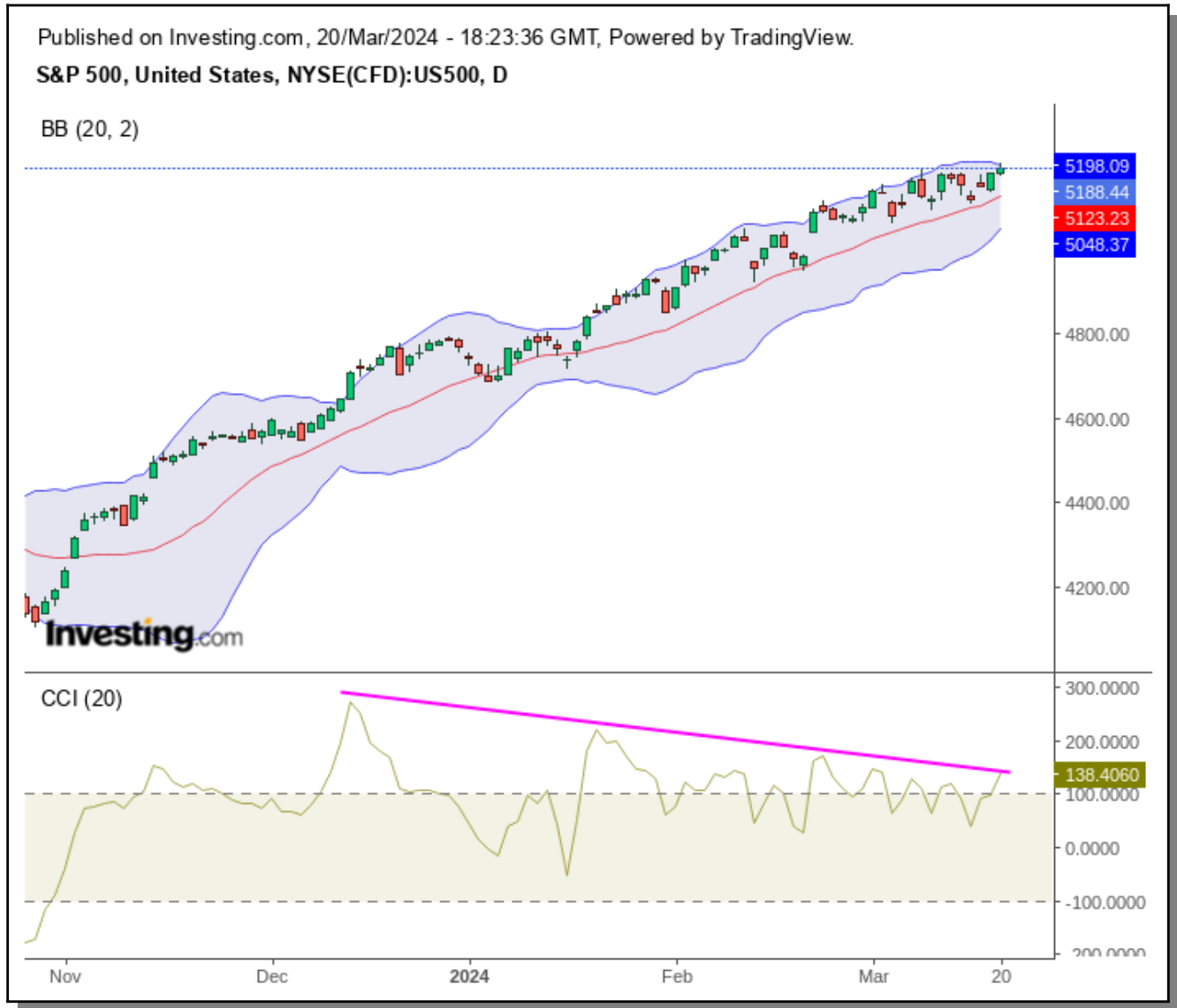


# ANALYSIS MID MARCH 2024

by Stephen R. Renfrow(JD)

Note the **S&P 500 Daily Chart** below. The Pink Line on CCI, below the S&P, denotes Divergence since Dec. 2023. This means a Pull Back (PB) is due, despite my TRGT of 5319. The question is ... will it make it after FED speech on their Monetary Policy for the U.S. Corp. 20 March? Or will there be a 10% or more correction? If it Reverses, the 3 Month Div. can mean a 3 month decline in my experience of 25+ years of trading.



