Traders Should Get Ready for a 'Ripe' 2016 in Markets

If you're a trader who likes to make bets and take chances, 2016 is going to be your year.

That's the prediction from Michael Oliver, who runs his one-man market-research shop, Momentum Structural Analytics, out of North Carolina. In his opinion, 2015 was merely a formative phase for a lot of trends, across myriad asset classes, that will likely become apparent next year. We say "likely" there because as Mr. Oliver points out, finding trends is one thing. Timing them is another.

MONEYBEAT

MSA looks at the market from a somewhat different point of view. Rather than focusing on price, something that virtually everybody does, he tracks momentum. He looks at charts of long-term trends—three-year averages, quarterly momentum, that kind of thing. By his reckoning, doing so reveals trends that have been building for a long time, and have much more depth to them, and staying power. What are his charts telling him now?

As he writes: "These momentum charts lead MSA to conclude that 2016 will be one of the ripest years ever in terms of generating new major trends."

Take stocks. The U.S. equity market, benchmarked by the S&P 500, traded very narrowly compared with the prior three years. If you recall, for most of the year it was in an extremely tight range between about 2050 and 2100. Mr. Oliver has been arguing all year that the equity market's upward momentum has been broken—he was actually arguing it as far back as October 2014—and the 2015 pattern, which he compared to the top that gold made in 2012, suggests to him that downward momentum is coming. "Lock and load," he said.

He doesn't get more specific than that, but Mr. Oliver has been arguing all year that the stock market has topped and is headed back toward the low 1800s.

Commodities are a particular focus of his for 2016, especially given all the damage in that arena. He actually thinks Nymex crude oil could break out in the first quarter—if it closes out any of the first three months above $49 a barrel. In this case, he isn't talking about a short-term pop that looks like a break from the downturn, but one that is the start of a long-term trend higher. Corn, cotton, wheat, all have a shot at breaking out of their torpor as well. The commodity collapse that now has become obvious to all is in the process of drying up, he says.

"Possibly the greatest shock event of 2016 will be the first commodity rebound," he wrote.

—Paul Vigna

Jobs That Offer the Highest Pay for Your Degree (Or Lack of One)

Holding only a high-school diploma won't stop you from making more than $75,000 a year—if you can fix a broken elevator.

Elevator installers and repairers, with median annual pay of $78,620, hold the best-paying job one could find with just a high-school education, according to the Labor Department's 2016-17 Occupational Outlook Handbook.

The resource is intended to guide job seekers, teachers and career counselors about employment choices by profiling 576 occupations. The latest edition, released this month, flags which occupations are adding the most jobs, are growing at the fastest pace, and which pay the most.

The top-paying overall field is surgeon, earning $187,200 annually. Of course, it requires a medical degree.

But you don't need a doctorate to earn six figures.

With an associate's degree, which typically takes two years at a college to complete, one could qualify to become an air-traffic controller. That job boasts a median annual salary of $122,340.

With a bachelor's degree, architectural and engineering managers earn $130,620 a year.

Among those with no formal education credential, drywall and ceiling-tile installers earn the most, taking home a median annual income of $38,970.

The handbook also provides a geographic breakdown of careers.

The greatest number of drywall and ceiling-tile installers work in California, 20,310. They are most concentrated in Hawaii, accounting for 1.63 of every 1,000 jobs. And they make the most in New Jersey, $28.22 an hour, or $58,710 annually.

—Eric Morath