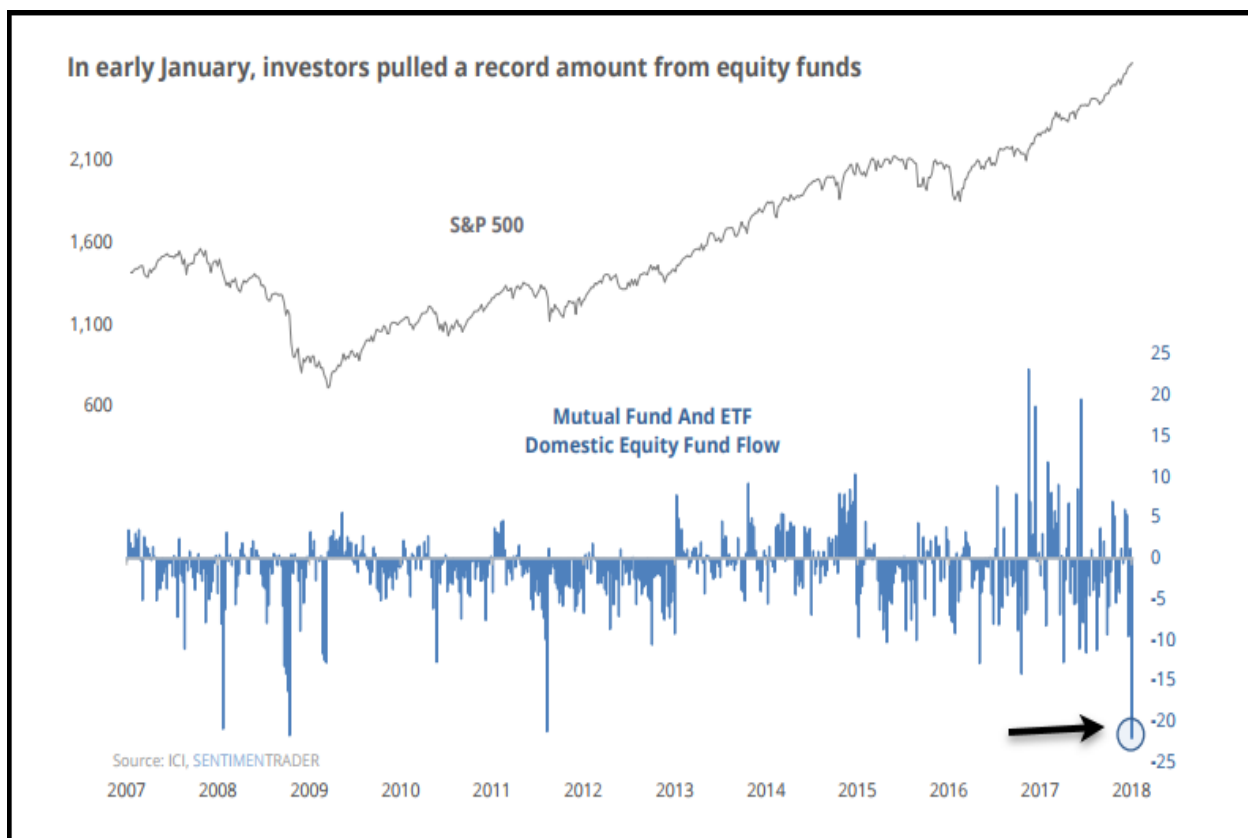




Below looks at Mutal Fund and ETF flows over the past decade.

The market has rallied strongly the first part of the year. What do you think happened to fund flows the first part of January?

**Fund flows tanked**.... reflecting the most amount of money was pulled out of stock funds and ETF's since the lows in 2011 and 2009!



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# Continue



## Continued Leadership Update

Semiconductors have reflected a good deal of leadership over the past 9-years. With this in mind, I will **continue** to share how this long-term leader is doing, until a breakout or breakdown takes place.



SMH hit rising support at (3) last week and has rallied sharply off this support, which sends a **bullish price message to stocks and the broad market has followed.**

Tech and broad market would get caution message if support would break at (3)!

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## High Flyers Creating “Eiffel Tower” Patterns?

