

# Little Big View

## MARKETGAUGE.COM

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**Phone:** 888 241-3060, 973 729-0485

**Product:** Actionable market data and educational material using end-of-day data

**Price:** Free

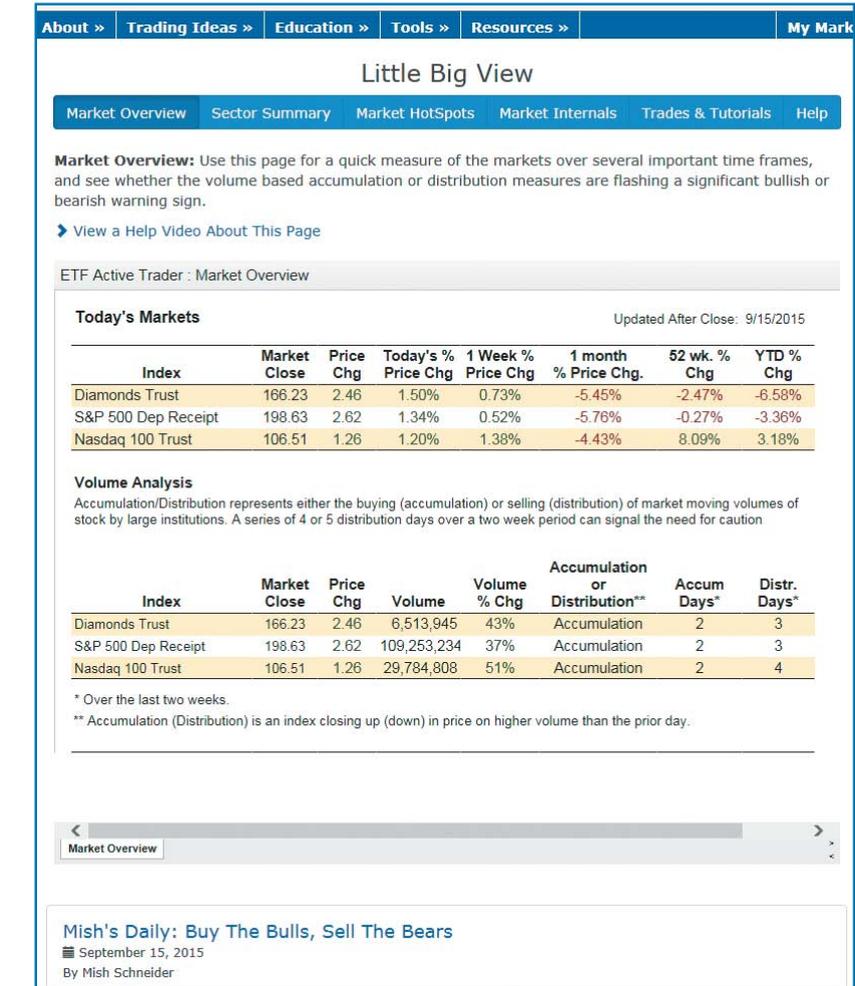
by *Jayanthi Gopalakrishnan*

Sometimes, if you are hesitant about committing to using a product, it's nice to get a small dose of the products and services offered by a company. Similarly, it's nice to get a small dose of what is going on in the markets. *Little Big View*, one of the products available from MarketGauge, meets both these needs in a way I think all traders will benefit from.

## FEATURES

There are several useful pieces of information that a trader can get from this site. The information can be gained quickly, and that has to do with the simplicity of the site's design. You can easily get the big picture and use that information to make trading decisions.

Little Big View focuses on the performance of sector exchange traded funds (ETFs) instead of your typical indexes or equities. On the homepage you'll see various tabs across the top. By default, you'll be on the *market overview* tab when you visit the homepage (Figure 1). You'll see two tables—one displays the performance of the broader market and the other analyzes volume. The performance of the Dow Jones Industrial Average is represented by the Diamonds Trust (DIA) ETF, the performance of the S&P 500 through the S&P 500 Deposit Receipt (SPY), and the performance of the Nasdaq is through the Nasdaq 100



**FIGURE 1: MARKET OVERVIEW.** From this page you get a market overview, whether the market is accumulating or distributing, and access to Mish's daily market commentary.

Trust (QQQ). On the table you'll see the close and price change, but you'll also get a feel for how the current day's price action compares with price action for the week, month, year, and year to date.