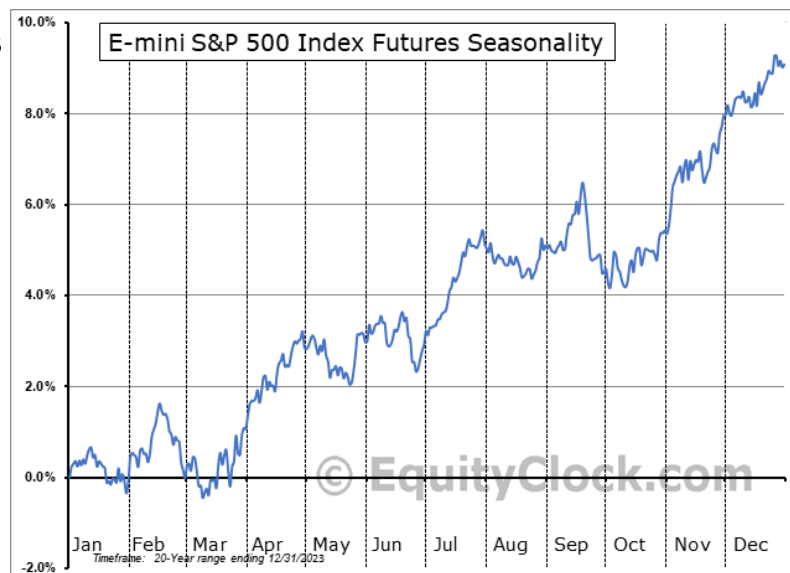
However, FED speak could give the Bulls momentum even if ignoring all the negative constraints. Such as disinflation slowing to a crawl, CPI / PPI slowing down GDP growth expectations, and the slowing of our economy. Perhaps a stagflationary environment a couple of quarters down the road, but for now we're still in waning disinflation, earnings growth and wage growth, and that's positive for equities, commodities and precious metals. LEIs aren't as negative as they used to be either (see below).

Note on the Monthly S&P500 chart below, previous Divergence gives me a SELL Signal (Red vertical Line), and indeed it pulled back 11% to the Bottom Bollinger Band (bBB) and into OverSold Territory (OST). Consequently giving a **BUY Signal (BS)** in Oct. 2022 when it broke out of OST.



