

Charts to Friday 24th May

# *Chart Profit* eBook

*Market Charts, Major ETFs*

*Market Sentiment Analysis*



[www.aiqsystems.com](http://www.aiqsystems.com)

[www.chartprofitwebcast.com](http://www.chartprofitwebcast.com)

terms of service

## Stock Market Summary

from eBook 28th December:>> w/e 21st Dec we saw an increase in bullish sentiment and last week this continued with lipperusfundflows reporting Equity Fund inflows of \$3 billion and particularly the NAAIM number which showed the money managers indicator reaching a bullish extreme. SPY Closed below Mon-Wed Hi-Lo Range which indicates Sellers Active (and effective) on the weekly timeframe. Of the four major stock index ETFs only IWM finished the week in a strong price location highlighting its current relative strength. ES closed very weak. Breadth deteriorated. A news driven market. Emphasis should be on price location and this has weakened.<<

from eBook 4th January:>> Last week was volatile and saw a sharp rally putting the major index ETFs back in a much stronger price location. Can this be sustained? Positives: 1) Stronger price location. 2) There was no obvious increase in bullish sentiment with the rally although VIX collapsed last week. 3) LT Breadth is supportive.

Negatives: 1) Big gaps up on the major index ETF charts, the majority of the time these are filled. 2) Market is overbought e.g. Nyse %stocks>50dyma is well above 80. 3) Possible negative is the Supporting charts which are not conclusively supportive.<<

from eBook 18th January:>> Although the market is overbought both the LT and ST analysis is supportive. First indication of weakness would be Significant Sellers marked below ES 1453. Sentiment shows extreme complacency, not quite extreme optimism, e.g. VIX closed below 13 for the first time since 2007. But it was interesting that my version of the Rydex Assets Ratio ended the week at 3.63, down quite a bit<<

from eBook 29th March:>>LT analysis remains positive. Breadth is supportive although %Stocks>50dyma numbers are lower than they were at the February price peak so there is divergence here. Sentiment indicators showed an overall increase in Bearishness last week but some have recently been peaking in optimism. First sign of weakness on the longer timeframe would be Significant Selling marked below ES 1517.50, the 3mn poc.<<

from eBook 5th April

>>Breadth is mixed with the R2000 Market Chart turning neutral and the Nasdaq %Stocks>50dyma number falling below 50 (see below). Most index ETF charts closed the week above Wednesday's low so this does not indicate a bias on the weekly timeframe. I have not marked Sellers Active on this timeframe so far in 2013. There was weakness last week but technically there has yet to be a breakdown.<<

from eBook 12th April

>>The last three days held higher prices which is encouraging but there are some negatives. The minor pattern of Support off previous day's poc was broken on Friday; there is a negative divergence between higher prices and Price Osc, s...and Small Caps are lagging the Larger Cap indices<<

from eBook 26th April

>> Last week saw an improvement in price location with ES and the four major index ETFs ending the week above their 1/2R levels off recent high. ...The most recent imbalance is the Signifcant Buying marked last Monday so new short trades have been eliminated for me since the Open on Tuesday.<<

## \*\*\*\*\* PRICE PERFORMANCE / LOCATION

SPY closed on Friday within Mon-Wed Hi-Lo range which does not indicate a bias on the weekly timeframe. Active Sellers have not been marked on this timeframe during 2013.

ES Analysis: Last week I marked Significant Selling once and no Significant Buying. Friday generated an overlapping/lower, narrower Value Area. First Level Support at 1626 has held. Significant Selling marked below this level would be an indication of weakness on the longer timeframe. Bulls would hope the Support holds. On Friday, there was no Significant Buying to mark on the ES chart but I did mark Responsive Buying on the R2000 Futures chart.

## Supporting Charts:

Bonds TLT: KEY CHART. Pre-open is printing below the major poc at 117.15. Time printed below this level is weak price location. Momentum is down and negative.

Oil USO: Currently printing below the Resistance around 34.20 which is weak price location. Momentum, although positive is down.

Gold GLD: Fell steeply last month to its lowest level for two years and that level was approached again last week. Momentum is negative and down.

Silver SLV: Last week printed its lowest level since October 2010. Momentum is negative and down.

Dollar Index: Last week printed its highest level since July 2010. Momentum is positive and up.

EURUSD: currently holding the major poc Support at 1.2777. However, Momentum is negative and down.

## \*\*\*\*\* BREADTH

Chartprofit Market Timing System remained positive for all major Market Charts.

%Stocks>50dyma numbers on Friday: Nyse 70% (week's high 82%), Nasdaq 68% (week's high 71.83), R2000 72% (week's high 77.06), UK 72% (week's high 82%). Numbers >50 are considered supportive. Numbers >80 are considered overbought.

## \*\*\*\*\* SENTIMENT

Sentiment Indicators are suggesting over optimism.

## Consensus Polls:

5/24: AAI (public poll). Bulls% was sharply higher at 49% (from 38.5%) which is the highest since April 2011. Bears% was lower at 21.6% which is the lowest since February 2012. The ratio of Bulls to Bears is therefore 2.3, this is the highest since February 2012 and historically is a very high number.

05/24: Investors Intelligence. Bulls% was higher at 55.2% which is a fourteen week high. Bears% was lower at 18.8%. The nett (Bulls-Bears) at 36.4 is the highest since May 2011. The 4wk ma of nett has now exceeded the

peak it reached in February which I take as a warning.

05/24: Market Vane (advisers) poll was slightly lower at 69. Last week's 70 was the highest since 2007. 4wk ma has equalled but not exceeded the February peak.

05/24: The NAAIM number (a measurement of average current equity exposure among active money managers) was slightly lower at 82.02. Last week's 84.23 was a nine week high. The highest number in the database was 104.25 in early February.

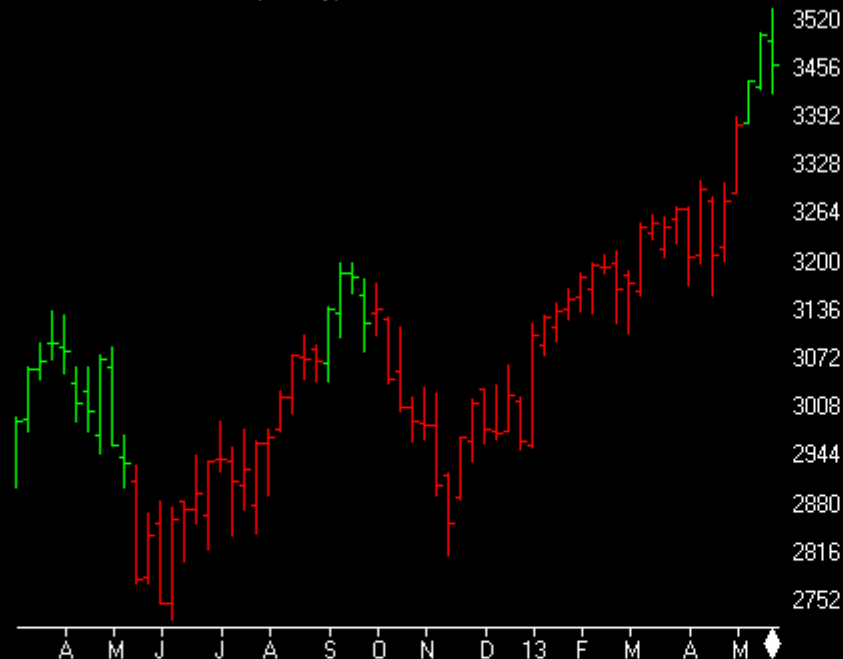
Mutual Fund Flow:

05/24: My version of the Rydex Assets Ratio ended the week at 5.03. Wednesday's ratio was 5.43 and I only have two readings higher than this in the database which were at the market highs in April and September last year.

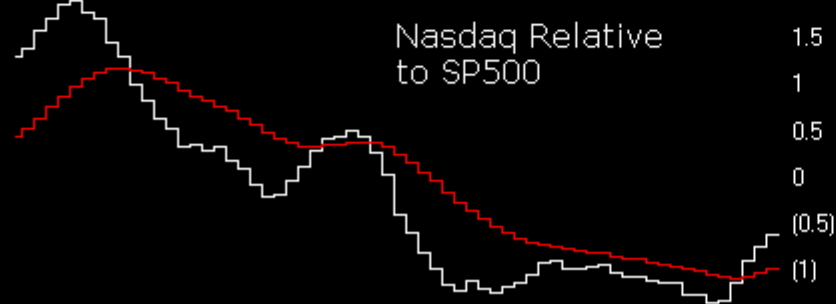
05/24: lipperusfundflows reported Equity Fund inflows of \$6.4 Billion in the week to 24th May. The 4wk sum is at \$29.6 Billion which is an extremely high number.

05/24: lipperusfundflows ex ETFs reported Equity Fund inflows of \$2.5 Billion in the week to 22nd May  
Option Ratios:

NASDAQ COMPOSITE (Weekly)



RSMD Indx SPX ?



Nasdaq Relative to SP500

ChartProfit Breadth System - wk ending 05/24

	-5	-4	-3	-2	-1	↓
NYSE	43	56	68	77	81	70
NasDaq	33	51	58	65	71	68
SP500	51	64	73	88	91	73
ND100	30	58	74	83	81	73
R2000	37	48	59	68	76	72
UK	50	59	65	75	80	72

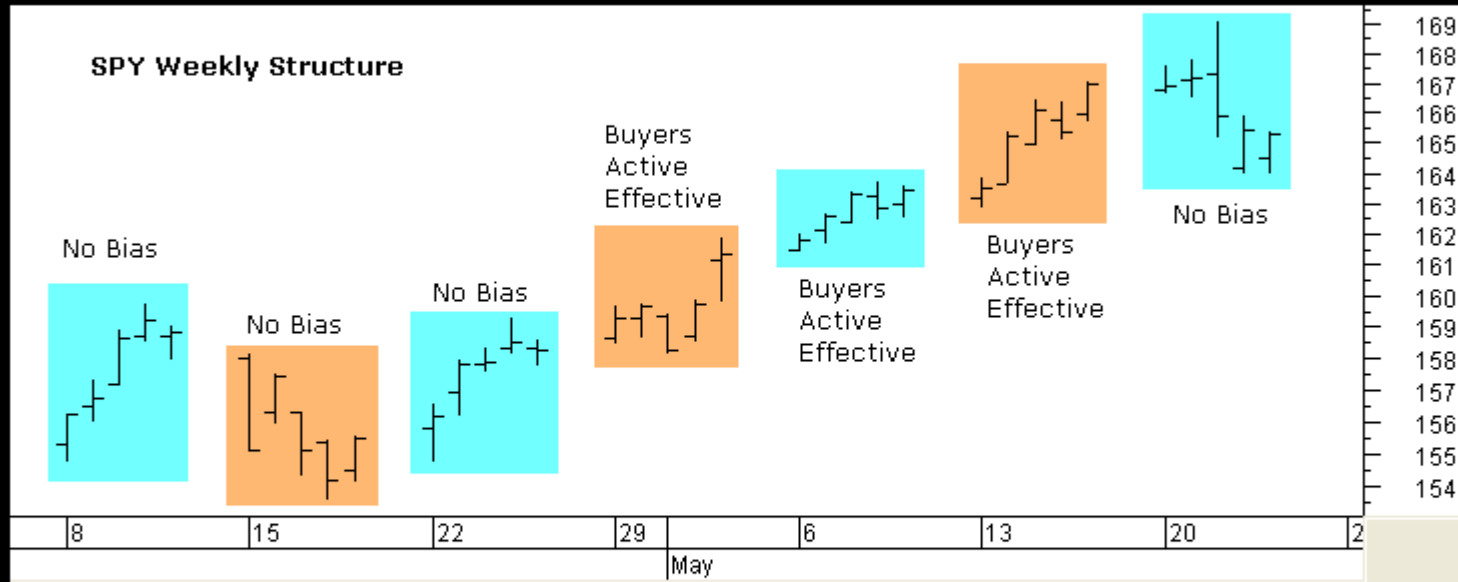
number = % stocks >50day ma

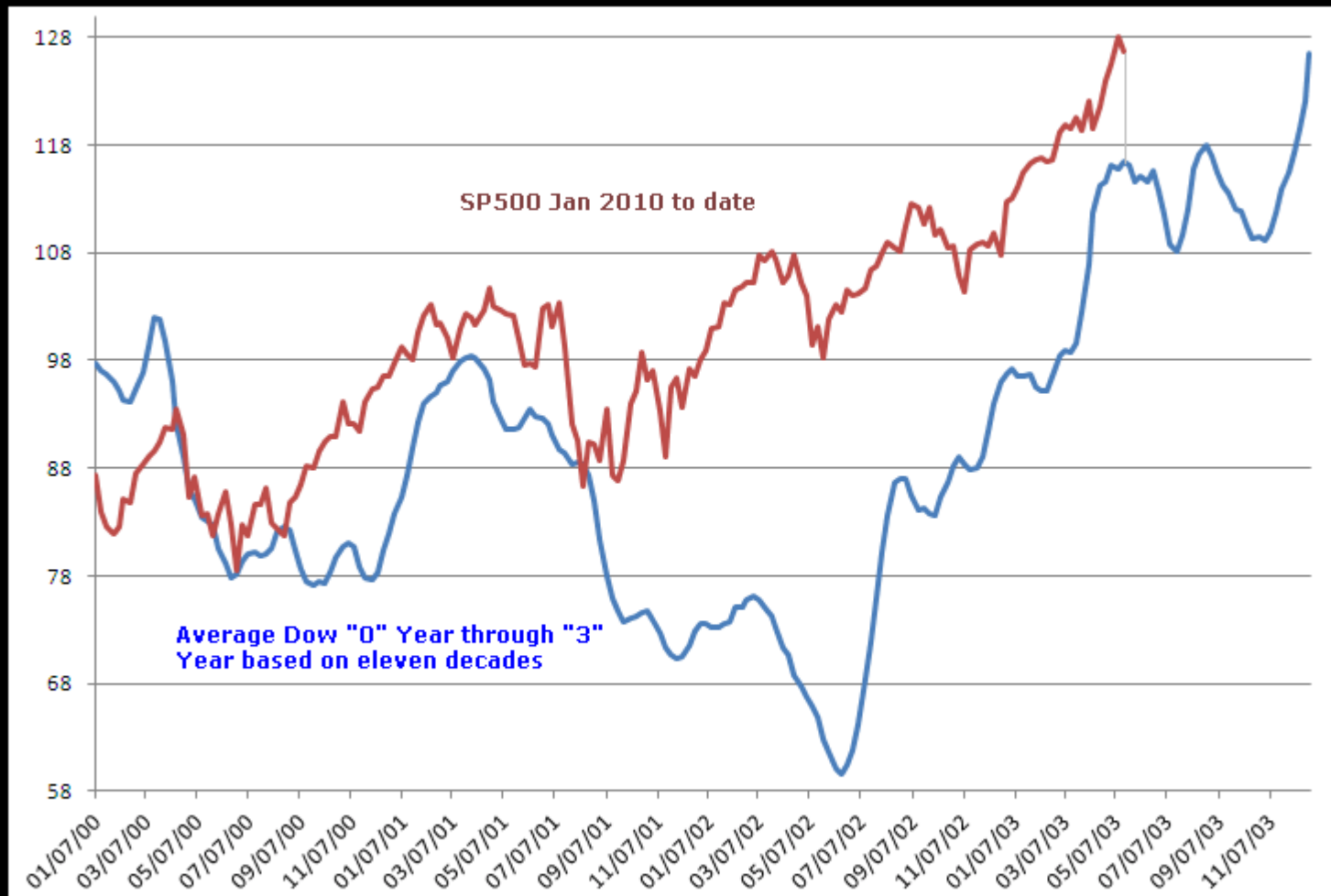
Relative to SPX

	-5	-4	-3	-2	-1	↓
NasDaq Comp	Red	Red	Red	Green	Green	Green
NasDaq 100	Red	Red	Green	Green	Green	Green
SOX	Green	Green	Green	Green	Green	Green
Russell 2000	Red	Red	Red	Red	Red	Red



