Update Bulletin –

Minor weakness in the market on Thursday led to slight downgrades in the outlook. The 13 week cycle up phase hasn't gotten off the ground. The 8 week duration may be the dominant actor, which would allow for another 9 days down with a current projection of 2012. The 4 week cycle also has had a weak up phase and is on the verge of a possible extended down phase. The market shows no sign of driving toward the 6 month cycle up phase projection in the waning days of the 6 month and 10-12 month cycle up phases. There's no longer a projection for the 10-12 month cycle.

If the SPX closes below 2040 it would break a weak short term uptrend channel and would suggest that the 6 month cycle topping process was advancing toward the onset of the down phase in that big swing cycle. The short term target of a break should be support indicated at 2030 or the lower channel boundary on the Third Rail chart around 2010. A bigger target would be 2000, where there are multiple trendlines on the equal vertical width channel chart.

For more details, refer to the latest full report at
http://wallstreetexaminer.com/2016/05/free-report-pro-trader-stock-market-update/

Below are updated cycle tables and charts for May 16, 2016.

Cycle Analysis

	Phase/PTT	SPX Target	Ch	QQQ Target	Ch
10-12 Month	Up/5-45	?	NA	?	NA
6 Month	Top/<=14	2160	-	116.00	0
8-13 Week	Down/9	2012	New	?	NA
6-7 Week	Bottom/<=4	2028 Done	0	SWU-107 Done	-
4 Week	Top-Down/11-16	?	NA	106.50 High Done	0
SWD: Sideways Down Phase		SWU: Sideways Up Phase			
PTT- Periods till turn, in days		Ch- Change since prior day			

The Cycle Conditions tables include cycle phase and a guess as to number of periods to the next turn (PTT), in days for the shortest cycles, weeks (W) or months (M) for the longer ones. This is a fluid exercise, in other words, the projections are likely to be wrong at times, but they force us to be vigilant for key turning points, and frequently work well enough to prevent costly misreadings. The Cycle Conditions chart and Cycle Map discussion are updated daily, and take precedence over the weekly long-term chart discussions. Centered moving average projections are used to project targets.

