

# TACTICAL PORTFOLIO OUTLOOK

Week of 16 February 2016

Market perspectives for the long-term investor and portfolio allocator

- ▶ Global stocks were soft last week, as nearly all major indexes booked significant losses. EM stocks are showing some outperformance, but this is most likely mean reversion and not a sign to focus on these countries.
- ▶ Watch for a rally in stocks this week. The strength of the rally will give good information about character and tone of this market. A sharp rally, recovering much of the recent damage, is somewhat unlikely, but would be an extremely bullish signal. Do not fade a strong rally in stocks.
- ▶ We have no adjustments to sector biases or allocations.
- ▶ Longer-term bullish patterns are intact in stocks, but short-term tactical risks demand attention.
- ▶ The US Dollar continues to slide, and now appears to be in a year-long trading range. Here, too, the longer-term bullish setup is still intact, but a retest of the lower end of the range is likely.
- ▶ Sharp upside volatility in gold last week, but be careful—this move could indicate a short-term momentum extreme, likely leading to a setback and reversal. If there is a spot to buy gold, it will require a few days to stabilize and set up a good pull-back. Long positions are possible, but highly speculative at this point in time.
- ▶ Downtrends in crude oil and related stocks are intact. No reason to look to fade this trend at this time.

## Major Market Direction and Bias

Market	Short term ( < 1 month)	Int. Term (2-12 months)
USA		Up
Europe		
Asia		
Developed		
Emerging		
10 Yr Tr		
Euro		
Yen		Up
Gold		Up
Crude	Down	

## Last Week's Performance

Market	Return	$\sigma$ Spike	Kpos	Trend	Volatility
USA	(0.81%)	(0.3 $\sigma$ )	15	Bear	Volatile
Europe	2.20%	0.8 $\sigma$	14	Bear	Volatile
Asia	(1.76%)	(0.6 $\sigma$ )	8	Bear	Volatile
Developed	(1.91%)	(0.7 $\sigma$ )	7	Bear	Normal
Emerging	(2.30%)	(0.5 $\sigma$ )	11	Bear	Normal
30 Yr Tr	(0.66%)	(0.5 $\sigma$ )	92	Bull/Neutral	Normal
Euro	(0.72%)	(0.5 $\sigma$ )	66	Bull/Neutral	Normal
Yen	1.08%	0.7 $\sigma$	14	Bear/Neutral	Volatile
Gold	(2.52%)	(1.0 $\sigma$ )	91	Bull/Neutral	Normal
Crude	4.82%	0.8 $\sigma$	9	Bear	Normal



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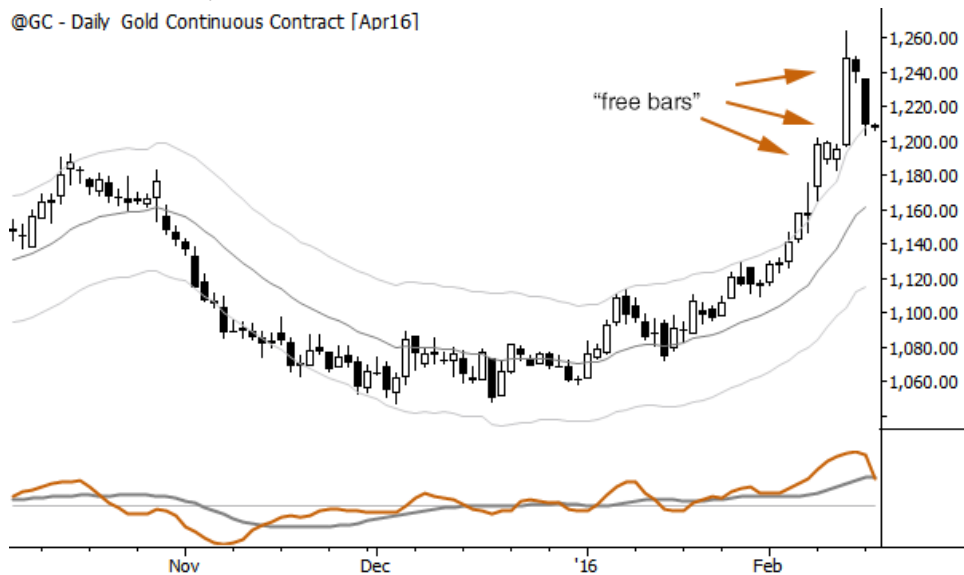
## PORTFOLIO PERSPECTIVE

This past week, we saw something different, something we have not seen in recent market history: gold and bonds appeared to be acting in their traditional, defensive, flight to quality mode. This was coupled with significant weakness in stocks, though without any real downside followthrough. One of the critical challenges of market analysis is separating true strength from overextension and hysteria.

Volatility-adjusted bands can be useful in this regard. Though Bollinger bands are more familiar, we find Keltner channels to be more useful in many respects. (Both tools are based on similar concepts.) Bollinger bands are placed a standard deviation of price away from a moving average, while Keltner channels are placed a multiple of the average true range from the moving average. Though similar in concept, these tools will give different reactions at turning points.

Keltner channels, calibrated as we set them, contain about 85% of all market action. “Free bars” are bars in which the low is above the upper channel (or the high is below the lower channel)—bars which are completely “free” of the channels. These are fairly rare events, occurring on less than 4% of all market days, and they are significant because they can indicate emotional extremes.

@GC - Daily Gold Continuous Contract [Apr16]



If we hid the label on this daily chart of gold, we would find that it is a close parallel to markets in “bubble” conditions on larger timeframes. As Mandelbrot reminds us, markets are fractal, meaning that patterns and structures scale between timeframes. Consider Nasdaq stocks in 2000, crude oil in 2008, or the euro in late 2007-2008: we find similar structures and patterns on those markets. There is a good chance that last week’s action in gold represents a short-term overextension, a small “emotional bubble”, and a point that may not be easily exceeded.

### IMPLICATIONS FOR STOCKS

We need to be careful about making facile predictions, and oversimplifying conditions. Markets exist in a complex web of relationships and influences, and no “one thing” is likely to have lasting influence. However, there is a high probability that this short-term extreme in gold may have resulted from overblown concerns over equity market action (perhaps with some additional concerns about the Fed and the surprise move from the Swedish Riksbank, to move even further into negative rate territory.) In this sense, action in gold may provide a good measure of underlying commitment and sentiment.

We still think we are in a longer-term bull market, but within a significant intermediate-term correction within that longer-term bull market. This week will be important. If we step into the mindset of a trader looking for shorts, what that trader wants to see is mild bounces, and reduced volatility (and, perhaps, volume) on market rallies. What that trader does not want to see is sharp upside, and rallies that easily erase recent weakness.

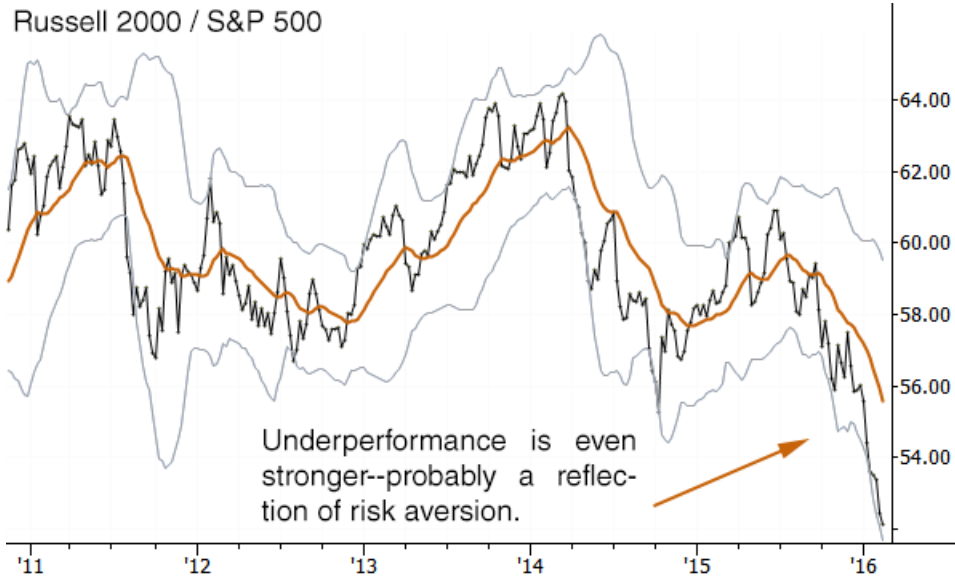
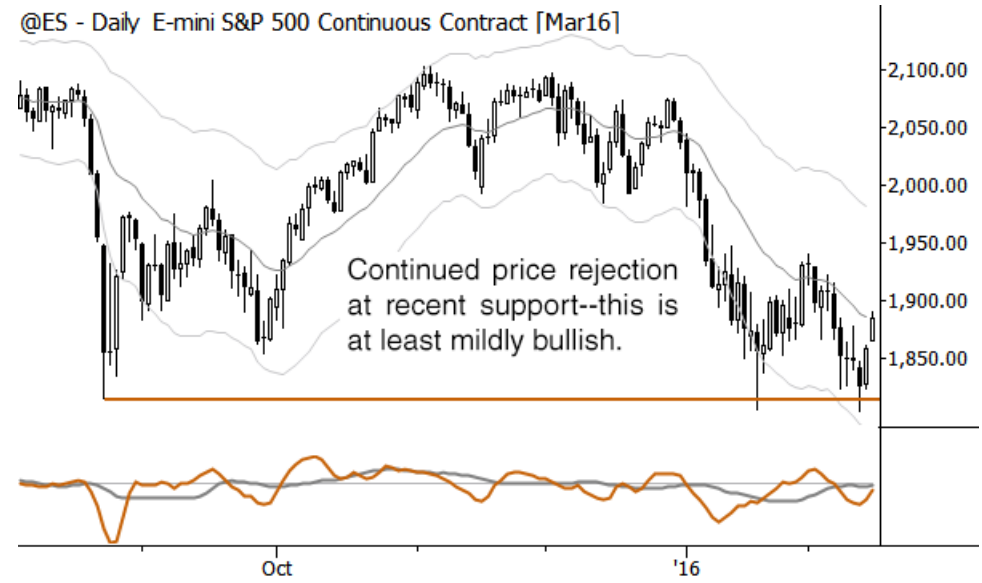
Should we see these types of rallies develop, this could be a point where short-term market action has longer-term significance, where short-term rallies can set tone and direction for the next several quarters. A strong rally this week would be a very bullish sign for stocks, and a signal for tactically-flexible allocators to move to aggressive long stances on stocks. This move may not develop, but we must approach this week with an appreciation of the potential and possible significance of a further rally in stocks.