Volume analysis is a little different in that in addition to seeing the volume percent change, you also see the number of accumulation or distribution days. If there are four to five consecutive days of market accumulation, it indicates that the market is getting strong. Similarly, if you see four to five days of distribution, that would be a signal that the market is getting weaker. Why is this information useful for trading? Click on the help

video on this page to have that question answered.

Below the tables you'll see Mish's daily commentary, which is a feature that is available in the various products and services offered by MarketGauge. If you are familiar with Mish Schneider's commentary, you'll know that what she writes is light-hearted and entertaining, but at the same time informative and educational.

The *sector summary* gives you an overview of what is going on in each of the major sectors. You'll see a list of the major sector ETFs with price and volume information. The column titled

phase shows you whether the sector is bearish, bullish, distributing, accumulating, recovering, or in a warning phase. These phases are determined by where price is relative to the 50- and 200-day moving averages. If there's a change in the phase, it'll be highlighted.

Below the table are some charts. These are not your typical charts. On these charts are two components; one is the price chart showing a couple of moving averages and the other is the histogram that is displayed on the subchart. For example, looking at the chart of the SPY in Figure 2, if the SPY is trading above its 40-week moving average, it indicates a bullish market, whereas if it trades below the 40-week moving average it indicates a bearish scenario. The histogram below the price chart shows how many sectors have a positive or negative six-month change. The histogram below the price chart shows how many sectors have a positive or negative six-month change. By combining the price movement and performance of the various sectors you can get a more confirming signal of which way the market is heading. If you pulled up the chart in Figure 2 on your screen and analyzed how the sectors were performing each time the SPY reached its 40-period moving average, you would see that if the green lines were above the yellow horizontal line (more than three sectors with positive six-month change), then prices bounced back up. If, on the other hand, there were red lines below the yellow horizontal line (three sectors or less with positive six-month change), prices dipped lower. The converse is true in a bearish market when the price is below its 40-period moving average.

There are a couple of other charts that show the past performance of this indicator. These charts help you better understand how to apply this indicator and give you a base against which you can compare the current market performance.

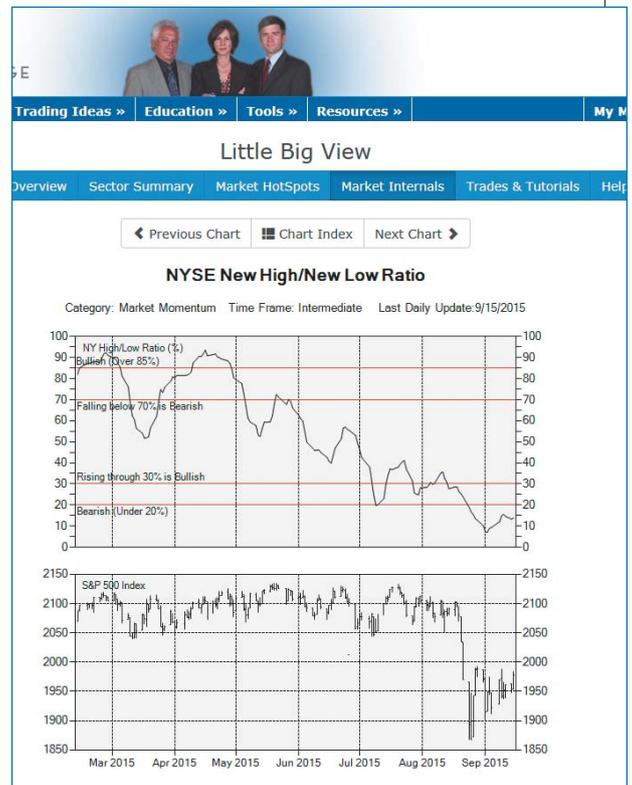
**Want to know what's hot in the market at the moment? A visit to the market hotspots tab will answer that question.**



**FIGURE 2: SECTOR SUMMARY.** A quick glance at this chart will tell you if the market is bullish or bearish. All you have to do is look at price action relative to the 40-period moving average and see if the various market sectors have a positive or negative six-month change.

