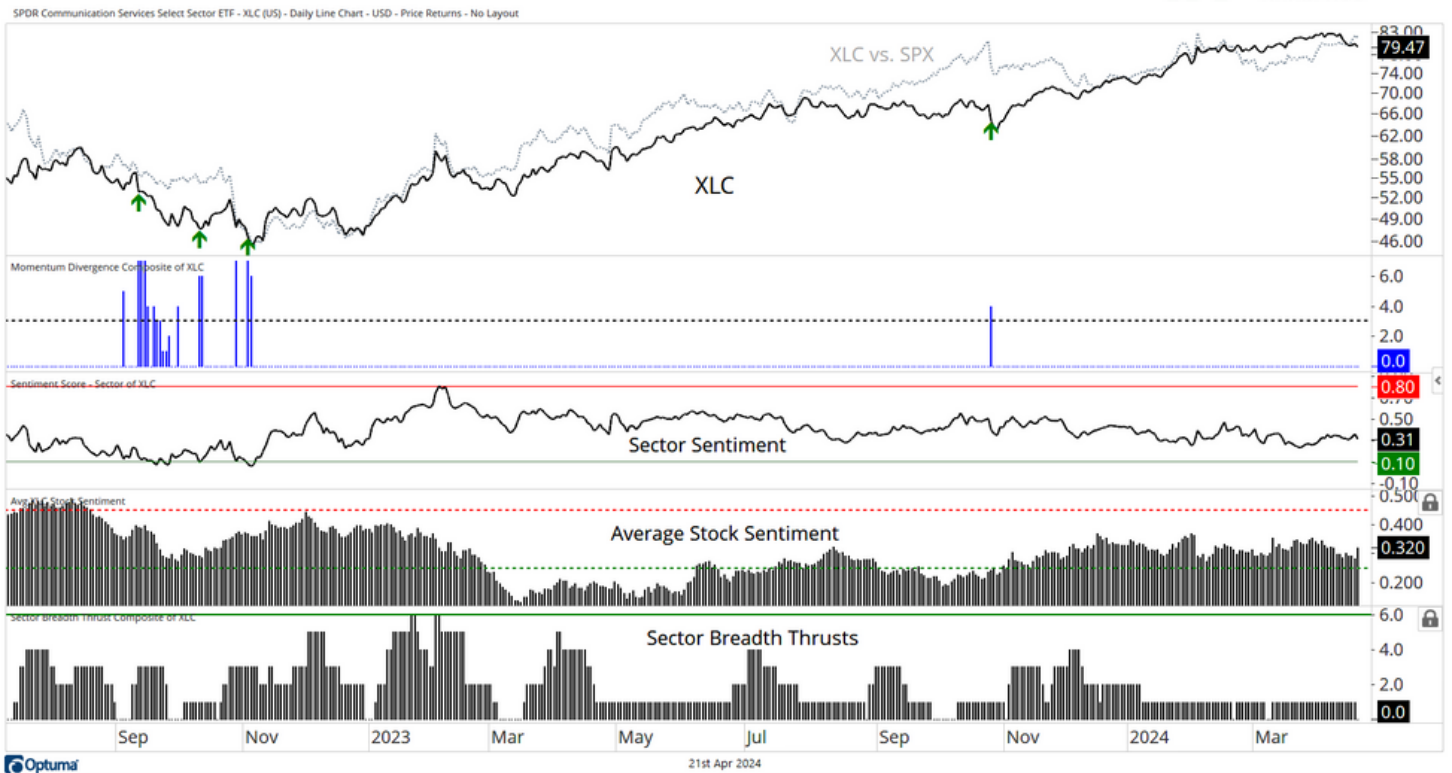
SENTIMENT SCORE: XLRE & XLC



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SENTIMENT SCORE: XLP & XLU



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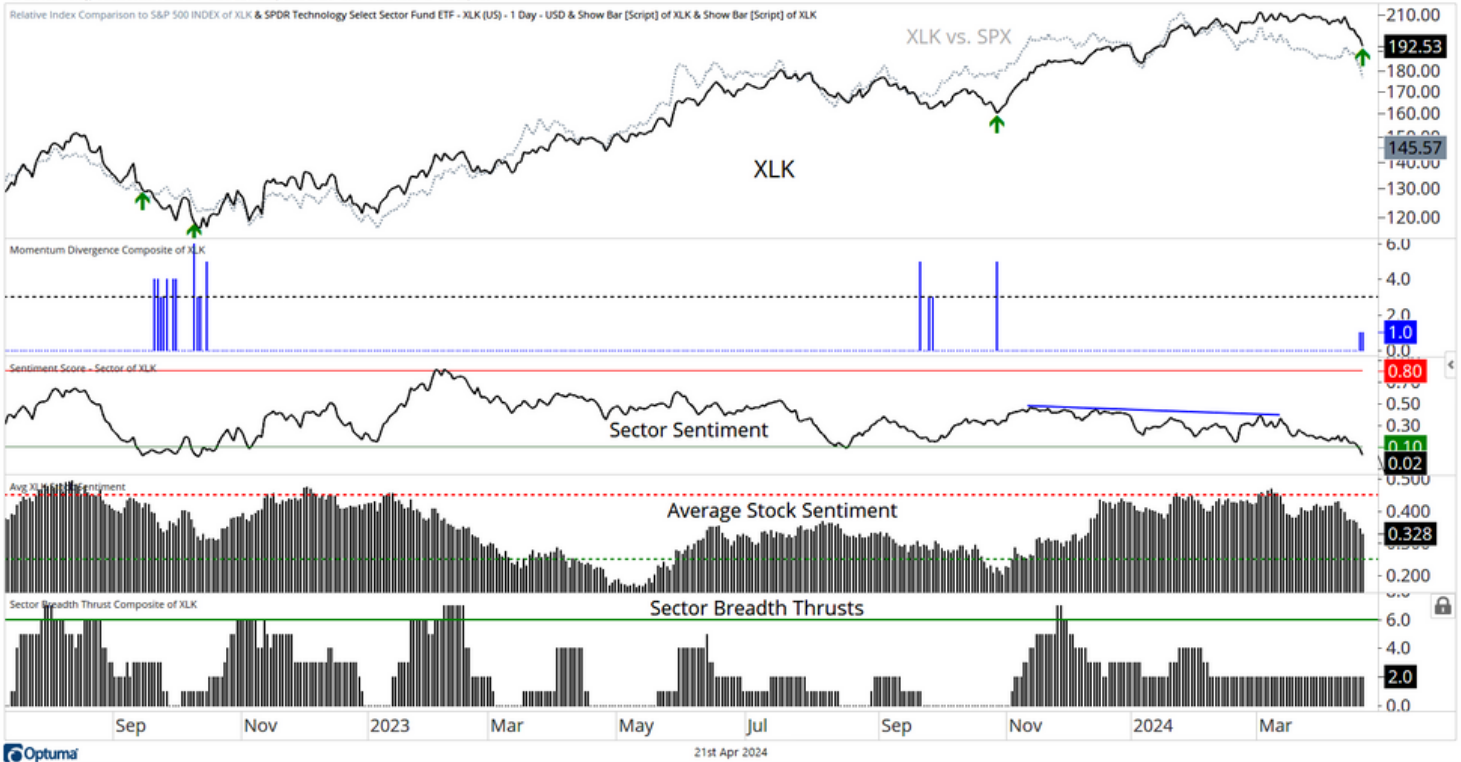
SENTIMENT SCORE: XLK & XLV



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

Relative Index Comparison to S&P 500 INDEX of XLK & SPDR Technology Select Sector Fund ETF - XLK (US) - 1 Day - USD & Show Bar [Script] of XLK & Show Bar [Script] of XLK



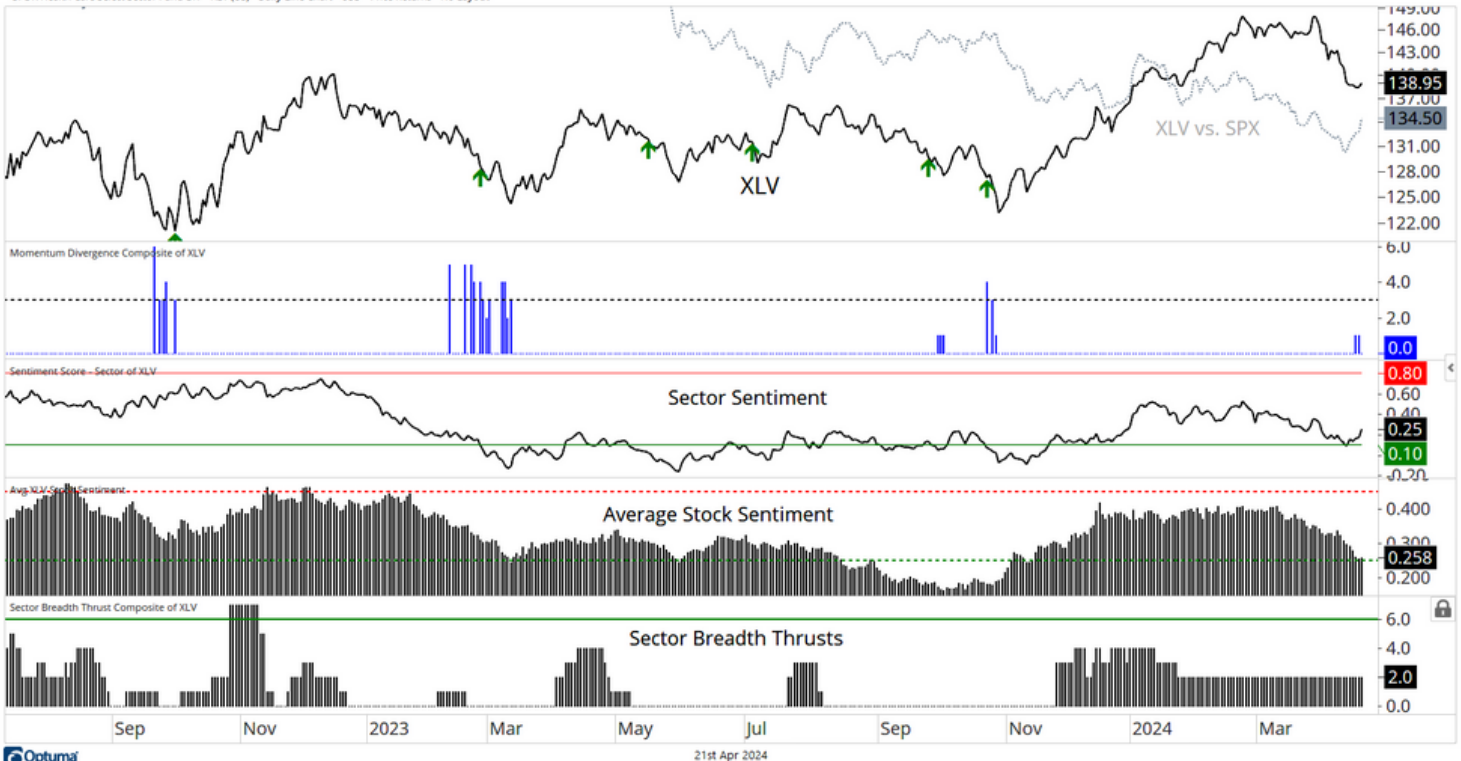
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21st Apr 2024

THRASHER ANALYTICS

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

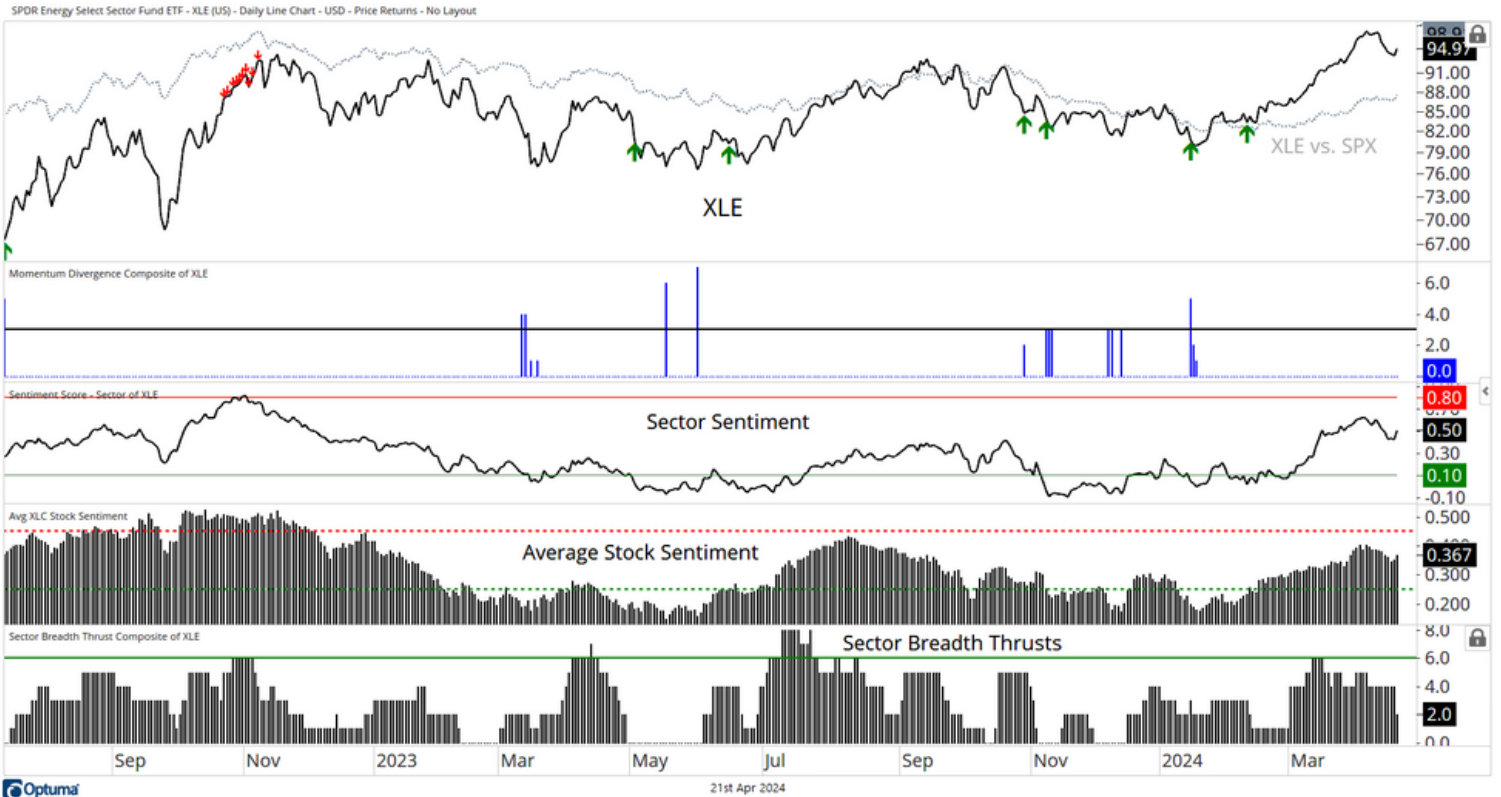
Relative Index Comparison to S&P 500 INDEX of XLV & SPDR Health Care Select Sector Fund ETF - XLV (US) - 1 Day - USD & Show Bar [Script] of XLV & Show Bar [Script] of XLV