## MARKET BIAS

		IT	LT	1 Year	3 Year			IT	LT	1 Year	3 Year			IT	LT	1 Year	3 Year		
<b>US Stocks</b>				<b>Up</b>		<b>World Stocks</b>				<b>Up</b>				<b>Rates &amp; FX</b>					
S&P 500	<i>SPY</i>			(11.0)	23.0	Developed	<i>URTH</i>			(14.9)	-			30 Yr Tr Rate		Up	(0.2)	(5.7)	
Russell 2000	<i>IWM</i>		Lag	(20.5)	5.0	Emerging	<i>EEM</i>		Avoid	(27.9)	(33.0)			10 Yr Tr Rate		Up	(2.7)	(2.6)	
						Frontier	<i>FM</i>		Avoid	(23.0)	-			5 Yr Tr Rate			(3.2)	3.3	
<b>US Sectors</b>														US Dollar	<i>UUP</i>		Up	0.0	13.0
Energy	<i>XLE</i>		Market	(32.6)	(30.0)	<b>Europe</b>				<b>Up</b>				<b>Fixed Income</b>					
Industrial	<i>XLI</i>		Market	(13.1)	21.0	Broad Europe	<i>VGK</i>	Caution		(18.8)	(11.0)			US Bond Mkt	<i>BND</i>			(1.0)	(1.0)
Technology	<i>XLK</i>		Over	(7.9)	32.0	Germany	<i>EWG</i>	Caution		(20.8)	(7.0)			Long Term Govt	<i>VGLT</i>			2.7	11.0
Materials	<i>XLB</i>		Market	(22.4)	1.0	France	<i>EWQ</i>	Caution		(16.4)	(8.0)			Int Term Govt	<i>VGIT</i>			2.4	2.0
Cons Disc	<i>XLY</i>		Over	(6.8)	37.0	Italy	<i>EWI</i>	Caution		(23.3)	(16.0)			Short Term Govt	<i>VGSH</i>			0.4	1.0
Financials	<i>XLF</i>		Market	(16.1)	15.0	Russia	<i>RSX</i>			(25.0)	(55.0)			Long Term Bond	<i>BLV</i>			(5.3)	(1.0)
Cons Staples	<i>XLP</i>		Market	1.2	33.0	<b>Asia &amp; Pac</b>								Int Term Bond	<i>BIV</i>			(0.5)	(3.0)
HealthCare	<i>XLV</i>		Market	(9.0)	48.0	Japan	<i>EWJ</i>			(12.7)	5.0			Short Term Bond	<i>BSV</i>			0.3	(1.0)
Mtls & Mining	<i>XME</i>	Ok		(49.1)	(66.0)	China	<i>FXI</i>		Down	(32.4)	(28.0)			High Yield Bond	<i>HYG</i>	Avoid		(15.8)	(18.0)
REITs	<i>IYR</i>	Caution		(16.4)	(2.0)	Hong Kong	<i>EWH</i>		Down	(20.4)	(14.0)			World Bond	<i>BNDX</i>	Best		0.0	-
Homebuilders	<i>XHB</i>	Caution		(21.0)	(1.0)	Australia	<i>EWA</i>			(27.1)	(37.0)			EM Bond	<i>VWOB</i>	Avoid		(5.1)	-
						India	<i>EPI</i>			(29.5)	(11.0)			Muni National LT	<i>MLN</i>	Ok		2.5	-
<b>ex US</b>														Muni National IT	<i>ITM</i>	Ok		3.1	3.0
Canada	<i>EWC</i>			(27.3)	(29.0)									Muni National ST	<i>SHM</i>	Ok		0.8	1.0
Mexico	<i>EWV</i>	Caution		(23.5)	(37.0)									Muni High Yield	<i>HYD</i>	Ok		0.3	(6.0)
Brazil	<i>EWZ</i>	Caution		(44.8)	(66.0)									<b>Commodities</b>					
														Broad	<i>DBC</i>	Down	Down	(31.7)	(56.0)
														Gold&Slv	<i>GLD</i>			0.3	(24.0)
														Oil	<i>USO</i>	Down		(57.5)	(76.0)
														Natural Gas	<i>UNG</i>	Down		(49.2)	(59.0)
														Agricultural	<i>DBA</i>	Down	Down	(16.4)	(26.0)

## U.S. EQUITIES

- ▶ We are still looking at a big picture bullish setup for stocks, but with the possibility of significant distortions and further downside in the short term.
- ▶ Interestingly, minor bullish patterns continue to develop on weekly charts, as long lower shadows show buying pressure. This buying pressure could, of course, fail, but it is a significant headwind for shorts (and likely very constructive for bulls.)
- ▶ The coming bounce will give further insight into the balance of power in this market. Any sharp short-term rally could develop important, longer-term significance. Do not fade strength in this market.
- ▶ To further illustrate the conflict in current conditions: the previous comments have been bullish, but short-term swing traders should be focusing on short or managing existing shorts.



## U.S. EQUITY SECTORS

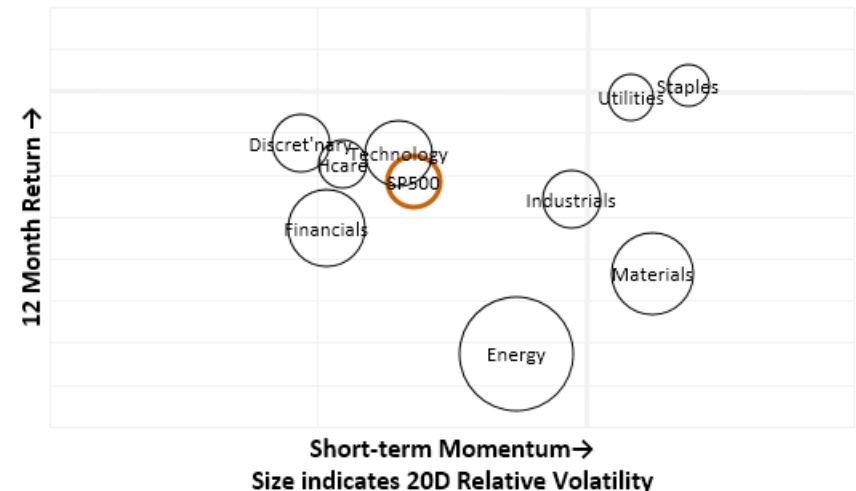
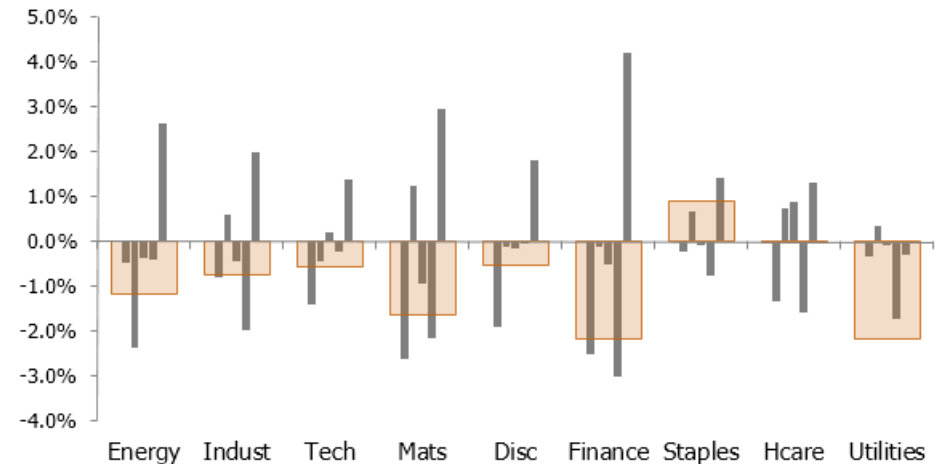
- ▶ We have no adjustments to sector biases or allocations this week.
- ▶ This year's decline has, predictably, seen strong inflows in defensive sectors. Overweighting these sectors would be a blatant market call. For some portfolios, this may make sense, but it is important to realize that moving to overweights on defensive sectors is essentially the same as reducing equity risk.
- ▶ This is not what we want to do, as our longer-term bullish bias and context are both clear and intact.
- ▶ We favor a more defensive stance toward stocks in the short-term, but would prefer to accomplish that via tactical positioning (i.e., exiting underperforming positions, not buying, and hedging, if appropriate), rather than through sector tilts at this time.
- ▶ We maintain overweights in Technology and Consumer Discretionary.

