

## CHART OF THE DAY

*April 4, 2017*

### *Spotlight on : U.S. Banks Index (\$BIX on StockCharts)*

We recently posted a ValueTrend article entitled, “Opportunity In U.S. Banks”. This article by Keith Richards was written on Wednesday, March 29<sup>th</sup>. A portion of the one-year chart in that article is provided below and shows the daily closing prices. Mr. Richards has drawn in support and resistance lines, and noted that the Index bounced off the support level just below \$280.

Link to the original article (posted today, but written almost a week ago):

[http://www.eresearch.ca/wp-content/uploads/2017/04/ValueTrend\\_040417US\\_Banks.pdf](http://www.eresearch.ca/wp-content/uploads/2017/04/ValueTrend_040417US_Banks.pdf)



Let us have a look, on the next page, of that same chart, but updated to today's price action.

**Query: Is the Index making a Head-and-Shoulders top?**

On the next chart, we have drawn lines (—→) to denote the Left Shoulder, the Head, and a possible Right Shoulder.



**COMMENT:** *If, indeed, a H&S pattern is developing, or has developed, this formation is a strongly Negative one.*

**RECOMMENDATION:** *Wait a little while longer to ascertain whether a H&S top has occurred. If the Index drops below Mr. Richards' support line just below \$280, then further significant down-side is likely.*

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