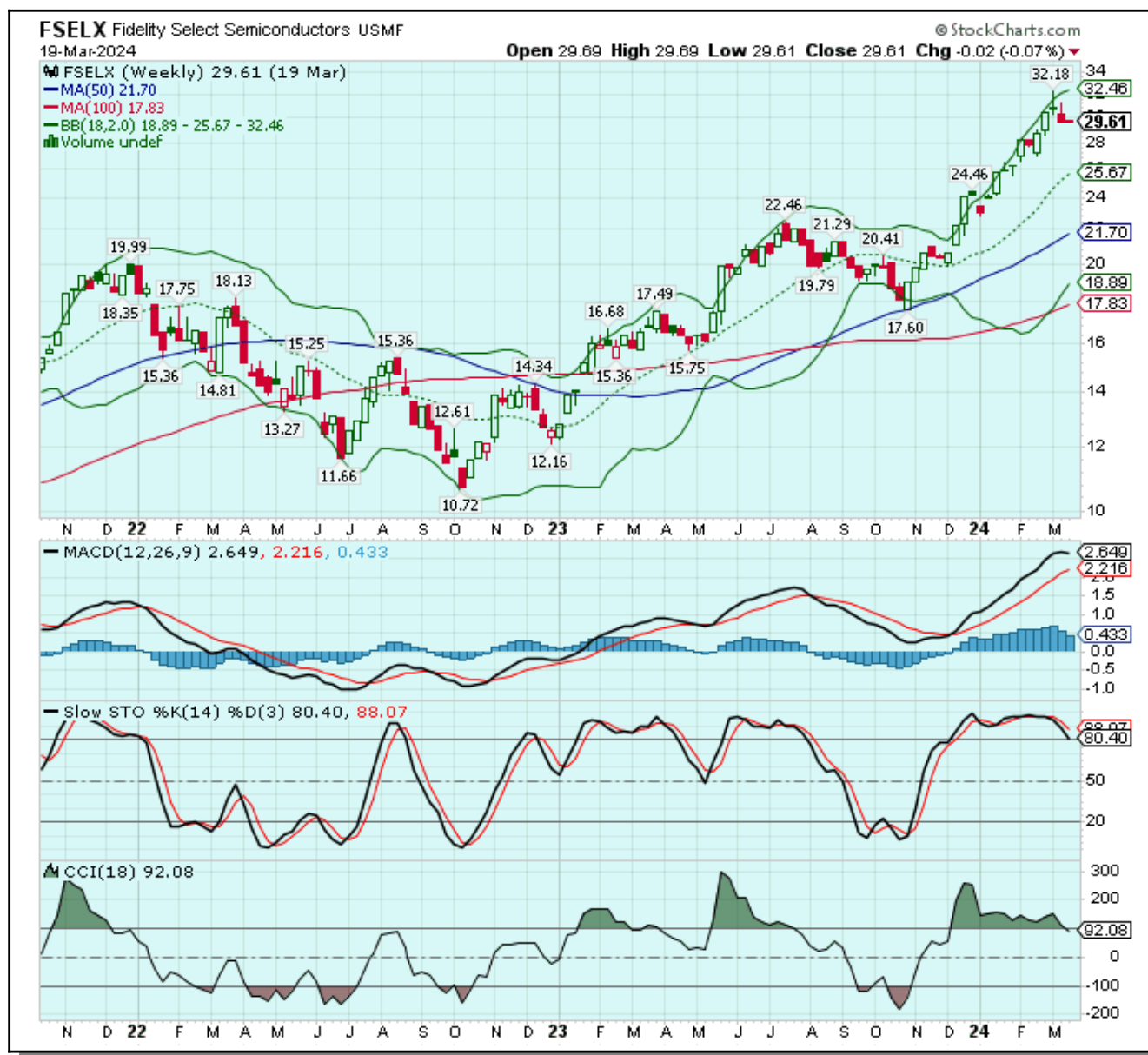
In case you're interested, here is the Seasonal Chart of the S&P for what its worth. Courtesy of Equity Clock.com

Keep in mind the Mrkt has been up, up and UP. Sentiment is extremely positive, which is a contrary indicator!!!