### Sector Leaders & Laggards

Energy	Leaders	CNX, SE, SWN, CAM, COG, XOM
	Laggards	CHK!*, WMB, ESV, MRO, DVN, RIG
Industrials	Leaders	CHRWI, FAST, GWW, ITW, XYL, JBHT
	Laggards	MAS, URI, BAI*, RHI!*, TXT, ADT
Technology	Leaders	CTLI*, VZ, T, XLNX, AKAM, FLIR
	Laggards	PYPL, HPQ, EBAY, CSC, ADS!*, WDC
Materials	Leaders	NEM!*, ARG, NUE, AVY, SEE, MLM
	Laggards	WRK!, DD, MOS, CF, OI, IP
Discretionary	Leaders	KORS, WYNN, MAT, COH, GPC, ROST
	Laggards	DRI, VIAB!*, SIG!, RCL, SPLS, HAR
Financials	Leaders	O!*, NDAQ, CINF!*, ALLI, AON!, MMC
	Laggards	VTR!*, GNW!, HCP!*, LNC!*, LM!, BAC!
Staples	Leaders	GMCR, TSNI!*, HRL, CPBI, K, MKC
	Laggards	KHC, MNST, ADM, MDLZ, MJN, WBA
Healthcare	Leaders	HSIC, BXL, SYK, EW, JNJ, BCR
	Laggards	BAX, REGN, VRTX, MYL!*, ESRX, THC
Utilities	Leaders	CMS, ED, NEE, SCG, WEC, XEL
	Laggards	NI, NRG, AES, SRE, D, CNP

Key: ! = overextension, !\* = extreme overextension

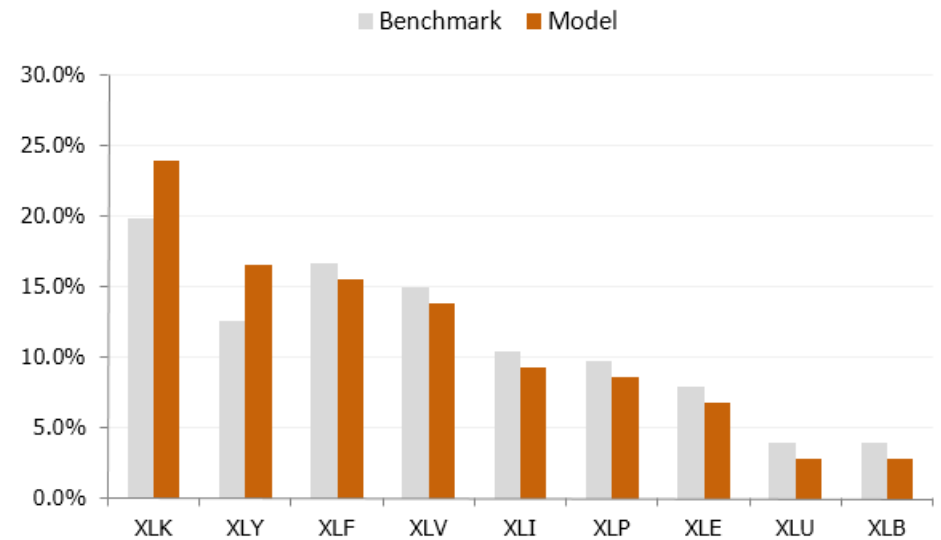
Returns by Trading Day, Previous Week  
(Gray bars = individual days, large outline = weekly return)



## U.S. EQUITY SECTORS (continued)

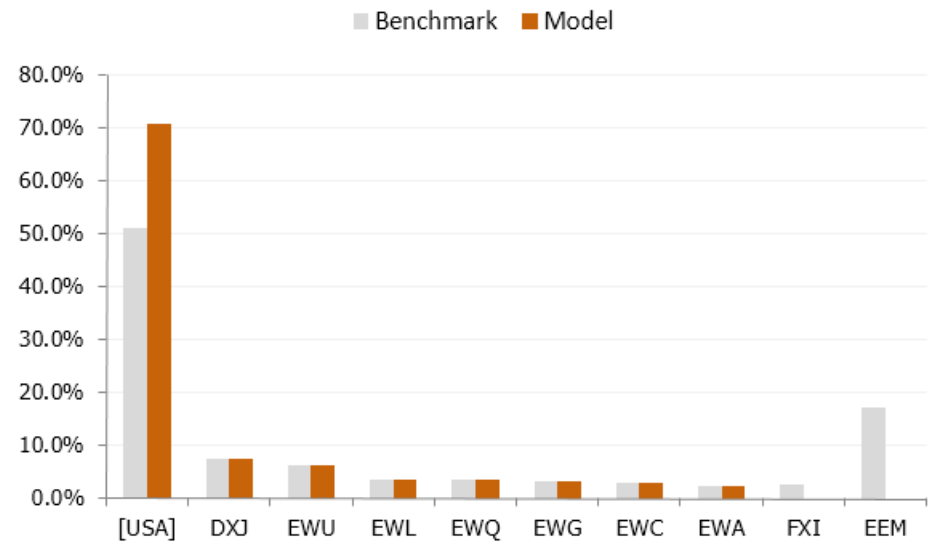
### Domestic Sector Model

Sector	Ticker	Benchmark	Weight	LastChg	RelPerf	Tilt	Model
Technology	XLK	19.9%	Over	9/25/15	1.8%	4.0%	23.9%
Discret'nary	XLY	12.6%	Over	1/2/15	6.7%	4.0%	16.6%
Financials	XLF	16.7%	Market	11/27/15	-	-1.1%	15.5%
Hcure	XLV	14.9%	Market	10/9/15	-	-1.1%	13.8%
Industrials	XLI	10.4%	Market	12/4/15	-	-1.1%	9.2%
Staples	XLP	9.7%	Market	10/10/14	-	-1.1%	8.6%
Energy	XLE	8.0%	Market	9/12/14	-	-1.1%	6.8%
Utilities	XLU	4.0%	Market	10/10/14	-	-1.1%	2.8%
Materials	XLB	3.9%	Market	10/9/15	-	-1.1%	2.8%
<b>Total</b>		<b>100.0%</b>					<b>100.0%</b>



### Global Equity Model

Country	Ticker	Benchmark	Weight	Tilt	Model
United States	[USA]	51.1%	Over	19.7%	70.8%
Japan	DXJ	7.6%	Market	0.0%	7.6%
United Kingdom	EWU	6.2%	Market	0.0%	6.2%
Switzerland	EWL	3.6%	Market	0.0%	3.6%
France	EWQ	3.4%	Market	0.0%	3.4%
Germany	EWG	3.1%	Market	0.0%	3.1%
Canada	EWC	3.0%	Market	0.0%	3.0%
Australia	EWA	2.3%	Market	0.0%	2.3%
China	FXI	2.6%	Under	-2.6%	0.0%
EMI	EEM	17.1%	Under	-17.1%	0.0%
<b>Total</b>		<b>100.0%</b>			<b>100.0%</b>



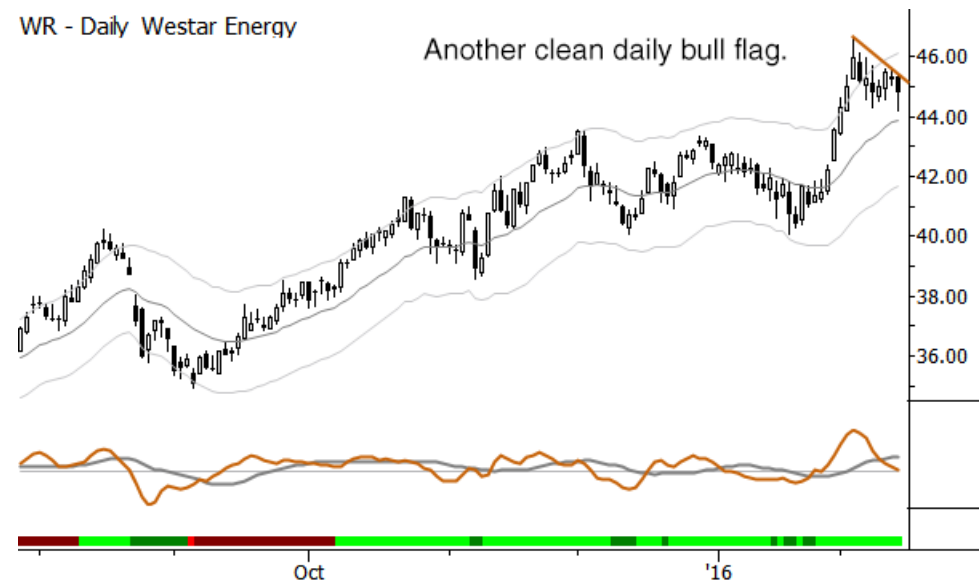
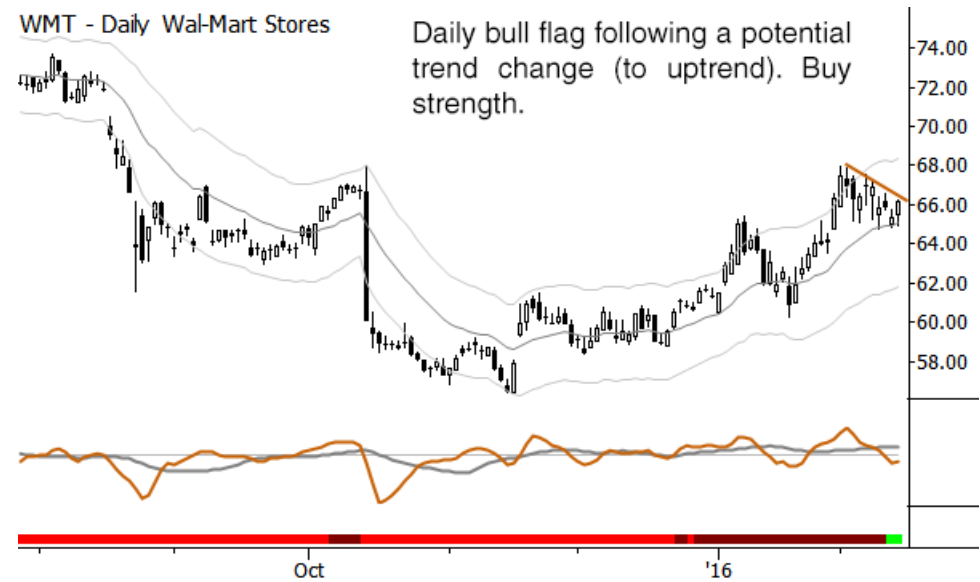


## U.S. INDIVIDUAL STOCKS

- ▶ We think two guiding principles are appropriate for swing traders this week:
  - First, look to reduce overall activity and exposure.
    - There are times in which we might take trades with correct stops without strong supporting entry factors, but this is not that time. Now, focus on only the best setups and look to reduce the overall amount of the portfolio that is at risk.
    - Second, focus on both long and short exposure, and work to tighten stops rather quickly as trades develop.
- ▶ For both longs and shorts, best setups are flags, and flags that have held together well in recent market action.
- ▶ Should the market rally strongly, best shorts will be set up in those names that fail to rally with the market.
- ▶ Due to sector flows, a disproportionate number of long candidates are in Utilities and Staples. From a swing trading perspective, we might wish this were not so, but this is where the opportunity currently is in the market. Should these long trades “work”, we can look to rotate out of them and into more cyclical stocks as market conditions develop.