### SPY Weekly Structure





# Commitments of Traders

Charts by AIQ TradingExpert

C.O.T.  
Quick  
View

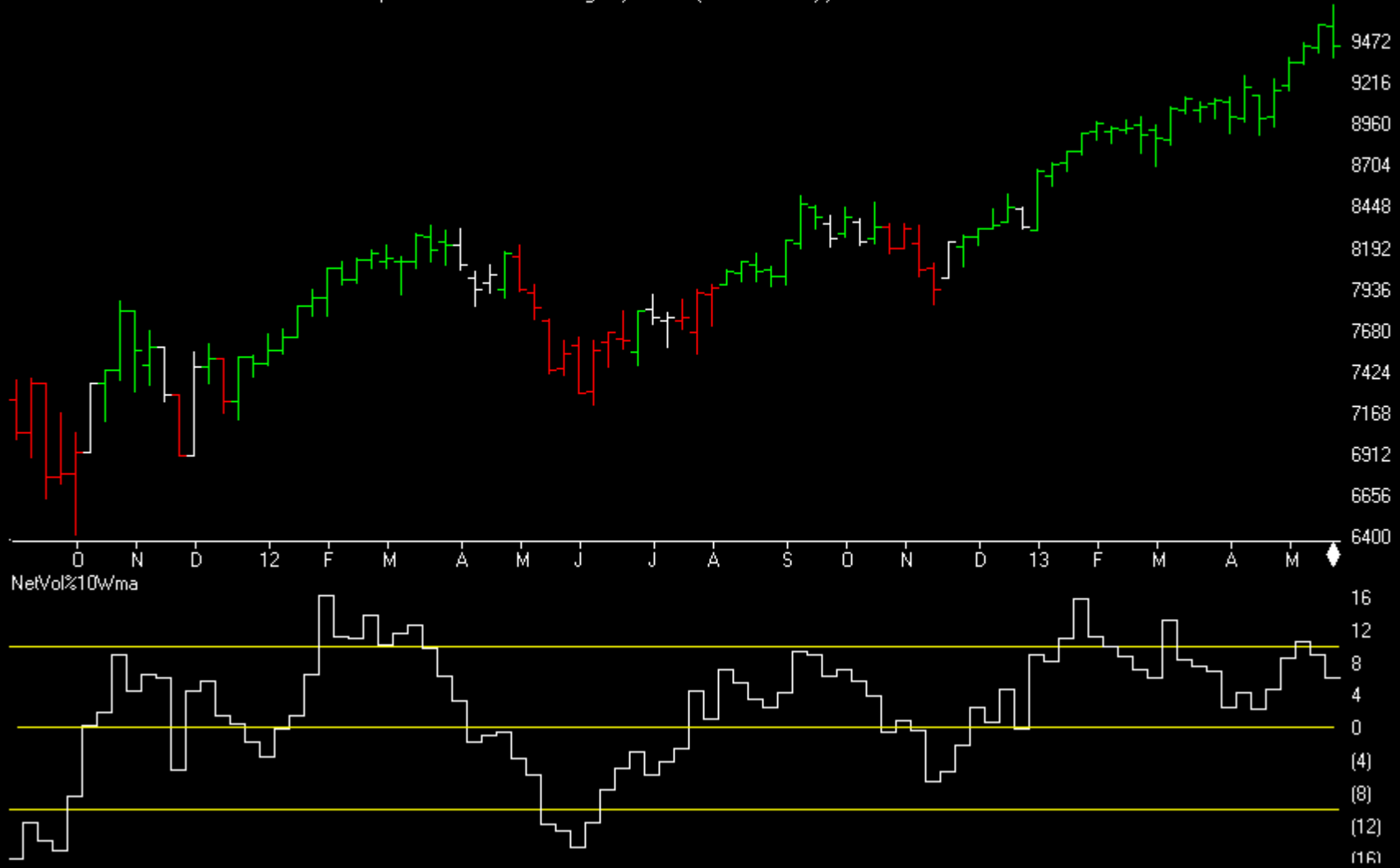
		CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
<b>SP500</b>	05/21/13	58.7	54.0	38.8	9.7	54.7	99.2	60.3	51.8	29.9
	05/14/13	58.7	24.4	21.0	20.8	65.0	88.4	55.6	72.9	54.6
<b>GOLD</b>	05/21/13	100	100	0.2	0	5.5	100	9.3	9.1	80.5
	05/14/13	100	100	0	0	0.9	100	3.5	5.7	91.5
<b>CRUDE OIL</b>	05/21/13	12.5	33.8	73.8	97.1	50.4	0.0	42.4	52.3	86.4
	05/14/13	35.9	43.0	49.3	70.3	15.8	4.5	53.6	42.5	60.2
<b>T-BONDS</b>	05/21/13	69.2	47.7	10.7	22.3	44.5	68.9	40.4	49.3	50.9
	05/14/13	51.9	38.5	36.7	50.2	67.2	49.7	38.1	32.6	42.2
<b>GBPUSD</b>	05/21/13	100.0	95.0	0.0	0.0	18.8	100.0	16.9	5.0	78.2
	05/14/13	92.1	83.3	0.0	4.3	27.7	100.0	28.3	15.1	71.3
<b>JPYUSD</b>	05/21/13	93.0	94.7	54.6	0.0	12.2	42.3	62.5	45.8	46.7
	05/14/13	83.4	71.5	46.9	13.9	32.6	45.8	48.1	57.2	55.6
<b>EURUSD</b>	05/21/13	98.8	100.0	20.7	8.1	1.8	73.4	0.0	0.0	76.0
	05/07/13	58.2	59.8	38.4	44.7	36.7	52.2	21.7	31.5	80.0
<b>USD IX</b>	05/21/13	3.1	0.0	80.7	87.3	92.0	22.4	100.0	97.2	0.0
	05/14/13	20.7	6.1	80.5	71.4	73.1	21.2	100.0	100.0	7.8



# Market Charts

Charts by AIQ TradingExpert

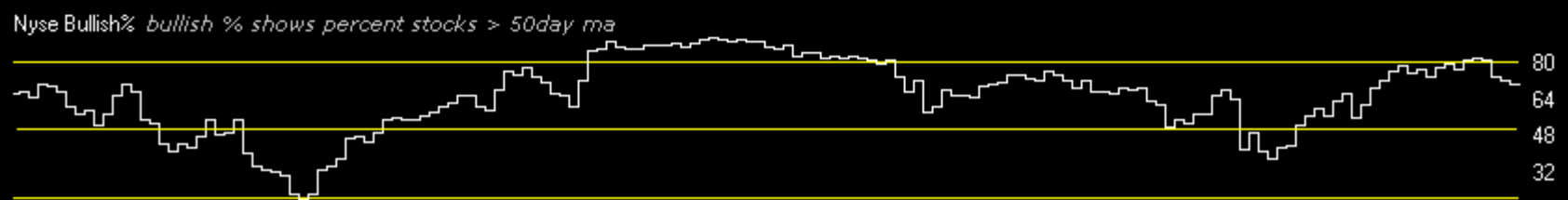
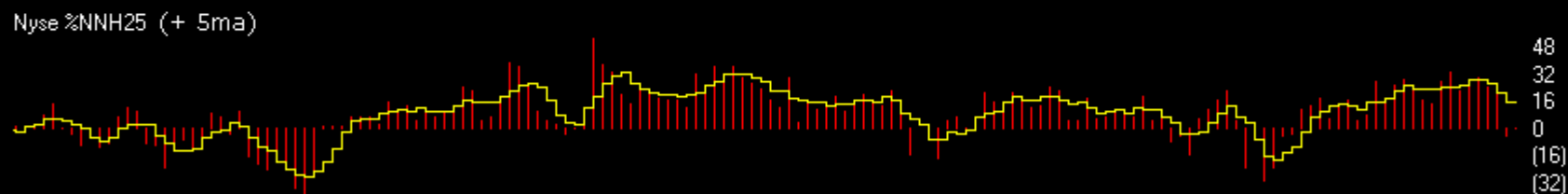
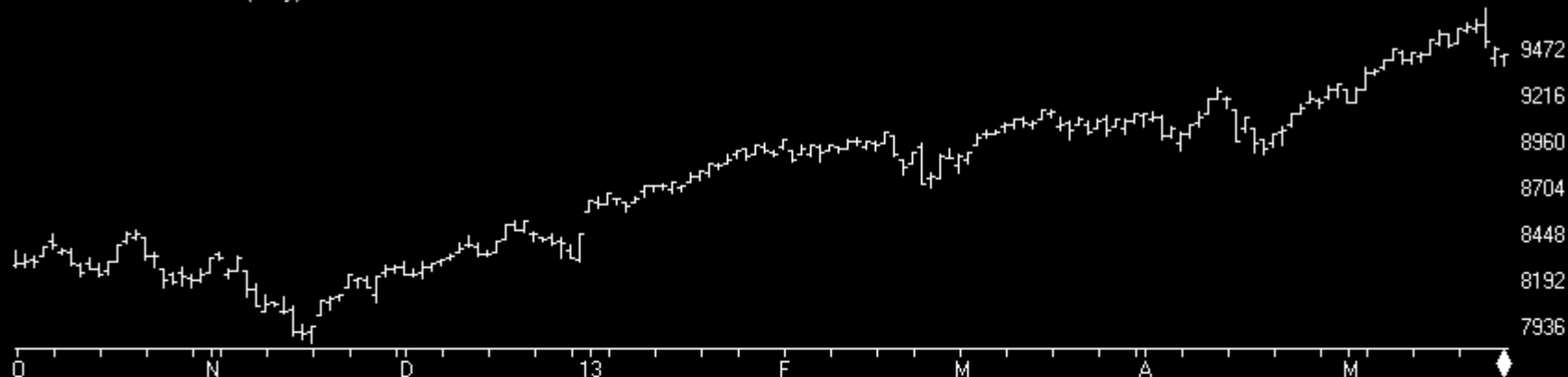
MARKET CHART NYSE (Weekly) + Chartprofit Market Timing System (color study)



# Market Charts

Charts by AIQ TradingExpert

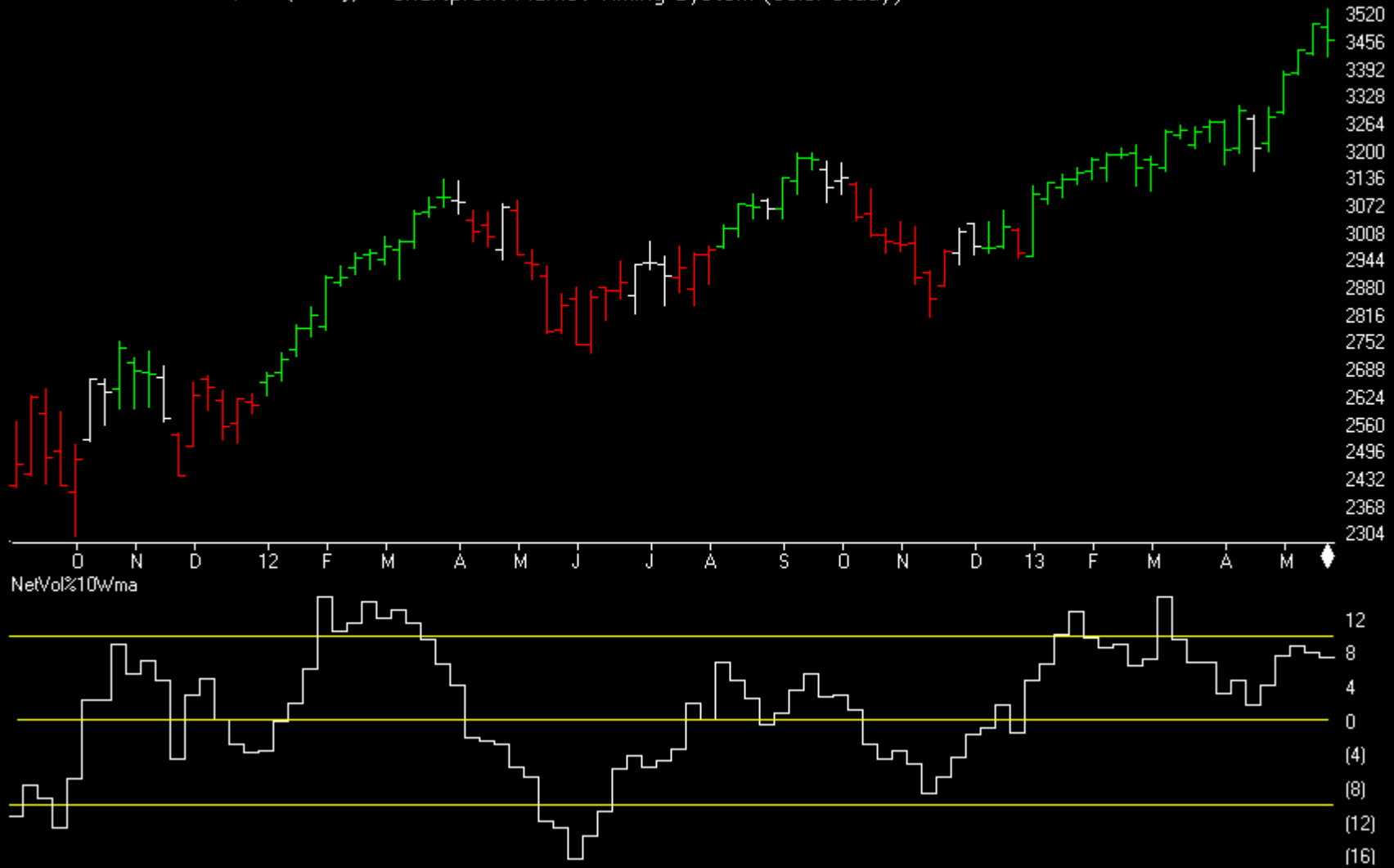
MARKET CHART NYSE (Daily)



# Market Charts

Charts by AIQ TradingExpert

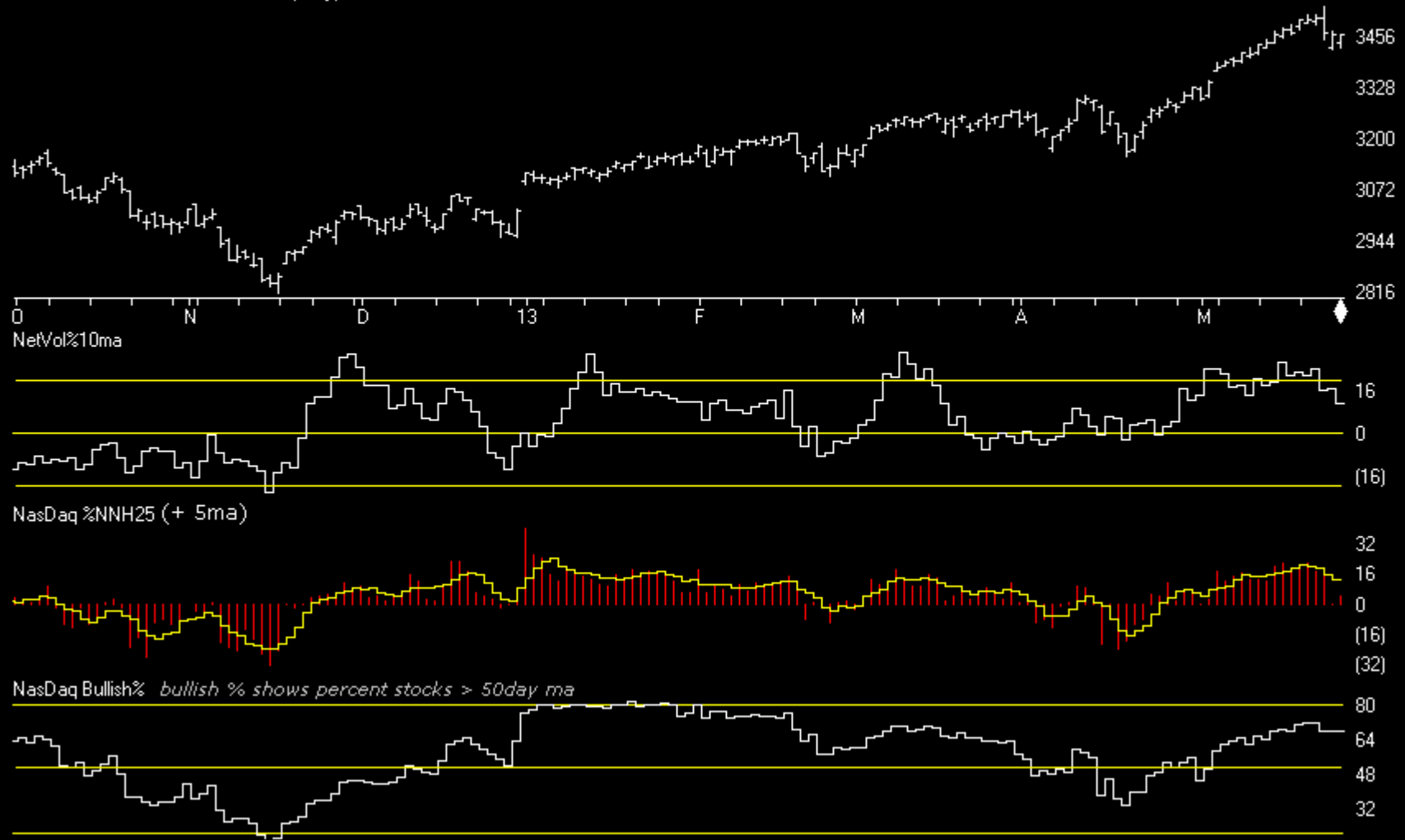
MARKET CHART NASDAQ 1800 (Weekly) + Chartprofit Market Timing System (color study)



# Market Charts

Charts by AIQ TradingExpert

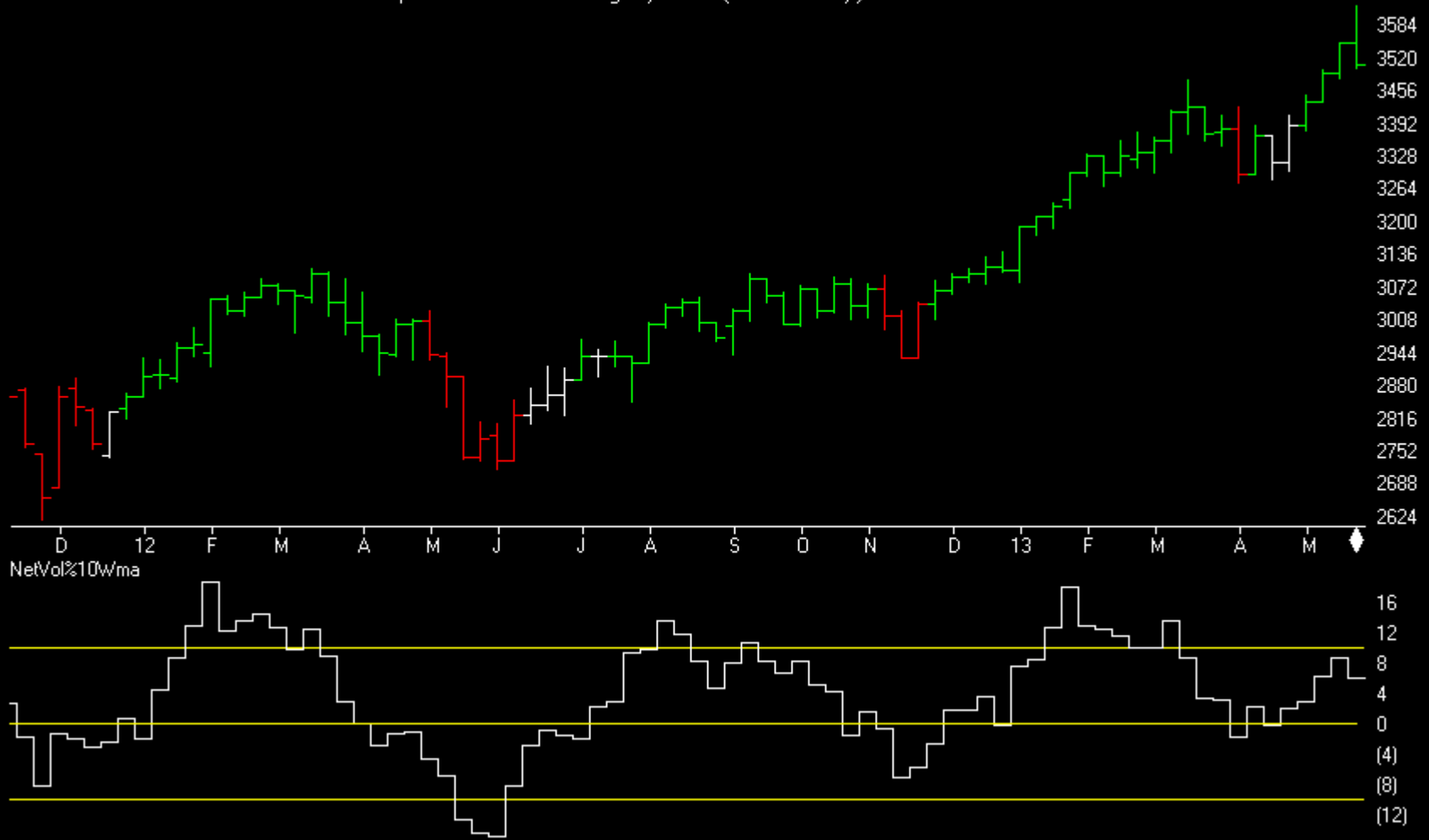
MARKET CHART NASDAQ 1800 (Daily)



