



Third Party Research

March 24, 2017

Notes From The Rabbit Hole

eResearch Corporation is pleased to provide an article, courtesy of NFTRH.com, and written by Gary Tanashian, with a bio on the Author provided at the end of the article.

The article, starting on the next page, is entitled: **“Trump-Trade Negative Divergence”**

Biiwii.com was created in mid-2000 solely as a way to help get the message out about deeply-rooted problems about too much debt and leverage within the financial system. The concerns were confirmed and the message proved justified 3 to 4 years later as the system began to purge these distortions, resulting in a climactic washout extending from October, 2008 to March, 2009.

Along the way, a geek-like interest in technical analysis, a long-time interest in human psychology, and various unique macro market ratio indicators were added to the mix, with the result being a financial market newsletter (and dynamic interim updates), Notes From The Rabbit Hole (NFTRH) that combines these attributes to provide a service that is engaged and successful in all market environments by employing risk management first, and opportunity for speculation second.

But It Is What It Is: You can access Biiwii at its website: **www.biiwii.com**.

Notes From The Rabbit Hole: You can access NFTRH at its website: **www.NFTRH.com**

eResearch was established in 2000 as Canada's first equity issuer-sponsored research organization. As a primary source for professional investment research, our Subscribers (*subscription is free!!!*) benefit by having written research on a variety of small- and mid-cap, under-covered companies. We also provide unsponsored research reports on middle and larger-sized companies, using a combination of fundamental and technical analysis. We complement our corporate research coverage with a diversified selection of informative, insightful, and thought-provoking research publications from a wide variety of investment professionals. We provide our professional investment research and analysis directly to our extensive subscriber network of discerning investors, and electronically through our website: www.eResearch.ca.

Bob Weir, CFA
Director of Research

Note: All of the comments, views, opinions, suggestions, recommendations, etc., contained in this Article, and which is distributed by eResearch Corporation, are strictly those of the Author and do not necessarily reflect those of eResearch Corporation.



Notes From The Rabbit Hole

Trump-Trade Negative Divergence

By **Gary Tanashian** (bio at the end of the article)

