



TECHNICAL UPDATE

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Try, Try Again. The major stock indexes continue their bouncing ways in an attempted bottom from the decline of the past four months, and although there have been upward bounces along the way, we think it is still too early to call a general market bottom or buy point. We are encouraged however, by the increase in the number of news articles and commentaries that are mentioning bear markets and possible recessions, as this kind of negative opinion tends to become much more popular at market bottoms. The challenge is that you cannot really tell that a bottom has been made until after the fact, and some improvement is seen in the averages that takes them above some overhead resistance levels, which are around 17,000 on the DJIA and 2025 on the S&P. That still leaves a lot of space for moving around in between; but, for the meantime, we believe the trend of “correction” remains in force.



Chart courtesy StockCharts.com and RBC Wealth Management

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