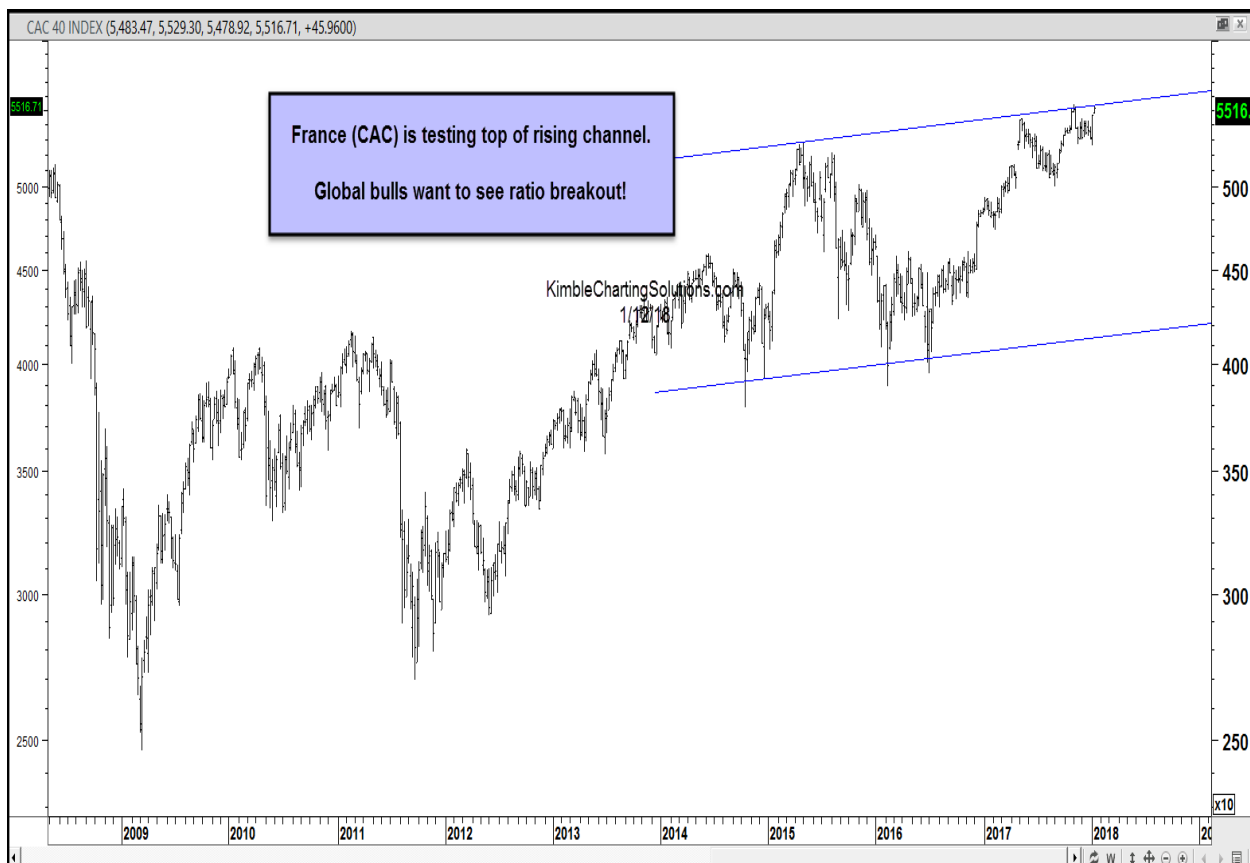
Years ago I shared the idea of the “Eiffel Tower Pattern.” This idea attempted to highlight asset patterns that have skyrocketed higher, which looked almost vertical on a chart. The idea behind the Eiffel Tower pattern is this....if one experiences the left side of the Eiffel tower, they could experience the right side too. In other words, the decline could be as sharp as the rally.

Below is a continued update on some **potential “Eiffel Tower” patterns in the tech sector.**



