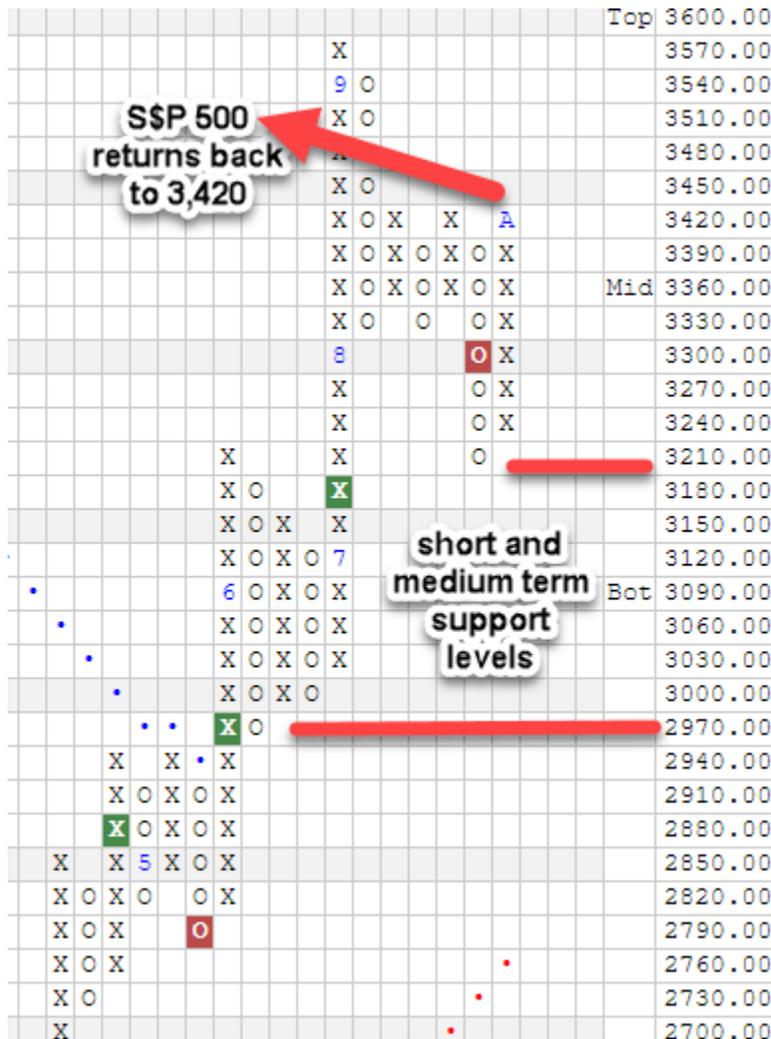


## Sweet October?

It was a good 3<sup>rd</sup> quarter for the markets with only 1 down month- September. Now, October has started on the right path, as our main indicator - the Bullish Percent for the NYSE (BPNYSE) - which measures the percentage of stocks that trade on the NYSE that are on a Point & Figure buy signal reversed up from 46% to 54%. We did make a lower low on this indicator in September and it was below the 50% threshold but **we are currently moving higher which suggests demand returning to the US stock market.**

We are also looking to see if the S&P 500 can return to the all-time high it made at the beginning of September. **A move to 3,450 would break the current resistance level and then 3,570 was the previous high just about one month ago.** Also, a move back below 3,210 would currently create the 2<sup>nd</sup> consecutive sell signal for this index with support being found at the 2,970 level.



It is **also refreshing to see the smaller US Companies move to a higher level** on its index as the chart of IWM which is the Ishares Russell 2000 ETF move to 162 although still below its January high on 170.

So, we have a number of indexes and indicators currently moving higher following the September sell-off. October can be an ominous month for the stock market but sometimes it also has a sweet tooth. We will see.

Please call or email me any questions.

Point & Figure Charts and stock market data provided by Nasdaq Dorsey Wright

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