



15th June 2010

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Disclaimer



the technical trader's guide to major markets

Mark Sturdy

Authorised and regulated
by the FSA



summary

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stay **SHORT** beneath 121.47
Stay SQUARE;
Stay SQUARE;
Stay SQUARE;

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Go **SHORT** beneath 1106.7 (Jun10)
Stay **SQUARE** beneath 2664 (Sep)
Stay SQUARE (Sep10). Buy on confirmed break of 5625
Stay SQUARE (Jun10); buy above 9990

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Stay SQUARE (Sep10);
Stay **LONG** above 127.46 (Sep10);
Stay **LONG** above 140.19 (Sep 10);

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Stay **LONG** with Stops beneath 98.40 (Sep11); add on a break above 98.68.
Go SQUARE (Jun 11). Buy a break 99.0150
Go SQUARE (Sep 11); buy a close above 98.65

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stay **SHORT** (Aug 10) beneath 79.40
Stay **LONG** (Aug 10) above 1198.10



Currencies: Dollar Euro

CURRENCIES: The long-term breakdown of the Dollar Euro remains a dominating fact of the market. But short-term, the market is pausing and retracing. There are few Dollar dramas elsewhere either. Sterling Euro is more stable – marginally favouring a further strengthening of Sterling.

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

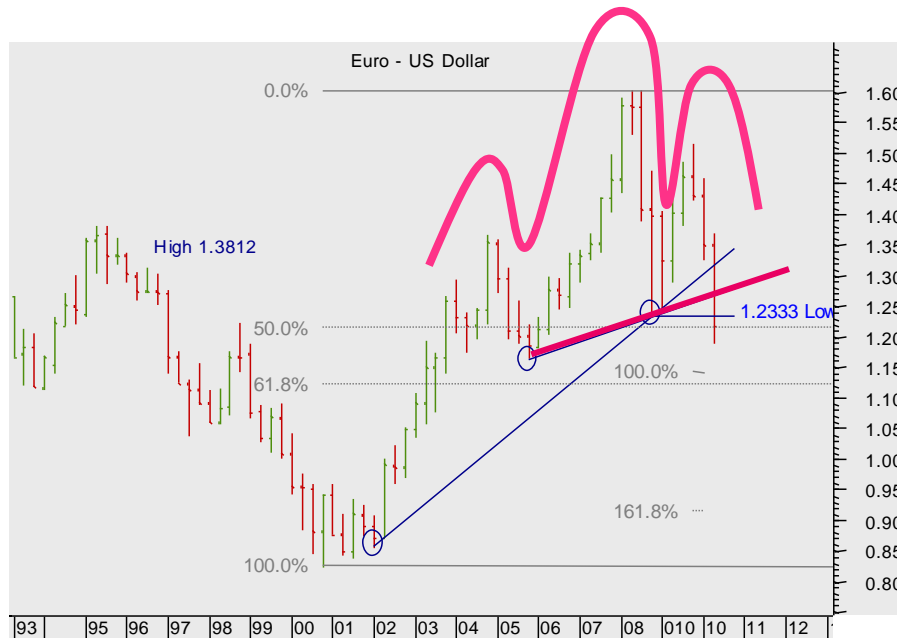
- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold



Dollar Euro monthly spot cash chart

Look closely at the market's approach and breakdown through the rising diagonal from 2005 – and the low at 1.2333 - a Head and Shoulders neckline has completed.

The pause at the 50% Fibonacci support is notable but we think that the bear impetus will prevail.

The minimum measured move?
Down to about 0.85

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

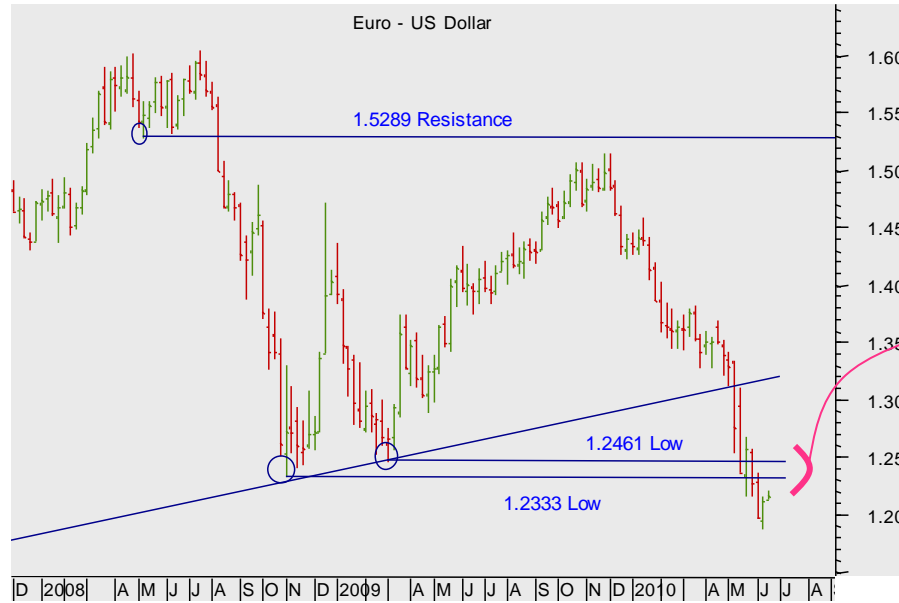
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

