

THE CHARTIST

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Celebrating 48 Years

**Published
Since 1969**

THE CHARTIST ACTUAL CASH ACCOUNT

STATUS AS OF 3/29/18

ACCESS CODE
CURRENT **5245**

STOCK	STOCK SYMBOL	NO. OF SHARES	PURCHASE DATE	PURCHASE PRICE	CURRENT PRICE	GAIN (LOSS)	PERCENT CHANGED
ALLSTATE CORPORATION	ALL	52	9/7/2012	38.51	94.80	2,927	146.2
AMAZON COM INC	AMZN	8	9/7/2012	256.77	1447.34	9,525	463.7
COMCAST CORP NEW CL A	CMCSA	116	9/7/2012	17.28	34.17	1,959	97.7
DISCOVER FINANCIAL SV	DFS	53	9/7/2012	38.5	71.93	1,772	86.8
D R HORTON CO	DHI	101	9/7/2012	19.96	43.84	2,412	119.6
SPDR DOW JONES	DIA	1487	6/3/2016	177.98	241.40	94,306	35.6
DISNEY WALT CO	DIS	39	9/7/2012	51.92	100.44	1,892	93.5
EBAY INC	EBAY	41	9/7/2012	19.28	40.24	859	108.7
EQUINIX INC NEW	EQIX	10	9/7/2012	201.22	418.14	2,169	107.8
21ST CENTURY FOX	FOXA	84	9/7/2012	21.71	36.69	1,258	69.0
HOME DEPOT INC	HD	36	9/7/2012	57.44	178.24	4,349	210.3
ISHARES RUSSELL 2000	IWM	1508	6/3/2016	116.47	151.85	53,353	30.4
LENNAR CORP CL A	LEN	60	9/7/2012	33.48	58.94	1,528	76.0
SPDR S&P MIDCAP 400	MDY	641	6/3/2016	274.43	341.73	43,139	24.5
PULTEGROUP INC	PHM	135	9/7/2012	14.73	29.49	1,993	100.2
PAYPAL	PYPL	41	9/7/2012	29.81	75.87	1,888	154.5
SHERWIN WILLIAMS CO	SHW	14	9/7/2012	144.09	392.12	3,472	172.1
SPDR S&P 500	SPY	1254	6/3/2016	210.32	263.43	66,600	25.3
SUNTRUST BANKS INC	STI	75	9/7/2012	27.62	68.04	3,032	146.3
T J X COS INC	TJX	44	9/7/2012	45.98	81.56	1,566	77.4

CURRENT STOCK VALUE \$1,209,778.00
TOTAL COST \$910,162.00

MONEY MARKET FUNDS \$82,807.00
TOTAL PROFITS \$299,615.00

Above are all the open positions in the Chartist long-term managed account. On each and every trade, actual cash is deployed. Copies of the complete Track Record are available upon request. Whenever the Chartist makes recommendations concerning this account, they are placed on our Hotline at approximately 3:00 PM West Coast Time. The Actual Cash Account is NOT hypothetical. It is the personal account of Dan Sullivan. We do not act on behalf of ourselves or the Actual Cash Account until the day after our hotline is activated, this gives everyone ample time to accept or reject the advice placed on the Hotline. The Chartist does have discretionary managed accounts who may buy or sell the same securities listed in our publication before or after they are recommended on our newsletter or hotlines. The performance results of the Actual Cash Account are presented gross of advisory fees. Officers, employees, affiliates and clients of The Chartist, Inc. may have positions in securities and may make additional purchases or sales.

