



Leadership Continues To Test Support

I am going to continue to highlight the pattern of the leader off the 2009 low (Semiconductors) until a breakout of 2000 highs or a breakdown of 2-year rising support takes place at (2). Humbly feel what SMH does in this tight jam could say a ton about the broad market going forward.

Chris published on TradingView.com, January 11, 2018 10:32 MST

BATS:SMH, M 101.83 ▲ +0.48 (+0.47%) O:98.50 H:103.96 L:98.28 C:101.83



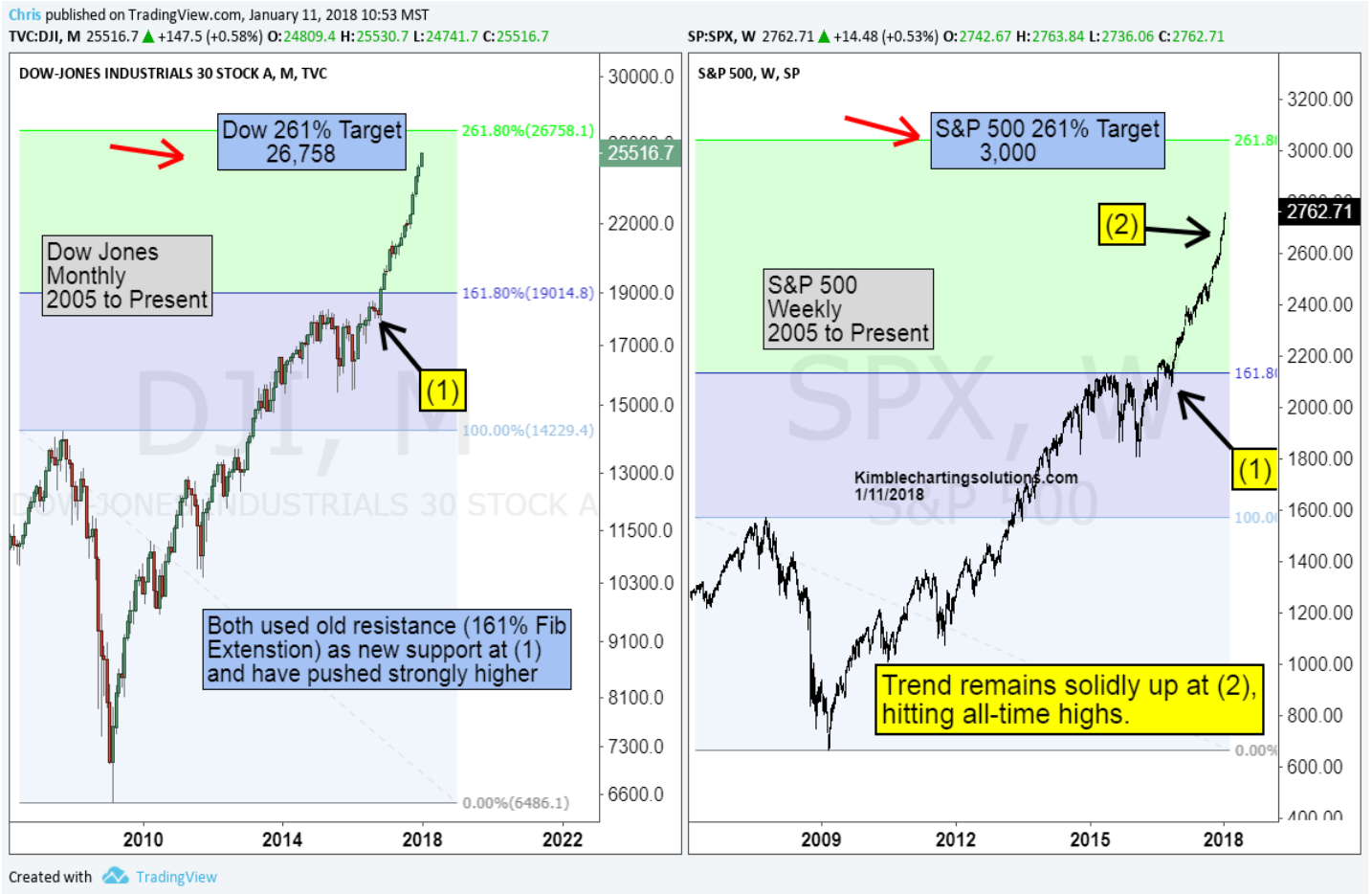
Semiconductors have been lagging the broad market for weeks, yet HAS NOT broken support at (2). Bullish message as long as it remains above (2).

Bullish Breakouts From These Key Indices Continues



Long-Term trends for **each index remains up** and nothing of late has changed that!!!

Each index continues fresh breakouts or moving higher off of new support of late. Impressive bullish price action continues again this week. Would get concerning message if reversals (weakness) would take place and each would break below new support, which was old resistance.