Indicator Review

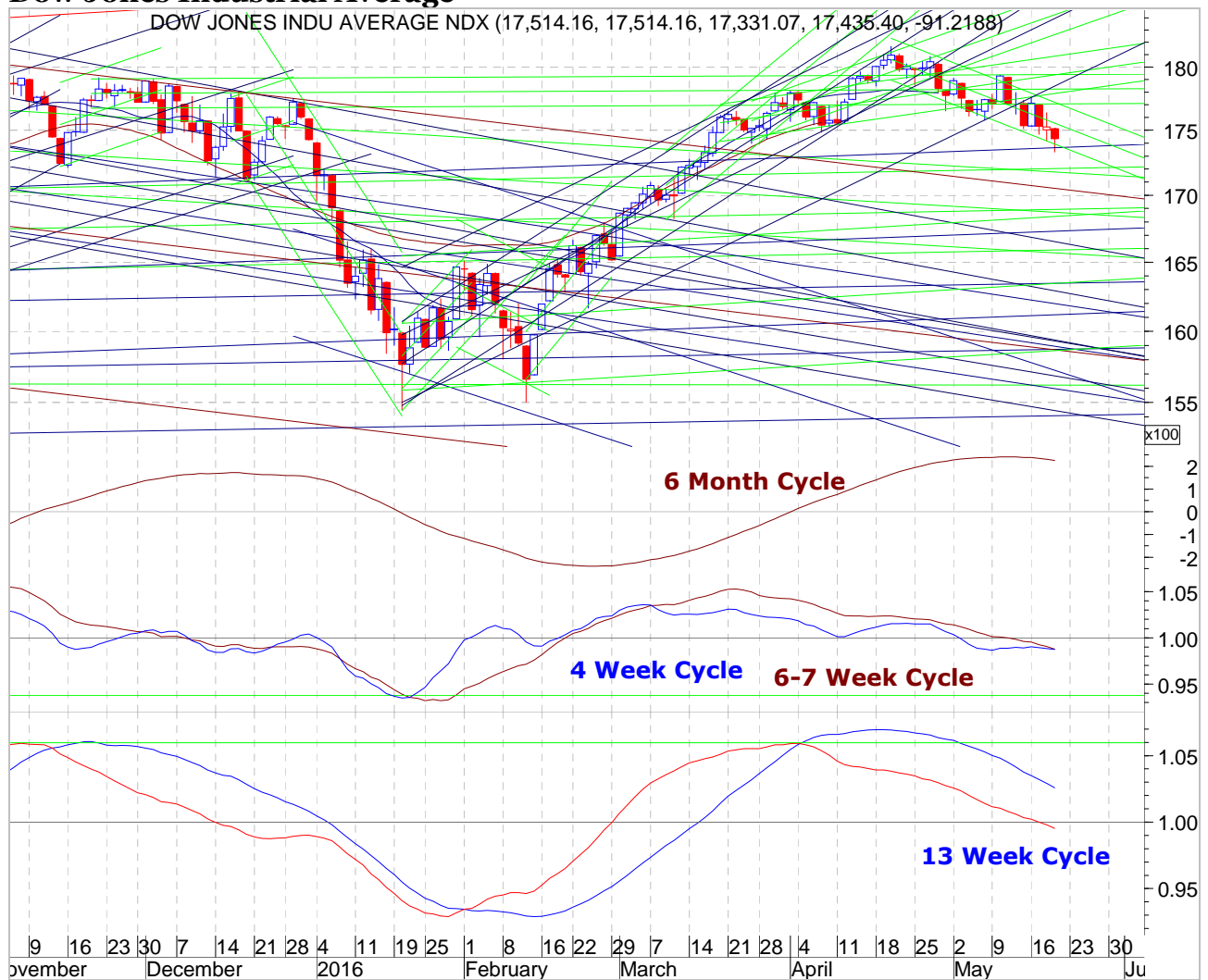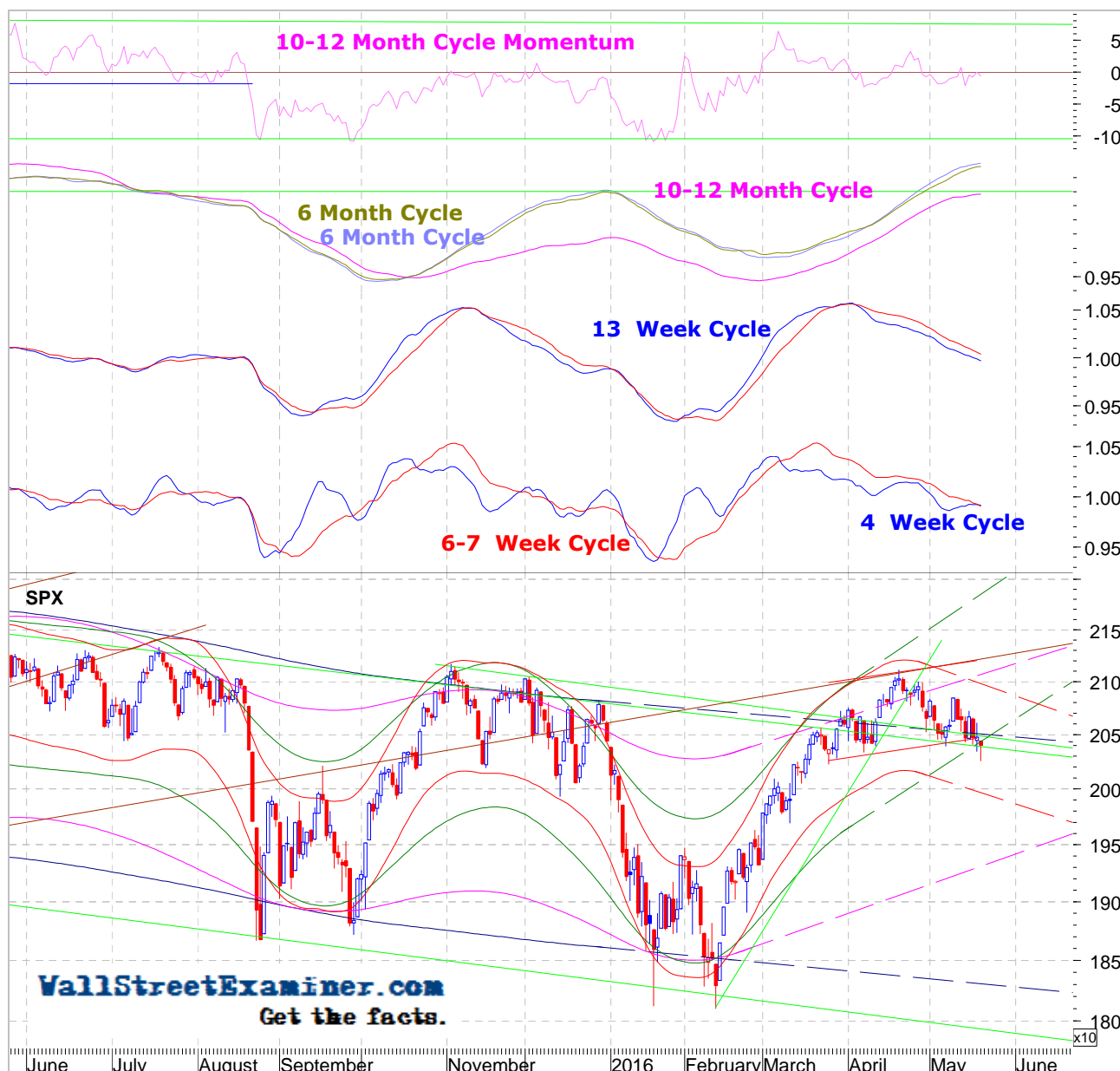|	Last Signals	Cycle Status	Comment
10-12 Month Cycle	Mixed	Late Up Phase	Indicators on cusp of sells signals
6 Month Cycle	Prelim Sell	Top Phase	Indicators overbought
8-13 Week Cycle	Sell	Late Down Phase	Betting on 8 week duration here, low overdue
29 Day Rate of Change	Sell		on 13 week basis.
6-7 Week Cycle	Sell	Bottom Phase	
17 Day Rate of Change	Uncertain		
4 Week Cycle	Sell	Top Phase	Failure of weak up phase could lead to selloff

