

## TECHNICAL CHARTING OPINION

**eResearch Corporation** is pleased to feature a technical opinion by Chris Kimble of Kimble Charting Solutions.



Mr. Kimble states, on his website [www.kimblechartingsolutions.com](http://www.kimblechartingsolutions.com), that his goal for his investment research is to:

... help people to enlarge portfolios regardless of market direction by looking for patterns at extreme points of "exhaustion" with a high probability of reversing, called TBNM: tops, bottoms, no middles. The intent is to simplify the decision-making process.

Mr. Kimble has been in financial services for over 30 years.

His research is intended to simplify investment decisions and increase confidence with charts that are clear as to the pattern at hand and action to take. His strategy is to look for chart patterns at extreme exhaustion points that have a high probability of reversing. These extremes reflect excess fear and greed of global investors and, therefore, they can be capitalized upon.

By providing research showing markets at extremes of long term resistance or support, and including bullish/bearish sentiment readings when available, Mr. Kimble attempts to help investors simplify their decision-making, reduce risk, increase confidence, and improve results.

Today's article begins on the following page, and is entitled:

### **Watching Dow Transports**

You can access his website and subscribe to his service at the following link:

[www.kimblechartingsolutions.com](http://www.kimblechartingsolutions.com)

**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.

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## Watching Dow Transports

(To enlarge the chart below, place cursor on chart, and <Ctrl-Click>)

For the past 30 years, the **Dow Jones Transportation Average** has traded within a wide price channel (marked by 1s on the chart below).

On a few occasions, the Transports have reached the top of this channel, last week being one of them (see point 2 on the chart below).

The other times resulted in price corrections. What are the implications for the broader stock market? Will it be different this time?

The Transports are already showing some weakness here. In the “zoomed-in” box in the lower right hand corner, you can see that the Transports are breaking down through short-term support (point 3).

Although this is not a sign that a deep correction is imminent, it is reason enough to stay engaged.

The Transports are a big part of the economy and the broader stock market. Due to their cyclical nature, investors do not want to see them decline *too far* here.

In my humble opinion, investors should put the Transports on their radar!

The chart is on the next page.



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