[RIGHT CLICK HERE TO ENLARGE CHART ABOVE-](#)

Above is our update of the Fibonacci **breakouts** above 161% “**Extension levels,**” based on 2007 highs/2009 lows. So far, pretty much clean upside action after using old 161% resistance level as new support.

For almost a year we have been sharing this chart. The 261% extension levels based upon 2007 highs/2009 lows on the **Dow comes into play at 26,758**

Nasdaq Long-Term Channel

Below looks at the NDX 100 going back to the lows in 2011



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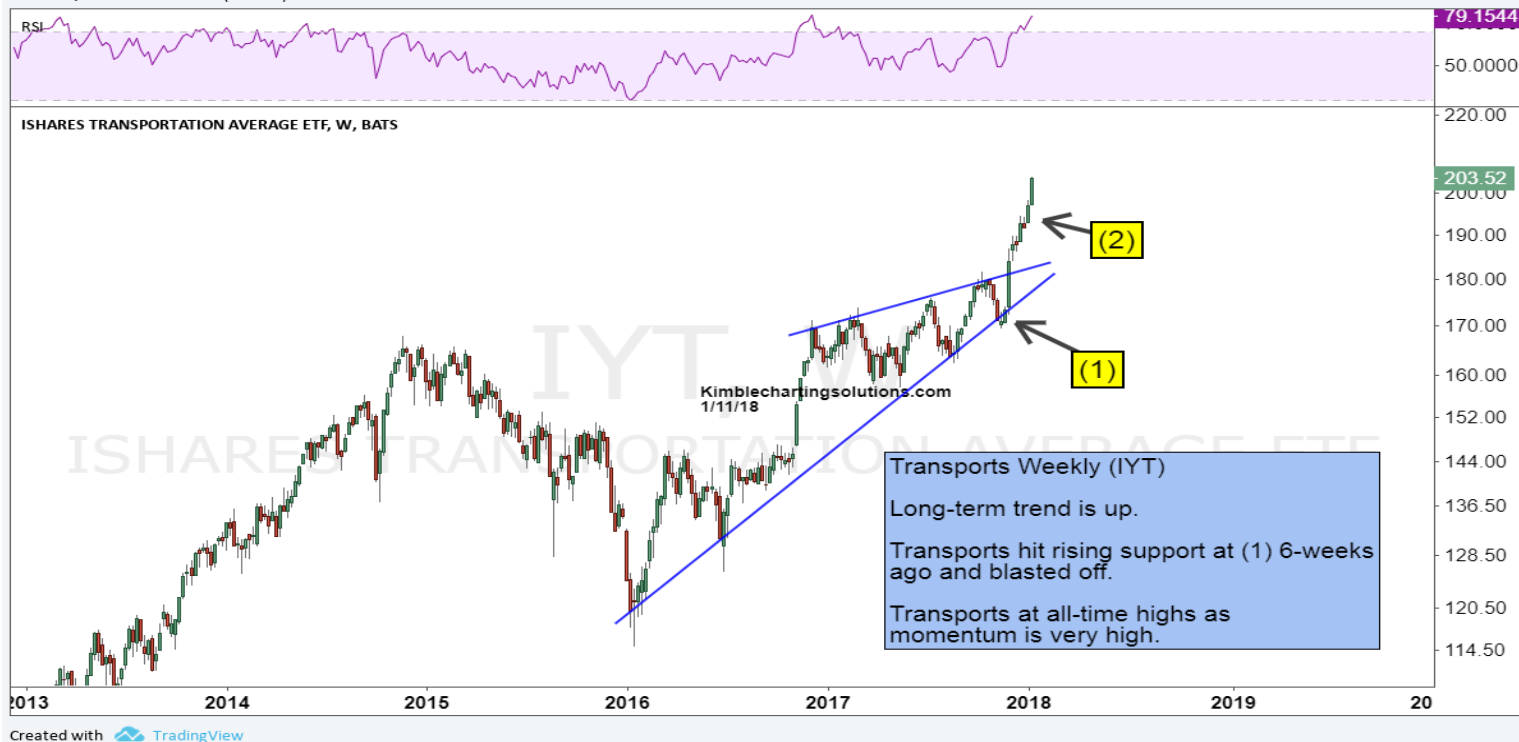
The trend remains up inside of 6-year rising channel (1). NDX of late broke above the top of the bullish ascending triangle.

NDX hitting all-times highs again this week at (2). Tech would get short-term caution message if support would break at (3).