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21st Apr 2024

SENTIMENT SCORE: XLE



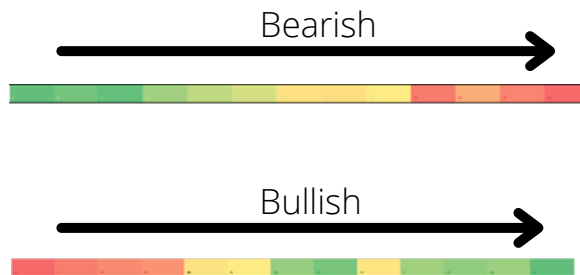
RISK APPETITE RATIO



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 51st percentile.

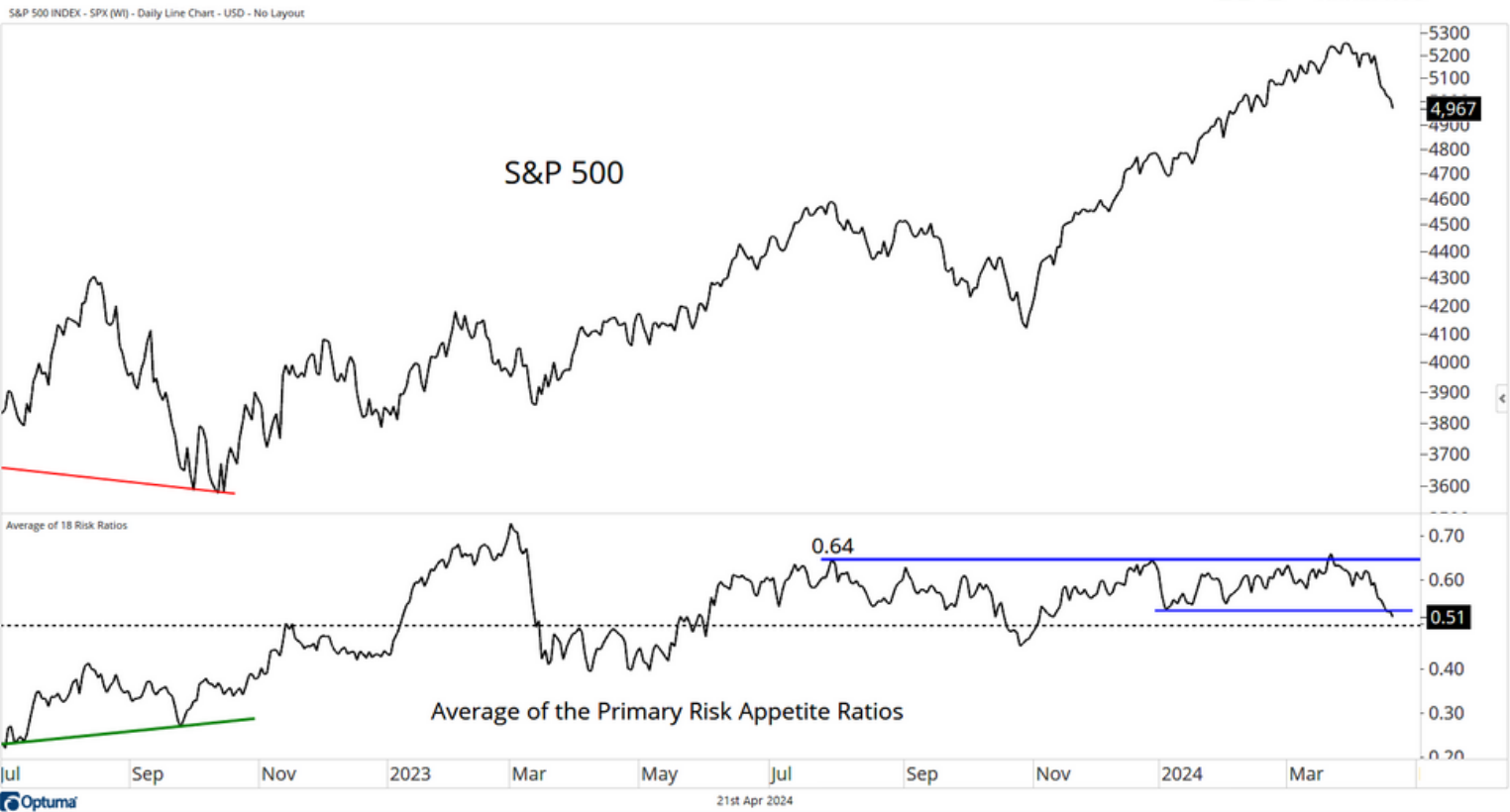
| Risk Metric | -35 | -34 | -33 | -32 | -31 | -30 | -29 | -28 | -27 | -26 | -25 | -24 | -23 | -22 | -21 | -20 | -19 | -18 | -17 | -16 | -15 | -14 | -13 | -12 | -11 | -10 | -9 | -8 | -7 | -6 | -5 | -4 | -3 | -2 | -1 | Current |
|-----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|---------|
| Emerging Market vs. SPX | 0.03 | 0.04 | 0.03 | 0.04 | 0.07 | 0.06 | 0.08 | 0.09 | 0.09 | 0.08 | 0.07 | 0.09 | 0.07 | 0.03 | 0.04 | 0.03 | 0.01 | 0.02 | 0.03 | 0.00 | 0.02 | 0.03 | 0.07 | 0.07 | 0.11 | 0.07 | 0.10 | 0.12 | 0.11 | 0.10 | 0.06 | 0.09 | 0.04 | 0.06 | 0.09 | 0.11 |
| EAFE vs. SPX | 0.06 | 0.06 | 0.05 | 0.10 | 0.13 | 0.14 | 0.16 | 0.13 | 0.12 | 0.11 | 0.10 | 0.15 | 0.12 | 0.10 | 0.11 | 0.09 | 0.09 | 0.09 | 0.10 | 0.09 | 0.08 | 0.07 | 0.07 | 0.09 | 0.11 | 0.07 | 0.09 | 0.09 | 0.07 | 0.04 | 0.03 | 0.08 | 0.04 | 0.07 | 0.07 | 0.12 |
| HY Debt vs. Treasury | 0.74 | 0.72 | 0.73 | 0.67 | 0.65 | 0.66 | 0.67 | 0.67 | 0.71 | 0.74 | 0.79 | 0.79 | 0.81 | 0.81 | 0.83 | 0.82 | 0.77 | 0.79 | 0.77 | 0.75 | 0.74 | 0.80 | 0.82 | 0.82 | 0.79 | 0.85 | 0.86 | 0.81 | 0.88 | 0.90 | 0.87 | 0.92 | 0.93 | 0.88 | 0.91 | 0.90 |
| Home Construction vs. SPX | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.97 | 0.94 | 0.95 | 1.00 | 0.93 | 0.98 | 0.94 | 0.99 | 1.00 | 1.00 | 0.98 | 0.97 | 0.97 | 0.98 | 1.00 | 0.96 | 0.90 | 0.92 | 0.92 | 0.93 | 0.93 | 0.91 | 0.80 | 0.79 | 0.82 | 0.81 | 0.77 | 0.75 | 0.76 | 0.77 |
| Offense vs. Defense Sectors | 0.99 | 1.00 | 0.97 | 0.93 | 0.91 | 0.93 | 0.92 | 0.91 | 0.94 | 0.95 | 0.96 | 0.94 | 0.96 | 0.96 | 1.00 | 1.00 | 0.99 | 0.98 | 0.97 | 0.94 | 0.94 | 0.96 | 0.98 | 1.00 | 0.99 | 1.00 | 1.00 | 0.99 | 0.99 | 1.00 | 0.98 | 0.95 | 0.94 | 0.89 | 0.85 | 0.79 |
| Broker-Dealer vs. SPX | 0.28 | 0.25 | 0.32 | 0.34 | 0.33 | 0.29 | 0.40 | 0.53 | 0.57 | 0.59 | 0.52 | 0.61 | 0.53 | 0.54 | 0.60 | 0.70 | 0.59 | 0.63 | 0.64 | 0.65 | 0.73 | 0.68 | 0.64 | 0.68 | 0.74 | 0.67 | 0.74 | 0.71 | 0.67 | 0.54 | 0.54 | 0.56 | 0.59 | 0.67 | 0.70 | 0.82 |
| S&P Growth vs. S&P Value | 0.90 | 0.97 | 0.92 | 0.81 | 0.79 | 0.88 | 0.79 | 0.71 | 0.82 | 0.78 | 0.84 | 0.75 | 0.83 | 0.83 | 0.87 | 0.84 | 0.91 | 0.89 | 0.85 | 0.73 | 0.67 | 0.74 | 0.75 | 0.79 | 0.73 | 0.82 | 0.81 | 0.78 | 0.85 | 1.00 | 1.00 | 0.88 | 0.93 | 0.85 | 0.78 | 0.50 |
| Semiconductor vs. SPX | 1.00 | 1.00 | 1.00 | 0.98 | 1.00 | 1.00 | 0.91 | 0.86 | 0.91 | 0.86 | 0.82 | 0.83 | 0.82 | 0.80 | 0.81 | 0.87 | 0.89 | 0.89 | 0.87 | 0.84 | 0.85 | 0.89 | 0.87 | 0.88 | 0.84 | 0.84 | 0.85 | 0.85 | 0.86 | 0.90 | 0.86 | 0.85 | 0.88 | 0.81 | 0.77 | 0.67 |
| Consumer Disc. Vs. Staples | 1.00 | 1.00 | 1.00 | 0.96 | 0.94 | 0.94 | 0.94 | 0.91 | 0.92 | 0.94 | 0.94 | 0.90 | 0.90 | 0.91 | 0.98 | 1.00 | 0.97 | 0.95 | 0.94 | 0.96 | 0.95 | 0.95 | 0.89 | 0.92 | 0.87 | 0.90 | 0.93 | 0.93 | 0.87 | 0.90 | 0.89 | 0.85 | 0.82 | 0.79 | 0.76 | 0.71 |
| Small Cap vs. Utilities | 0.94 | 1.00 | 0.93 | 0.91 | 0.90 | 0.91 | 0.89 | 0.85 | 0.88 | 0.87 | 0.83 | 0.83 | 0.82 | 0.81 | 0.87 | 0.91 | 0.86 | 0.85 | 0.88 | 0.86 | 0.85 | 0.83 | 0.76 | 0.80 | 0.77 | 0.77 | 0.77 | 0.76 | 0.73 | 0.76 | 0.72 | 0.70 | 0.73 | 0.62 | 0.60 | 0.55 |
| Transports vs. Utilities | 0.89 | 0.92 | 0.85 | 0.84 | 0.82 | 0.84 | 0.80 | 0.78 | 0.84 | 0.81 | 0.79 | 0.77 | 0.74 | 0.75 | 0.81 | 0.85 | 0.85 | 0.83 | 0.85 | 0.79 | 0.80 | 0.79 | 0.75 | 0.79 | 0.76 | 0.79 | 0.77 | 0.75 | 0.74 | 0.79 | 0.76 | 0.78 | 0.65 | 0.62 | 0.59 | |
| Equal Weight vs. Cap Weight | 0.06 | 0.05 | 0.07 | 0.10 | 0.11 | 0.09 | 0.13 | 0.15 | 0.10 | 0.12 | 0.07 | 0.14 | 0.08 | 0.09 | 0.08 | 0.11 | 0.07 | 0.08 | 0.08 | 0.15 | 0.18 | 0.15 | 0.13 | 0.11 | 0.14 | 0.11 | 0.13 | 0.15 | 0.09 | 0.02 | 0.00 | 0.04 | 0.00 | 0.04 | 0.05 | 0.16 |
| Small cap vs. Large Cap | 0.18 | 0.19 | 0.20 | 0.21 | 0.22 | 0.22 | 0.26 | 0.24 | 0.19 | 0.22 | 0.14 | 0.22 | 0.15 | 0.14 | 0.21 | 0.26 | 0.17 | 0.21 | 0.21 | 0.31 | 0.33 | 0.27 | 0.19 | 0.23 | 0.24 | 0.19 | 0.23 | 0.25 | 0.13 | 0.12 | 0.09 | 0.08 | 0.06 | 0.03 | 0.04 | 0.11 |
| Equities vs. VIX | 0.96 | 1.00 | 0.95 | 0.84 | 0.84 | 0.86 | 0.82 | 0.77 | 0.93 | 0.93 | 0.86 | 0.85 | 0.86 | 0.92 | 1.00 | 1.00 | 0.98 | 0.95 | 0.94 | 1.00 | 0.97 | 0.88 | 0.75 | 0.78 | 0.56 | 0.60 | 0.69 | 0.71 | 0.61 | 0.71 | 0.47 | 0.32 | 0.37 | 0.38 | 0.39 | 0.33 |
| Aussie Dollar vs. Yen | 0.93 | 0.93 | 0.90 | 0.94 | 0.93 | 0.88 | 0.85 | 0.88 | 0.91 | 0.89 | 0.91 | 0.92 | 0.97 | 1.00 | 1.00 | 0.90 | 0.93 | 0.93 | 0.90 | 0.90 | 0.89 | 0.88 | 0.91 | 0.98 | 0.99 | 0.99 | 1.00 | 1.00 | 0.91 | 0.97 | 0.86 | 0.88 | 0.86 | 0.88 | 0.88 | 0.87 |
| Copper vs. Gold | 0.17 | 0.12 | 0.06 | 0.02 | 0.02 | 0.05 | 0.00 | 0.05 | 0.11 | 0.27 | 0.29 | 0.42 | 0.42 | 0.35 | 0.31 | 0.26 | 0.25 | 0.22 | 0.20 | 0.16 | 0.10 | 0.05 | 0.02 | 0.13 | 0.24 | 0.11 | 0.16 | 0.14 | 0.18 | 0.06 | 0.06 | 0.23 | 0.04 | 0.15 | 0.28 | 0.33 |
| AVERAGE | 0.63 | 0.64 | 0.62 | 0.60 | 0.60 | 0.61 | 0.60 | 0.59 | 0.63 | 0.64 | 0.62 | 0.64 | 0.63 | 0.63 | 0.66 | 0.66 | 0.64 | 0.64 | 0.64 | 0.63 | 0.63 | 0.62 | 0.59 | 0.63 | 0.61 | 0.61 | 0.63 | 0.62 | 0.59 | 0.60 | 0.56 | 0.56 | 0.55 | 0.53 | 0.54 | 0.51 |



