



SEASONALITY TRENDS

eResearch Corporation is pleased to provide a graphic (next page) showing the seasonality trends of market indexes, sectors, and sub-sectors. This chart was compiled from data provided on the website of **Equity Clock**. Each morning, eResearch posts a report on its website that has links to that day's **Equity Clock** report as well as that of its sister publication, **Tech Talk**. eResearch strongly recommends that investors visit the respective websites, which feature the work of Don and Jon Vialoux. www.equityclock.com and <http://www.timingthemarket.ca/techtalk/>.

Seasonality: The following information regarding seasonality has been taken from the **Equity Clock** website:

Seasonality refers to particular time frames when stocks/sectors/indices are subjected to and influenced by recurring tendencies that produce patterns that are apparent in the investment valuation. Tendencies can range from weather events (temperature in winter vs. summer, probability of inclement conditions, etc.) to calendar events (quarterly reporting expectations, announcements, etc.). The key is that the tendency is recurring and provides a sustainable probability of performing in a manner consistent to previous results.

A seasonality study preferably uses at least 10 years of data. Most of our studies use 10-20 years of data; however, data may not always be available for periods greater than 10 years in length. Studies using less than ten years of data can be used, but they tend to be less reliable. Results of shorter-term studies have a higher chance of being skewed by a single data point.

The chart on the next page shows the periods of seasonal strength for each market segment. Each bar will indicate a buy and sell date based upon the optimal holding period for each market sector/index.

COMMENT: *This chart was first posted on the eResearch website on May 5, 2016. As it is a useful investing tool on an on-going basis, we will post it at the beginning of every month.*

SECTORS IN FAVOUR IN FEBRUARY (4 ending this month, 2 next month):

Added this month: DJ Transports, and Oil (Seasonality charts provided below)

Deleted this month: NASDAQ, Technology, Biotechs, and Silver

S&P/TSX Composite	From: October 28	-	Until: June 5
S&P 500 Index	From: October 28	-	Until: May 5
NASDAQ	From: October 9	-	Until: February 15
Russell 2000	From: November 23	-	Until: March 4
DJ Transports	From: February 3	-	Until: April 16
U.S. Dollar Index	From: January 1	-	Until: March 31
Energy	From: January 21	-	Until: May 9

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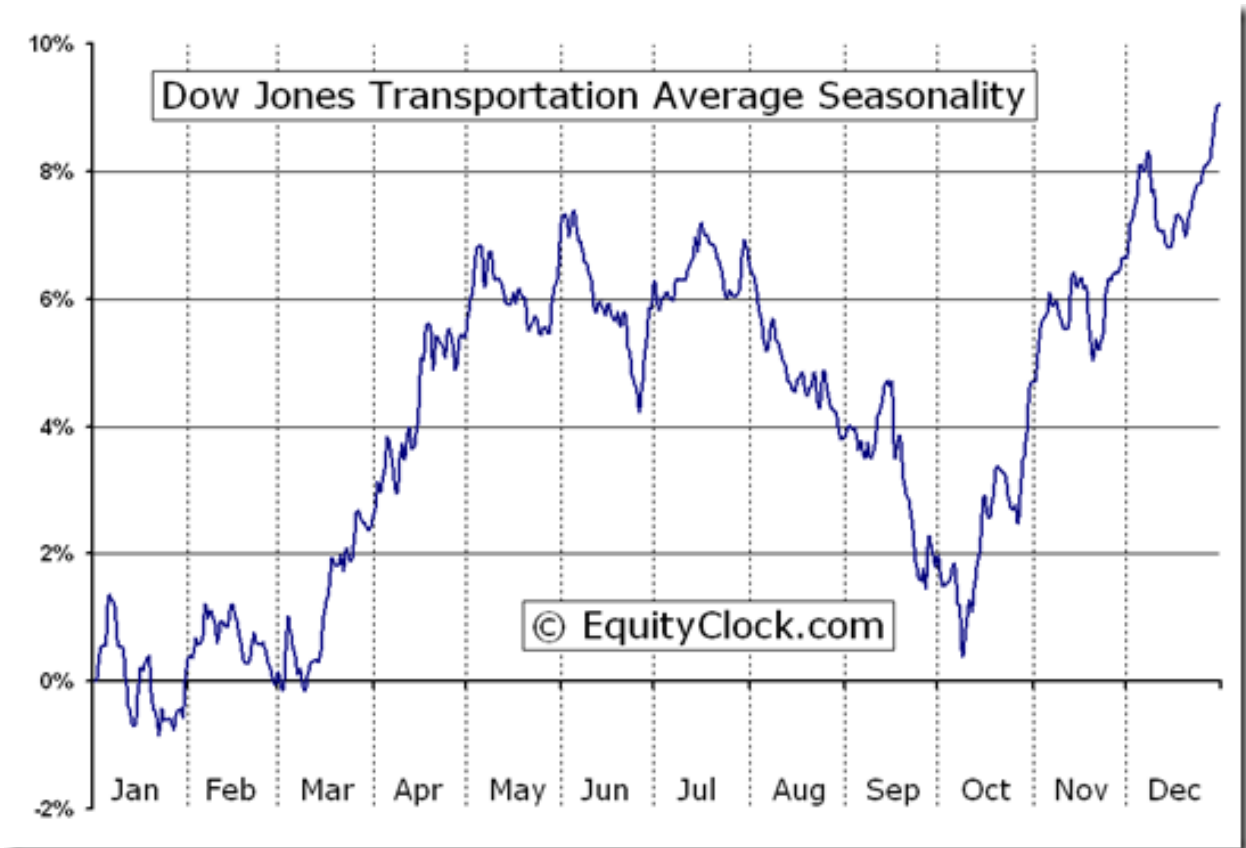


