

SEASONALITY TRENDS

eResearch Corporation is pleased to provide a graphic (next page) showing the seasonality trends of market indexes, sectors, and sub-sectors. This chart was compiled from data provided on the website of **Equity Clock**. eResearch strongly recommends that investors visit the respective websites, which feature the work of Don and Jon Vialoux. www.equityclock.com and <http://www.timingthemarket.ca/techtalk/>.

October 1, 2019

Seasonality: The following information regarding seasonality has been taken from the **Equity Clock** website:

Seasonality refers to particular time frames when stocks/sectors/indices are subjected to and influenced by recurring tendencies that produce patterns that are apparent in the investment valuation. Tendencies can range from weather events (temperature in winter vs. summer, probability of inclement conditions, etc.) to calendar events (quarterly reporting expectations, announcements, etc.). The key is that the tendency is recurring and provides a sustainable probability of performing in a manner consistent to previous results.

A seasonality study preferably uses at least 10 years of data. Most studies use 10-20 years of data; however, data may not always be available for periods greater than 10 years in length. Studies using less than ten years of data can be used, but they tend to be less reliable. Results of shorter-term studies have a higher chance of being skewed by a single data point.

The chart on the next page shows the periods of seasonal strength for each market segment. Each bar will indicate a buy and sell date based upon the optimal holding period for each market sector/index.

OCTOBER (18 starting and 2 ending this month):

Adding this month: S&P/TSX Composite Index; S&P 500 Index; Dow Jones Industrials; NASDAQ; Russell 2000; Dow Jones Transports; Materials; Industrials; Consumer Discretionary; Consumer Staples; Health-Care; Financials; Technology; Banks; Biotech; Gas Utilities; Retail; Metals & Mining;

Deleting this month: VIX and Gold

S&P/TSX Composite	From: October 28	-	Until: June 5
S&P 500 Index	From: October 28	-	Until: May 5
Dow Jones Industrials	From: October 11	-	Until: May 17
NASDAQ	From: October 9	-	Until: January 5
Russell 2000	From: October 6	-	Until: December 31
DJ Transports	From: October 2	-	Until: December 8

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VIX	From: July 18	-	Until: October 12
U.S. Dollar Index	From: August 2	-	Until: November 22
Energy	From: September 26	-	Until: December 22
Materials	From: October 1	-	Until: December 22
Industrials	From: October 8	-	Until: December 22
Consumer Discretionary	From: October 7	-	Until: December 22
Consumer Staples	From: October 1	-	Until: December 22
Health-Care	From: October 8	-	Until: December 4
Financials	From: October 7	-	Until: December 22
Technology	From: October 9	-	Until: December 22
Banks	From: October 8	-	Until: December 22
Bio-Techs	From: October 4	-	Until: February 24
Gas Utilities	From: October 7	-	Until: December 22
Retail	From: October 1	-	Until: December 22
Metals & Mining	From: October 3	-	Until: December 22
Gold	From: July 27	-	Until: October 10

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	January	February	March	April	May	June	July	August	September	October	November	December
S&P/TSX Composite						5				28		
S&P 500 Index					5					28		
Dow Jones Industrials					17					11		
NASDAQ	5			15			17			9		
Russell 2000		1		30						6		31
DJ Transports		3		16						2		8
VIX							18			12		
US Dollar Index	1		8		1	30		2	8	15	22	
Energy		1		30					26			22
Materials	20				5					1		22
Industrials			1		5					8		22
C. Discretionary		10		30						7		22
C. Staples			12		31					1		22
Health-Care			5				17			8		4
Financials			1	30		28	15			7		22
Technology				15			17			9		22
Utilities			12	30							14	22
Real Estate	20				5		1		19			
Banks		21		30						8		22
Biotechs	...	24				10	31			4		...
Gas Utilities			1		9					7		22
Retail	18			27						1		22
Metals & Mining	20				5					3		22
Gold	...	28					27			10		15
Silver	...	28				28		4				15
Copper	...			28		15	31					15
Oil		7							22			
Natural Gas			13			18			1			18

source: Equity Clock

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