RISK APPETITE RATIO



The Average Risk Appetite Ratio fell below the prior recent low and is at the 51st %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 | 72.8 | 75.7 | 75.7 | 79.3 | 82.5 | 75.9 | 68.6 | 67.4 |
| Nasdaq 100 % above 200-day MA | 76.2 | 75.3 | 74.3 | 76.2 | 76.2 | 71.3 | 67.3 | 59.4 |
| S&P 500 % above 50-day MA | 65.8 | 73.7 | 70.9 | 79.9 | 83.3 | 71.0 | 40.2 | 34.2 |
| Nasdaq 100 % above 50-day MA | 62.4 | 61.4 | 58.4 | 63.4 | 67.3 | 51.5 | 34.7 | 17.8 |
| S&P 500 % above 20-day MA | 71.8 | 75.5 | 61.8 | 79.3 | 82.7 | 49.1 | 14.3 | 19.9 |
| Nasdaq 100 % above 20-day MA | 62.4 | 56.4 | 42.6 | 64.4 | 61.4 | 41.6 | 22.8 | 9.9 |
| Bullish Breadth | | | | | | | | |
| S&P 500 % RSI(14) > 70 | 12.9 | 16.9 | 9.8 | 21.9 | 20.3 | 8.6 | 1.6 | 1.0 |
| Nasdaq 100 % RSI(14) > 70 | 9.9 | 17.8 | 4.0 | 7.9 | 6.9 | 4.0 | 1.0 | 0.0 |
| S&P 400 % New 52 week highs | 13.0 | 14.5 | 5.8 | 19.8 | 19.1 | 4.5 | 2.0 | 0.0 |
| S&P 600 % New 52 week highs | 8.2 | 5.0 | 1.2 | 9.0 | 9.3 | 2.2 | 1.0 | 0.2 |
| S&P 500 % New 52 week highs | 12.7 | 16.3 | 8.0 | 22.7 | 18.5 | 3.6 | 2.4 | 0.8 |
| Nasdaq 100 % New 52 week highs | 9.9 | 17.8 | 5.0 | 15.8 | 5.9 | 3.0 | 3.0 | 0.0 |
| S&P 500 % New 6 month highs | 15.5 | 19.5 | 9.2 | 25.3 | 23.3 | 4.2 | 2.8 | 1.4 |
| Nasdaq 100 % New 6 month highs | 11.9 | 20.8 | 5.0 | 15.8 | 7.9 | 3.0 | 3.0 | 0.0 |
| Bearish Breadth | | | | | | | | |
| S&P 500 % RSI(14) < 30 | 1.4 | 0.6 | 1.0 | 0.4 | 0.2 | 2.2 | 7.0 | 9.5 |
| Nasdaq 100 % RSI(14) < 30 | 4.0 | 4.0 | 3.0 | 2.0 | 2.0 | 5.9 | 11.9 | 18.8 |
| S&P 400 % New 52 week lows | 1.0 | 0.3 | 1.8 | 0.3 | 0.0 | 0.8 | 2.8 | 2.2 |
| S&P 600 % New 52 week lows | 1.5 | 0.5 | 3.0 | 0.7 | 0.0 | 2.7 | 4.5 | 3.2 |
| S&P 500 % New 52 week lows | 0.2 | 0.2 | 0.0 | 0.2 | 0.0 | 1.0 | 1.8 | 1.0 |
| Nasdaq 100 % New 52 week lows | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.0 | 5.0 | 4.0 |
| S&P 500 % New 6 month lows | 0.2 | 0.2 | 0.2 | 0.2 | 0.0 | 1.8 | 2.4 | 1.4 |
| Nasdaq 100 % New 6 month lows | 1.0 | 0.0 | 1.0 | 0.0 | 0.0 | 6.9 | 6.9 | 5.9 |

The S&P 500 fell below the breakout VWAP and 50-day MA last week, closing at a multi-week low and down -5.46% from its 52-week high. RSI is nearing 'oversold' levels, which I'll address later in the letter. The large cap index has now filled the gap from Feb. 22nd. While breadth improved throughout the week (got less worse), we still haven't seen a strong advancing day of +350 large cap stocks to suggest buyers have returned.

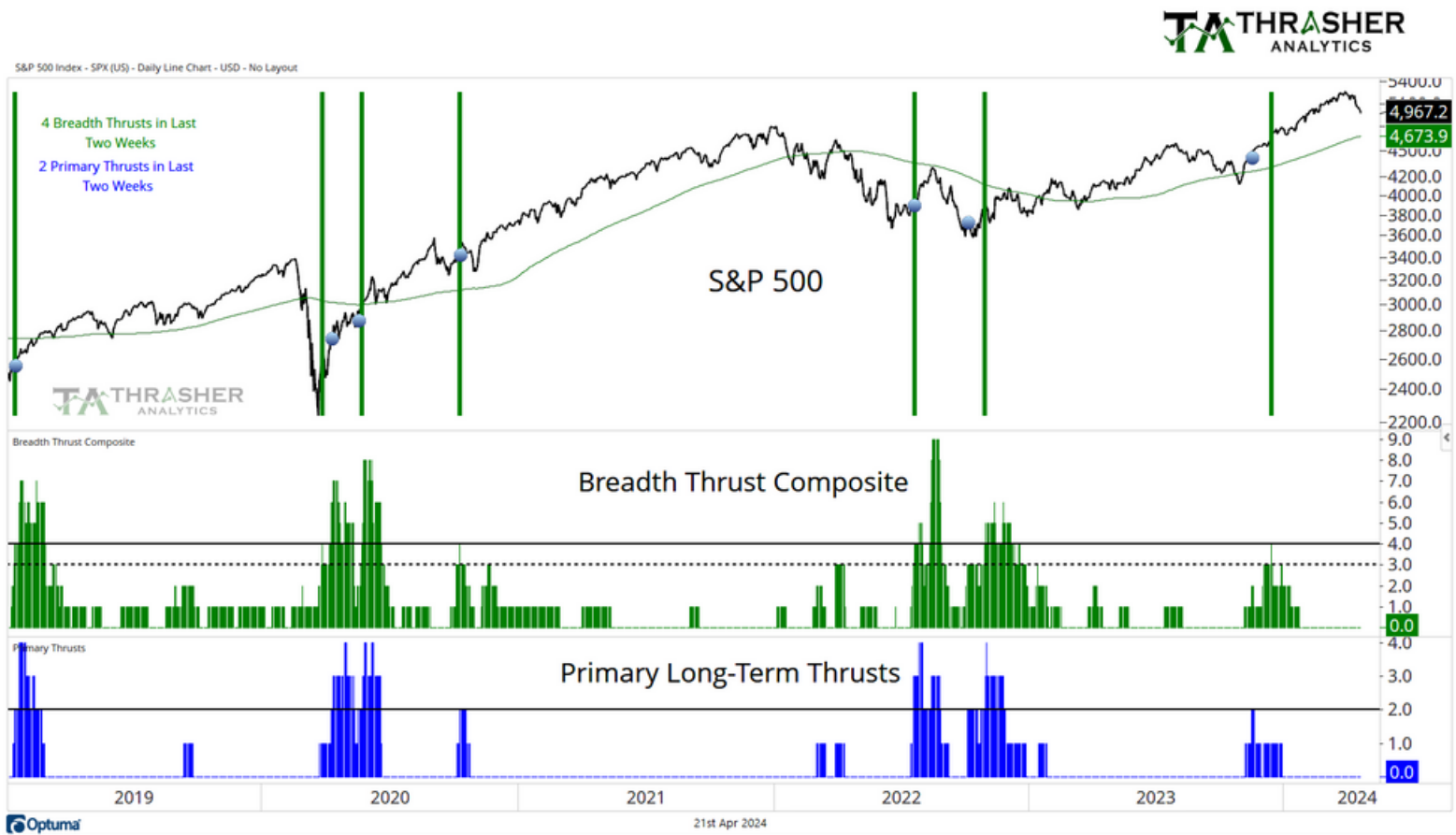


EQUITIES - BREADTH THRUSTS



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.

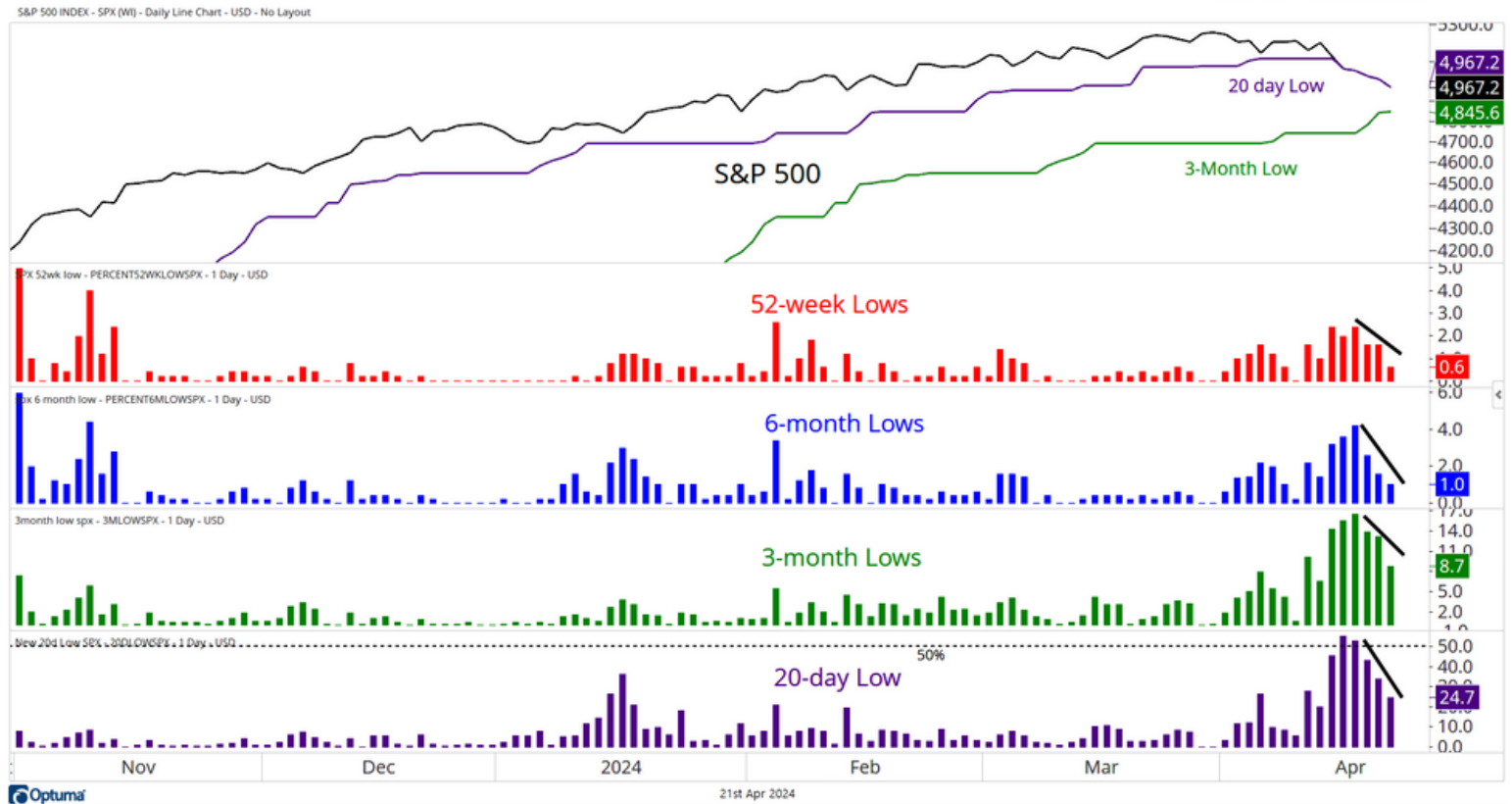
Thrust count is at 0.



