



HERITAGE CAPITAL LLC

Invest for Tomorrow. Live for Today.™

I am scheduled to join the good folks at Yahoo Finance on their Midday Movers show from 11:45 AM to 12:15 PM. All you need to do is go to <https://finance.yahoo.com/topic/middaymovers>

As you know, I have been among the strongest supporters of the bull market for a very long time with a few bouts of short-term negativism mixed in. While I continue to believe that the bull market remains alive and reasonably healthy, the short-term risk/reward ratio is now skewed to the negative. Simply put, that means that taking on risk isn't worth the potential reward right here.

With that said, looking at the major stock market indices, the S&P 400 and Russell 2000 look the most vulnerable with the Dow Industrials looking the best. In percentage terms, the upside looks to be roughly 4% while the downside could go as much as 6% in a worst case.

Again, I do not believe the upside is done just yet and not even this year. The odds now slightly favor the downside over the upside until proven otherwise. Watching my four key sectors, semis, transports, consumer discretionary and banks, seeing them close at new two month highs will likely negate my downside scenario.

I posted several pieces on the blog of late regarding the changing landscape for stocks and I invite you to check them out at your convenience.

I had hoped to publish a full Street\$mart last week, but I have been smack in the middle of writing my quarterly report to clients and I need to finish that up first.

Don't forget to check our blog for more info www.InvestForTomorrowBlog.com

Posts are typically made three times per week and you can sign up here to be notified by email when a new one is up.

<http://www.investfortomorrow.com/BlogAlerts.asp>

To Your Financial Success,



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