These high flying stocks have rallied back the past three weeks. 3 of the 4 are now just below highs of late last year. What they do with the old highs is important!!!

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## Nikkei 225 Has Now Recovered Half Of It's Long-Term Market Crash!

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)

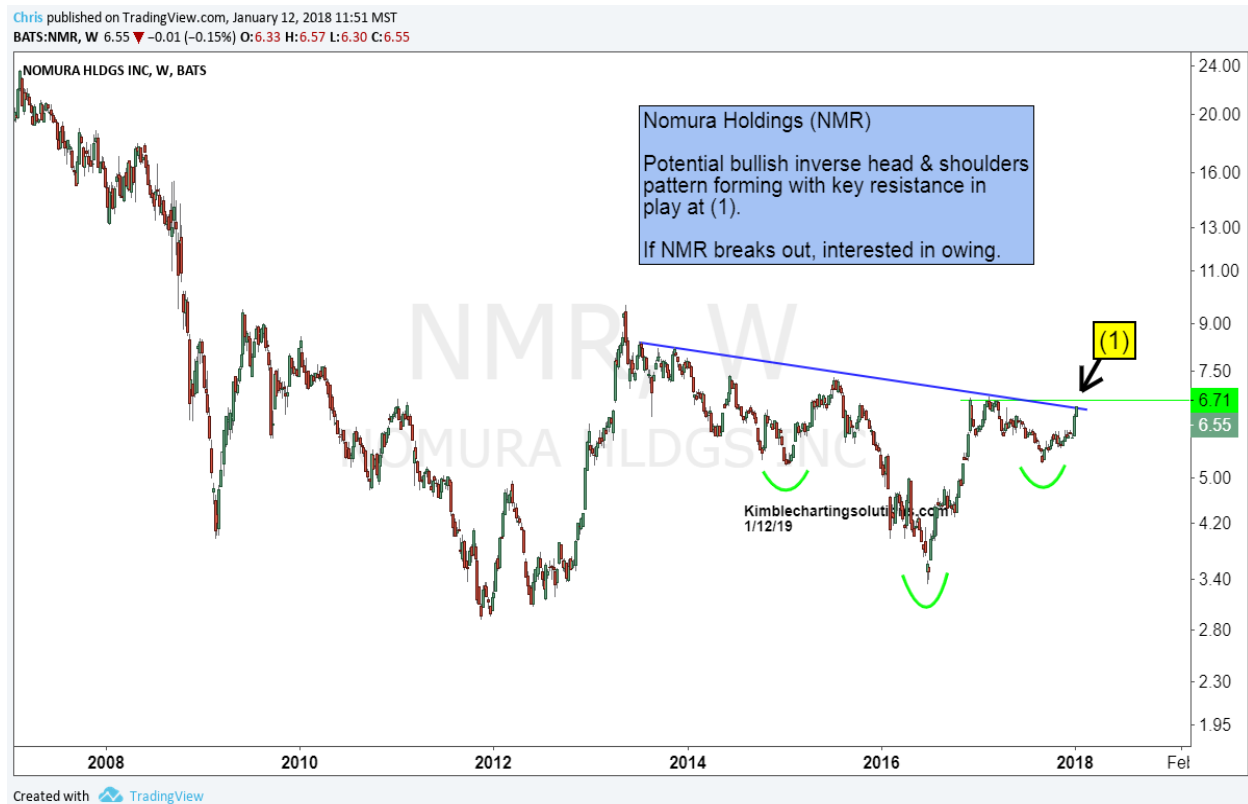
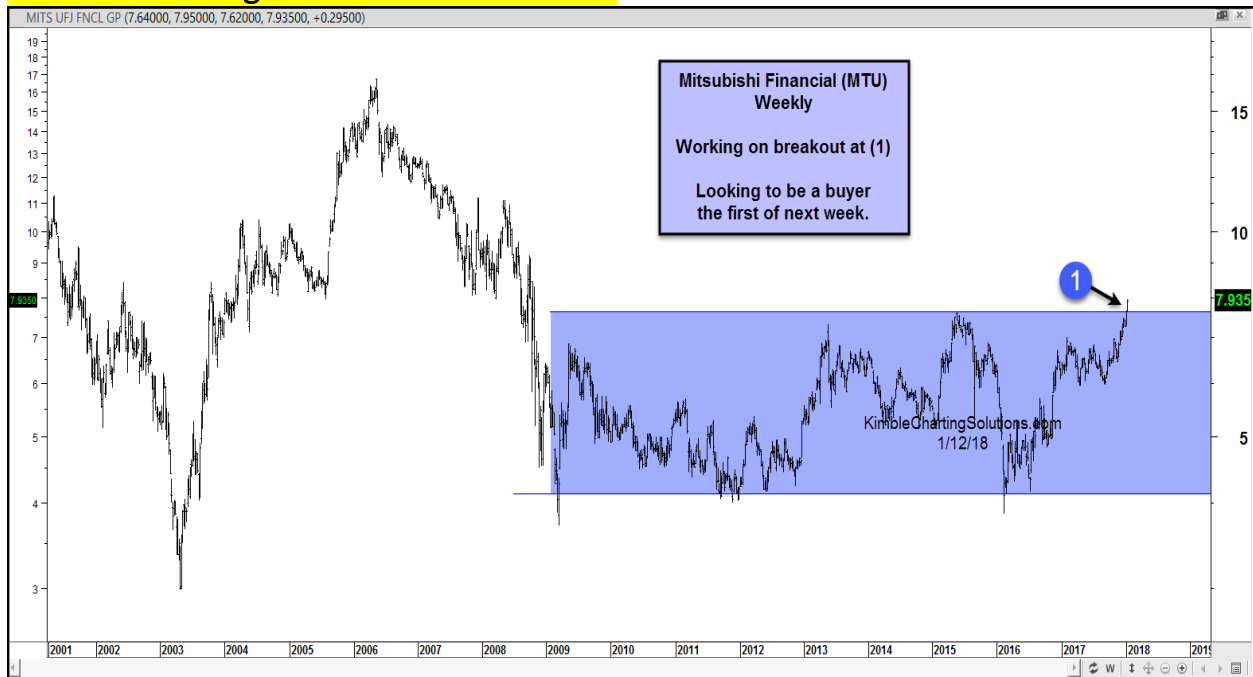