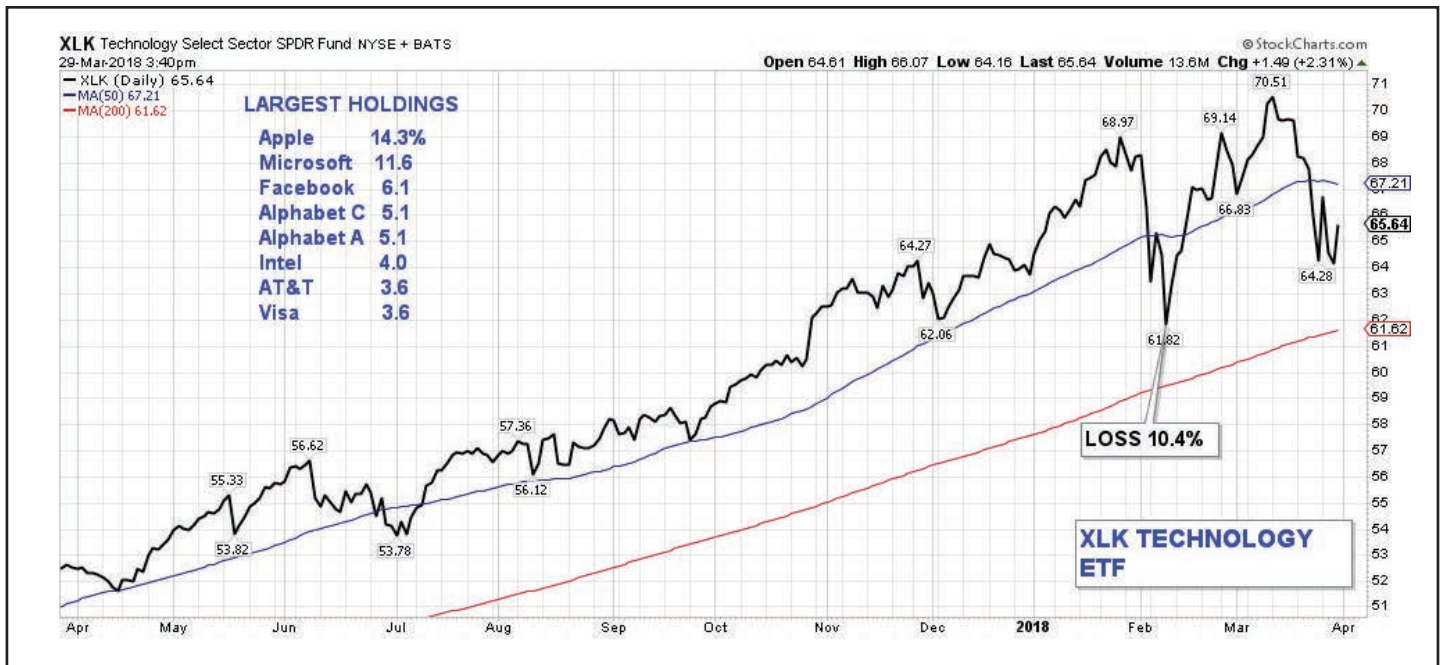
www.thechartist.com

Double Bottom?

Technology, which makes up a quarter of the S&P 500 has been pulling down the overall market. Since recording record highs on March 12th, the tech-laden Nasdaq has finished lower in 10 out of the last 14 trading sessions. Among the Fang Stocks, Facebook which is 17% off of its highs, has been the hardest hit followed by Google running a close second.

Many analysts now feel that the bull market is in jeopardy given the breakdown in technology, which had been the clear cut leader for some time. However, there have been other occasions in this bull market in which technology has faltered only to come roaring back. One of the best ways to measure technology performance is the XLK Technology ETF, which is currently 7.5% off of its highs. As you can see by the chart on page 2, it is still comfortably above its uptrending 200 day moving average as well as its February lows.

There have been other occasions in this bull market that it has come under similar selling pressure. One of the most notable was when it fell 13% between 12/4/15 – 2/9/16, dropping substantially below its



200 day line while the Nasdaq lost 17% over the same period. There was a similar selloff in tech in the summer of 2015, and again to a milder degree in late 2014. In the summer of 2011 the XLK was pummeled with a 16% loss in only 18 trading sessions while the Nasdaq fell 17%. The fact of the matter is that Tech shares have sold off so many times in this bull market that it has become almost a normal occurrence.

