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Toggle AI

Technical Analysis: Do It Like the Pros!

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AI Investing Copilot

The ultimate suite of financial analysis tools to help investors make more intelligent decisions

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Conversation DIY Toolkits

How does WMT perform if the yield curve inverts?

Historically, when the yield curve inverts Walmart (WMT) has experienced a median return of 10.28% over a 6 month horizon, with a typical range of -2.64% to 24.77%. The future performance will depend on the individual fundamentals and news flow for Walmart, as well as the overall market sentiment towards stocks when the yield curve inverts.

Summary

Open WhatIF Scenario tool

What if...

US yield curve steepens 25bps in 1 month

US economic starts slowing down

US inflation is higher than

TECHNICAL ANALYSIS: DO IT LIKE THE PROS

IB Webinar – December 13, 2023

Ask Toggle anything about the market

Walmart
WMT

Add to watchlist

Condition
Inverted yield curve

Outcomes

WMT price movement after 30 previous US yield curve inverts



*Top 20% to bottom 20% range

Evidence

Dig into the 30 yield curve inversions

Disclaimer



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Toggle AI users range from hedge funds, investment banks to asset managers



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Investing is hard work



Finding promising trade ideas regardless of style – day-trading, swing-trading, fundamental – requires a substantial time commitment

- Data is widely available (and often free) but **dispersed across numerous sites** (FinViz, Yahoo Finance, TradingView ...) and still **has to be analyzed before it's useful**
- **News and data changes daily**, often several times intra-day
- **Market data is constantly updating** (prices, volume, positioning)

So how do you follow all this for not one stock, but hundreds? It's like sipping from an ocean with a straw.

Decision making in the battlefield



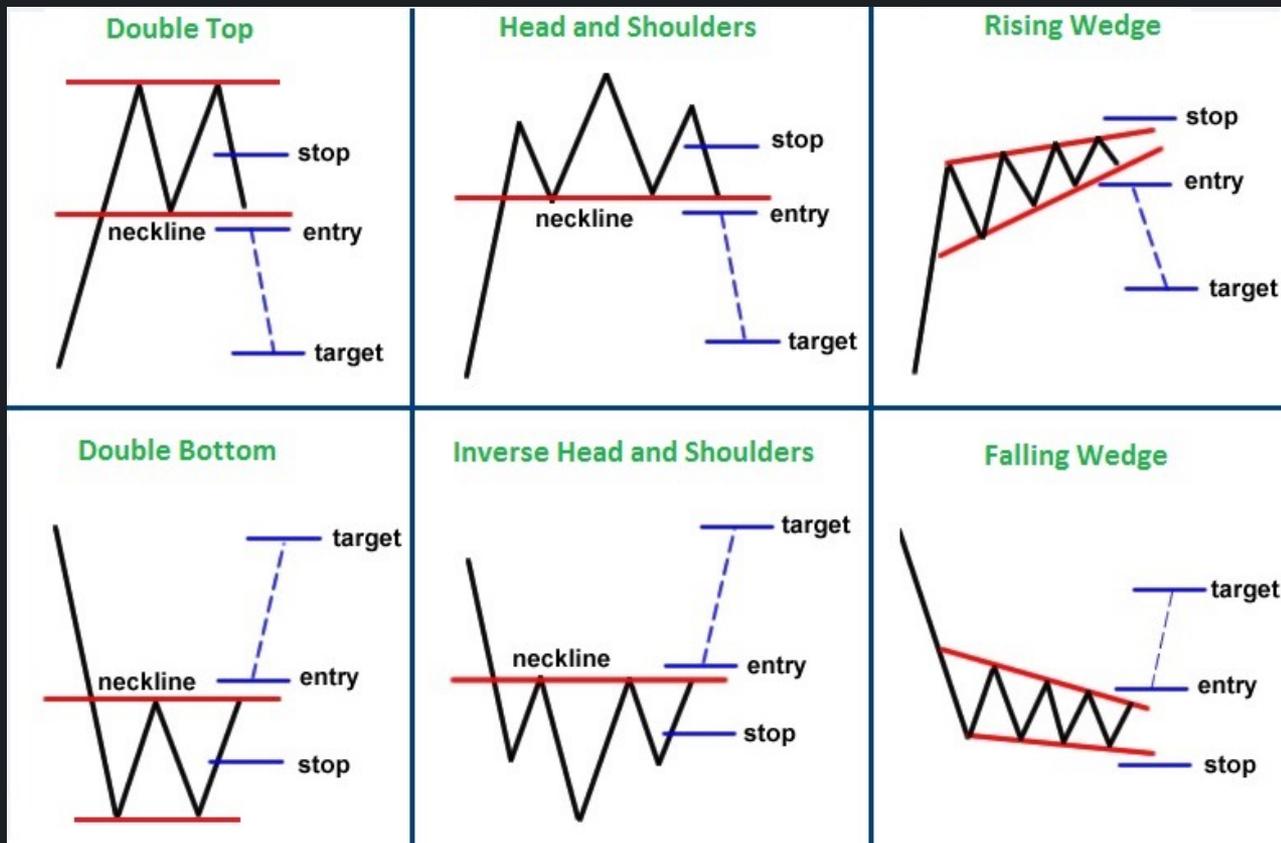
In a daily barrage of new “information” portfolio managers are often forced to make a large number of fast decisions with incomplete knowledge.