Nikkei did end last month with a reversal pattern. The 50% level of the 1989 highs/2009 lows remains an important price zone for this important index!!!

As mentioned above, should a breakout take place, am interested in owning.

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With the Nikkei attempting to breakout above a 20-year resistance line I wanted to share a couple of stocks from Japan (traded in the states) that are **attempting to break above long-term resistance as well.**



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

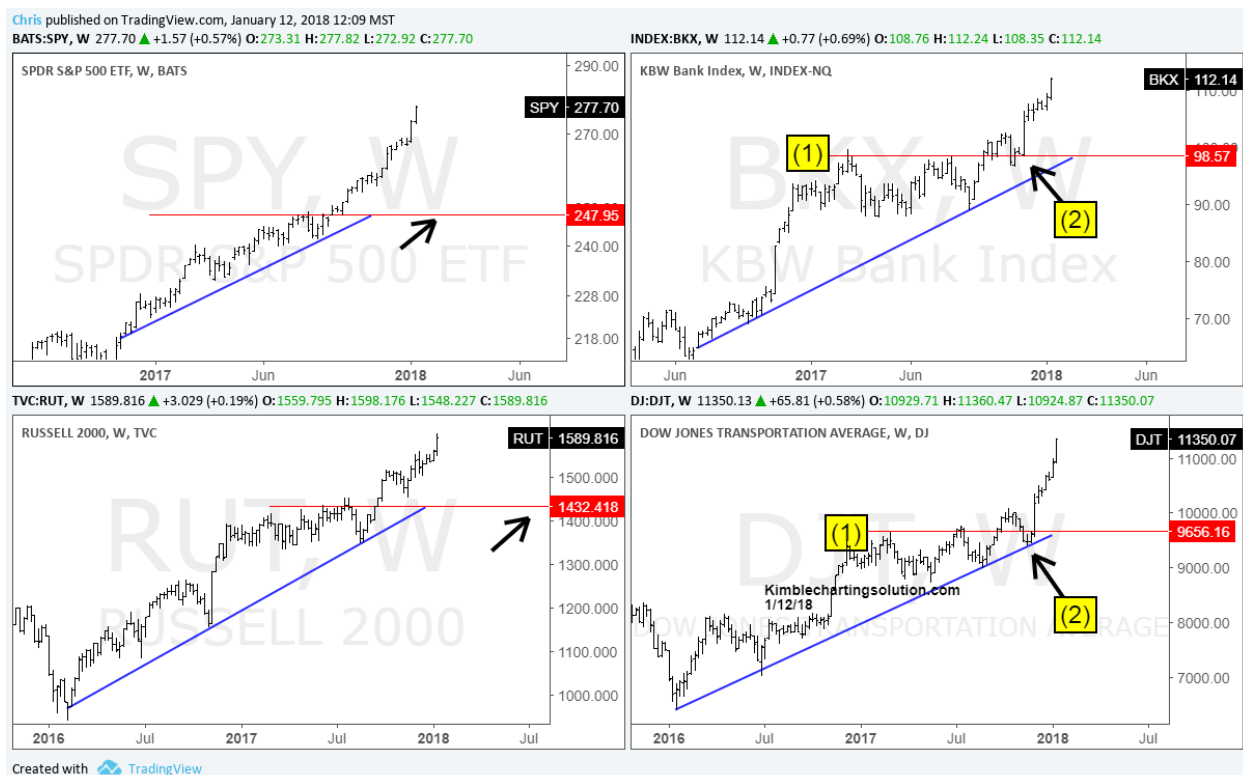
January 12, 2018



## Key Indices Continue To Remain Above Important Support

Each chart continues to send bullish price messages. The **“Red Box”** in the right-hand column (arrow is pointing to them), reflects support levels that would be of concern to the bulls if taken out to the downside

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)



All four are breaking above bullish ascending triangle patterns, sending a positive message to the markets. **It is this type of action that keeps me long and has me comfortable sharing more upside winners for you of late.**

EEM and EFA trends are up. What they do with **resistance levels at each (1) and rising support at (2)**, could become important to the broad markets in the states!



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Position= Long Citi (C); Fixed Stop = 73.84

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)

Chris published on TradingView.com, January 12, 2018 12:42 MST  
BATS:C, M 76.44 ▲+0.88 (+1.16%) O:75.09 H:76.70 L:73.97 C:76.44



POSITION= Long HRS; Fixed stop = 137.65

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)

Chris published on TradingView.com, January 12, 2018 12:57 MST  
BATS:HRS, W 147.02 ▲+1.72 (+1.18%) O:143.81 H:147.33 L:143.62 C:147.02

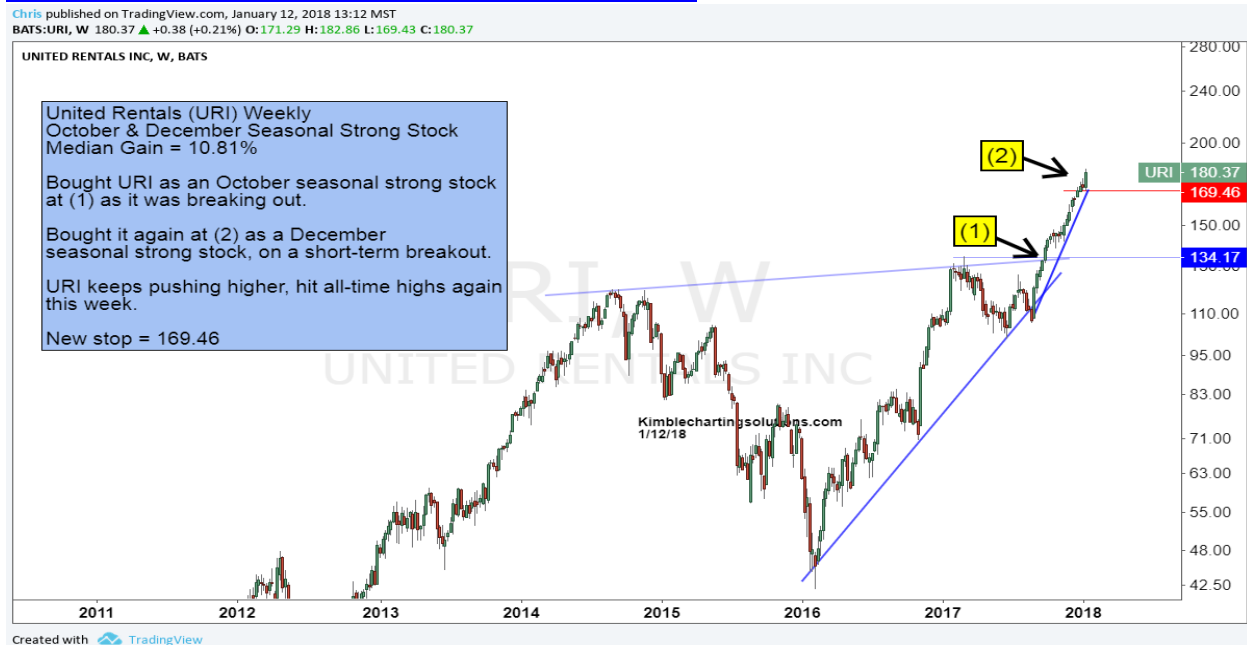


January 12, 2018

## Position

United Rental- Stop = 169.46

[BELOW RIGHT CLICK HERE TO ENLARGE CHART](#)



Position Long Mylan (MYL)- Stop = \$44.90

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)



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Position Long U.S. Steel (X)- Stop = \$37.57

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)



Position Long Freeport (FCX)- Fixed Stop = 18.71

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)



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## Small & Micro Caps Look Alike Patterns

Below is a **continued update** of the patterns in Small Caps (Russell 2000 Index) and Micro Caps ETF (IWC). Both have created look-alike patterns the past few years.



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

Russell is breaking above old highs. Micro-caps still testing old highs at (2). Bulls would love to see micro-caps follow small caps!