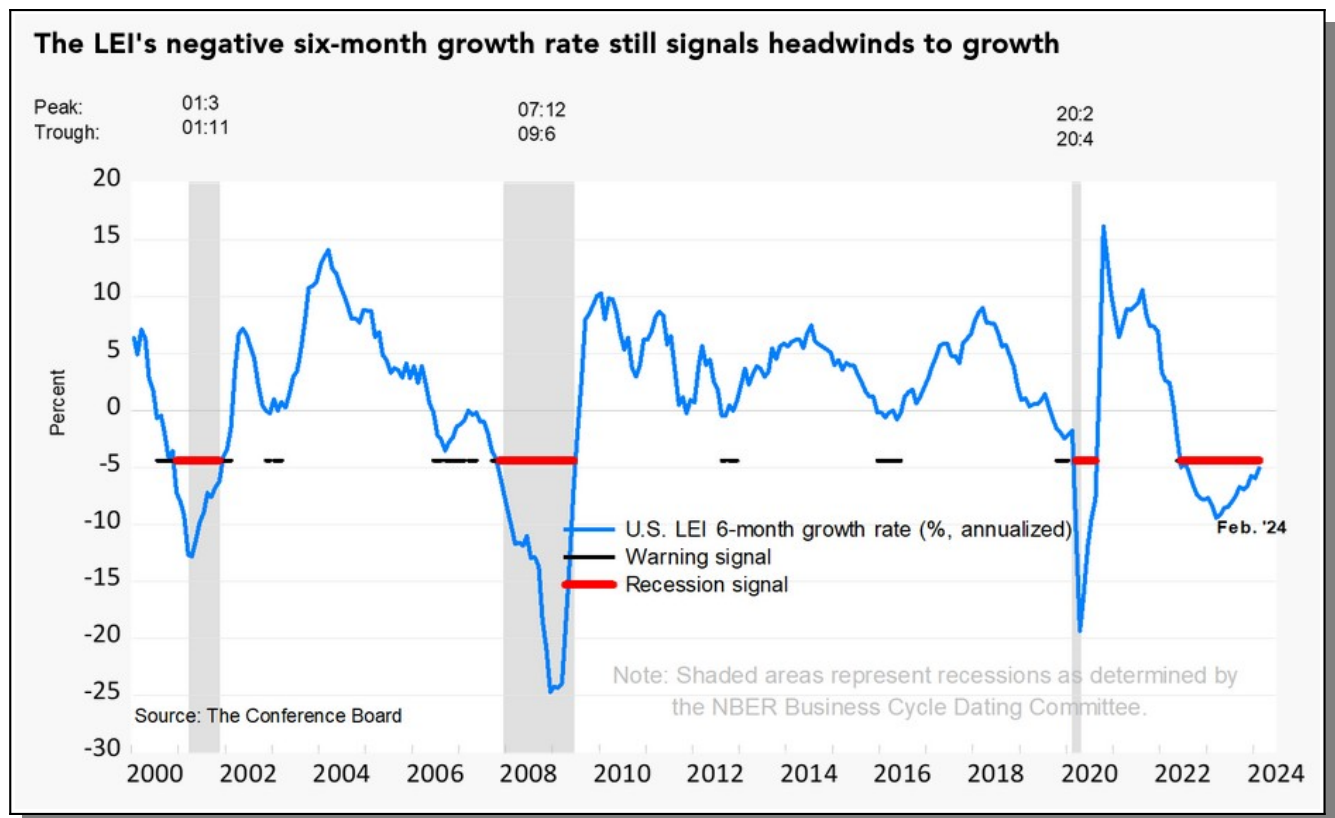
Watch for DOJ to sue AAPL for violation of anti-trust laws, and the ensuing aftermath. There are many problems under the hood. The FED has turned very “dovish” or soft in its policy. Imagine a car, and the U.S. Gov’t is pushing the accelerator pedal to the floor while recklessly throwing money out the windows. The FED (FRC – Federal Reserve Corp.) has been applying the brakes, but now has lifted their foot off the brakes! I’m just saying .... Prepare for what is to come!

Wkly Chart of **FSELX**, No.1 Last 1yr – Zacks Ranking, at wopping 73% Return, #3 Last 3yrs and #1 Last 5 yrs. Note Cup & Handle formation giving a TRGT of 32, and TRGT was HIT. OBT, Divergence and **Minor Sell Signal (mSS)** means **Pull Back (PB)** due very soon.



LEI for the U.S. increased by 0.1 percent in February 2024 to 102.8 (2016=100), following a 0.4 percent decline in January. Over the six-month period between August 2023 and February 2024, the LEI contracted by 2.6 percent—a smaller decrease than the 3.8 percent decline over the previous six months.

