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Weekend Report for Monday, October 21

Bottom Line:

From last week and still applies: *US indices continue to affirm the bull market. The SPX, DOW and NYA closed in new all-time highs. The other primary indices (NDX, RUT) are lagging, but they also are showing strength.*

There is no "resistance" above Friday's print highs in the SPX and DOW. Downside levels in the indices are all very well defined.

Higher highs and lows are being made in all the indices and in all time frames. If you want to trade against that, well, good luck.

The US is two weeks from an important election. So far, the US indices have avoided the volatility many have been expecting. But….don't fall asleep. VIX remains stubbornly elevated suggesting market participants are still nervous.

SPX

There is no “resistance” above current levels.

Upper KRA: ?
Lower KRAs: 5804

NDX

A close below 20030 before ATH in the NDX would be a cautionary event from a bullish perspective.

Upper KRA: 20691

Lower KRAs: 20030; 19625

DOW

Up and away. So far.

Upper KRA: ?
Lower KRAs: 42693; 41818

RUT

Upper KRA: 2301

Lower KRA: 2260

New York Composite

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

Upper KRA: ?
Lower KRAs: 19669; 19316

Internals - VIX

VIX dropped a bit last week but remains stubbornly elevated.

Internals - NYSE Data

No change to comments made last weekend: The 10-day 5-day MAs of NYSE advancing issues have begun to expand. There is a lot of upside room before they get to anything close to “extreme”. And no change to this comment from last weekend: *“New price highs will very likely lead to divergences in these two indicators, but we can’t read much into that - at least initially.”*

US 10-yr. Notes

No change: Notes experienced a dramatic break in their uptrend. There is no “graceful” trade at the moment.

US Dollar

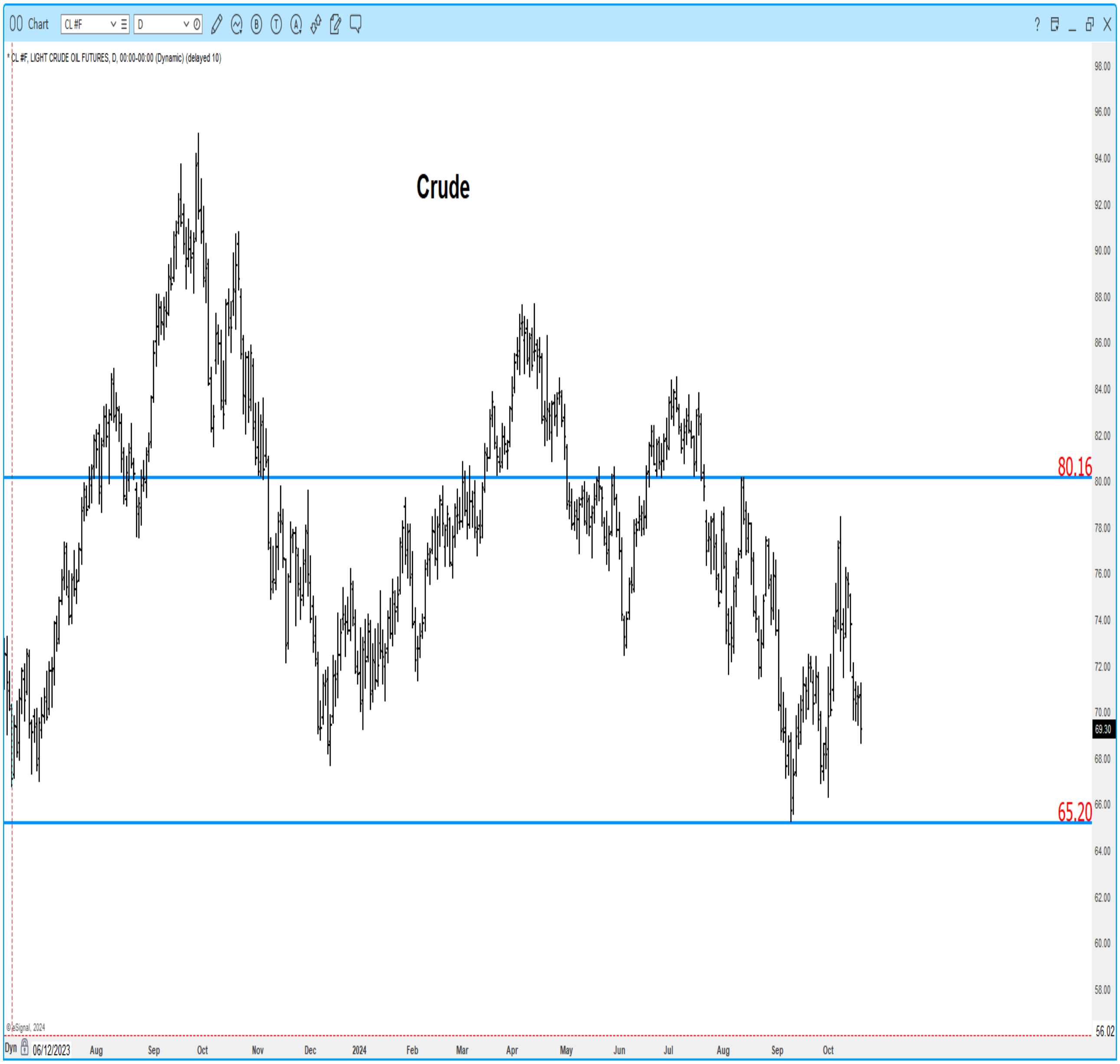
No change: The Dollar also saw a significant reversal. I'm letting the dust settle.

Gold

Gold continues to make higher highs and lows.

Crude

Crude is whippy between intermediate term levels.



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.

Bitcoin is approaching a MAJOR upper KRA. It continues to make higher highs and lows.