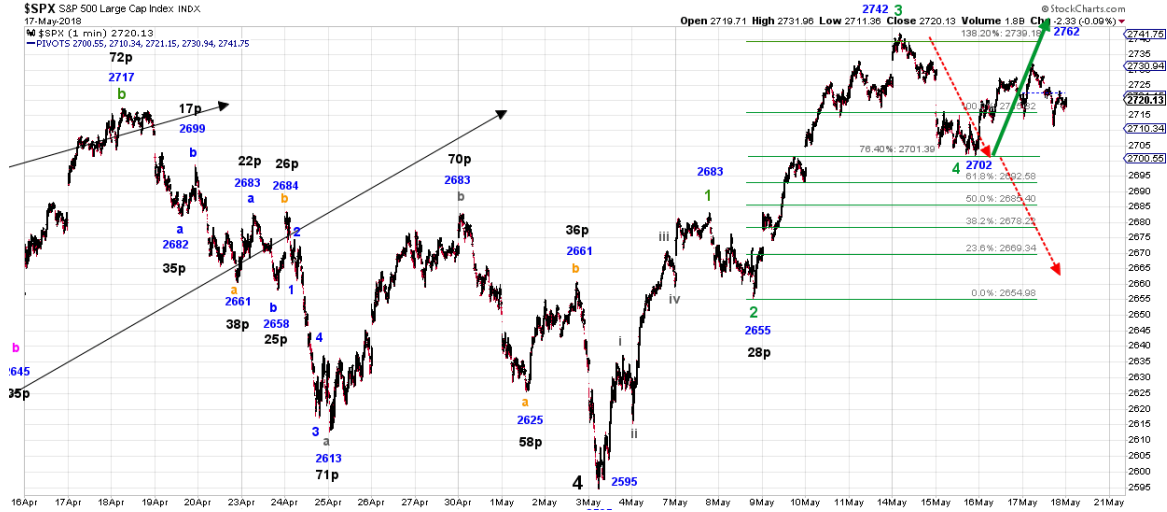


Inside day today, so very little to add to yesterday's update. Same parameters in play: preferably minor-5 underway to ideally SPX2762. BUT, below SPX2710 is a first warning for lower prices to come, which is confirmed with a break below SPX2702. Then we can expect SPX2660s. Break above today's high targets SPX2762.

Figure 1. SPX 1-min chart. Preferred count has Minor-4 at SPX2702, Minor-5 to SPX2762 now underway.