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## Bond Ratios that has my attention-

Chris published on TradingView.com, January 12, 2018 13:27 MST  
BATS:SPY/BATS:ZROZ, W 2.36 0.00 (0%) O:2.29 H:2.38 L:2.29 C:2.36



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Chris published on TradingView.com, January 12, 2018 13:29 MST  
BATS:TIP/BATS:TLT, W 0.91 0.00 (-0.21%) O:0.90 H:0.92 L:0.90 C:0.91



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January 12, 2018

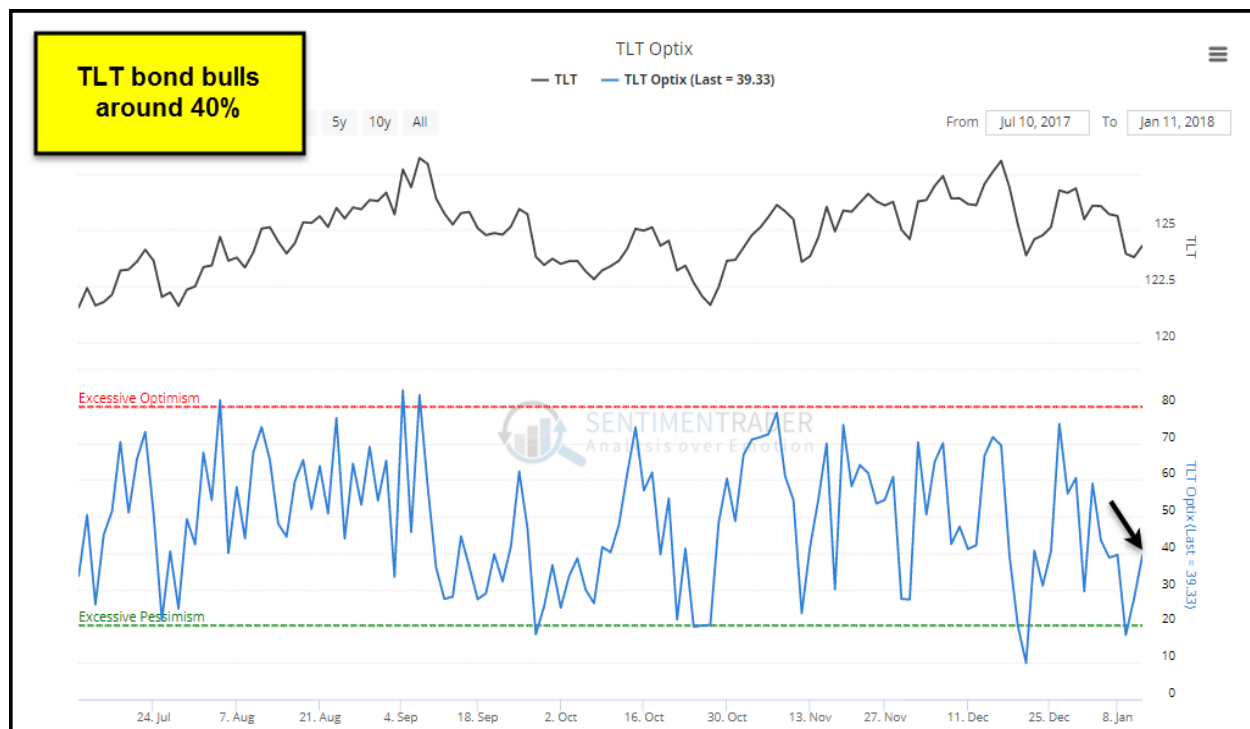
Position-

TLT Long; Fixed stop = 122.17

[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)



Despite the Fed raising rates this week, TLT still managed to move higher.

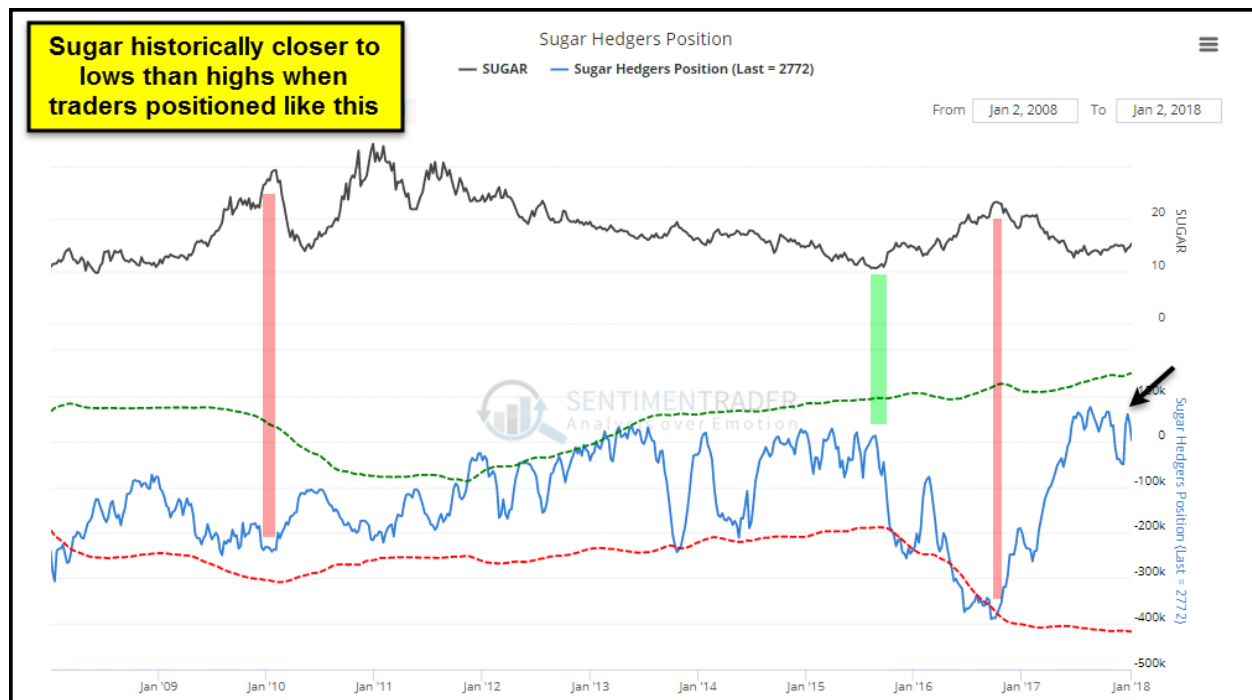


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# Sugar- No So Sweet Sideways Action Continues



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



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**Position- Blackberry (BB); Long- Fixed Stop= 13.07**

BB has been in the shopping cart for a while. Bought BB as it is attempting to push higher and breakout.