Transports- [RIGHT CLICK TO ENLARGE CHART BELOW](#)

Chris published on TradingView.com, January 11, 2018 12:40 MST

BATS:IYT, W 203.52 ▲ +4.47 (+2.25%) O:197.07 H:203.72 L:197.07 C:203.52



Russell 2000- [RIGHT CLICK HERE TO ENLARGE BELOW](#)

Chris published on TradingView.com, January 11, 2018 12:45 MST

TVC:RUT, M 1583.412 ▲ +23.611 (+1.51%) O:1536.116 H:1585.108 L:1536.116 C:1583.412



Germany (DAX)- Risk On positive message continues

[RIGHT CLICK HERE TO ENLARGE BELOW](#)

Chris published on TradingView.com, January 11, 2018 13:06 MST

INDEX:DAX, W 13281.34 ▼ -104.25 (-0.78%) O:13399.62 H:13425.02 L:13227.57 C:13281.34



INDEX:DAX, W 13281.34 ▼ -104.25 (-0.78%) O:13399.62 H:13425.02 L:13227.57 C:13281.34



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France (CAC-40)- [RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)

Chris published on TradingView.com, January 11, 2018 13:13 MST

TVC:CAC40, W 5488.6 ▼ -16.1 (-0.29%) O:5483.5 H:5529.3 L:5478.9 C:5488.6



TVC:CAC40, W 5488.6 ▼ -16.1 (-0.29%) O:5483.5 H:5529.3 L:5478.9 C:5488.6



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France and Germany – Strength of late by each have both testing 2017 highs. If they breakout, strong bullish message sent to these indices and globally.

Equal Weight (RSP) and S&P 500 comparison since 2009 lows.



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Risk On trade wants both of these moving higher together. RSP continues to outperform SPY since 2009 levels. RSP has **gained 100% more than SPY since the 2009 lows.**

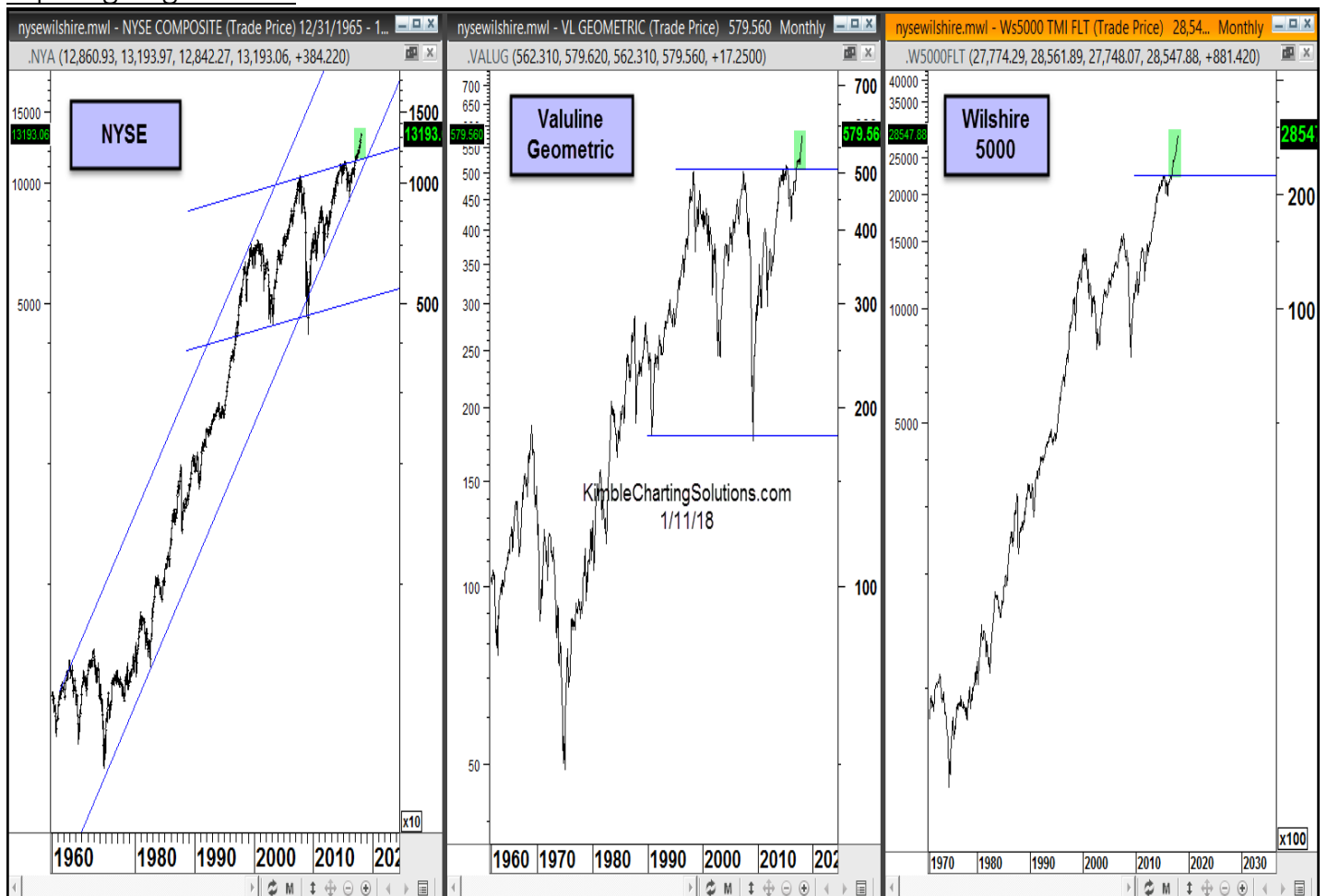
Positive price action taking place for many months, as both are **hitting all-time highs again this week.**

If rising support at each (1) would be taken out to the downside, would send concerning Short-term message to bulls.



