

# Weekly MOTR Report

“Market Weakness Likely, But We’re a Buyer.”

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## Highlights

- Between the vertical behavior of SMCI, MSTR, and Bitcoin, and the ominous rejection of NVDA, a **correction in the weeks ahead should be expected.**
  - For the S&P, **support is very strong between 4550 and 4750 (16-17k on NDX).** This is not to say we are headed there, but longer-term investors should not be spooked if we do.
  - More tactical traders should indeed be **booking gains here after the S&P's near vertical rally** since October.
  - While we **don't endorse short exposure**, given the overall healthy backdrop, those that are so inclined should **layer on that exposure now, not after a 5% S&P decline.**
- No **Weekly MOTR Chart Pack** as we prefer to be in monitor mode for now.

## “Market Weakness Likely, But We’re a Buyer.”

There is adequate reason to expect a pullback in the weeks ahead, not the least of which has been either the extreme (SMCI, MSTR, Bitcoin) or skittish behavior of the more prominent names. This is not a particularly unique view, but it is also not the primary observation we want to make.

**Bigger picture, market conditions are healthy, and getting better at the margin.** For those focused on longer-term trends, we counsel staying focused on the levels that matter for those trends, both at the individual stock level and the popular averages.

**For the S&P 500 in particular, longer-term investors should be prepared for a setback that could take us back to the early 2022 highs (Figure 1).** This is not a forecast that a decline of that magnitude is coming, but from an expectations perspective, that could easily play out and do no damage to the intermediate term trend. Therefore, the appropriate response to this potential weakness is to **add to favored names** with the best mix of trend & momentum.

**More tactical traders should be paring long exposure after this vertical rally since October.** While we don’t endorse short exposure here, if one is so inclined, we would be sure to lay that exposure out now, not after the S&P falls in the weeks ahead. The bigger picture, in our view, remains positive, so shorting into weakness is a poor risk/reward proposition.



# What Do I Get with My Subscription?

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Having been on the buy-side for over 20 years, managing client portfolios while standing in front of a fire hose of information, some of it valuable, most of it not, we have intentionally structured the MOTR research service to be brief, actionable, and focused on what matters most.

## Subscribers will receive:

The **Weekly MOTR Report**, a link to which will be provided via email before the open each Monday morning.

In this report, we provide...

- Context** Using a suite of **proprietary technical models**, as well as many valuable traditional indicators and relationships, we define the **current market regime**, and any changes of importance over the prior week(s). This is a critical consideration for tactical investors, since **roughly 50% of what happens to any individual stock is determined by trends in the broader market and the sector to which the stock is mapped**. Its that important, so we are very focused on it. Other topics include current market leaders and laggards, relevant intra- and inter-market relationships, important historical analogues, top and bottom ranked ETFs from more than 1,000 ETFs in our coverage, and more.

- Clarity** With the current market regime identified, we then provide **clear recommendations on overall portfolio exposures**, including when best to make tactical adjustments given prevailing conditions.

- Weekly MOTR Chart Pack** Each week, we provide a **chart pack of 20-40 timely buy ideas** from leadership sectors. In bearish market environments, we also provide **several timely short ideas** from lagging sectors.

**“Charting My Interruption” (CMI)**, a brief, free-ranging note about intraweek market activity, intended to keep our subscribers up to speed with important developments. The CMI has fast become a favorite among our subscribers!

**The Monthly MOTR Check-Up** video, a 30-minute video, featuring charts and commentary, covering **where the market stands today, what has changed over the past month(s), what we are focused on, and how we would be positioned for the current environment**.

**For more information, and to sign up for a free one month trial, visit [MOTRCMR.COM!](https://MOTRCMR.COM) ([link](#))**

## **MEET DAVID LUNDGREN, CMT CFA**

### **Portfolio Manager, Advisor, Innovator, Teacher**

David has more than three decades of investment industry experience, with a focus on technical analysis strategies, particularly momentum and trend following.

He is the former Director of Technical Research at Wellington Management, where he was also a Managing Director and portfolio manager with extensive experience managing global long only and US long-short portfolios. David also held senior analyst positions at Fidelity & Thomson Financial.

In addition, he has started several research and investment firms, including hedge fund Lyceum Capital, Breakaway Research, and most recently MOTR Capital Management & Research, Inc. He is also the portfolio manager of a private long short momentum & trend following hedge fund.

David taught a graduate level Technical Analysis course at Brandeis International Business School, in Waltham, MA (June 2015-June 2020), where he received the 2015 Excellence in Teaching Award in his first year. He is a Chartered Market Technician (CMT) and Chartered Financial Analyst (CFA) dual charter holder, and a member CMT Association's board of directors.

He launched and Co-Hosts "Fill the Gap", CMT Association's official podcast. David is a graduate of Babson College (1988), with a finance and investments dual major.

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