www.AlexanderTrading.com

Weekend Report for Tuesday, September 3

Bottom Line:

The NYA and DOW made new all-time highs. The SPX is just below its all-time high and looks like it is about to break out of an extremely mature, tight Balance Area.

The only concern (known) at the moment is NYSE breadth. It must begin to rather dramatically expand for the rally to continue.

Important levels are very clear in all the indices.

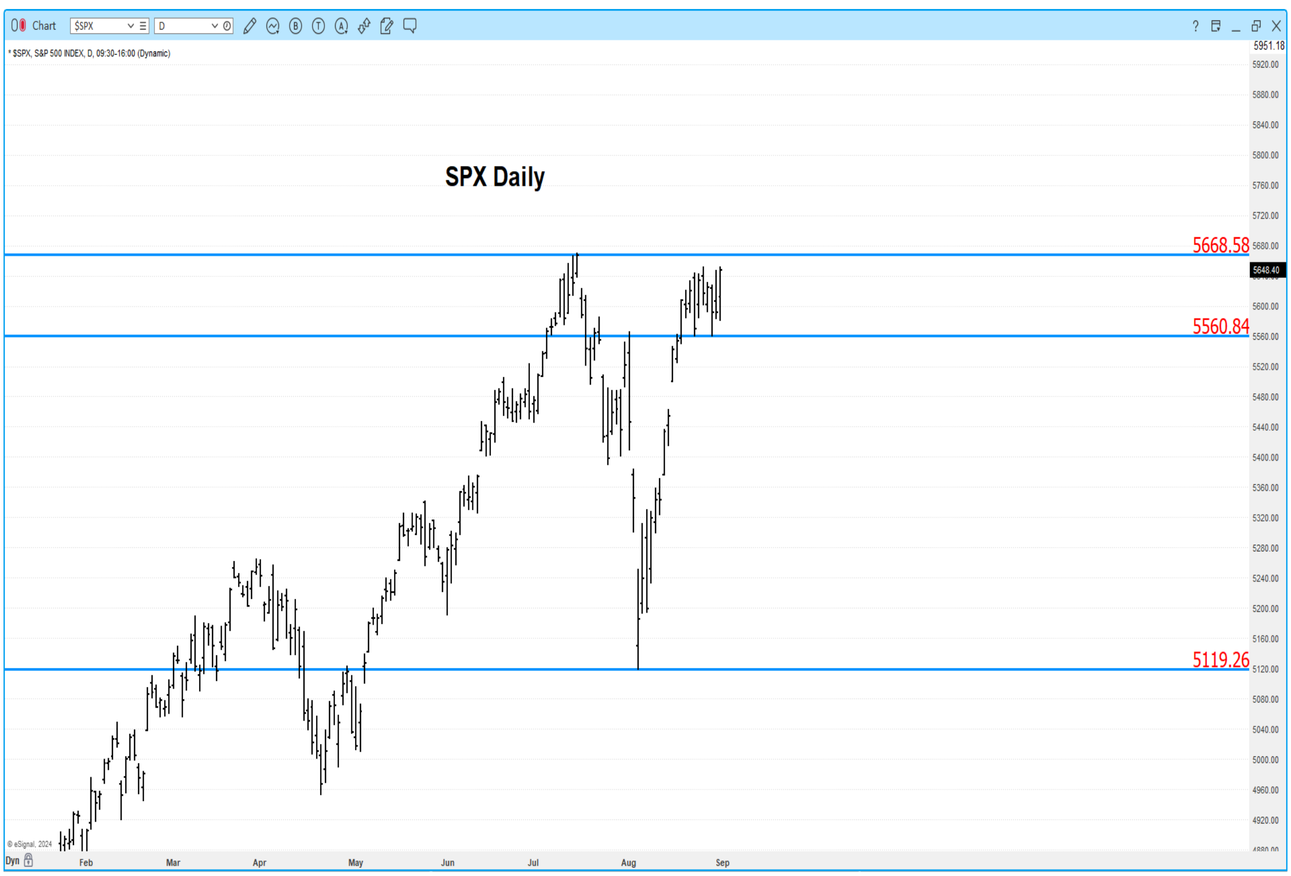
SPX Weekly

The SPX is poised to trade to new all-time print highs after making a weekly all-time closing high. If the early August low at 5119 marked a pivot low of similar degree to others in the bull run that began at last October's low 5882 could easily be seen prior to anything resembling a retracement of significance.

