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deGraaf's Weekly Survival Guide to the Markets

September 12, 2017

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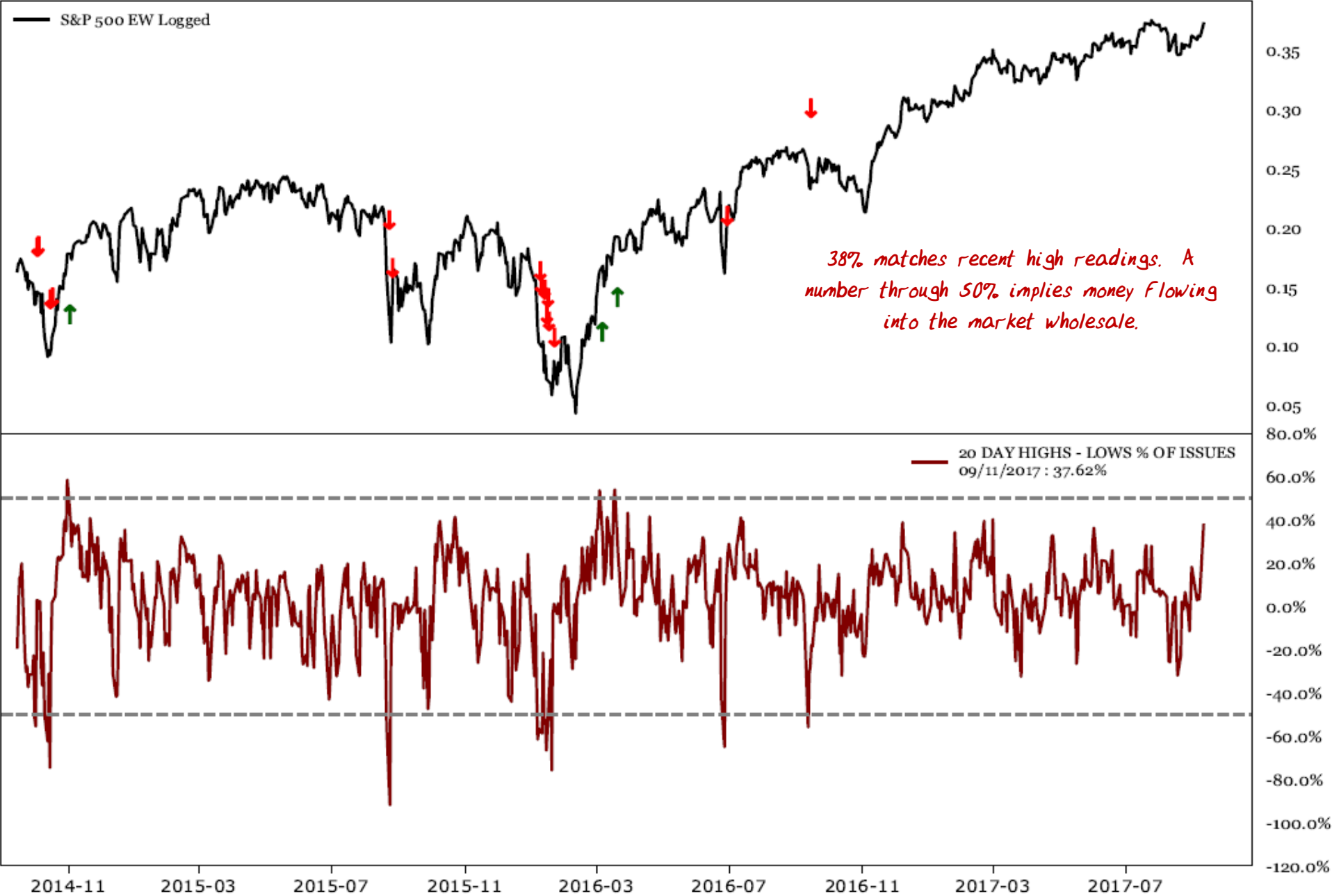
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Kevin Dempster, CMT

212-537-8822
212-537-8820
212-537-8825
212-537-8818
212-537-8821

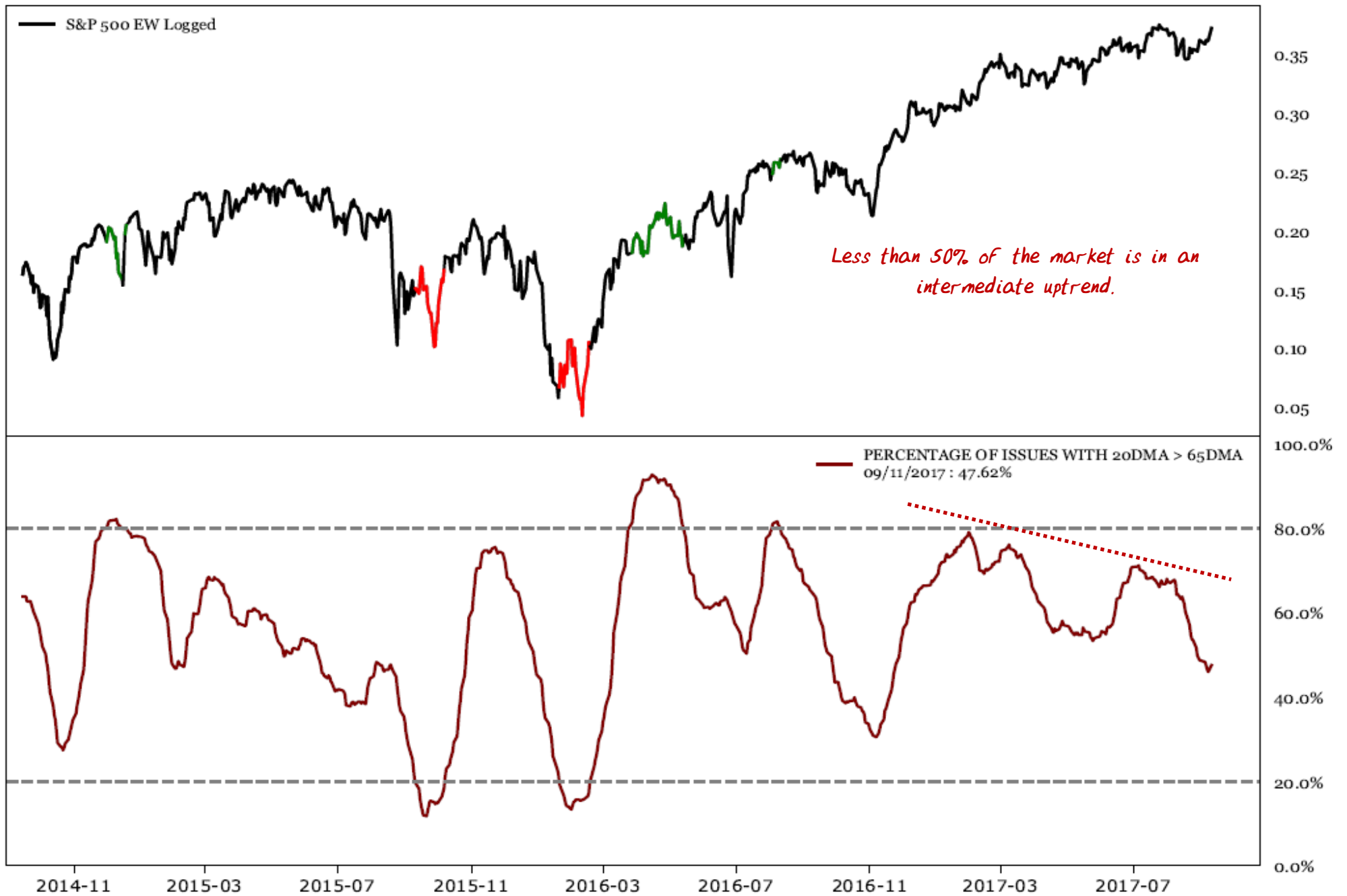
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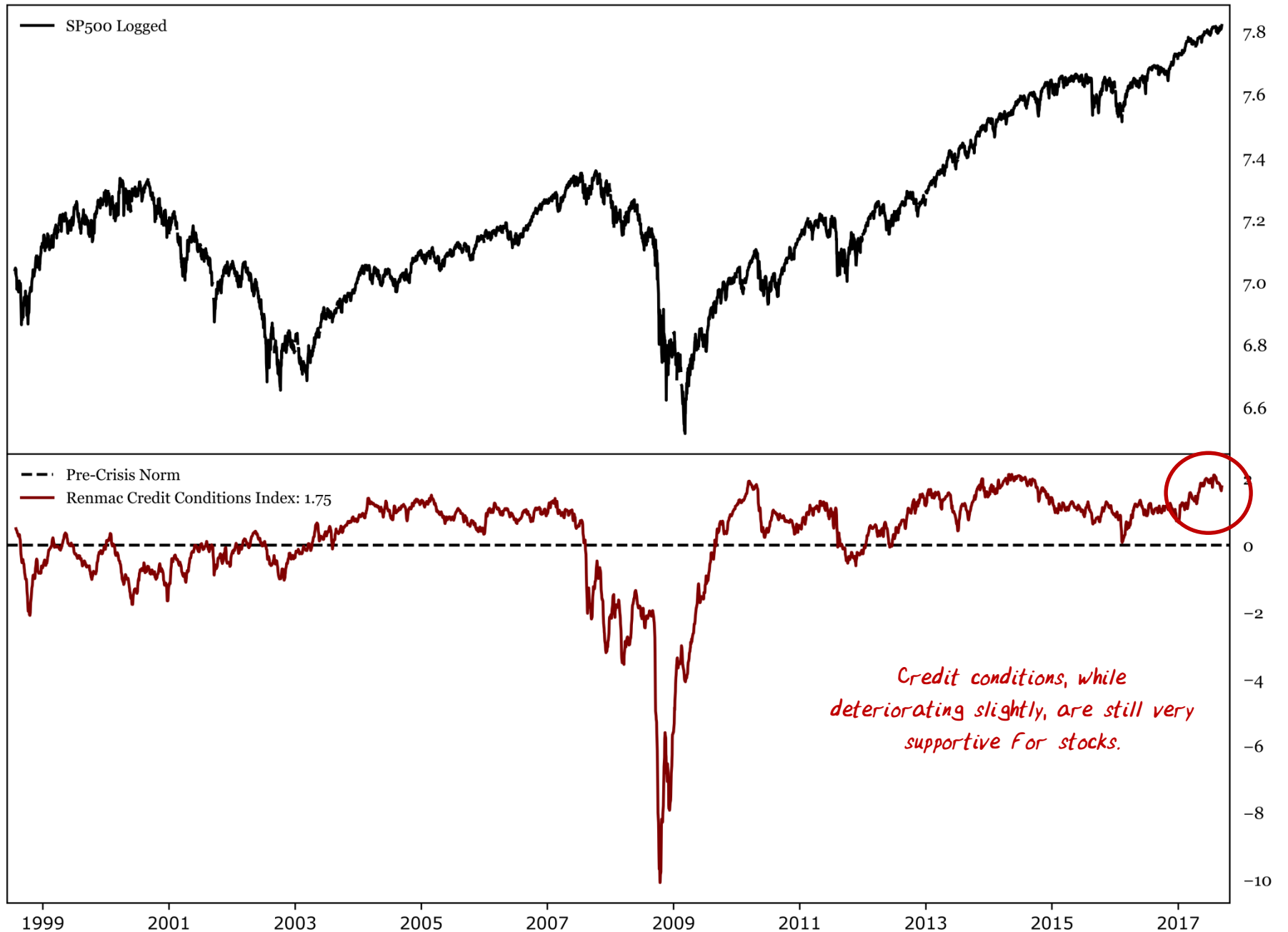
Net 20-day Highs - Lows