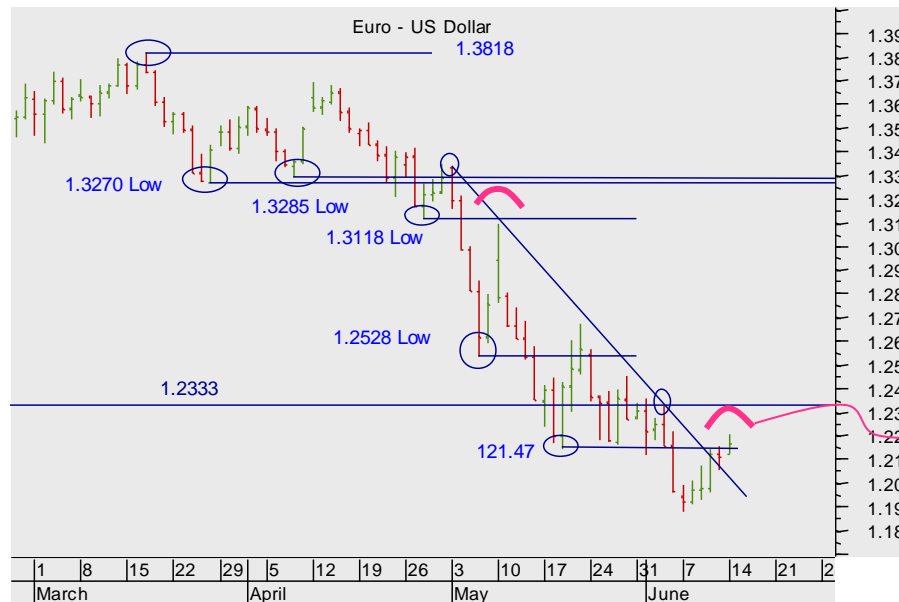
Currencies: Dollar Euro



Dollar Euro weekly spot cash chart

The market has broken on down through that important diagonal at 1.3150

and through the support from the prior pivotal lows at 1.2333 and 1.2161.



Dollar Euro daily spot chart

The attack on the 1.2333 Pivot is clear.

But now watch the congestion that developed around that level.

And watch the short-term breakdown through the lows at 1.2147 or so. There should be good overhead resistance at that level.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Dollar Sterling

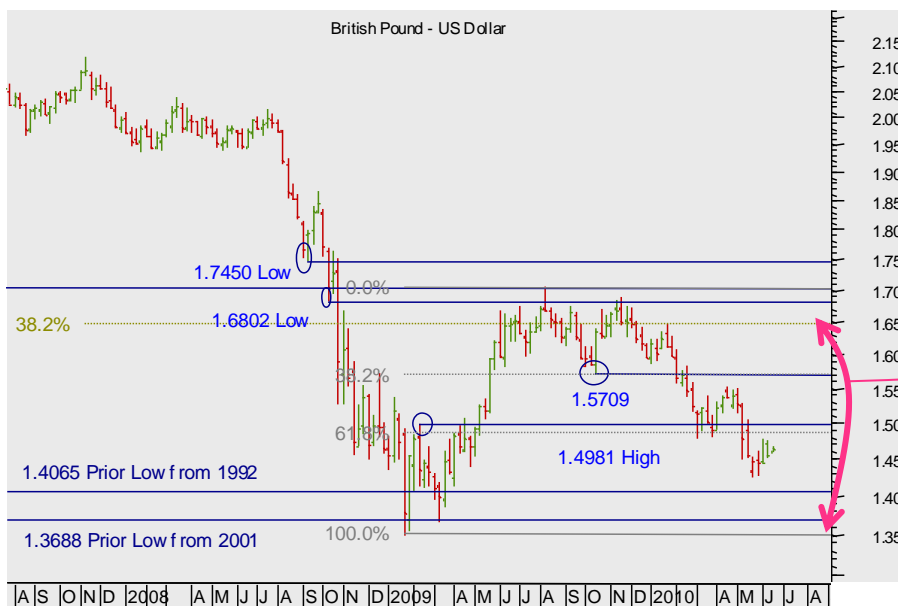


Dollar Sterling monthly spot cash chart

There was a third bounce from the old lows at 1.40 ... but the market has found the first big resistance of 1.7050 to be powerful resistance.

It was unable to sustain a re-entry into the wedge.

The bears remain in control looking for a retest of the 1.40 level.



Dollar Sterling weekly spot cash chart

Watch that trading range that has developed.... We are approaching the lower boundary...

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

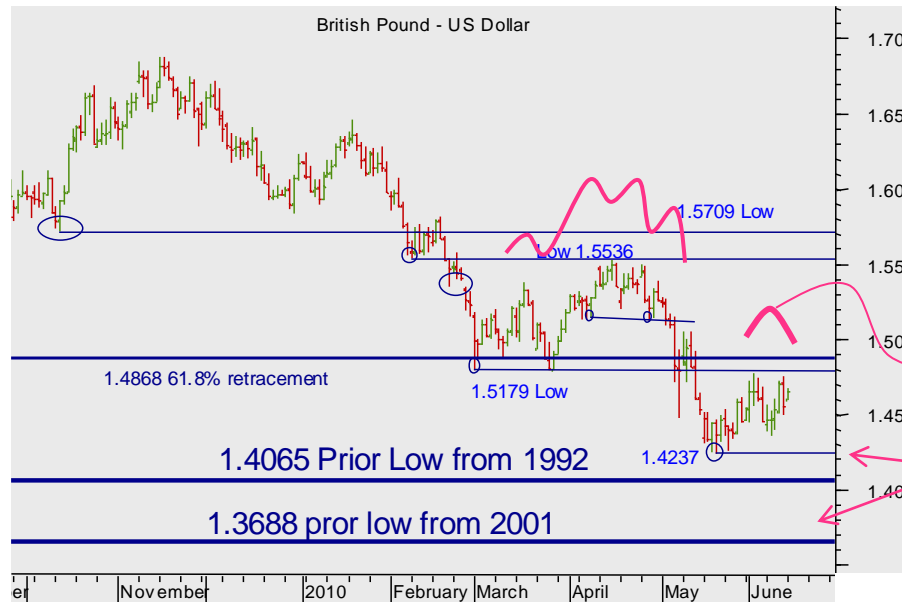
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Dollar Sterling