SPX Third Rail

The Third Rail Chart uses linear regression analysis to illustrate trends. A linear regression channel is drawn normally 2 standard errors around the centerline between two cyclically related points. That means the regression is drawn either between the dates of two highs or two lows of the same cycle. They may or may not be consecutive highs or lows. The regression channel is then extrapolated forward. This defines a particular trend. As long as the index stays within the projection, the trend is in force. Once broken, it is usually an indication that the trend has changed direction. In other words, a particular cycle has gone from an up to a down phase, or vice versa.

Continued on next page

Dow Jones Industrial Average

DOW JONES INDU AVERAGE NDX (17,514.16, 17,514.16, 17,331.07, 17,435.40, -91.2188)

6 Month Cycle

4 Week Cycle   6-7 Week Cycle

13 Week Cycle

10-12 Month Cycle Momentum

10-12 Month Cycle

6 Month Cycle

6 Month Cycle

13 Week Cycle

6-7 Week Cycle

4 Week Cycle

SPX

WallStreetExaminer.com

Get the facts.

The dark blue channel is the idealized 18 month-2 year cycles. Magenta is the 10-12 month cycle. Green is the 6-month cycle. The red channel is the 10-13 week cycle.

Long Term Cycles (Updated 1/23/16)

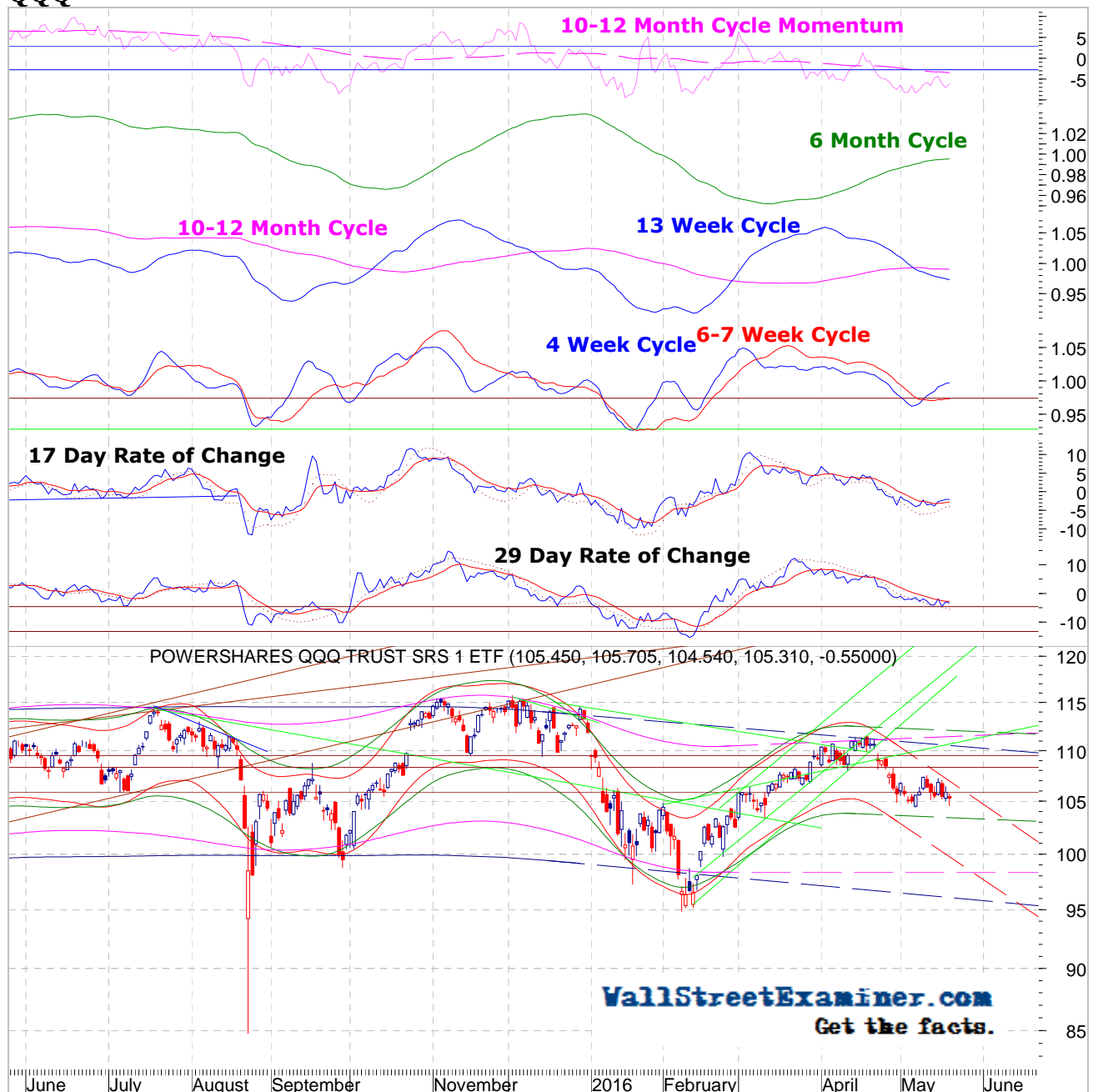| Cycle	Idealized Turn Date	Projection
2 Year	Bottom – Late 2016	1930 Done
3-4 Year	Bottom 2015-16	1910 Done
8 Years +	Top 2015	NA

Note: These are idealized targets that could be reached under optimal conditions. They are subject to change and are updated as conditions dictate.

SPX Equal Vertical Width Channel Chart- Inverted Scale VIX Chart

^VIX, CBOE MKT VOLATILITY IDX (16.3700, 17.6500, 16.2800, 16.3300, +0.38000)

Line from 3 lows in 2013.