Intermediate Trends Weak

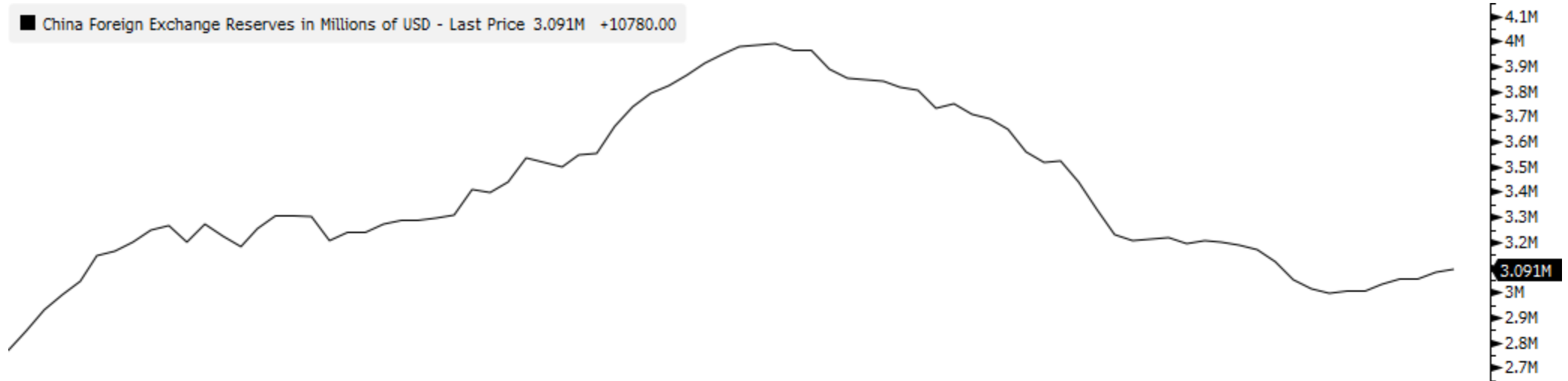


Credit Conditions



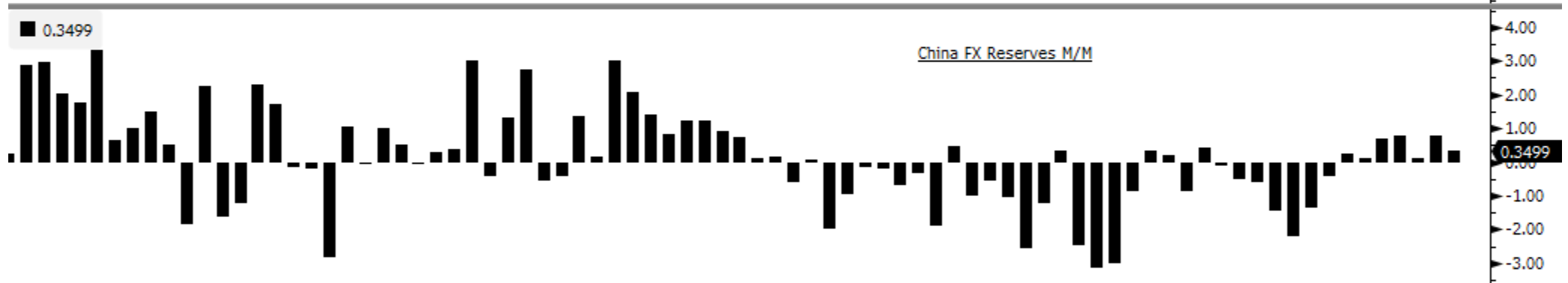
China FX Reserves Picking-up MoM

China Foreign Exchange Reserves in Millions of USD - Last Price 3.091M +10780.00



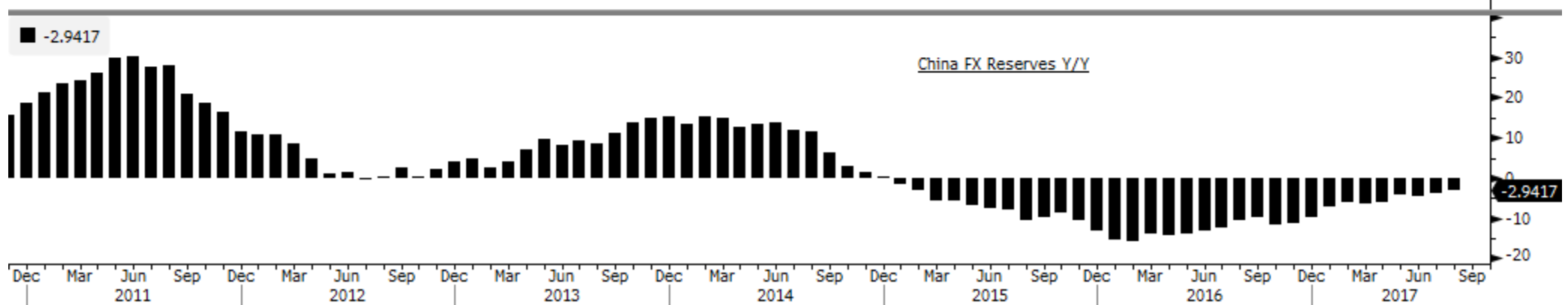
0.3499

China FX Reserves M/M



-2.9417

China FX Reserves Y/Y



10Yr Yields Responding to Oversold

US Generic Govt 10 Year Yield

Close: 2.1341



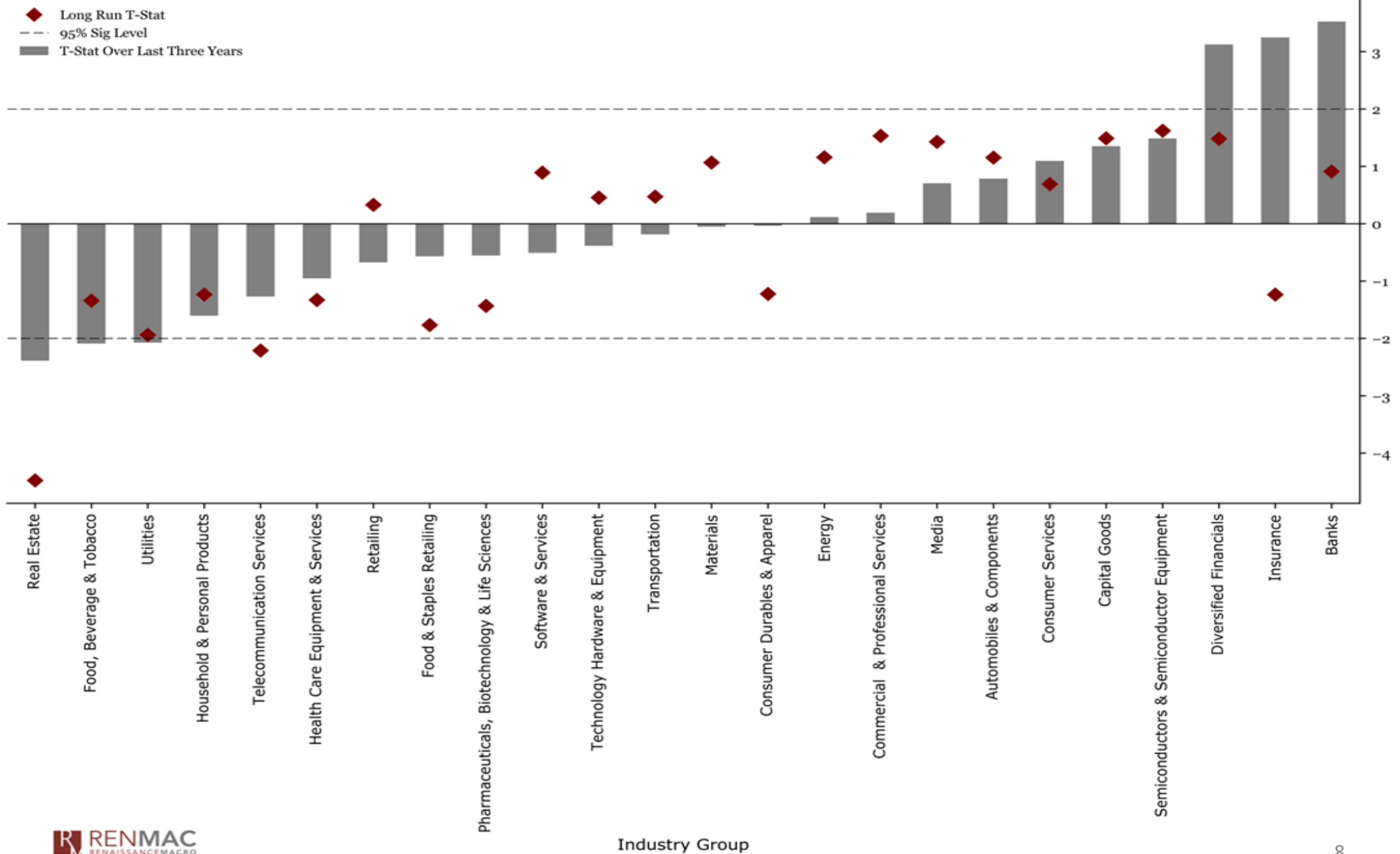
*Lower yields are an excuse
for slower growth, but they've
been that way for awhile.*