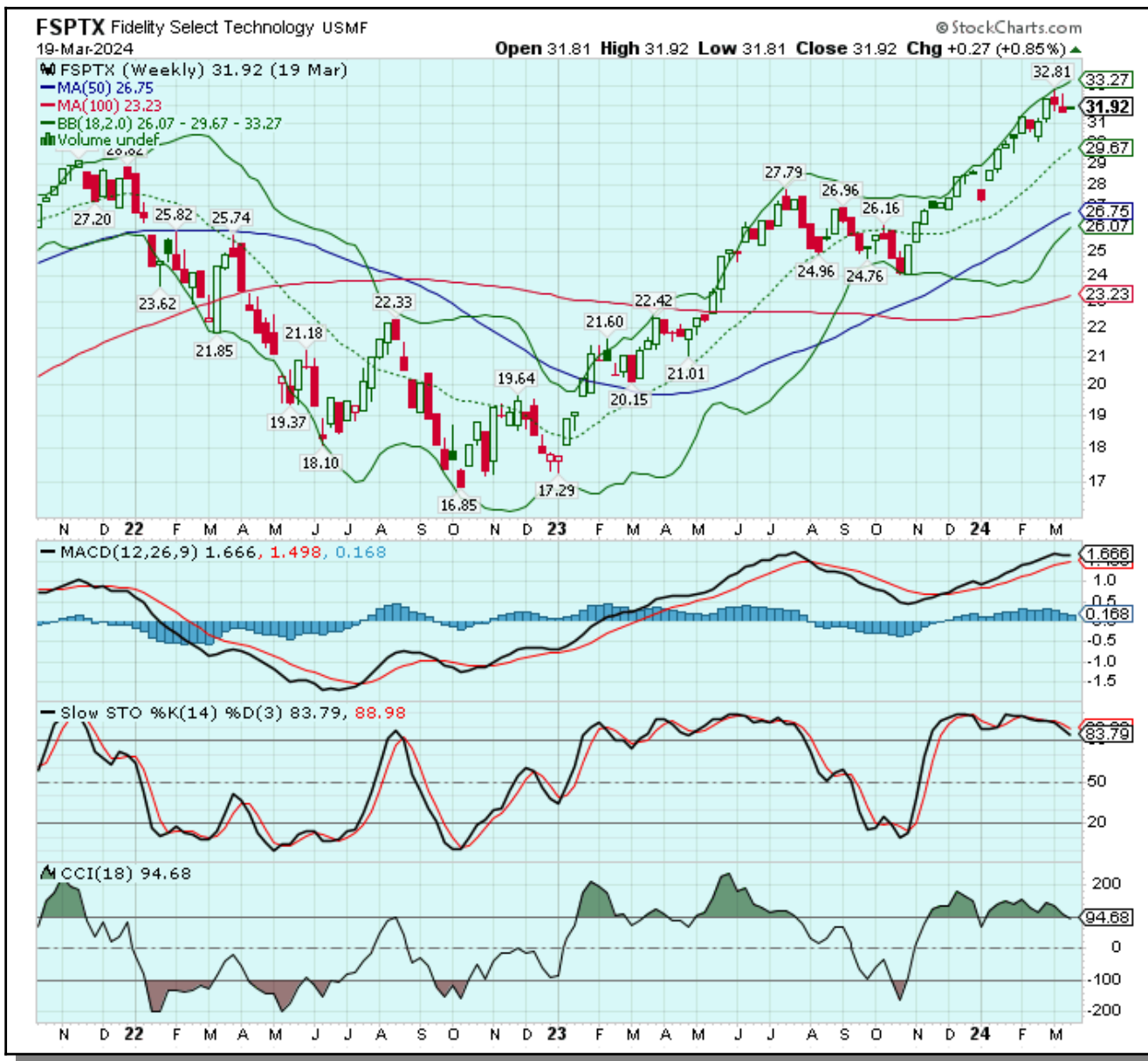
*“Strength in weekly hours worked in manufacturing, stock prices, the Leading Credit Index™, and residential construction drove the LEI’s first monthly increase in two years ... and the six- and twelve-month growth rates of the LEI remain negative. Despite February’s increase, the Index still suggests some headwinds to growth going forward. The Conference Board expects annualized US GDP growth to slow over the Q2 to Q3 2024 period, as rising consumer debt and elevated interest rates weigh on consumer spending.”*