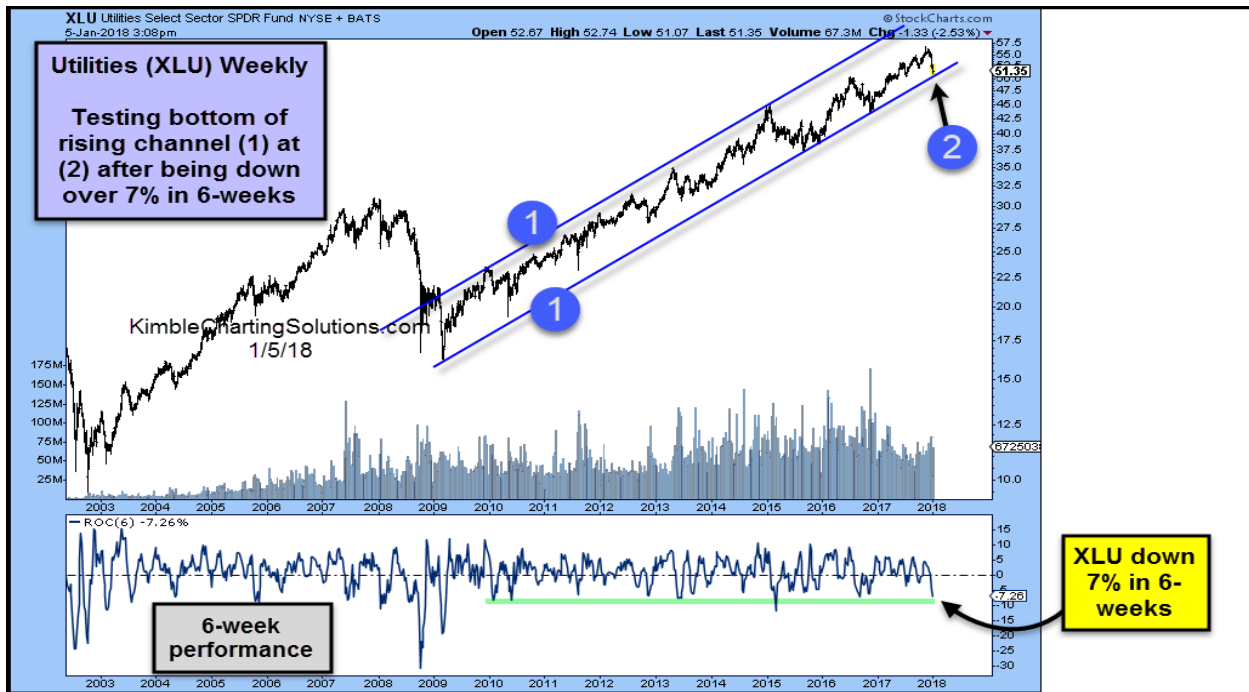
Chris published on TradingView.com, January 12, 2018 13:43 MST  
BATS:BB, W 13.65 ▲ +0.20 (+1.49%) O:14.00 H:14.55 L:13.33 C:13.65



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## Utilities Weak Of Late!



[RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)



January 12, 2018

Chris published on TradingView.com, January 12, 2018 13:52 MST  
 BATS:IYZ, W 29.55 ▲+0.32 (+1.09%) O:29.28 H:29.71 L:28.82 C:29.55



## Position- DDD; Fixed Stop = 10.22

DDD has been on the shopping list for weeks. Bought it this morning, so far nice move as it gained over 8% the first day of ownership.

Chris published on TradingView.com, January 12, 2018 13:54 MST  
 BATS:DDD, W 11.32 ▲+1.02 (+9.9%) O:9.38 H:11.36 L:9.21 C:11.32



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## MCK- Now in shopping chart

Chris published on TradingView.com, January 12, 2018 13:56 MST

BATS:MCK, W 166.01 ▲ +3.71 (+2.29%) O:157.30 H:166.31 L:156.14 C:166.01



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## [RIGHT CLICK HERE TO ENLARGE CHART BELOW](#)

Chris published on TradingView.com, January 12, 2018 13:58 MST

BATS:GE, W 18.73 ▼ -0.29 (-1.55%) O:18.67 H:19.39 L:18.10 C:18.73



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January 12, 2018



Below looks at S&P 500 stocks that have done well during the month of January over the past 10-years.