New York Stock Exchange (NYSE Index)

Below looks at the NYSE index since the 1960's as well as the Wilshire 5000 and Valuline geometric indices. We are going to include these broad-based indices in the Dashboards report going forward.



Each is breaking out above long-term potential resistance price points, which should attract buyers. LT concerns would creep in if they break below support at the arrows.

Debt Update regarding “Risk On/Risk Off” Message

Certain “Debt” tools have sent quality Risk On & Off messages since the late 1990’s. Below is our weekly update on Junk Bond prices/patterns.

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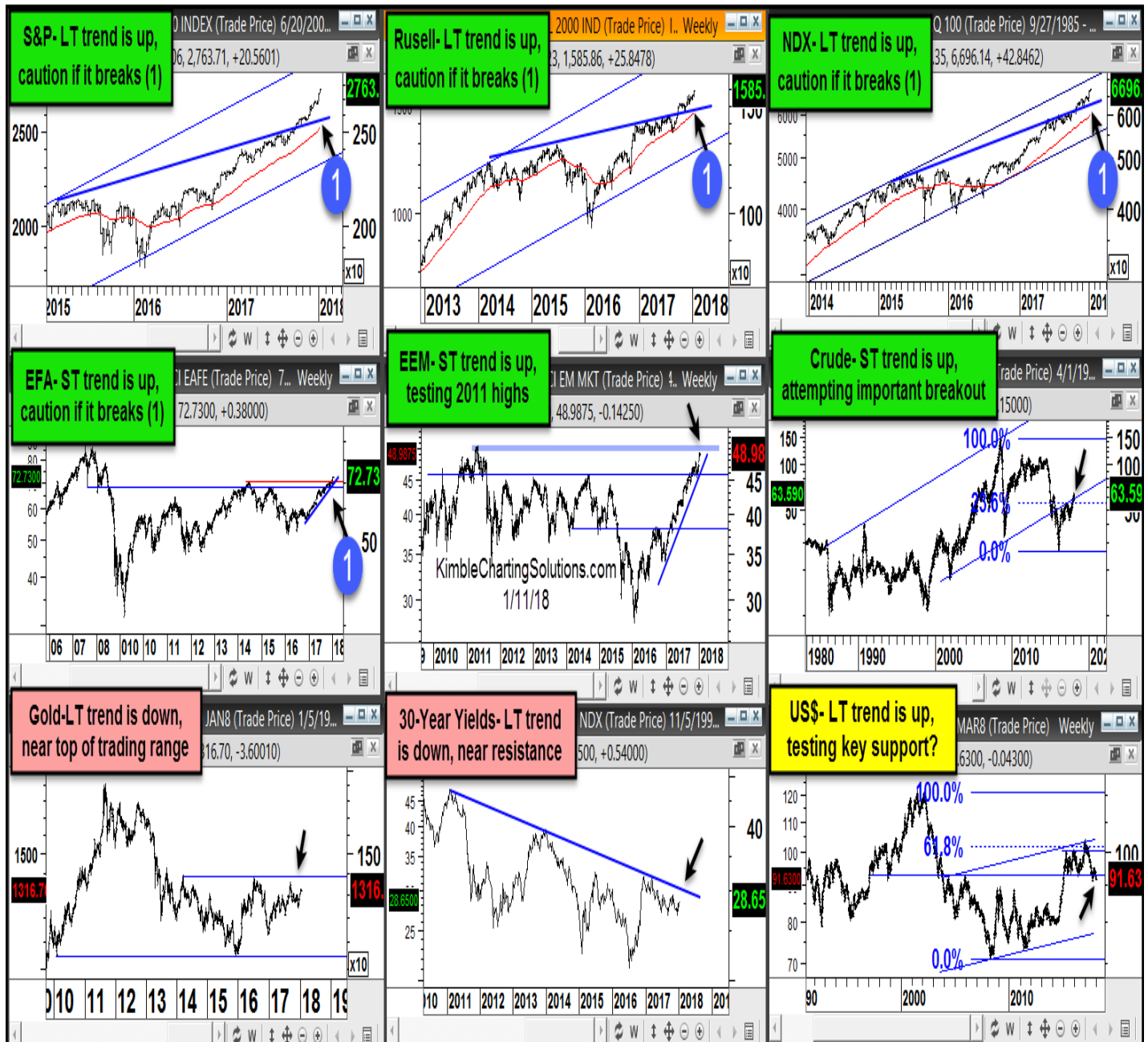
Junk remains in a sideways trading range for the past year.