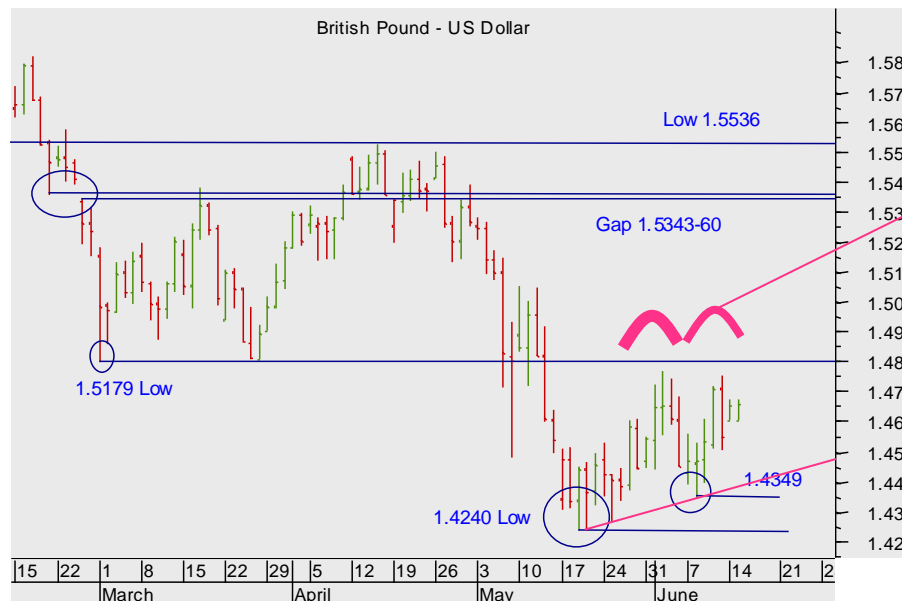


Dollar Sterling daily spot cash chart

The small Double Top/Head and Shoulders Top) began the downside momentum that drove the market down through the Fibonacci beneath at 1.4868.

Note the rally back up to 1.5179 – where resistance was found...

The problem for the bears is the proximity of the pivotal lows beneath the market – despite the well-constructed bear market that is fast approaching...



Dollar Sterling daily spot cash chart

The double failure at the 1.5179 level is clear.

We are mild bears as a result with Stops above 1.5179.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + **Dollar Yen**
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

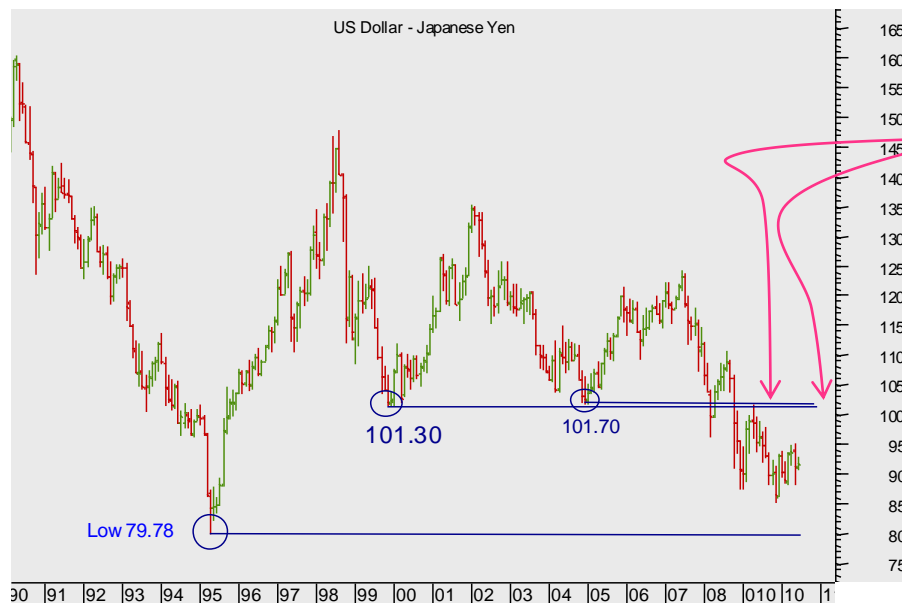
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Dollar Yen

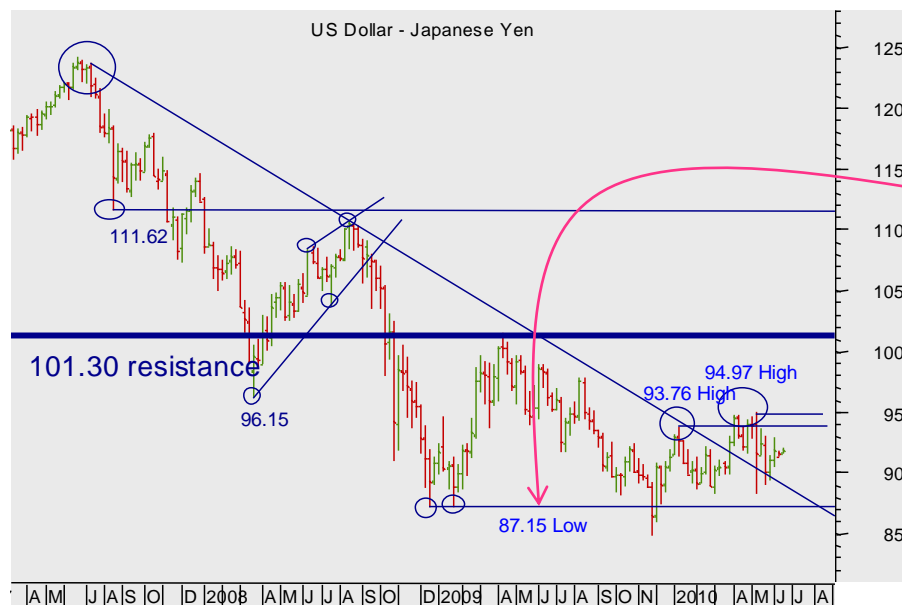


Dollar Yen monthly spot cash chart

The Triangle and Prior Lows are pressing down on the market.