S&P 500 Seasonality: January - Top 20 from 2008 - 2017					
Symbol	Sector	Avg. Return	▼ Median Return		Years of Data    Percent of Years Higher
SPY	n/a	-1.55%	-3.24%		10    40%
NFLX	Consumer Discretionary	23.66%	17.28%		10    80%
INCY	Healthcare	5.57%	13.95%		10    70%
BSX	Healthcare	7.98%	11.42%		10    70%
ILMN	Healthcare	15.33%	8.48%		10    80%
VLO	Energy	5.80%	8.26%		10    70%
CXO	Energy	5.44%	7.47%		10    70%
EXR	Real Estate	2.84%	7.16%		10    70%
DHI	Consumer Discretionary	5.52%	6.83%		10    70%
GILD	Healthcare	4.47%	6.65%		10    70%
O	Real Estate	3.09%	5.96%		10    80%
WYNN	Consumer Discretionary	3.36%	5.28%		10    70%
DLR	Real Estate	2.69%	4.68%		10    70%
ABC	Healthcare	2.42%	4.68%		10    80%
SYK	Healthcare	4.10%	4.50%		10    80%
BIIB	Healthcare	3.45%	4.39%		10    70%
CMS	Utilities	3.49%	4.32%		10    70%
PSA	Real Estate	1.03%	3.98%		10    70%
GPN	Information Technology	-0.23%	3.90%		10    70%
ROST	Consumer Discretionary	3.41%	3.82%		10    70%
LEN	Consumer Discretionary	3.58%	3.63%		10    80%

Source: S&P Capital IQ, XLQ, Yahoo Finance, Kimble Charting Solutions ©2017

Pretty **“Unimpressive Median Returns”** for the month over the past 10-years! One thing that sticks out to me, several of the top performing stocks are from the healthcare industry.

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Position; Netflix (NFLX) Long; Fixed Stop = 207.35

[CLICK HERE TO ENLARGE CHART BELOW](#)

Netflix, which is a January seasonal strong stock. It appeared to be forming a bullish ascending triangle where it was purchased

Chris published on TradingView.com, January 12, 2018 14:00 MST

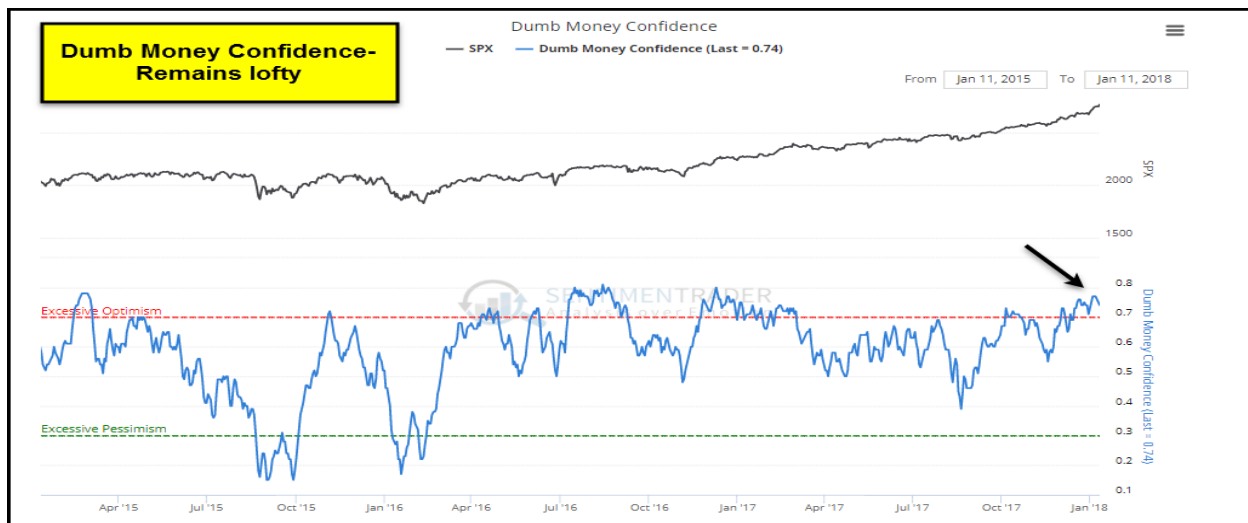
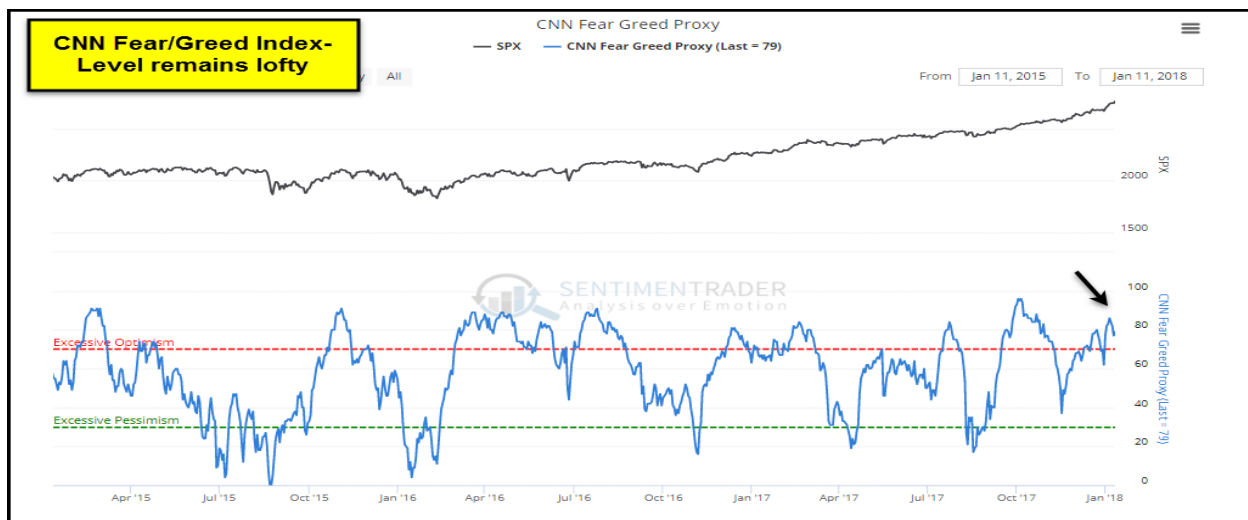
BATS:NFLX, W 221.19 ▲ +3.95 (+1.82%) O:210.02 H:222.55 L:206.91 C:221.19



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Wanted to continue to share some “Sentiment/Valuation Indicators” with you, that are hitting levels that has my attention. Some sentiment/valuation indicators are reaching levels seldom seen over the past few years and some we’ve seldom seen in the past 100-years. **Indicators at the extremes do not mean one should be bearish!** They do suggest one pays close attention to stops and risk management!!!