Since March of 2016 through its most recent highs the XLK and the Nasdaq Composite had posted gains of 80% and 75% respectively, well ahead of the S&P 500, which gained 50% over the same period. The selloff in technology should not be all that alarming considering the magnitude of the previous gains. What makes this selloff so different is that it is coming after a lengthy period of low volatility.

The S&P 500 only had six days in which it gained or lost 1% or more in 2017. Thus far in 2018, there have already been 18 1% (plus or minus) days and they have all come since the beginning of February. Since the January peak, there have been four succinct moves on the part of the benchmark S&P 500: -10%, +7.7%, -3.2%, +3.9%, and -6.4%. As we go to press, another rally appears to be getting underway. This comes after going all of last year without a pullback in excess of 3%.

As you can see by the chart on page 3, the S&P 500 has successfully retested support as well as bouncing off its 200 day line. The selloff leading to the test was not as excessive as the initial drop off of the January highs. We are also encouraged by the chart pattern of the Nasdaq that managed to record a higher high after the first selloff and a higher low remaining comfortably above the 200 day moving average.

Another favorable sign has been the contraction of new lows. On the early February selloff, which resulted in the first successful test of the 200 day moving averages of the S&P 500 as well as the Dow, new lows reached 479. At the recent bottom on March 23rd, with our overbought/oversold indicator heavily oversold at -3.42, there were 215 new lows. On top of this, the VIX closed at 3346 at the February 8th lows versus 2487 at the most recent lows on March 23rd. Again, we are encouraged but it's still early. In the meantime, our models are positive which dictates being close to fully invested.

Question: On your hotline you seem to be mentioning the Chartist Overbought/Oversold indicator on a regular basis. Could you explain it in more detail and also provide some historical data?



The Chartist Overbought/Oversold indicator is the 19-day exponential moving average of the Value Line Geometric. We use this index because it tracks over 1,700 stocks and represents roughly 90% of the entire market. Whenever the Value Line Geometric falls 3% or more under its 19-day exponential moving average, it reflects a heavily oversold condition on an intermediate basis. Conversely, a reading of +3.00 or greater suggests an overbought market. A reading of -3% has often caught the exact bottom of the selloff that was in effect at the time.

While a reading of -3.00 weights the odds in favor of a rally, there is no guarantee that the market cannot fall to more extreme oversold levels. We have used this indicator for decades and have personally found it to be more helpful than the RSI especially in oversold markets.

Question: Could you comment on the Fed's current status and future plans for QE bonds they are holding?

You raise an excellent point, particularly since all of the chatter is about the FOMC raising the

Federal Funds rate, and rarely is there mention of the Fed normalizing their tremendous hoard of treasury securities and agency debt along with mortgage backed securities. We think it is no secret that the Fed saved the day so to speak when they launched their plan to save the financial industry during the recent financial bubble. They did so by forcing the short term interest rates to '0' and below and bailing out the underwater financial intuitions with massive amounts of capital. In the process they ballooned their balance sheet from \$869 billion in August 2007 to \$4.484 trillion by 4/12/2017. (source Federal Reserve FRED). This feat was accomplished by literally printing money out of thin air.

The Fed was obviously aware of the need to 'normalize' this position and indicated their intentions after its September 2014 FOMC meeting. They indicated that the two components of the plan were to gradually raise the federal funds rates to more normal levels and gradually reducing the Federal Reserve's security holdings. In the December 15, 2015 meeting they decided it was prudent to raise the target range for the Federal funds rate for the first time since December 2008 based upon a stronger economy.

Following its June 2017 FOMC meeting they announced plans to implement the second goal to gradually reduce their securities holdings over time. Like the increase in the federal funds rate they decided to move cautiously in its implementation. The plan was to gradually reduce their security holdings by ceasing to reinvest repayments of principal on securities held on their balance sheet. This would have the effect of reducing the liquidity in the overall financial system. Their initial plan would be to cap the principal repayments from Treasury securities to \$6 billion per month initially and increase in steps of \$6 billion at three-month intervals until it reaches \$30 billion per month. For payments of principal from its holding of agency debt and mortgage backed securities, the cap will be \$4 billion per month initially and will increase in steps of \$4 billion at three month intervals over twelve months until it reaches \$20 billion per month. If our calculations are correct the combination of the two sources would reflect a \$50 billion drain in these securities per month starting in September 2018.

