



Technical Forecast

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Open ETF Trades

Date Opened	Ticker	Market	Stop Loss	Strategy & Update
10/20/18 @ \$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
2/9/18 @ \$31.35	SH	ProShares Short S&P 500		Short S&P 500

***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	2411	2471	2505	2565	2599
Monthly	2098	2302	2551	2756	3005
Closing Price			2532		

In a risk on type of fashion the Russell 2000 posted the largest gains this week when taking a domestic index perspective. The NASDAQ was not too far behind as both were nicely in the green as an oversold bounce was due in most areas. We now will be coming into a 5-day trading week, something we have not seen for a couple weeks. Big money within the market should be back from their vacations, and ready to express their next move. The theme remains that a downtrend is in place, however, many sectors had become so oversold that we may see continued bounces and follow throughs into declining resistance. The \$VIX is a key ingredient to be on high alert for any immediate changes. It is currently sitting just over 21 and has fallen from a high of 35-36. If fear is truly starting to slip, we will want to see the \$VIX fall below 20 and stay under to confirm. None the less, we should still expect wide range days both up and down.

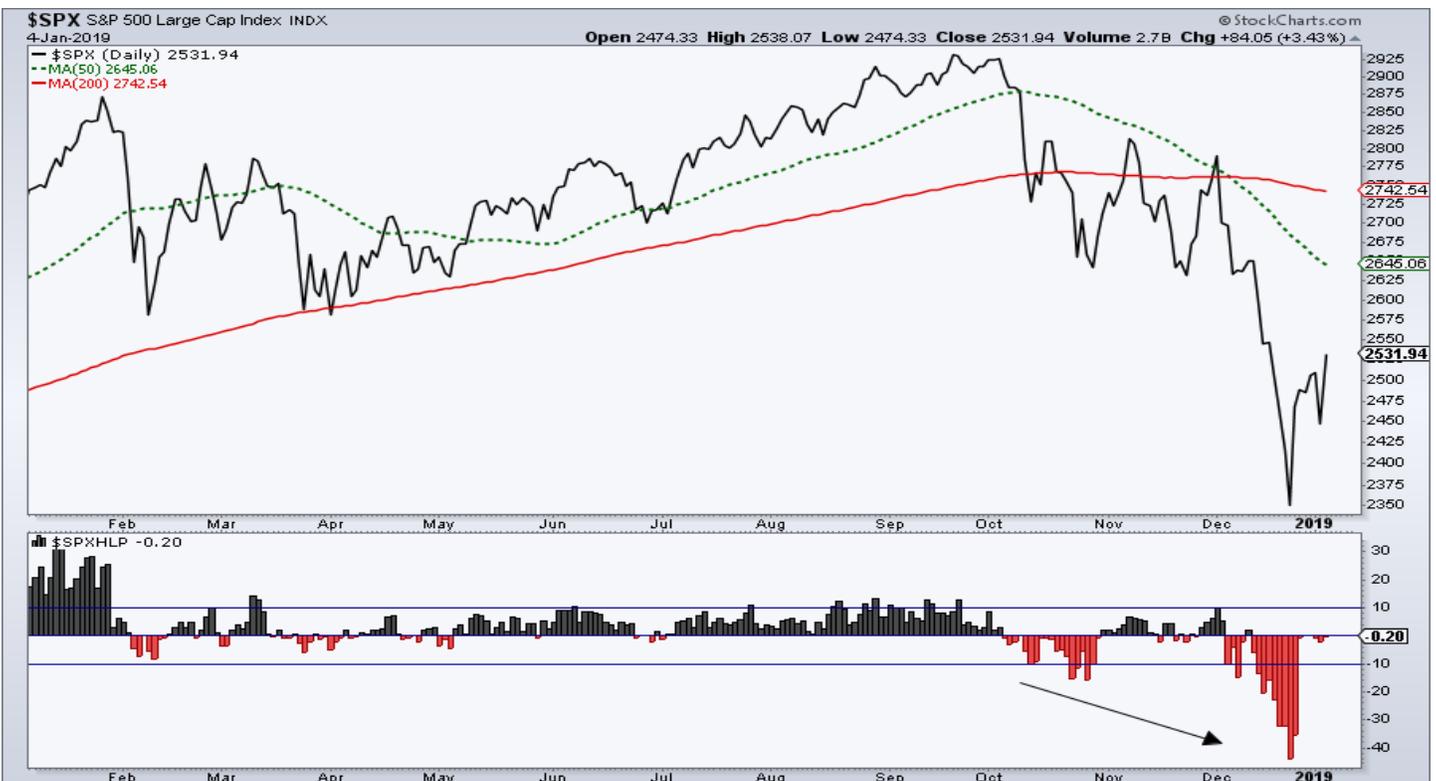
- \$SPX finds the reversal and even some follow through
- This is the candle we want to be focusing on in semi's (\$SOX)
- Do we see a retest and go from \$TLT?
- A weekly snapshot of Latin America \$ILF
- The Beta vs. Quality argument. \$SPHB:\$SPHQ
- Can copper find a seasonal and oversold trade? (\$COPX)

How to Trade it:

The \$SPX followed through on Friday close and finished just under the 21 day EMA. This area is likely the first stop on this retracement bounce. Should we see a trade above 2,541, this gives way toward the 50% retracement near 2,574. The red shaded zone, should we see a trade into this area, will likely present sellers the opportunity to step in again. Notice the 14 period ATR down below, it continues to rise here which still gives the portrayal of heightened volatility both up and down. Heading into this week it will be important to remain nimble even if we trade up and it may seem like fear has left the market.