EQUITIES - NEW LOWS



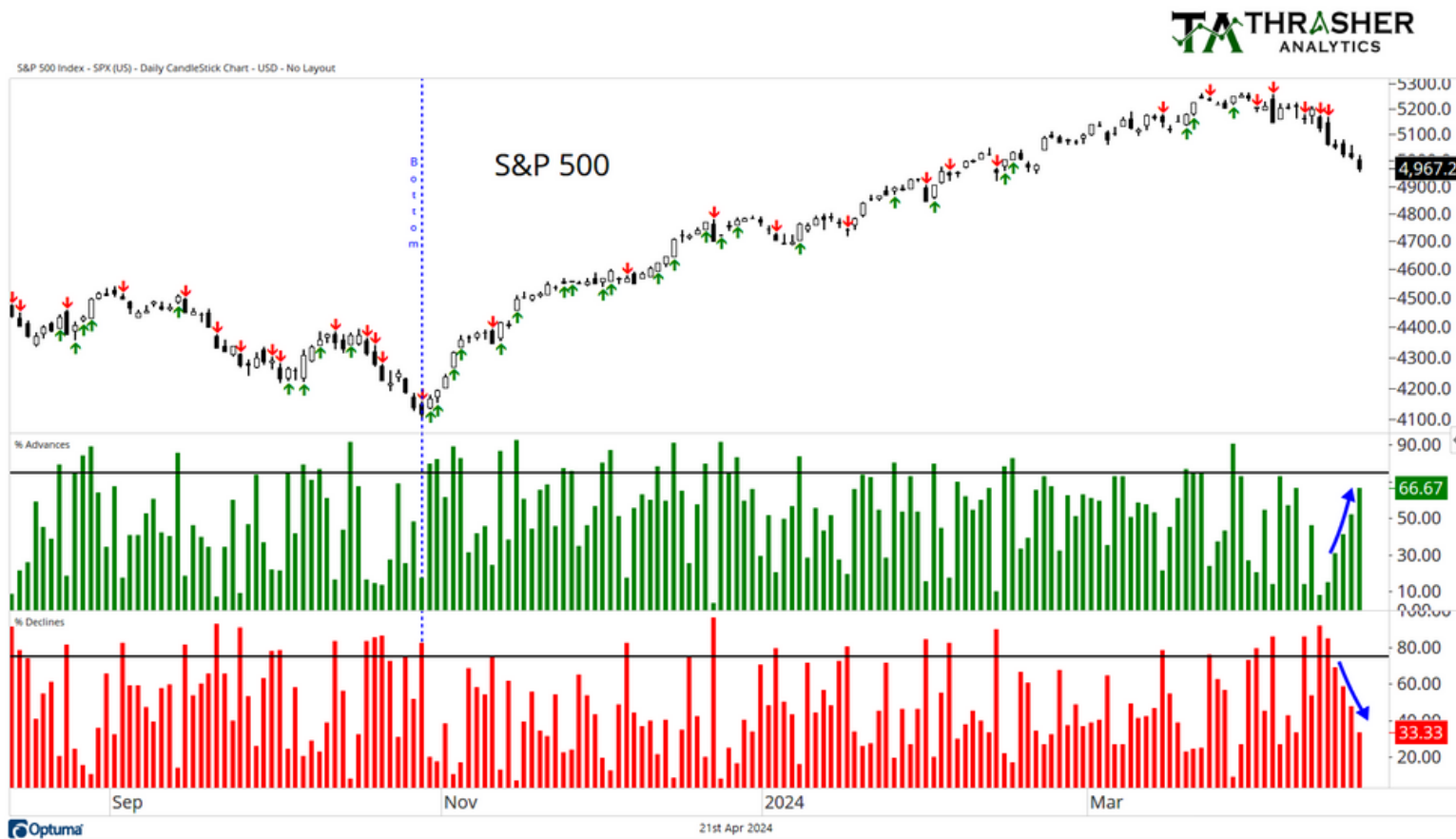
The SPX steadily declined last week, so did the number of new lows across time frames. We had four consecutive days of lower levels of new lows. This is an encouraging sign for bulls, showing the impact of the Mega caps pushing the index lower but few stocks were participating in the decline. A lack of broadening out of bearish breadth is a positive sign that this drawdown may be short-lived.



EQUITIES - ADV VS. DEC



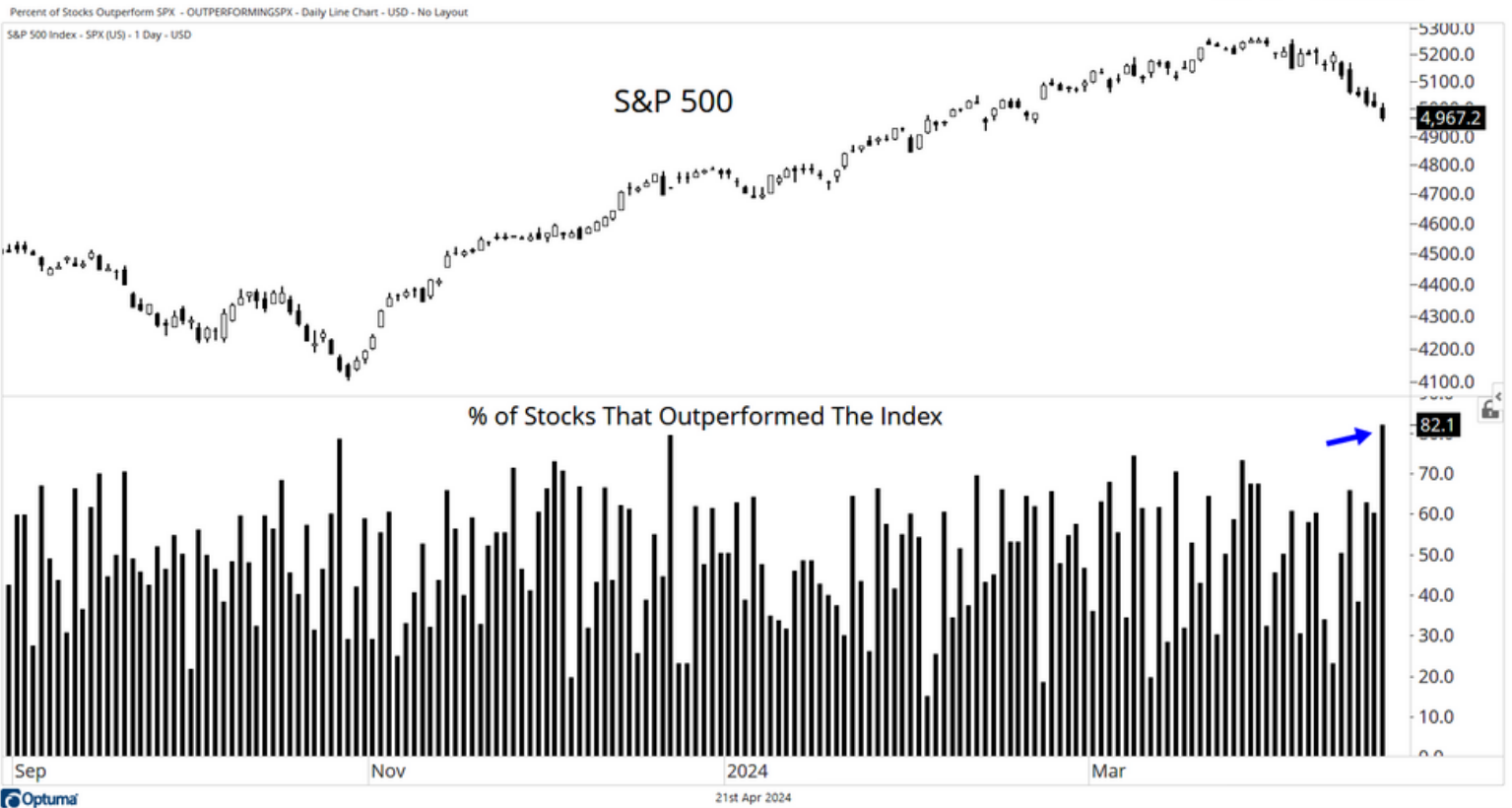
When the market was peaking, I pointed out the need to be watching how the market reacted to heavy down days, bullish periods see these followed by near-immediate strong up days. That's not what we saw after the peak occurred. Instead, we saw several heavy down days as the market sold off over -5%. But last week we started seeing a rising trend in % of advances. While we didn't get to 75%, we steadily increased as the Index dropped. This once again points to the same type of conclusion as the new lost list, most stocks were improving their trends last week despite what the SPX was doing.



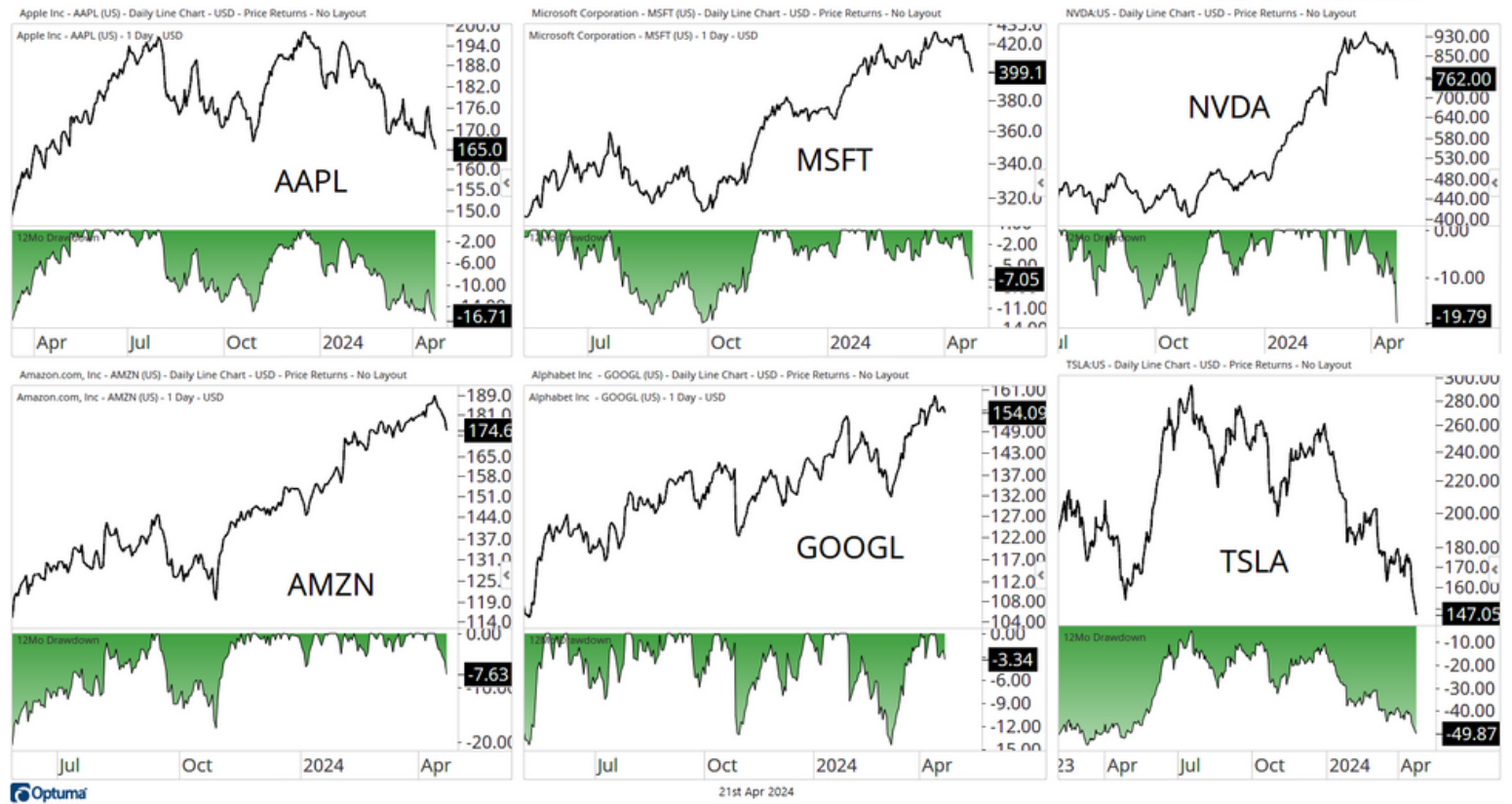
EQUITIES - OUTPERFORM



We can see this same type of theme playing out in how individual stocks were performing relative to the S&P 500. On Friday 82% of large cap stocks outperformed the index, the most since Feb. 6th, 2019, when we had over 90% of the market outperform. The last three days of the week were all north of 60% as the Index moved lower.



