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S&P500 Sample Cyclical & Pattern Analytics

April 2023

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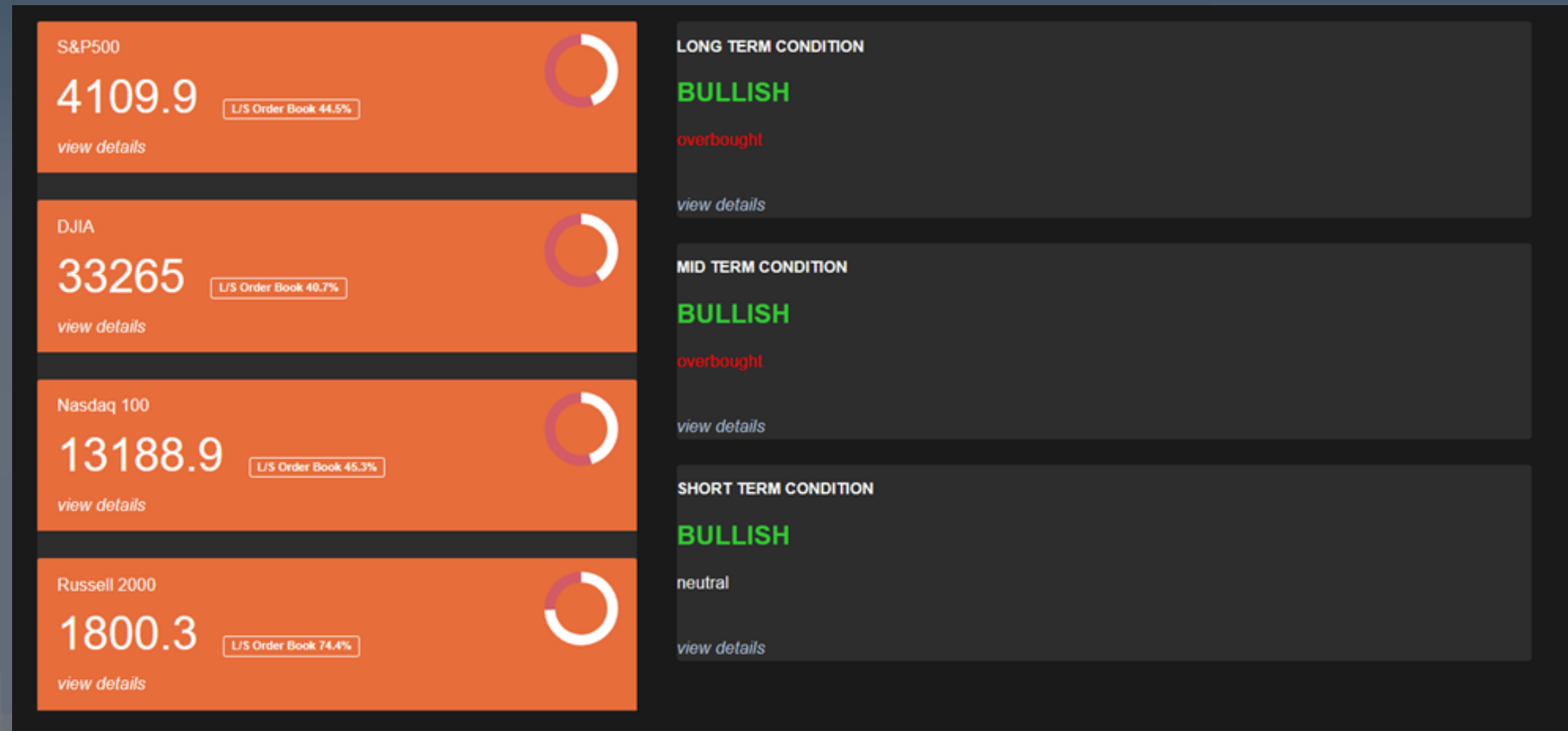


