

STOCKS HIT AN INTERMEDIATE-TERM EXTREME LOW

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The TPA Marketscope has identified an intermediate-term extreme for stocks. **The percent of stocks in the Russell 1000 that are trading above their 50DMA hit 13% yesterday.** Since TPA was founded in 2009, 13 years ago, we have found that this signal has marked a low extreme for the market. This signal has been correct on a consistent basis, although not 100% of the time. When the percent of stocks trading above their 50DMA goes below 15%, the market is oversold and there has been a very consistent move higher for the intermediate-term.


Clients should expect stocks to be more positive for the intermediate-term. TPA defines the intermediate-term as 50 trading days or approximately 2.3 months.

TPA MARKETSCOPE

(most indicators use Top 1000 stocks, detailed explanation below)

Wednesday, May 11, 2022

TURNING POINT ANALYTICS



Since 2009, TPA has used the indicators below to identify extreme inflection points in the market for institutional clients.

INDICATORS	TODAY	EXTREME LIMITS		ALERT	HISTORICAL IMPORTANCE
		LOW	HIGH		
Short Term Market Score (SPY, see below)	-2.3089	-3.50	4.00	BUY	Works better for the BUY side - accurate on the BUY side 4 out of 5 times since 2010.
Percent Stocks Above 2 STD DEV Bollinger Band	0.19%		40%		Valid short term indicator of an overbought market.
Percent Stocks Below 2 STD DEV Bollinger Band	22.23%	40%			Valid short term indicator of an oversold market.
Percent Stocks Above 50DMA	13.88%	15%	85%	Extreme	Very accurate on the BUY side. Effective irregularly on the SELL side.
Percent Stocks RSI above 70	0.39%		30%		Mildly successful on predicting short term tops.
Percent Stocks RSI below 30	19.51%	55%			Valid indicator of short term lows.
Percent Stocks 50DMA > 200DMA	35.34%	25%	70%		Medium term indicator of a low extreme and high extreme. (see note below)
Percent R1000 @ bottom 10% of 2 Std Dev BB Band	13.90%		40%		Monitor
Percent R1000 @ top 10% of 2 Std Dev BB Band	0.30%	40%			Monitor

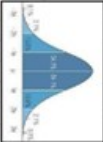
TPA 30 DAY MARKET EXTREME SIGNAL

EXPLANATION OF TPA MARKET SCORE: A daily analysis of S&P 500 relative to the normal distribution using the 2 standard deviation Bollinger Band. TPA then adjusts the SCORE by the amount of overbought or oversold as measured by RSI.

SPY LAST	388.09
TPA MARKET SCORE	-2.3089
TPA MARKET SIGNAL	BUY
VALUE OF 1 STD DEV (SPX POINTS)	24.58
14 DAY RSI	30.45

BOLLINGER BAND LEVELS	NORMAL PROBABILITY			POSITION
	SPY	DISTRIBUTION		
3 STD DEV UPPER BB	468.40	2.50%		3
2 STD DEV UPPER BB	453.91	5.40%		2
1 STD DEV UPPER BB	439.34	24.20%		1
BB MID	424.76	-		0
1 STD DEV LOWER BB	410.19	24.20%		-1
2 STD DEV LOWER BB	395.61	5.40%	399.09	-2
3 STD DEV LOWER BB	381.04	2.50%		-3

Normal Bell Curve



SCORE	KEY
3	STRONG SELL
2	SELL
1	OVERBOUGHT
0	NEUTRAL
0	NEUTRAL
-1	OVERSOLD
-2	BUY
-3	STRONG BUY