

**ARMCHAIR INVESTOR<sup>(sm)</sup> MORNING**  
**MARKET NEWSLETTER**  
*A TREND-FOLLOWING STRATEGY*



Join me at the [Fort Worth IBD Meetup](#) on Thursday 3/15 6:45 – 8:45 p.m. at O'South Pancake House. Register at [Fort Worth IBD Meetup](#) Call me if I can answer any questions for you.

If this newsletter ever does not suit your needs, you may cancel your subscription here:

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Sunday, 3/11 is the last day to try MarketSmith for free. You could visit MS to copy a weekly and daily page for each of your stocks, including IBD Ratings and base counts. It would be a good reference. The little "Chart Legend" in the lower left corners defines all the MS terms.

**MARKET DIAGNOSIS: UPTREND**

**FRIDAY:** A THIRD ACCUMULATION DAY IN A ROW with confirming indicators moves the market diagnosis to UPTREND! Why did we have 3 strong days? We'll never know for sure but some positive news helped.

- The **February employment numbers were 50% higher** than expected.
- The **Nasdaq finally closed above 7500.**
- The **Nasdaq is under heavy accumulation** – its Accumulation/Distribution rating rose from the worst "E" rating (heavy distribution) to C+ in just 6 trading days. It takes a lot of buying to create that change so quickly.
- In Investor's Business Daily's **175 of its 197 industry groups were up** on Friday.

**It's a new Uptrend - Here we go!!!! (In Texas that's, "Giddyap!")**

**If you are a trend-following investor, it is time to start investing.** Accumulation days in the major indexes show signs of heavy institutional buying which happens when the money managers believe the market is going up!

**To capture the general market rise,** you could:

- **Buy the QQQ,** an ETF that is designed to move up and down with the Nasdaq100.

- **Buy a double ETF (QLD) or triple ETF (TQQQ)** designed to double or triple the gains and losses of the Nasdaq100.

**If you buy individual stocks to outperform the market:**

- **Buy stocks** with strong ratings and size that are breaking out of proper bases with volume support. *Download the FULL newsletter below. Go to the **FOR INVESTORS IN INDIVIDUAL STOCKS** near the end of this newsletter for more details and a follow-up on **LGND'S successful breakout. (LGND is in a buy range now!)***

**Since the market's Follow-through on Valentine's Day:**

- The Nasdaq has risen 5.0%
- The S&P500 has risen 2.7%

**Please note that since the F-T day, the DJIA has risen only 0.8%.** One of the reasons I do not use the DJIA for my trend-following investing is that, overall, the DJIA under-performs the S&P500 and Nasdaq.

If you follow the trend-following rules of this newsletter, history says you will significantly outperform the market.

**THE ARMCHAIR INVESTOR** strategy is SIMPLE. Please sit cross-legged and chant with me:

- **Be in the market when it is going up.**
- **Be out of the market when it is going down.**
- **Protect yourself with an 8% stop.**

And "out of the market" includes going short in a downtrend, if you are willing and able to do so.

**Be sure your stops are in.**

**No advice is ever given in this newsletter. It is provided for your education only.**

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## DAILY MARKET ACTION

| 3/9/18 | Index Close | Index % Change | Volume % Change | Volume vs 50-day Avg. | Accumulation or Distribution Day? | Current Trend Gains:<br>UPTREND 2/14/2018 |
|--------|-------------|----------------|-----------------|-----------------------|-----------------------------------|---|
| Nasdaq | 7,560.81    | +1.8%          | +0.8%           | +6.9%                 | Major Accumulation                | +5.0%                                     |
| S&P500 | 2,786.57    | +1.7%          | NYSE Volume     |                       | Major Accumulation                | +2.7%                                     |
| NYSE   | 12,918.82   | +1.4%          | +4.3%           | -8.1%                 | Major Accumulation                | +0.8%                                     |
| DJIA   | 25,335.74   | +1.8%          |                 |                       | Major Accumulation                | +1.1%                                     |

A Major Accumulation Day: Price RISES 1.0% or more and higher Volume than the day before  
 A Minor accumulation Day: Price RISES 0.2% or more and Volume is strong (either higher e or is well-above average volume)

**Current Trend Gains** show the gains in these indexes if you bought each at the opening price on the day after the recent trend changed.

### REMEMBER:

**THE MARKET CONTINUES IN THE DIRECTION IT'S GOING UNTIL IT DOESN'T.**

The Uptrend ETFs are still positive since the last change in market direction from Downtrend to Uptrend on February 14 (see table below).