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TRADING PLAN FOR THIS WEEK

ALL 4 US INDICES ARE NEUTRAL GOING INTO EARLY THIS WEEK

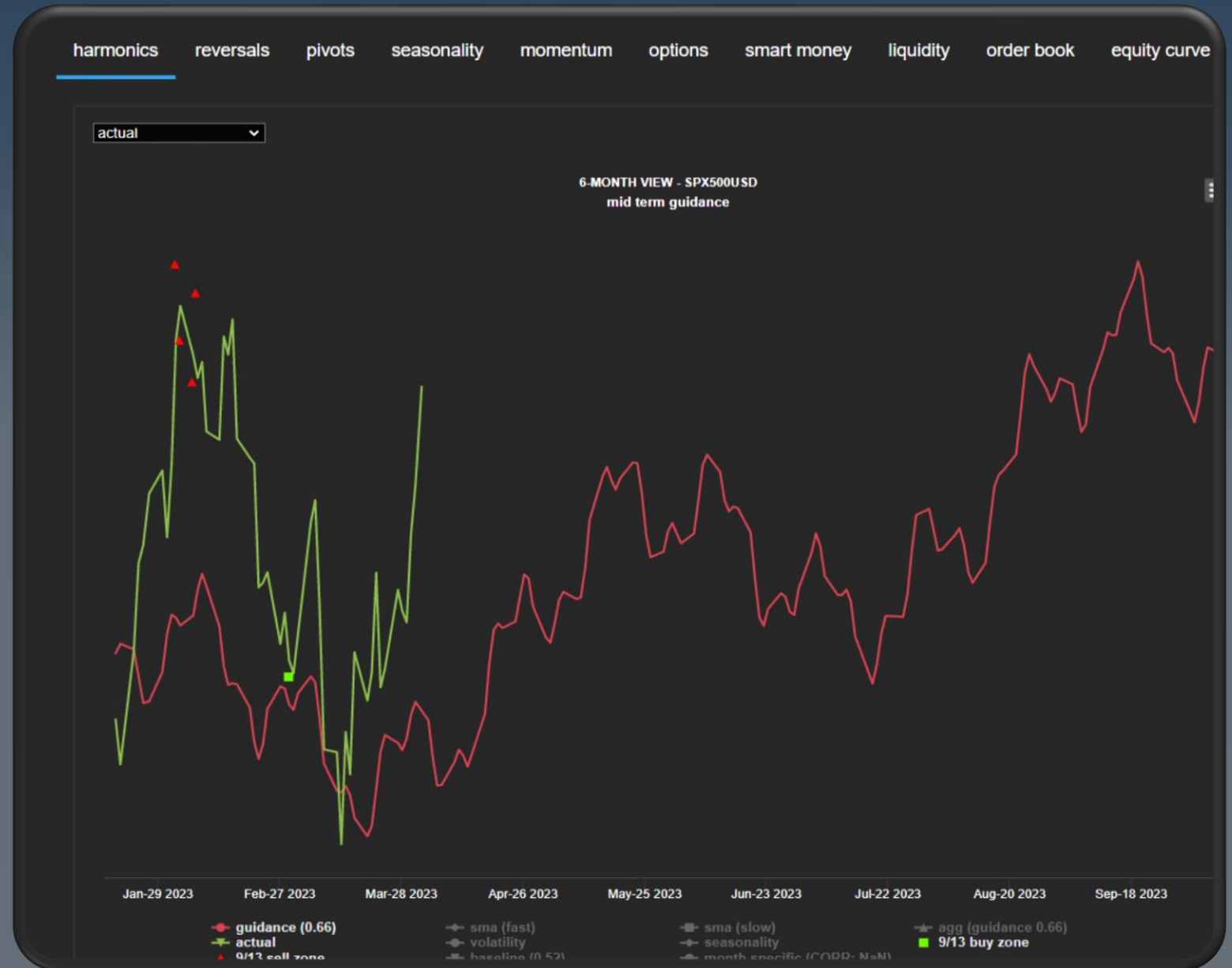
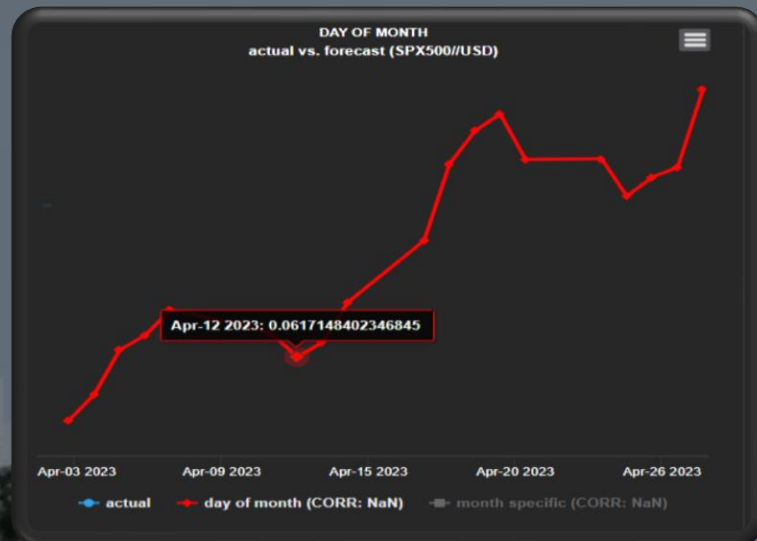
- Short to mid term we are still bullish (going into mid summer)
- RUSSELL 2000 showing up as the weakest of all 4 as of this writing (ie. short candidate, DJIA being a long candidate)