VIX- Inverted Scale

Line from 2010-2011 lows

17 Day Rate of Change

29 Day Rate of Change

S&P 500 INDEX (2,044.21, 2,044.21, 2,025.91, 2,040.04, -7.58997)

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Get the facts.

The 17-day rate of change is a proxy for the 6-7 week cycle. The 29-day rate of change is a proxy for the 10-13 week cycle. The VIX is a measure of implied options volatility reflecting relative fear or complacency. It is plotted on an inverse scale to better show the relationship to the price chart. Regression projections from 6 month and 10-12 month cycle wave bands are used to estimate extremes where signals are generated.

QQQ

10-12 Month Cycle Momentum

6 Month Cycle

10-12 Month Cycle

13 Week Cycle

4 Week Cycle   6-7 Week Cycle

17 Day Rate of Change

29 Day Rate of Change

POWERSHARES QQQ TRUST SRS 1 ETF (105.450, 105.705, 104.540, 105.310, -0.55000)

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Get the facts.

The 17-day rate of change is a proxy for the 6-7 week cycle. The 29-day rate of change is a proxy for the 10-13 week cycle. The navy channel is the idealized 18-month cycle. The magenta channel is the idealized 10-12 month cycle. The dark green channel is the idealized 5-6 month cycle. The red channel is the 10-13 week cycle.

Cycle Screen Data

5/19/2016 Stock Screen Statistics	New Buys	New Sells	Net	Change Since Last	5 Day Change
Intermediate Term New Signals					
10-13 week cycle	28	56	-28	-6	-28
6 Month Cycle	23	100	-77	5	-153
Both Concurrent	5	13	-8	0	133
Short Term New Signals					
4 Week Cycle	143	60	83	0	83
6-7 Week Cycle	182	24	158	0	32
Both Concurrent	14	64	-50	-20	-148

All Stocks in Sample Current Cycle Status	Buy Side	Sell Side	Net	Change Since Last	5 Day Change
6 Month Cycle	110	481	-371	-32	-194
10-13 Week Cycle	101	490	-389	-8	-122
6-7 Week Cycle	278	313	-35	-4	42
Total	884	1601	-717	-65	-355