Another piece of evidence illustrating how the Nasdaq out-performs the S&P500 and DJIA:

| <b>HOW CLOSE ARE THE INDEXES TO ALL-TIME HIGHS?</b> |           |           |           |          |
|---|-----------|-----------|-----------|----------|
| 3/9/2018  | Nasdaq    | S&P500    | NYSE      | DJIA     |
| Date of Index All-time High                         | 1/26/2018 | 1/26/2018 | 1/26/2018 | 1/9/2018 |
| All-time High                                       | 7505.77   | 2872.87   | 13637.02  | 26616.71 |
| Current Price                                       | 7560.81   | 2786.57   | 12918.82  | 25335.74 |
| Below (-) or Above (+) Recent High (%)              | +0.7%     | -3.0%     | -5.3%     | -4.8%    |
| Below (-) or Above (+) Recent High (#)              | +55.04    | -86.30    | -718.20   | -1280.97 |

| <b>PROGRESS IN ACCUMULATION/DISTRIBUTION RATINGS</b> |      |     |      |      |      |     |       |
|--|------|-----|------|------|------|-----|-------|
|  |      | A   | B    | C    | D    | E   | Total |
| 4 weeks ago  | 2/8  | 6%  | 31%  | 25%  | 26%  | 13% | 6476  |
| 3 weeks ago  | 2/15 | 7%  | 32%  | 23%  | 24%  | 13% | 6487  |
| 2 weeks ago  | 2/23 | 8%  | 32%  | 23%  | 24%  | 13% | 6490  |
| 1 week ago   | 3/2  | 7%  | 27%  | 22%  | 28%  | 16% | 6493  |
| Today  | 3/9  | 9%  | 33%  | 22%  | 24%  | 12% |       |
|  | #    | 598 | 2124 | 1425 | 1589 | 780 | 6516  |

Note: The Accumulation/Distribution ratings are calculated overnight & reported one day delayed. "2 weeks ago" is 10 market days ago; "4 weeks ago" is 20. The ratings which are higher than two weeks prior are colored light GREEN. Those lower are PINK.

| Uptrend ETFs | <b>ARMCHAIR INVESTOR TREND-FOLLOWING RETURNS FOR CURRENT UPTREND</b> |               |                    |  |
|--------------|--|---------------|--------------------|--|
|              | Opening Price on 2/15/2018   | Today's Price | ETF % Change Today | PROFIT/LOSS from 2/14/18 Signal: "Market in UPtrend" |
| 3/9/18       |  |               |                    |  |
| QQQ (1x)     | \$164.14   | \$173.16      | +2.0%              | +5.5%  |
| QLD (2x)     | \$80.57  | \$89.30       | +3.8%              | +10.8%   |
| TQQQ (3x)    | \$158.00   | \$183.73      | +5.8%              | +16.3%   |

The ETF QQQ is designed to move WITH the largest 100 stocks on the Nasdaq. QLD is designed to double the price move of the QQQ. The TQQQ is a more volatile Visit Proshares.com for more information.

| MARKET ACTION 2018 YEAR-TO-DATE |                    |               |                |              |
|---------------------------------|--------------------|---------------|----------------|--------------|
| 3/9/18                          | 2017 Closing Price | Current Price | Index % Change | Year-to-Date |
| Nasdaq                          | 6903.39            | 7560.81       | +9.5%          |              |
| S&P 500                         | 2673.61            | 2786.57       | +4.2%          |              |
| NYSE Comp                       | 12,808.84          | 12,918.82     | +0.9%          |              |
| DJIA                            | 24,719.22          | 25,335.74     | +2.5%          |              |

This yearly table is included for your reference. These returns have little relevance to trend-following returns since trend-followers do not hold during "Downtrends" and may lighten their holdings during "Uptrends under Pressure."

| LAST WEEK'S MARKET ACTION |                       |                        |                                 |              |
|---------------------------|-----------------------|------------------------|---------------------------------|--------------|
| 3/9/2018                  | Weekly Index % Change | Weekly Volume % Change | Volume Above/ Below 10-week Avg | Type of Week |
| Nasdaq                    | +4.2%                 | -2.2%                  | +6.0%                           | Neither      |
| S&P 500                   | +3.5%                 |                        | S&P 500 Volume                  | Neither      |
| NYSE                      | +2.9%                 | -14.0%                 | -5.0%                           | Neither      |
| DJIA                      | +3.3%                 |                        |                                 | Neither      |