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S&P500 – ST into EOW is to look at a consolidation (incl. indecision) but with a clear long bias going into later this month. May have a retrace into April. 7th to April 12th aligned with CPI DAY (SMA9)

TRADING ZONES for US indices are ALL neutral this week, range bound and showing uncertainty



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S&P500 – for the month of APRIL, the strongest month of the year from a seasonal point of view, and now supported by the underlying cyclical harmonics & also the retail order book that's bearish (contrarian view), we could retrace into CPI day (April 12th) before hitting a new local high targeting April 20th (SPX 4100-4200+)



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RUSSELL 2000 – worth looking at that one this week, supported by the order book it is by far the weakest of all 4 US indices. We may see some good sideways action into CPI day before resuming higher

Day of month seasonality also supports the same argument

- **DOWN** into April 12-13
- **UP** into April 19-20
- **UP into EOM overall**



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S&P500 – ALTERNATIVE VIEW

- **DOWN** into CPI (April 12-13)
- **UP** into April 25th but way below the current levels
- **DOWN** into END OF JUNE, way below the current levels, before a rally (+20%) into mid summer

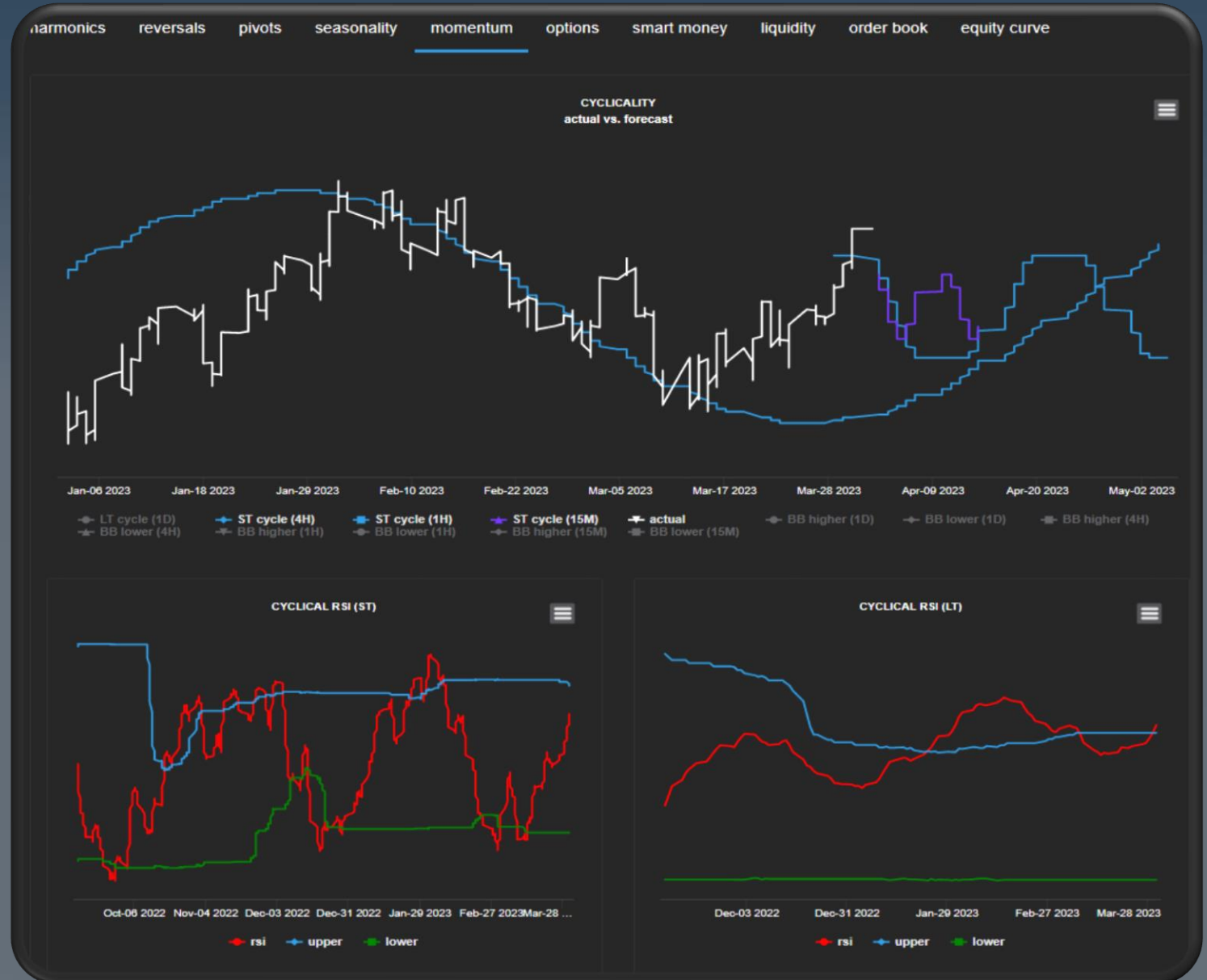
This pattern is still likely to happen being consistent and correlated with the current underlying models, only with the difference of a much bigger drop



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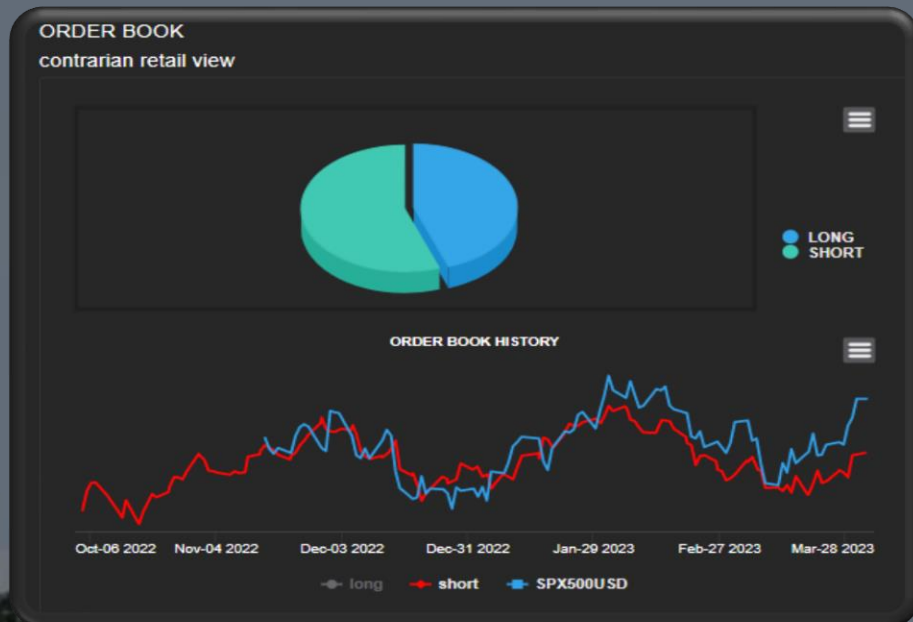
S&P500 – MT/LT LONG bias into SUMMER, with upward bias going into EOM, and also supported by SEASONALITY, BREADTH (incl. this week's AAI L/S report), & HARMONICS