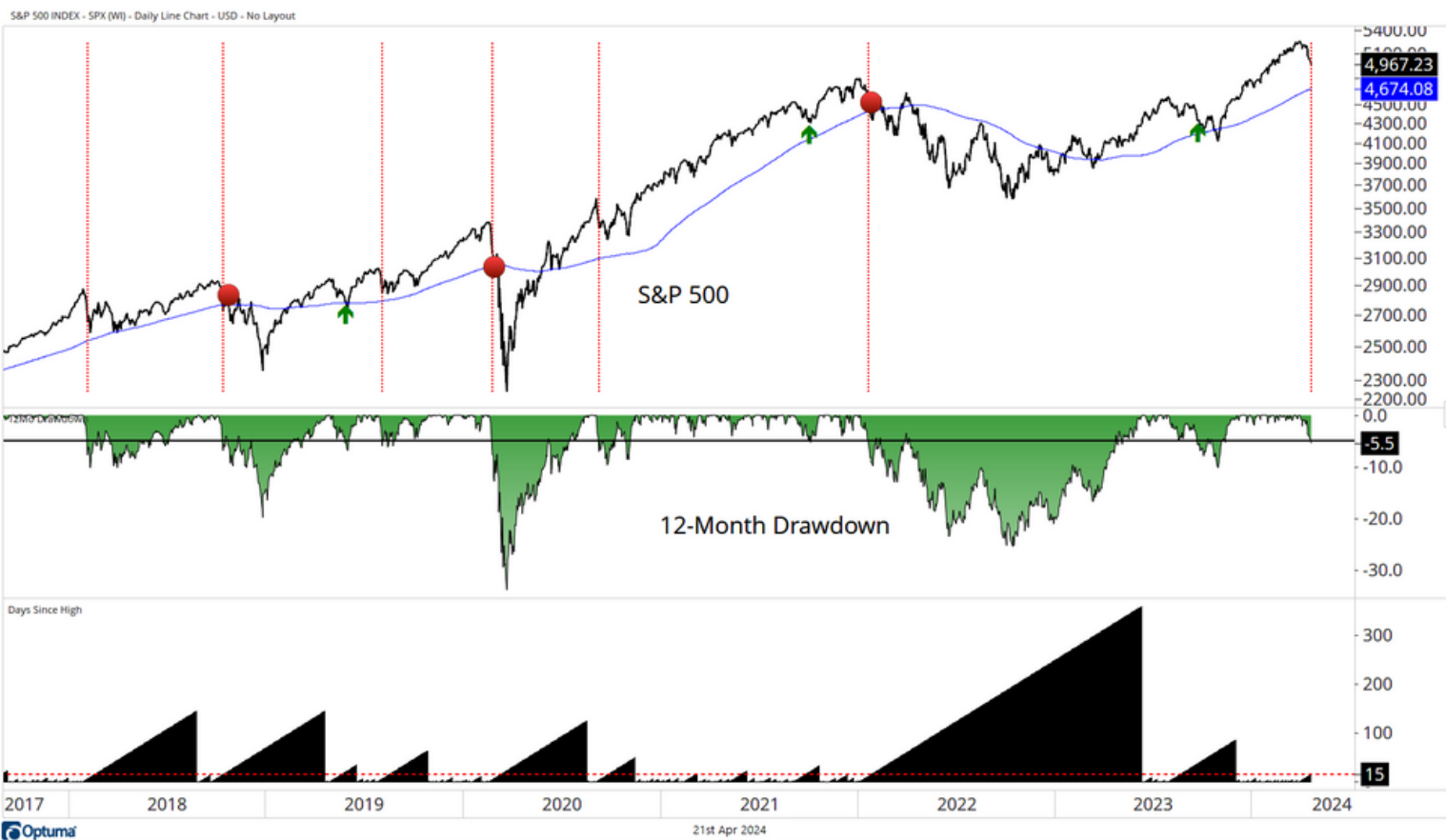
Here we can see six of the largest stocks, or what had been the largest stocks as far as Tesla is concerned which has seen its market cap almost cut in half over the last couple of months. An equal weighting of the Mag 7 is down -9.14% vs. an equal weight SPX is off by -5.64% and the cap weighted index is down -5.46%. 3 of these 6 are down double-digits, notably the markets prom queen, NVDA which is almost down -20% in just a month.



EQUITIES - 5% CANARY



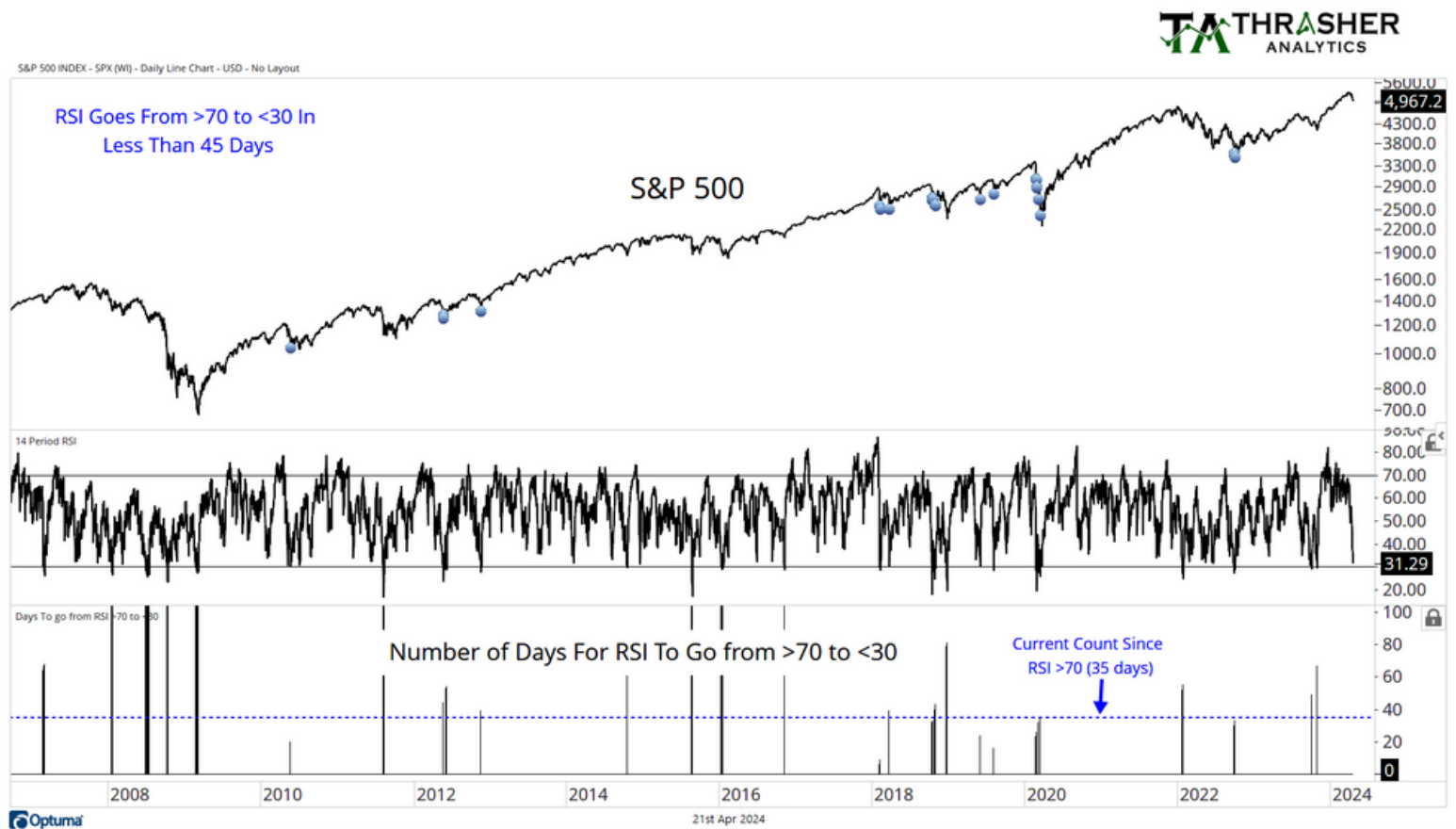
On Friday the S&P 500 hit the -5% threshold for the 5% Canary, doing so on day 15. As I've written in this letter as well as my award-winning paper, there is nothing magical of 15 days, but the purpose was to show when the market declined in a very short period of time. Looking back at recent history when we hit -5% on the 15th day, we have October 2018 and the Index bounced 3% and resumed its down trend. Then in April 2000 it bounced 7% in whipsaw price action but never made a new high as this marked the peak in the Tech Boom. I previously shared how the DJAI had a 5% Canary signal but that we then needed to watch if buyers took advantage of the 5% move and bought the dip, they did and the Dow has now bounced +0.66% so far. Back to the S&P 500, we are still well above the 200-day MA to get a Confirmed 5% Canary and with the lack of breadth confirmation, I'm less inclined to believe we are seeing a major peak right now.



EQUITIES - MOMENTUM



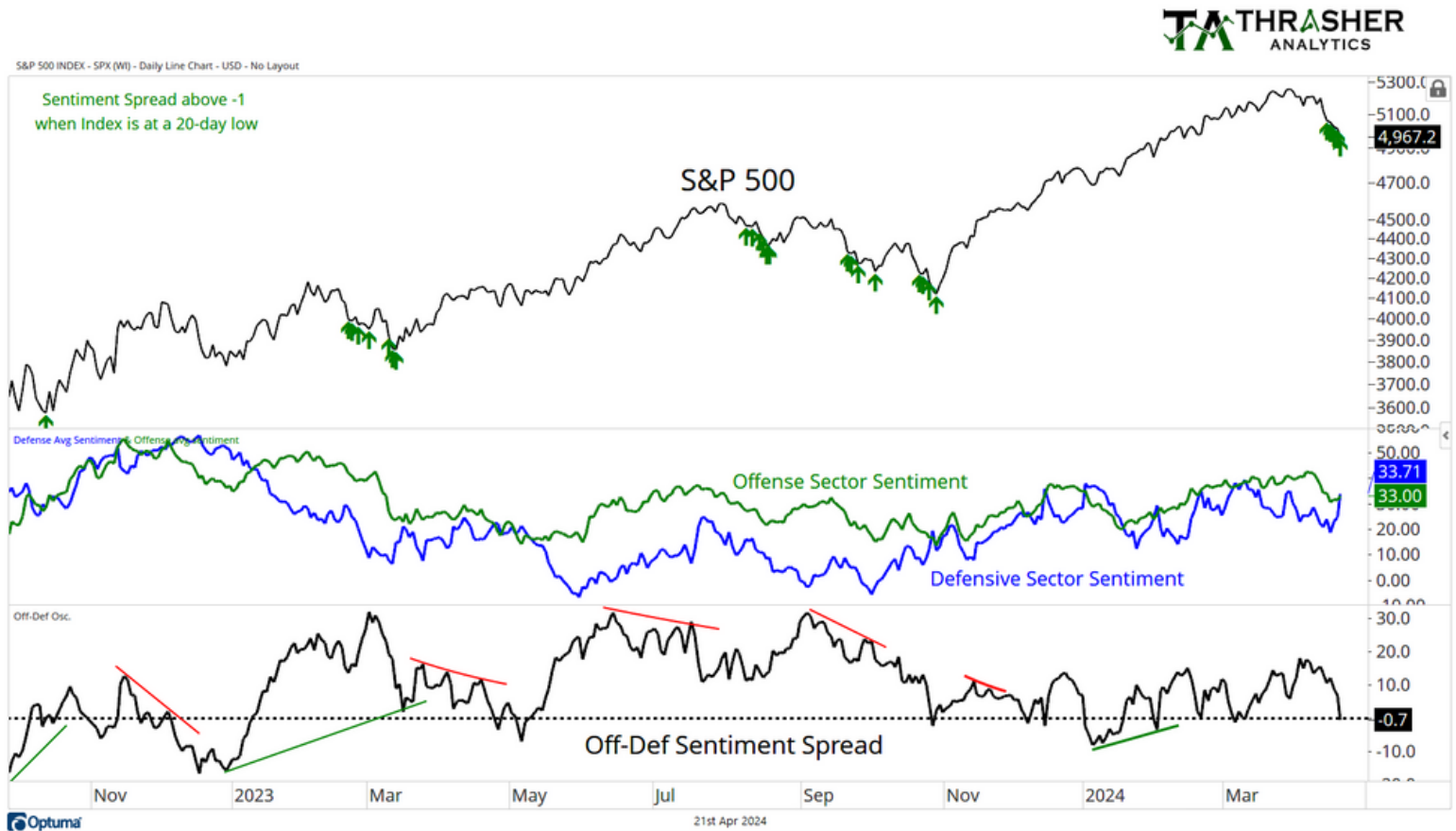
The 14-day Relative Strength Index (RSI) is closer to breaching 30, becoming “oversold”, which would come not long after it had been above 70 and was “overbought.” Does this suggest a bearish development to see such a quick shift in momentum? Looking at the historical data, I would say no. We are on day 35 since the RSI was above 70, looking at when the RSI went from over 70 to under 30 in less than 45 days, each occurrence except for two periods saw the market bounce almost immediately. The two exclusions were the Covid Crash and the first move lower in the Q4 2018 mini bear. The blue dots on the chart below show the occurrences since 2007.



EQUITIES - SECTOR SENTIMENT



The Offense-Defense Sentiment Spread saw a large move lower as Defensive sentiment moved higher.



