

CHART OF THE DAY

March 29, 2017

Spotlight on : S&P 500 Index

In this report, I am providing a different look at the S&P 500 Index ETF (SPX) by analyzing where the Index stands relative to its key Moving Averages (MAs): 50-day, 100-day, and 200-day.

I have added the price levels for these three MAs to the table of Downside Possibilities that was contained in the March 27, 2017 report (link [HERE](#)) and included it after Chart 2.

Chart 1, below, is from the March 27 report and shows various support levels.
Chart 2, on the next page, shows the three MAs.

Chart 1: One-Year Chart (close at Friday, **March 24, 2017)**



Observations:

In Chart 1 above from last Friday, March 24, there are two support-resistance lines, a **GREEN** trend-line intersecting at 2,120, and a **RED** trend-line intersecting at 2,194. In December 2016 and January 2017, the Index moved horizontally. There is also a longer-term **DARK BLUE** up-trend line intersecting at about 2,165. The two **BROWN** lines formed a rectangle from December until almost mid-February. The Index broke to the upside from this rectangle, making the top **BROWN** line a significant support line on any retracement (as is happening now).

Chart 2: One-Year Chart (close at Tuesday, **March 28, 2017**) with MAs



Observations:

In Chart 2 above, I am providing the same chart, but from Tuesday, March 28, and including three Moving Averages, the 50-day (**gold**) intersecting at 2,335, the 100-day (**blue**) at 2,275, and the 200-day (**red**) at 2,210. These three MAs are moving higher daily. But, currently, these MA intersections represent important downside support levels.

Downside Possibilities

Let me add these support levels to the table of Downside Possibilities that was contained in the March 27 report. The list now looks like this:

2,358: the current price of SPX

- 2,335: the current 50-day Moving Average (gold line in Chart 2) price point
- 2,300: the top boundary of the BROWN rectangle
- 2,275: the current 100-day Moving Average (blue line in Chart 2) price point
- 2,245: the bottom boundary of the BROWN rectangle
- 2,210: the current 200-day Moving Average (red line in Chart 2) price point
- 2,200: psychological round number level
- 2,194: the RED support line
- 2,180: the LIGHT BLUE up-trend line (shown on the one-year chart, Chart 2)
- 2,165: the DARK BLUE up-trend line (shown on the one-year chart, Chart 1)
- 2,120: the GREEN support line
- 2,100: psychological round number level
- 2,040: long-term support line (not shown on the charts in this report)
- 2,000: psychological round number level

SPX: Peak	-1%	-3%	-5%	-7%	-9%	-11%	-13%
Price: 2,400	2,376	2,328	2,280	2,232	2,184	2,136	2,088

The current price of SPX, at 2,358, represents a decline of 1.75% from the Peak.

The next table shows the percentage declines from the Peak (at 2,400) and from Current (at 2,358) to the respective Downside Possibilities.

	SPX	% from <u>Peak</u>	% from <u>Current</u>
Peak	2,400	-----	-----
Current (3/28/17)	2,358	-1.8%	-----
50-day MA	2,335	-2.7%	-1.0%
Top of Rectangle	2,300	-4.2%	-2.5%
100-day MA	2,275	-5.2%	-3.5%
Bottom of Rectangle	2,245	-6.5%	-4.8%
200-day MA	2,210	-7.9%	-6.3%
Round Number	2,200	-8.3%	-6.7%
RED support line	2,194	-8.6%	-7.0%
Light Blue Up-trend Line	2,180	-9.2%	-7.5%
Dark Blue Up-trend Line	2,165	-9.8%	-8.2%
Green Support Line	2,120	-11.7%	-10.1%
Round Number	2,100	-12.5%	-10.9%
Long-Term Support Line	2,040	-15.0%	-13.5%
Round Number	2,000	-16.7%	-15.2%



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