Materials	From: November 20	-	Until: May 5
Industrials	From: October 29	-	Until: May 10
Consumer Discretionary	From: October 17	-	Until: April 12
Financials	From: November 22	-	Until: April 13
Banks	From: November 22	-	Until: June 4
Technology	From: October 9	-	Until: February 15
Bio-Techs	From: December 16	-	Until: February 18
Gas Utilities	From: December 11	-	Until: June 18
Retail	From: January 21	-	Until: April 12
Silver	From: December 15	-	Until: February 21
Copper	From: December 15	-	Until: April 19
Oil	From: February 12	-	Until: August 20

SEASONALITY TRENDS														
	January	February	March	April	May	June	July	August	September	October	November	December		
S&P/TSX Comp.						5						28		
S&P 500 Index					5								28	
NASDAQ	15		15		17							9		
Russell 2000			4								23			
DJ Transports	3		16									2	8	
VIX						3			9					
US Dollar Index	1	31												
Energy	21				9			18	17					
Materials					5								20	
Industrials						10								29
Discretionary				12								17		
Staples				25								23		
Health-Care				25									4	
Financials	13												22	
Technology	15			15	17							9		
Utilities							23	3						
Real Estate			3	10		1		19						
Banks						4								22
Biotechs	18					22	30					16		
Gas Utilities					18		8		31			11		
Metals & Mining	6										20			
Retail	21			12								27	29	
Gold							27	10						
Silver	21					28	4						15	
Copper				19	27		28						15	
Oil	12				21	21	20							
Natural Gas			13				18	3		30				

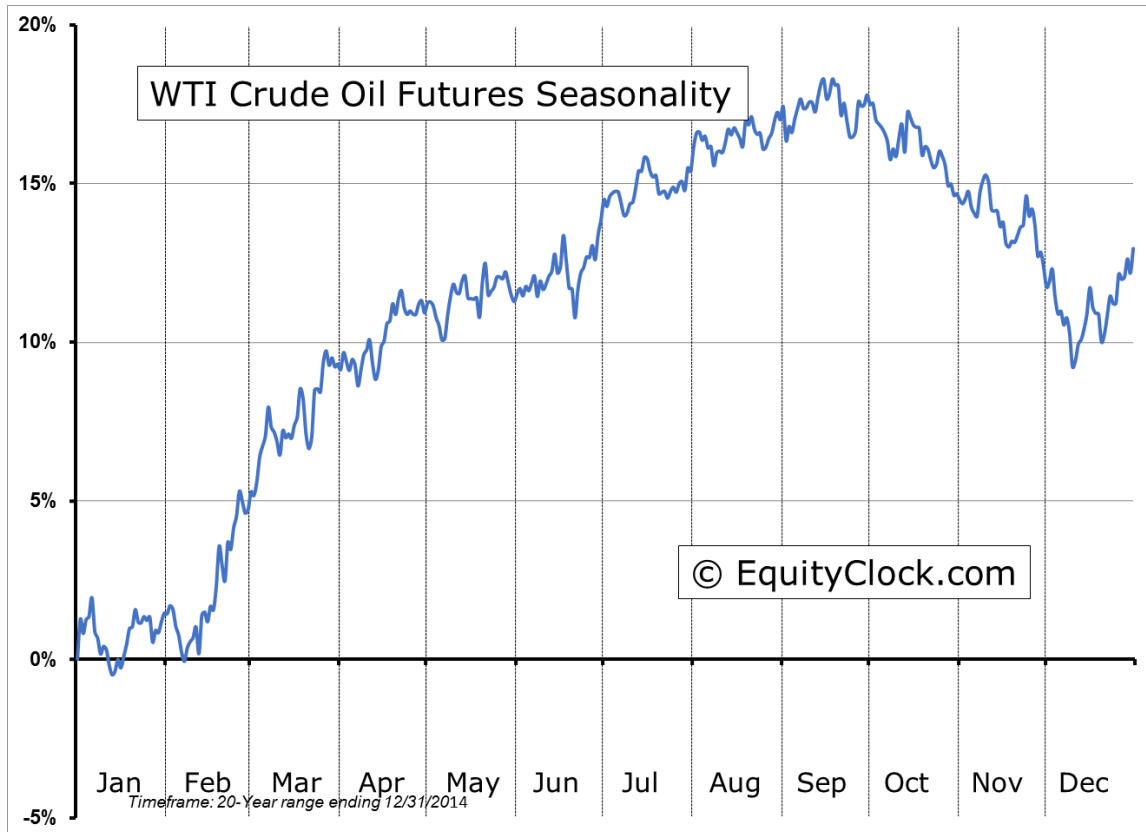
Source: Equity Clock

Dow Jones Transportation Average



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Oil



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