ETF FUND FLOW



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



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 | 1,779,440,738 | 1,035,981,972 | 1,485,073,903 | 3.70% |
| iShares 20+ Year Treasury Bond ETF | TLT | -357,988,201 | 522,866,123 | 35,987,071 | 1.14% |
| iShares 10-20 Year Treasury Bond ETF | TLH | 439,457,109 | 63,153,950 | 374,329,503 | 0.83% |
| iShares 1-3 Year Treasury Bond ETF | SHY | -808,004,909 | -106,572,478 | -595,311,046 | -0.43% |
| iShares 3-7 Year Treasury Bond ETF | IEI | 453,792,253 | -80,165,995 | 103,650,257 | -0.62% |
| iShares TIPS Bond ETF | TIP | 21,958,838 | -404,760,976 | -96,262,708 | -2.21% |
| iShares iBoxx \$ Investment Grade Corporate Bond ETF | LQD | -1,858,111,772 | -4,488,057,507 | -7,767,266,238 | -16.03% |
| - SPDR Equity ETFs | | | | | |
| SPDR Industrial Select Sector Fund ETF | XLI | 1,413,632,278 | 828,423,343 | 1,029,457,254 | 4.67% |
| SPDR Energy Select Sector Fund ETF | XLE | -57,423,700 | 1,288,792,612 | 481,120,858 | 3.20% |
| SPDR Financial Select Sector Fund ETF | XLF | 700,789,207 | 955,370,151 | 114,790,275 | 2.60% |
| SPDR Consumer Discretionary Select Sector Fund ETF | XLY | 192,009,119 | 305,140,408 | 878,511,066 | 1.61% |
| SPDR Technology Select Sector Fund ETF | XLK | 2,182,349,045 | 895,241,048 | 2,214,873,663 | 1.45% |
| SPDR Communication Services Select Sector ETF | XLC | -480,384,151 | -20,736,713 | -46,870,893 | -0.12% |
| SPDR Materials Select Sector Fund ETF | XLB | 56,810,682 | -14,444,730 | -305,141,502 | -0.26% |
| SPDR Real Estate Select Sector Fund ETF | XLRE | 323,813,800 | -100,636,227 | 88,065,737 | -1.86% |
| SPDR S&P 500 ETF | SPY | -23,880,456,170 | -12,641,879,042 | -3,728,936,983 | -2.54% |
| SPDR Health Care Select Sector Fund ETF | XLV | -681,865,831 | -1,333,809,168 | -1,633,160,430 | -3.55% |
| SPDR Consumer Staples Select Sector Fund ETF | XLP | -1,037,350,914 | -640,500,800 | -1,256,322,642 | -4.40% |
| SPDR Utilities Select Sector Fund ETF | XLU | -2,650,502,506 | -663,156,243 | -2,772,732,833 | -5.65% |

SECTOR - PERFORMANCE



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: -3.34% | | | | | | AVG: 6.50% | AVG: 22.79% | AVG: -3.26% | | |
| DJI | Dow Jones Industrial Average | 0.79% | -3.22% | 0.01% | -2.87% | 0.32% | 13.68% | 4.77% | 17.51% | -1.94% | -2.14% | 5.02% |
| SML | S&P SmallCap 600 Index | -4.89% | -8.67% | -1.28% | -2.90% | -1.30% | 13.31% | 7.18% | 17.67% | -3.21% | -3.34% | 1.92% |
| MID | S&P Midcap 400 Index | 1.99% | -2.06% | -2.17% | -3.50% | 3.50% | 17.22% | 7.19% | 22.15% | -3.88% | -2.65% | 5.62% |
| SPX | S&P 500 INDEX | 4.14% | 0.00% | -3.05% | -4.08% | 2.63% | 16.11% | 5.65% | 22.70% | -3.72% | -2.95% | 6.27% |
| NDY | NASDAQ 100 Index | 1.26% | -2.77% | -5.36% | -5.52% | -1.60% | 15.25% | 7.73% | 33.90% | -5.31% | -5.20% | 4.74% |
| - Sectors | | AVG: -1.11% | | | | | | AVG: 6.39% | AVG: 22.89% | AVG: -1.58% | | |
| XLU | SPDR Utilities Select Sector Fund ETF | 3.32% | -0.79% | 1.92% | 2.57% | 7.30% | 11.58% | 6.90% | 19.46% | 1.15% | 3.47% | 4.19% |
| XLP | SPDR Consumer Staples Select Sector Fund ETF | 3.35% | -0.76% | 1.44% | -1.72% | 3.32% | 10.23% | 4.34% | 14.21% | -0.19% | -0.26% | 3.04% |
| XLF | SPDR Financial Select Sector Fund ETF | 7.39% | 3.13% | 0.80% | -1.68% | 6.46% | 23.49% | 4.36% | 29.17% | -1.54% | -0.44% | 10.57% |
| XLV | SPDR Health Care Select Sector Fund ETF | 1.88% | -2.16% | 0.03% | -4.69% | -0.37% | 8.07% | 6.29% | 13.35% | -2.57% | -3.80% | 2.29% |
| XLB | SPDR Materials Select Sector Fund ETF | 4.00% | -0.13% | -1.07% | -1.86% | 8.18% | 16.71% | 5.07% | 19.68% | -2.59% | -0.14% | 6.79% |
| XLE | SPDR Energy Select Sector Fund ETF | 13.28% | 8.77% | -1.21% | 3.03% | 18.46% | 3.45% | 4.04% | 24.55% | -0.50% | 4.84% | 9.03% |
| XLI | SPDR Industrial Select Sector Fund ETF | 5.68% | 1.48% | -1.98% | -2.00% | 7.13% | 20.80% | 4.68% | 25.34% | -2.74% | -1.13% | 8.67% |
| XLC | SPDR Communication Services Select Sector ETF | 9.37% | 5.03% | -2.29% | -1.49% | 6.20% | 18.36% | 4.92% | 41.75% | -2.54% | -1.10% | 10.53% |
| XLRE | SPDR Real Estate Select Sector Fund ETF | -10.43% | -13.99% | -3.65% | -7.45% | -7.29% | 8.99% | 11.95% | 12.16% | -5.17% | -6.79% | -3.71% |
| XLY | SPDR Consumer Discretionary Select Sector Fund | -5.06% | -8.83% | -4.15% | -5.99% | -2.93% | 10.18% | 8.38% | 18.38% | -4.97% | -5.60% | -0.91% |
| XLK | SPDR Technology Select Sector Fund ETF | 0.03% | -3.95% | -6.27% | -7.16% | -3.82% | 15.45% | 9.33% | 33.78% | -6.09% | -6.49% | 3.87% |

SECTOR - RELATIVE STRENGTH



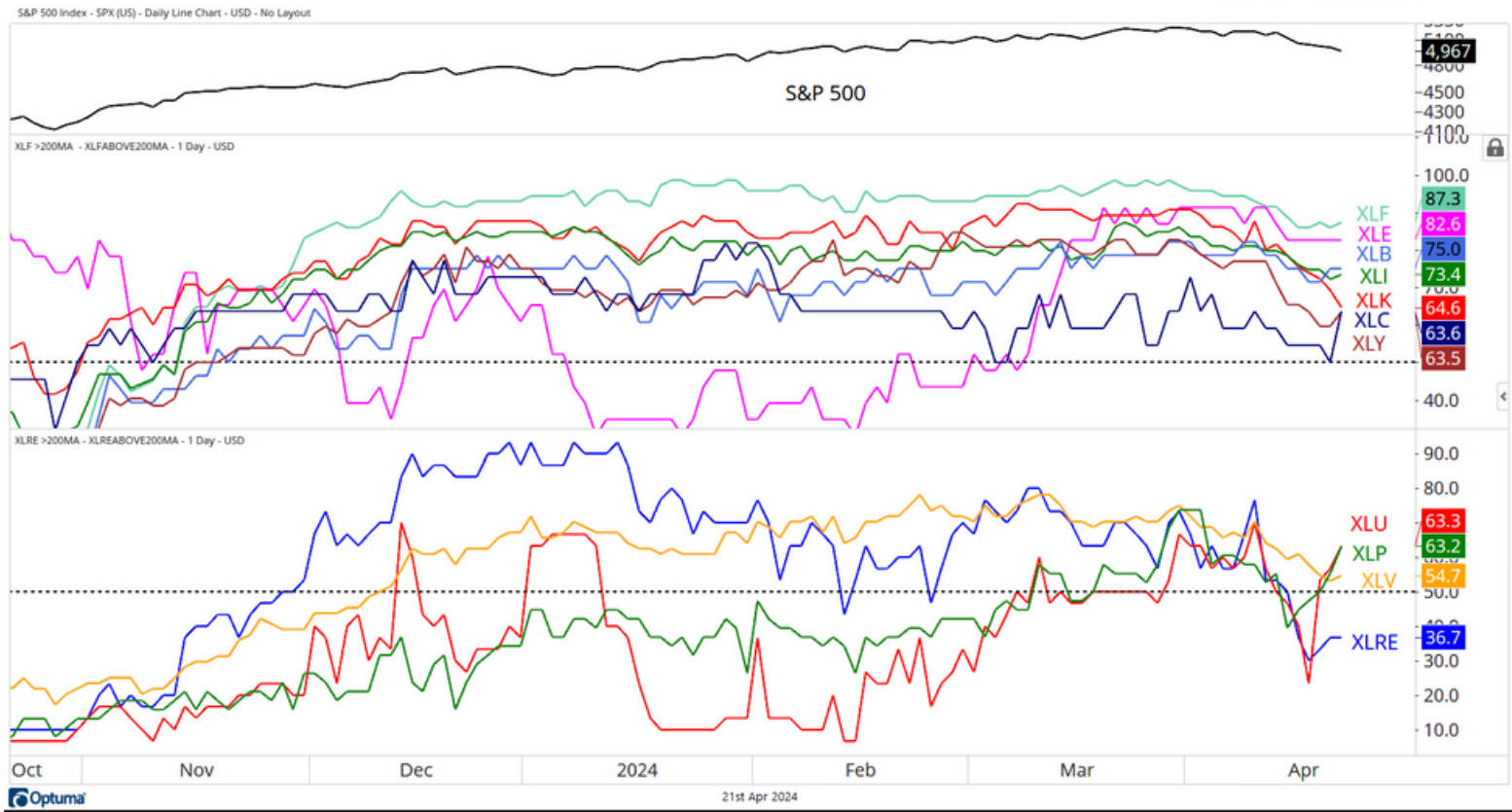
Below is a look at each sector's relative performance trend against the S&P 500.



SECTOR - BREADTH 200-MA



While the market sold off, several sectors saw improvement to their breadth data, like XLU, XLP, XLC, XLRE, and XLF.



DAILY SENTIMENT INDEX



| Daily - DSI - No Layout | | | | Daily - DSI - No Layout | | | |
|-------------------------|---------|-------------|----------|-------------------------|---------|-------------|----------|
| Code | History | % Bullish ^ | 5-day MA | Code | History | % Bullish ^ | 5-day MA |
| Yen DSI | | 13 | 12 | SYR DSI | | 44 | 42 |
| Sugar DSI | | 14 | 13 | Cattle DSI | | 45 | 43 |
| Swiss Franc DSI | | 17 | 16 | British Pound DSI | | 46 | 51 |
| Lumber DSI | | 17 | 23 | VIX DSI | | 49 | 44 |
| Euro DSI | | 17 | 18 | Nikkei DSI | | 50 | 56 |
| Soybean DSI | | 18 | 14 | Bitcoin DSI | | 53 | 47 |
| Cotton DSI | | 18 | 20 | Mexican Peso DSI | | 55 | 62 |
| SPX DSI | | 20 | 30 | Gasoline DSI | | 56 | 64 |
| Platinum DSI | | 20 | 31 | Heating Oil DSI | | 58 | 61 |
| Wheat DSI | | 24 | 22 | Crude Oil DSI | | 68 | 72 |
| Nasdaq DSI | | 24 | 37 | Lean Hog DSI | | 70 | 64 |
| Natural Gas DSI | | 25 | 22 | Silver DSI | | 76 | 76 |
| Corn DSI | | 27 | 27 | CRB Index DSI | | 77 | 79 |
| Palladium DSI | | 29 | 34 | Gold DSI | | 83 | 82 |
| Orange Juice DSI | | 36 | 40 | Copper DSI | | 83 | 79 |
| New Zealand Dollar DSI | | 42 | 40 | Coffee DSI | | 83 | 87 |
| Australian Dollar DSI | | 42 | 43 | US Dollar DSI | | 84 | 87 |
| EuroDollar DSI | | 44 | 43 | Cocoa DSI | | 91 | 86 |
| 10Y DSI | | 44 | 40 | | | | |

