Viking Analytics: Gamma Band Update 2/12/2024

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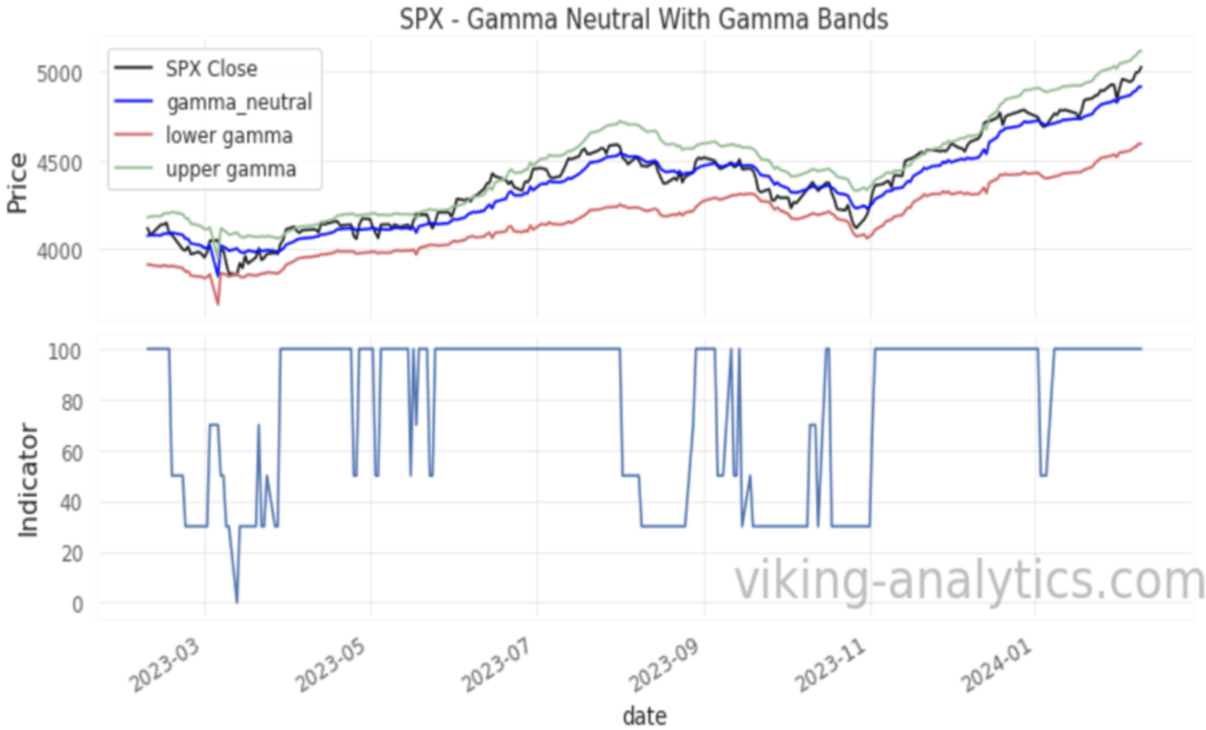
Gamma Bands

The S&P 500 (SPX) finished 70 points higher and remains technically very strong after continuing to hit all-time highs. The Gamma Band model continues with a 100% allocation. In addition, our technical signals are all bullish, and our two fundamental signals are neutral.

The Gamma Band model will move to a lower allocation if the market closes below gamma flip, currently near 4,915. This model will fall to a 0% allocation if SPX closes below the lower gamma level currently near 4,603.

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 is neutral as the inverted yield curve acts as a governor on real growth. From a technical perspective, the market has all bullish signals.

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	

Please visit our website for more information or to download sample reports.

Disclaimer

Authors

Erik Lytikainen, the founder of Viking Analytics, has over twenty-five years of experience as a financial analyst, entrepreneur, business developer and commodity trader. Erik holds an MBA from the University of Maryland and a BS in Mechanical Engineering from Virginia Tech.

Rob McBride has 15+ years of experience in the systematic investment space and is a former Managing Director at a multi-billion dollar hedge fund. Rob has deep experience with market data, software and model building in financial markets. Rob has a M.S. in Computer Science from the South Dakota School of Mines and Technology.