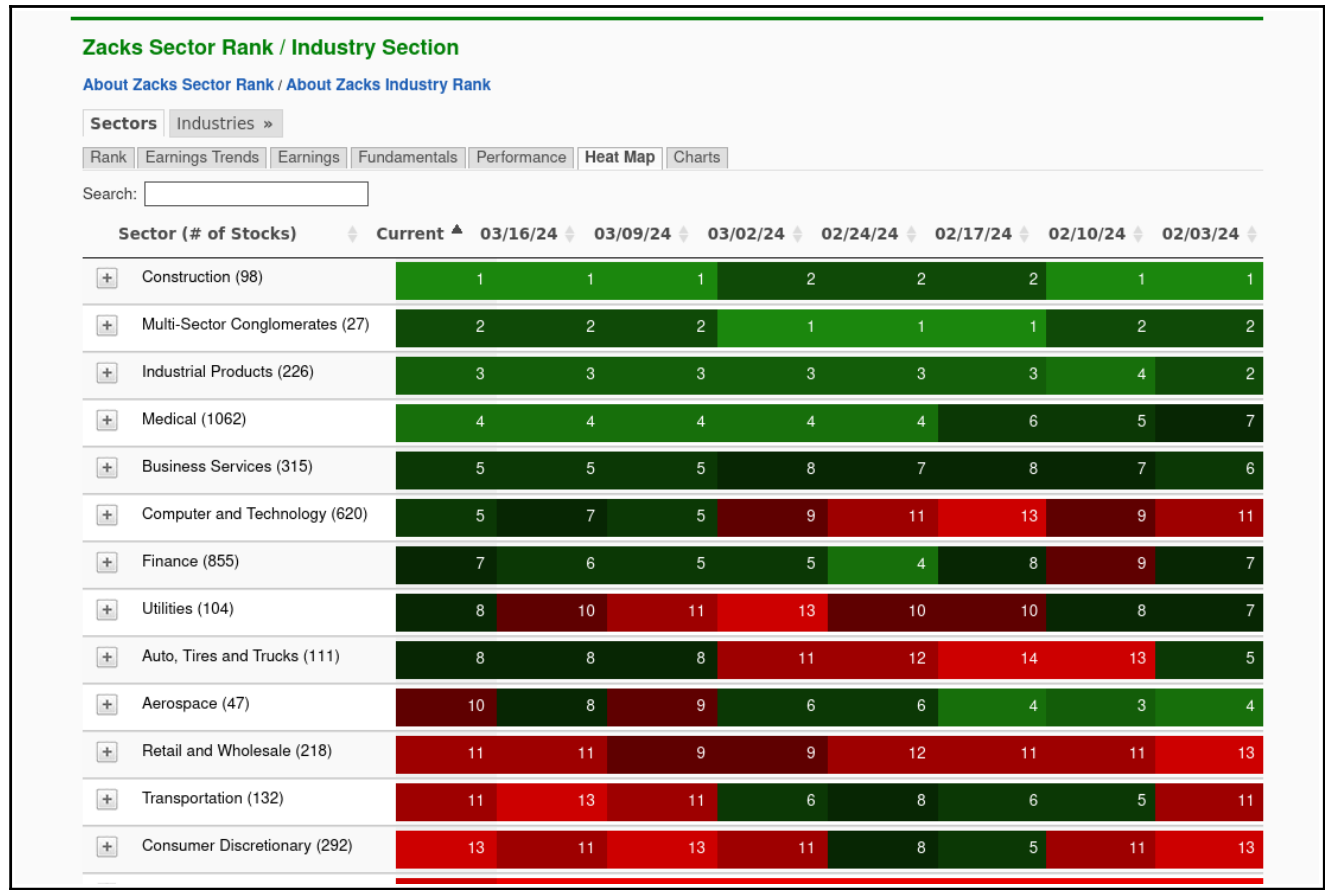
[www.conference-board.org/topics/us-leading-indicators](http://www.conference-board.org/topics/us-leading-indicators)

