

April 15, 2024

Longer-Term Support and Near-Term Trend Change

Summary

Prior to last week's decline and as volatility picked up in both directions, domestic equity market indices had generally traded sideways for the better part of the past four to six weeks (hesitation). With last week's sell-off, however, either uptrend lines were violated and not decisively recaptured and/or previous reaction low support levels were broken.

The Market Is Its Own Best Storyteller

The scenario in the above summary occurred before the weekend news about Iran and Israel. Yet, as Stan Berge once said, "The market is its own best storyteller and when it speaks, it pays to listen." We should note the new *short-term* trend change (deeper pullback) and attempt to identify potential downside support levels.

Figure 1: S&P 500 (5123.41) with weekly momentum. | The long-term uptrend remains in place, and long-term support levels are shown below. Given the geopolitical news, weakening momentum (top frame), and uncertainty around how overnight futures are trading as of this writing, the following areas represent potential short-term support: 5104, 5056, and 4983 (gap support).



Note: How stocks close Monday, along with accompanying internal measuring tools, will be important, especially if there is some early indiscriminate selling.

Additional Support

- **NASDAQ** (16,175.09): Vicinity of 16,000, followed by 15,600 to 15,450 and 15,150.
- **DJIA** (37,983.24): 37,400-37,000.
- **Small Cap proxy** (IWM/\$198.69): \$197.50, \$195.89, \$190+/-, \$187.
- **Semiconductor Index** (SOX/4745.05): 4683, 4620, 4566.

Please reach out for charts of any of the above.

Note: **GLD** (gold proxy) and **SLV** (silver proxy) experienced a serious high-volume reversal last Friday (4/12/24), from up to down. Whether there is any further downside follow-through (bearish) or not (stability would be good) will be a key guidepost.

Please let me know if you would like to schedule a call to go over the process and discipline underpinning our **Smart Sector with Catastrophic Stop**, **Smart Sector International**, and/or **Smart Sector Fixed Income** strategies. Disclosures and Fact Sheet information can be found here: <https://dhfunds.com/literature>.

Day Hagan Asset Management appreciates being part of your business, either through our research efforts or investment strategies. Please let us know how we can further support you.

Art Huprich, CMT®
Chief Market Technician
Day Hagan Asset Management

—Written 4.13.2024. Chart source: Stockcharts.com unless otherwise noted.

Upcoming Events

[Day Hagan/Ned Davis Research Smart Sector® with Catastrophic Stop, hosted by Art Day, on April 17, 2024, at 1:15 p.m. EDT](#)

[Day Hagan/Ned Davis Research Smart Sector® with Catastrophic Stop, hosted by Art Day, on April 17, 2024, at 4:15 p.m. EDT](#)

[Day Hagan Market Outlook with Donald Hagan, CFA, on April 24, 2024, at 4:15 p.m. EDT](#)

[Day Hagan Technical Analysis, hosted by Art Huprich, CMT, on May 21, 2024, at 4:15 p.m. EDT](#)

Disclosure

The data and analysis contained herein are provided “as is” and without warranty of any kind, either express or implied. Day Hagan Asset Management (DHAM), any of its affiliates or employees, or any third-party data provider, shall not have any liability for any loss sustained by anyone who has relied on the information contained in any Day Hagan Asset Management literature or marketing materials. All opinions expressed herein are subject to change without notice, and you should always obtain current information and perform due diligence before investing. DHAM accounts that DHAM, or its affiliated companies manage, or their respective shareholders, directors, officers and/or employees, may have long or short positions in the securities discussed herein and may purchase or sell such securities without notice. The securities mentioned in this document may not be eligible for sale in some states or countries, nor be suitable for all types of investors; their value and income they produce may fluctuate and/or be adversely affected by exchange rates, interest rates or other factors.

Investment advisory services offered through Donald L. Hagan, LLC, a SEC registered investment advisory firm. Accounts held at Raymond James and Associates, Inc. (member NYSE, SIPC) and Charles Schwab & Co., Inc. (member FINRA, SIPC). Day Hagan Asset Management is a dba of Donald L. Hagan, LLC.

For more information, please contact:

Art Huprich, CMT

Art.Huprich@DayHagan.com

For more information, please contact us at:

Day Hagan Asset Management

1000 S. Tamiami Trail

Sarasota, FL 34236

Toll Free: (800) 594-7930

Office Phone: (941) 330-1702

Website: <https://dayhagan.com> or <https://dhfunds.com>