Chart
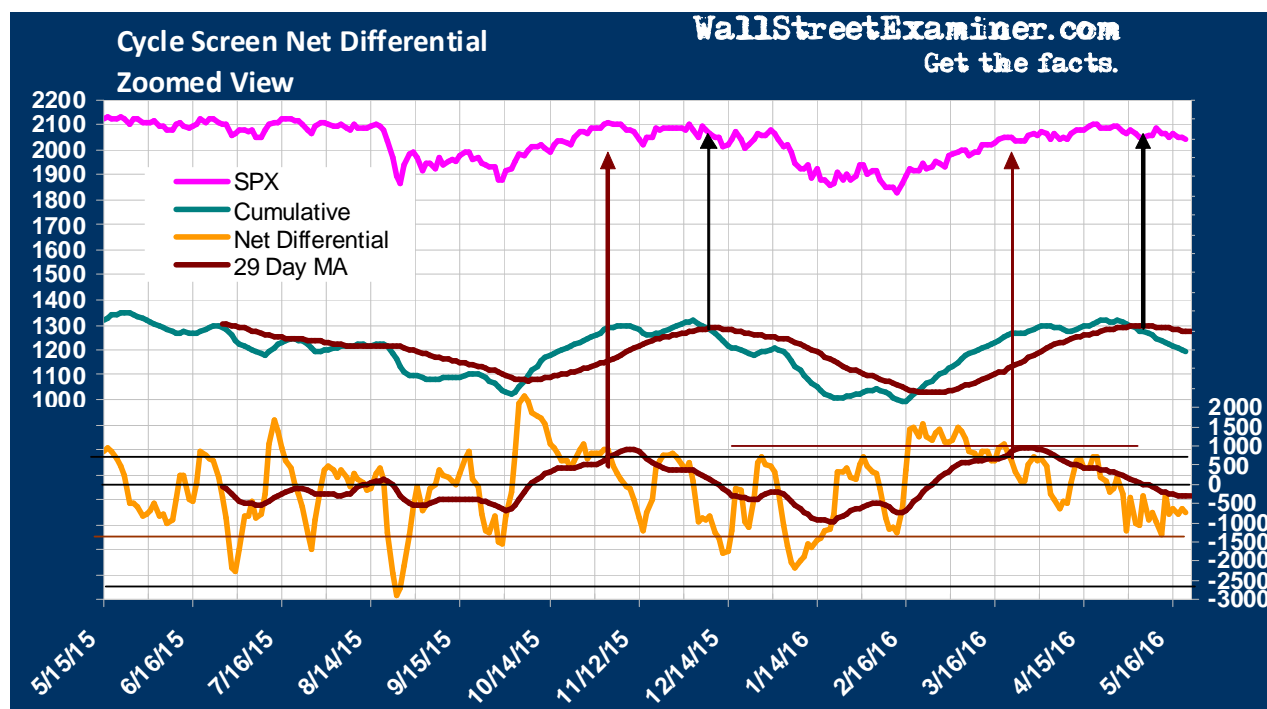
Stock Screens

The following list of stocks have generated buy or sell signals on the date of this report. The screens use proprietary cycle indicators applied to all stocks in the S&P 500, as well as the SPX itself, and the QQQQ. In order to be listed as either a buy or a sell, the stock must have triggered the corresponding signal on its 6-month cycle indicator within the past 2 weeks, *and* on its 13-week cycle indicator within the past day, or on the 13 week cycle within the past week and the 6 month cycle within the past day.

These are not buy or sell recommendations, but rather a suggested list of stocks for review to see if they meet your own trading criteria. This assumes you have a certain level of proficiency at chart reading. Stocks in trading ranges are likely to generate frequent whipsaws. Look for patterns where buy signals appear to be in a trough, and sell signals appear to be in a top pattern. Using the link to our chart pages on either the top or side menus of the Wall Street Examiner will preload charts with indicator periodicities that I like for helping to make trading decisions.

These are intermediate signals. The expected holding period would be from 3 to 8 weeks. In the short run, stocks will frequently run counter to intermediate signals for up to two weeks. However, depending on the typical volatility of an issue, if it breaks support or resistance in a move counter to the signal, then the signal is probably wrong. Stocks may appear on the lists for more than one or two days when the signals whipsaw back and forth across the signal lines. With intermediate signals, time must be allowed for the change in direction to occur. Normally this will be within two to three weeks at most. These periods are commonly known as periods of "accumulation", associated with buy signals, or "distribution", associated with sell signals. In some cases moves will start immediately. The goal of this signal system is to identify possible trending moves before they begin, or at least, very early in the trend. If the move has not begun within three weeks, the signal is probably wrong.

From time to time, some charts will be selected for publication as Chart Picks in the following section of the report. These charts exhibit the characteristics of holding promise of a significant move in the ensuing swing. As always, there is substantial risk of loss. Use of these tools is subject to the Wall Street Examiner's Terms of Use.
http://wallstreetexaminer.com/?page_id=126
Selected Charts, if any, shown below, are restricted to major sector ETFs and broad index ETFs. The raw screen data will continue to be posted for those looking for individual stock pick ideas. The raw data requires further analysis to choose the best setups.

5/19/2016

Buys		Sells				
BBT	LOW	ABBV.N	CVS	PBJ	SJM	VTR
CRM	UNM	AIV	DO	IRM	TAP	
HRS		AVB	EXPE	PPL	TWC	

Tracking Report The table below tracks the current open selection, including the current status, and target when available.

None

About Opening, Stops and Targets: Starting price for tracking purposes is the open, unless otherwise noted. Stops are treated as mental stops based on support levels on the charts for sell stops, and resistance for buy stops, effective when apparent that the closing price will be below the sell stop or above the buy stop.

Selected Charts - Chart Key- The indicators at the top of the charts are designed to filter out moves that are consistent with nominal cycle lengths of 4-5 weeks (green), 6-7 weeks (red), 10-13 weeks (blue), 5-6 months (brown).

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