That level has proven massively powerful resistance to any weakening of the Yen and smashed the Dollar's rally in its early stages.

Look closer.



Dollar Yen weekly spot cash chart

Yet short term, given the support of the 87.15 level, the break up through the falling diagonal adds to the feeling of a base being formed...

Look closer.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + **Dollar Yen**
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

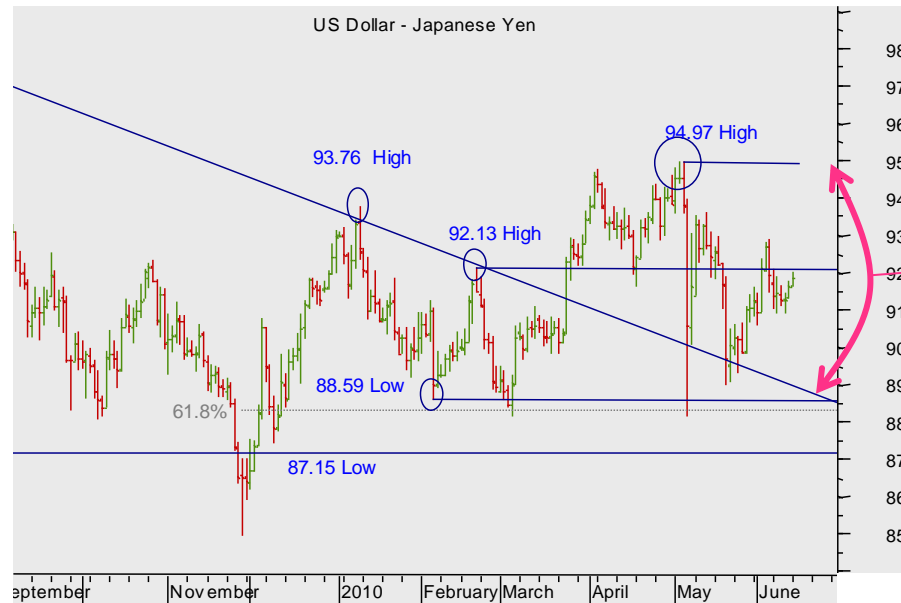
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Dollar Yen



Dollar Yen daily spot cash chart

The support from (1) the falling diagonal and (2) the 88.59 level is clear...

But the chart lacks clarity for the moment - we are in a range.

More



Currencies: Sterling Euro

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

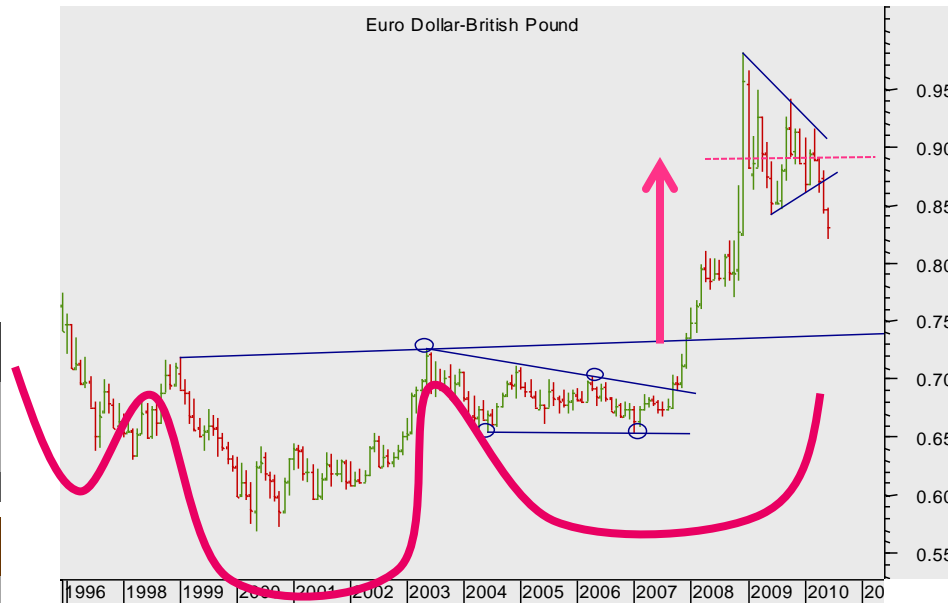
- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

