GLOBAL TREND ALERT
DETECTING OPPORTUNITIES FOR THE INSTITUTIONAL INVESTOR

THE WEDNESDAY, DECEMBER 3rd 2025 DAILY UPDATE

Unlike the past few sessions, today's trading showed significant improvement (despite the tape still being "split"). Note that there were *significantly* more Advances than Declines, as well as more Upside Volume than Downside Volume, on all three markets. In addition, it's an ongoing favorable indication that the CBOE Market Volatility Index (VIX) declined further by an additional 0.51 points, to 16.08 (and it's even more positive that this gauge continues to trade below all three of its important moving averages – the 50, 150, and 200 day MAs, which are currently at 18.51, 17.56, and 19.71, respectively).

Now, let's turn our attention to what's *really* important, which are the "rotations" that we continue to highlight for you. Note that several of our most favorable sectors once again displayed superior relative strength in today's trading – and especially impressive was the ongoing strength in the Oil-related area. Furthermore, we are also still very positive on the Airline sector, as well as our long list of Biotechnology and Health Care favorites and, in addition, we continue to like the many Bank stocks that we've been recommending. Finally, from a trading point of view, it appears that the Homebuilders (which have been out of favor for the past several weeks) are now starting to "shape up" once again, and if the XHB (which is one of the ETFs for that sector) can break out and *close* above 111, then the probabilities strongly favor that this group, too, will be ready to have "a play." So, we obviously haven't changed our mind and, as we've repeatedly stressed for quite a while now, we still feel that "being in gear with these 'rotations' continues to be the name of the game."

Next, as far as our key Glamour Average is concerned, here too, we haven't changed our mind, and still view this gauge as being in no better than a neutral position (as we continue to feel that the probabilities strongly favor that this gauge saw its high for this cycle in late September). In the meantime, further reinforcing the very "fragmented" trading that continues to take place, note that, despite today's fine advance in the market averages, this gauge was never "green." In addition, as we pointed out in yesterday's daily update, we felt that, despite the sharp oversold rally of the past several days, "the probabilities favor that the 50 day moving average will provide resistance to this advance," and that definitely now appears to be the case. Note that, at its best in today's session, this gauge was only able to move up to 49,660 (which was still two points below yesterday's close), and it, thereafter, closed with a 128 point loss, at 49,531 (and, as we said earlier, it is still below its 50 day MA, which is now down to 49,932). In the meantime, this indicator is still trading above its 200 day MA (which is now up to 48,347), and it will be important to see if it can continue to hold above that long term MA in the coming weeks - but, whether it does or doesn't, we continue to feel that this area is "inferior," and that new money should instead be going into stocks in our most favored sectors.