SPX

Upper KRA: 5668
Lower KRAs: 5560

A ten-day Balance area appears about to break to the upside. If it does, we'll take a look at the internals at that time. If it is "real", there should be a significant expansion in Breadth and ALL the indices should participate to the upside.



NDX

Upper KRA: 19939
Lower KRAs: 19240-19104

If the SPX is about to launch the NDX almost has to begin to play catch-up.

DOW

Upper KRA: ?
Lower KRA: 41145; 40842

RUT

Upper KRAs: 2237; 2299
Lower KRAs: 2180

New York Composite

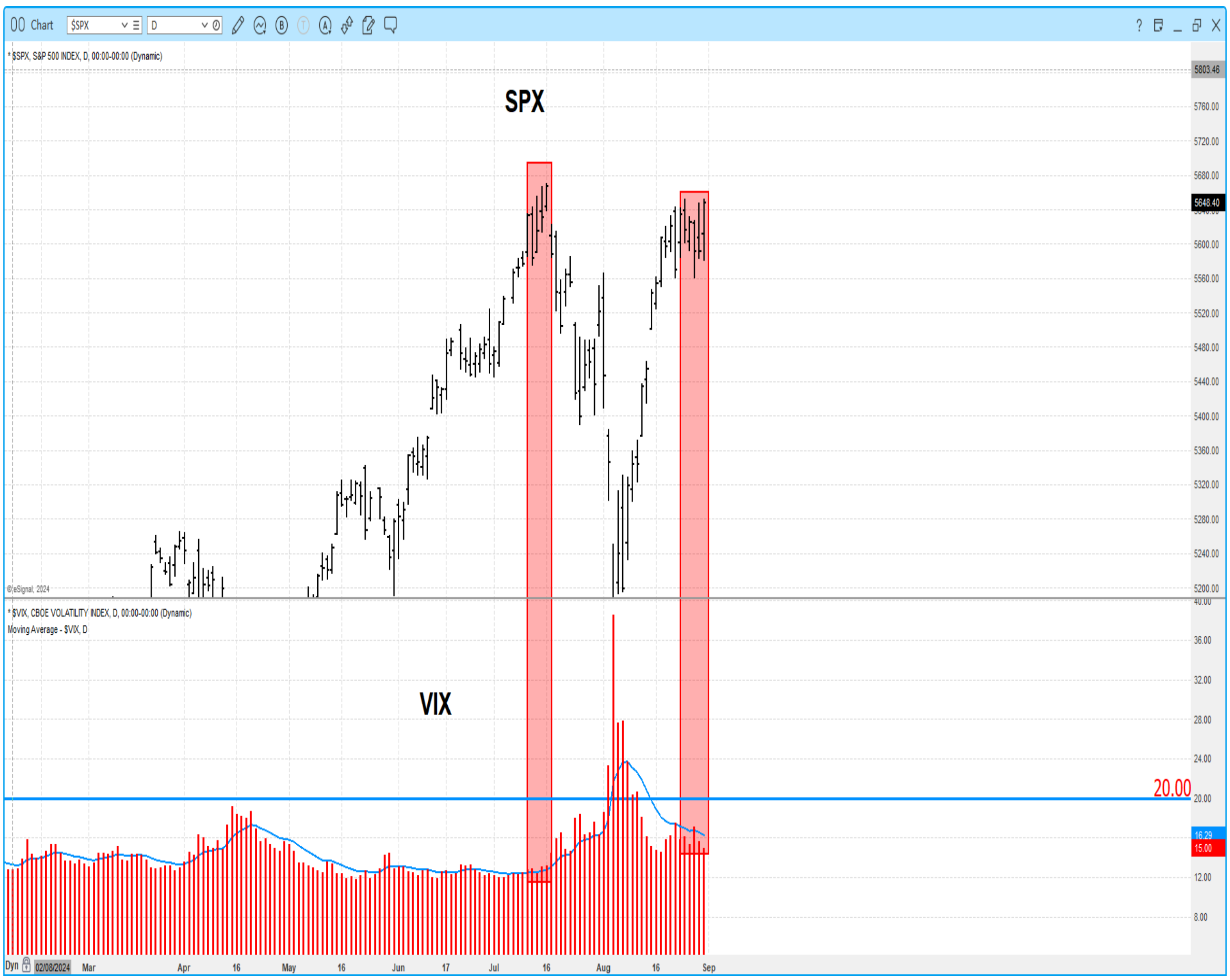
This is an index of every stock listed on the NYSE, so it is a broad composite view.

Upper KRA: ?
Lower KRA: 18977

NO CHANGE: I can't see the end of the bull market in stocks anytime soon with the broad NYA making new all-time highs.