DAN'S AGGRESSIVE ACCOUNT

STATUS AS OF 3/29/18

STOCK	STOCK SYMBOL	NO. OF SHARES	PURCHASE DATE	PURCHASE PRICE	AMOUNT INVESTED	CURRENT PRICE	CURRENT VALUE	GAIN (LOSS)	PERCENT CHANGED
ABBVIE	ABBV	188	01/02/13	34.12	6,442	94.65	17,794	11,352	177.4
ABBOTT LABORATORIES	ABT	188	08/13/12	31.75	5,941	59.92	11,265	5,324	88.7
ALLSTATE CORPORATION	ALL	633	08/13/12	37.98	24,044	94.80	60,008	35,964	149.6
AMGEN INCORPORATED	AMGN	150	08/13/12	82.38	12,357	170.48	25,572	13,215	106.9
CBS CORPORATION	CBS	348	08/13/12	35.51	12,359	51.39	17,884	5,525	44.7
COMCAST CORP NEW CL A	CMCSA	1,398	08/13/12	17.28	24,153	34.17	47,770	23,617	97.7
DISCOVER FINANCIAL SVCS	DFS	651	08/13/12	36.76	23,933	71.93	46,826	22,893	95.7
D R HORTON CO	DHI	597	09/07/12	19.95	11,910	43.84	26,172	14,262	119.7
SPDR DOW JONES	DIA	7,224	06/03/16	177.98	1,285,736	241.40	1,743,874	458,137	35.6
DISNEY WALT CO	DIS	480	08/13/12	49.54	23,777	100.44	48,211	24,434	102.7
EBAY INC	EBAY	526	08/13/12	17.31	9,104	40.24	21,166	12,062	132.5
EQUINIX INC NEW	EQIX	133	08/13/12	183.57	24,415	418.14	55,613	31,198	127.8
21ST CENTURY FOX	FOXA	1,028	08/13/12	20.67	21,249	36.69	37,717	16,469	77.5
HOME DEPOT INC	HD	210	09/07/12	57.41	12,056	178.24	37,430	25,374	210.5
ISHARES RUSSELL 2000	IWM	6,594	06/03/16	116.47	768,012	151.85	1,001,299	233,287	30.4
LENNAR CORP CL A	LEN	749	08/13/12	30.72	23,394	58.94	44,146	20,752	91.9
SPDR S&P MIDCAP 400	MDY	3,740	06/03/16	274.43	1,026,377	341.73	1,278,070	251,693	24.5
ALTRIA GROUP INC	MO	355	08/13/12	34.91	12,394	62.32	22,124	9,729	78.5
PULTEGROUP INC	PHM	1,790	08/13/12	12.52	22,413	29.49	52,787	30,374	135.5
PHILIP MORRIS INTL INC	PM	135	08/13/12	91.99	12,419	99.40	13,419	1,000	8.1
PAYPAL	PYPL	526	08/13/12	26.77	14,079	75.87	39,908	25,829	183.4
POWER SHARES	QQQ	6,951	06/03/16	110.37	767,189	160.13	1,113,064	345,875	45.1
SHERWIN WILLIAMS CO	SHW	171	08/13/12	141.01	24,112	392.12	67,053	42,941	178.1
SPDR S&P 500	SPY	6,094	06/03/16	210.32	1,281,699	263.43	1,605,342	323,643	25.3
SUNTRUST BANKS INC	STI	442	09/07/12	27.60	12,201	68.04	30,074	17,873	146.5
A T & T INC NEW	T	331	08/13/12	37.39	12,377	35.65	11,800	-577	-4.7
T J X COS INC	TJX	539	08/13/12	44.40	23,934	81.56	43,961	20,027	83.7
VISA INC CL A	V	385	08/13/12	32.17	12,389	119.62	46,054	33,665	271.8
					5,510,465		7,566,403	2,055,937	37.3%