- "Big sell-off in the largest portfolio holding: is it temporary? Do we hold? Add?"
- "The government just announcement a new fiscal package: is that good for our allocations? They are rallying!"
- "Yield curve has inverted, signaling a recession. But my economist says activity is picking up. If they're wrong, what is my downside risk?"

A lot of investors rely on Technical Analysis – rather than studying fundamentals of the business - to answer many of these questions. What is technical analysis?

- Unlike fundamental analysis, which attempts to evaluate a security's value based on business results such as sales and earnings, Technical Analysis focuses on the study of price and volume
- It helps traders and investors navigate the gap between intrinsic value and market price by leveraging techniques like statistical analysis and behavioral economics
- Many investors rely on both technical and fundamental analysis for their investment decisions

Technical Analysis is more than chart patterns



Technical Analysis – common tools



Technical Analysis is a broad field that includes studying chart patterns, volume, price action etc. Some of the more popular indicators

1. **On-Balance Volume (OBV)** is used to measure the positive and negative flow of volume in a security over time. Up volume is how much volume there is on a day when the price rallied. Down volume is the volume on a day when the price falls. When OBV is rising, it shows that buyers are willing to step in and push the price higher. When OBV is falling, the selling volume is outpacing buying volume, which indicates lower prices. In this way, it acts like a trend confirmation tool.
2. **The Moving Average Convergence Divergence (MACD)** indicator helps traders see the trend direction, as well as the momentum of that trend. It also provide a number of trade signals. When the MACD is above zero, the price is in an upward phase. If the MACD is below zero, it has entered a bearish period.

Technical Analysis – common tools



Technical Analysis is a broad field that includes studying chart patterns, volume, price action etc. Some of the more popular indicators

1. **Stochastic Oscillator** is an indicator that measures the current price relative to the price range over a number of periods. Plotted between zero and 100, the idea is that, when the trend is up, the price should be making new highs. In a downtrend, the price tends to make new lows. The stochastic tracks whether this is happening.
2. **Chart patterns** like H&S, rising wedge and other formations are used to divine future price movements
3. **The relative strength index (RSI)** is a momentum indicator used in technical analysis that measures the magnitude of recent price changes to evaluate overbought or oversold conditions in the price of a stock or other asset. The RSI is displayed as an oscillator (a line graph that moves between two extremes) and can have a reading from 0 to 100.

Pitfalls of the TA approach



While extremely popular with both experienced and novice investors, Technical Analysis requires substantial commitment of time and resources:

- Testing each indicator to see whether it works for the asset you are considering is time consuming and requires access to a long time series of data
- Following several indicators across a range of assets can be impractical for most individual investors

AI = Augmented Intelligence



Human intelligence is very good at strategy (the “big picture”) but AI can be helpful with the tactics (the “details”) and the numbers.

AI can crunch the numbers instantly and alert the investor to developing patterns. More than that, it’s able to provide the full analysis of how impactful a particular driver has been historically (does the “Death Cross” really work for this stock?), giving the investor dramatically improved confidence to act.

Testing patterns

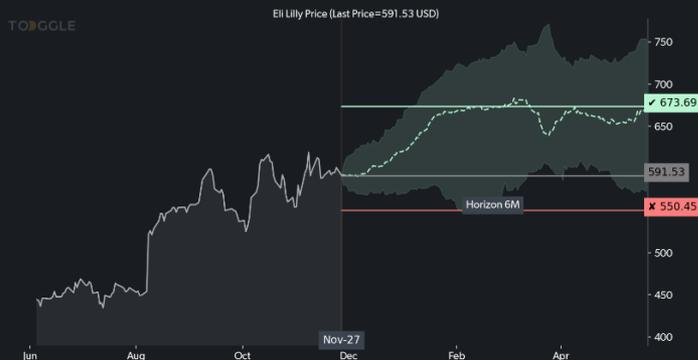


TOGGLE will highlight a particular pattern ...