Importance of 10yr to Mkt Over Time



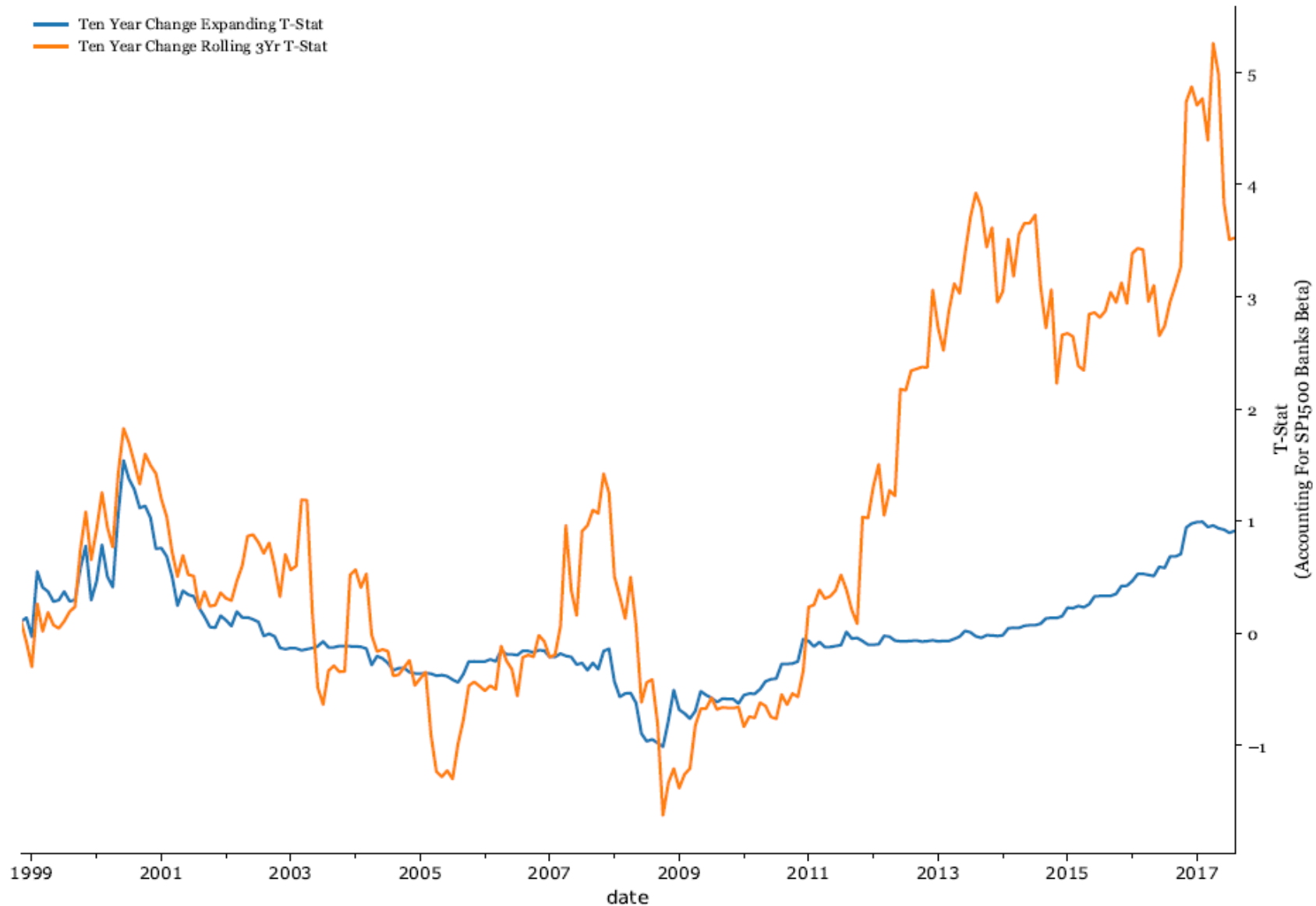
10-yr Critical to Some Industries

Ten Year Change Importance For SP1500 Industry Group Returns



The Significance of the 10yr and Banks Historically

SP1500 Banks Ten Year Change Importance
12/31/1995-08/31/2017



Financials Oversold at 200-day

S&P 500 Equal Weight Financials CME Index

Close: 3442.48



Capital Markets are Relative Leaders in Sector

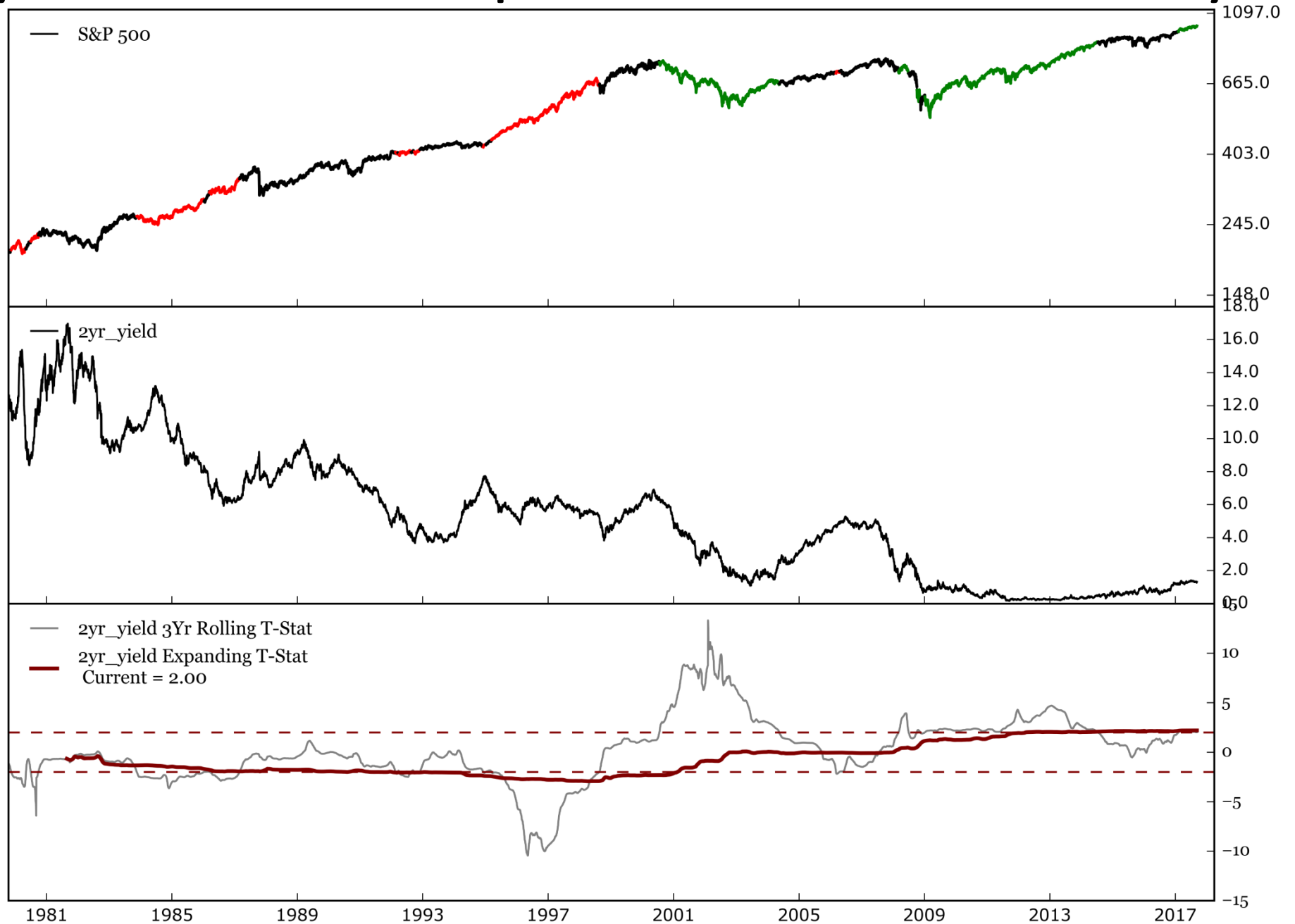
S&P Supercomposite Capital Markets Industry GICS Level 3 Index