Momentum on 4H chart is NOT YET in OVERBOUGHT territory, supporting a continued upward bias early this week



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Smart Money vs. Dumb Money – retail seems to be shorting the S&P500 and the DJIA while going MASSIVELY LONG on the RUSSELL 2000. This suggests a weaker RUSSELL compared to the S&P500 and DJIA. The smart money on their end is now ABOVE its 50 SMA, which is supportive of further upside to have in the US stock market (into mid-summer?)



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CEF Liquidity Model –
supportive of again further
upside to go, most likely
driven by the FEDERAL
RESERVE injecting liquidity
into the stock market

To be on the lookout
however of a short to mid
term reversal, and may justify
as to why the smart money
has bought into this current
rally (previous slide)

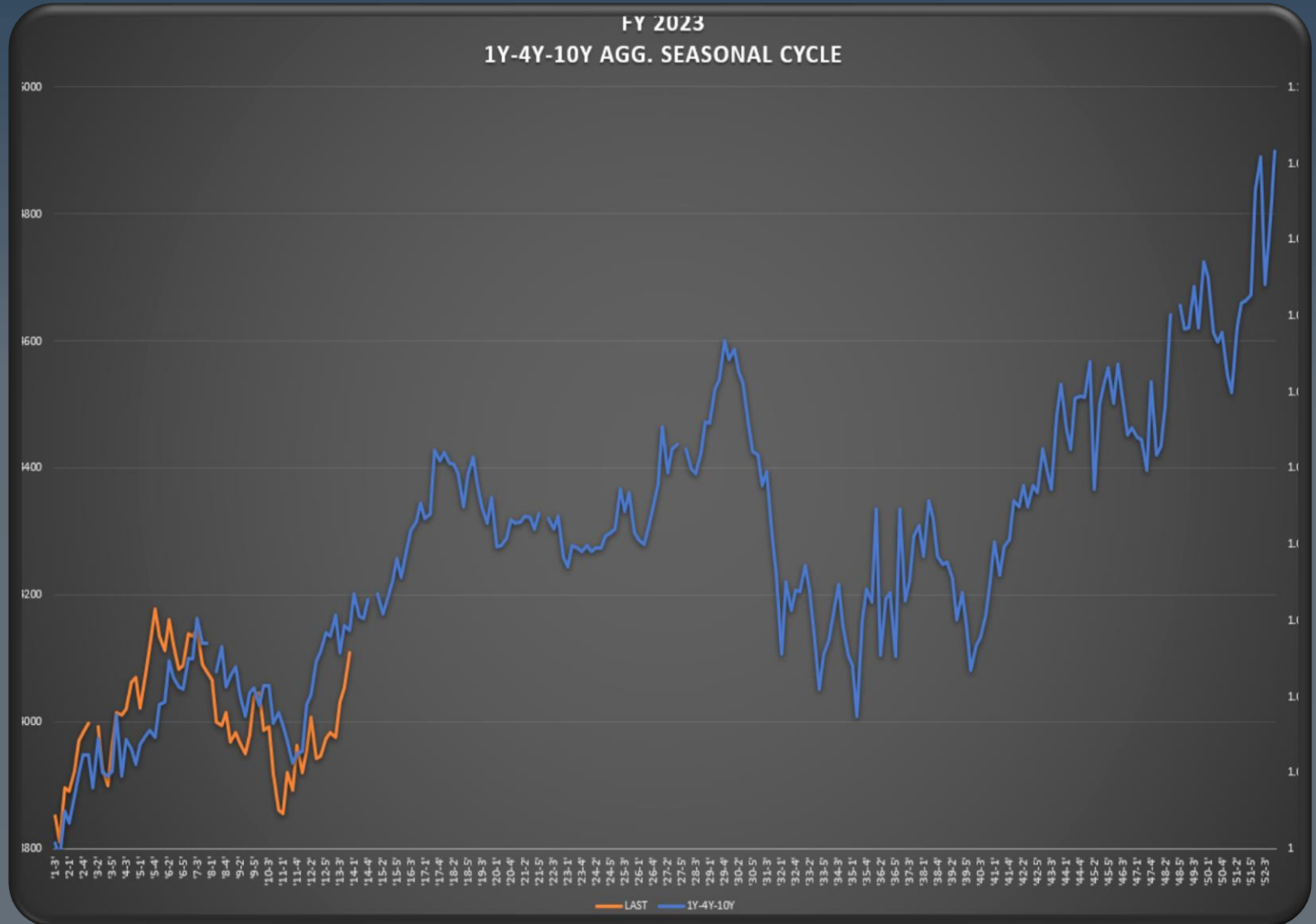


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Political Model vs.