Want to know what's hot in the market at the moment? A visit to the market hotspots tab will answer that question for you. Here you'll find which ETFs are the biggest percentage gainers, the biggest percentage losers, the six-month leaders, and six-month laggards. Similar to the table you see in the sector summary, the various phases of each of the ETFs are displayed, and if there's a change in the phase, it'll be highlighted. This helps you quickly determine which sectors and what trading strategies you should focus on and which ones you should avoid.

I'm a firm believer in studying market internals and I was happy to find this type of information included in the product. Market internals give you an overall view of the "big picture" so you can easily see if the markets are generally bullish or bear-



**FIGURE 3: NYSE HIGH/LOW RATIO.** This momentum indicator tells you the strength of the current market trend.

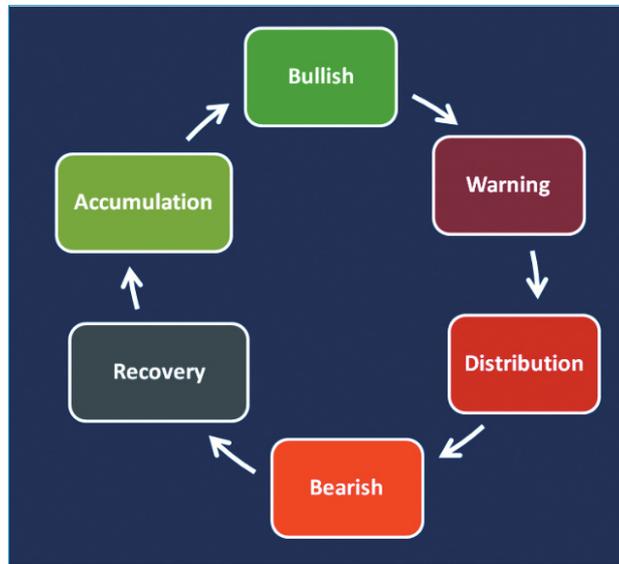
ish. Obviously, it'll not be in your best interest to open long positions when the market is bearish.

Here, you can quickly assess the vari-

ous market breadth indicators such as advance/decline oscillator, up/down volume ratio, and new high/new low ratio. You can go through all these charts and with one glance you can identify the market sentiment. The new high/new low ratio is especially helpful. You can see a chart of the NYSE high/low ratio (%) in Figure 3. The ratio is deep in bearish territory, which tells you that you should be cautious and exercise some patience before you rush to open that long trade.

In the *trades & tutorials* section you'll find educational materials that include videos of how you utilize the tools available in Little Big View. This includes market analysis, trade ideas, Keith's market outlook, and articles of general interest. In fact, I write this as we await the Fed's decision to raise interest rates for the first time in decades and in this section was an article on what sector to buy after the Fed meeting. The material is relevant, easy to understand, and useful.

**The help section offers some detailed tutorials on phases and market internals that I found to be extremely helpful.**



**FIGURE 4: MARKET PHASES.** There are six phases described here. A transition between these phases will present different trading opportunities.

Hopefully you won't have to visit the help section too often. When using Little Big View, you'll notice that each section has a help video that explains all the features that are available on that page and their usefulness. Even if you don't find the need to use the help section, still, there are some detailed tutorials on phases and market internals that I found to be extremely helpful. Oftentimes, we read information but are unsure of how to apply it. When you go through the tutorials here, you'll understand how you can apply these tools to your trading. In Figure 4 you see a diagram from the tutorial on market phases. When an ETF transitions from one phase to another, it

presents trading opportunities you can take advantage of.

### A GOOD PLACE TO START

The market data, videos, and commentaries available on Little Big View give you a small taste of the direction of the overall market. The product is a consolidation of free content, and in that sense, it gives you a taste of the other products and services offered by MarketGauge. You really do get a "little big view," and it's free.

*Jayanthi Gopalakrishnan is Editor of Technical Analysis of STOCKS & COMMODITIES magazine. She may be reached at [Jayanthi@Traders.com](mailto:Jayanthi@Traders.com).*

### FURTHER READING

- Gopalakrishnan, Jayanthy, and Bruce Faber [2012]. "Michele 'Mish' Schneider," interview, *Technical Analysis of STOCKS & COMMODITIES*, Volume 30: November.
- Peterson, Dennis D. [2011]. "Market-Gauge: The Complete Swing Trading System," product review, *Technical Analysis of STOCKS & COMMODITIES*, Volume 29: February.

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