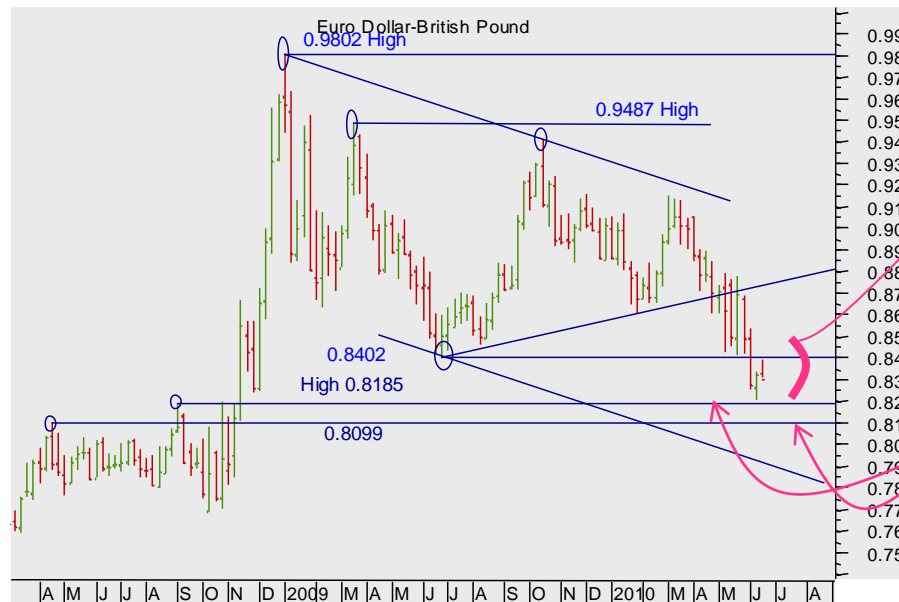


Sterling Euro monthly spot cash chart

We were long buyers of the Euro because of this large and clear Head and Shoulders Bottom in place which anticipated the moves up as far as 0.90.

Then a potential continuation triangle formed. And this looks to have failed.

Look closer.



Sterling Euro weekly spot cash chart

The pull back through the rising diagonal led to a test and break of the Prior Low at 0.8402.

Now, an even more aggressive sell off is on the cards.

But the **only cautionary note** for the bears (of the Euro) are the twin supports at 0.8099 and 0.8185

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + **Sterling Euro**

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

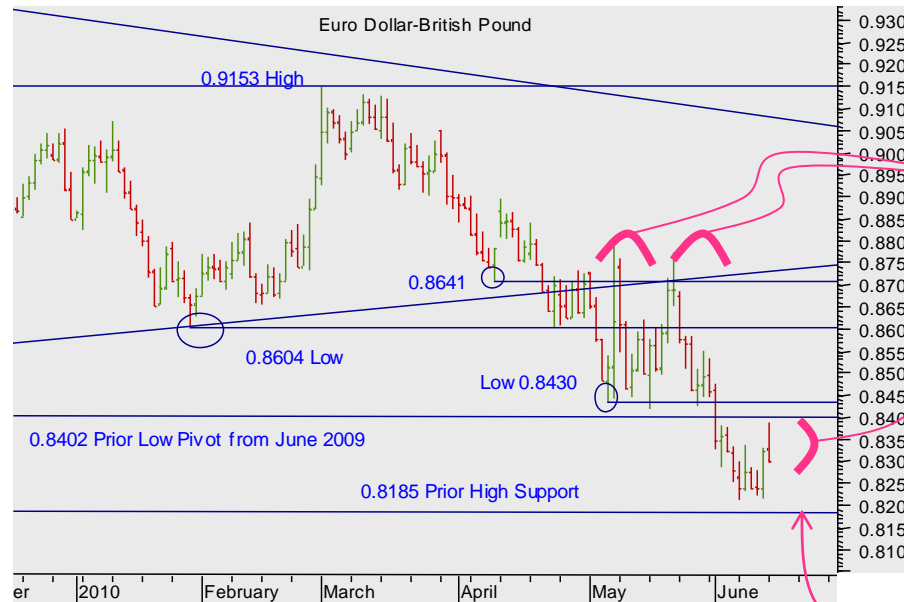
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Sterling Euro



Sterling Euro daily spot cash chart

The market has failed to rally.

The breakdown through the 0.8430 low and the 0.8402 Prior low Pivot is a major break... creating powerful resistance above the market.

The presence of which has already been felt.

We want to sell but are fearful of the supports beneath...

Stand back for a break of 0.8185.



Stocks

STOCKS: These markets moved better over the week, leaving the S&P for example, very interestingly poised on the verge of a bull Head and Shoulders Reversal. Others are at the top of trading ranges.

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

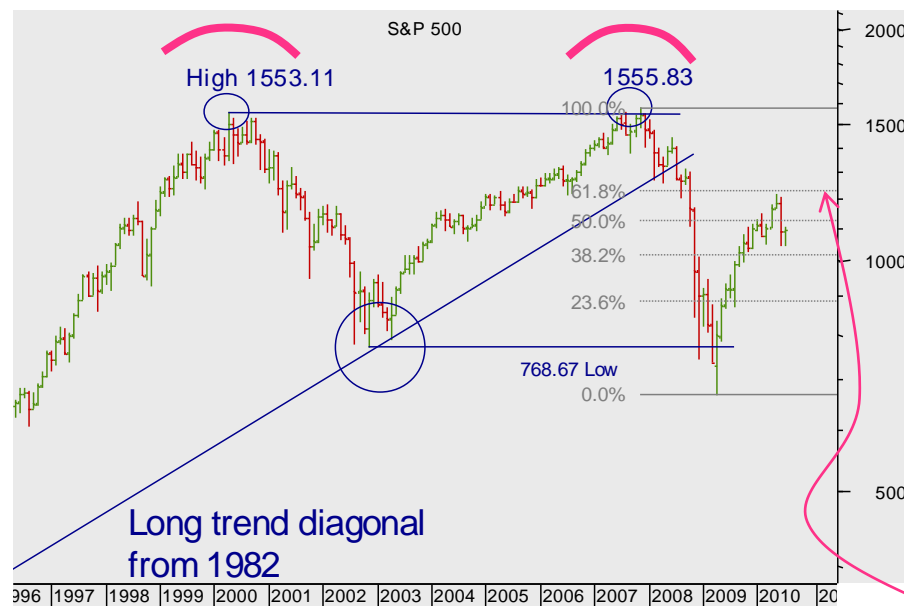
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: CME S&P 500



CME S&P 500 quarterly cont. futures chart

The double failure at 1553 and 1555 - right at the 1574 High from 2003 has been **very negative for the market.**

The potential Double Top required a sustained break of 768.