# Market Charts

Charts by AIQ TradingExpert

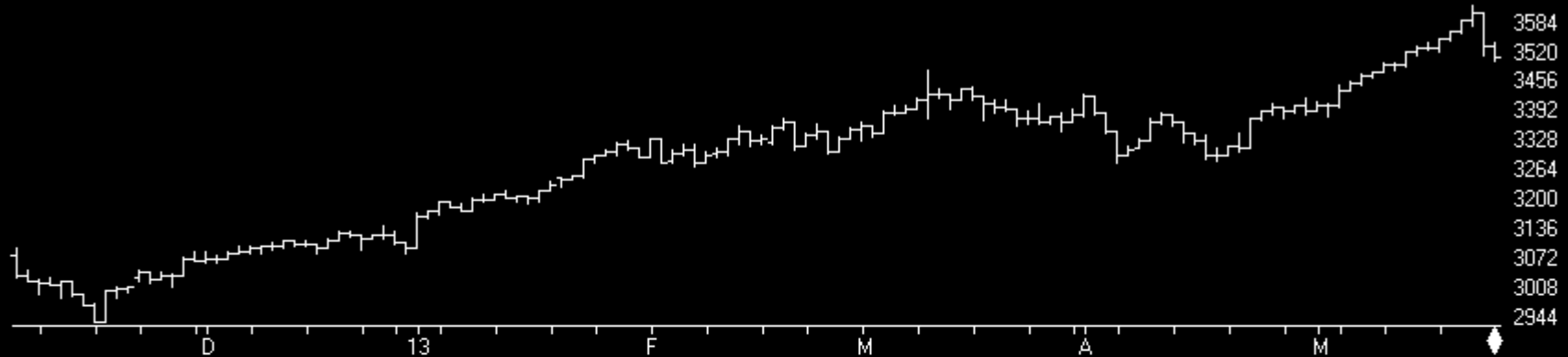
UK ALLSHARE MKT 2013 (Weekly) + Chartprofit Market Timing System (color study)



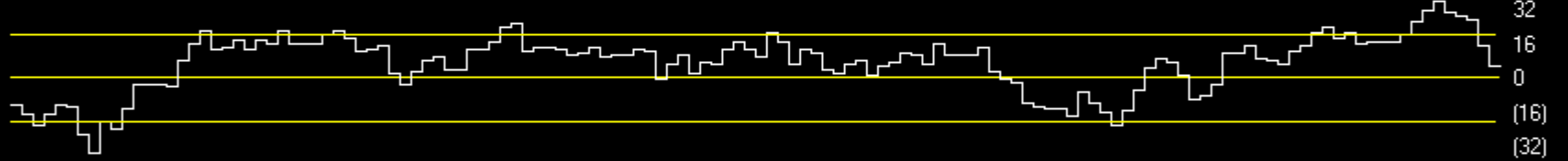
# Market Charts

Charts by AIQ TradingExpert

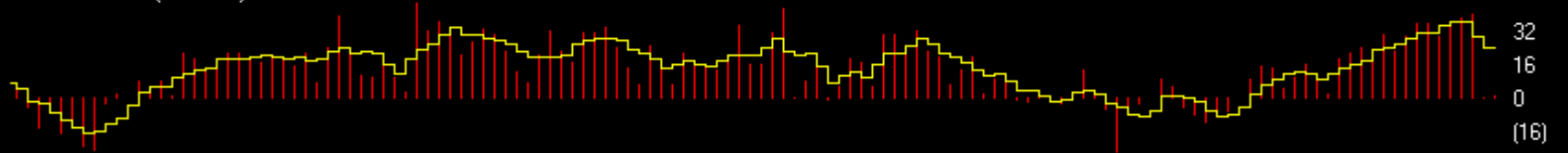
UK ALLSHARE MKT 2013 (Daily)



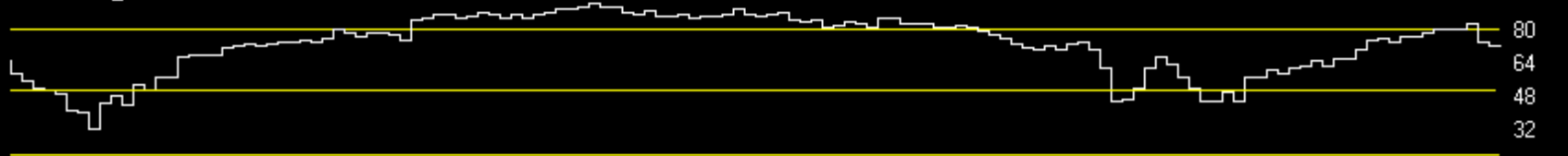
NetVol%10ma



UKA %NNH25 (+ 5ma)



Allshare%St\_50 bullish % shows percent stocks > 50day ma



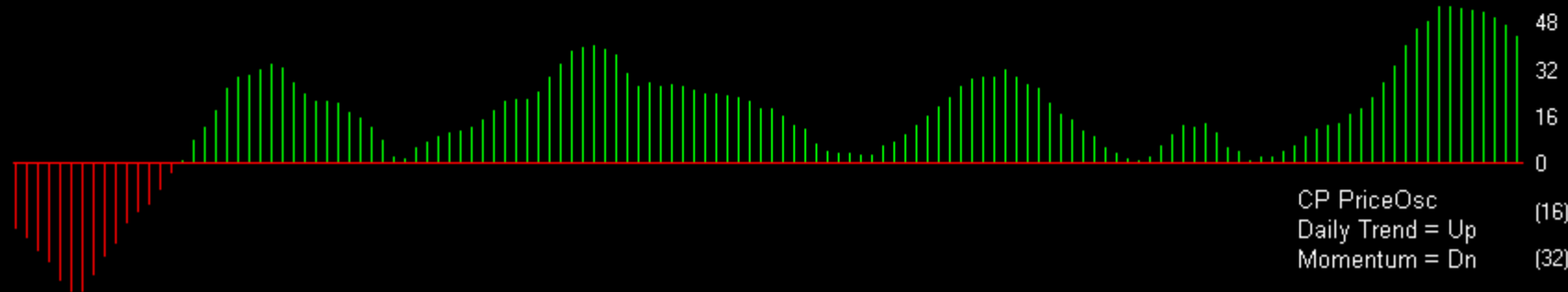
# Index ETFs

Charts by AIQ TradingExpert

SPY SP500 ETF (Daily)



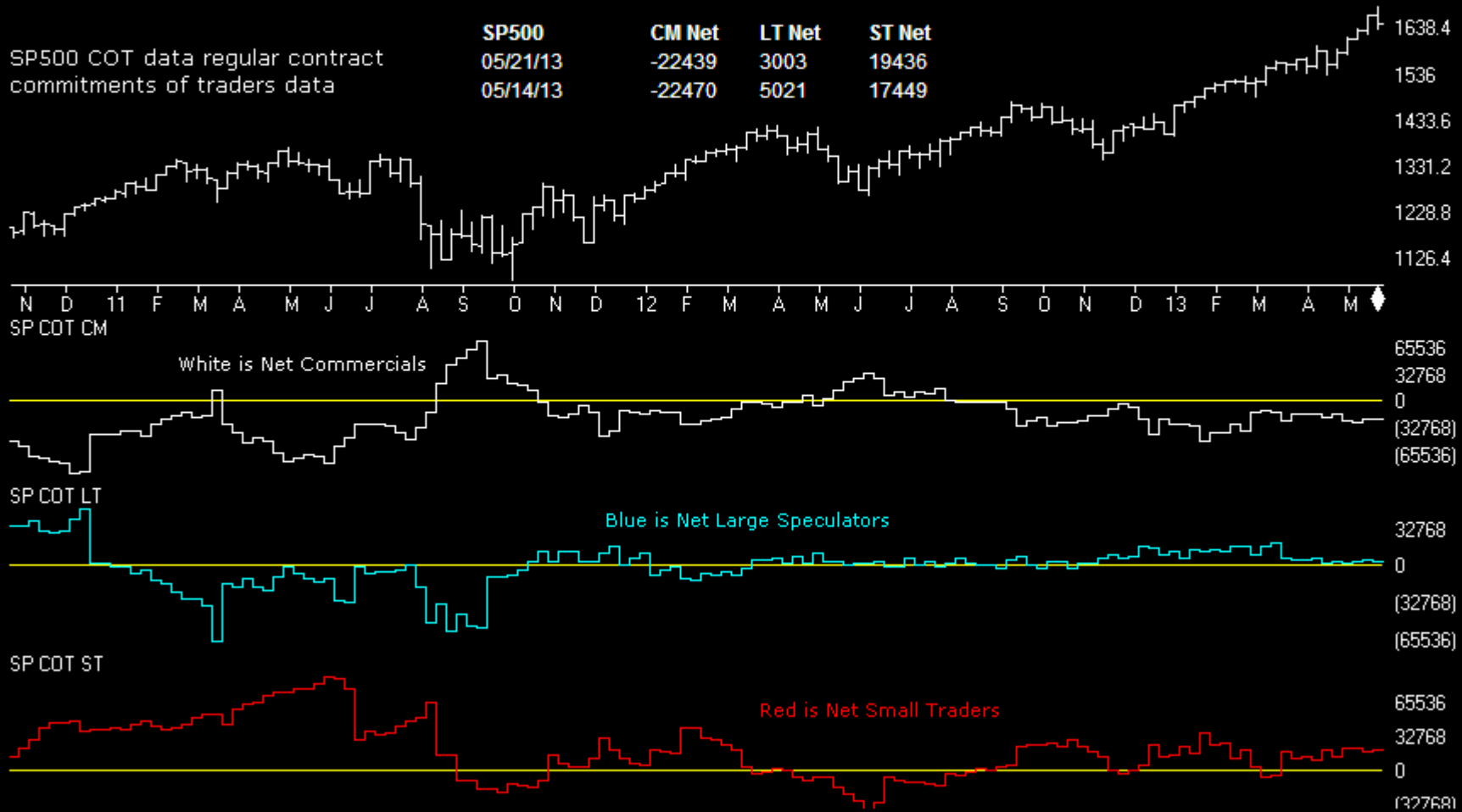
CP PriceOsc



SP500	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	58.7	54.0	38.8	9.7	54.7	99.2	60.3	51.8	29.9
05/14/13	58.7	24.4	21.0	20.8	65.0	88.4	55.6	72.9	54.6

SP500 COT data regular contract commitments of traders data

SP500	CM Net	LT Net	ST Net
05/21/13	-22439	3003	19436
05/14/13	-22470	5021	17449





# Index ETFs

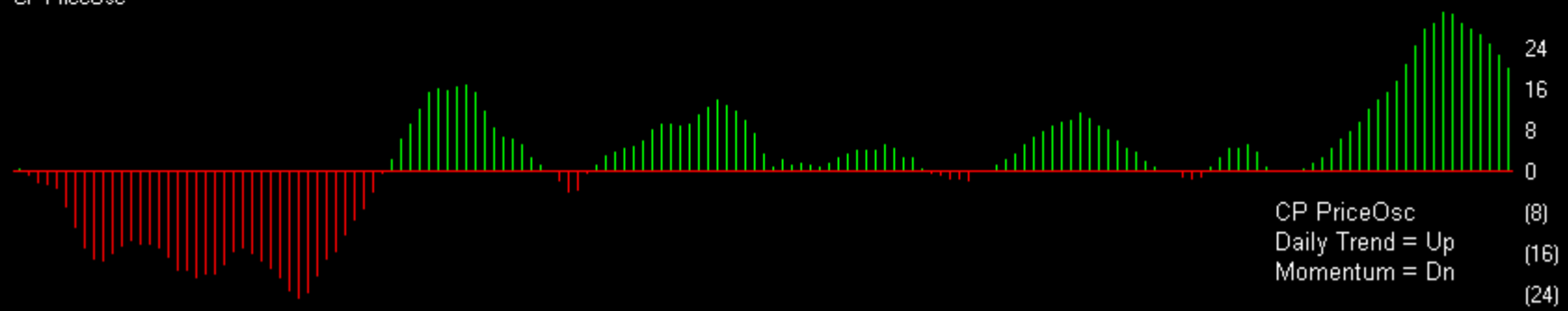
Charts by AIQ TradingExpert

QQQ N100 ETF (Daily)

02/01: 15mn poc migrated to 66.80.  
This is useful as it gives us a  
reference level close to current price



CP PriceOsc



# Index ETFs

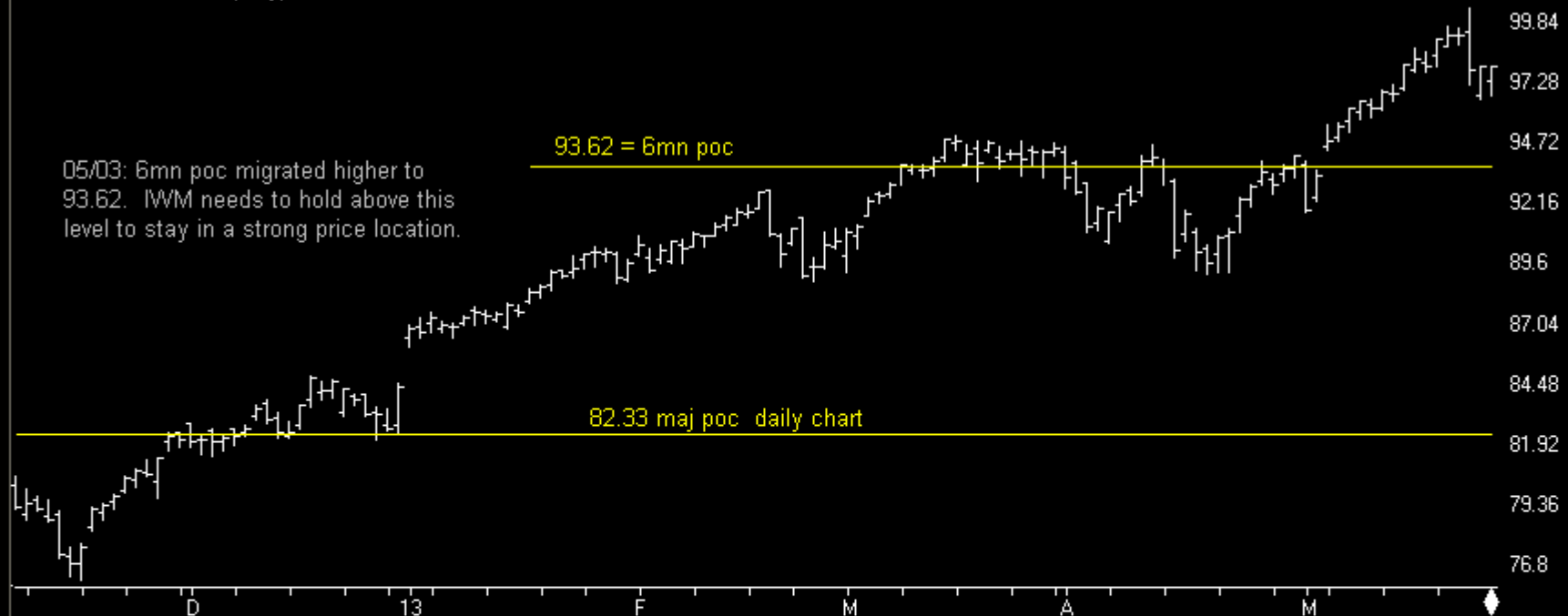
Charts by AIQ TradingExpert

IWM R2000 ETF (Daily)

05/03: 6mn poc migrated higher to 93.62. IWM needs to hold above this level to stay in a strong price location.