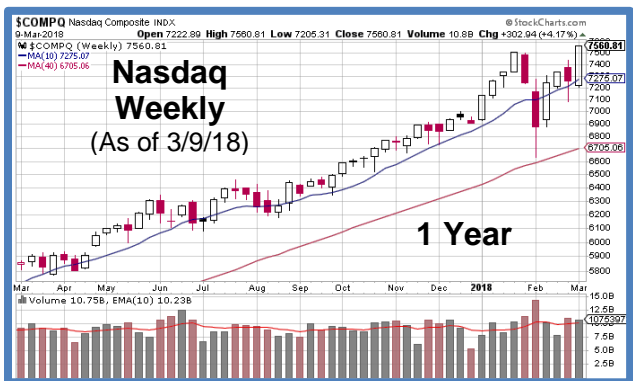
The "TYPES OF WEEK" are:

**ACCUMULATION WEEK** Price RISES 0.2% or more and Volume RISES

**DISTRIBUTION WEEK** Price FALLS 0.2% or more and Volume RISES

Another type of DISTRIBUTION(\*): WEEK Price FALLS 0.2% or more & Volume is 15% or more above average even without an increase in volume.

The NYSE volume is used for the S&P500 and NYSE Composite.



The above charts are from **StockCharts.com**, a valuable site for investors with **many free tools**.  
 On the **daily charts**: The **price 20-day, 50-day and 200-day moving averages** are shown. If you don't see the 200-day price moving average, it is too far away from the price bars to show. But stay tuned – it will appear on these charts when the market direction changes.  
 Also, the **volume 50-day moving average** is shown.

On the **weekly charts**: The **price 10-week & 40-week moving averages** and the **10-week volume moving average** is shown.

| <b>MARKET FACTORS, COUNTS &amp; RATINGS</b>   |  | <b>3/9/2018</b>                                    |                                      |
|---|--|--|--------------------------------------|
| <b>Type of DAY for <u>Nasdaq</u></b><br>Accumulation, Distribution or Neither   |  | <b>Major Accumulation</b>                          |                                      |
| <b>Market Direction</b><br>Uptrend, Under Pressure, Downtrend, or Attempted Uptrend   |  | <b>UPTREND</b>                                     |                                      |
| <b><u>ALL Nasdaq Accumulation &amp; Distribution Days</u></b><br>20-day count of <b>NASDAQ</b> Accumulation & Distribution days   |  | <b>Accumulation Days</b><br><b>5</b>               | <b>Distribution Days</b><br><b>4</b> |
| This field is designed to count ONLY Major Distribution days of 1% drop or more. In more volatile markets, this field will have larger counts.  |  |  |                                      |
| <b>Count of Up Days and Down Days</b><br>(10-days on the Nasdaq)  |  | <b>Up Days</b><br><b>7</b>                         | <b>Down Days</b><br><b>3</b>         |
| The Nasdaq moved an insignificant amount (less than 0.2% ) on 7/28, 8/2, 8/4 & 8/8. Those days are not included in the Up/Down count which does not, therefore, add up to 10 days.  |  |  |                                      |
| <b>Leaders Up/Down with High Volume</b><br>10-day ratio   |  | <b>1.6</b>   |                                      |
| This indicator looks at leading stocks (high RS) and is, thus, biased to the upside. Uptrend indicator: 1.5 or higher. Neutral: 1.0 to 1.49. Downtrend: less than 1.0   |  |  |                                      |
| <b>Market Accumulation/Distribution Ratings</b><br>"A": heavy accumulation, "B": moderate accumulation, "C": neutral, "D": moderate distribution, "E": heavy distribution.<br>Accumulation = Institutions are BUYING, Distribution = Inst are SELLING |  | <b>Nasdaq</b><br><b>S&amp;P 500</b><br><b>DJIA</b> | <b>C+</b><br><b>E</b><br><b>E</b>    |
| <b>Are Major Indexes Above or Below Moving Averages?</b><br>"At" is within 1% above or below the moving average.  |  | <b>50-Day</b><br><b>200-Day</b>                    |                                      |
| <b>Nasdaq</b>   |  | <b>Above</b>                                       | <b>Above</b>                         |
| <b>S&amp;P 500</b>  |  | <b>At</b>  | <b>Above</b>                         |
| <b>NYSE</b>   |  | <b>Below</b>                                       | <b>Above</b>                         |
| <b>DJIA</b>   |  | <b>Below</b>                                       | <b>Above</b>                         |