That didn't happen.

We traded through that 768 level and then the market bounced back through it.

The bounce has been nearly as far as the 61.8%% retracement (1231) resistance.... **But then it failed.**

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

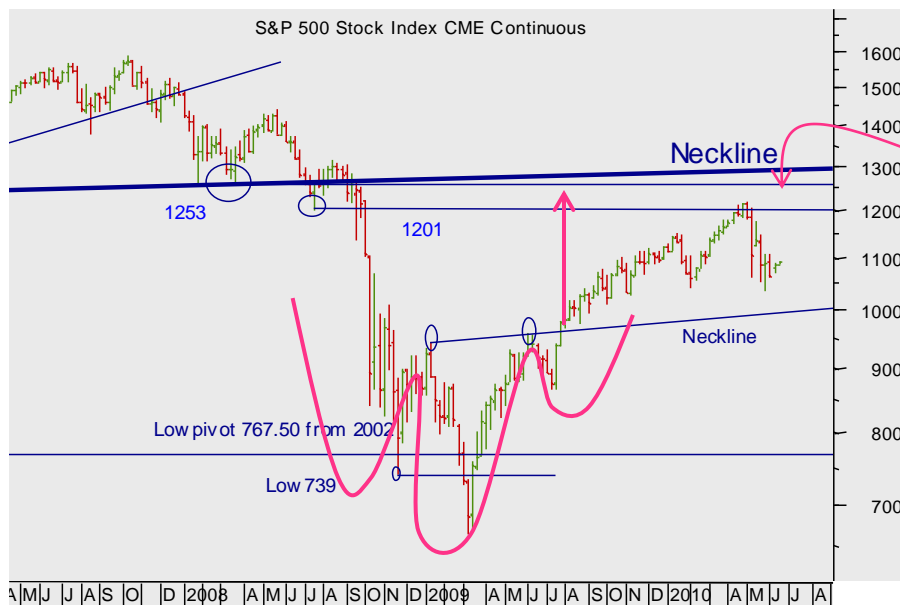
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: CME S&P 500

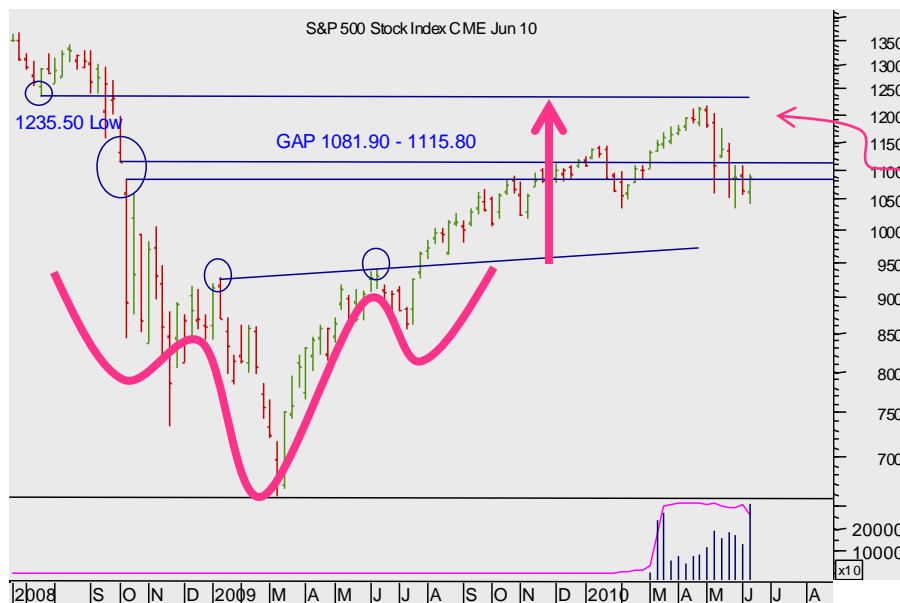


CME S&P 500 cont weekly cont. chart

The measured minimum target was the band of resistance from the Prior lows at 1201-1253.

The market failed there.

CME S&P 500 weekly JUN10 chart



In the **JUN 2010** contract the target for the H&S pattern, was about 1235.50...

Again, the market has failed at **that level**.

These Head and Shoulders patterns have achieved their minimum targets **so the bull impetus is lost**.