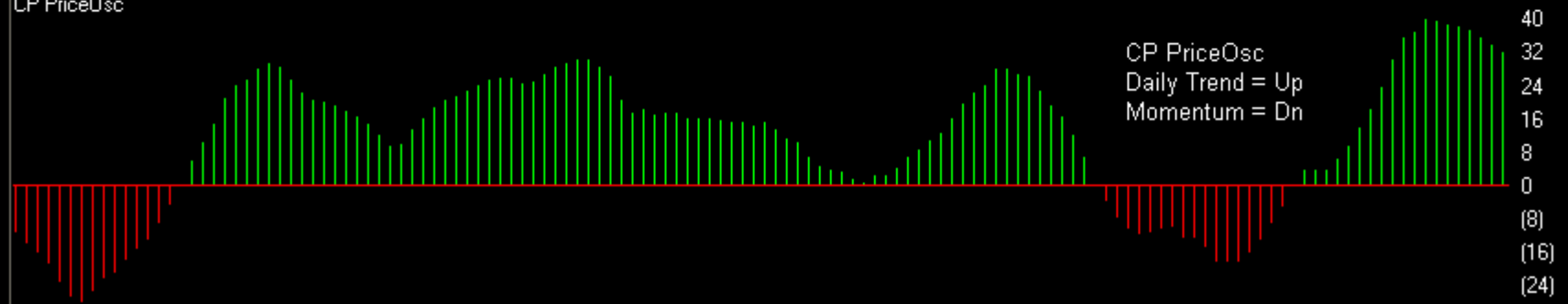
93.62 = 6mn poc

82.33 maj poc daily chart



CP PriceOsc

CP PriceOsc  
Daily Trend = Up  
Momentum = Dn

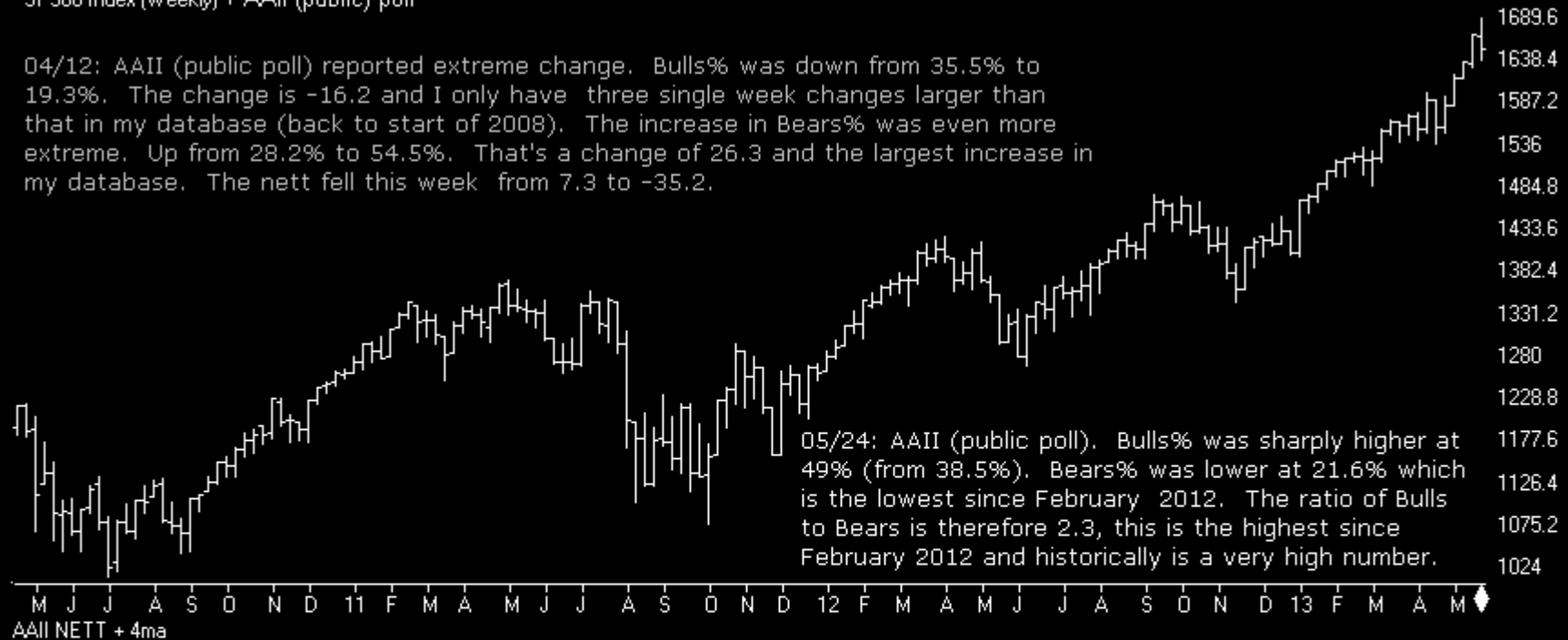


# Sentiment

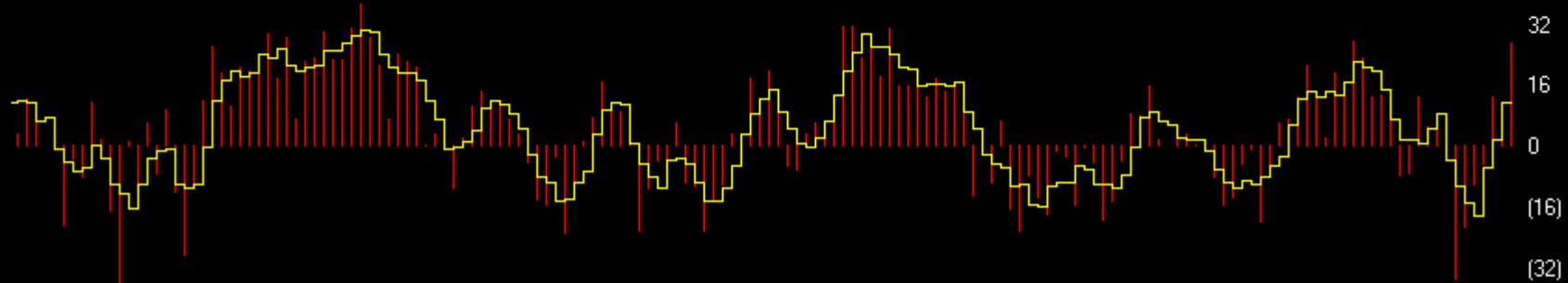
Charts by AIQ TradingExpert

SP500 Index (Weekly) + AAI (public) poll

04/12: AAI (public poll) reported extreme change. Bulls% was down from 35.5% to 19.3%. The change is -16.2 and I only have three single week changes larger than that in my database (back to start of 2008). The increase in Bears% was even more extreme. Up from 28.2% to 54.5%. That's a change of 26.3 and the largest increase in my database. The nett fell this week from 7.3 to -35.2.



AAII NETT + 4ma



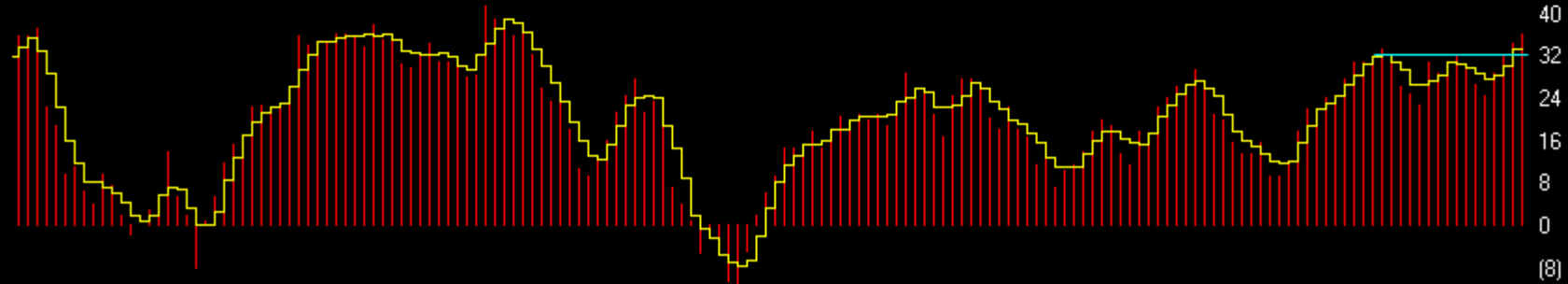
# Sentiment

Charts by AIQ TradingExpert

SP500 Index (Weekly) + Investors Intelligence Poll (newsletters)

05/17: Investors Intelligence. Bulls% was slightly higher at 54.2% which is a fourteen week high. Bears% was also unchanged at 19.8%. The nett (Bulls-Bears) at 34.4 is the highest since May 2011. The 4wk ma of nett is still below the peak it reached in February (if the market pushes higher still, we should watch that level).

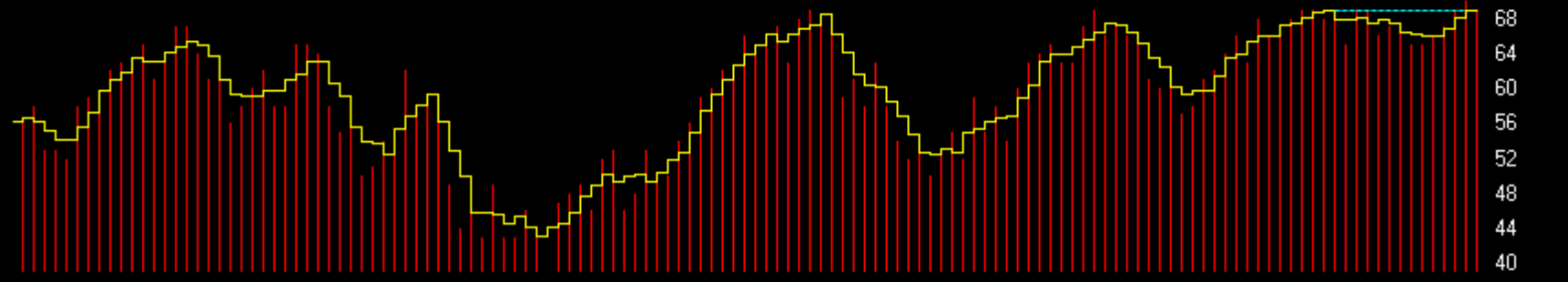
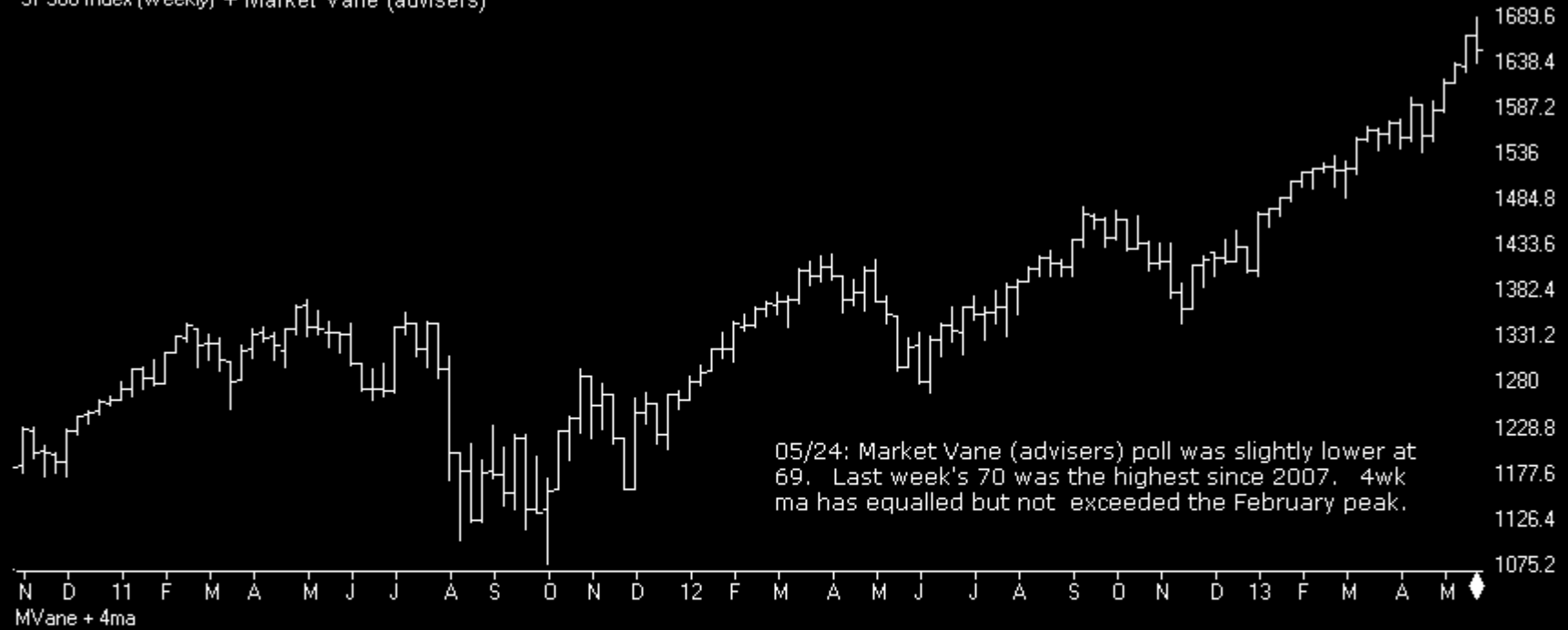
05/24: Investors Intelligence. Bulls% was higher at 55.2% which is a fourteen week high. Bears% was lower at 18.8%. The nett (Bulls-Bears) at 36.4 is the highest since May 2011. The 4wk ma of nett has now exceeded the peak it reached in February which I take as a warning.



# Sentiment

Charts by AIQ TradingExpert

SP500 Index (Weekly) + Market Vane (advisers)

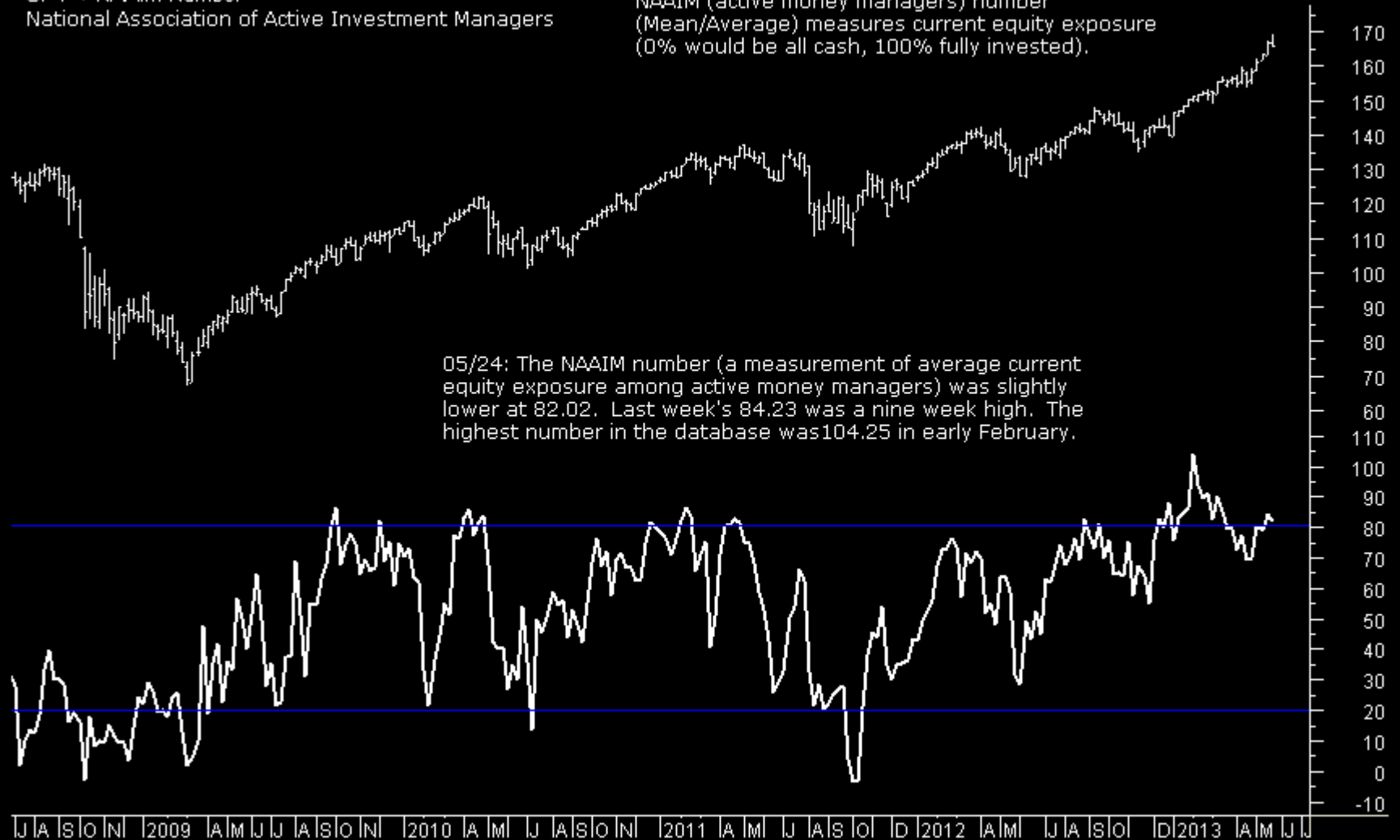


# Sentiment

Charts by AIQ TradingExpert

SPY + NAAIM Number  
National Association of Active Investment Managers

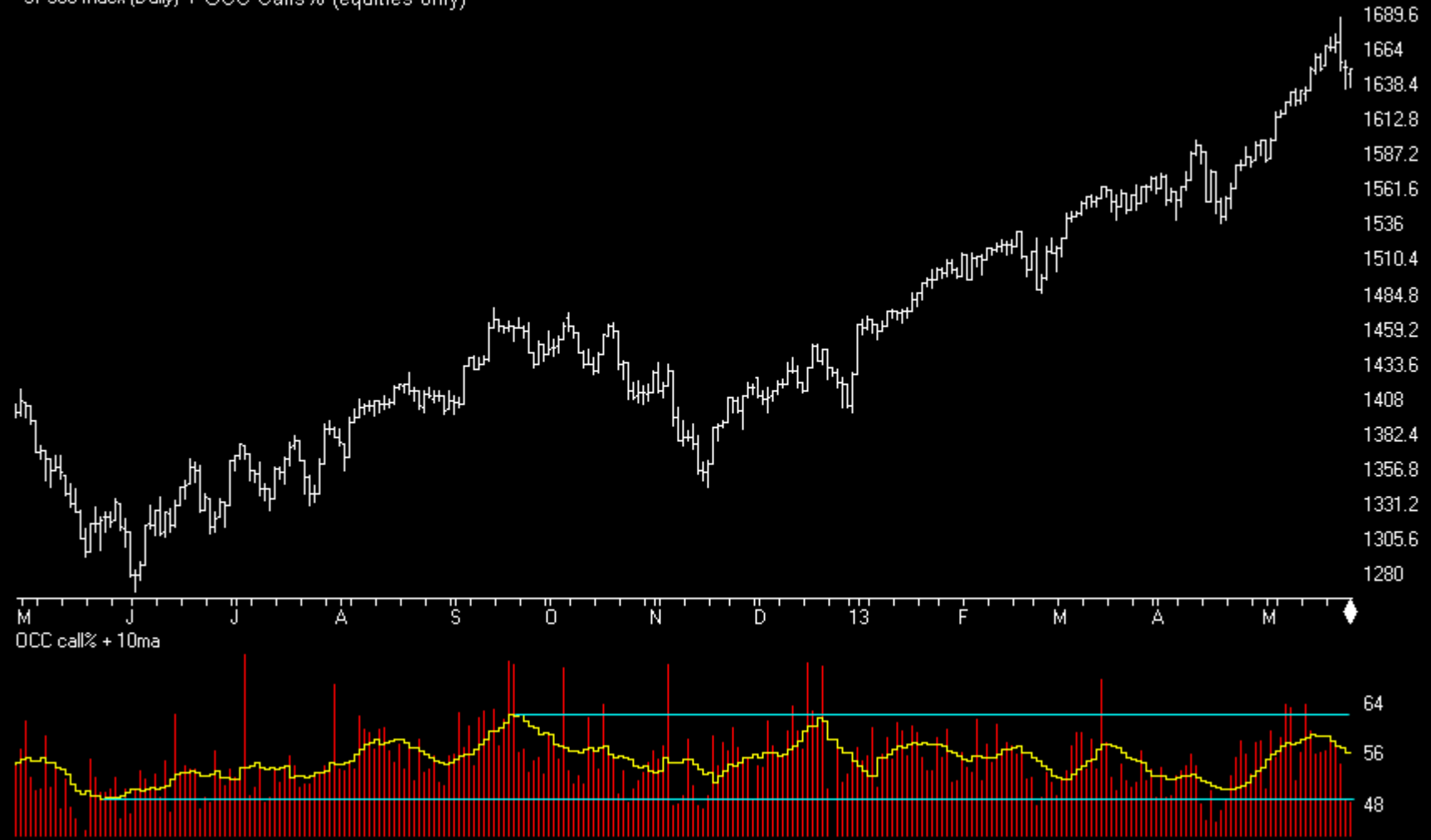
NAAIM (active money managers) number  
(Mean/Average) measures current equity exposure  
(0% would be all cash, 100% fully invested).