BEGINNING VALUE 10/09/07 \$5,000,000
MARGIN BALANCE \$0
TOTAL PROFITS \$3,056,330

MONEY MARKET FUNDS \$489,928
NET CURRENT VALUE \$8,056,330
% RETURN 61.13%

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The FOMC also cautions that if economic conditions were to deteriorate it would not hesitate to lower the funds rate and start reinvesting principal payments. There are many who hold the view that the last financial bubble was caused by ultra-loose financial controls which put excess liquidity into the world's financial system. Liquidity is the blood of the world's financial veins. When there are more buyers than sellers with excess liquidity, bull markets result. As bull markets grow, participants sentiments shift into

high gear and bubbles have a habit of forming. Liquidity is the driver. It would seem that with the Fed reigning in liquidity, market headwinds could be fast approaching. A \$50 billion per month reduction in bank reserves by the Fed could cause the financial system to alter their plans significantly. The Fed securities, you see, are held by the major banking entities (primary dealers). If the Fed reduces these reserves the banks have to replace them somehow by taking them from the mainstream. Reducing liquidity and raising interest

TRADER'S PORTFOLIO

STOCK	SYMBOL	PURCHASE DATE	PURCHASE PRICE	CURRENT PRICE	PERCENT PROFIT	MENTAL STOP
ADOBE SYSTEMS	ADBE	06/02/17	142.12	216.08	52.04	191.95 ★
AMAZON	AMZN	06/03/16	727.00	1447.34	99.08	1,344.01 ★
ACTIVISION BLIZZARD	ATVI	06/02/17	59.65	67.46	13.09	60.96
BOEING	BA	12/01/17	277.51	327.88	18.15	293.01
BEST BUY	BBY	06/02/17	60.30	69.99	16.07	65.01
BERKSHIRE HATHAWAY CL B	BRKB	04/23/14	127.49	199.48	56.47	172.61
CATERPILLAR	CAT	12/01/17	141.70	147.38	4.01	139.19
CSX CORPORATION	CSX	02/15/17	46.99	55.71	18.56	47.99
FACEBOOK	FB	06/02/17	STOPPED OUT NET LOSS -0.26%			
INTUITIVE SURGICAL	ISRG	12/01/17	398.60	412.83	3.57	375.01
ISHARES ETF RUSSELL 1000	IWD	12/01/16	110.29	119.96	8.77	112.39
LAM RESEARCH	LRCX	02/27/18	198.15	203.16	2.53	188.12 ★
MCDONALDS	MCD	11/04/15	112.19	158.47	41.25	148.04
MORGAN STANLEY	MS	12/01/16	41.76	53.96	29.21	48.10
MICRON TECHNOLOGY	MU	09/29/16	17.45	52.14	198.80	48.72 ★
SERVICENOW	NOW	02/27/18	161.27	165.45	2.59	147.80 ★
SCHWAB ETF US MIDCAP	SCHM	12/01/16	44.94	52.88	17.67	49.78 ★
CHARLES SCHWAB	SCHW	12/01/16	39.11	52.22	33.52	46.25
SHOPIFY	SHOP	02/27/18	STOPPED OUT NET LOSS -7.01%			
SQUARE	SQ	02/27/18	46.56	49.20	5.67	48.55 ★
STATE STREET	STT	09/29/16	69.75	99.73	42.98	95.22
UNITED HEALTH GROUP	UNH	12/01/17	229.14	219.87	-4.05	202.70
UNITED RENTALS	URI	12/01/17	159.39	172.73	8.37	152.99
VISA	V	06/02/17	95.41	119.62	25.37	102.75
VALE SA ADR	VALE	02/27/18	STOPPED OUT NET LOSS -16.95%			
VANGUARD ETF VALUE INDEX	VTI	12/01/16	91.49	103.18	12.78	96.02
WASTE CONNECTIONS	WCN	06/02/17	64.97	71.74	10.42	63.14
SPDRS SELECT SECTOR TECHNOLOGY	XLK	08/19/14	39.77	65.42	64.50	56.67

The above recommendations are for short- or intermediate-term Traders. Mental Stops are deployed on all recommendations. When a stock drops below its mental stop and stays under on a closing basis, it should be sold the next day. ★ = Raise Mental Stops * = Adjusted For Split

rates are twin daggers in the bullish case.