JNK tested Feb 2017 lows 6-week weeks ago and a small rally took place. Junk quiet the past week as it is near mid-range of 12-mont sideways channel

To send **positive message** to stocks = Junk bonds push higher and breakout at (1)

To send **concerning message** to stocks= Junk bonds turn weak/negative divergence with the stock market and **breaks below the \$36 level at (1).**

Global Dashboard Chart Patterns-



Long-term trends remain up, nothing the past few weeks has changed that.

Each hit ST new support (old resistance) and have pushed higher...bullish price action.

If rising 18-month support would give way at each (1), would send short-term caution message to these important indices.

Notes on price action of Global Dashboard (prior page)

S&P 500, Russell & NDX ... Long-Term trends off 2009 lows **remain up** (SPY & NDX still above 200MA lines)

Short-Term; Strong upside action continues of late, impressive bullish action!

Emerging Markets (EEM)- EEM rally of late has it nearing 2011 highs, which comes into play as a resistance test. If EEM breaks above 2011 highs, strong bullish message.

EFA... EFA continues to test old highs, attempting to break above 2014 highs.

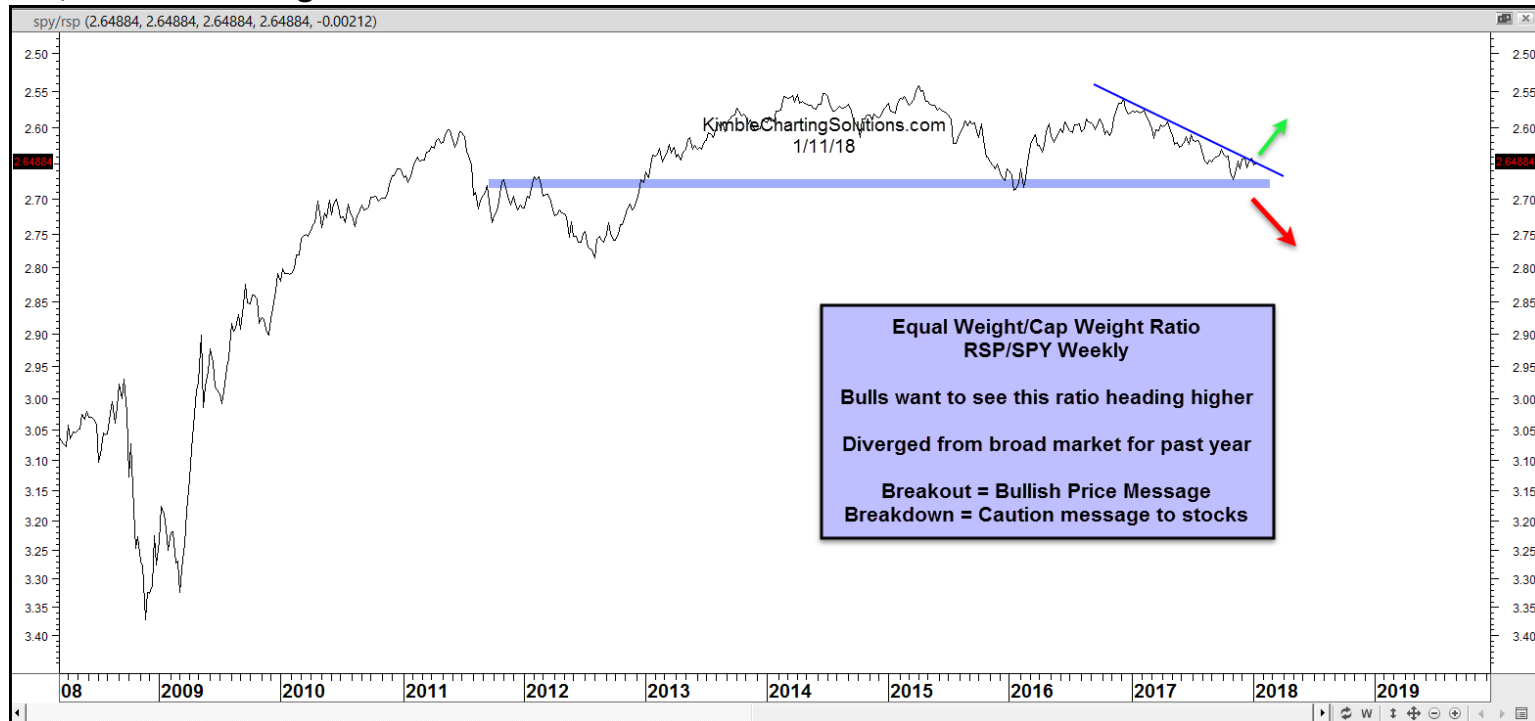
Crude Oil ... Short-Term rally of late has it attempting to break above 23% Fib level and back into the long-term rising channel. Impressive bullish action of late!