The Conference Board continues to upgrade their 2024 US growth forecast, still expecting a mid-year slowdown, but moving further away from the recession call they had for most of last year. Growth among **Mature Economies** is expected to remain well below the pre-pandemic average of 2.1%. They forecast real GDP growth of 1.4% in 2024, not much changed from last year’s 1.5%, and a very modest pick-up to 1.6% for 2025. Globally, they report a pick-up in growth in 2024 driven by stronger momentum in South Korea, Singapore, Taiwan, and New Zealand, which more than offset slower growth in Canada, Australia, and Hong Kong.

WKLY Chart of **FSPTX** – close to above FSELX, but TRGT off H&S / Cup & Handle of approx. 40 not reached. However, it is also in OBT with mSS, and MSS approaching, so expecting BIG downside move soon. This Mutual Fund had a Return of 55% the last 12 mths and ranked no. 8 in Zacks List. This is signifying No Entry as of yet, and actually a time to take profits off the table!



The winning sectors however, would remain industrials, energy, materials and tech. Below is the Graph from Zacks showing their “Heat Map” of Sectors. Note the Top 3 are Construction; Multi-Sector Conglomerates; and Industrial Products. Further breakdown in % Change graph below.



Industry (# of Stocks)	%Change YTD ▼	%Change 1 Year	%Change 3 Years
Computer- Storage Devices (7)	73.69%	174.64%	106.12%
Semiconductor - General (8)	65.57%	176.49%	237.39%
Semiconductor Equipment - Material Services (1)	38.46%	90.78%	1.43%
Building Products - Heavy Construction (11)	36.68%	59.86%	62.03%
Semiconductor - Circuit Foundry (1)	35.13%	51.74%	19.94%
Building Products - Lighting (4)	29.19%	42.15%	38.54%
Semiconductor Memory (1)	29.14%	89.46%	20.74%
Semiconductor Equipment - Wafer Fabrication (4)	28.35%	65.21%	73.49%
Manufacturing - Electrical Utilities (1)	27.05%	76.89%	126.67%
Retail - Home Furnishings (7)	24.57%	76.45%	20.82%
Automotive - Foreign (25)	23.59%	63.18%	-9.43%

Take a look at my futures **CRUDE OIL** chart for **May 2024** below. Notice the horizontal dashed lines which are Price Counts (PrCts). They give TRGTs of No.1 – range of 79-81; No. 2 is 84, and **No. 3 is 88.5**. Also you'll see a **TRGT of 89** off a Head & Shoulders bottom. This is 10% above current prices, so expect a 10% rise in Gasoline prices, which in our area in Louisiana will be from \$2.90 to \$3.29 by end of June. Mthly chart has more upside so bias is Up! Note also the Yellow vertical line – my Major BUY Signal (MBS). Currently we'll see a PullBack before the “slow-crawl upleg” continues, hence the light blue line – a minor sell signal (mSS).



**GOLD** will more than likely follow suit with Oil. Below is the June 2024 Futures contract, showing a **BULL Flag Breakout (B/O)** which gives a **TRGT of 2275**. A Monthly Cup & Handle formation gives us a **TRGT of 2480**. Inflation is only part of the reason. See my 20 Mar 2024 Article on the Collapse of the Dollar as the main reason. I've reported many times on the effect that the BRICS nations will have on the U.S. Economy, along with China's manipulation into our politics and policy via a compromised Joe Biden who keeps selling us out to the CCP. Gold will be a BUY 2186 OB on a PB to ReTest the B/O.





Below is a Monthly picture of the Metals markets going back to 2019, showing either stagflation, or manipulation, via shorting by Big Banksters (ie JPM who was sued by DOJ for such behavior), to go nowhere!