### EXAMPLE TRADE ENTRIES

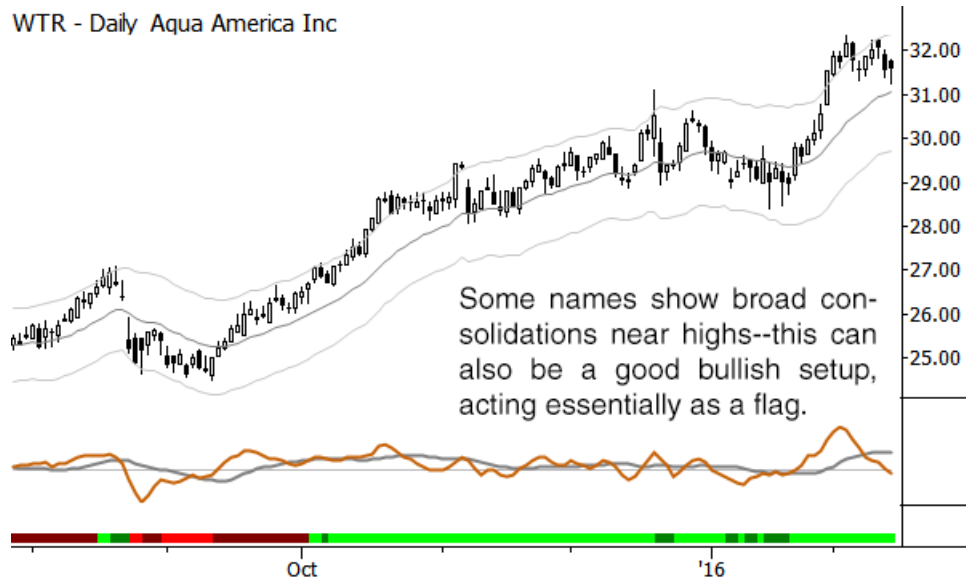
- ▶ Buy WR on a breakout above 45.99 against an initial stop around 43.14.
- ▶ Buy WMT on a breakout above 66.99 against an initial stop around 63.57.
- ▶ Sell (short) NVDA on a breakdown below 24.58 against an initial stop around 28.12.
- ▶ Sell (short) OKE on a breakdown below 18.72 against an initial stop around 25.96.



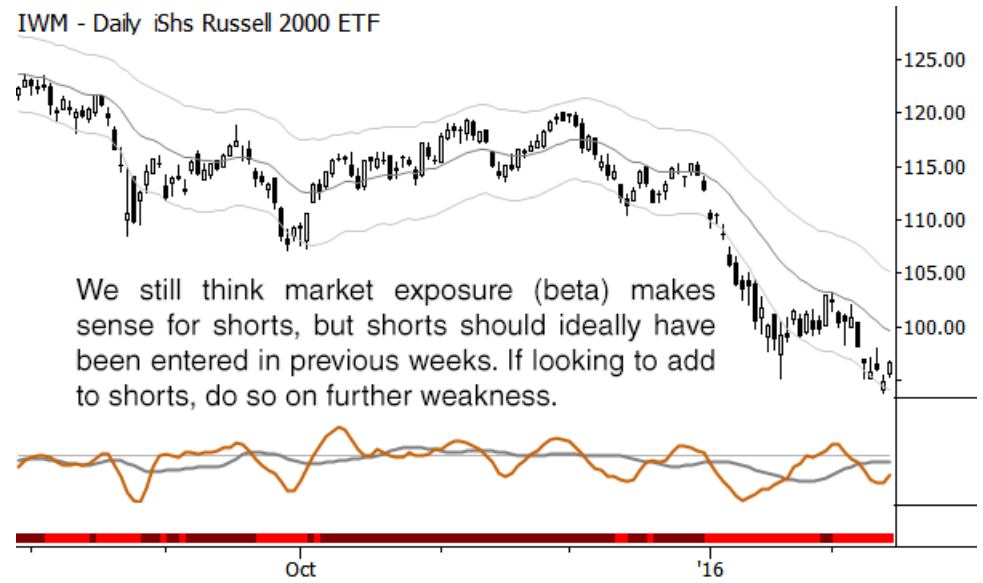
Key: Near (yellow) and Far (red) stops for daily bars. Colored band beneath the chart indicates trend condition (bright green to bright red = strong bull to strong bear trend.)

