

PHASES & CYCLES®

THOUGHT FOR THE DAY

Q: Was the May 24th low of S&P500 1245 and TSX 11,345 an important low?

A: YES, just as we expected.

Q: Does the 500+ point rally in Toronto mean that it is “up and away” from here?

A: NO. It was good, but not enough.

Q: Are there any important levels to watch for?

A: YES. The S&P 1290 and the TSX 12,000 levels.

Q: Why?

A: Because if the indicators stall at these levels, they could decline again and may retest (or even dip below) the May 24th lows.

Q: Does “dip below” mean a bear market?

A: NO. Only that they may decline to the bottom of their respective up-trend channels at 1230 and 11,000 respectively.

Q: Have the Oils completed their corrections?

A: Probably. They should be re-accumulated now, or on any dip.

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