



# Technical Forecast

@ETFguidePremium

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## Open ETF Trades

Date Opened	Ticker	Market	Stop Loss	Strategy & Update
10/20/16 @ \$21.10	RING	MSCI Global Gold Miners		Bullish Gold Miners
3/22/18 @ \$23.50	SJB	ProShares Short High Yield		Short High Yield
3/15/18 @ \$36.04	LIT	Global X Lithium		Bullish Lithium
2/22/18 @ \$34.75	SRS	ProShares Ultra SH Real Est.		Bullish Interest Rate Space
5/3/19 @ \$81.23	IJR	iShares Core S&P Small Caps	\$72.75	Long Small Caps
5/3/19 @ \$227.52	IHI	iShares U.S. Medical Devices		Long Medical Devices
6/28/19 @ \$45.59	PZD	Invesco Cleantech	\$41.00	Bullish Clean Technology
7/12/19 @ \$78.39	XLI	SPDR Industrials	\$71.60	Bullish Weekly Setup
10/11/19 @ \$37.41	EWL	MSCI Switzerland		Bullish Switzerland
12/6/19 @ \$18.44	COPX	Copper Miners		Bullish Copper

**\*This ETF ticker is also covered & synchronized with Weekly ETF picks**

## Key S&P 500 Pivot Points

Pivot Points	S2	S1	Pivot Level	R1	R2
Weekly	3103	3136	3159	3193	3216
Monthly	3012	3076	3115	3180	3219
Closing Price			3169		

Continued strength across the board this past week led to new highs in many indices and sectors once again. The big news came Thursday/Friday as the United States and China agreed to sign a phase one trade deal. This gave a big boost to Thursday's session and we saw some follow through Friday. With Friday's session we did see a few names and sector exhibit exhaustion signals, at least for the short-term trading expectations. Long-term, we have a very different story taking shape that includes positivity in trends all over the world, domestic and international. Breadth is very strong across many different indicators, including some you will see on the following page. Another interesting situation we noticed this past week that we will want to take notice of heading into this week is the fact that certain bond ETF's as well as a few defensive metals held relatively strong. While industrial metals started out strong and started to show signs of exhaustion on Friday.

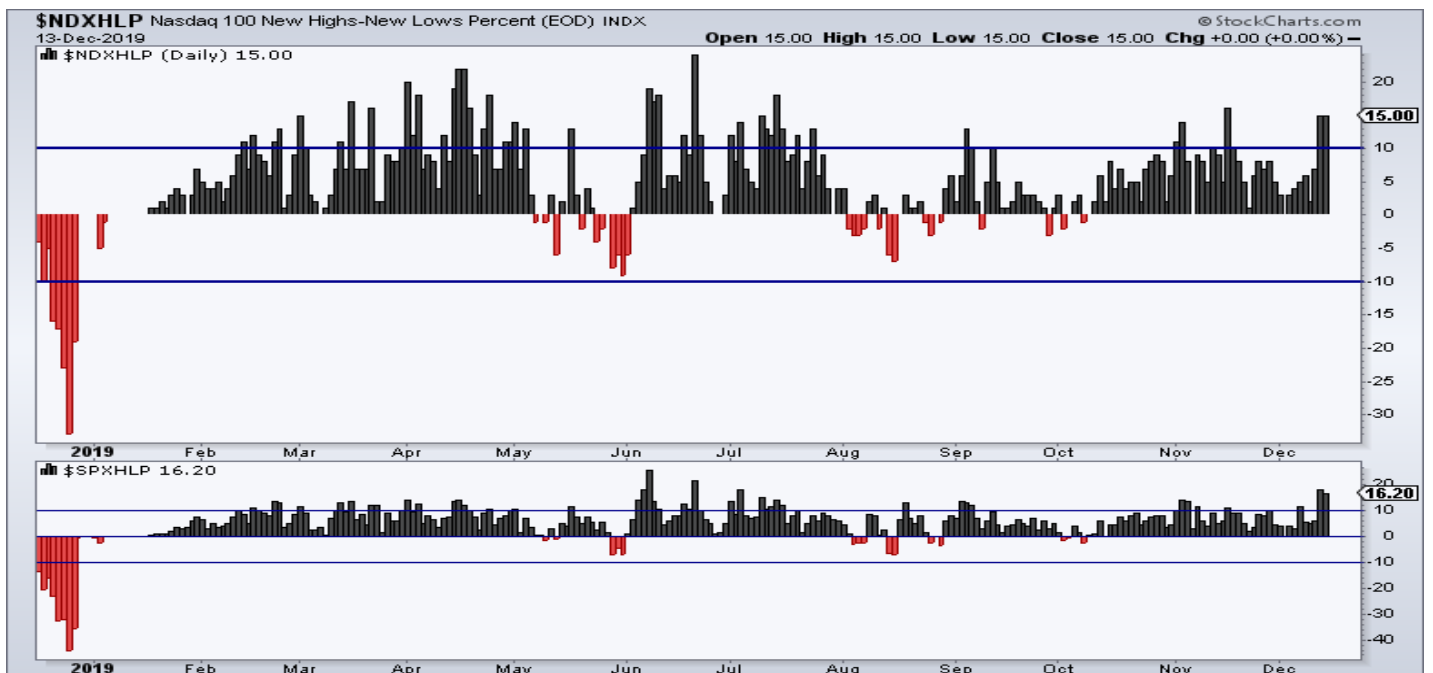
- Monthly pivots can help construct expectations for swing trades on \$SPX.
- Palladium finds itself with a bearish engulfing candle to mark exhaustion. (PALL)
- A long-term look at Latin America. (ILF)
- 20+ year treasury bond holding firm despite a more defensive posture. (TLT)
- Greece trading into a breakout zone, will this be the week we finally see the advance? (GREK)
- A big move coming from the utilities sector? (XLU)
- A review of healthcare providers (IHF), consolidating nicely within this strong uptrend.