# Sentiment

Charts by AIQ TradingExpert

SP500 Index (Daily) + OCC Calls% (equities only)



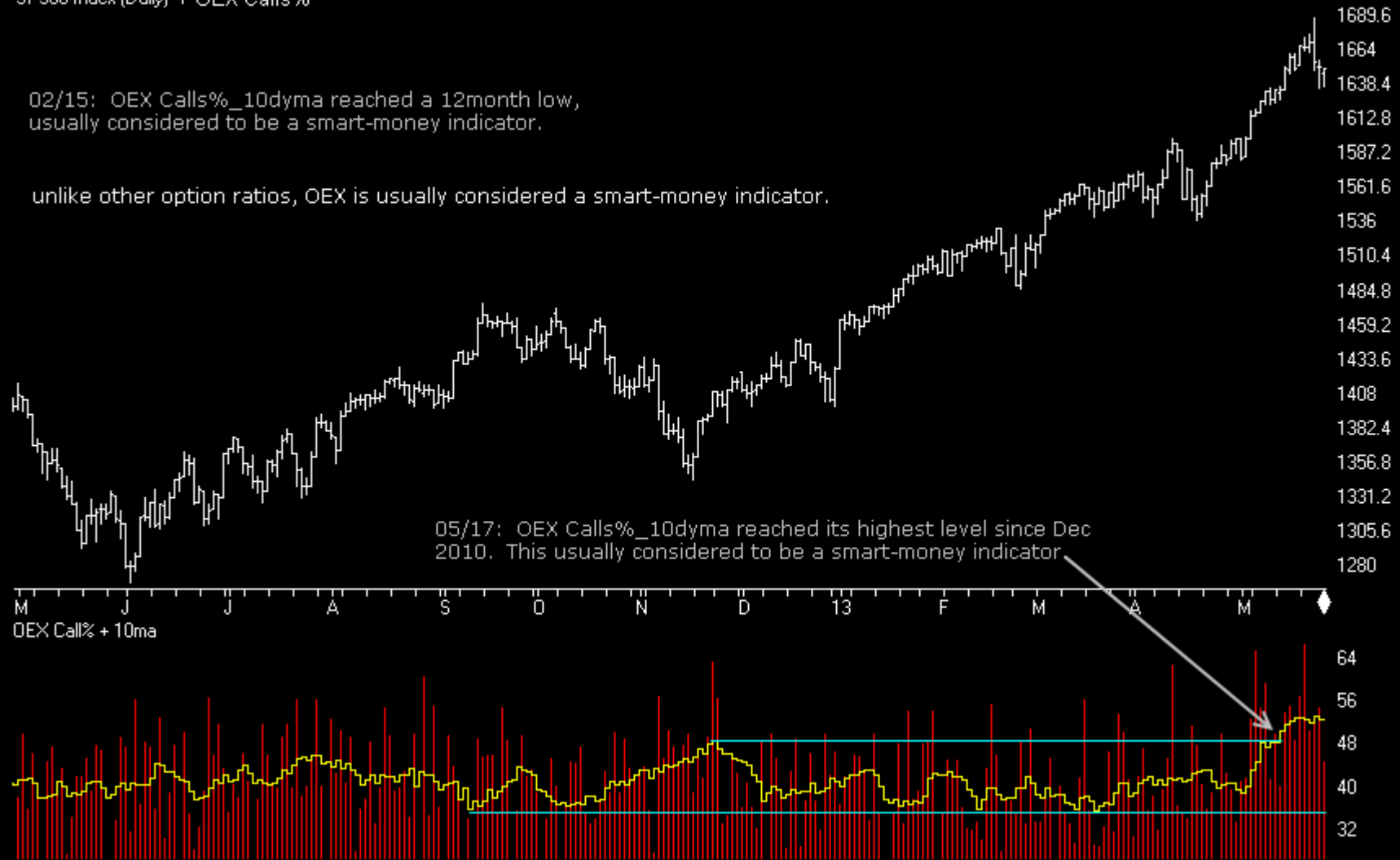
# Sentiment

Charts by AIQ TradingExpert

SP500 Index (Daily) + OEX Calls%

02/15: OEX Calls%\_10dyma reached a 12month low, usually considered to be a smart-money indicator.

unlike other option ratios, OEX is usually considered a smart-money indicator.

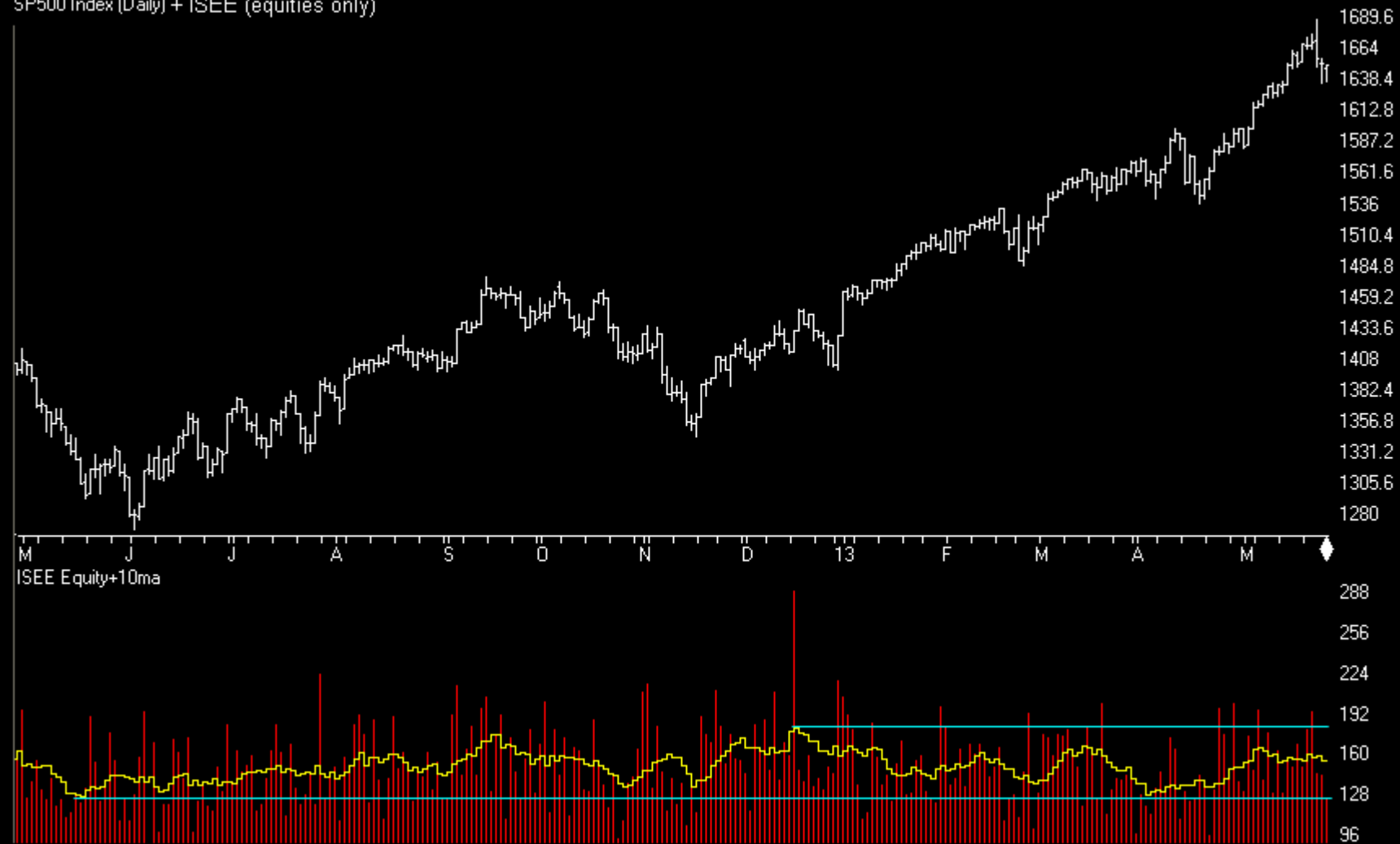




# Sentiment

Charts by AIQ TradingExpert

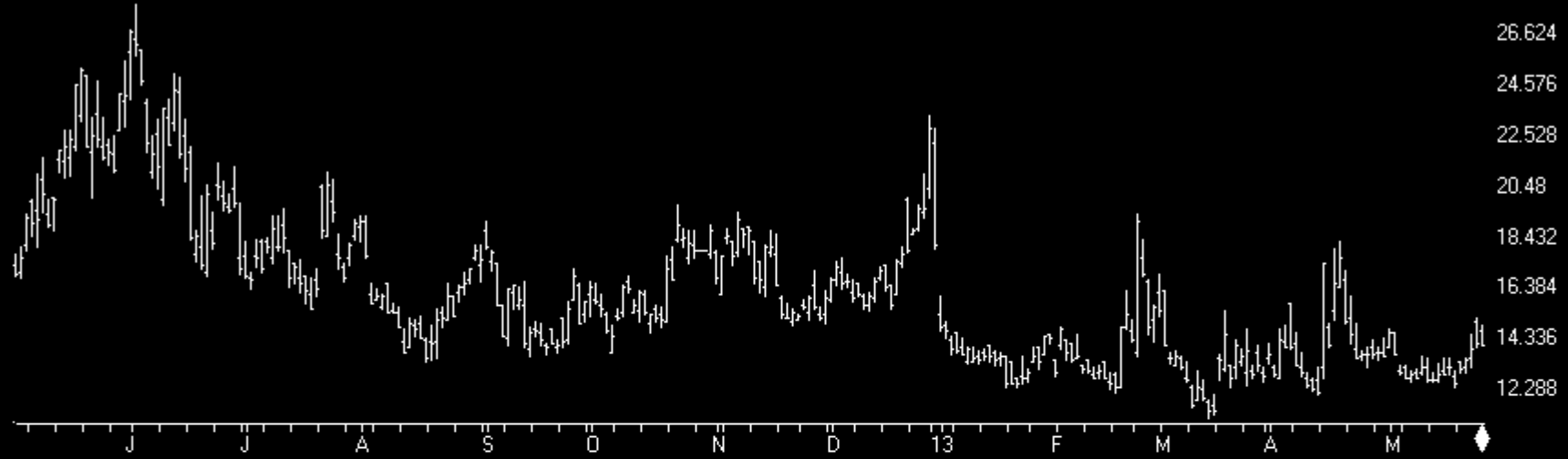
SP500 Index (Daily) + ISEE (equities only)



# Sentiment

Charts by AIQ TradingExpert

VIX - S&P 500 Volatility Index (Daily)

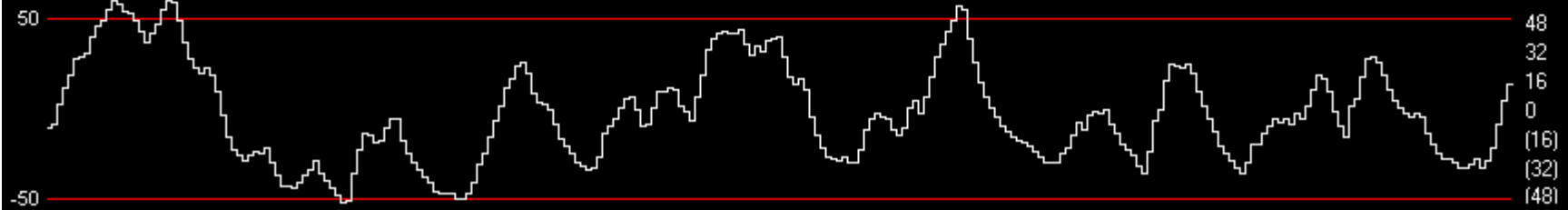


SFX

03/15: VIX reached 11.05, the lowest since February 2007



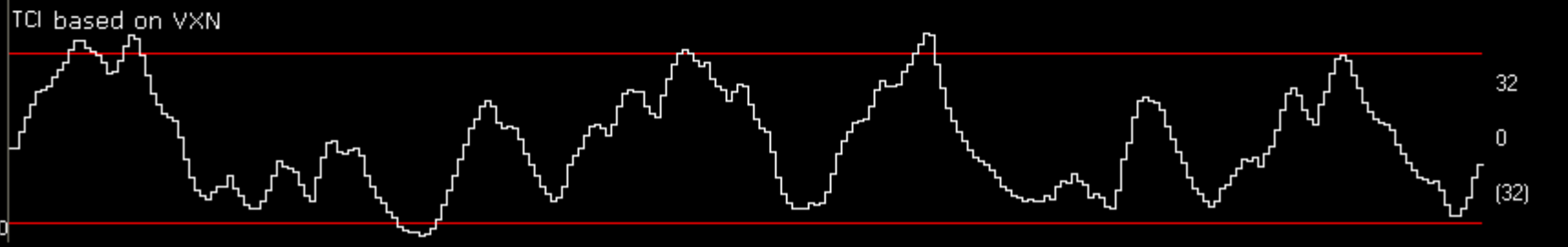
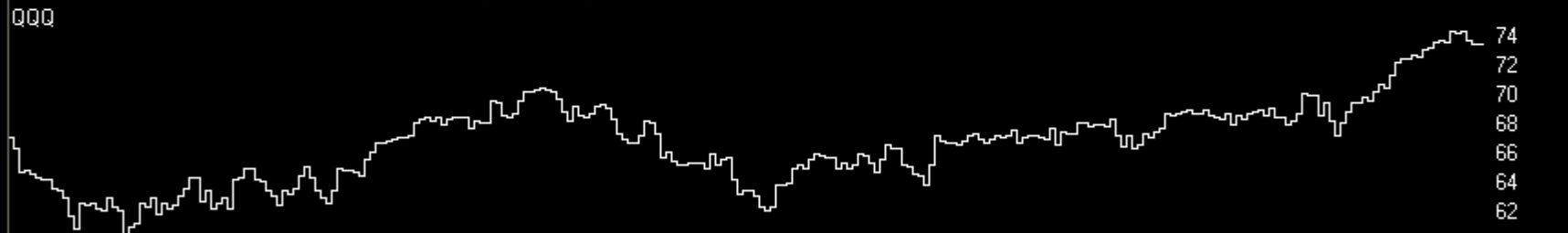
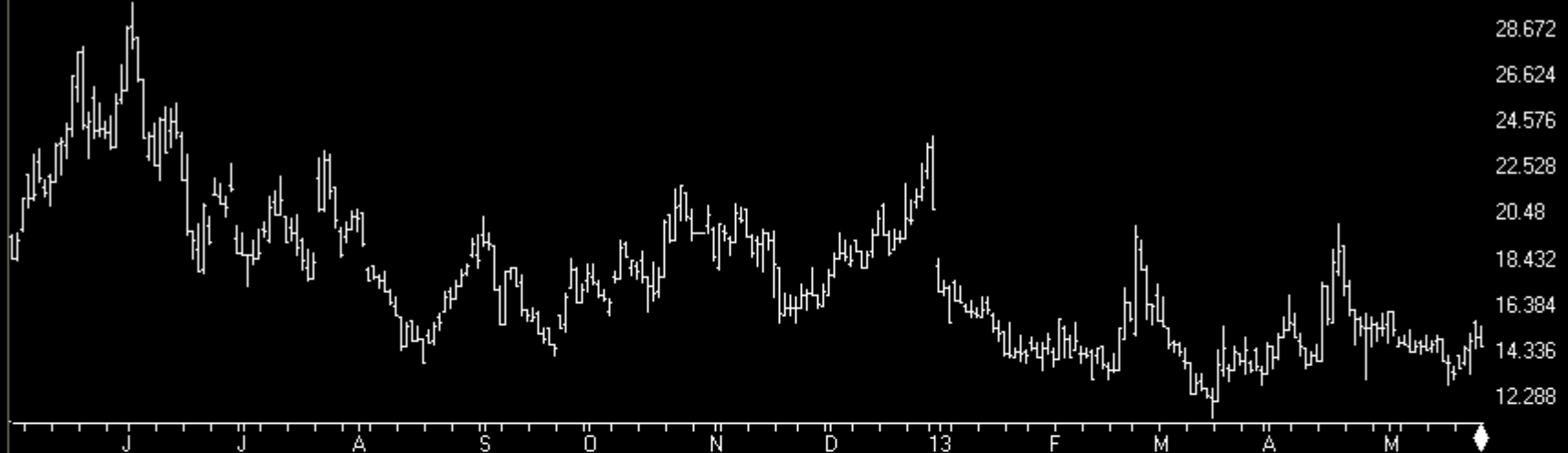
TCI based on VIX