Breadth indicators are trying to improve on this most recent bounce off the lows but there was so much damage done on this corrective phase that it will continue to be an uphill battle for 'healthy' breadth figures.



Semiconductor Index (\$SOX)

The semiconductor index has started to trade down just above the 200 week EMA. This sector will need to hold this critical phase in order to paint a more positive light on the risk perspective within the market. Best case scenario, we see a sideways consolidation much like we saw in 2015-2016.



20+ YR Treasury Bond (\$TLT)

Bonds have been getting a lot of attention lately, as they should be. TLT has seen a nice run here since late October. However, can we see a retest of the breakout before any further advance higher? Momentum of the breakout looks solid when measured by the PPO below. The green shaded zone is roughly around \$119 and a test of this could present an opportunity to either add longs or start fresh longs. \$124-\$125 marks resistance.



Latin America (\$ILF)

\$ILF is also starting to find a nice runup here the past month. Breaking out of a wedge type formation in late 2018. We are now sitting on the 50% retracement and also trading up on price resistance near \$33.5-\$34. This looks like a healthy trend that is trying to form, but be prepared for a few key resistance zones up ahead.



Beta vs. Quality (\$SPHB:\$SPHQ)

In a timely fashion, beta vs. quality is looking like it may be reversing near the lows. From a risk on perspective, we want to be seeing this head up and to the right. We essentially have a double bottom with 14 period RSI making higher lows with respect to the low in late October. This is a bullish characteristic for the general market environment.

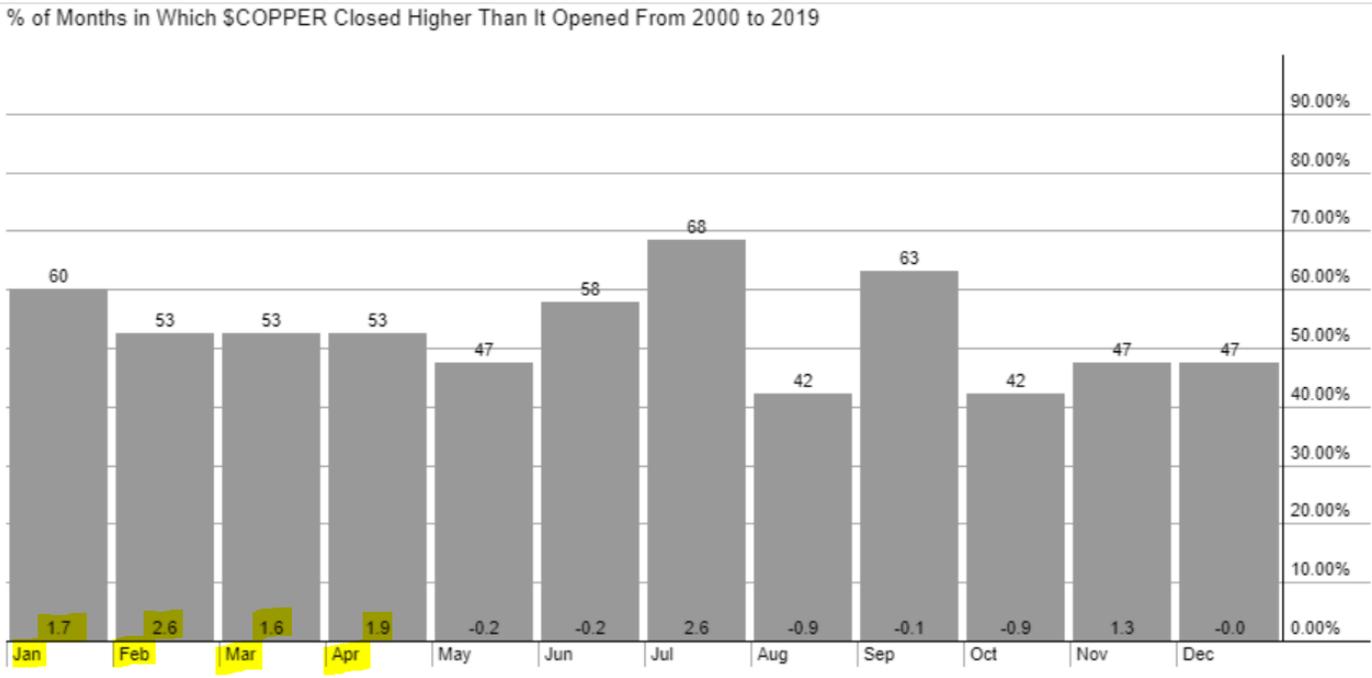


Copper (\$COPX)

Copper has been in a clear downtrend for almost a year now. \$COPX has not touched the 200-day EMA since June and became very extended to the downside. We are not seeing characteristics of a relative bottom trying to form. On this most recent low RSI did not hit oversold conditions.



Meanwhile, seasonality tends to favor copper here coming into the spring month of the year. If we did just see a relative bottom take shape, we may expect to see a nice bounce in the months ahead.



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