Internals - VIX

VIX is still a bit elevated relative to back in mid-July when the SPX was trading at current levels. I'm not sure what this means but it bears watching. As I posited shortly after the huge volatility spike at the end of July, it could be that we will now see a higher floor in VIX as we head into the fall.



Internals - NYSE Data

Breadth will expand if a SPX is “real”. It it doesn’t we’ll likely see a false breakout and the Balance Area range will be retraced in short order.

US 10-yr. Notes

No change:

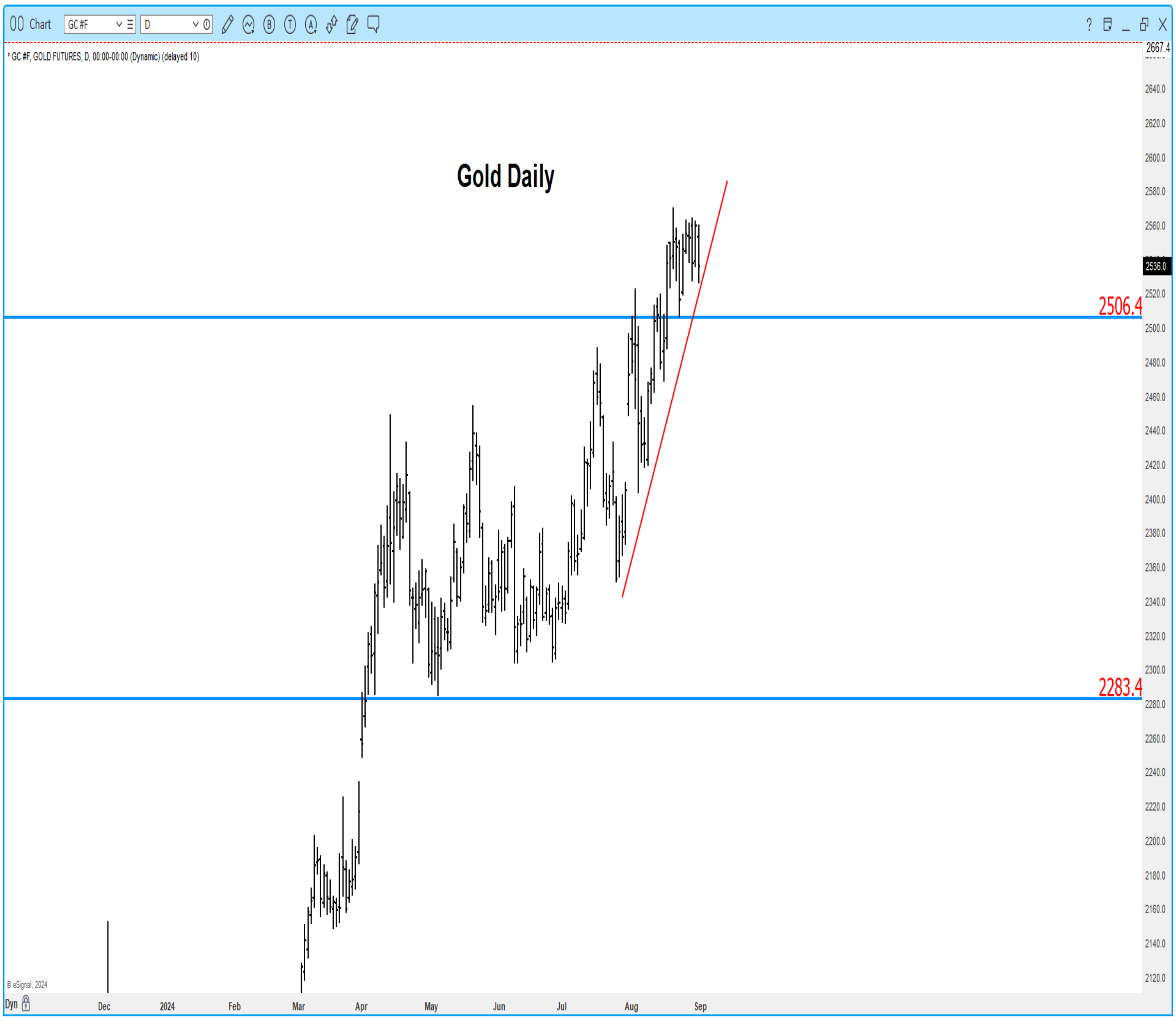
If Notes are going to test 116’16-117’03 they should not decline much more from current levels.

US Dollar

No change: Lower lows and highs. Favor shorts.