Gold – LT-Trend remains down. Near the top of the 3-year sideways range.

Bond Yields- the 15-year trend is down. Yield rally has it nearing LT falling resistance, that if it is taken out, would send concerning message to bonds.

US Dollar... 10-Year trend is up. US\$ has been weak of late and is now testing the bottom of the 18-month range.

RSP/SPY ratio testing resistance zone.

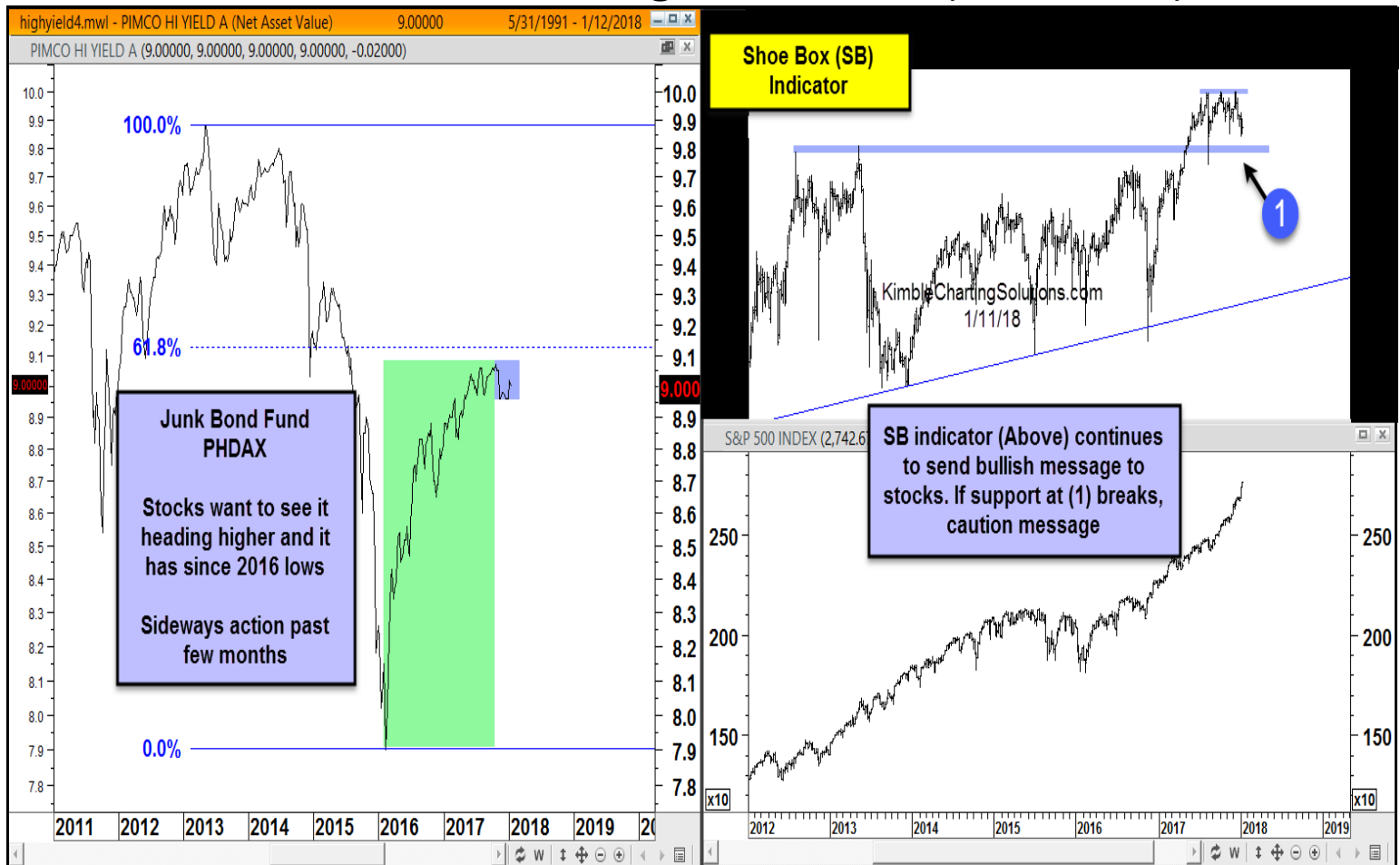


XLY/XLP Ratio (Discretionary/Staples); [RIGHT CLICK HERE TO ENLARGE](#)



