

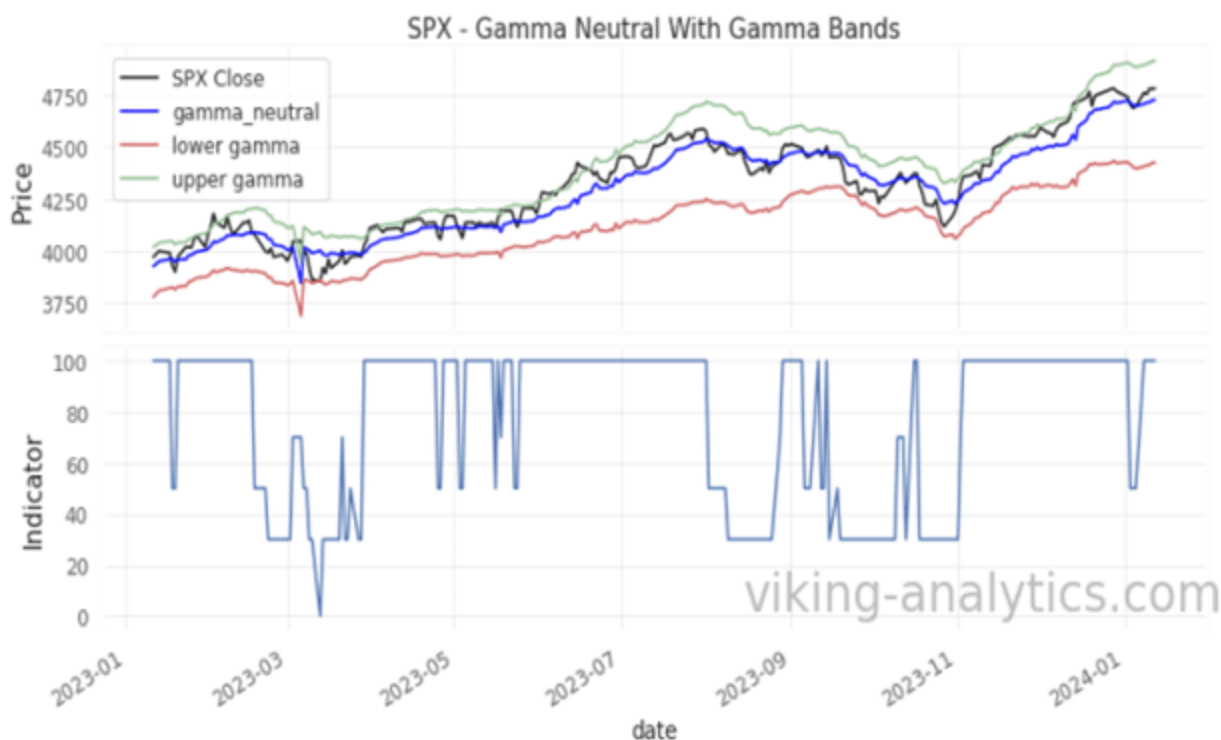
Viking Analytics: Gamma Band Update 1/15/2024

Gamma Bands

The S&P 500 (SPX) closed 86 points higher on the week, having found support at the gamma neutral level. The Gamma Band model rose to a 100% allocation. With monthly option expiration this Friday January 19th, there will be supportive re-hedging flows as long as the market remains above the gamma flip level.

The market will reduce exposure if price falls below the gamma flip level, which is currently near 4,728. This model will fall to a 0% allocation if SPX closes below the lower gamma level currently near 4,444.

The chart below shows how price (in black) relates to the gamma flip (in blue) and the lower gamma level (in red). The gamma flip level often serves as a support and resistance level.



The Gamma Band model can be viewed as a trend following model that shows the effectiveness of tracking various levels of market gamma. When the daily price closes below Gamma Flip, the model will reduce exposure to avoid price volatility and sell-off risk. There is also an allocation adjustment on the trend slope of the gamma flip line.

Market Navigator Signals

Our Market Navigator Report encapsulates data from the broader market and the economy to provide a near-term outlook for stocks. Fundamentally, the market remains cautious due to credit concerns and the inverted yield curve. From a technical perspective, the overnight signal has

moved from a leveraged long position to 50% exposure. The other technical signals remain bullish.

Indicator Name	Indicator Class	Current State
Overnight	Technical	
Safe Sector	Technical	
Open Interest Put Call Ratio	Technical	
Market Titan	Technical	
Credit Market Support	Fundamental	
US Treasury Curve	Fundamental	

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