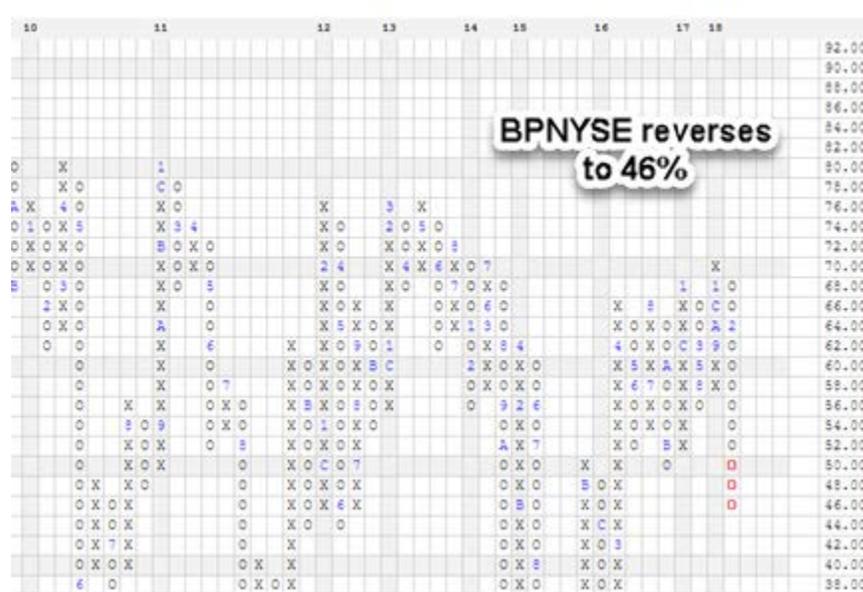


## Opportunity or Otherwise

It was a discouraging week any way you slice it. We continued to see the deterioration of the BPNYSE as it reversed below the 50% level to end Feb 9 at 45.9% - another 5.5% slide for the day. **This breadth indicator is now at the lowest level since March 2016 and in the lower half where damage has occurred in the past.** In effect more stocks on the New York Stock Exchange (NYSE) are on sell signals as opposed to buy signals. Currently, it is somewhat reminiscent of May 2010 when the BPNYSE started at the 80% level and ended the month below 40% where it reversed course at the beginning of June. Where the BPNYSE reverses up this time will be determined in the future.



**The longer term indicator – Positive Trend Indicator for NYSE (PTNYSE) – has yet to reverse down from the 68% level but is within one percent at 62.61%.** Remember, back in the summer of 2016 when I started this blog, I indicated that the Positive Trend indicator for the S&P 500 was at the 75% level. It measures how many of the 500 stocks in the S&P 500 are in positive trend. It just reversed down to 76% from 82% and is precisely at 74.06%. **So we have seen a reversal in this long term indicator but it is virtually unchanged from the summer of 2016.** It still remains at a high level but worth monitoring with the reversal down.



**What ultimately prevails is a matter of debate** as the indicators suggest what is and not what will be. **We have witnessed another increase in risk levels** but whether it's a pause that refreshes or otherwise will be determined in time.

Please call or email me any questions.

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

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