## U.S. INDIVIDUAL STOCKS (continued)

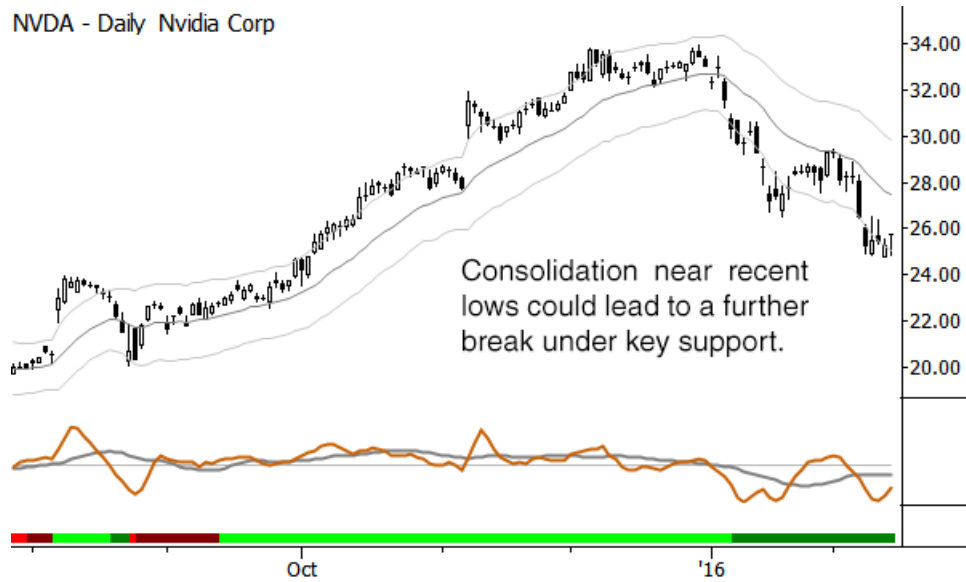
WTR - Daily Aqua America Inc



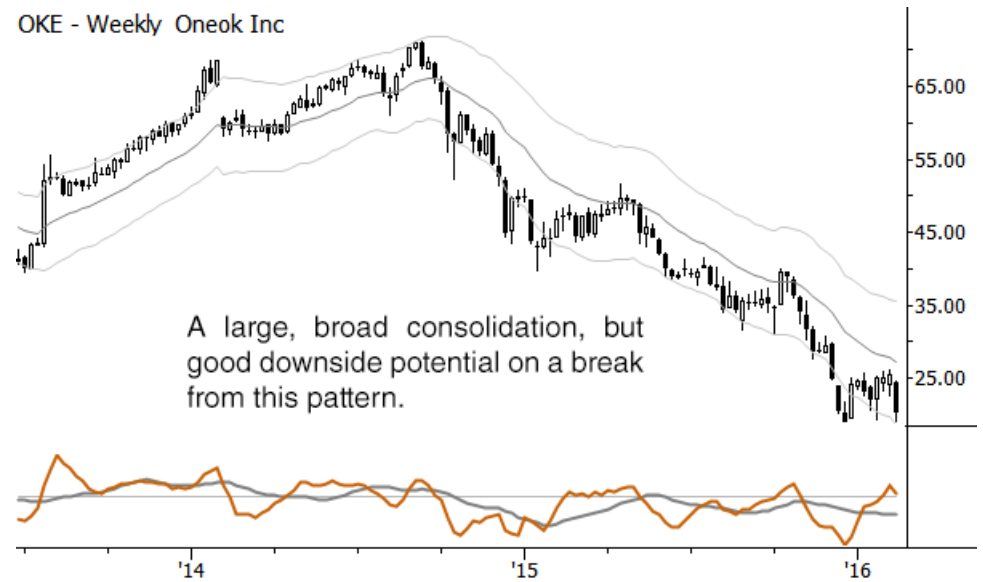
IWM - Daily iShs Russell 2000 ETF



NVDA - Daily Nvidia Corp



OKE - Weekly Oneok Inc

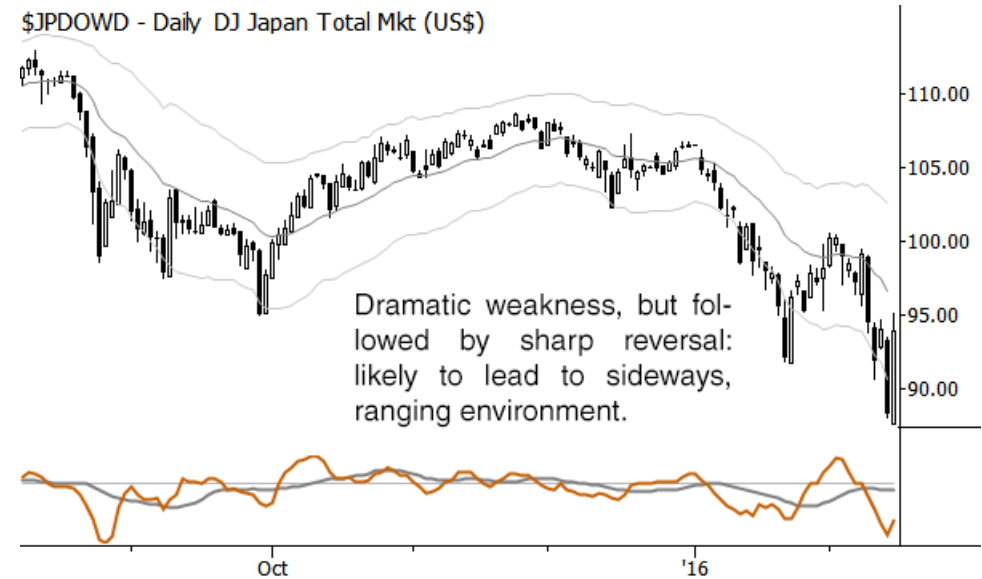
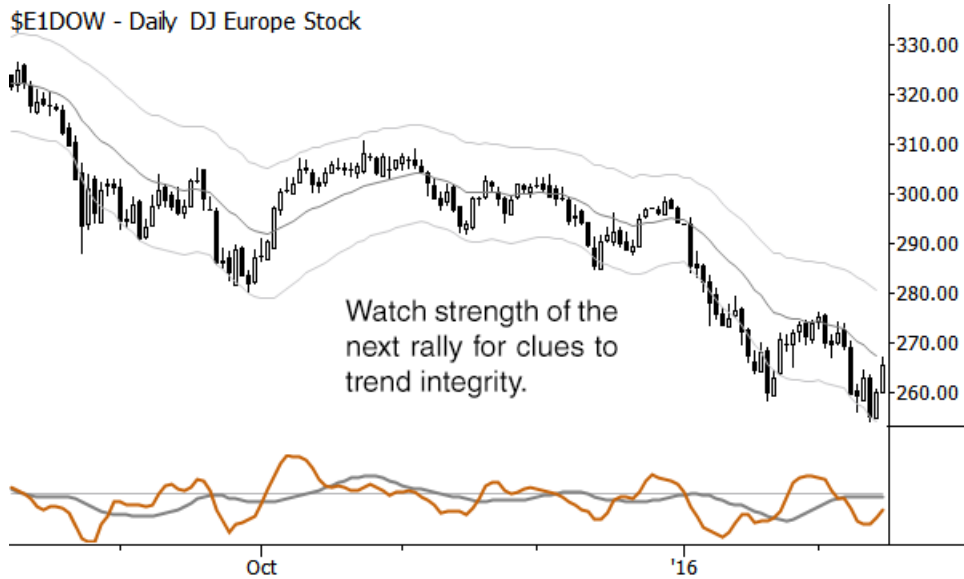
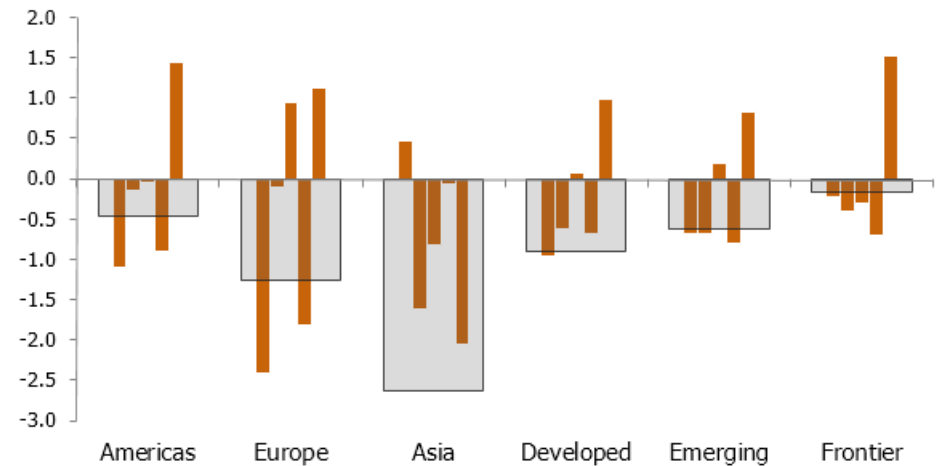




## GLOBAL STOCKS

- ▶ Global stocks are trading in tight correlation, and the process of untangling those correlations is fraught with difficulty.
- ▶ For swing traders, it makes sense to realize that stocks are basically “one bucket” of risk. Any strong divergences are likely to fall along the DM/EM axis, rather than geography, and most traders are best served by focusing on market conditions in liquid, common indexes.
- ▶ For longer-term allocators, recent EM outperformance demands some attention. To be clear, we do not think that there is justification for overweighting EM slices in portfolios. Recent rallies in these indexes are probably due to mean reversion (in previously, severely underperforming indexes.)
- ▶ Recent market action has seen failures on both the long and short side. Longer-term bullish setups are intact, but we urge short-term caution.

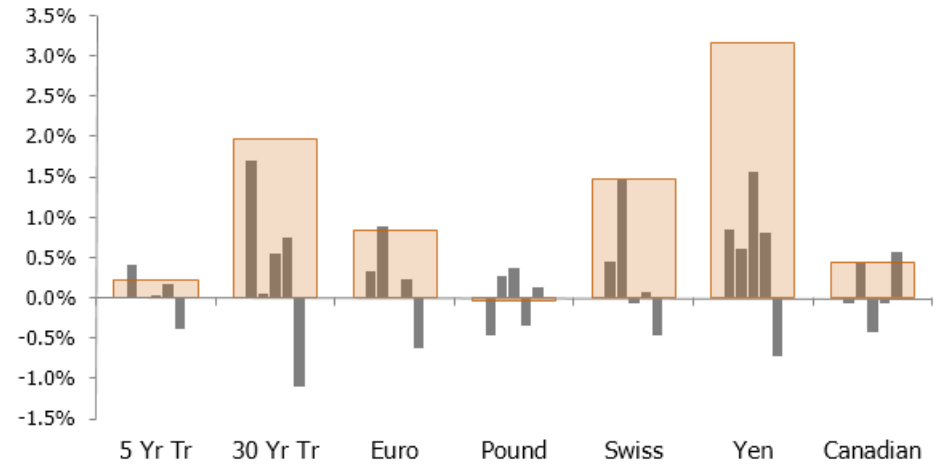
SigmaSpikes™ by Trading Day, Previous Week  
(Orange bars = individual days, large outline = weekly return)



## RATES & FX

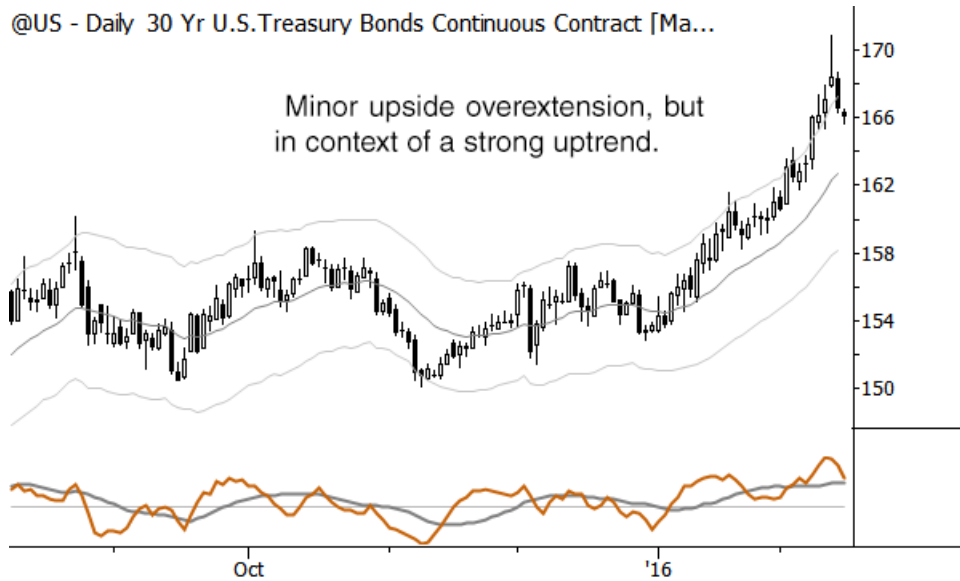
- ▶ The US Dollar index now most clearly reads as being in a large, year-long trading range. (Is it coincidence that this range aligns with a similar period in US stocks? Probably not.)
- ▶ Short-term, patterns continue to favor the downside in the Dollar.
- ▶ Look for moves in currencies to be sharp and fast, but perhaps with limited followthrough.
- ▶ Treasury and Eurobond futures are both in strong uptrends, with no sign of those trends weakening.