Close: 184.76



2014-Jun 2014-Nov 2015-Apr 2015-Sep 2016-Jan 2016-Jun 2016-Nov 2017-Apr 2017-Aug

2yr Yield More Important to Market Today

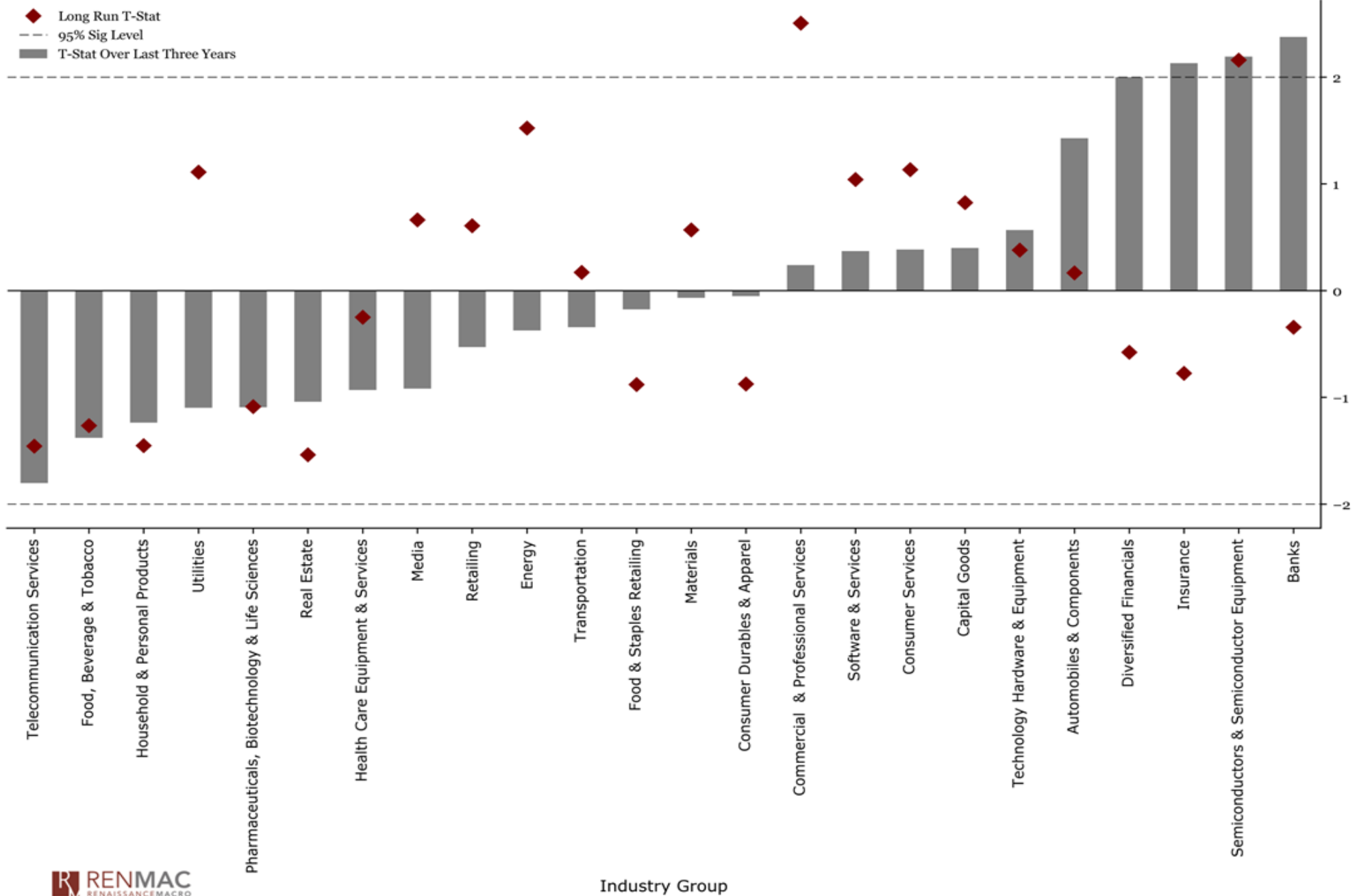


2-yr Yields Still Firm

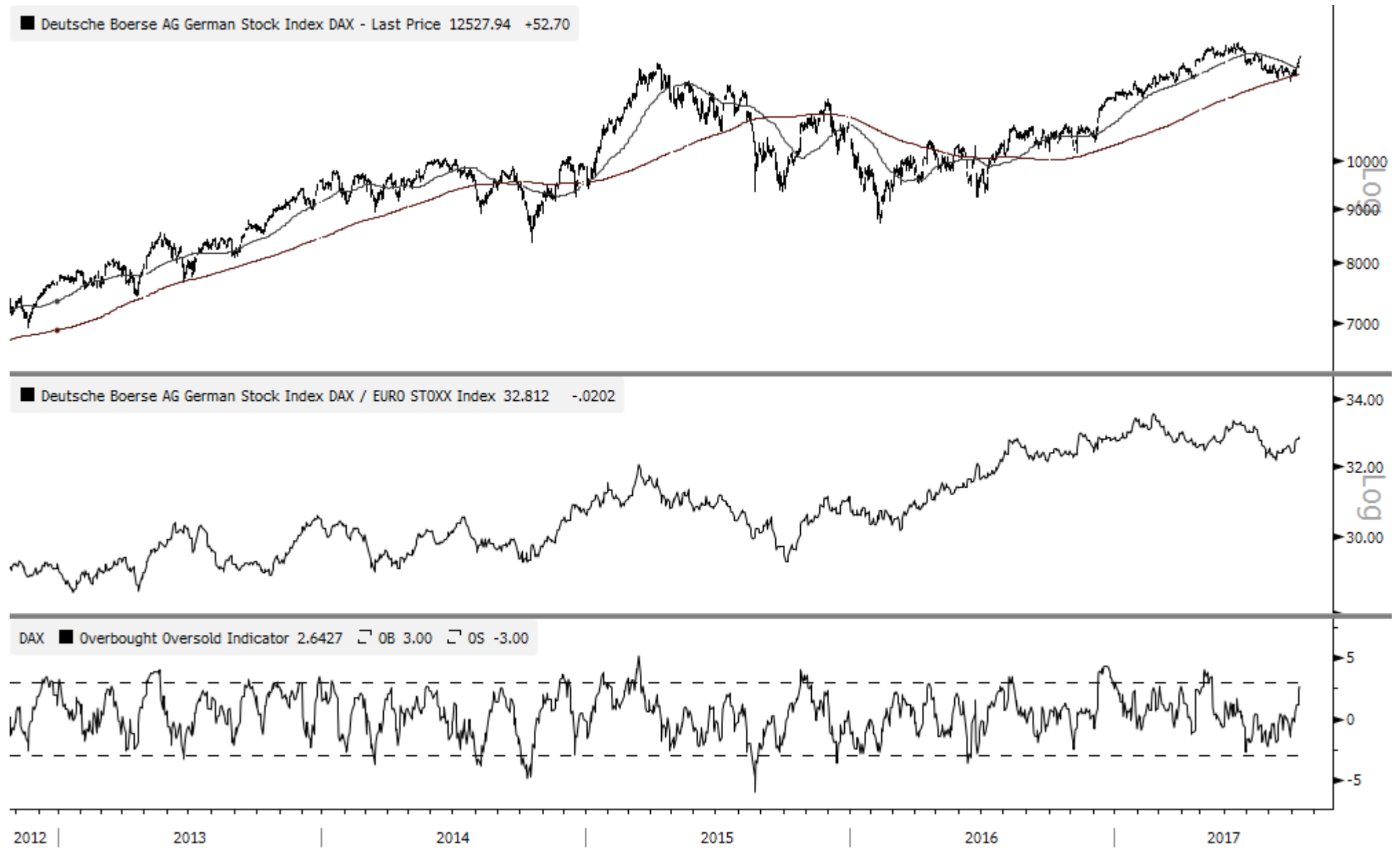


2Yr & Industries

Two Year Change Importance For SP1500 Industry Group Returns



German DAX Rallying Out of Consolidation



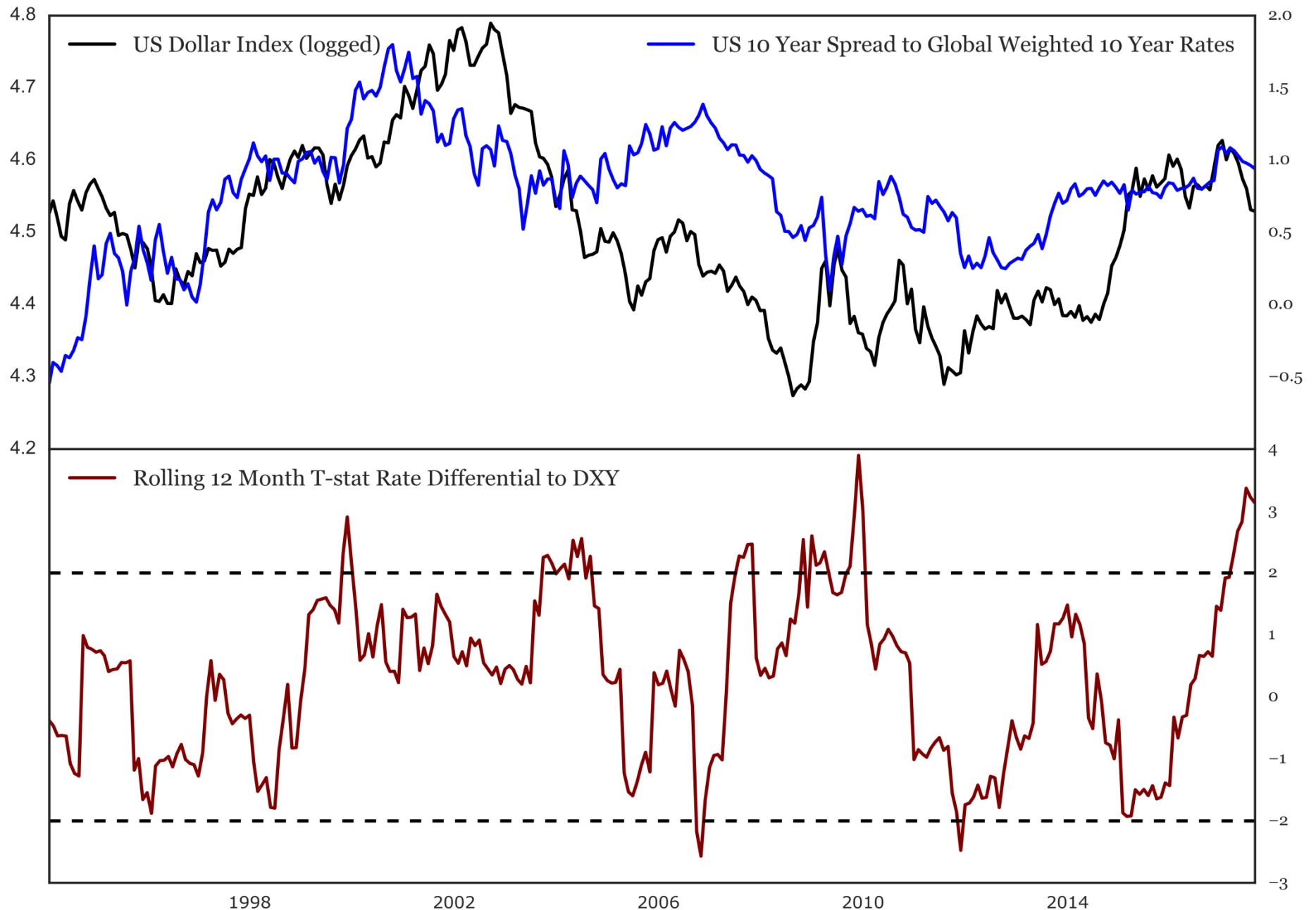
Canadian \$ Breaking Out of Big Base

Generic 1st 'CD' Future

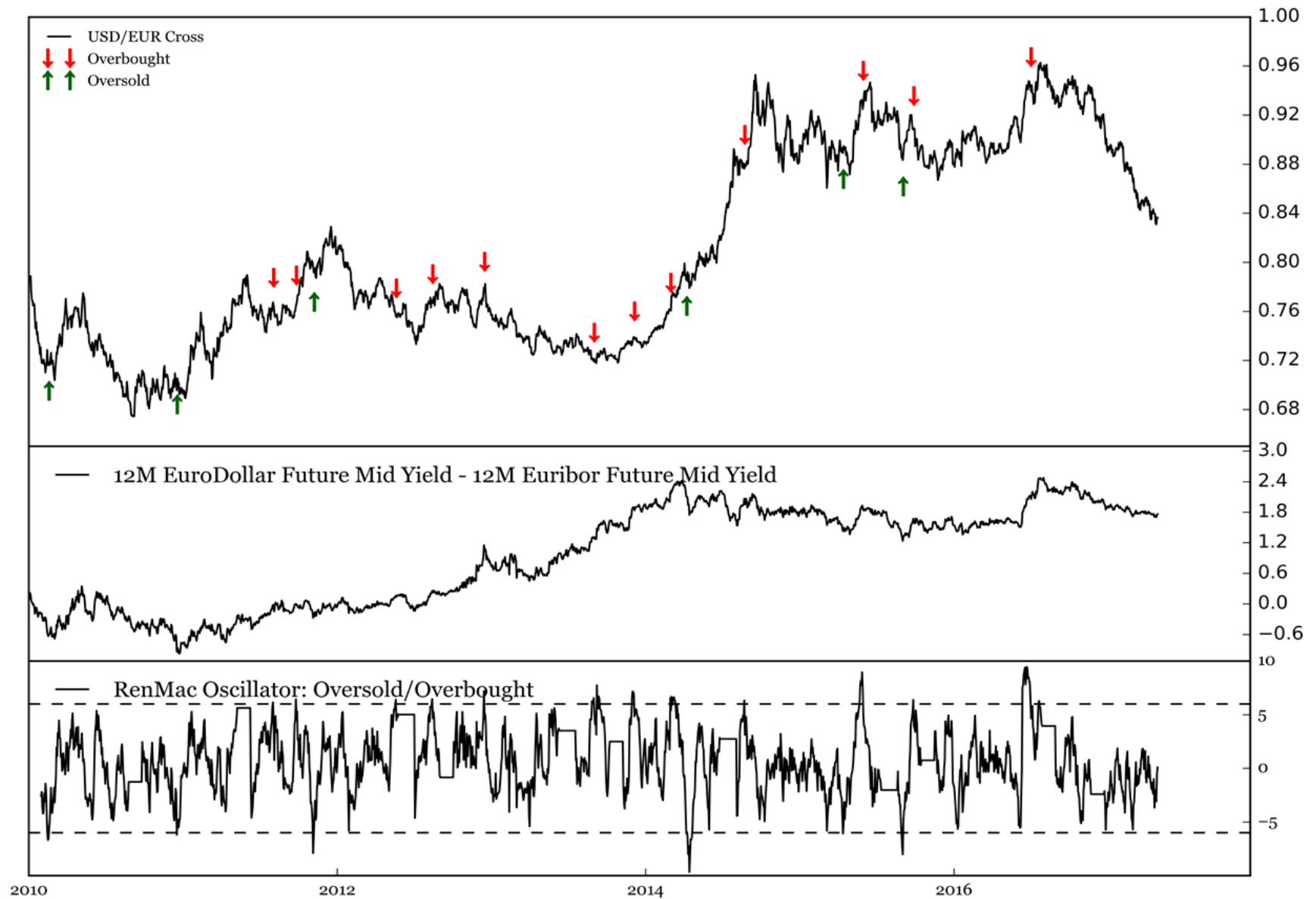
Close: 82.5