# Sentiment

Charts by AIQ TradingExpert

VXN - NASDAQ VOLATILITY INDEX (Daily)

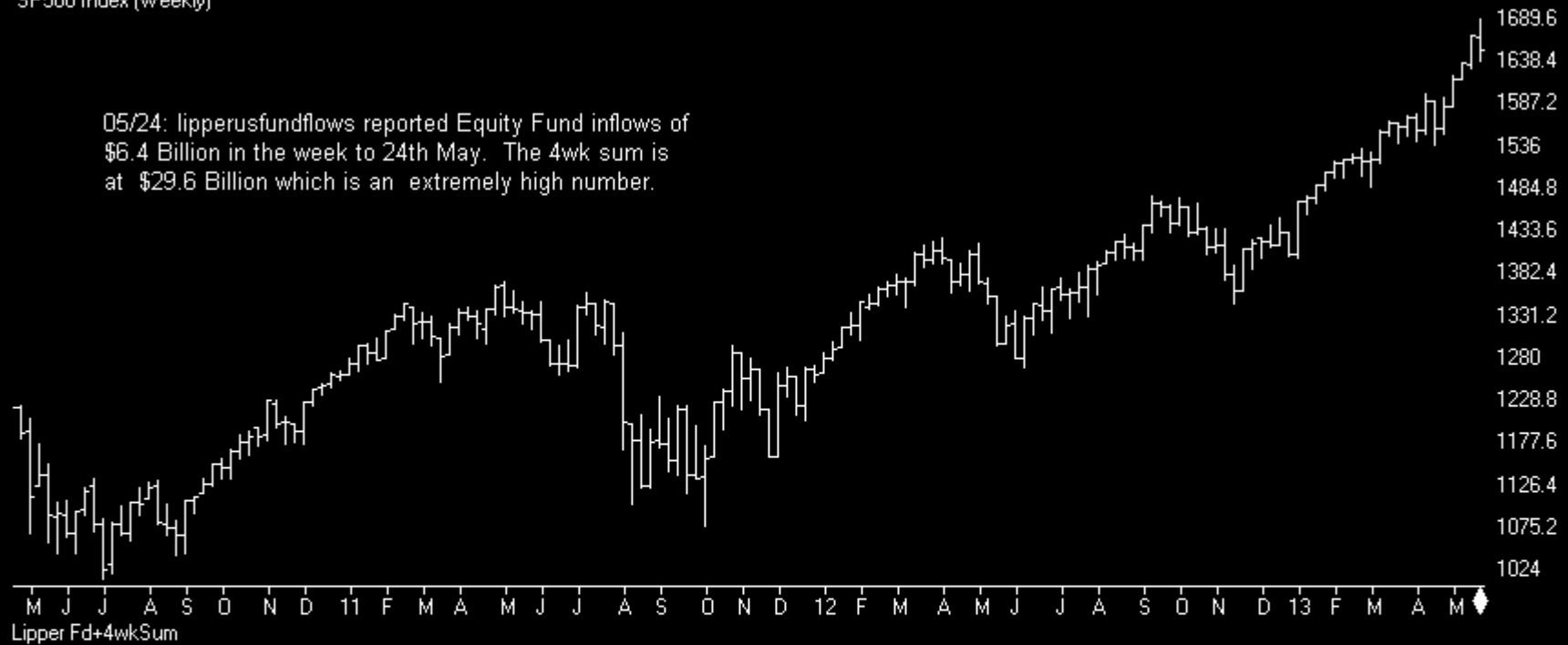


# Sentiment

Charts by AIQ TradingExpert

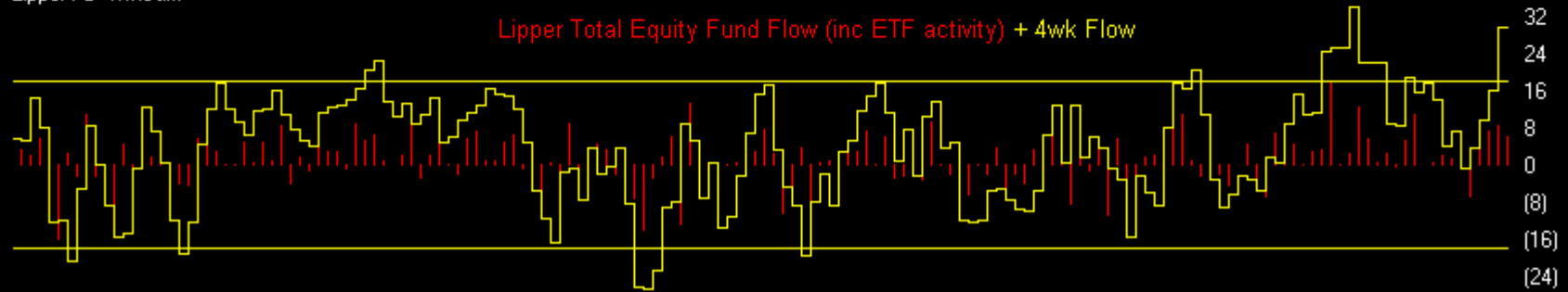
SP500 Index (Weekly)

05/24: lipperusfundflows reported Equity Fund inflows of \$6.4 Billion in the week to 24th May. The 4wk sum is at \$29.6 Billion which is an extremely high number.



Lipper Fd+4wkSum

Lipper Total Equity Fund Flow (inc ETF activity) + 4wk Flow

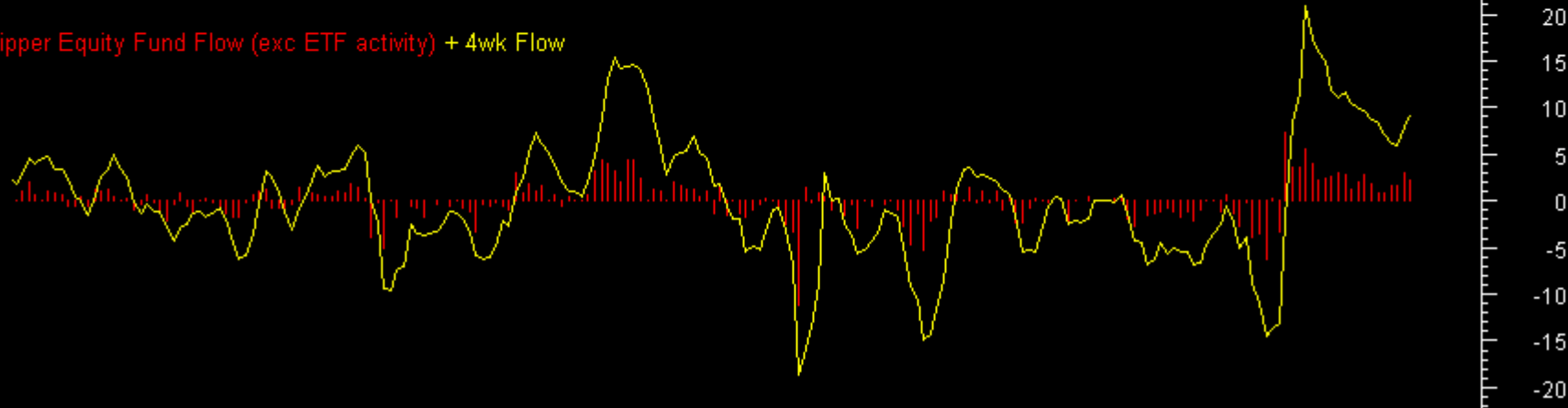


# Sentiment

LIPPER Equity Fds (exc ETF) net flow (\$billion)



Lipper Equity Fund Flow (exc ETF activity) + 4wk Flow



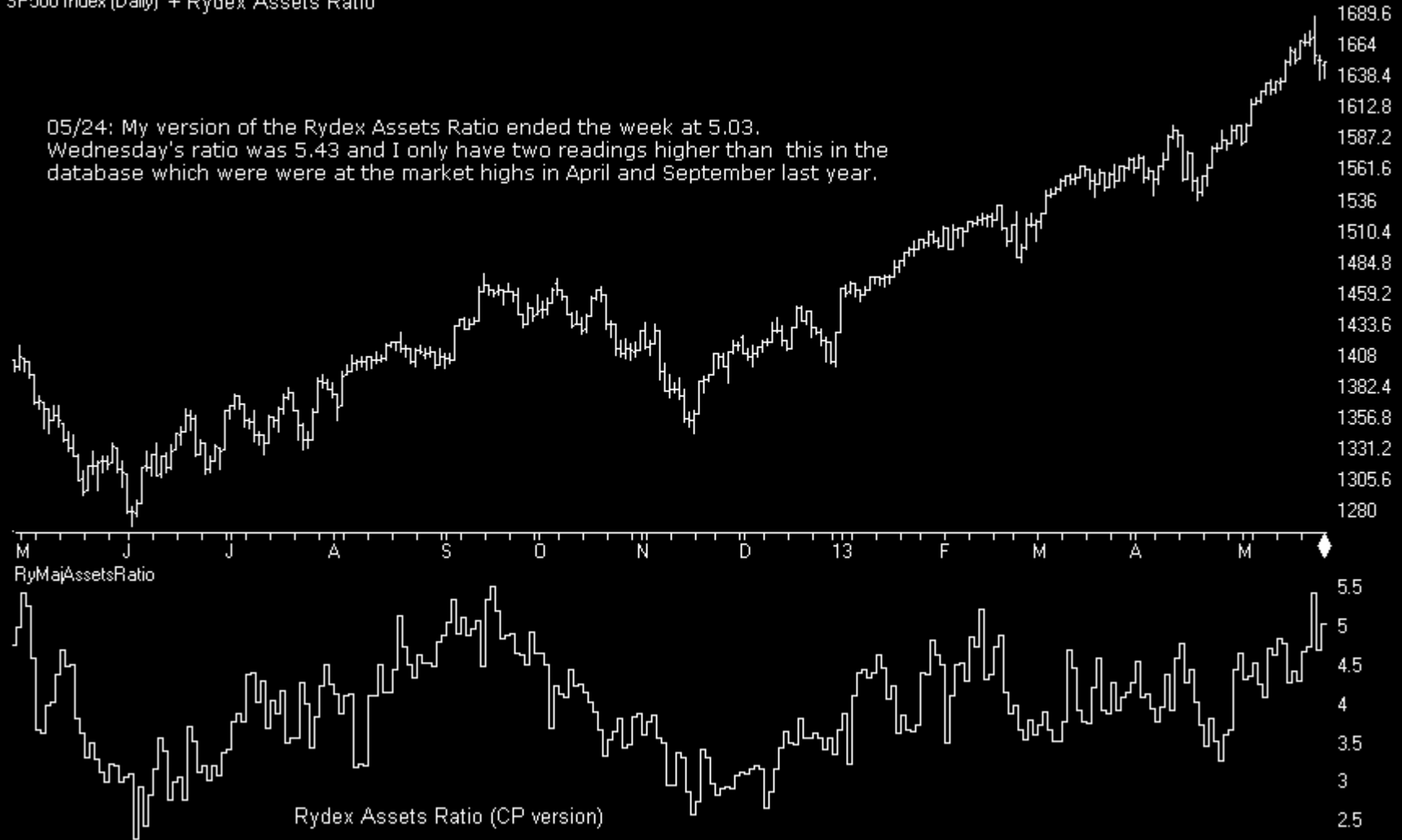
M J J A S O N D 2010 A M J J A S O N D 2011 A M J J A S O N D 2012 A M J J A S O N D 2013 A M J J

# Sentiment

Charts by AIQ TradingExpert

SP500 Index (Daily) + Rydex Assets Ratio

05/24: My version of the Rydex Assets Ratio ended the week at 5.03.  
Wednesday's ratio was 5.43 and I only have two readings higher than this in the database which were at the market highs in April and September last year.



# Bonds

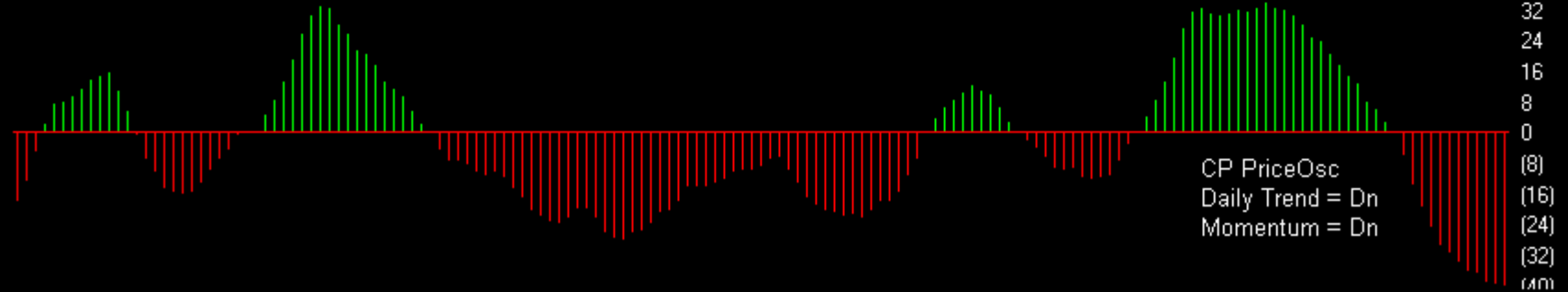
Charts by AIQ TradingExpert

Lehman 20+ Year T Bond ETF (Daily)

05/10: Has turned down from 123.42, the 1/2R off last July's high. Momentum turned negative. There is Support at 117.15, the major poc.



CP PriceOsc

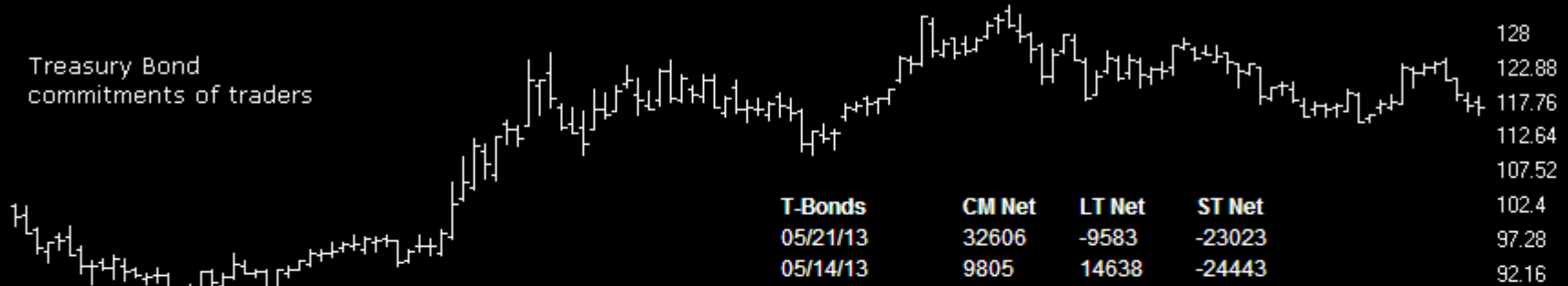


# Bonds

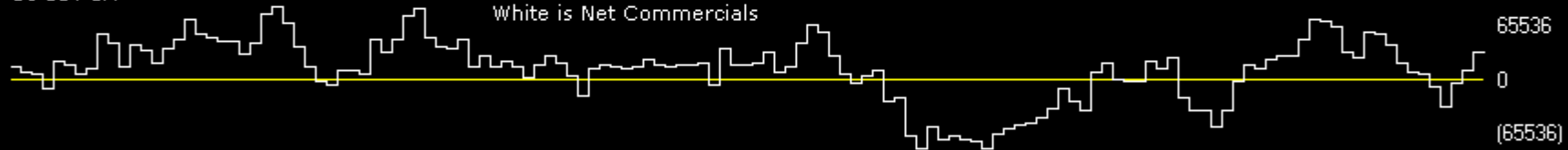
Charts by AIQ TradingExpert

T-BONDS	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	69.2	47.7	10.7	22.3	44.5	68.9	40.4	49.3	50.9
05/14/13	51.9	38.5	36.7	50.2	67.2	49.7	38.1	32.6	42.2

Treasury Bond commitments of traders



US COT CM



US COT LT



US COT ST





# Gold

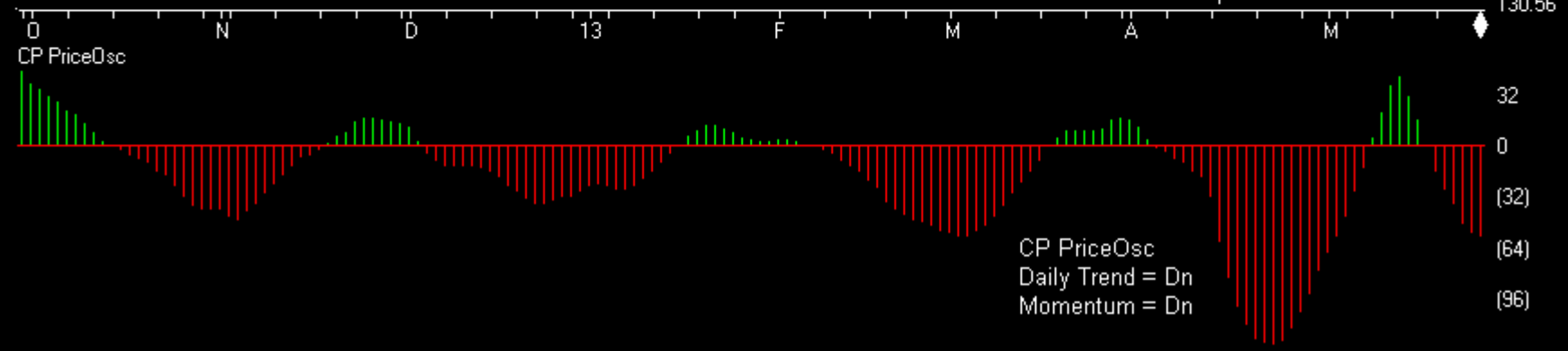
Charts by AIQ TradingExpert

STREETTRACKS GOLD TRUST ETF (Daily) (GLD)



04/19: I've been saying this is a weak chart since early February when it fell below its major poc. Has fallen steeply this month to its lowest level for two years.