LLY:NYSE - Eli Lilly's 12D,26D MACD Level dropped to 1.61, in the past this led to a increase in price

by Toggle A.I. Nov-28-2023

Technical Analysis indicators for Eli Lilly <LLY:NYSE> dropped. Historically, this led to a median increase in Eli Lilly price of **12.96% over the following 6M**, as shown in the chart below. TOGGLE analyzed **16** similar occasions in the past to produce the median projection and the confidence band below (**How do you do this?**), most recently on **2023-11-27**. This insight received 6 out of 8 stars (**What are stars?**) in our quality assessment.



Source: Toggle

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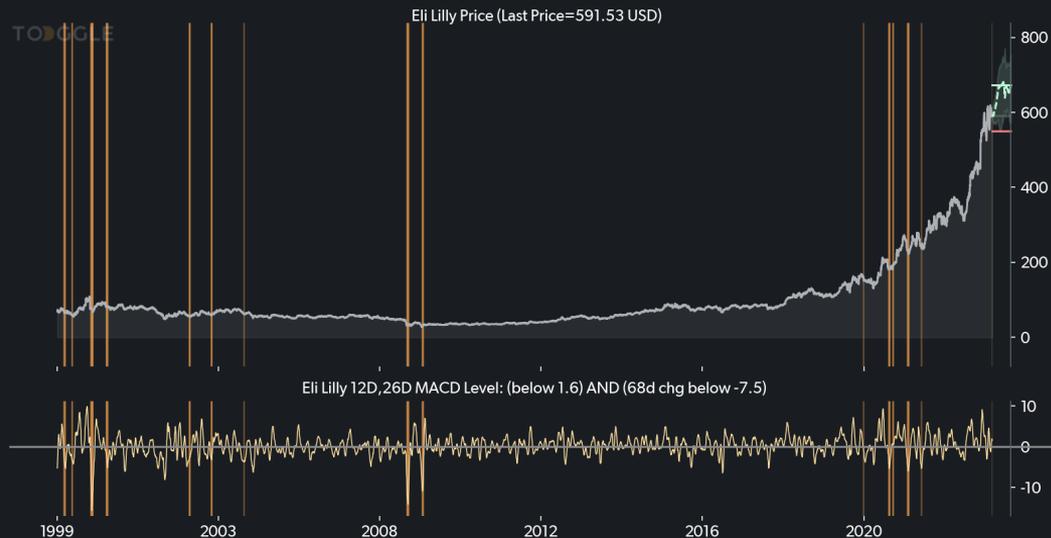
Testing patterns



... and test it

View all episode dates ▾

	1W	2W	1M	3M	6M
Median	0.11%	0.28%	3.01%	13.89%	12.96%
Hit Ratio	48.10%	48.48%	58.95%	73.85%	85.48%



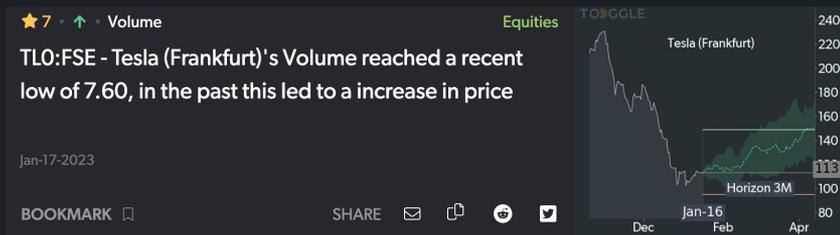
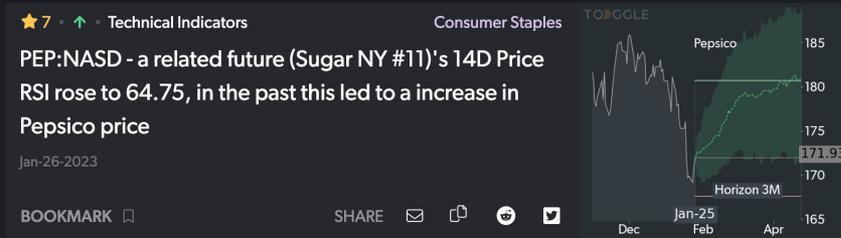
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TOGGLE acts as an extra set of eyes