Silver should PB to ReTest the No.1 PrCts, but if TSS 24.60 holds, look for Run upto #3 PrCt at 26.31. If TSS fails to hold, and 18 MA is closing in (ie. the “line in the sand”), then a possible run down to the 100 MA 23.9 +/- is in the cards.

However ....

The slightly higher push for PMs and OIL happen right alongside the USD not yet rolling to the downside. USD won't stop at 104, but its rise is driven by other central banks not being really hawkish, and will meet resistance before 105.50.

**Bull Flag B/O TRGT = 104.4 to 104.9 and 105.2 = 38.2% FIB Retrace on the Wkly Chart.**



Despite the FED's desperate attempt to increase Rates on Treasury Funds, to attract Buyers ... Who is Buying ???

According to Zacks, the No.1 Mutual Fund at 28.6% past 3 yrs is below. That's good steady returns. However, it has been above the uBB last 5 weeks meaning it is due for a PB and would then be BUY. Perhaps at the 50 or even the 100 MA, barring a full on meltdown of the NSDQ and S&P500. This is a common theme among markets today - Overbought.



To sum up, we're always in for a rough ride during an election year. Expect much volatility due to corruption in the White House and the resulting fallout of the Leftist War on Trump! While the FED attempts to control the markets, sovereign entities could care less and will win in the end as we watch prophecy unfold before our very eyes ... for those who are awake and aware! Precious metals should do well, but alas nothing is real in the nightmarish, Luciferian's world of Majick!

I've had a few ask me – “what about AI stocks?” While they have skyrocketed and given great returns, were astute enough to get in at the beginning? No? Can you get in now with prices above \$100/share? I usually buy in lots of 1000 for easy figuring in my head. And 1000 shares of anything at \$100/share means an investment of \$100,000 and putting all your eggs into 1 basket is a NO-NO!

However, an ETF may be more affordable, and helps to spread across a number of corp's in a given sector. Lets look at Top ETFs. Here is a short list of the Top 3 over previous 12 months, according to Zacks, and ONLY 2 have outperformed the S&P500 and 1 of those 2 ... just barely.

**Top ETFs:**

View ETFs by Category Top ETFs

Symbol	Company	Zacks ETF Rank	1 Mos. (%)	3 Mos. (%)	1 Yr. (%)	Market Cap
<b>XLK</b>	Technology Select Sector SPDR ETF	1	+2.18	+9.48	+47.57	\$65,021.73
<b>XLF</b>	Financial Select Sector SPDR ETF	1	+3.67	+11.34	+34.73	\$37,625.93
<b>SPY</b>	SPDR S&P 500 ETF	3	+3.02	+10.38	+34.64	\$534,255.94

Note that over the previous year, when most gains were made, is only 47% in the Technology Sector ETF “**XLK**”, and is trading at \$210/share +/- . Followed by, and rightly so, **XLF** in the Financial Sector trading at approx. \$41.50 with a 1yr Return of 34.73% barely beating, by only 0.09%, the S&P500 (SPY) at 34.64%. Note other AI ETFs didn't make the List (BOTZ, ROBO, IRBO, ROBT).

You may say – “47% is nothing to sneeze at”, True, but consider the price! Now look at the chart above of the Returns of the Top Mutual Fund - Chart of Fidelity Semiconductors - **FSELX**, with the following Zacks Ranking - No.1 over Last 12 months with a wopping 73% Return, #3 Last 3yrs and #1 Last 5 yrs. You must also consider longevity and not be so “short sighted” when it comes to investing. For example, when I'm looking at Futures, I analyze not only the Daily, but Weekly and Monthly charts as well, and 1hr and 15 min. to time my Entry. And NEVER trade unless you have defined your Entry Point, Stop/Risk point, TRGT pts, use money mgmt techniques to monitor your trade, and of course an Exit point / strategy to take profits.

I have developed my Trading Manual that outlines these tools.

Respectfully,  
 Stephen R. Renfrow, JD  
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