## How to Trade it:

The \$SPX further extended gains and was able to close at all time weekly highs yet again. As you will see on the chart below, the monthly R1 pivot was reached during the Friday session. This close left more of a doji candle the highlight shorter-term indecision with market participants. The positive here is that we are seeing higher highs, however as of the last low, this technically was a lower low. This occurred around S1 pivot. What this tells us is that we had enough momentum with sellers to create that low. We then want to analyze the range of RSI. Right now we are seeing more overbought conditions within the 5 day RSI, giving more momentum thrusts to trend. The difference that we are seeing on this last high is that RSI is creating a lower high. Thus a shorter-term momentum divergence with price, causing a little caution as we use R1 as a critical pivot point.



With this last Thursday and Friday push we saw another nice breadth thrust as mentioned on the previous page. Of the many breadth figures we study, the \$NDXHLP and \$SPXHLP is a great measure to monitor as trends develop. In \$SPX, we saw the strongest HLP reading since June/June of this year. Very positive.



## Palladium (PALL)

Palladium has been a market leader from many different aspects. This trend is seeing a bearish engulfing candle from Friday that leaves us more on the cautious side going forward. Although we do not have any negative momentum characteristics, seeing a test of the rising EMA's would ultimately become a normal situation for trend. The green shaded zone below represents a solid support zone in the short-term.



## Latin America (ILF)

The below chart is a monthly perspective of ILF dating back to 2002. We can see from this longer-term viewpoint that ILF has really gone nowhere but sideways throughout the last 10 years or so. We are now seeing price characteristics that point toward breaking out of this coiled pattern. Followed by a PPO indicator that looks to be flattening near the zero line and has room to breakout to the topside. Keep this in mind over the next 2-5 years.



## 20+ Year Treasury Bonds (TLT)

One of the more interesting facts of this past week was that bonds held up quite nicely while the aggressive sectors of the market continued to advance. TLT is trying to hold trend here and create a higher low after consolidating for the past 3+ months. During this phase, RSI has not registered an oversold reading. This could very well create a bullish continuation if TLT can trade above \$142.



## Greece (GREK)

Greece is another area of the market that has traded well off the 2019 lows. Over the past several months GREK has created a very important inflection point near \$10, as shown by the horizontal line below. We want to be long on a break above this level. The PPO measure is showing a turn and cross up near the zero line. This is ideal to see as GREK should have good room to the topside from both a price and momentum perspective.



## Utilities (XLU)

Utilities have been relatively underperforming lately, to no real surprise. We are however seeing a very tight consolidation taking shape in price. This consolidation is shown by the tight range in price below. We can also see that the BB width is also at a very low measure. All this suggests a breakout to either the downside or topside soon. With the close Friday, it could very well take shape to the topside.



## Healthcare Providers (IHF)

We want to wrap back around on the healthy care providers ETF. The very strong trend has come to a resting period and is doing so at a healthy pace. This sideways consolidation should be looked at as bullish until proven otherwise. We would like to see the shorter-term EMA's play catch up before the next move takes shape. RSI settling in above 40-50 will also allow for a buy zone on this uptrend.