Returns by Trading Day, Previous Week  
(Gray bars = individual days, large outline = weekly return)



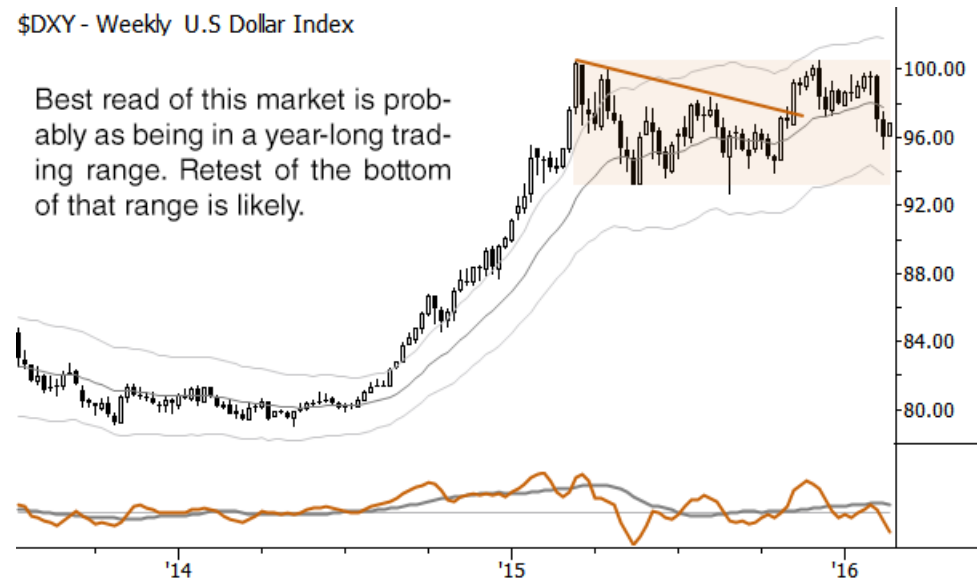
@US - Daily 30 Yr U.S.Treasury Bonds Continuous Contract [Ma...]

Minor upside overextension, but in context of a strong uptrend.



\$DXY - Weekly U.S Dollar Index

Best read of this market is probably as being in a year-long trading range. Retest of the bottom of that range is likely.



## COMMODITIES

### Metals:

- ▶ Extreme strength in gold last week, perhaps in a classic “flight to quality” reaction. Be careful—this move could indicate a short-term exhaustion. We do not see “easy upside” in precious metals.

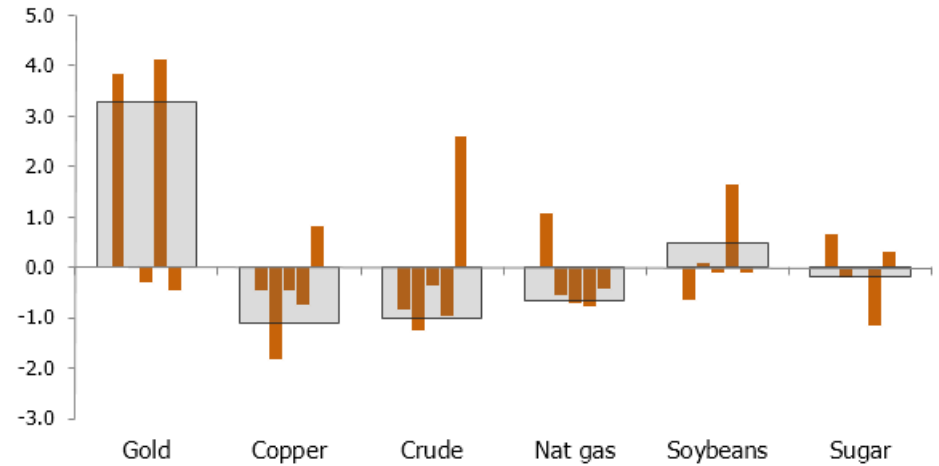
### Energy:

- ▶ Downtrends are still intact in crude oil. Natural gas is setting up another potential short-term short entry..

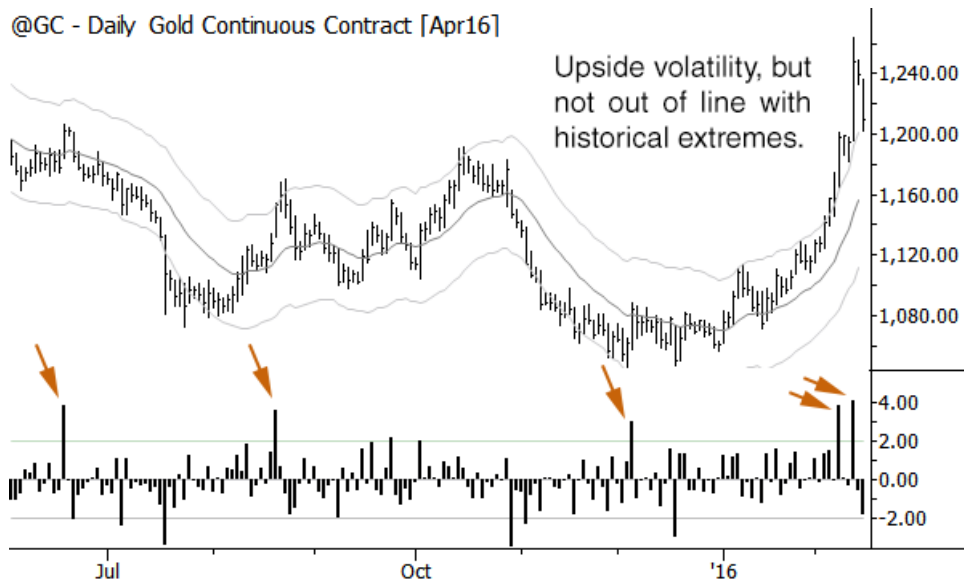
### Foods & Softs:

- ▶ Grains point downward, as do many other food commodities and softs.

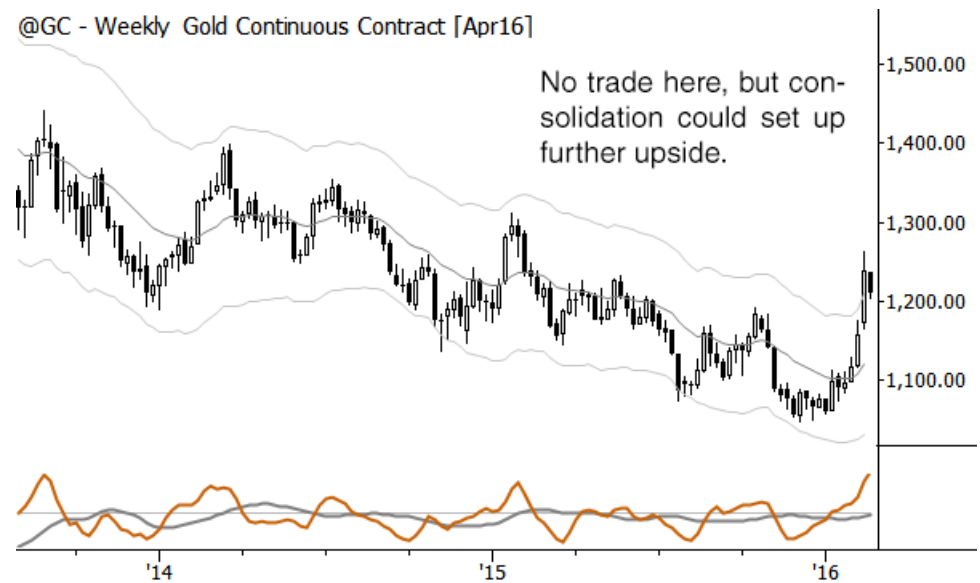
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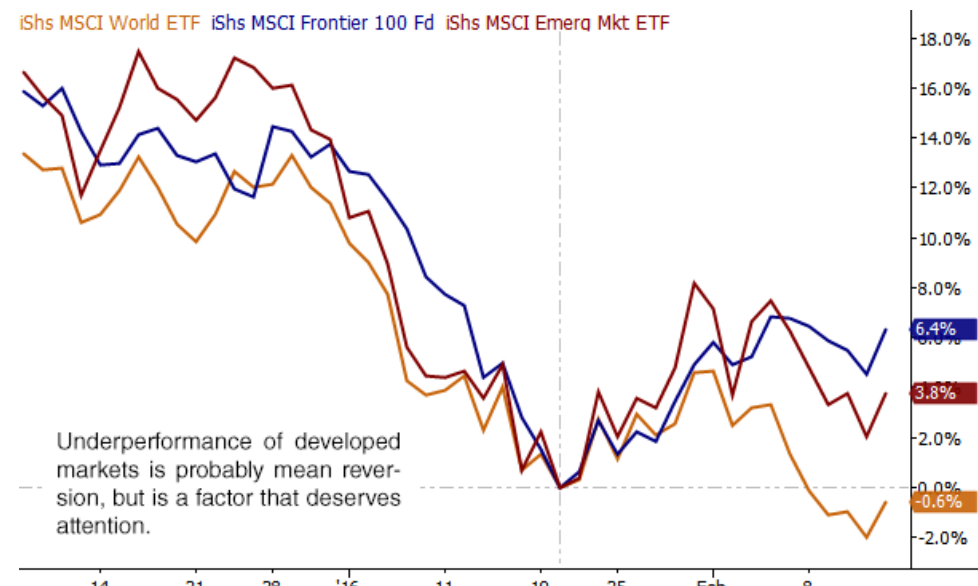
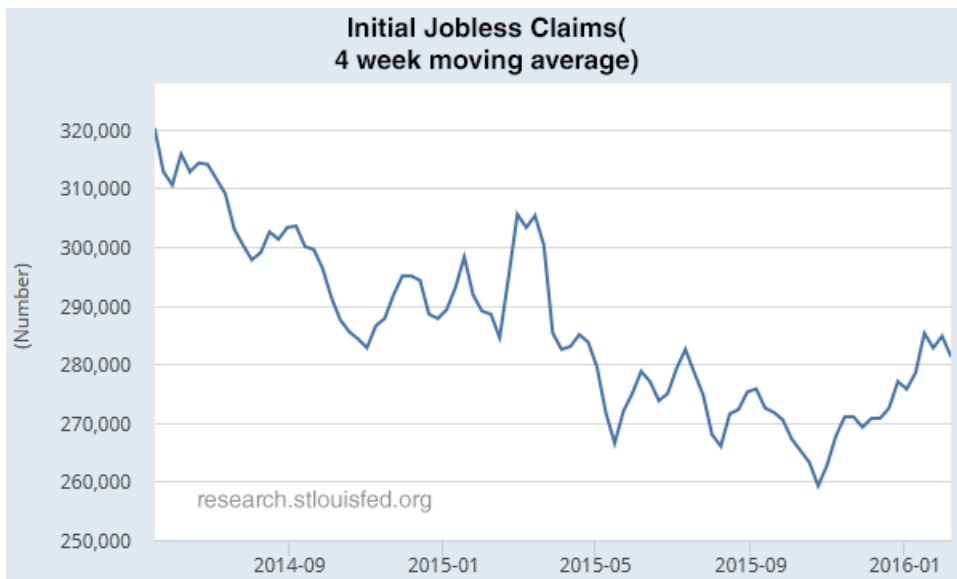
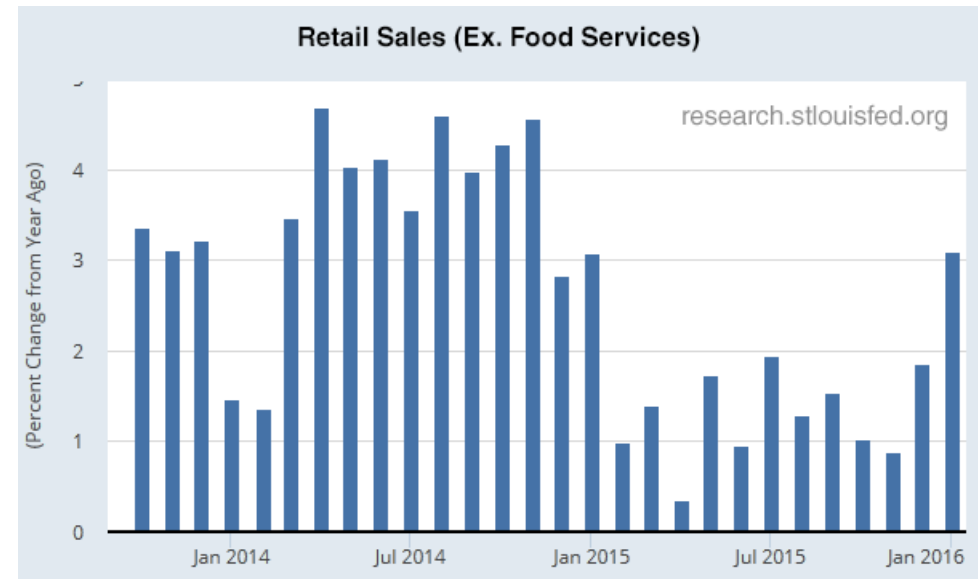