RSP/SPY has been diverging since 12/2016. ST positive message if ratio breaks above resistance at in the top chart. **Caution message to stocks if 6-year support breaks.**

Shoe Box Indicator and High Yield Fund (Junk Bond)

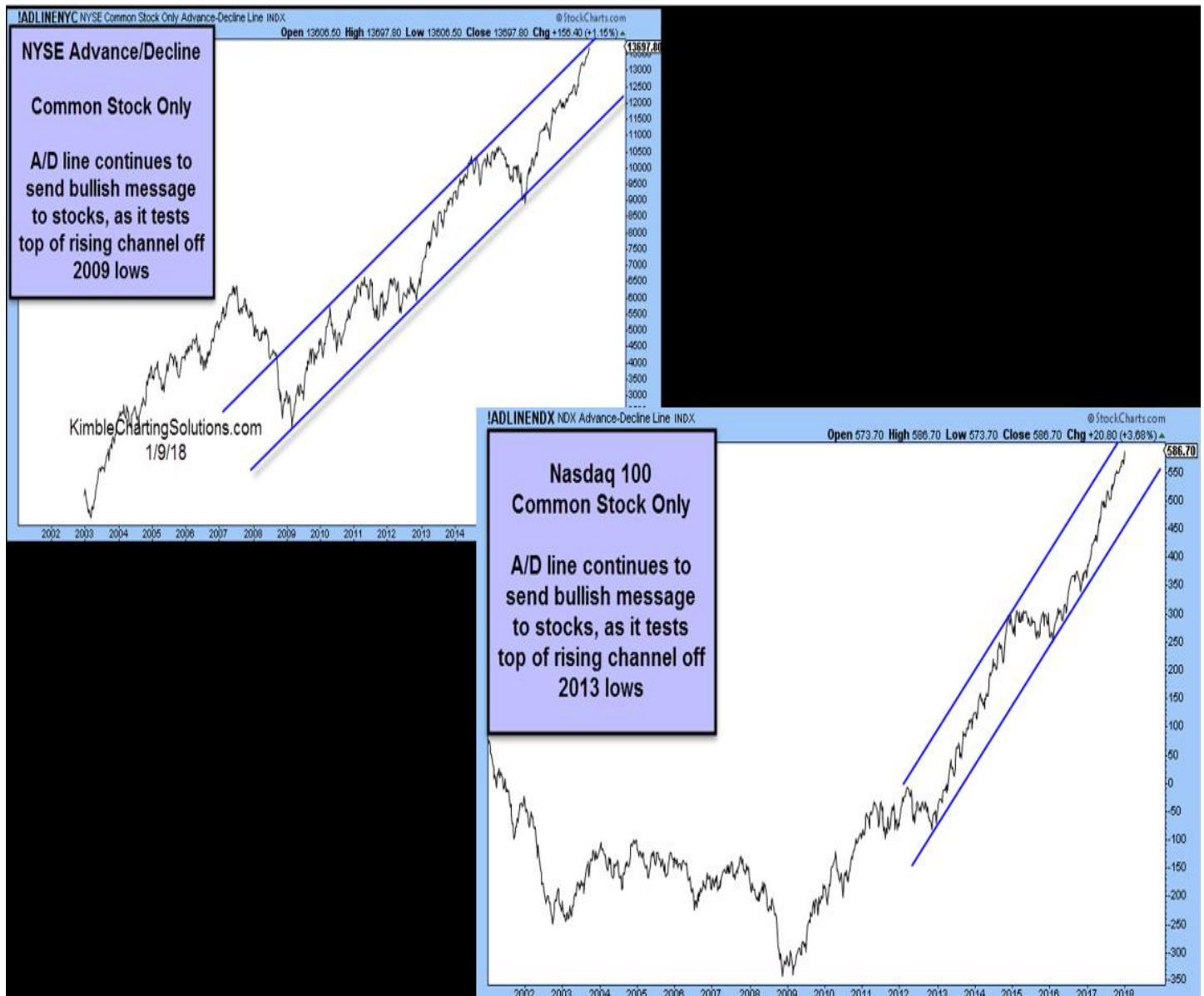


Shoe Box (SB) **Shoe Box trend has been up for years, sending a bullish message to stocks.** SB was near all-time highs of late, little softness past couple of weeks.

SB would send caution message to bulls if support breaks below 2013 highs at (1).

Junk Bonds (Left chart) –Junk bond fund is near its 61% retracement level. Weakness has it testing the bottom of its 2017 trading range.