Rate Differentials Significant for USD

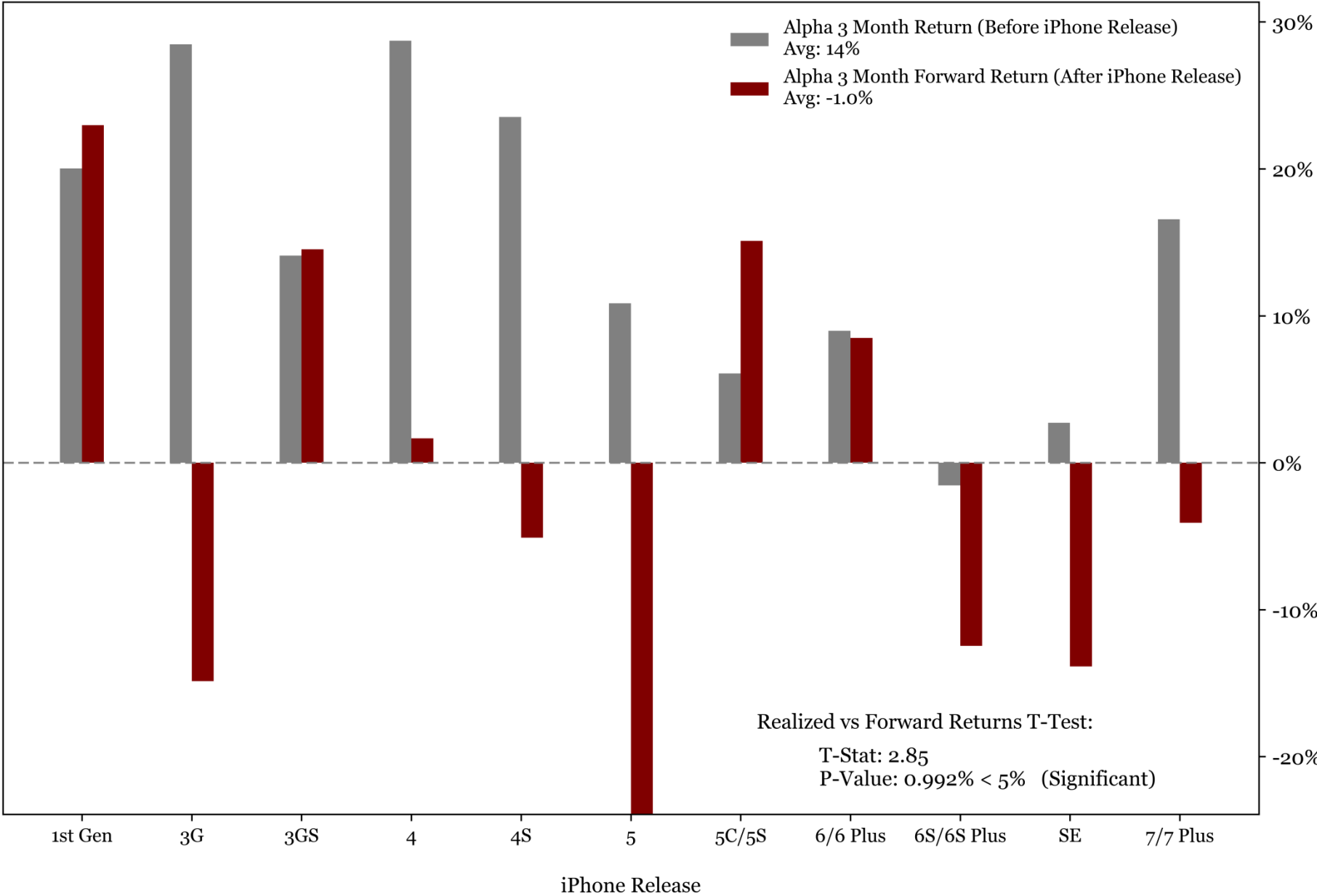


Central Bank Expectations and \$



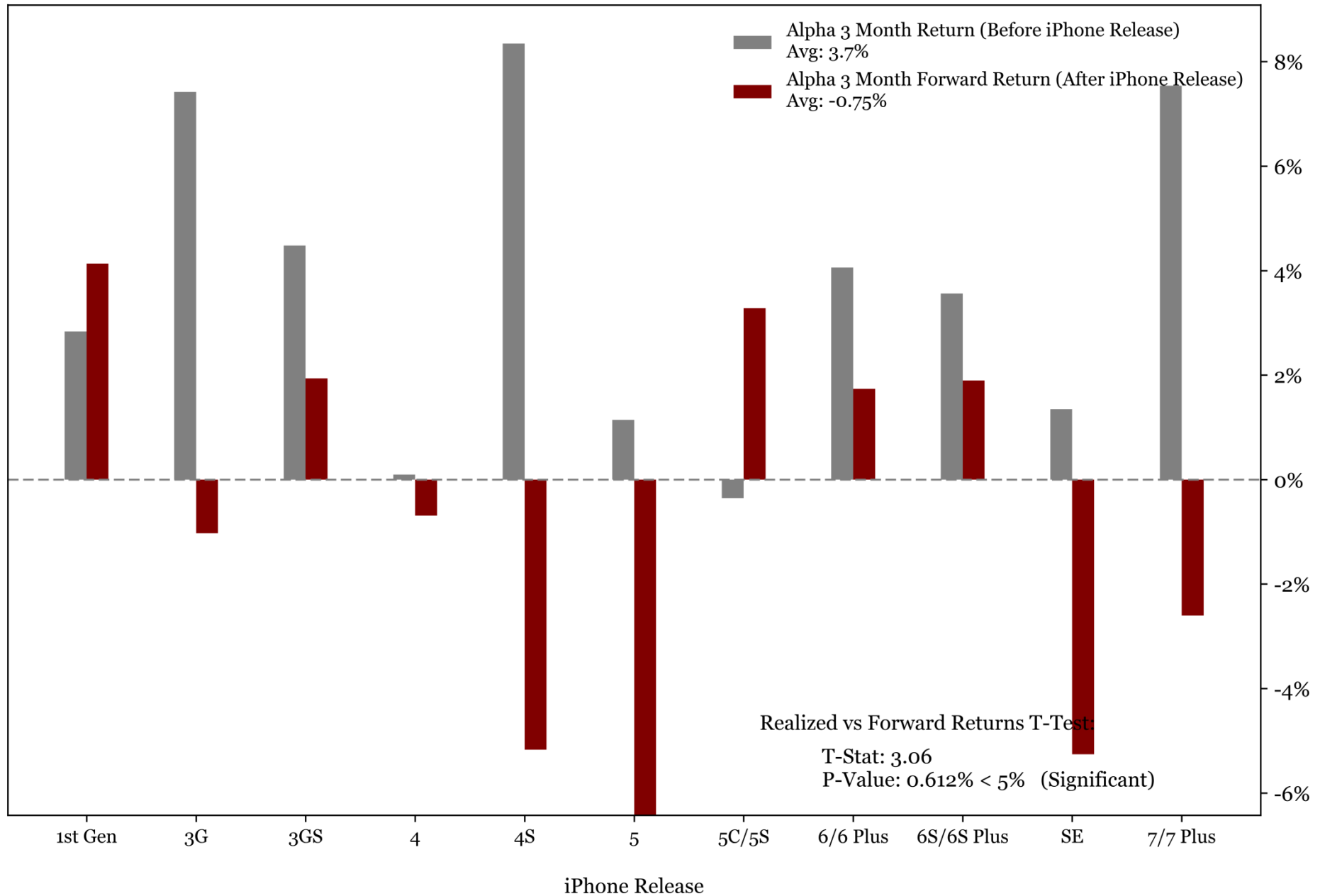
iPhone's Historical Alpha (Probably Done)

Apple Inc Realized vs Forward Return
iPhone Release Dates



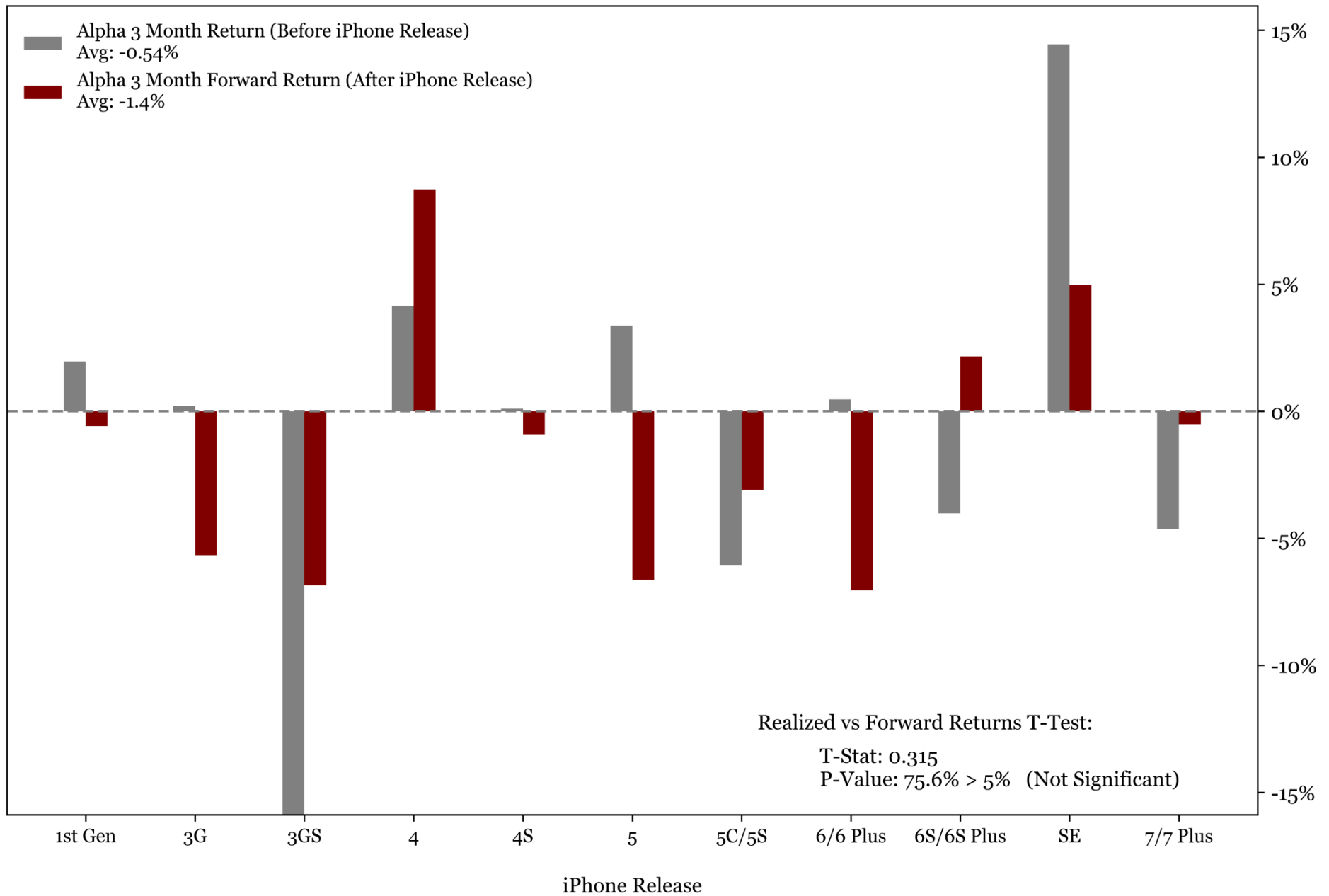
Tech's Historical Alpha

S&P500 Information Technology Realized vs Forward Return
iPhone Release Dates



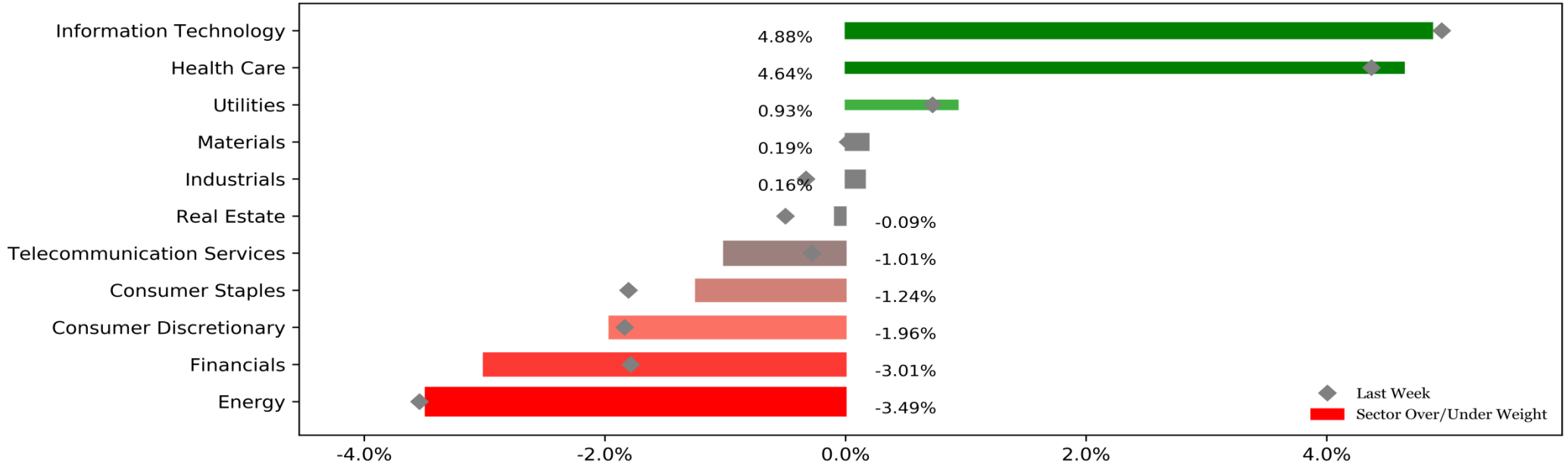
Don't Buy Telecom Because of iPhone

S&P500 Telecommunication Services Realized vs Forward Return
iPhone Release Dates