So where do we stand today on the Fed reducing their holdings today? The latest FRED report is dated March 14, 2018. From the high-water mark on April 12, 2017 to its low read this past February 28, 2018 the balance sheet shows a reduction of \$91 billion. The biggest part of the decrease just occurred between February 14 and February 28 when \$41 billion disappeared. There is no explanation for this large of a reduction in such a short period of time. Just previous to this period the stock market took a large nosedive. From January 26, 2018 to February 8, 2018 (nine market days) the S&P 500 coughed up 10.1%. Perhaps there is some linkage between the two events, time will tell.

The initial plan was to retire a total of \$10 billion a month starting in October and gradually increasing the total every three months until they reach \$50 billion per month starting this coming September. In the meantime the Fed's plan to increase the Fed Funds rate gradually started December 16, 2015 after a 7 year experiment with near zero interest rates. We just had the 6th increase of the series on March 21st to 1.75%. The Fed is now expecting to raise the rates possibly three more times this year and three times next year. The increases according to the Fed are based on the fact the economy is improving, unemployment is a very low 4.1%, and inflation is running below their long term target of 2%.

The open question is how long it will take before

the tightening takes effect. Milton Friedman esteemed economist and 1976 Nobel prizewinner in economics said, “monetary actions affect economic conditions only after a lag that is both long and variable”. Because of this lag and variability, tightening is a poor market timing indicator. As our Federal Open Market committee has reiterated at the conclusion of their formal meetings, their decisions on future rate actions will be driven by the data that emerges in the coming months and years in the economy

SELECTED QUOTE

Sam Stovall Interview, Harlan Levy,
HLevy@JournalInquirer.com

Do you think the stock market is fairly valued? The S&P 500 right now is fairly valued, and we have a 12-month price target of 3,000. We think share prices will be propelled by an 18.5 percent increase in S&P 500 profits this year -- that's big -- versus the 11.5 percent gain anticipated for 2018 at the end of 2017.

Also, we expect 10.5 percent earnings growth for 2019. In addition, we don't see inflation wreaking havoc on investor confidence. Specifically, we forecast core CPI to be up 2.3 percent by the end of this year, which we believe will still be supportive of U.S. economic growth.

Where do you think the stock market is heading as the longest bull market since World War II? We still think the S&P 500 will be higher by year-end. However, it will not be a tranquil ride, as we experienced last year.

Case in point, in 2017 the S&P 500 experienced only eight days in which it rose or fell by 1 percent or more. Year-to-date through March 22 we had 19 such days, which would imply annualized figure of 76-plus days.

So, we think that share prices will be higher, but investors should fasten their safety belts.

Do you expect good things for the next year and

beyond? We're in an improving global economic environment. We see the American and global economies doing well in 2018. We project Real GDP growth to be up 3.0 percent this year versus 2.3 percent in 2017, whereas globally we see 4.1 percent for this year versus 3.7 percent last year. And, despite the gradual and transparent Fed funds rate increases, interest rates still remain stimulative, as they are below the rate of inflation and about half the level that they traditionally have been over time. By that I mean that the Fed funds rate averaged 1.3 percentage points above the year-on-year percent change in core CPI. If that relationship were in force today, the Fed funds would be around 3.1 percent, not half that level.

Will there come a time when the Fed raises interest rates too much? The Fed raised rates for the sixth time in this rate-tightening cycle, which is actually equal to the average number of moves in rate-tightening cycles since World War II. We've only seen 1.5 percentage-point increases in interest rates versus the 2.2 percent average increase during rate-tightening cycles since World War II. This time around the Fed has been less aggressive than it normally has been.