Look closer still.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

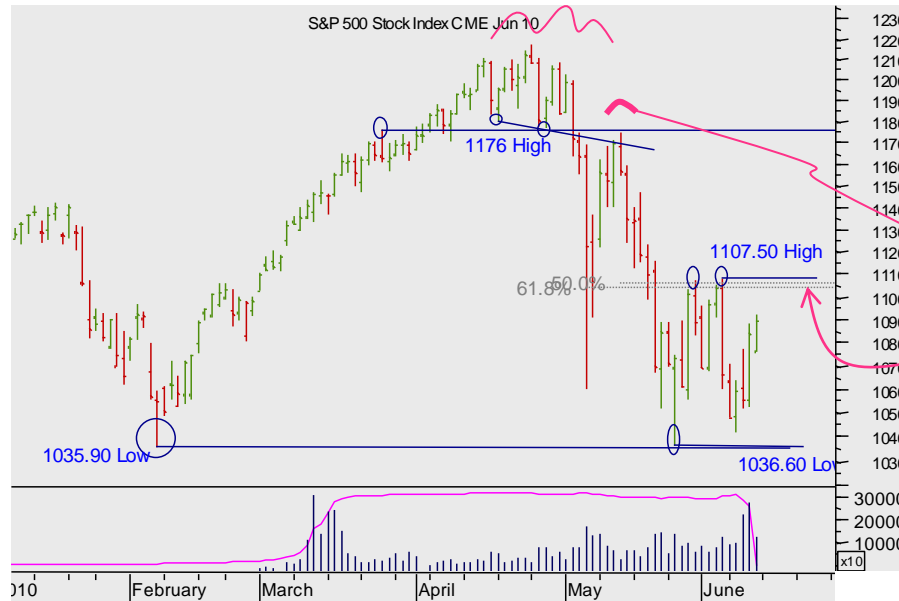
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: CME S&P 500



CME S&P 500 daily Jun 10 chart

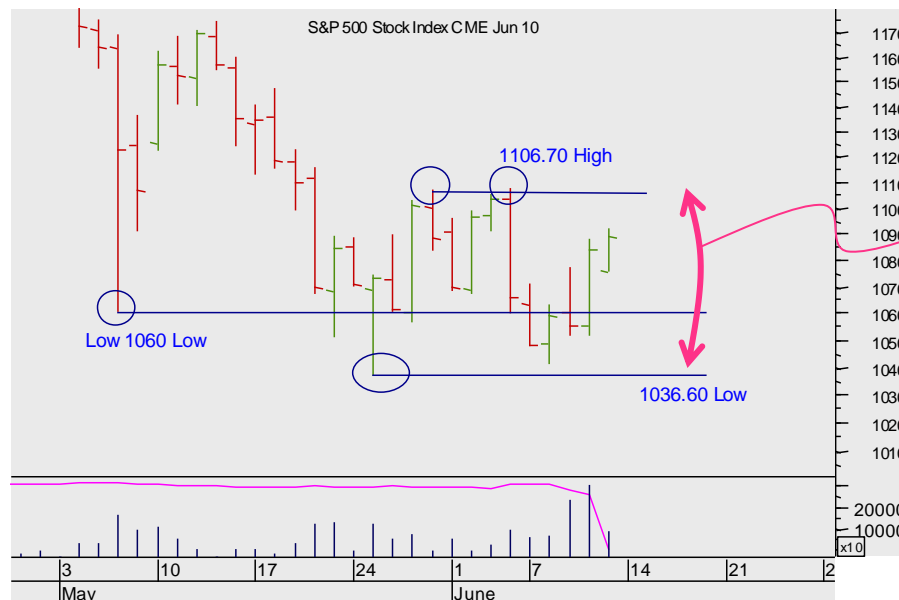
The market pulled back having formed a very small Head and shoulders top.

Note well that the rally back failed at the Neckline of the Top.

Note now the second rally's failure (twice) at this Fibonacci cluster...was Friday's price action a Key Reversal?

It it was, then the bear momentum has not been sustained.

Look closer.



CME S&P 500 daily Jun 10 chart

Watch the trading range..

We are sellers.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + **Eurex EuroStoxx 50**
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

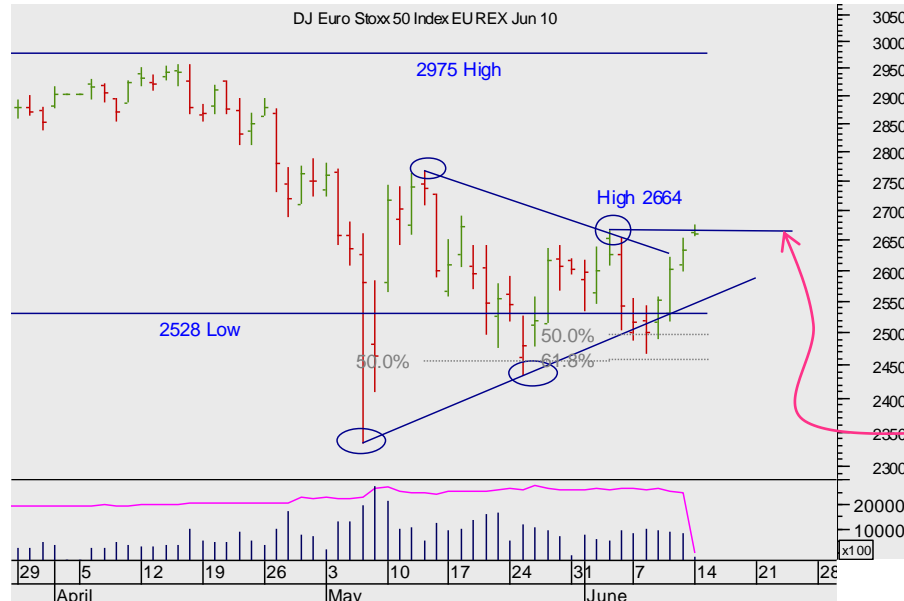
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: Eurex EuroStoxx 50



Eurex EuroStoxx 50 daily Jun 10 futures chart

The tightening trading range has gone too far to be a Triangle.

And in any event the bull break at the end of last week has been sustained.