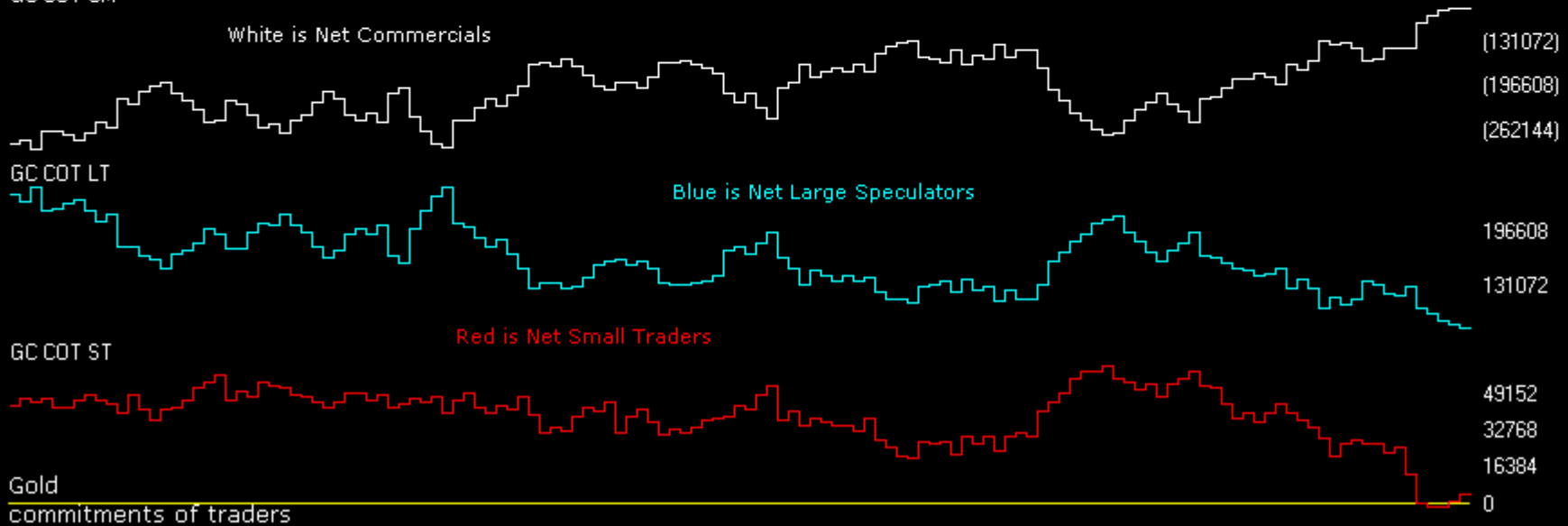
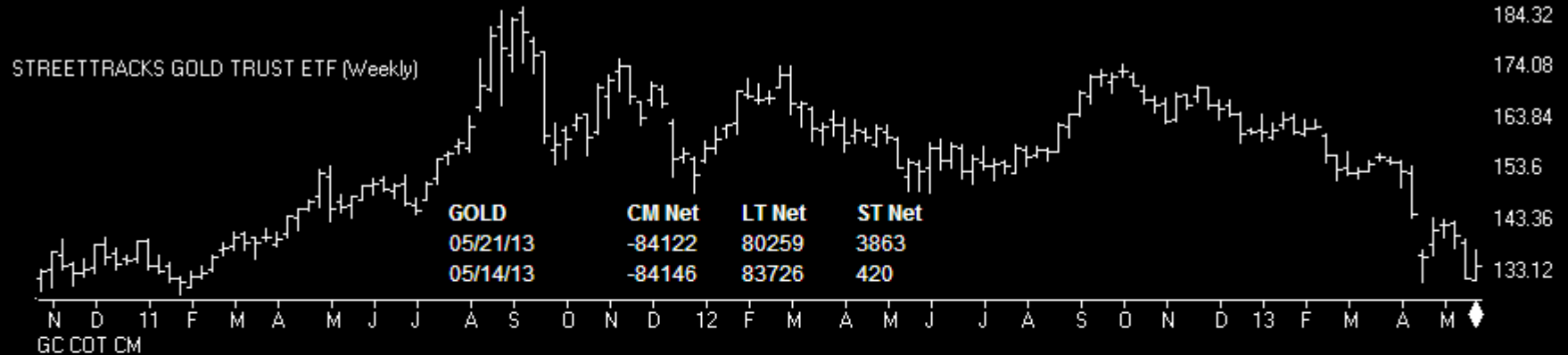
05/17: Fell steeply last month to its lowest price for two years. Looks likely to test that level again.



# Gold

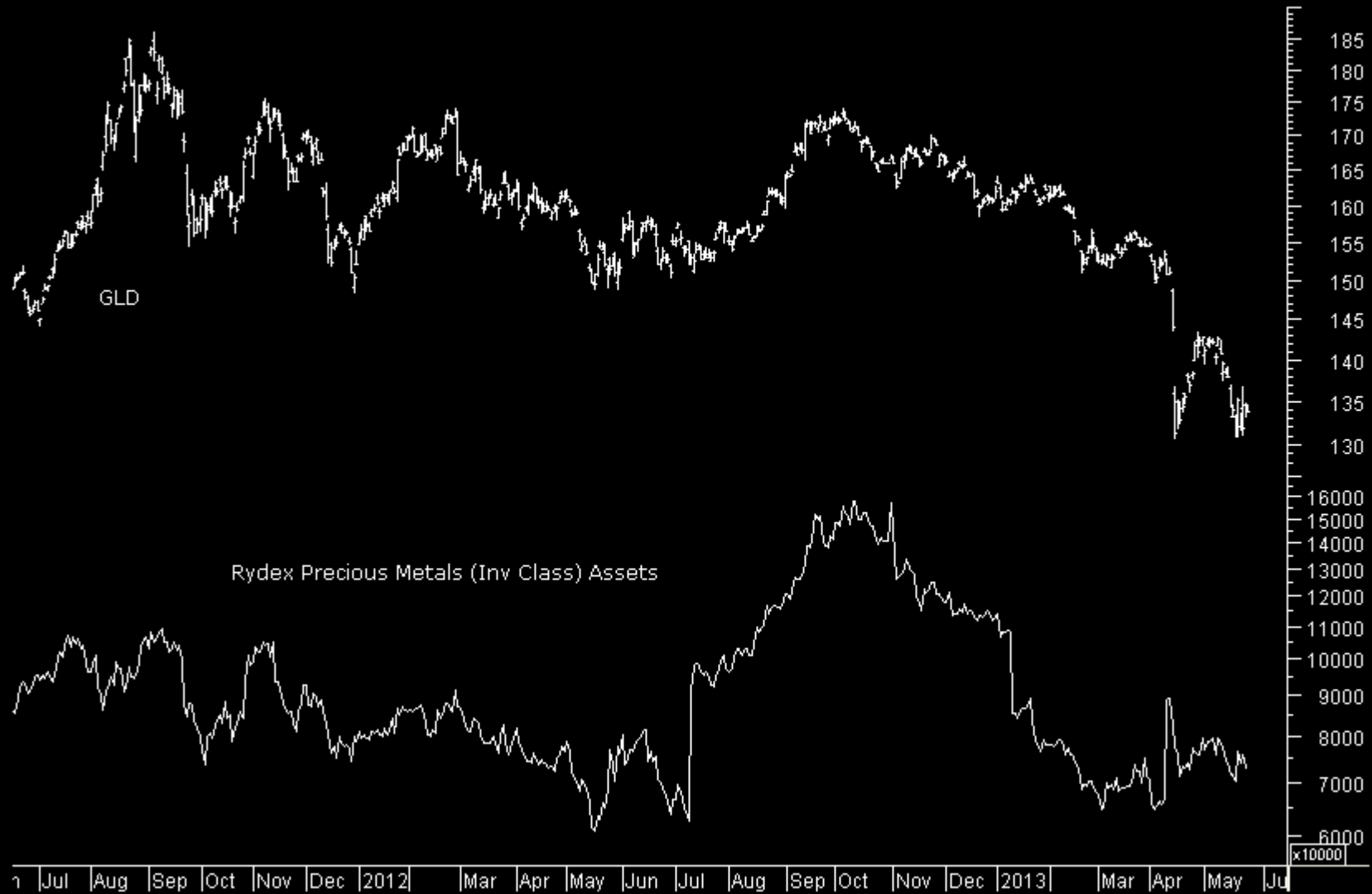
Charts by AIQ TradingExpert

GOLD	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	100	100	0.2	0	5.5	100	9.3	9.1	80.5
05/14/13	100	100	0	0	0.9	100	3.5	5.7	91.5



# Gold

Charts by AIQ TradingExpert





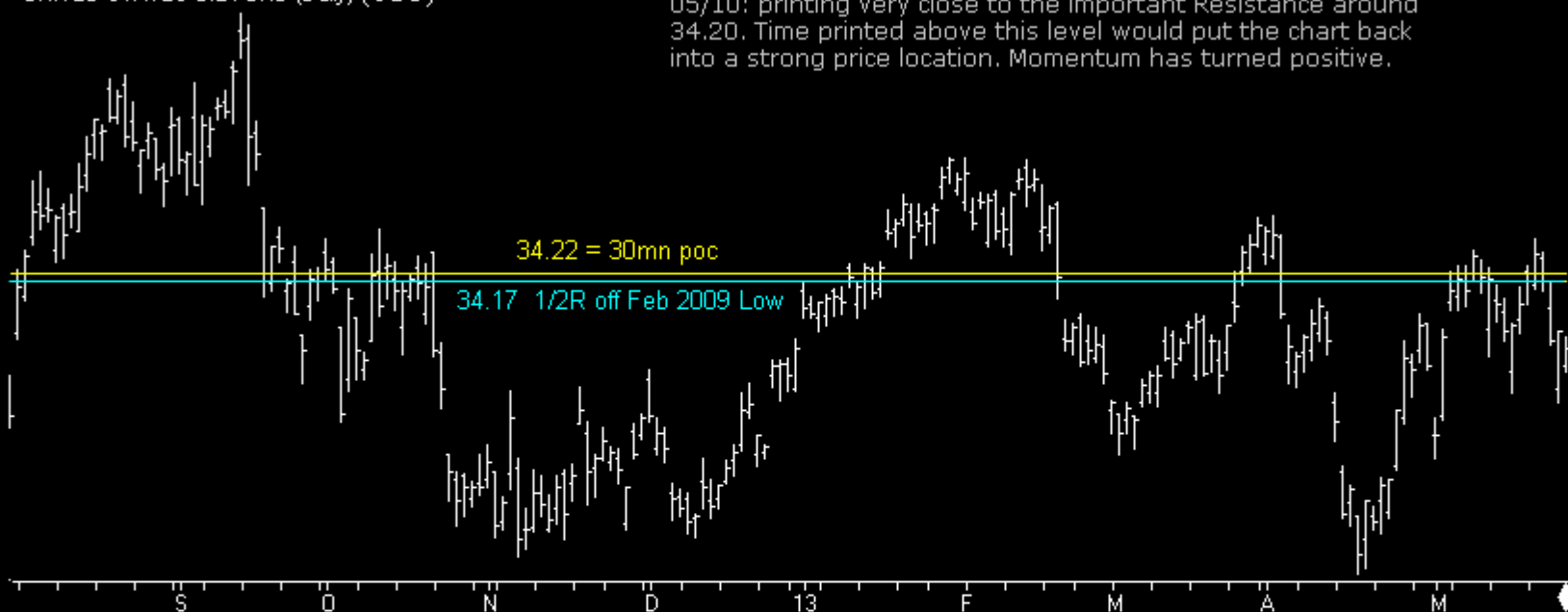
UNITED STATES OIL FUND (Daily) (USO)

05/10: printing very close to the important Resistance around 34.20. Time printed above this level would put the chart back into a strong price location. Momentum has turned positive.

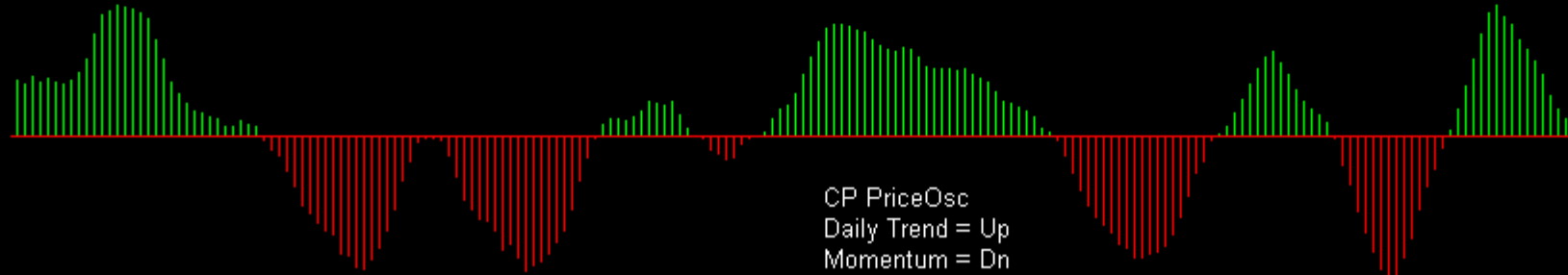
34.22 = 30mn poc

34.17 1/2R off Feb 2009 Low

37.12  
36.48  
35.84  
35.2  
34.56  
33.92  
33.28  
32.64  
32  
31.36



CP PriceOsc



CP PriceOsc  
Daily Trend = Up  
Momentum = Dn

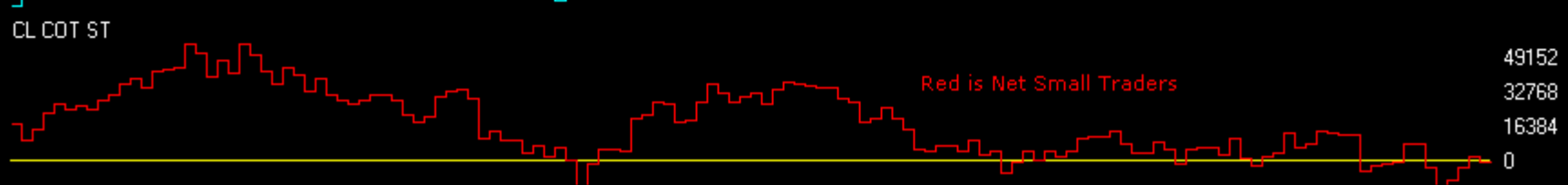
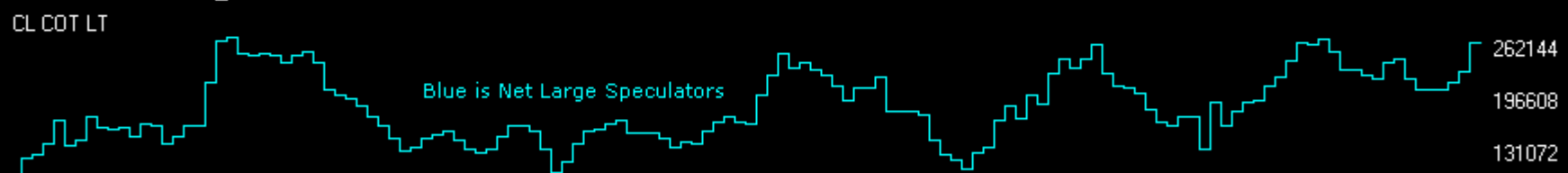
16  
12  
8  
4  
0  
(4)  
(8)  
(12)  
(16)

# oil

Charts by AIQ TradingExpert

CRUDE OIL	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	12.5	33.8	73.8	97.1	50.4	0.0	42.4	52.3	86.4
05/14/13	35.9	43.0	49.3	70.3	15.8	4.5	53.6	42.5	60.2

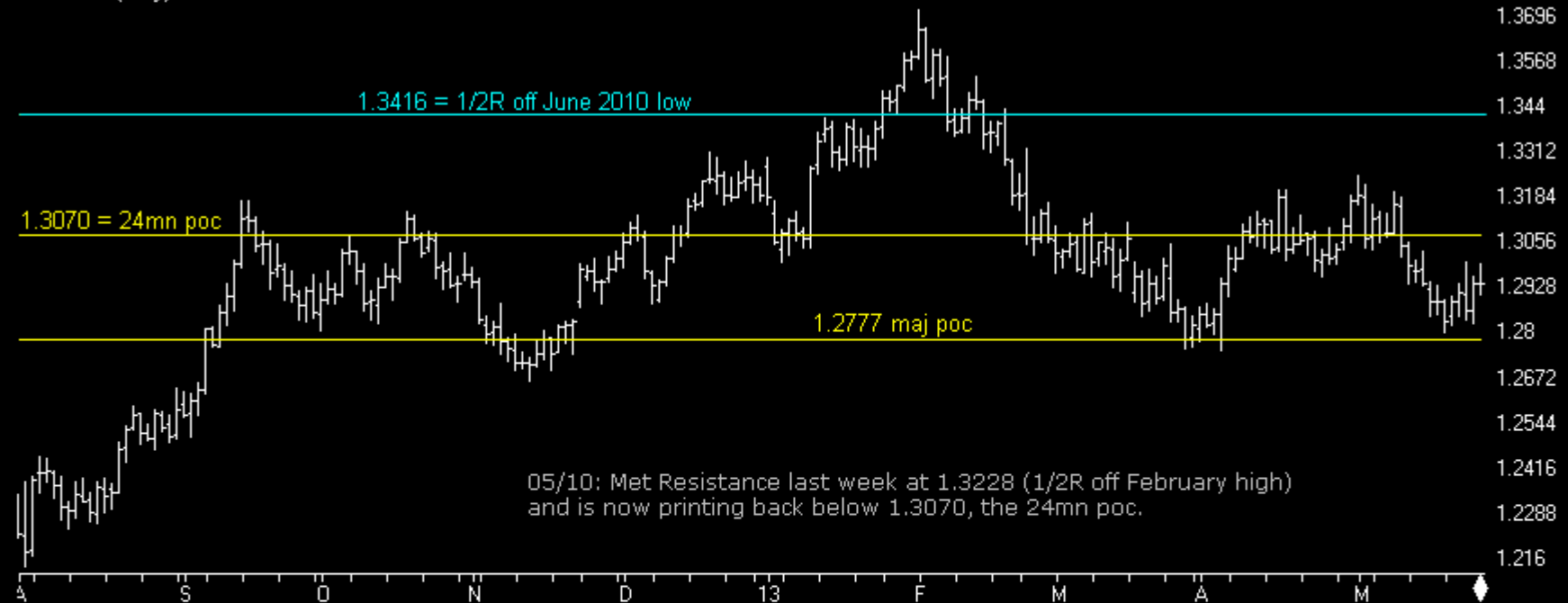
CRUDE OIL	CM Net	LT Net	ST Net
05/21/13	-267810	268944	-1134
05/14/13	-234435	232590	1845