## MARKET ACTION (Nasdaq) OVER THE LAST 20 DAYS

*(For a full explanation of the terms in this table see end of this newsletter)*

| #                        | Date      | Close   | Index % Change | Volume % Change | Current Trend Day Count | Type of Day: Accumulation, Distribution or Neither (—) | CONSISTENT WITH: UPTREND or Downtrend? |
|--------------------------|-----------|---------|----------------|-----------------|-------------------------|--|--|
| <b>MARKET IN UPTREND</b> |           |         |                |                 |                         |  |  |
| 20                       | 2/9/2018  | 6874.49 | +1.4%          | +17.4%          | 5                       | Major Accumulation day                                 | UPTREND                                |
| 19                       | 2/12/2018 | 6981.96 | +1.6%          | -29.3%          | 6                       | —  | —                                      |
| 18                       | 2/13/2018 | 7013.51 | +0.5%          | -19.6%          | 7                       | —  | DOWNTREND                              |
| 17                       | 2/14/2018 | 7143.62 | +1.9%          | +22.0%          | 1                       | Major Accumulation day                                 | UPTREND                                |
| 16                       | 2/15/2018 | 7256.43 | +1.6%          | -4.0%           | 2                       | —  | DOWNTREND                              |
| 15                       | 2/16/2018 | 7239.47 | +0.2%          | -4.7%           | 3                       | —  | DOWNTREND                              |
| 14                       | 2/20/18   | 7234.31 | -0.1%          | -5.2%           | 4                       | —  | —                                      |
| 13                       | 2/21/18   | 7218.23 | -0.2%          | +1.2%           | 5                       | Minor distribution day                                 | DOWNTREND                              |
| 12                       | 2/22/18   | 7210.09 | -0.1%          | -1.0%           | 6                       | —  | —                                      |
| 11                       | 2/23/18   | 7337.39 | +1.8%          | -1.9%           | 7                       | —  | DOWNTREND                              |
| 10                       | 2/26/18   | 7421.46 | +1.2%          | -1.3%           | 8                       | —  | DOWNTREND                              |
| 9                        | 2/27/18   | 7330.35 | -1.2%          | +14.8%          | 9                       | Major Distribution day                                 | DOWNTREND                              |
| 8                        | 2/28/18   | 7273.01 | -0.8%          | +10.1%          | 10                      | Minor distribution day                                 | DOWNTREND                              |
| 7                        | 3/1/18    | 7180.56 | -1.3%          | +5.9%           | 11                      | Major Distribution day<br>>>>Uptrend under Pressure<<< | DOWNTREND                              |
| 6                        | 3/2/18    | 7257.87 | +1.1%          | -8.4%           | 12                      | —  | DOWNTREND                              |
| 5                        | 3/5/18    | 7330.70 | +1.0%          | -11.9%          | 13                      | —  | DOWNTREND                              |
| 4                        | 3/6/18    | 7370.78 | +0.6%          | -5.8%           | 14                      | —  | DOWNTREND                              |
| 3                        | 3/7/18    | 7396.65 | +0.3%          | +3.0%           | 15                      | Minor accumulation day                                 | UPTREND                                |
| 2                        | 3/8/18    | 7427.95 | +0.4%          | +6.0%           | 16                      | Minor accumulation day                                 | UPTREND                                |
| 1                        | 3/9/18    | 7560.81 | +1.8%          | +0.8%           | 17                      | Major Accumulation day<br>>>>UPTREND<<<                | UPTREND                                |

The CURRENT TREND column colors: Green: Uptrend. Yellow: Uptrend under Pressure. Red: Downtrend.



## **FOR INVESTORS IN INDIVIDUAL STOCKS**

*More detailed comments on market direction and technical analysis for individual stocks*

**FRIDAY :** **A THIRD ACCUMULATION DAY IN A ROW with confirming indicators moves the market diagnosis to UPTREND!**

I continue to look for individual stocks that are strong enough to buy now. I am currently pyramiding into new stocks:

- First purchase at the buy signal for 50% of intended position
- Second purchase when price rises 1 or 2% with confirming volume, add another 30%.
- Third and final purchase with another rising price and volume day add the final 20%.

There are few stocks with high ratings that are near breakout or add-on buy points. Buy carefully – this is not a market to compromise your standards.

**Ligand Pharmaceuticals** If you read Thursday's newsletter, you know Ligand LGND broke out, rising 4% with double the average volume. Nice! On Friday LGND continued up. It is still in the buy zone. Do some research on LGND. Its price is \$176 (as many respectable stocks are these days) and its volume is low - just under 300,000. Its ratings are spectacular: EPS 98, RS 93, Accumulation A+, Composite 98. Wow!

