The All New Market Analysis

The Ord Oracle

Tim Ord, Editor | 16928 Van Dorn Street | Walton, Nebraska 68461
www.ord-oracle.com | (402) 413-0980. | tim@ord-oracle.com

SPX Monitoring purposes; Sold 10/18/21 at 4480.66= gain 2.68% ;Long SPX on 10/13/21 at 4363.80.
Monitoring purposes GOLD: Long GDX on 10/9/20 at 40.78.
Long Term SPX monitor purposes; Neutral
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Above is the daily SPY chart showing all the gaps going back to 9/20/21. Today marks five days up in a row on the SPY. History shows when the SPX is up five days in a row, the market will be higher within five days 84% of the time, so moment is up but extended short term. Today's also marks a third gap up within the last four trading days. In Japanese candlestick chart they call this a "Three Gap Play". A "Three Gap Play" suggests market can pull back to first gap before reversing higher again. Both 5 days up and "Three gap play" are short term bearish but intermediate term bullish. SPY is only a short distance away from the September high and may touch that level before a pull back begins. Intermediate term remains bullish but could see short term pull back before week is out. Sold long SPX on 20/18/21close for a gain of 2.68%. Join us on twitter. @OrdOracle

We updated this chart from yesterday; we said yesterday, "Here is an indicator that can warn that the short term high may not be far off. The second window down from the top is the VVIX/VIX ratio and its RSI in the top window. When the RSI for the VVIX/VIX ratio reaches above 70 the market can be near a stall area if not a short term high. The chart above goes back one year and the red vertical lines show when the RSI reached +70 which were 8 times. Of the eight times the RSI reached +70, the market at least stalled seven of those time which works out 87.5% of the time." SPX did push higher for the five days in a row and its rare for the market to be up six days in a row. It would seems a short term consolidation is due as the RSI is still greater 70 on the VVIX/VIX ratio. Join us on twitter. @OrdOracle

The top window is the weekly GLD (ETF for Gold) going back to mid 2010. The low in 2016 marked the Head of a smaller Head and Shoulders bottom. The Neckline of that Head and Shoulders bottom was broken in mid 2019 and rallied to a high in August of 2020. Since August of 2020 GLD looks to be forming a "Right Shoulder" of a bigger "Head and Shoulders" bottom (noted in blue lettering). Its common for the "Left Shoulder" to rhyme with the "Right Shoulder" in time and price and it looks as though it about time for the "Right Shoulder" to start moving higher to match the rhyme with the "Left Shoulder". The Neckline of the large "Head and Shoulders bottom" comes in near 200 which are where a "Sign of Strength" should develop as that is what is needed to break the Neckline. This potential "Head and Shoulders bottom" pattern has an upside target to 400 (distance from Head to Neckline and add that to the Neckline which equal near 400). It would appear the waiting for this large pattern to play out will be worth the time. **www.ord-oracle.com**. **New Book release "The Secret Science of Price and Volume" by Timothy Ord, buy www.Amazon.com.**