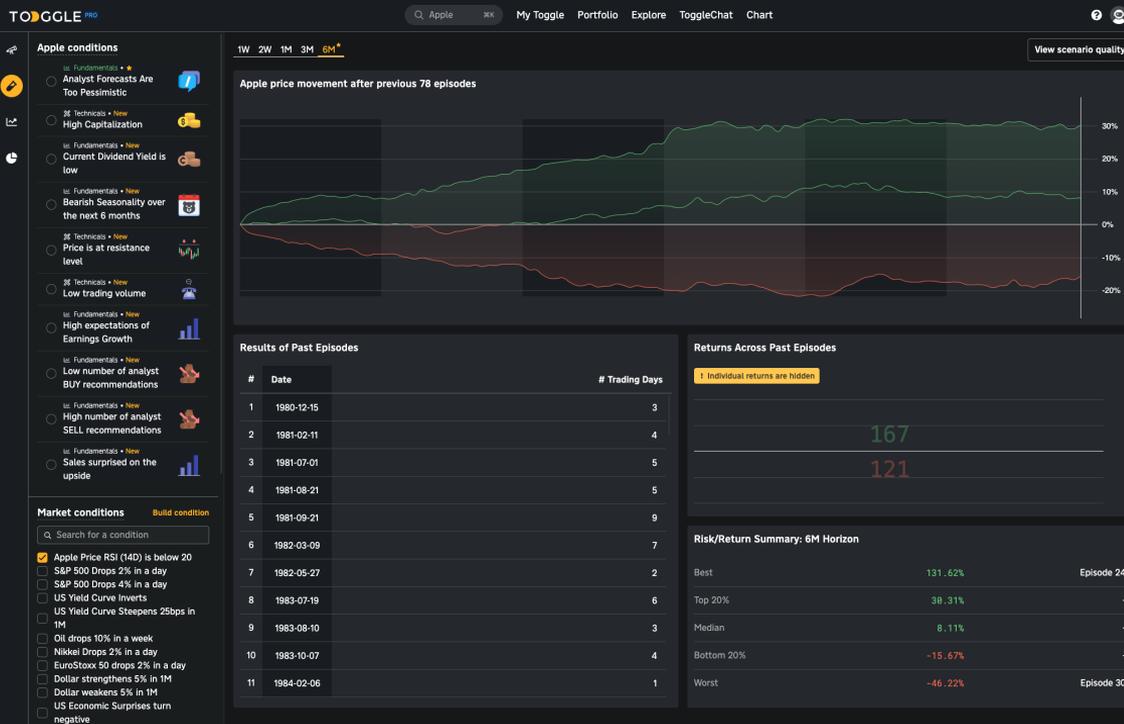
It will keep an eye on developments across a range of Technical indicators, over 40,000 assets ...



Source: Toggle

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TOGGLE Pro also offers a data science workbench to test your own indicators



Source: Toggle

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Coming soon ...



You no longer have to remember event dates: Gen AI will do it for you



Source: Toggle

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Coming soon ...



when does bank of america report earnings?

Bank of America (BAC) is expected to report earnings in 6 days on 2023-07-18. Here's a summary of historical performance based on beating or missing earnings:
When BAC beats earnings:

- Historically, the stock has been up 1.66% over 1 week (28 times in the past)
- Bad-case scenario: -1.97%
- Good-case scenario: 4.23%

When BAC misses earnings:

- Historically, the stock has been up 0.64% over 1 week (3 times in the past)
- Bad-case scenario: -1.76%
- Good-case scenario: 2.60%

[Open WhatIF Earnings](#)

Not relevant

how is apple stock doing today?

Apple stock (AAPL) performance summary:

- Last day: -0.28%
- Last week: -2.28%
- Last month: 2.33%
- Last three months: 13.60%
- Last six months: 39.57%
- Last year: 22.06%

Today, Apple stock is down by 0.28%. However, it has experienced a decline of 2.28% over the last week.

[Open AAPL:NASD Overview](#)

Not relevant

AAPL Market Insights

Bullish [Risk-On Watch](#)

WhatIF - Earnings

If EPS **Beats** Misses expectations

BAC price movement after 28 previous earnings beats



*Top 20% to bottom 20% range

Powered by TOGGLE

[Dig into the 28 beats](#)

Source: Toggle

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