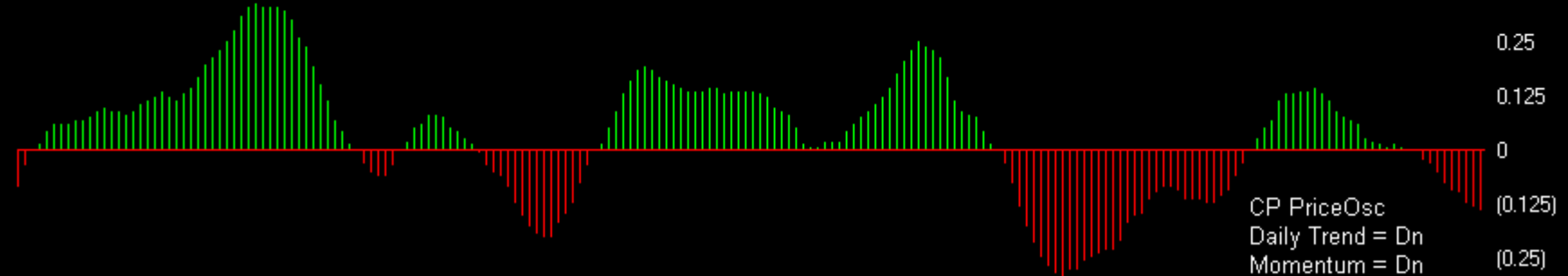
# Dollar

Charts by AIQ TradingExpert

EURUSD (Daily)



CP PriceOsc



# Dollar

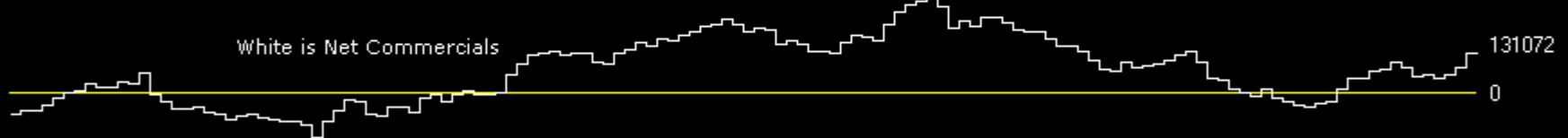
Charts by AIQ TradingExpert

EURUSD	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	98.8	100.0	20.7	8.1	1.8	73.4	0.0	0.0	76.0
05/07/13	58.2	59.8	38.4	44.7	36.7	52.2	21.7	31.5	80.0



EC COT CM NET

White is Net Commercials



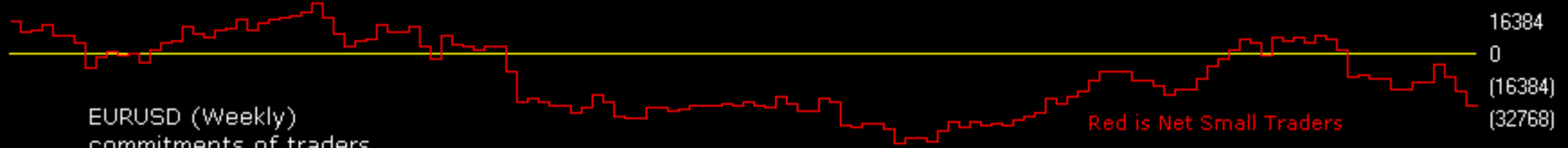
EC COT LT NET

Blue is Net Large Speculators



EC COT ST

Red is Net Small Traders



EURUSD (Weekly)  
commitments of traders

# Dollar

Charts by AIQ TradingExpert

USDJPY (Daily)

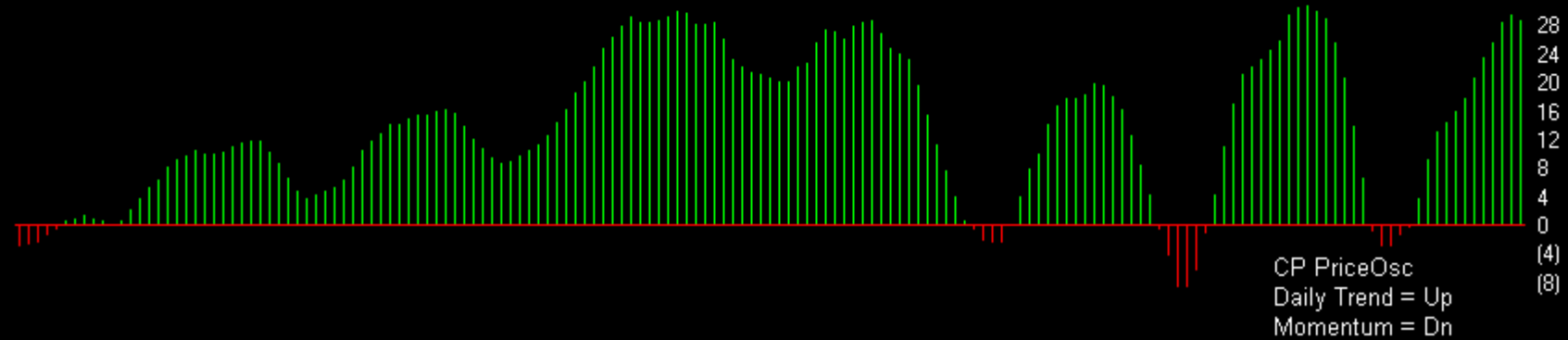
99.87 = 1/2R off 2007 high

05/10: 1/2R off 2007 high at 99.87 is the best local reference level I have.

maj poc = 90.30



CP PriceOsc



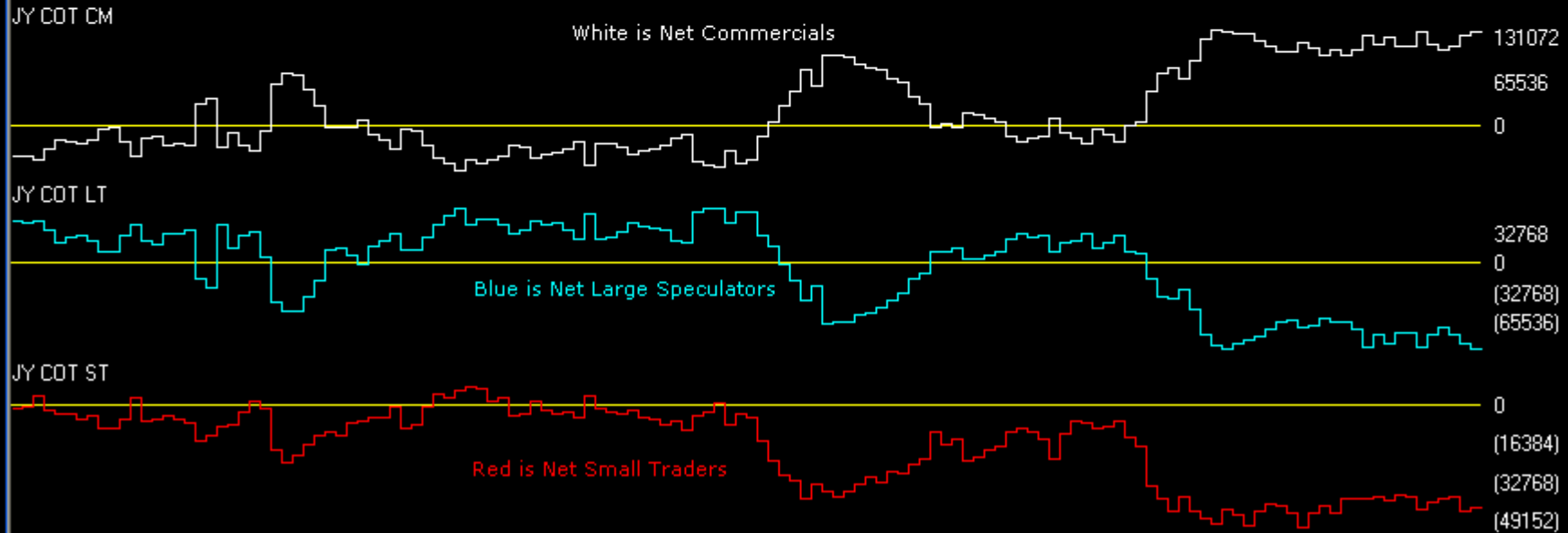
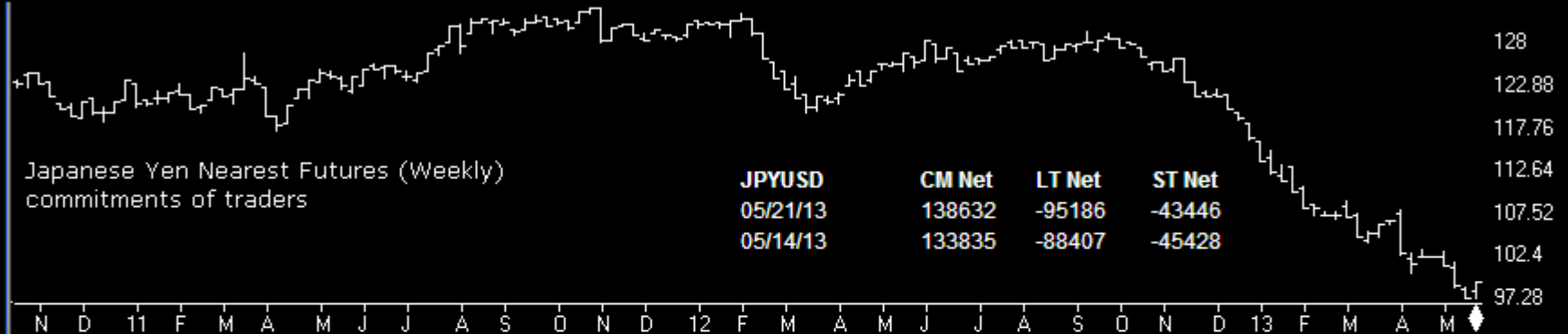
CP PriceOsc  
Daily Trend = Up  
Momentum = Dn



# Dollar

Charts by AIQ TradingExpert

JPYUSD	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	93.0	94.7	54.6	0.0	12.2	42.3	62.5	45.8	46.7
05/14/13	83.4	71.5	46.9	13.9	32.6	45.8	48.1	57.2	55.6



# Dollar

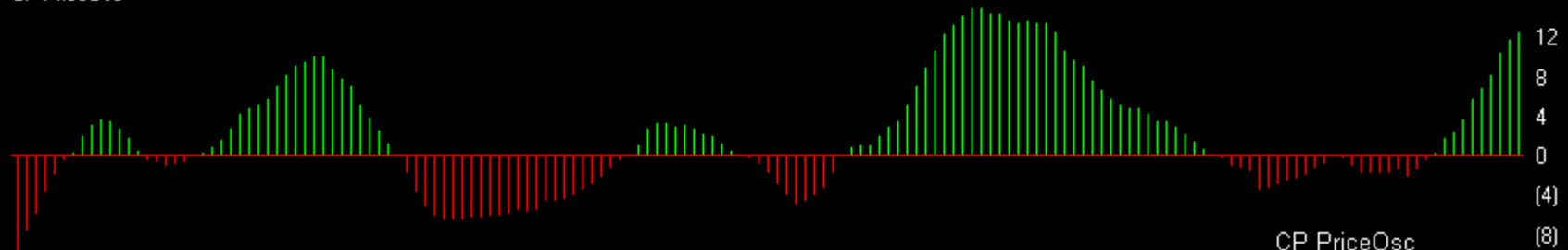
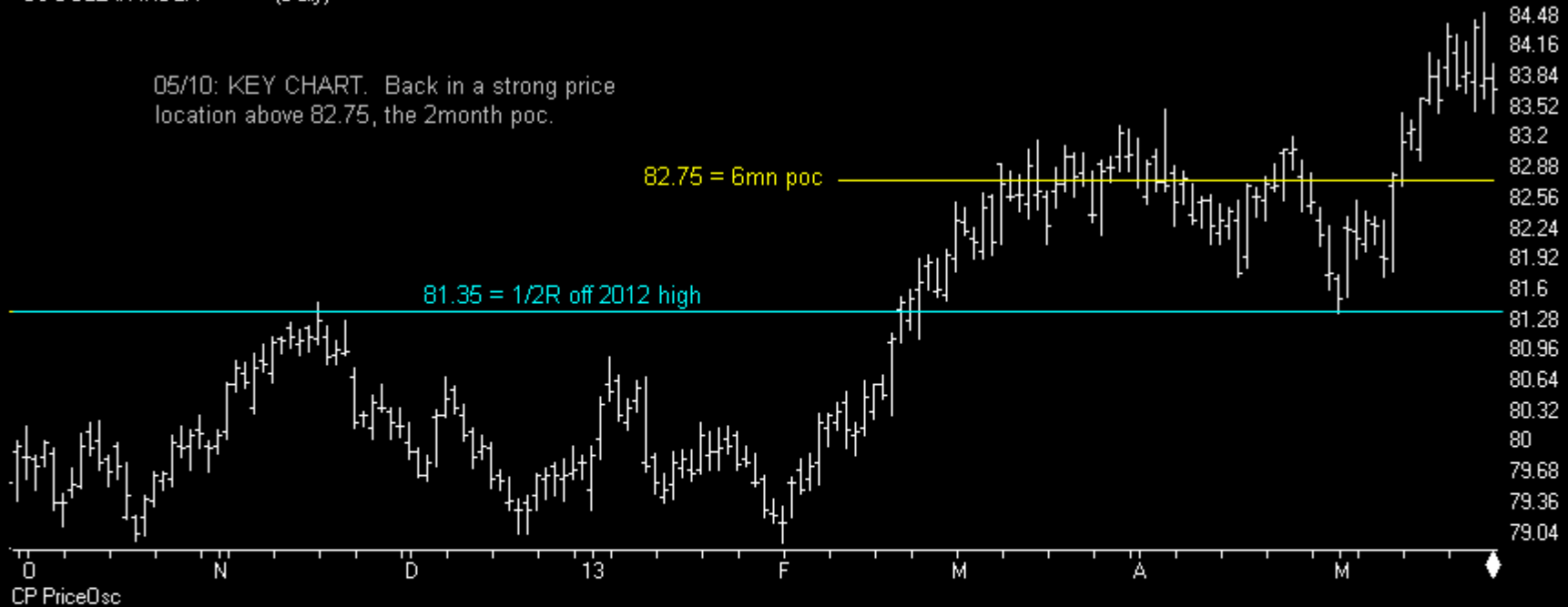
Charts by AIQ TradingExpert

US DOLLAR INDEX (Daily)

05/10: KEY CHART. Back in a strong price location above 82.75, the 2month poc.

82.75 = 6mn poc

81.35 = 1/2R off 2012 high



Daily Trend = Up  
Momentum = Up

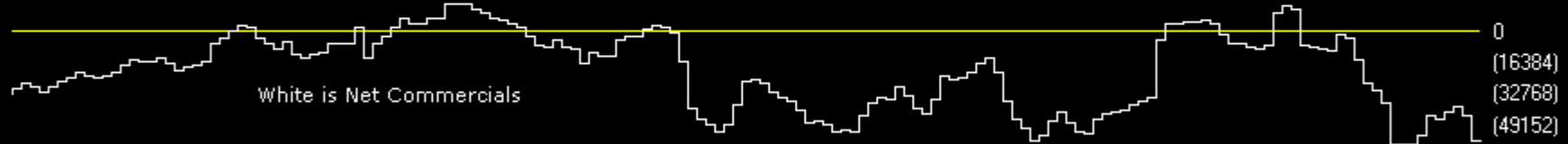
# Dollar

Charts by AIQ TradingExpert

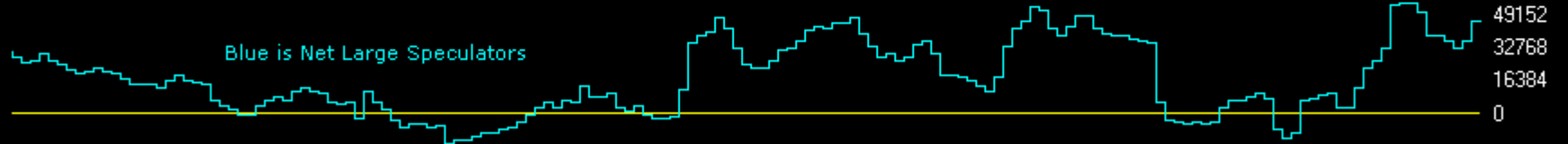
USD IX	CM Net	CM Long	CM Short	LT Net	LT Long	LT Short	ST Net	ST Long	ST Short
05/21/13	3.1	0.0	80.7	87.3	92.0	22.4	100.0	97.2	0.0
05/14/13	20.7	6.1	80.5	71.4	73.1	21.2	100.0	100.0	7.8



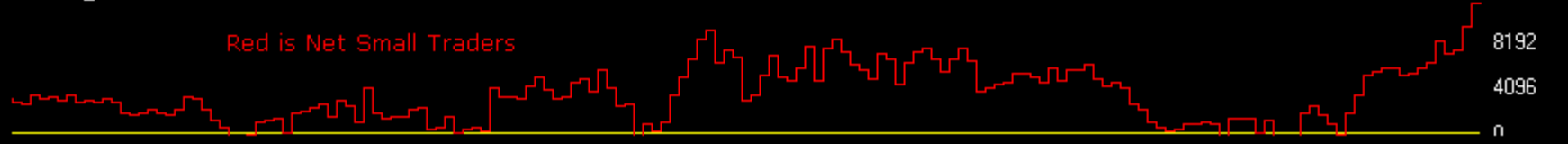
DX COT CM



DX COT LT NET



DX COT\_ST



<http://www.chartprofitwebcast.com>