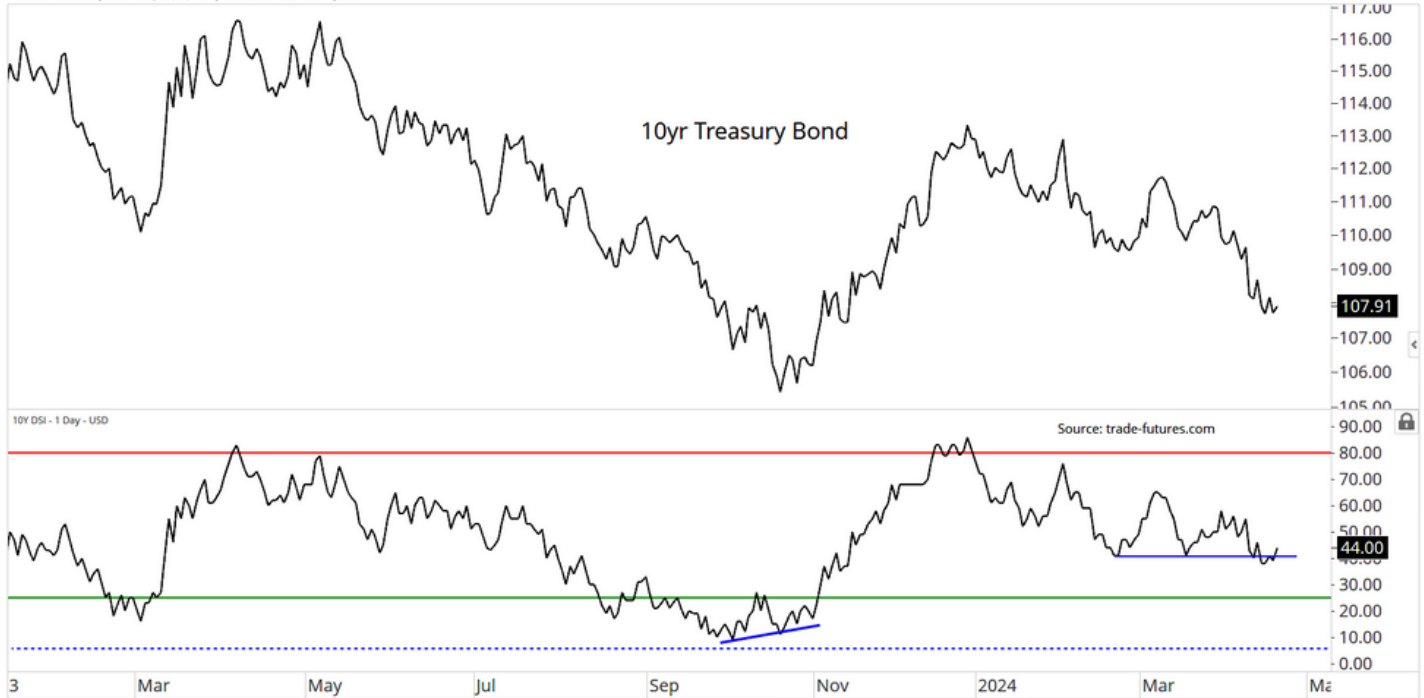
Source: trade-futures.com

DAILY SENTIMENT INDEX



TA THRASHER
ANALYTICS

10 Year US Treasury Note - TYSpot (US) - Daily Line Chart - USD - No Layout

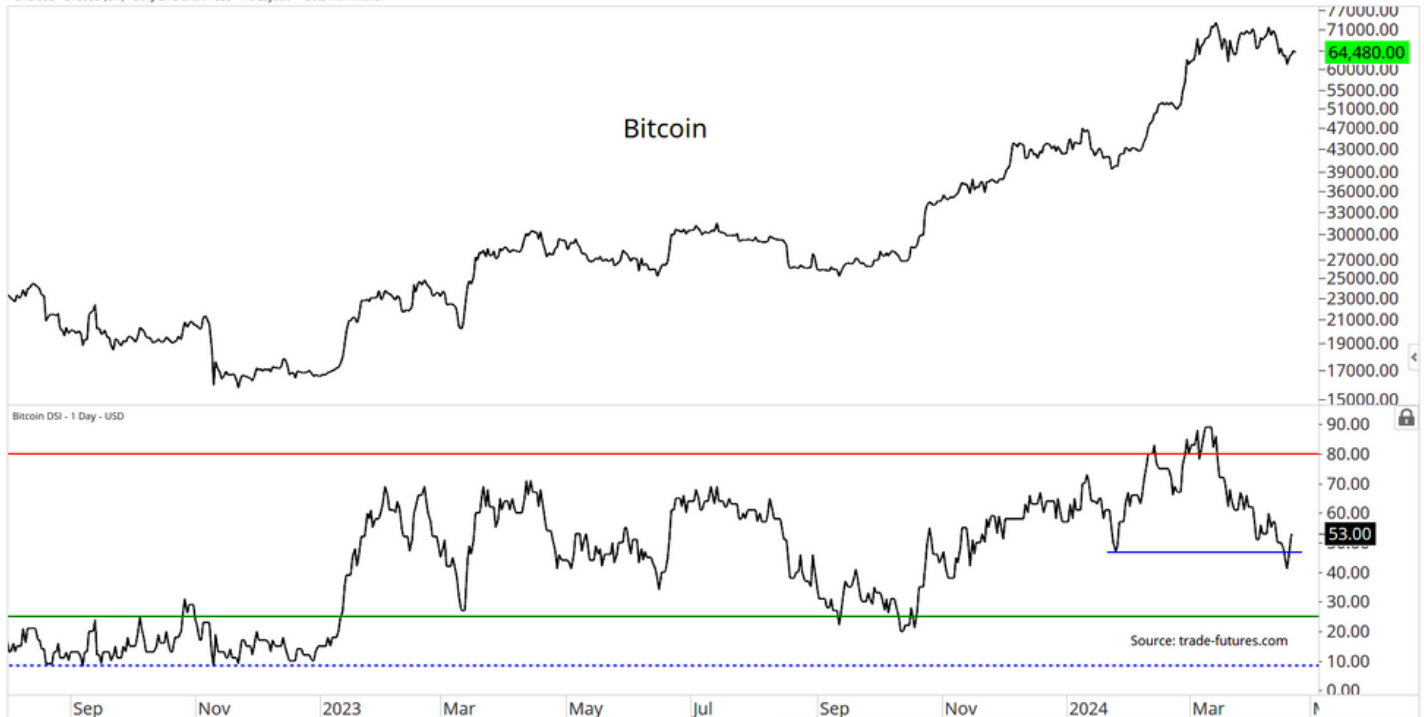


Optima

21st Apr 2024

TA THRASHER
ANALYTICS

BTC/USD - BTCUSD (CW) - Daily Line Chart - USD - No Layout --- Data from Kraken



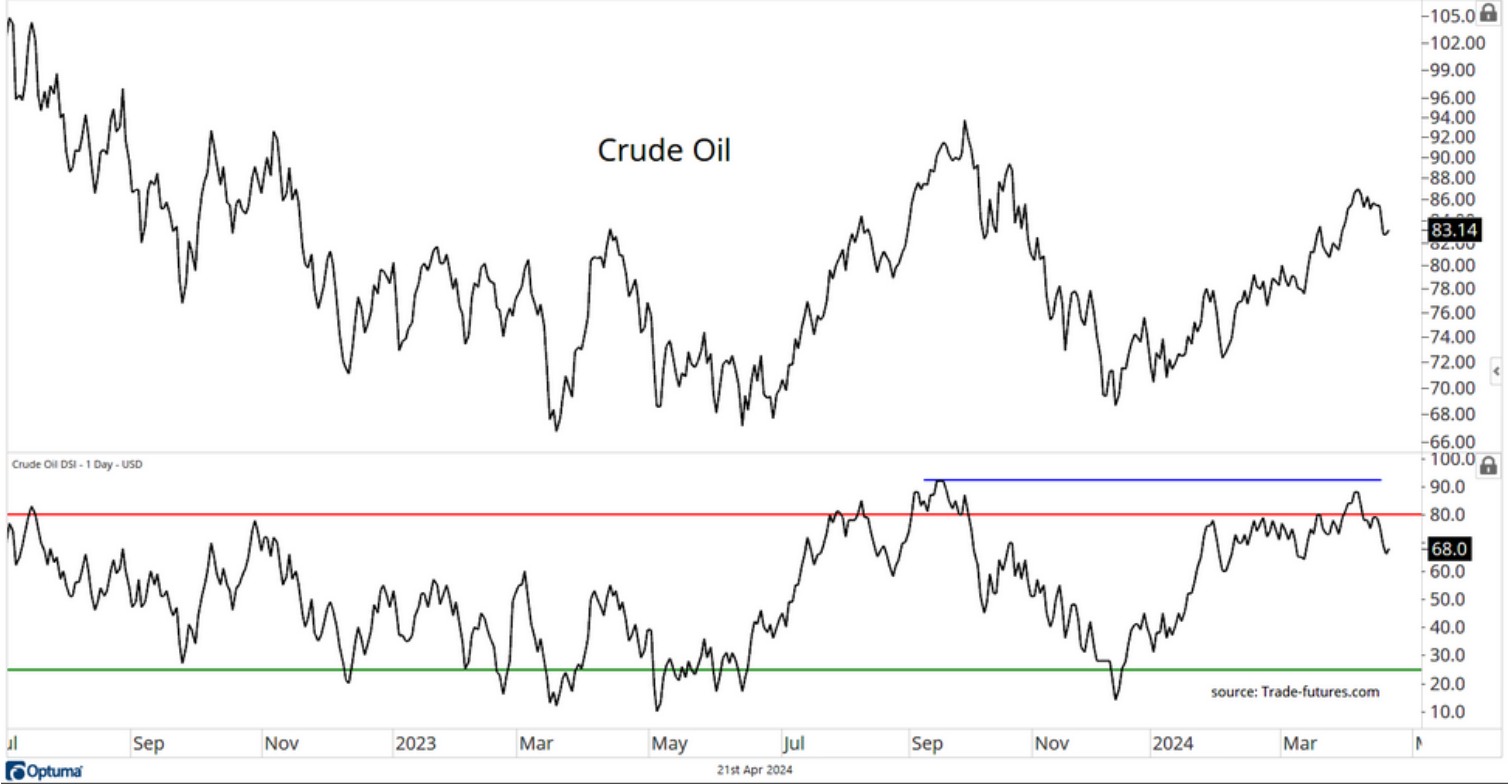
Optima

21st Apr 2024

DAILY SENTIMENT INDEX



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



Gold Futures - GC2Spot (US) - Daily Line Chart - USD - No Layout

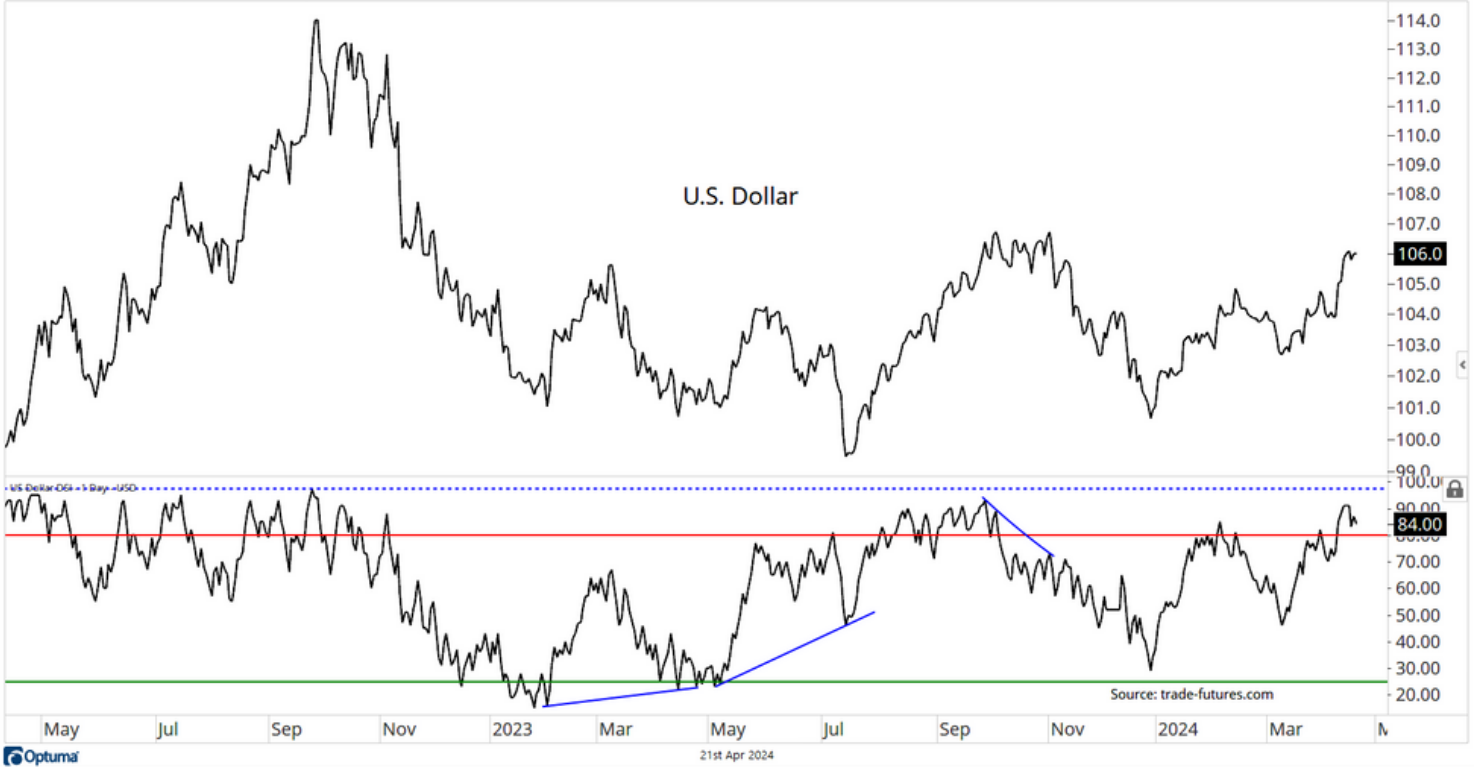


DAILY SENTIMENT INDEX



TA THRASHER
ANALYTICS

U.S. Dollar Index - DXYspot (US) - Daily Line Chart - USD - No Layout



TA THRASHER
ANALYTICS

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



DAILY SENTIMENT INDEX



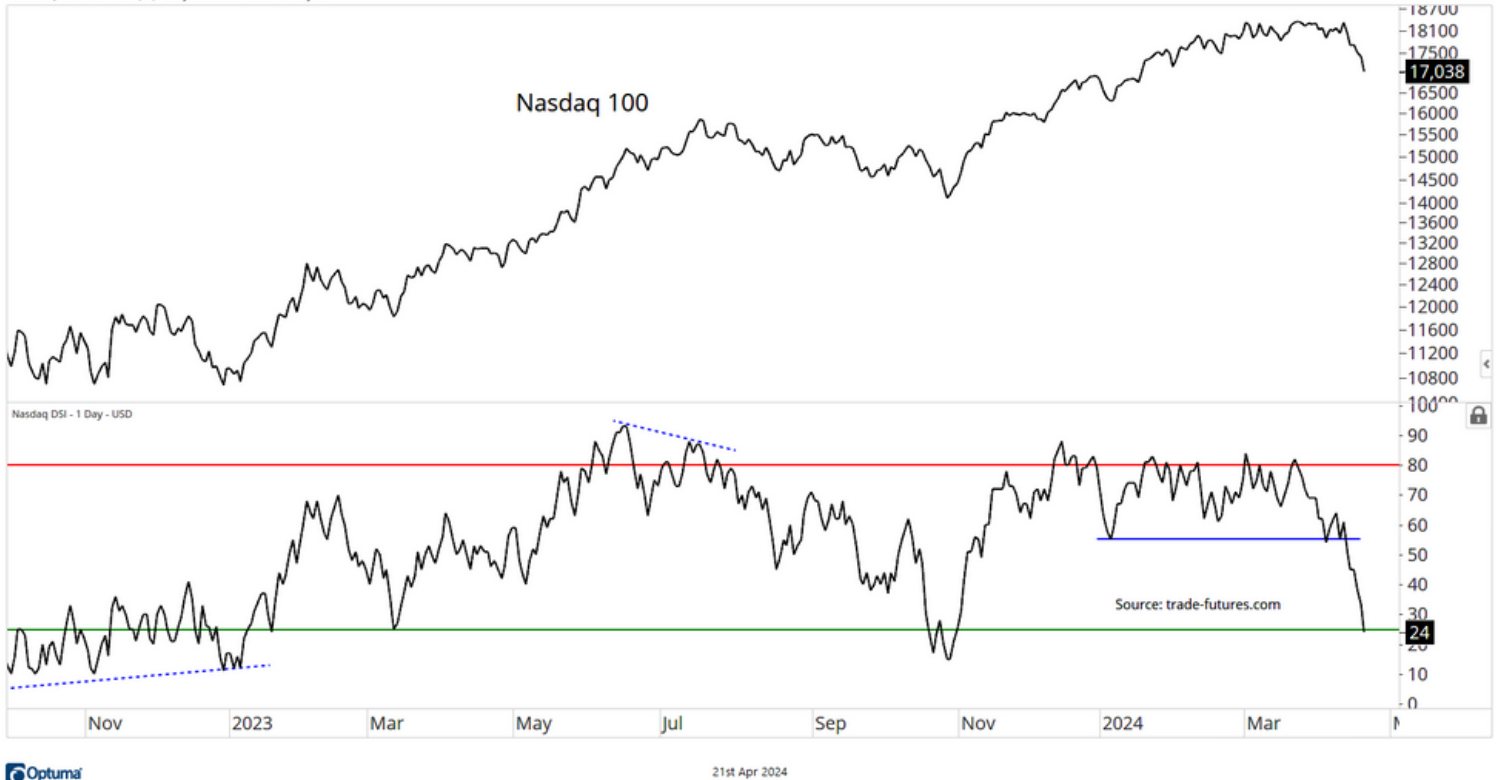
TA THRASHER
ANALYTICS

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



TA THRASHER
ANALYTICS

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

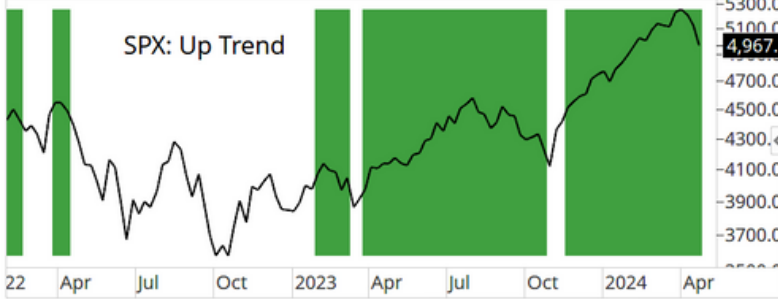


TREND MODELS

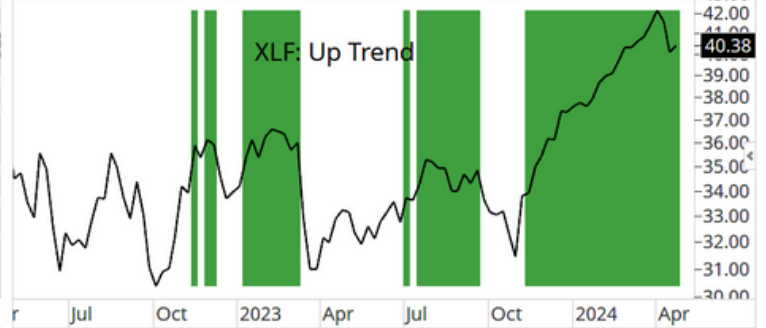


TA THRASHER
ANALYTICS

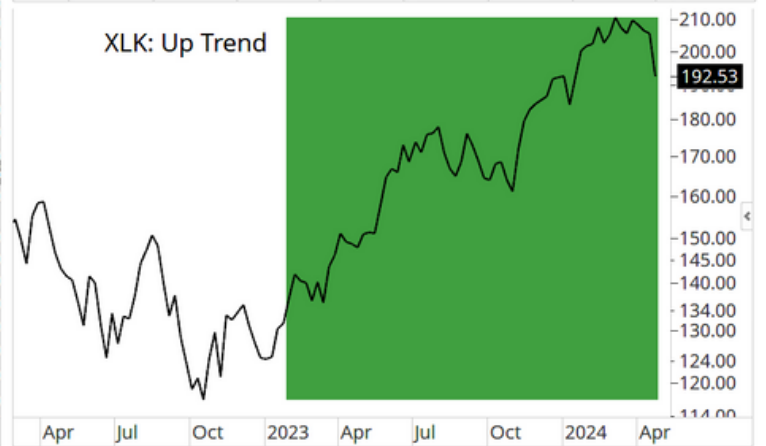
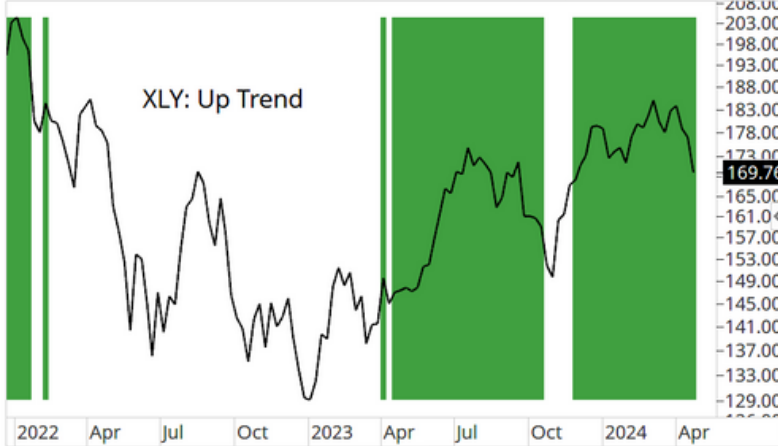
