

Trading 101 John Godell

As of May 31, 2017

Big Picture Market Analysis;

Secular Bull or Bear?

Secular Bear Since Jan, 2000

Cyclical Bull or Bear?

Cyclical Bull Since May, 2009

Current Yield Curve:

Steep, Normal, Flat or Inverted?

Normal

This is good for the market

Estimated Future Value of the S&P:

Current 10 yr T-Note 2.21%

Est. 12 Mo. Future Earnings for the S&P 4.16%

5/31/17 Current Value S&P : 2412

Future Value S&P: 4596

Better to be in the market rather than bonds.

Dow Theory:

Dow Jones Industrials and Dow Jones Transportation

Highs on DJI not confirmed by the DJT in April or May, 2017.

Pointing to the beginning of a possible correction either in time (trading range) or depth (market corrects down)

Weekly Trend Description /Analysis:

5/31/17 Strong Uptrend Weakening

Market Condition:

Dropping (Choppy)

Market could be setting up a top for a new trading range?

Conclusion: The above analysis points to a correction at the present time in an continuing Cyclical Bull Market.

*This does not consider Political Considerations or Acts of God.