You could use MarketSmith to print out the Weekly and daily charts for future reference.

**LGND is still in its 5% buy zone**  
**(no guarantees on where it will open up tomorrow.)**

**Yesterday's notes that are still relevant:**

**Some protective strategies include:**

1. Put in a stop loss order to automatically sell your stock if it dips too much.
2. Sell stocks without an 8% buffer (gain) before earnings are reported.
3. Buy a protective put if near earnings date or if the stock starts to show weakness (distribution, etc.).

Please talk to your broker if you are not clear on which of these strategies is right for you. Each can be tricky to implement and yield a nasty surprise if not set up correctly.

## **YOU ARE NOT SMARTER THAN THE MARKET**

**THE MARKET AND STOCKS CONTINUE IN THE DIRECTION THEY ARE GOING..... UNTIL THEY DON'T.**

I am still looking for stocks to buy or signs to add to existing positions.

## **PROTECT YOUR PORTFOLIO WITH AN 8% STOP**

And, yes. You may have chosen a tighter 7% or 6% stop. The most important aspect of this first rule is:

## **CHOOSE YOUR STOP & LIVE BY IT – NO EXCUSES!**

And you don't have to wait for your stock to fall to the stop. A concentration of distribution is a good reason to get out wherever it happens!

Remember:

**The market AND YOUR STOCKS continue in the direction they are going until they don't.**

## **MARKET DIAGNOSIS: "UPTREND" under PRESSURE**

**What to do now:**

1. **WATCH YOUR INVESTMENTS CLOSELY:** Do a quick review of each stock you own every night. Look for strength and weakness signals in the price-volume action, especially watching for distribution (signs of institutional selling)
2. **DON'T LOSE YOUR GAINS:** Sell any stock that is showing a concentration of distribution days. I sell more quickly in a Downtrend

# ARMCHAIR INVESTOR WEEKLY CLASS SCHEDULE

**Join us for the ARMCHAIR INVESTOR classes.**

**Be my guest** (FREE) if you have not visited in the last six months (guest seating limited).

Please register on the Meetup site so I will have a handout for you (25 pages of articles and [Link to registering for the Armchair Investor Meetup- CLICK HERE](#))

**The 2018 ARMCHAIR INVESTOR classes schedule.**

**Pre-register please! Schedules change! See phone number below:**

**Mondays** 6:00 – 8:00 p.m. Barnes & Noble at Royal & Preston (northeast corner), Dallas

**Tuesdays** 3:30 – 5:30 p.m. Barnes & Noble at Royal & Preston (northeast corner), Dallas

**Wednesdays** 10:00 am – noon, Barnes & Noble, on Beltline just east of Montfort, Addison

- **Guest attendance is limited to ensure class members get their full value. -**
- **Be sure to call to confirm we are having a class (we are occasionally on vacation) and have an open chair.**

**Call or text me at 214-995-6702** to schedule your FREE visit (new visitors only) to an ARMCHAIR INVESTOR class.

TO REGISTER FOR THE COMPREHENSIVE, SINGLE SUBJECT  
ARMCHAIR INVESTOR WORKSHOPS  
OR TO VISIT AN ARMCHAIR INVESTOR CLASS:

**CALL OR TEXT CHARLOTTE HUDGIN AT 214-995-6702**

Wishing you "Many Happy Returns,"

Charlotte Hudgin, 214-995-6702, Editor, the Armchair Investor

## **DISCLAIMER, "Buyer Beware" WARNING:**

This newsletter shares the ideas I use in my investing. It is not investing advice but should be taken as education only. Your investment decisions are your responsibility as are the results. If you are not comfortable with or do not understand a strategy completely, I recommend that you paper-trade until you are successful and can sleep at night.

Questions may be submitted to: [Editor@ArmchairInvestor.com](mailto:Editor@ArmchairInvestor.com)

Some of your questions will be used in future newsletters.

Additional notes follow:

## EXPLANATION OF TERMS FOR THE

### MARKET ACTION OVER THE LAST 20 DAYS

*Four weeks of price and volume action reveal much about the direction of the market and the strength of that movement.*

|   |               | Price |   | Volume |      |
|---|---------------|-------|---|--------|------|
| Healthy <b>Uptrend</b><br>Price-Volume<br>Movement    | Strong Action | Up    | ↑ | ↑      | Up   |
|   | Weaker Action | Down  | ↓ | ↓      | Down |
| Healthy <b>Downtrend</b><br>Price-Volume-<br>Movement | Strong Action | Down  | ↓ | ↑      | Up   |
|   | Weaker Action | Up    | ↑ | ↓      | Down |

The chart below identifies the **market direction** indicated by the Nasdaq's price and volume action for the last 20 days at two levels of significance.