In addition, while investors are well-aware that the S&P 500 gained an average of 1.3 percent in the six months after the first rate hike and 5.1 percent 12 months after, they might not be aware of the average 10.3 percent gain during all full rate-tightening cycles. In other words, the market tends to hold up very well in the face of higher short-term yields.

But obviously, there had been times when the market slipped into the red following rate increases, but that is when they resulted in an inverted yield curve, or in which the yield on the 2-year note was higher than the yield on the 10-year.

By this time next year we still see the yield curve being positively sloped, and we expect the 10-year yield to average 3.1 percent in the first quarter of next year. ■

RELATIVE STRENGTH RATINGS

	Name	Symbol	Last Price	Trailing P/E	Trailing Annual Div Yield	Market Cap	EPS Est. Next Year	Price/Sales	200 DMA Chg %	50 DMA Chg %
•1	NVIDIA CORPORATION Operates as a visual computing company.	NVDA	231.59	48.05	0.26%	140.11B	7.26	14.42	9.18%	-3.62%
•2	MICRON TECHNOLOGY, INC. Provides semiconductor systems worldwide.	MU	52.14	8.15	-	60.29B	8.87	2.6	17.65%	2.34%
•3	SQUARE, INC. Develops and provides payment processing, point-of-sale (POS), financial, and marketing services worldwide.	SQ	49.2	-	-	19.50B	0.76	8.81	23.90%	1.57%
•4	ADOBE SYSTEMS INCORPORATED Operates as a diversified software company worldwide.	ADBE	216.08	57.64	-	106.60B	7.32	13.85	17.88%	2.66%
•5	AMAZON.COM, INC. Operates as an online retailer in North America and internationally.	AMZN	1,447.34	235.34	-	700.67B	15.39	3.94	17.73%	-3.79%
•6	ARISTA NETWORKS, INC. Supplies cloud networking solutions.	ANET	255.3	47.73	-	18.86B	8.23	11.46	8.69%	-7.28%
•7	FIAT CHRYSLER AUTOMOBILES N.V. Designs, engineers, manufactures, distributes, and sells vehicles, components, and production systems.	FCAU	20.52	7.45	-	31.66B	4.18	0.22	5.64%	-3.64%
•8	APPLIED MATERIALS, INC. Provides manufacturing equipment, services, and software to the semiconductor, display, solar photovoltaic (PV), and related industries worldwide.	AMAT	55.61	20.94	0.74%	58.43B	4.63	3.78	2.77%	-1.55%
•9	VISA INC. Operates an open-loop payments network worldwide.	V	119.62	39.74	0.63%	269.97B	5.19	14.39	4.44%	-1.31%
•10	ACTIVISION BLIZZARD, INC. Develops and publishes online, personal computer (PC), video game console, handheld, mobile, and tablet games.	ATVI	67.46	187.39	0.52%	51.18B	3	7.29	1.34%	-5.65%
•11	LAM RESEARCH CORPORATION Designs, manufactures, markets, refurbishes, and services semiconductor processing systems.	LRCX	203.16	22.31	0.94%	33.11B	16.32	3.46	4.30%	1.54%
•12	THE HOME DEPOT, INC. Operates as a home improvement retailer.	HD	178.24	24.45	2.12%	208.14B	10.19	2.06	0.23%	-1.59%
•13	THE BOEING COMPANY Designs, develops, manufactures, sells, services, and supports commercial jetliners, military aircraft, satellites, missile defense, human space flight, and launch systems.	BA	327.88	24.41	1.77%	192.54B	16.71	2.06	10.10%	-4.37%
•14	SVB FINANCIAL GROUP A diversified financial services company, provides various banking and financial products and services.	SIVB	240.01	26.09	-	12.69B	16.16	6.73	6.34%	-4.81%
•15	BEST BUY CO., INC. Operates as a retailer of technology products, services, and solutions.	BBY	69.99	21.45	2.14%	20.46B	5.35	0.49	8.75%	-1.77%
•16	WASTE CONNECTIONS, INC. Provides solid waste collection, transfer, disposal, and recycling services primarily in the United States.	WCN	71.74	32.91	0.70%	18.92B	2.77	4.08	1.93%	0.74%
•17	SERVICENOW, INC. Provides enterprise cloud computing solutions that define, structure, manage, and automate services for enterprises worldwide.	NOW	165.45	-	-	28.90B	2.98	14.95	21.35%	1.63%
•18	UNITED RENTALS, INC. Operates as an equipment rental company.	URI	172.73	10.98	-	14.58B	16.32	2.2	7.30%	-2.54%