Gold

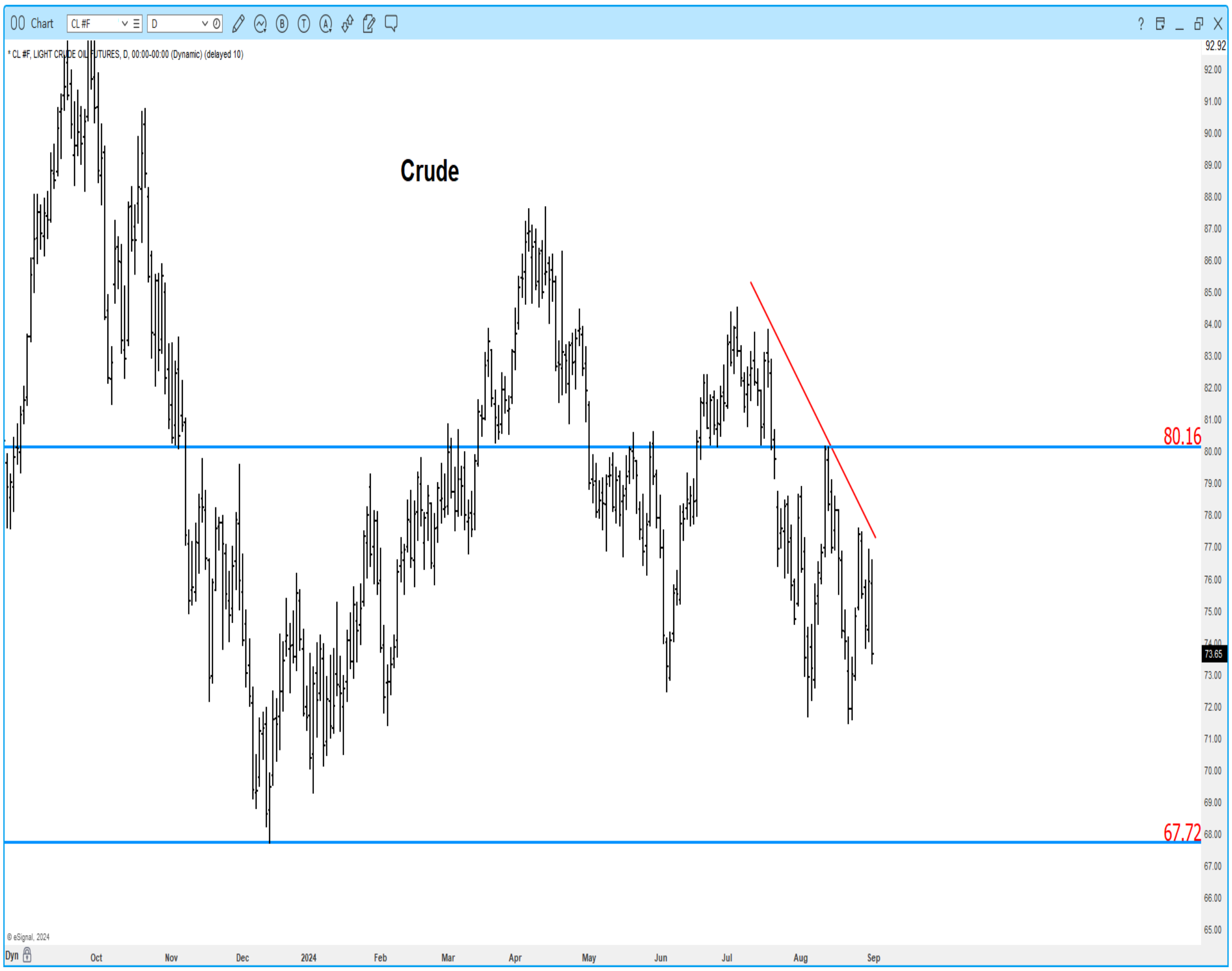
The advance in Gold has stair-stepped higher in very two-sided trade. The trend is up but patterns like this often lead to at least sharp short-term breaks.



Crude

No change:

Crude is making lower lows and highs. Favor shorts.



Bitcoin

A client has been emailing me about Bitcoin and suggesting it's "different". It's not.

Bitcoin trades in an Auction Market. There is nothing about Bitcoin that mandates it has different "rules" regarding Auction Market behavior.

NO CHANGE: Bitcoin has been making lower lows and highs. However, the area below 55,000 keeps being strongly rejected.The 8/15 low near 56218 is the immediate downside critical level for the bullish case.