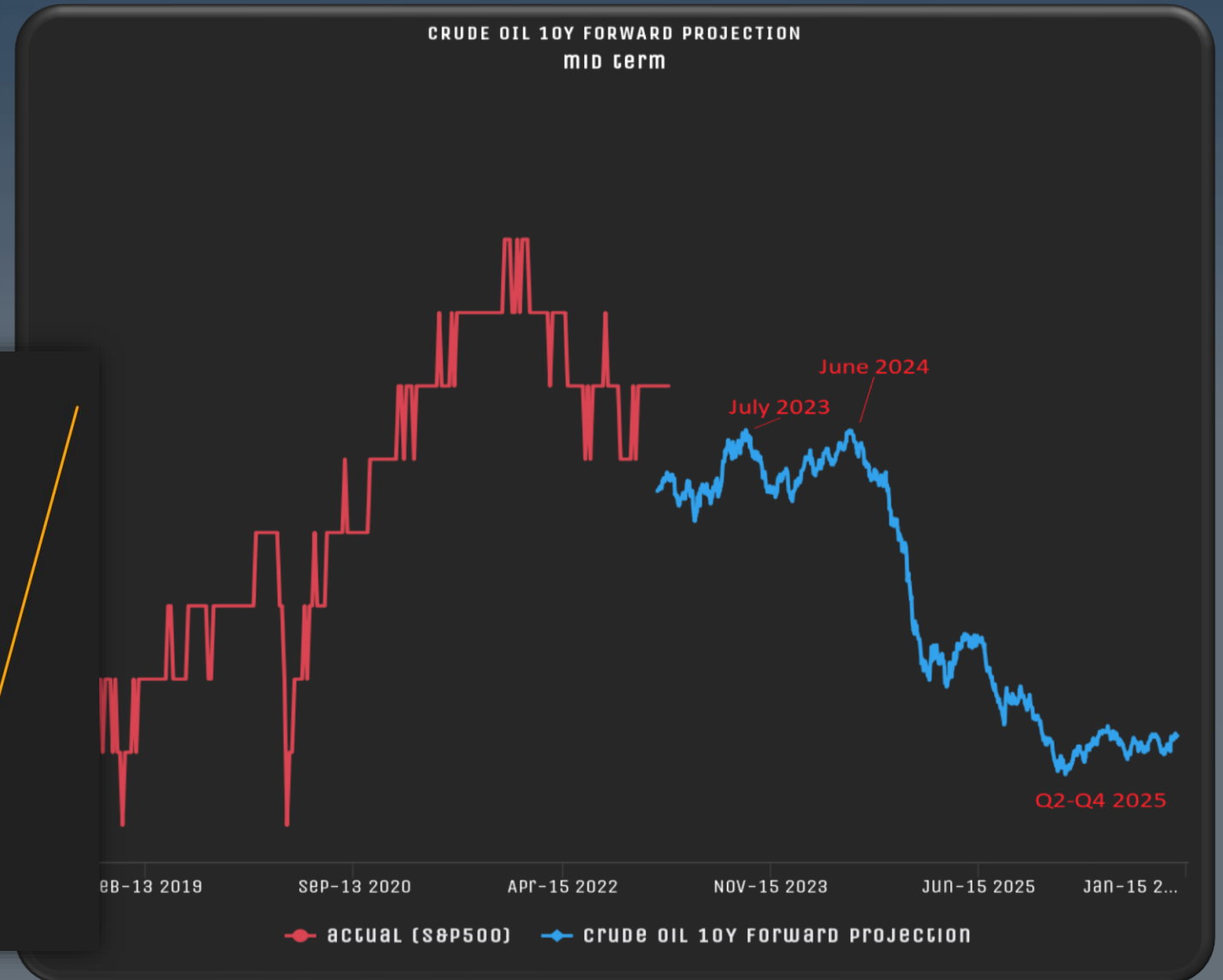
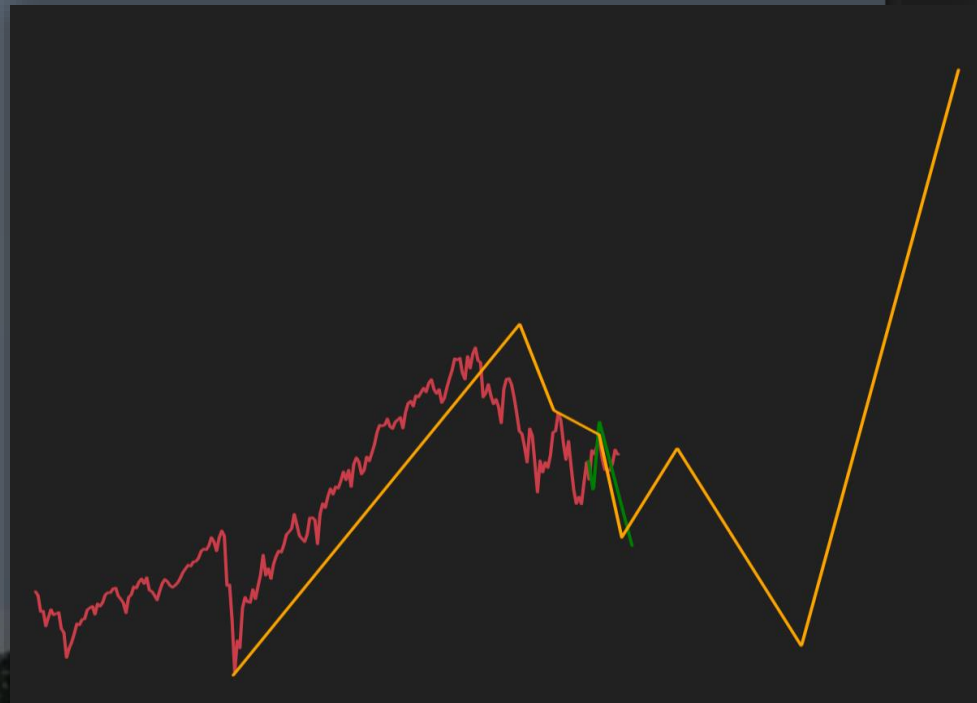
Seasonality – supportive of a local top targeting end of APRIL (to early May, before a pullback into JUNE and a rally into SUMMER TIME (max. SEPT.1)

DRAWDOWN then to be expected into OCTOBER before finishing off the year on a high note (supported also by the CRUDE-SPX MODEL, albeit a major capitulation move is still expected into JUNE 2024)



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S&P500 /CRUDE Model vs. ELLIOT WAVE - consistent with the overall 2023 S&P500 projection – up into MID SUMMER - and on the back of it a POTENTIAL long awaited crash going into Q2-Q3 2024



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*It ain't what you don't know that gets you
in trouble. It's what you know for sure
that just ain't so.*

- Mark Twain





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