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Historical Returns From: 1/11/2018

KIMBLE CHARTING SOLUTIONS		Today's Date: 1/12/2018				
Commodity	Ticker	5-Day Return	Month-To-Date	3-Month Return	YTD	Past 52 Weeks
Natural Gas	UNG	7.6%	4.6%	(6.2%)	4.6%	(25.1%)
Carbon	GRN	5.4%	0.0%	12.9%	0.0%	54.8%
Cotton	BAL	5.2%	6.2%	23.8%	6.2%	15.1%
Steel	SLX	4.7%	11.2%	20.1%	11.2%	25.6%
Oil	USO	2.7%	5.7%	24.1%	5.7%	14.7%
Cocoa	CHOC	2.4%	2.6%	(8.0%)	2.6%	(12.8%)
Platinum	PPLT	1.9%	6.0%	4.6%	6.0%	0.1%
Gasoline	UGA	1.7%	2.8%	16.3%	2.8%	12.9%
SPY	SPY	1.7%	3.5%	8.4%	3.5%	21.9%
Materials	XLB	1.5%	4.6%	9.0%	4.6%	25.0%
Diesel Heating Oil	UHN	0.8%	1.3%	17.9%	1.3%	24.9%
Wheat	WEAT	0.2%	1.3%	(4.1%)	1.3%	(15.2%)
Gold	GLD	(0.0%)	1.4%	2.1%	1.4%	10.9%
Nickel	JUN	(0.1%)	(1.1%)	10.8%	(1.1%)	18.6%
Corn	CORN	(0.5%)	(0.4%)	(3.8%)	(0.4%)	(12.7%)
Grains	JUG	(1.0%)	0.2%	(4.5%)	0.2%	(15.3%)
Copper	JJC	(1.3%)	(2.2%)	3.1%	(2.2%)	22.0%
Palladium	PALL	(1.3%)	1.9%	11.3%	1.9%	41.0%
Silver	SLV	(1.4%)	0.1%	(1.5%)	0.1%	0.6%
Gold Miners	GDX	(1.4%)	0.6%	(1.4%)	0.6%	3.4%
Soybeans	SOYB	(1.7%)	(1.3%)	(6.0%)	(1.3%)	(8.5%)
Junior Gold Miners	GDXJ	(2.4%)	(0.5%)	(2.0%)	(0.5%)	(7.7%)
Aluminum	JUJ	(2.7%)	(4.7%)	0.4%	(4.7%)	22.6%
Livestock	CDW	(3.9%)	(3.4%)	(2.9%)	(3.4%)	1.4%
Coffee	JCO	(6.2%)	(2.9%)	(6.7%)	(2.9%)	(27.5%)
Sugar	SGG	(7.4%)	(6.9%)	(0.9%)	(6.9%)	(36.8%)

Data via Yahoo and Kimble Charting Solutions. All data is total return where applicable

Historical Returns From: 1/11/2018

KIMBLE CHARTING SOLUTIONS		Today's Date: 1/12/2018				
Sector	Ticker	Five Day Return	Month-To-Date	3-Month Return	YTD	Past 52 Weeks
Consumer Discretionary	XLY	2.7%	5.1%	14.2%	5.1%	24.1%
Financials	XLF	2.3%	3.8%	10.9%	3.8%	23.6%
Energy	XLE	2.2%	6.1%	12.5%	6.1%	3.5%
Healthcare	XLV	1.9%	4.2%	4.3%	4.2%	20.5%
SPY	SPY	1.7%	3.5%	8.4%	3.5%	21.9%
Materials	XLB	1.5%	4.6%	9.0%	4.6%	25.0%
Technology	XLK	1.2%	3.9%	10.3%	3.9%	34.5%
Consumer Staples	XLP	(0.1%)	(0.5%)	4.0%	(0.5%)	10.1%
Telecom	MYZ	(0.6%)	(0.6%)	(5.8%)	(0.6%)	(17.9%)
Utilities	XLU	(1.6%)	(4.0%)	(7.3%)	(4.0%)	5.2%
Real Estate	MYR	(2.0%)	(4.2%)	(4.7%)	(4.2%)	0.6%

Data via Yahoo and Kimble Charting Solutions. All data is total return where applicable

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## SECTOR/COMMODITY SENTIMENT EXTREMES DESCRIPTION

"Sector/Commodity" Sentiment Extremes includes the 5 most favored and 5 least favored sectors/commodity sentiment readings updated weekly. We then apply "Power of the Pattern" analysis to these extremes and look for the most opportunistic pattern(s), if any. This is a great tool for people looking to capitalize on potentially explosive opportunities at key reversal & exhaustion points.

"Shopping cart": there will be many times certain opportunities are moving towards our ideal criteria. They are on our radar screen but we are not ready to suggest action. We want to make you aware of these potential opportunities but for now, we put them in our "shopping cart."

**\*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 by each Friday at 5 p.m.***

Best Regards,  
Chris Kimble  
Kimble Charting Solutions

[Kimble Charting Solutions \(blog\)](#)

January 12, 2018





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