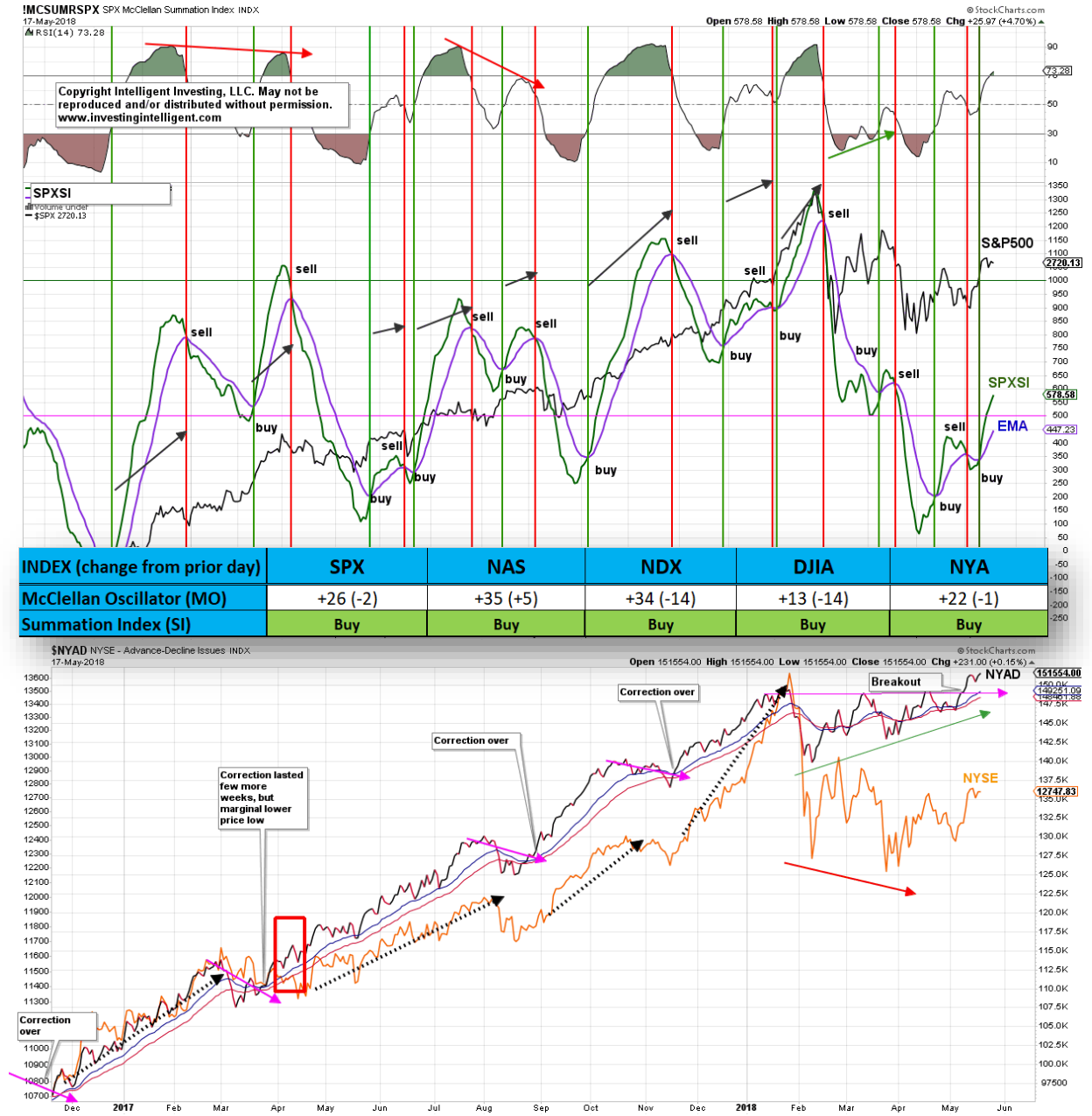
Price is still above the black dotted downtrend line it broke out over last week. All TIs are still on a buy, price is still above 20d to 200d SMA. Today didn't change anything to the Bullish outlook of the daily chart. We need to see a close below SPX2702 and back below that down trendline to know the trend has changed back to down again. Until then it's still up.

Figure 2. SPX daily chart: *Retesting of resistance line so far succesful.*



The S&P500's McClellan Oscillator (MO) ended today at +26, down 2p compared to Wednesday, and the number of advancing stocks continues to be more than the number of declining stocks: Bullish. The SPX-SI ([Cumulative] Summation Index of the MO) remains therefore on a buy, as well as all other SIs as all other indices' MO's still ended positive today. That's Bullish because Bears need negative breadth. The CPCE (equities only put/call ratio) ended today at 0.57: neutral. The VIX closed pretty much unchanged at \$13.43 today: that's good for stocks. NYAD made a new ATH today. Hence, breadth and sentiment are still Bullish for stocks.

Figure 3. A) SPX-SI (and all other SIs) remains on a buy. B) NYAD made a new ATH.



In conclusion: Nothing has changed from yesterday with today's inside day "Minor-4 of intermediate-i wave most likely bottomed at SPX2702, which is the typical 0.764x retrace after minor-3 tagged the 1.382x extension at SPX2642. A move >SPX2735 will confirm a rally to SPX2762. A drop below SPX2710 is a first sign of worse things to come, which is confirmed by a move below SPX2702. Market breadth is still positive and is on a buy, the VIX is low (below \$15 and its 200d SMA), the RUT made a new ATH and ATCH, all technical indicators are still on a buy from daily to weekly, and price is above all SMAs from the 20 day to the 200 day. Thus, the weight of the evidence is Bullish and continues to support further upside."

How to trade this? Short- to long-term traders should all still be long, with a stop still at just below SPX2702 (or just below 2710 if very aggressive), and on a close below the 200d SMA; respectively. All systems are still on a buy/long.

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