Name	Symbol	Last Price	Trailing P/E	Trailing Annual Div Yield	Market Cap	EPS Est. Next Year	Price/Sales	200 DMA Chg %	50 DMA Chg %
•19 STMICROELECTRONICS N.V. Designs, develops, manufactures, and markets semiconductor products, and subsystems and modules worldwide.	STM	22.29	25.04	1.08%	18.53B	1.48	2.36	-0.18%	-3.38%
•20 WEIBO CORPORATION Operates as a social media platform for people to create, distribute, and discover Chinese-language content.	WB	119.54	76.63	-	26.44B	4.02	22.99	4.99%	-8.05%
•21 TERADYNE, INC. Designs, develops, manufactures, sells, and supports automatic test equipment worldwide.	TER	45.71	35.71	0.62%	8.93B	3.05	4.18	7.19%	-0.21%
•22 MARRIOTT INTERNATIONAL, INC. Operates, franchises, and licenses hotel, residential, and timeshare properties worldwide.	MAR	135.98	37.67	0.96%	48.53B	6.2	9.46	5.68%	-2.48%
•23 MERCADOLIBRE, INC. hosts online commerce platforms in Latin America.	MELI	356.39	1,149.65	0.18%	15.74B	4.09	11.26	13.88%	-5.13%
•24 THE CHARLES SCHWAB CORP Provides wealth management, securities brokerage, banking, asset management, custody, and financial advisory services.	SCHW	52.22	32.43	0.63%	70.31B	2.85	8.16	5.97%	-2.33%
•25 WYNN RESORTS, LIMITED Owns, and operates destination casino resorts.	WYNN	182.36	25.05	1.14%	18.79B	9.22	2.98	13.09%	5.40%
•26 THE PROGRESSIVE CORPORATION Provides personal and commercial auto insurance, residential property insurance, and other specialty property-casualty insurance.	PGR	60.93	22.4	1.86%	35.49B	3.85	1.32	13.78%	4.57%

Stocks which are added to the Relative Strength Ratings are not buy recommendations. Conversely, stocks that are deleted from the ratings are not sell recommendations. Basically, the ratings can be thought of as our watchlist. The Relative Strength Ratings represent our way of tracking high relative strength stocks. By high relative strength, we are referring to stocks that are significantly stronger than the overall market, as of the day of publication of the newsletter. These are the stocks we are currently monitoring and are potential buy candidates.

ADDITIONS	DELETIONS
MARRIOTT INTL (MAR) WYNN RESORTS (WYNN) THE PROGRESSIVE CORP (PGR)	FACEBOOK (FB) BANK OF AMERICA (BAC) SHOPIFY (SHOP)

SYM=Stock's ticker tape symbol. EXCH=Exchange the stock is traded on (A=AMEX) (N=NYSE) (O=NASDAQ). LAST=Closing price as of publication date. P/E Ratio=Current stock price divided by trailing annual earnings per share. YIELD=Current yield based upon the current price and the total dividends over the past 12 months. MKT CAP=calculated by multiplying the Last Trade by the current number of shares outstanding. EPS EST (CURRENT YEAR)=The estimated annual earnings for the current fiscal year. EPS EST (NEXT YEAR)=The estimated annual earnings for the next fiscal year. PCT FROM 200d MA=% above/below 200 day moving average. PCT FROM 50d MA=% above/below 50 day moving average.

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