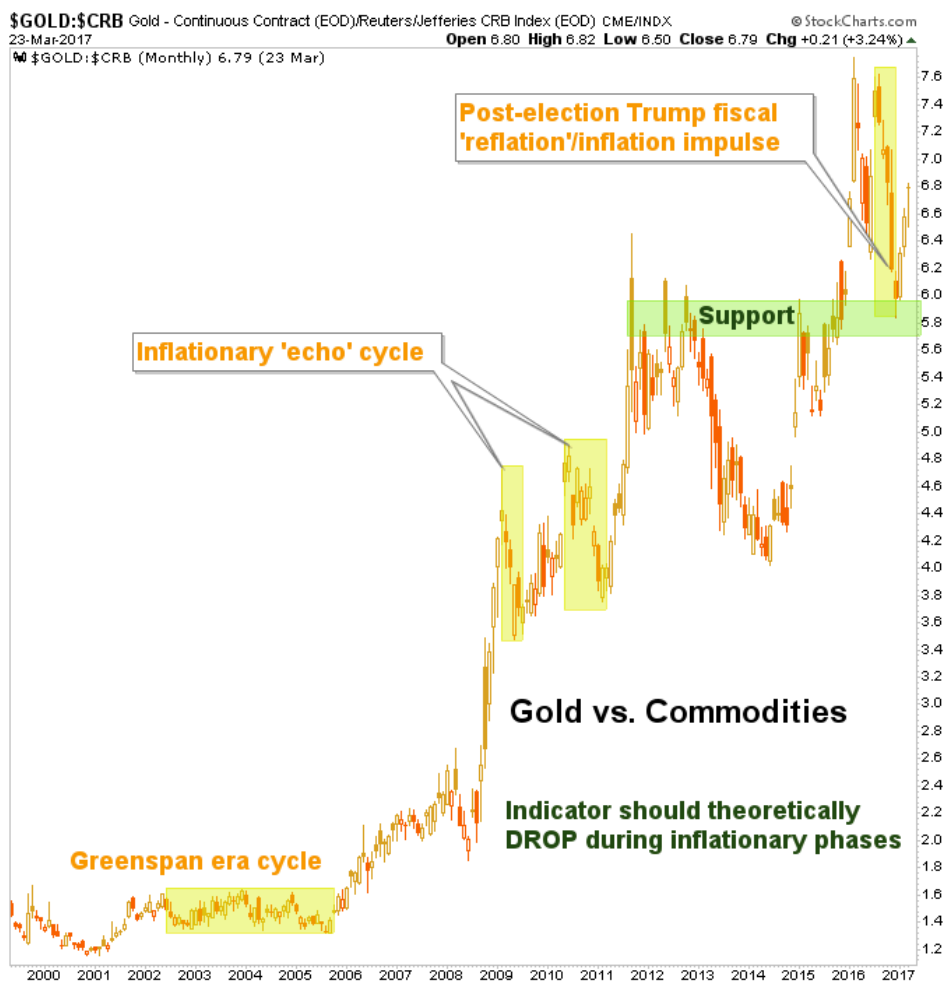
March 24, 2017

Sure, the bounce in bonds is a negative divergence to the reflationary/inflationary 'Trump Trade'.

Sure, the post-January rise in Healthcare vs. the S&P 500 is a negative divergence.

Same goes for the decline in commodities and the under-performance by Materials (wall-building or otherwise).

But, on a more macro level, the following chart is the biggest divergence of all over the last 2.5 months.





Notes From The Rabbit Hole

When gold declines or flat-lines vs. commodities, we are on anything from a Goldilocks environment to full 'inflation trade', the latter of which the 'Trump Trade' is shooting for (a weakening of the U.S. dollar is part of this macro parlor trick, in service to inflationary growth).

When gold rises vs. commodities, we are talking disinflation, i.e. the opposite of what the would-be fiscal stimulators would want.

We have been noting the clear support level on this chart since December. (see chart above)

I have noticed a new breed of analyst out there. Or maybe he is just the same old breed with a new pitch. Under Obama, he was anti-everything and he wanted you to be anti-everything as well in your market positioning. But now he is bullish because his political views have been affirmed by the electorate. Instead of just coldly using charts, data, and history, these fools are using their biased intellect. That is not going to work out well for them. It is more important than ever to make sure your dogma is on a leash.*

* *Paraphrased from the long-ago Boston band, the Volcano Suns.*

#####

NOTES

Biiwii: But it is what it is

NFTRH: Notes From The Rabbit Hole

Subscribe to [NFTRH Premium](#) for your 30-45 page weekly report, interim updates and NFTRH+ chart and trade ideas or the [free eLetter](#) for an introduction to our work. Or simply keep up to date with plenty of public content at [NFTRH.com](#) and [Biiwii.com](#). Also, you can follow via Twitter [@BiiwiiNFTRH](#), [StockTwits](#), [RSS](#) or sign up to receive posts directly by email.

Biiwii/NFTRH on the Web

[NFTRH](#) and [Biiwii.com](#) commentary and technical analysis have regularly been published, highlighted and/or quoted at [SeekingAlpha](#), [Investing.com](#), [MarketWatch](#), [Yahoo Finance](#), [Ino.com](#), [TalkMarkets](#) and many more since 2004.

Biiwii.com is proud to be included in the **50 Blogs Every Serious Trader Should Read** from [TraderHQ.com](#).

See **ABOUT THE AUTHOR** on the following page.



Notes From The Rabbit Hole

ABOUT THE AUTHOR



Gary Tanashian is a financial market analyst, writer, and editor. He provides “Accurate financial market analysis and commentary focused on unbiased reality as opposed to preconceived assumptions.”

As a long-time participant in financial media (published at leading outlets like SeekingAlpha, Investing.com, and many more), Gary has learned how to communicate with people about often-complex material. He knows that it requires hard work, but he believes that there is no other way in order to provide the highest quality service to the public.

Gary is the owner of Biiwii.com (launched in 2004) and, later, NFTRH.com (launched in 2014).

Biiwii is a financial website that got it RIGHT in the run up to 2008, unlike many in the financial services industry.

He is the owner and publisher of the weekly premium financial market report Notes From The Rabbit Hole, which was launched in September, 2008.

Notes From The Rabbit Hole is a premium newsletter service (including detailed in-week updates) for people who care more about financial market realities than having their preconceived notions reinforced. <http://nftrh.com/nftrh-premium/>

#####