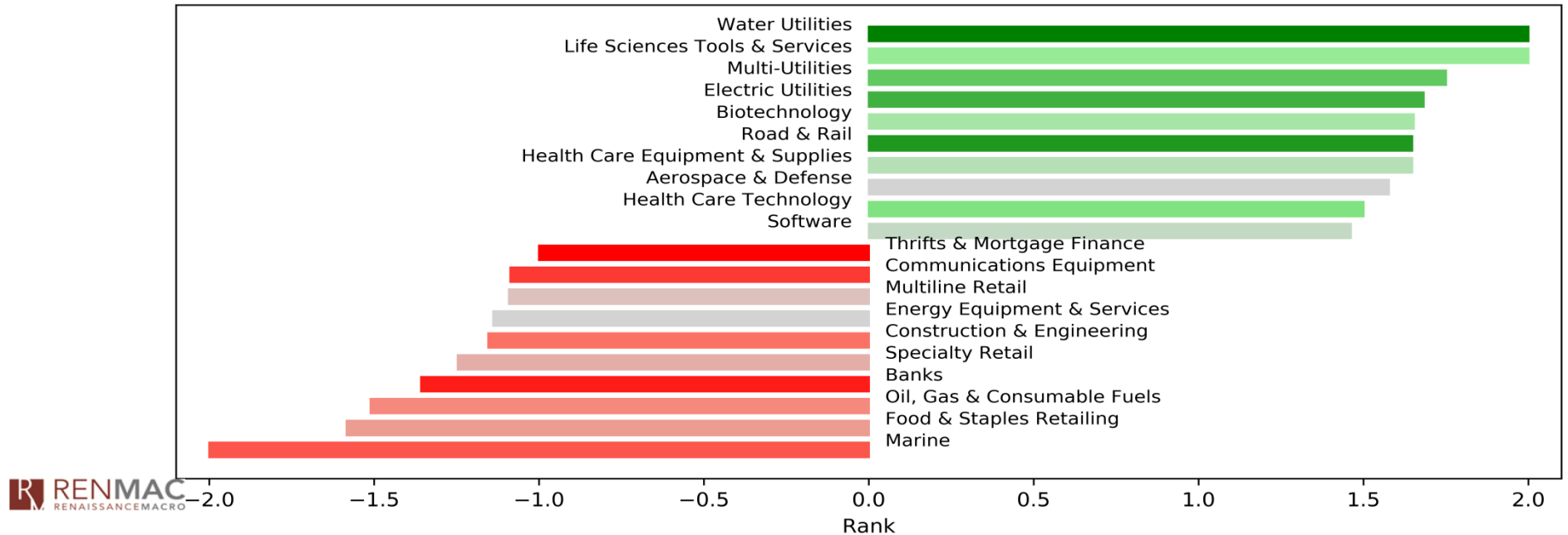


Tech and H.C. Have Momentum

SP1500 Sector Overweight/Underweight

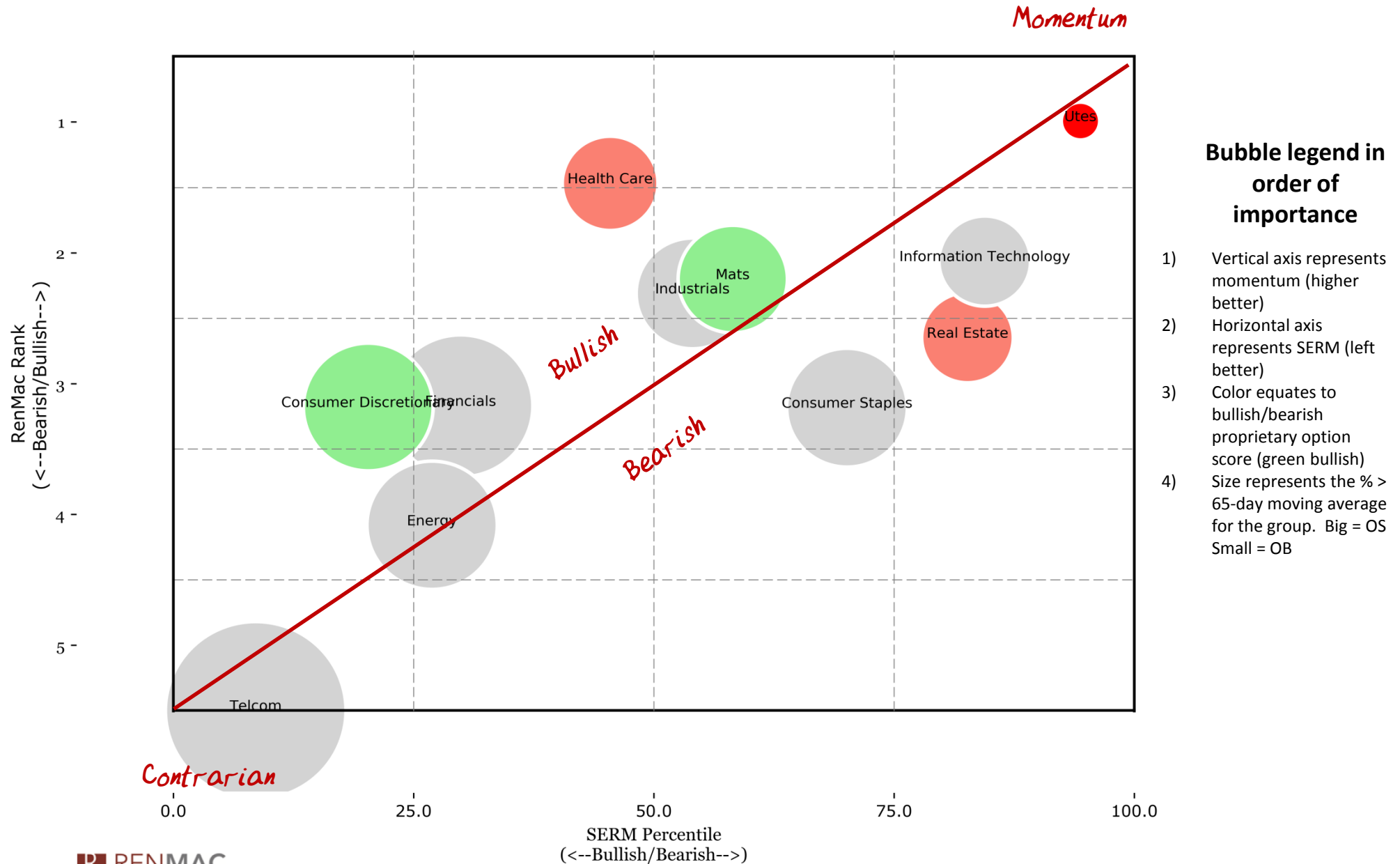


SP1500 Top and Bottom Industries



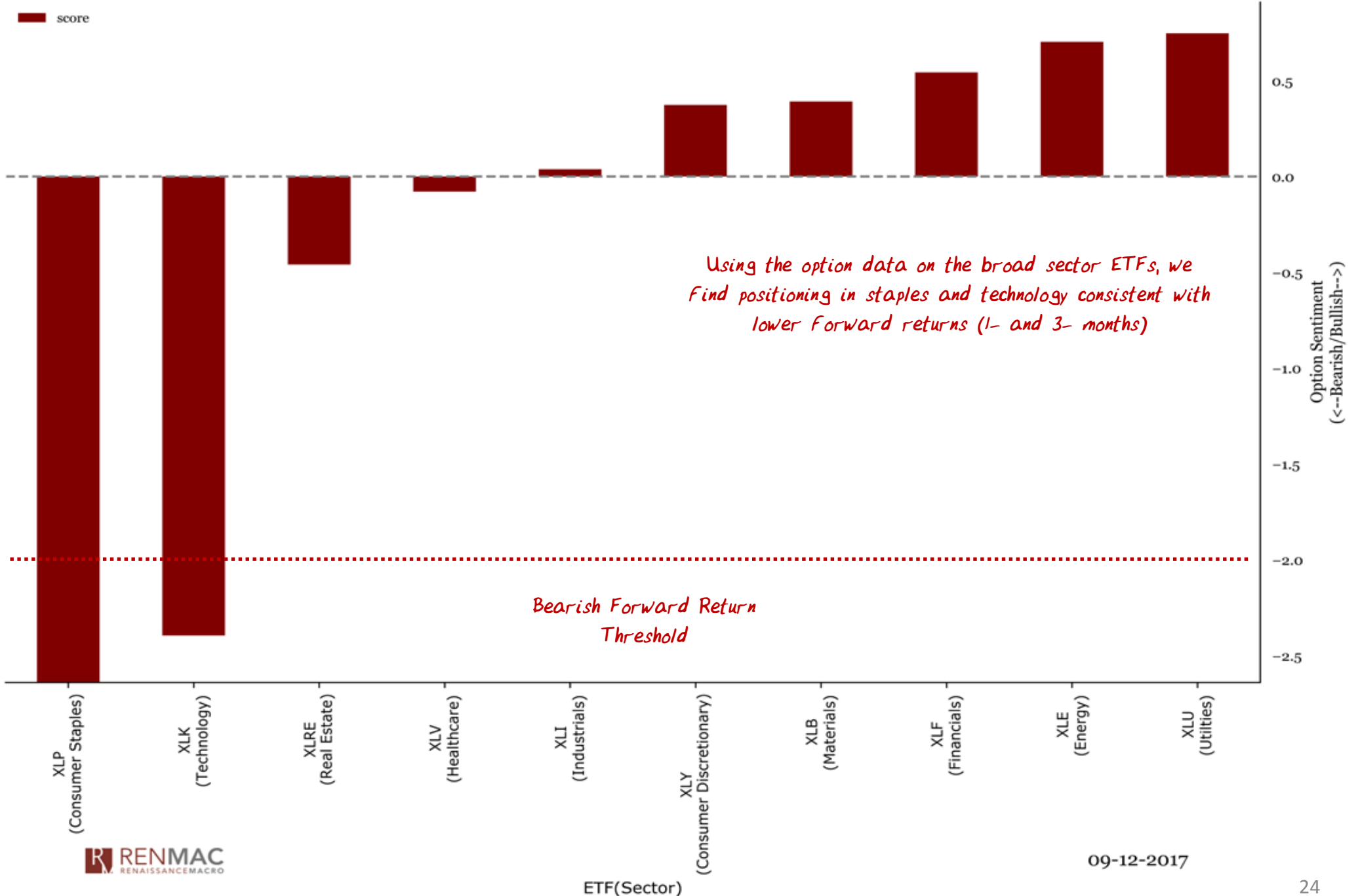
Utilities Vulnerable

RenMac SP500 Sector Bubble Chart
09/12/2017



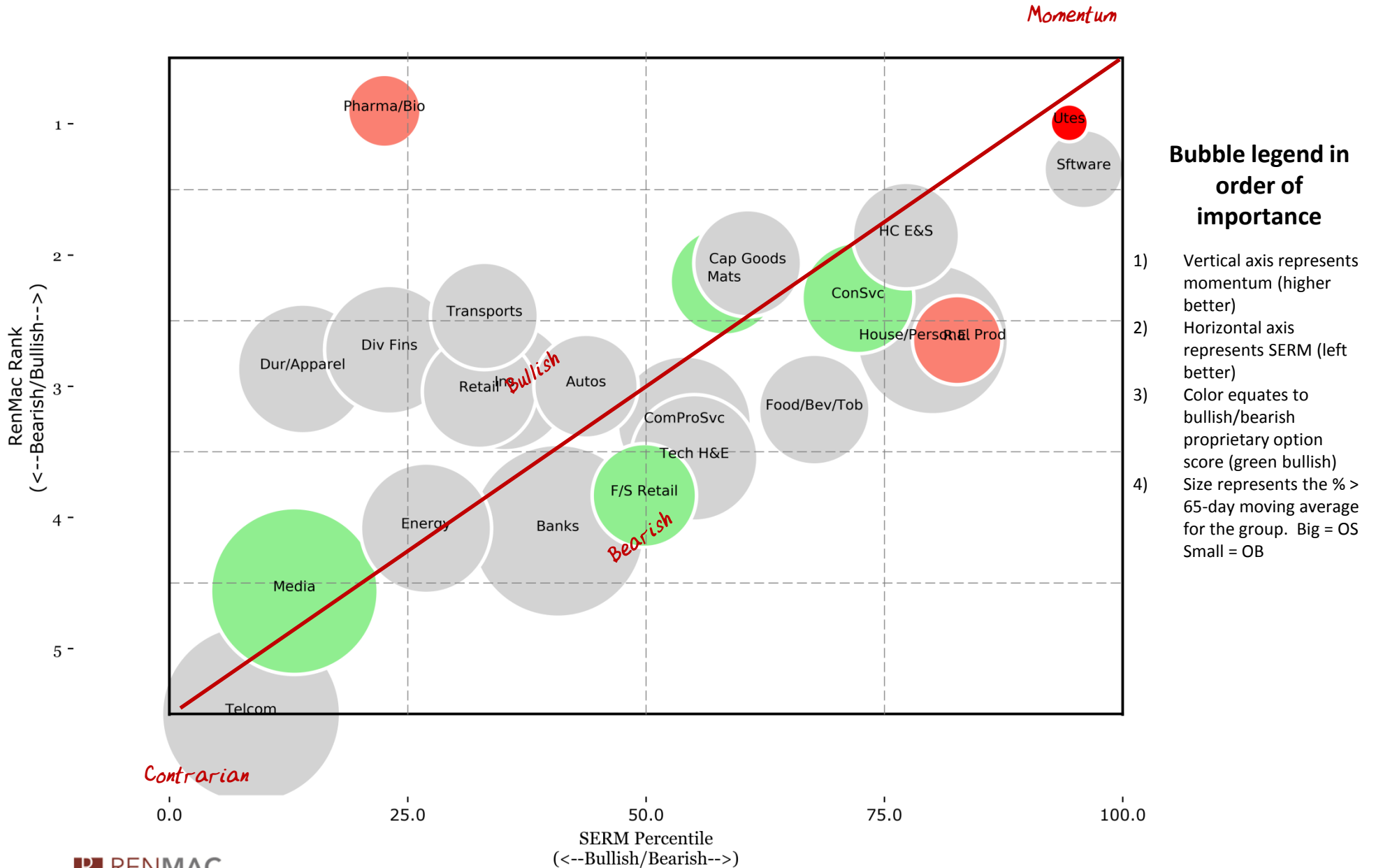
Sector ETF Option Positioning

SP500 Sector ETF Option Sentiment



Industry SERM/Momentum

RenMac SP500 Industry Group Bubble Chart
09/12/2017



Biotech Tracing Out Long-term Base

S&P Supercomposite Biotechnology Industry GICS Level 3 Index