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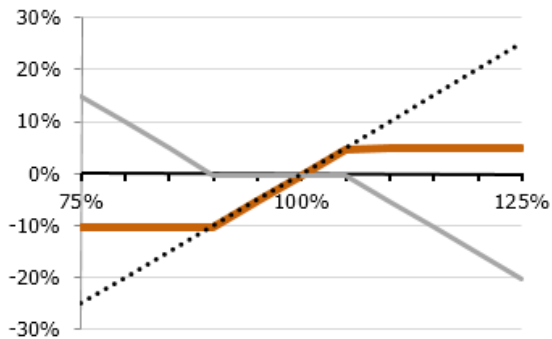
## MACROECONOMICS

- ▶ There is quite strength in recent economic numbers. Growth appears to be stable, and, looking forward, a softer Dollar in the near-term could strengthen some segments of the economy.
- ▶ Retail sales are reasonably strong, especially backing gasoline expenditures out of the number.
- ▶ Negative interest rates are unlikely in the US, but present an interesting situation abroad. One potential impact that is difficult to quantify is that there may be a negative psychological consequence. Net effect is likely to continue to favor the US, at least as far as relative equity market performance.
- ▶ Volatility has probably reached a short-term extreme in some segments of the market, and we can expect some stabilization. This is not a “trade”, but a roadmap for the most probable price path (up) and direction of volatility in stocks (down) over the next few weeks.
- ▶ A few important data points in this shortened holiday week: PPI-FD Wednesday, Jobless Claims and Philly Fed on Thursday, and CPI to finish the week on Friday.

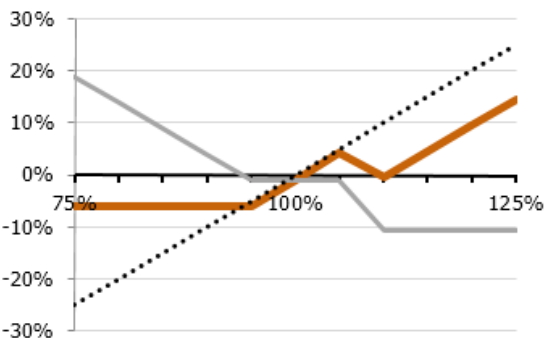


## HEDGING: CONTEXT & STRATEGIES

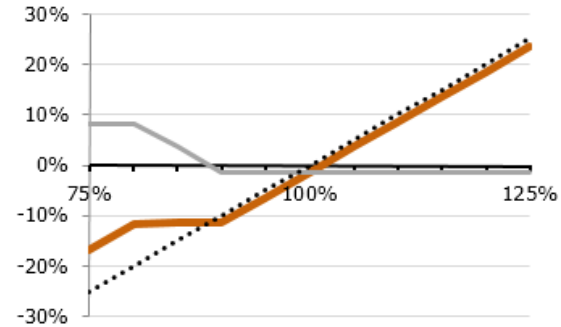
- ▶ Tactical risks are still elevated, though the longer-term bull market is intact. Compared to a year ago, we advise hedging larger percentages of equity exposure, still protecting against moderate (15% - 20%) declines at 4-6 month horizons.
- ▶ Continue to look to add to hedges on rallies, or as markets quiet. From a timing perspective, the difference of a few days when initiating hedges can have a significant impact on costs.
- ▶ Keep hedges simple. Broad market hedges, perhaps with relevant market cap or sector tilts, make the most sense. For the majority of portfolios, simple is better, and one broad market, major index, hedge can significantly reduce the risk of price direction.



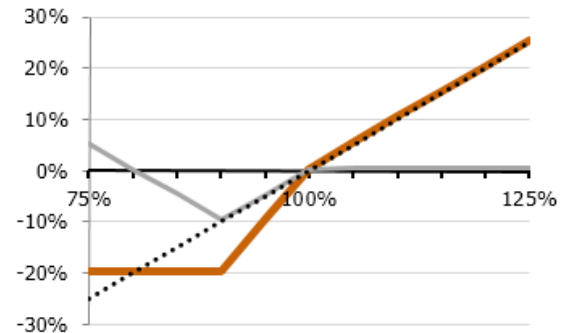
**5/10 Collar**  
 S 1 × 196.00 C (6/17/16)  
 B 1 × 168.00 P (6/17/16)  
 Cost: 0.49=0.3% (0.8% ann.)  
 Max Gain: 4.76%  
 Max Loss: -10.24%



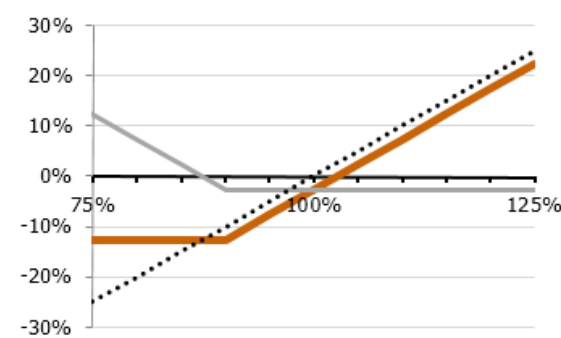
**"Waverly W" Hedge**  
 B 1 × 177.00 P (6/17/16)  
 S 2 × 196.00 C (6/17/16)  
 B 2 × 205.00 C (6/17/16)  
 (Long 1 × SPY Underlying)  
 Cost: 1.63=0.9% (2.6% ann.)  
 Max Gain: Unlimited  
 Max Loss: -4.29%



**10/20 Put Spread**  
 B 1 × 168.00 P (6/17/16)  
 S 1 × 150.00 P (6/17/16)  
 Cost: 2.74=1.5% (4.4% ann.)  
 Max Gain: Unlimited  
 Max Loss: ~Unlimited



**Put Backspread**  
 S 1 × 187.00 P (6/17/16)  
 B 2 × 168.00 P (6/17/16)  
 Credit: -0.96=-0.5% (-1.5% ann.)  
 Max Gain: Unlimited  
 Max Loss: -19.85%



**Long ~10% OTM Put**  
 L 1 × 168.00 P (6/17/16)  
 Cost: 5.02=2.7% (8.0% ann.)  
 Max Gain: Unlimited  
 Max Loss: -12.67%

Key: Dotted line = S&P 500, Gray = Options, Orange = Combined Portfolio

## MARKET INSIGHT

Action this week offers us a good backdrop against which to consider the concept of *followthrough*. This is a facet of market action that can be difficult to quantify at times, but can also give good insight into the character of market moves and future market direction. There is immediately relevant perspective here for swing traders, and also importance for longer term investors and portfolio allocators.

