

## 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:

### **S&P Patterns Suggests 10% Decline Upcoming On Support Break**

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

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

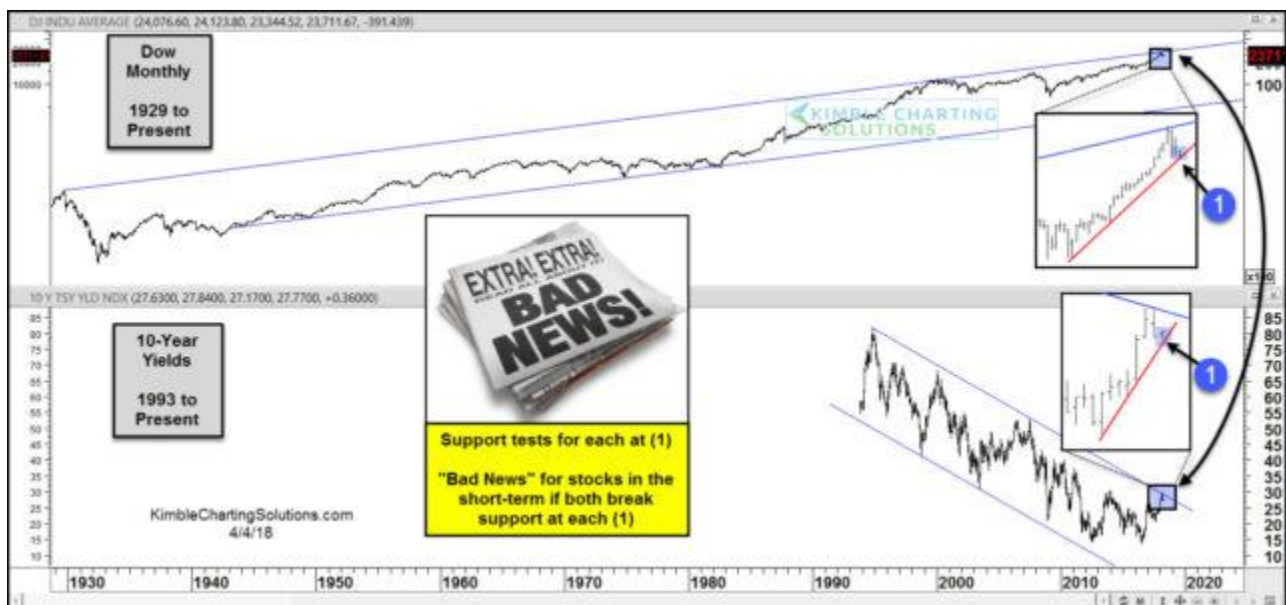
**Note:** All of the comments, views, opinions, suggestions, recommendations, etc., contained in this Article, and which is distributed by eResearch Corporation, are strictly those of the Author and do not necessarily reflect those of eResearch Corporation.

Wednesday, April 4, 2018

## S&P Patterns Suggests 10% Decline Upcoming On Support Break

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

The chart below is in two parts, a top and a bottom. The top chart above highlights that the Dow has spent the majority of the past 70 years inside of a rising channel. The bottom chart highlights that the 10-year yield has spent the majority of the past 25 years inside of a falling channel.

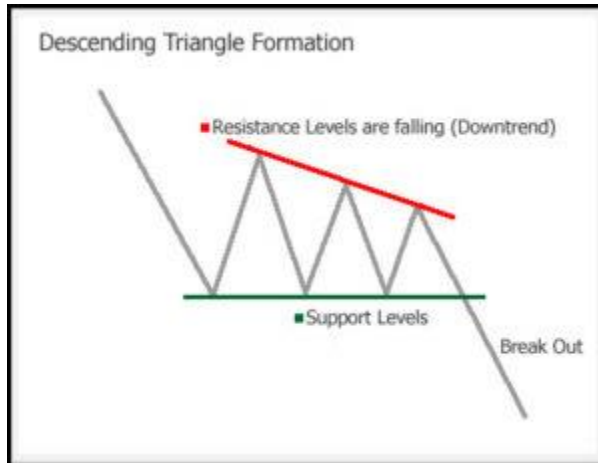


**CTRL-CLICK ON CHART TO ENLARGE**

Support is support until broken, and both are testing short-term support lines at each (1).

In the short-term, it would be “bad news for the Dow” if both broke below support at the same time at each (1).

The Dow and S&P could be forming the pattern below, which is a **“Descending Triangle”** pattern.



The chart below looks at much shorter-term patterns of the Dow and S&P 500:



**CTRL-CLICK ON CHART TO ENLARGE**

Around two-thirds of the time, the descending triangle patterns result in lower prices. If the 200-day moving average lines and support breaks at each (2), the descending triangles suggest that the Dow and S&P end up falling an additional 10%.

With the Dow and 10-year yields testing support near the tops of 70-year and 25-year channels in the first chart, and the Dow and S&P testing support at each (2) in the second chart, if these support lines break to the downside, do not be surprised if selling pressure picks up.



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Bob Weir, CFA  
Director of Research