Close: 3271.75



Media Oversold, but Needs Relative Improvement

S&P Supercomposite Media Industry Group GICS Level 2 Index

Close: 506.27

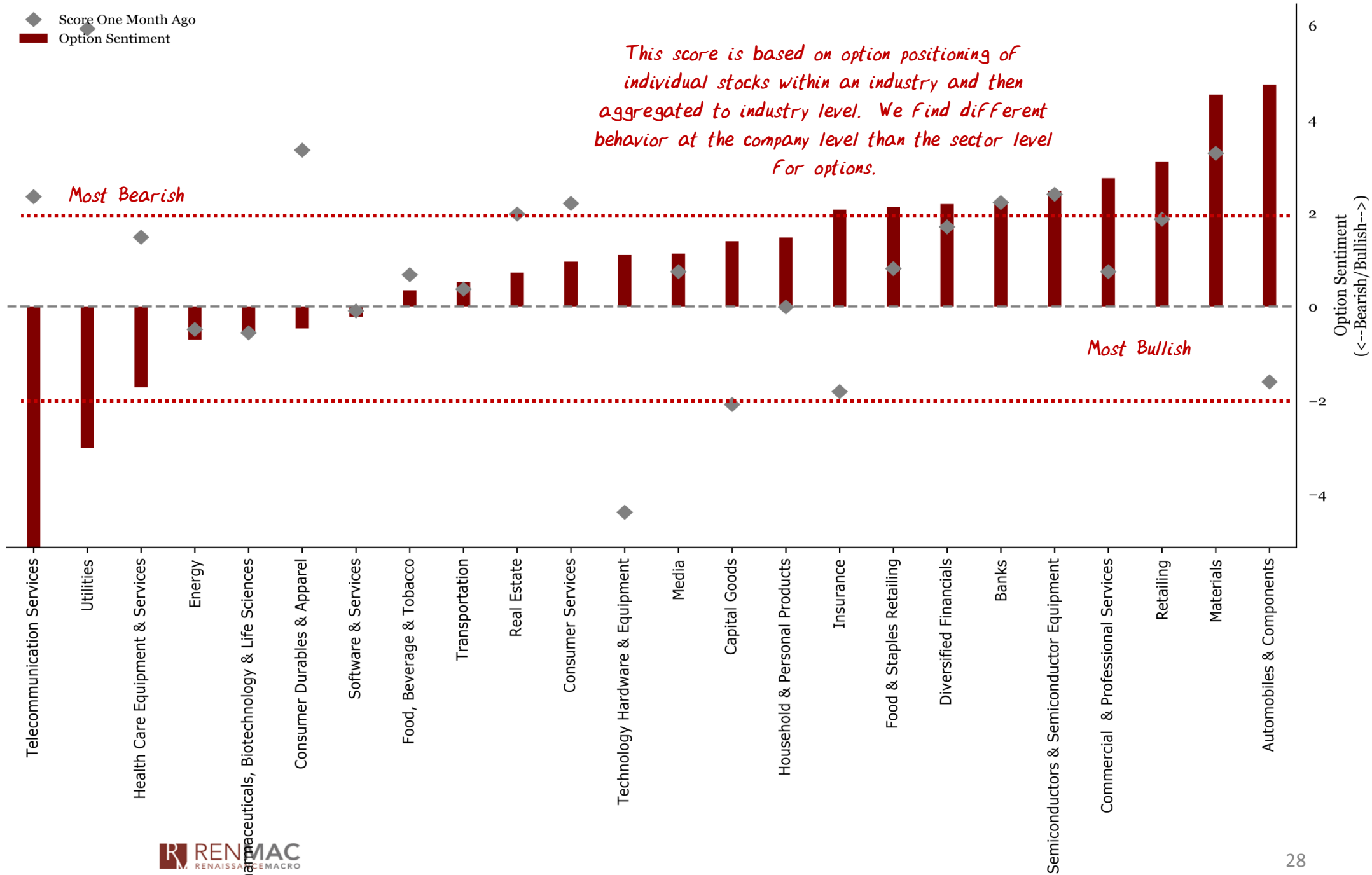


Bottom-up Industry Option Score

SP1500 Industry Group Option Sentiment

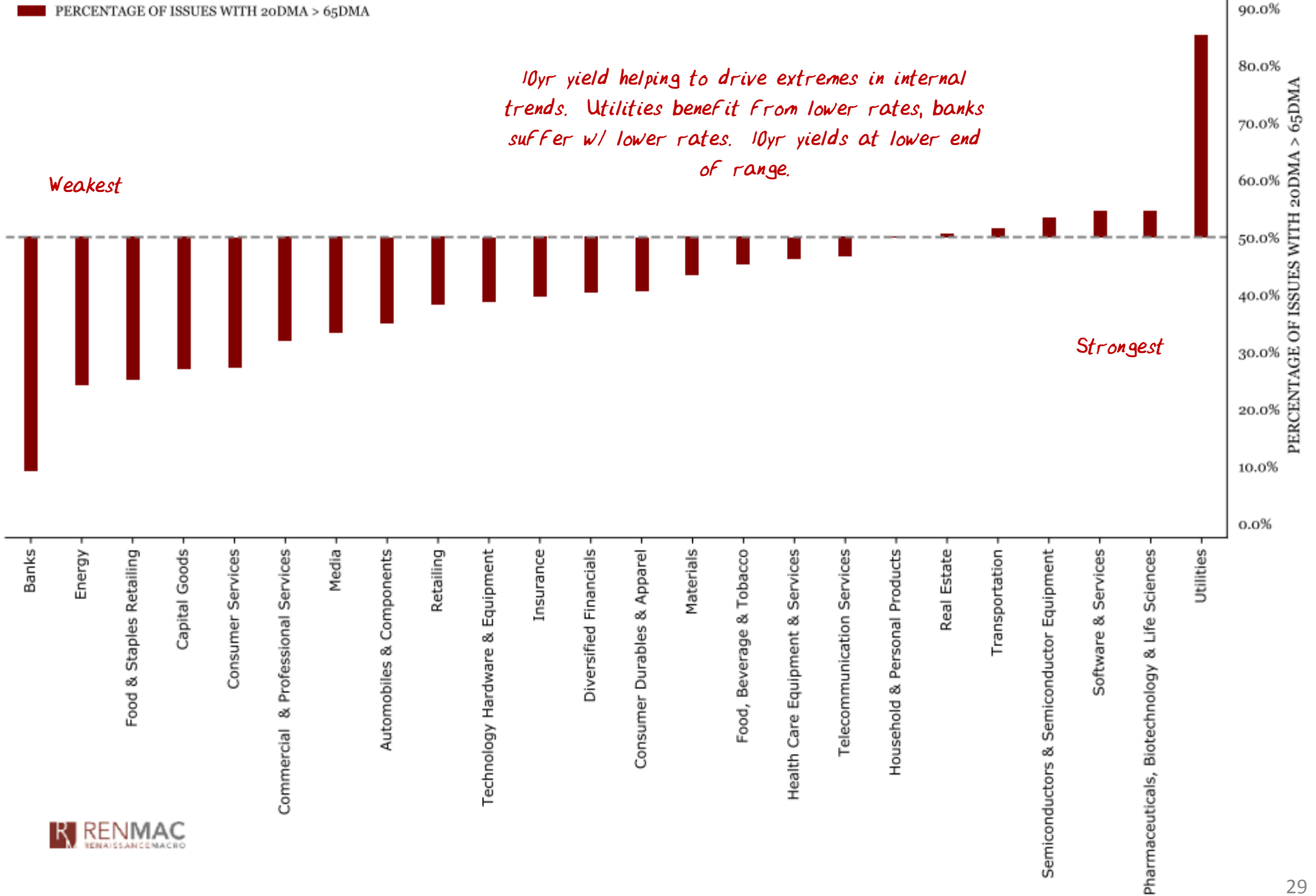
◆ Score One Month Ago
■ Option Sentiment

This score is based on option positioning of individual stocks within an industry and then aggregated to industry level. We find different behavior at the company level than the sector level for options.



