



## The Pullback Hustle

Sometimes, you're out on the trading dance floor with your chin up and chest out, gyrating to new highs. Sometimes, you're slithering away, cutting risk, and doing the *pullback hustle*. Right now, our commodity trade is doing the *pullback hustle* like Tony Manero in *Saturday Night Fever*, but I'm going to stay on offense and add risk to the pad.

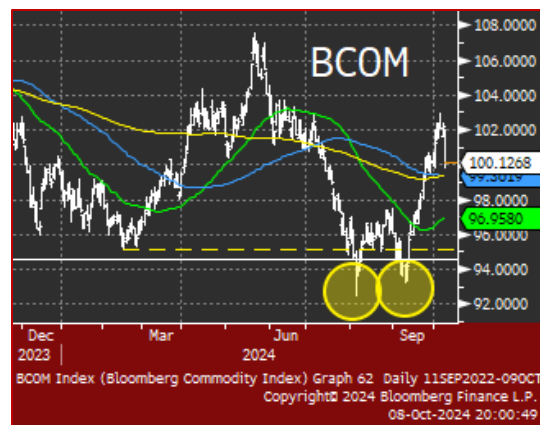
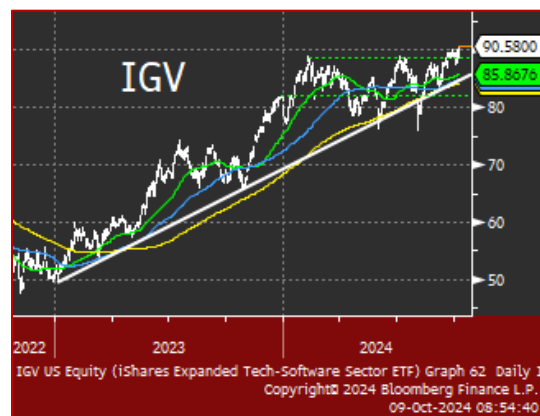
Despite the steady flow of hurricane headlines in North Carolina and Florida, markets have ground to a mid-week malaise. The only thing that happened on Monday was utilities (XLU) responded to rising bond yields and got plowed for a 2-sigma loss. On Tuesday, we saw a 2-sigma selloff in social media (SOCL) and E&P (XLE) led by refineries like MPC, PSX, and VLO.

We also saw a 2-sigma range-breaking rally in the software sector (IGV), which closed at an all-time high. I'm going to take a trade out of the Active Traders Handbook and add IGV as a new long to the View Matrix at today's closing price. Sectors that rally for a year, then consolidate for a year, then break out again tend to go on long-distance rallies, so I have high hopes for this software trade. It's taking place with the Nasdaq about to charge new highs and Nvidia catching fire again, so I thought some tight tech exposure would do us good.

It feels like markets are doing their own thing, but we'll get some form of a response to CPI tomorrow and PPI on Friday. If I had to guess, inflation data would come in benign, just like the Administration would like it to. I could see Treasuries hold the recent dip on benign CPI data, rally, and rates fade a bit.

We should prepare to take a few more deflationary body blows to our commodity trade if that's the case. Natural gas has already fallen from \$3 to \$2.70, and there's more room to pull back. Gold is flying away from moving averages, so there's room for it to pull back. Crude oil has been a random number generator, but if it returns the 50-day moving average support level at \$72.50, it can pull back to \$70. LME copper banged its head on \$10K again and pulled back to \$9,650. The next support levels are at \$9,500 and \$9,250, so there's room to pull back on every commodity chart in the complex.

The moral of the trading story is as follows: I may be expecting to suffer a pullback in the commodity space, but that doesn't mean we have to bail out of the trade or stop trading. The stock market is skidding along the highs, and if powerful sectors like software are going to break out right before our eyes, I'm going to stay in motion and trade that breakout for whatever it's worth.





This is trading. We're out on the dance floor trying to make moves. Sometimes it goes like [John Travolta](#), and sometimes it goes like [Chris Farley](#), but we never stop trading. If commodities are going to suffer a pullback, then let's grab some software because the risk-reward is ripe. I'm not afraid of charging bull markets. Are you?

