# 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**. *e*Research 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/**.

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November 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 (1 starting and 1 ending this month):**

**Adding this month**:   Utilities;
**Deleting this month**: U.S. Dollar Index

| | | | | | |
|---|---|---|---|---|---|
| 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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|---|---|---|---|---|---|
| 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 |
| Utilities | From: | November 14 | - | 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 |

**<continued>**

| | 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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