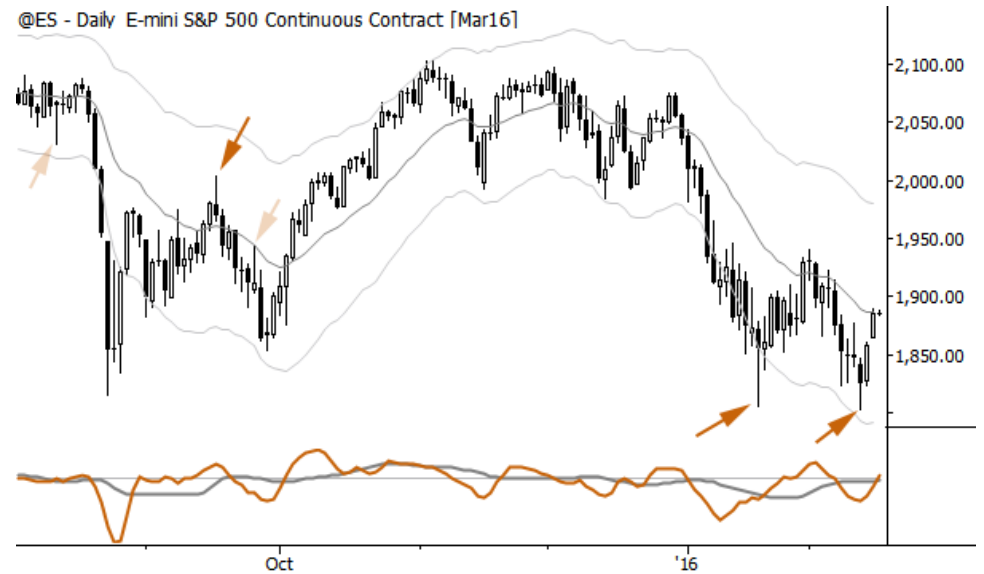
### FOLLOWTHROUGH

Quite simply, followthrough is the ability of a sharp move in a market to lead to another move in the same direction. We might “package” this tendency in a few different ways: we can look at pullbacks, which are patterns that we assume should set up another thrust in the same direction as the move that set up the pullback. From a quantitative perspective, we also can talk about asymmetrical volatility, look at mean reversion, serial correlation of returns, and a number of other factors, but the core understanding is this: when a dominant group controls the market, that market trends. When a market trends, it will do so with good followthrough.

At first glance, this might not seem to be very helpful. A cynical reading of that previous paragraph might be “if the market is going to go up, it’s going to do so by going up.” However, there is great value in some of the subtle relationships between market movements. When we talk about “volatility conditions”, what we are really interested in is the probability that a market move will continue or reverse—will volatility expand or contract following any sharp move? Volatility, in this sense, is tied to market direction and followthrough, and we can see this in a few important patterns in the market.

### TURNING POINTS

Candlestick charts have many uses. One of the best of which is to be able to highlight when the dominant group reaches an extreme on the lower timeframe. When this happens, candles will show long shadows (also called wicks) in the direction of that failure. If we were to quantify this, perhaps we would look for a bar that has about an average range, in which the open and close are both in the top 20% of the bar’s range. This condition could set up short-term upside followthrough, as it suggests the bears lost control of the market to the downside. (The inverse pattern would hold for sells.)



Take a look at the chart of the S&P 500, and note that the dark orange arrows highlight a number of turning points, marked with this type of formation. (The lighter arrows show points that might not be obvious at first glance, but must be accounted for in any quantitative work.) The long and short of this is that recent market action shows a large number of long lower shadows in stock indexes. This could set up a potentially strongly bullish condition in the near term, which is why we are advising traders to certainly not fade strength in stocks.

This is a good example of how a relatively simple chart pattern can be a useful tool for expressing a deeper, quantitative tendency. We do not have to trade or focus on the chart pattern, but it does point us to some underlying truths about the balance of forces in the market.

Also, consider the recent rally in gold. A sharp decline would likely leave a long *upper* shadow on longer-term charts—this is potentially bearish for gold. The “trading lesson” here is that we must be careful about buying gold, at least until there is some stabilization near recent extremes. In general, we look to avoid buying after a potential buying climax in any market or timeframe, and this idea of “long shadow” turning points is another way to think about these structures in context.



International	Now	Chg	VRat	US Sectors (SP1500)	Now	Chg	VRat	US Industries (Top)	Now	Chg	VRat	US Industries (Bottom)	Now	Chg	VRat
Indonesia	1	0	0.8	Telcom Svcs	1	0	0.8	Water Utilities	1	0	0.8	Professional Svcs	35	5	1.3
Taiwan	2	3	0.0	Utilities	2	0	0.8	Gas Utilities	2	0	0.5	Internet & Catalog Ret	36	21	0.9
Philippines	3	6	0.6	Consumer Staples	3	0	0.9	Div Telcom Svcs	3	0	0.8	Aerospace & Defence	37	-22	1.3
Thailand	4	-1	0.7	Industrials	4	0	1.2	Tobacco	4	2	0.4	REITs	38	-22	1.3
Arabia Titans 50	5	-1	0.5	Information Tech	5	1	0.8	Household Products	5	2	1.3	Chemicals	39	-19	1.4
India (SP India 10)	6	16	0.9	Consumer Discretionary	6	1	1.1	Electric Utilities	6	-2	0.7	IT Svcs	40	-11	1.5
S&P 500 Index	7	4	1.1	Health Care	7	1	1.1	Multi-Utilities	7	-2	0.8	Airlines	41	14	1.1
Singapore	8	10	0.8	Materials	8	-3	1.4	Beverages	8	4	1.1	Semis & Semi Equip	42	-7	0.9
S Korea	9	-7	1.2	Financials	9	0	1.7	Internet Soft & Svcs	9	2	0.6	Marine	43	4	0.8
Sweden	10	6	1.6	Energy	10	0	0.8	Industrial Conglomerates	10	-1	1.4	Thrifths & Mrtg Finace	44	-1	1.5
Switzerland	11	6	1.7	<b>US Industry Groups</b>	<b>Now</b>	<b>Chg</b>	<b>VRat</b>	Food Products	11	2	0.9	Road & Rail	45	3	0.9
Canada	12	3	1.3	Telcom Svcs	1	0	0.8	Personal Products	12	-4	1.5	HCare Prov & Svcs	46	-2	1.4
Netherlands	13	-7	1.6	Household & Prsnl Prod	2	1	1.4	Distributors	13	15	0.5	Wireless Telcom Svcs	47	-13	1.1
Finland	14	-7	1.3	Utilities	3	-1	0.8	Food & Staples Ret	14	4	1.1	Health Care Tech	48	-7	1.0
Australia	15	-7	0.9	Food Beverage & Tobacco	4	0	0.8	Htls Rests & Leisure	15	11	0.9	Communications Equip	49	12	1.4
France	16	-3	1.5	Food & Staples Retailing	5	3	1.1	Trading Cos & Dists	16	-2	1.0	Media	50	-33	1.2
Germany	17	3	1.5	Consumer Svcs	6	4	1.0	Building Products	17	19	1.2	BioTech	51	9	0.9
UK	18	3	1.8	Software & Svcs	7	-1	1.0	Software	18	7	0.9	Containers & Packaging	52	-2	1.4
S Africa	19	4	0.6	Capital Goods	8	-3	1.2	Leisure Equip & Prds	19	-9	1.2	Construction & Eng	53	-7	1.6
Israel	20	-10	1.7	Commercial & Prof Svcs	9	2	1.1	Metals & Mining	20	10	1.2	Oil, Gas&Consumble Fuels	54	-1	0.8
Hong Kong	21	3	0.8	Retailing	10	9	1.0	Comm Svcs & Supplies	21	0	1.0	Auto Components	55	7	1.1
Mexico	22	-8	0.8	Insurance	11	2	1.8	Air Freight & Logistics	22	1	1.3	Household Durables	56	-4	1.6
Russia (NDQ OMX 15)	23	-4	1.0	Health Care Equip & Svcs	12	3	1.4	Div Financial Svcs	23	10	1.2	Comps & Peripherals	57	-3	0.3
Japan	24	-12	2.1	Transportation	13	5	1.0	Txtils, Apprl & Lux Gds	24	14	1.4	Automobiles	58	1	1.4
Brazil	25	0	0.6	Cons Durables & Apparel	14	2	1.6	Construction Materials	25	-6	1.7	Div Consumer Svcs	59	-8	1.4
Greece	26	0	1.4	Semis & Semis Equip	15	-1	0.9	Specialty Retail	26	13	1.3	Commercial Banks	60	-4	2.1
<b>US Mkt Cap Indexes</b>	<b>Now</b>	<b>Chg</b>	<b>VRat</b>	Pharma, Biotech & Life Sci	16	1	0.9	Multiline Retail	27	15	1.1	Energy Equip & Svcs	61	-3	0.9
S&P 100 Index	1	1	1.0	Materials	17	-5	1.4	Elec Equip & Cmpnnts	28	9	1.0	Consumer Finance	62	2	1.7
US Value	2	-1	1.2	Real Estate	18	-9	1.3	HCare Equip & Supply	29	-7	1.4	Capital Markets	63	0	1.6
S&P 500 Index	3	0	1.1	Media	19	-12	1.2	Life Scis Tools & Svcs	30	15	1.2	Ind Pwr Prod & Trdrs	64	-15	1.1
DJ Wilshire 5000 Comp	4	0	1.2	Tech Hardware & Equip	20	1	0.4	Pharmaceuticals	31	1	0.9	Paper & Forest Products	65	0	1.3
S&P SmallCap 600 Index	5	0	0.9	Diversified Financials	21	1	1.5	Machinery	32	-5	1.1	Real Estate Mgmt&Dev	66	0	1.4
US Growth	6	0	1.1	Energy	22	-2	0.8	Insurance	33	-2	1.8				
Russell 2000 Index	7	0	1.0	Automobiles & Compnts	23	1	1.2	Electrical Equip	34	-10	0.9				
Russell MicroCap Index	8	0	0.9	Banks	24	-1	2.1								

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