## View Matrix

IGV will be added to the View Matrix as a new long at today's closing price.

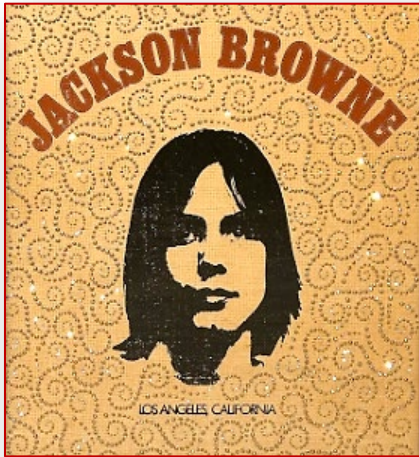
VIEW MATRIX							THE PNL:	124.2%	
LONG	TICKER	ENTRY	REASON	ALL BETS ARE OFF	TARGET	Entry/Mark	Last Sale	Performance	
Software	<b>IGV</b>	9-Oct-24	Range breaking extension	< \$84	\$125	<b>\$90.58</b>	<b>90.58</b>	<b>0.00%</b>	
Stocks	<b>SPY</b>	26-Sep-24	Technical recovery	< \$540	\$620	<b>\$575.00</b>	<b>573.17</b>	<b>-0.32%</b>	
COMMODITIES	<b>BCOM</b>	29-Aug-24	Oversold on recession fear	< \$92	\$108	<b>\$97.00</b>	<b>99.74</b>	2.82%	
Energy	<b>XLE</b>	19-Jun-24	Dip to technical support	< \$82	\$105	<b>\$90.00</b>	<b>91.07</b>	1.19%	
Gold	<b>*PHYS</b>	24-Mar-20	Monetary Insurance.	<b>*COLLECTORS</b>	<b>FOR LIFE</b>	<b>\$15.50</b>	<b>20.40</b>	<b>31.61%</b>	
SHORT	TICKER	Added	REASON	ALL BETS ARE OFF	TARGET			Performance	
								0.00%	
RADAR SCREEN									
<b>BULLISH</b>	Uranium Miners, Natural Resources, Basic Materials, Industrial Miners, Bitcoin								
<b>BEARISH</b>	Fiat Currency, Solar, PFE/MRNA								

## DO THE HUSTLE.





## STUDY BREAK



*Doctor, my eyes have seen the years  
And the slow parade of fears without crying  
Now I want to understand  
I have done all that I could  
To see the evil and the good without hiding  
You must help me if you can*

- Doctor My Eyes, Jackson Browne, born October 9, 1948

"There are two basic motivating forces: fear and love. When we are afraid, we pull back from life. When we are in love, we open to all that life has to offer with passion, excitement, and acceptance. We need to learn to love ourselves first, in all our glory and our imperfections. If we cannot love ourselves, we cannot fully open to our ability to love others or our potential to create. Evolution and all hopes for a better world rest in the fearlessness and open-hearted vision of people who embrace life."

- John Lennon born October 9, 1940



"To fear love is to fear life, and those who fear life are already three parts dead." – Bertrand Russell

"Where there is love, there is life." – Mahatma Gandhi

"When I was 5 years old, my mother always told me that happiness was the key to life. When I went to school, they asked me what I wanted to be when I grew up. I wrote down 'happy'. They told me I didn't understand the assignment, and I told them they didn't understand life." – John Lennon

"If everyone demanded peace instead of another television set, there would be peace." – John Lennon

"I'm not going to change the way I look or the way I feel to conform to anything. I've always been a freak. So, I've been a freak all my life and I have to live with that, you know. I'm one of those people."

- John Lennon and me.



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TG MACRO

<i>The Navigator</i>		OCTOBER 2024					TG Macro
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
		1	2 	3 X	4 X	5	
6	7 	8 X	9 	10 X	11 	12	
13	14  Columbus Day	15 X	16 	17 X	18 	19	
20	21 	22 X	23 	24 X	25 	26	
27	28 	29 X	30 	31 X Halloween			

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