#### **ACCUMULATION/DISTRIBUTION COLUMN - TELLS YOU WHERE THE BIG MONEY IS GOING**

The listing includes: the date, Nasdaq closing price and percent change of the Nasdaq price and volume.

- The next column identifies days that were **Major Accumulation** (serious UPTREND indicator) or **Major Distribution** (serious Downtrend indicator) using the 1% minimum rise or fall with higher volume.
- **Minor accumulation** and **minor distribution days** are also identified – days that moved 0.2% or more but less than 1%.

#### **“CONSISTENT WITH” – THE SUBTLE, BUT TELLING MOVES**

The last column is an UPTREND /Downtrend indicator.

Think of a healthy Uptrend. It will have many days where the index rises with increased volume.

But even in the most robust Uptrend, \* not every day will be up. In any Uptrend, there will be some down days. If they have higher volume, then the day becomes a distribution day but if the volume is lighter (as frequently happens in an Uptrend), then the down day is NOT a distribution day. In fact, a drop on lighter 4747.62 volume says they market is NOT selling off heavily – good news and consistent with the Uptrend.

Using the Healthy UPTREND/Downtrend price and volume movement listed above.

- For example, if the Nasdaq closing price rose 0.7% and the volume rose 2% (up and up), that movement is “consistent with” the price-volume action of a Healthy UPTREND.
- If the price drops 0.5% and the volume rises 1.2% (down and up), that movement is “consistent with” the price-volume action of a Healthy Downtrend as indicated in the table above.
- Any index change less than + or – 0.3% or volume change less than + or – 1% has no “consistent with” notation. Price and volume movements that small is not strong enough to tell us about the market movement.

## EXAMPLE OF ACCUMULATION AND DISTRIBUTION WITH EXPANDED EXPLANATION OF TERMS:

| Today's Market Action with explanation |             |                |                 |                      |                                   |   |
|--|-------------|----------------|-----------------|----------------------|-----------------------------------|---|
| 2/5/16                                 | Index Close | Index % Change | Volume % Change | Volume vs 50-day Avg | Accumulation or Distribution Day? | Current Trend: DOWNTREND Began 1/4/2015 |
| Index                                  | 4363.14     | -3.2%          | +13.8%          | +21.8%               | Major Distribution                | +11.3%                                  |
| S&P500                                 | 1879.92     | -1.9%          | NYSE Volume     |                      | Neither                           | +6.6%                                   |
| NYSE                                   | 9,390.33    | -1.5%          | -5.3%           | +15.0%               | Neither                           | +6.2%                                   |
| DJIA                                   | 16,204.62   | -1.3%          |                 |                      | Neither                           | +5.5%                                   |

A **Major Accumulation Day**: Price RISES 1.0% or more and higher Volume than the day before  
A **Minor accumulation Day**: Price RISES 0.2% or more and Volume is strong (either higher volume or is well-above average volume)

A **Major Distribution Day**: Price FALLS 1.0% or more and higher Volume than the day before.  
A **Minor distribution Day**: Price FALLS 0.2% or more, Volume is strong (either higher volume or is well-above average volume)

A **Stalling minor distribution Day**: Only in an up-trending index or stock, price is FLAT or DOWN slightly compared to the day before, closing in the bottom half of the day's range and volume is heavier or about equal to the day before or strong compared to the past market. It's the price closing low in the day's range after an uptrend that is the key for this designation. Price close to flat and higher or consistent volume indicates the big money (institutions: mutual funds, banks, etc.) are gently selling, trying to sneak out so you won't notice.

\*\* The "CURRENT TREND" column calculates how far each index has moved in the current trend assuming you purchased the index (which is not buyable) at the opening price on the day after the trend change signal.

- **When this column is GREEN, the index has moved in the direction of the market trend.**
- **HOWEVER, when this column is RED, the index change has fallen into negative territory (which could be a rise during a Downtrend)**

An **ACCUMULATION** day points at heavy buying by institutional money managers - the mutual funds, pension funds, banks, etc.  
A **DISTRIBUTION** day points at heavy selling by institutional money managers.