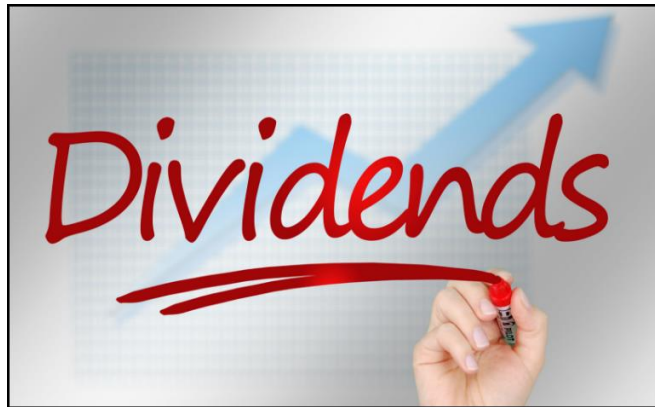
Weekly Advance/Decline Near All-Time Highs



Above-The **NYSE Weekly A/D (Common Stock Only)** on the left and **NASDAQ A/D Line** on the right.

Both continue to send a bullish message to stocks as the trend remains solidly up.

Both are nearing the top of long-term rising channels.



One thing that has become popular the past few years, is the quest to **find stocks that yield high dividends**. Each week we will update the pattern of Vanguard's High Dividend Stock ETF (VYM).

VYM breaking out to new all-time highs two weeks ago.

Chris published on TradingView.com, January 11, 2018 14:24 MST

BATS:VYM, W 87.71 ▲ +0.58 (+0.67%) O: 86.97 H: 87.73 L: 86.77 C: 87.71



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KIMBLE CHARTING SOLUTIONS
CONDITIONS SUMMARY-

	Bearish	Neutral	Bullish
Shoe Box Indicator			SB-Near all-time high little softness of late
High Yield Funds		Testing 2017 lows recently, small rally past 2-weeks	
Advance/Decline line			Trend is up, hitting all-time highs, near channel resistance
Discretionary/Staples			Trend is up, near all-time highs
RSP/SPY Ratio	Diverging from S&P for 10 months, testing support		

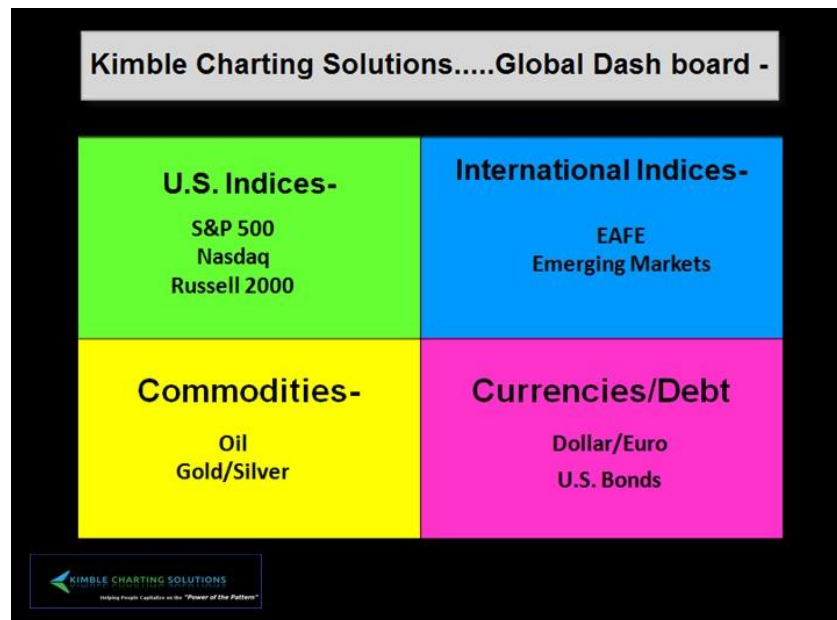
Slow money exposure is now 50% long at this time

GLOBAL DASHBOARD DESCRIPTION

Global Dashboard consists of 9 charts ("9 pack") covering four major investment categories including U.S., International, Commodities, and Currencies. The purpose is to provide members with a weekly snapshot of a current pattern read of key global markets. This is an excellent tool for people with limited time or desire to make account adjustments or to accommodate trading restrictions in the case of many corporate retirement plans. we want this to be your "28-second advantage" to quickly see and understand the chart patterns then make adjustments when Power of the Pattern opportunities materialize.

***Ideal Criteria:** An investment that is out of favor / unpopular / fallen a great deal is not enough to take action. **Our ideal circumstance to go long** is an out of favor investment plus any or all of the following: a support line, a falling wedge, at the bottom of a channel or a key Fibonacci support level. The opposite is true for investments that are in favor. **Our ideal circumstance to short** (score on defense) requires any or all of the following: up against resistance, a rising wedge, at the top of a rising channel or a key Fibonacci resistance level....just because public opinion is popular on an asset/investment, is not enough evidence for taking action.

Delivery time for updates: Our emphasis is on the timeliness of quality opportunities over the timeliness of updates. We may need Monday to gather current information, chart patterns for opportunities, if any, then we will put together the report. We will be planning on updates to arrive on Tuesdays by 1 p.m. Eastern.



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January 11, 2018