S&P 500 INDEX - SPX (W) - Weekly Line Chart - USD - No Layout



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



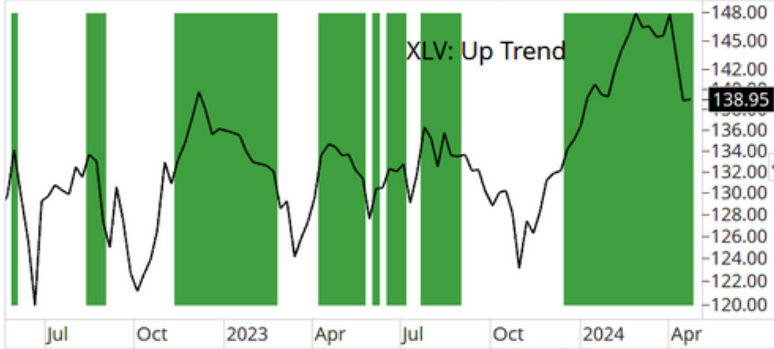
SPDR Consumer Discretionary Select Sector Fund ETF - XLY (US) - Weekly Line Chart - USD - Price Returns - No Layout



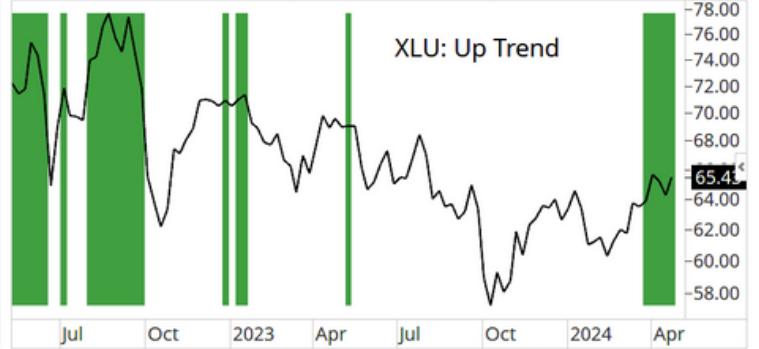
TREND MODELS



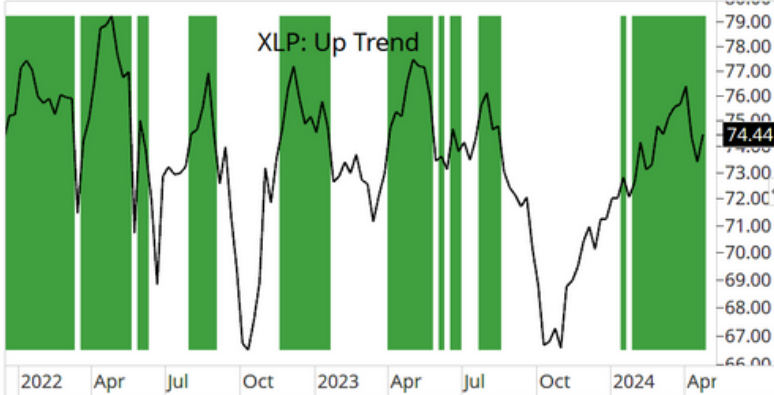
SPDR Health Care Select Sector Fund ETF - XLV (US) - Weekly Line Chart - USD - Price Returns - No Layout



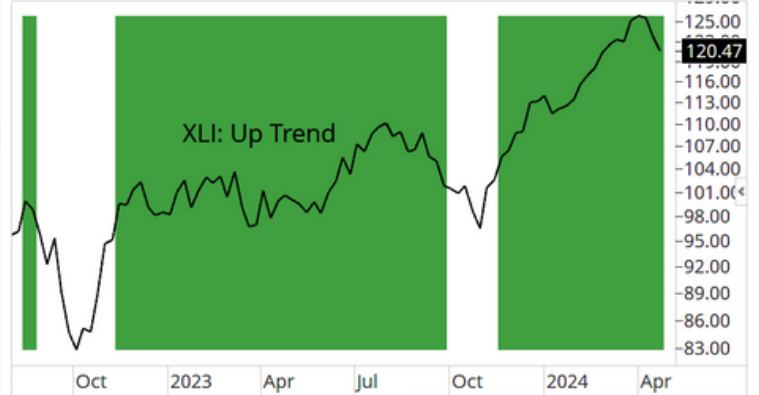
SPDR Utilities Select Sector Fund ETF - XLU (US) - Weekly Line Chart - USD - Price Returns - No Layout



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



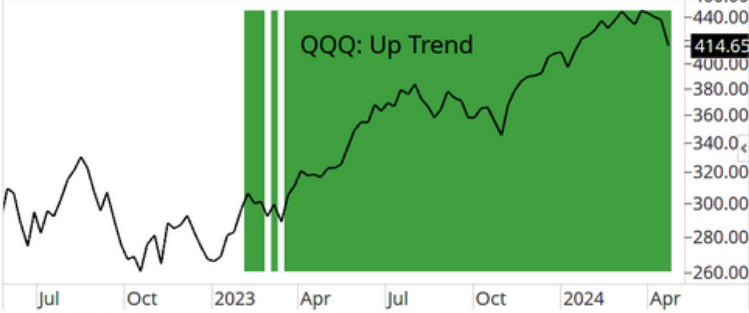
SPDR Industrial Select Sector Fund ETF - XLI (US) - Weekly Line Chart - USD - Price Returns - No Layout



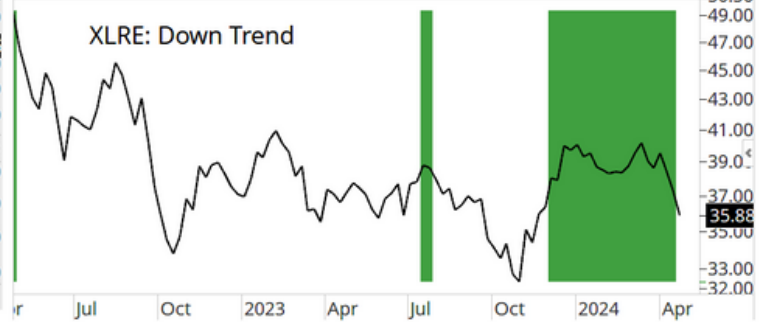
TREND MODELS



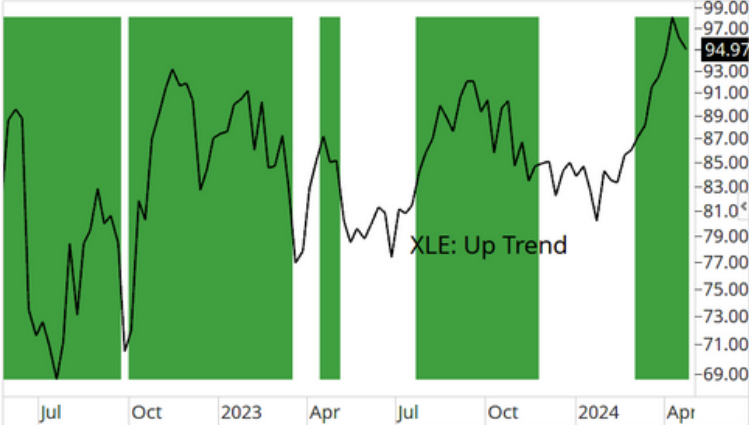
Invesco QQQ Trust - QQQ (US) - Weekly Line Chart - USD - Price Returns - No Layout



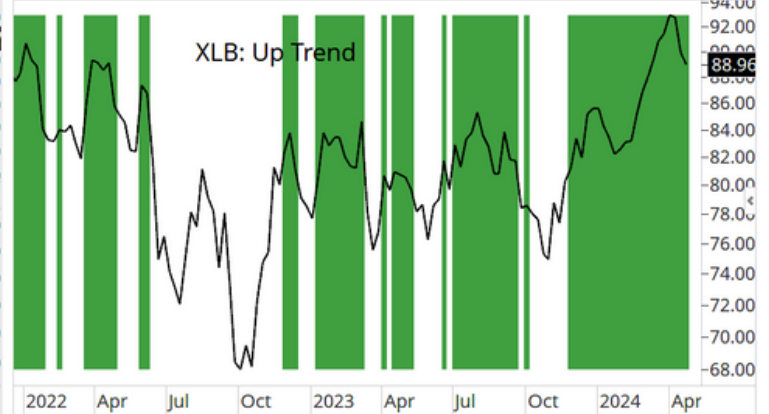
SPDR Real Estate Select Sector Fund ETF - XLRE (US) - Weekly Line Chart - USD - Price Returns - No Layout



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



21st Apr 2024

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