Industry Internal Trends

SP1500 Industry Group PERCENTAGE OF ISSUES WITH 20DMA > 65DMA
09/11/2017



Top Technically Ranked S&P 500 Names

New entrants highlighted in green

Materials:	Industrials:	Staples:	Health Care:				Technology:				Utilities:			
AVY	RTN	JBHT	PEP	COO	ISRG	CI	ABBV	WAT	GOOGL	MA	SYMC	PNW	EIX	SRE
PKG	COL	KSU	STZ	ALGN	ZBH	CNC	CELG	Q	GOOG	TSS	ADSK	DUK	PCG	NI
WRK	LLL	NSC	MNST	VAR	MDT	CERN	JNJ	ILMN	VRSN	EA	RHT	EXC	CNP	AWK
FCX	NOC		KO	IDXX	BDX	ALXN	PFE	A	FB	ANSS	ADBE	LNT	PEG	NRG
	GD			BSX	EW	AMGN	LLY	MTD	EBAY	SNPS	APH	NEE	CMS	
	BA			BAX	LH	REGN	BMJ		ACN	ATVI	NVDA	ES	WEC	
	LMT			ABT	ANTM	GILD	AGN		CTSH	CRM		ETR	DTE	
	TDG			RMD	UNH	VRTX	ZTS		V	INTU		XEL	D	
	TXT			BCR	AET	INCY	TMO		PYPL	MSFT		AEP	AEE	
	CSX			SYK	HUM	BIIB	PKI		GPN	ORCL		PPL	ED	

Bottom Technically Ranked S&P 500 Names

New entrants highlighted in red

Energy:	Industrials:	Discretionary:	Staples:	Financials:	Technology:	Telecom Services:		
HP	HES	FLR	MAT	ROST	CVS	PBCT	FFIV	CTL
RRC	CHK	GE	DISCK	FL	KR	WFC	CSCO	
KMI	CXO	GWW	DISCA	AZO	SYY			
XOM	APA	ALK	OMC	AAP	COST			
EOG	DVN	UAL	VIAB	TSCO				
NBL	MRO		IPG	SIG				
PXD	OXY		GPC	LB				
APC			M					
NFX			KSS					
XEC			TGT					

Basing with Industrial Metals

Freeport-McMoRan, Inc. (FCX-USA)

RenMac Rank: 1

Market Cap: 20819.64

Copper



Recent Breakout

Bristol-Myers Squibb Company (BMY-USA)
RenMac Rank: 1

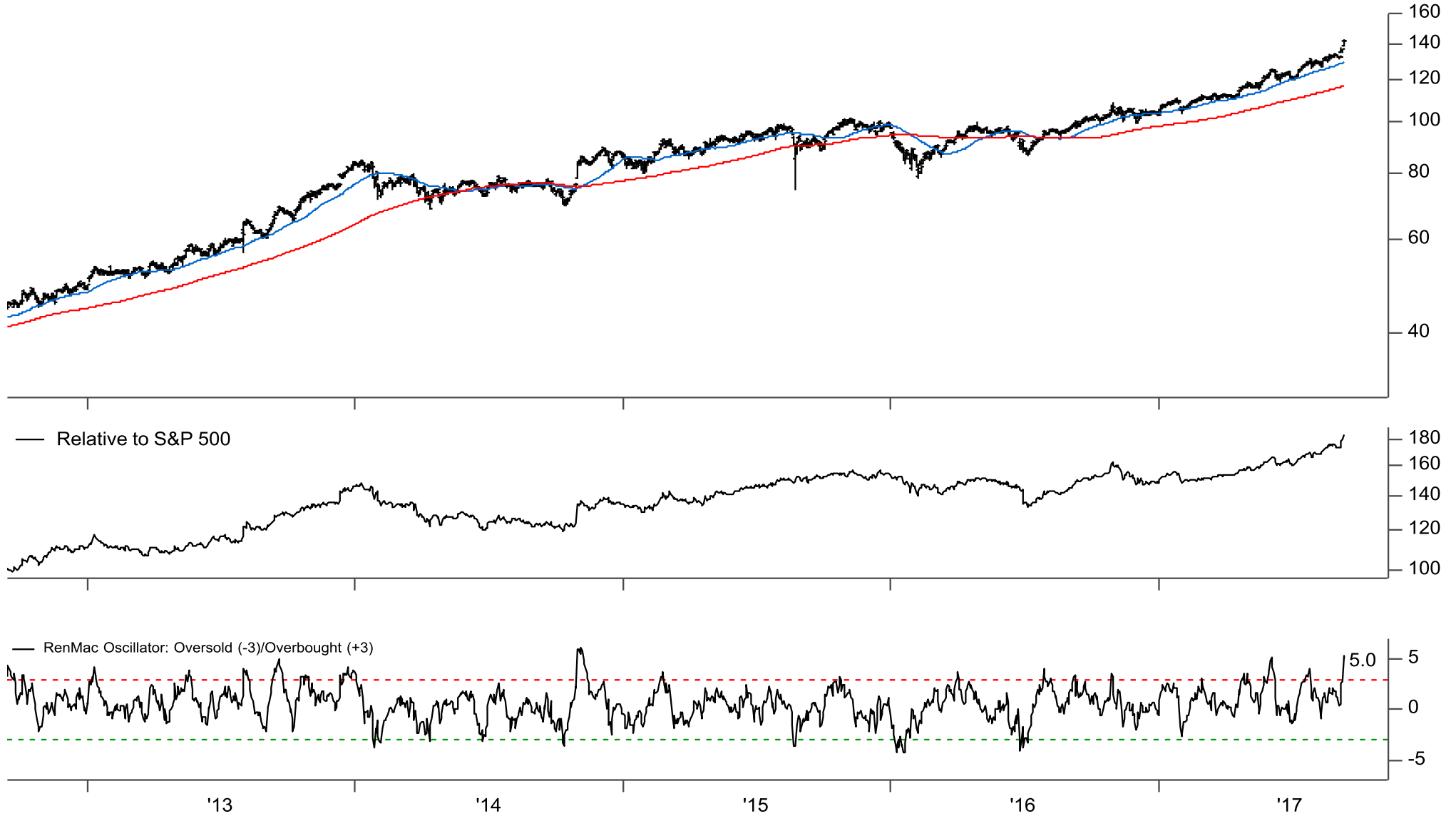
Market Cap: 102856.2
Pharmaceuticals



Strong Trend...ST Overbought

Mastercard Incorporated Class A (MA-USA)
RenMac Rank: 1

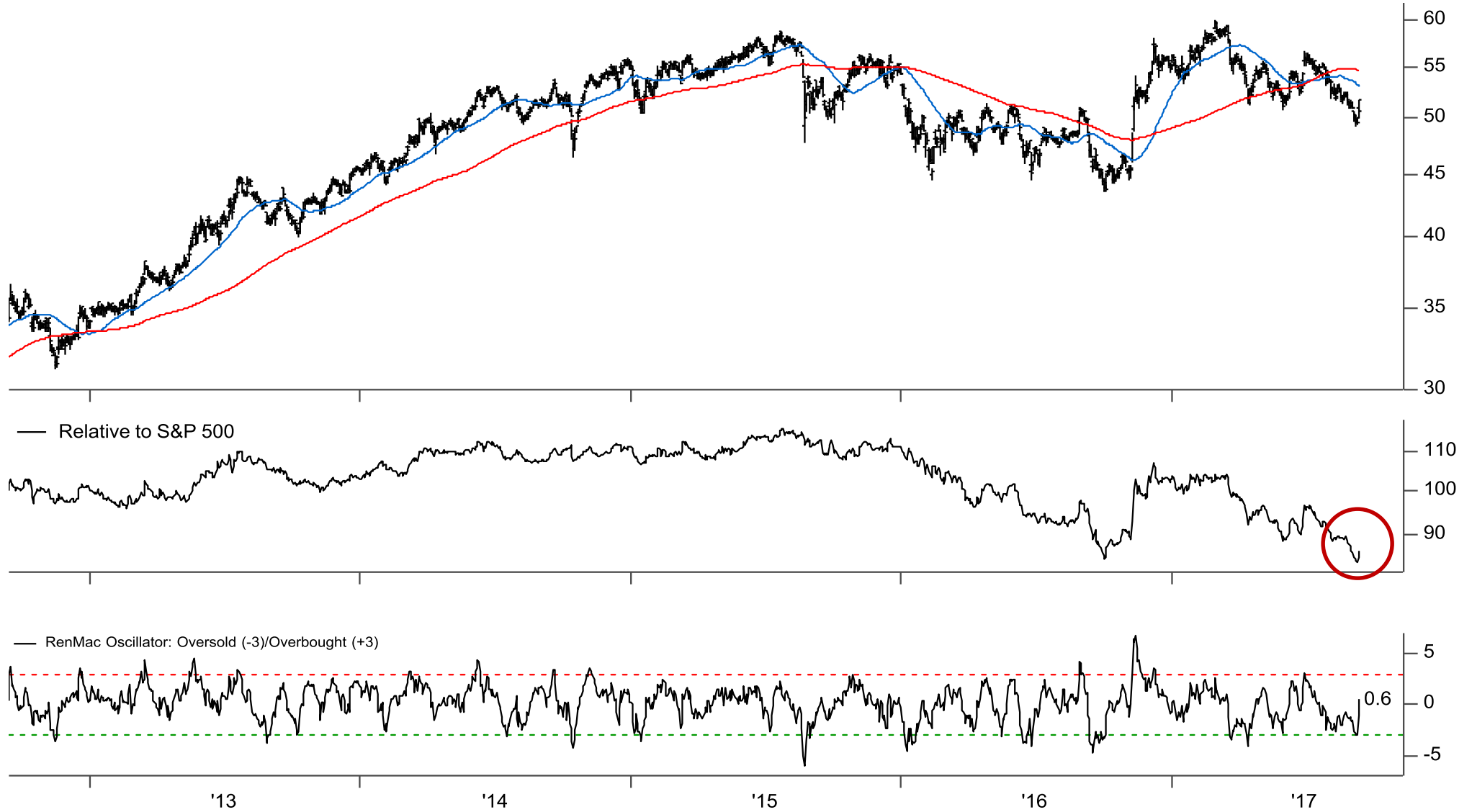
Market Cap: 148972.9
Data Processing & Outsourced Services



Weakest Big Bank

Wells Fargo & Company (WFC-USA)
RenMac Rank: 5

Market Cap: 251473.4
Diversified Banks



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