- But watch the market at the 2664 Prior High. A close above that will embolden the bulls..until then, **watch and wait.**



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

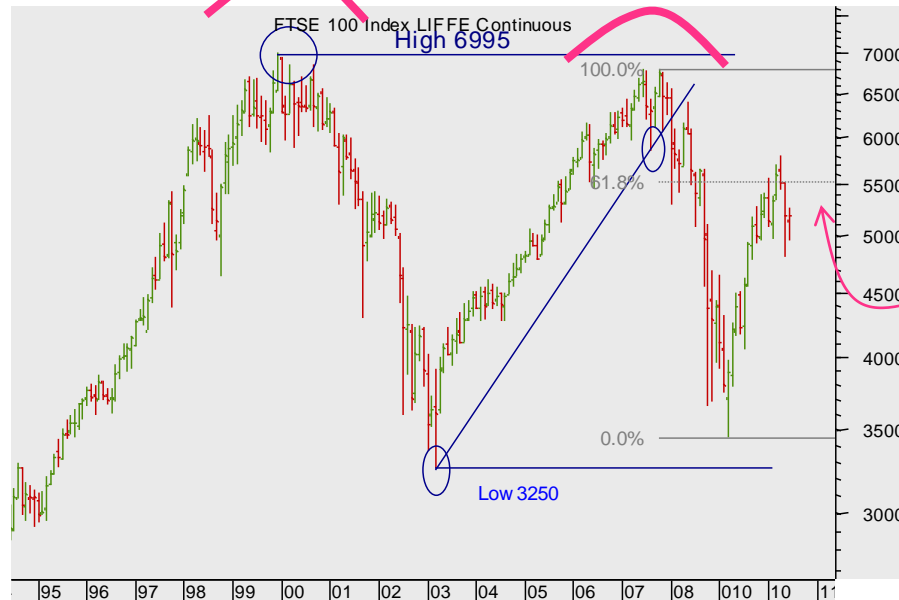
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

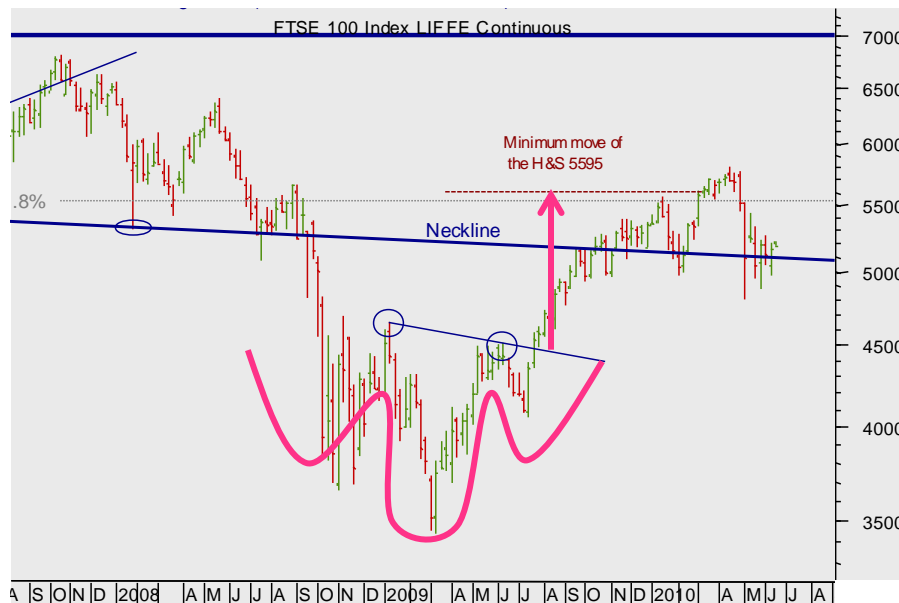
Stocks: Liffe FTSE 100



Liffe FTSE 100 monthly continuation futures chart

The market is in a massive trading range.

The market tried to smash up through the retracement resistance 61.8% (5500) and failed



Liffe FTSE 100 weekly continuation futures chart

Driven by a clear Head and Shoulders Reversal the market has achieved the minimum measured move from the H&S reversal and fell back....

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

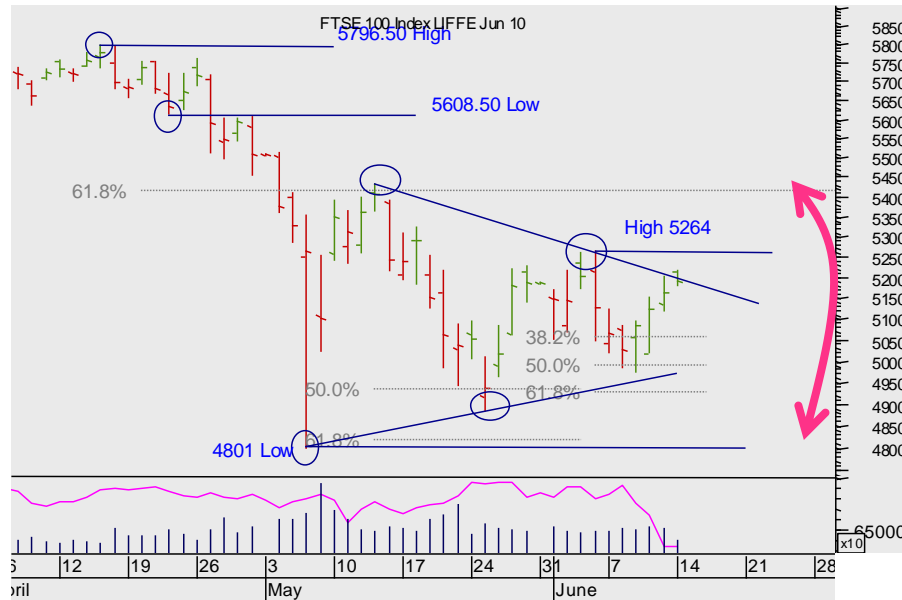
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

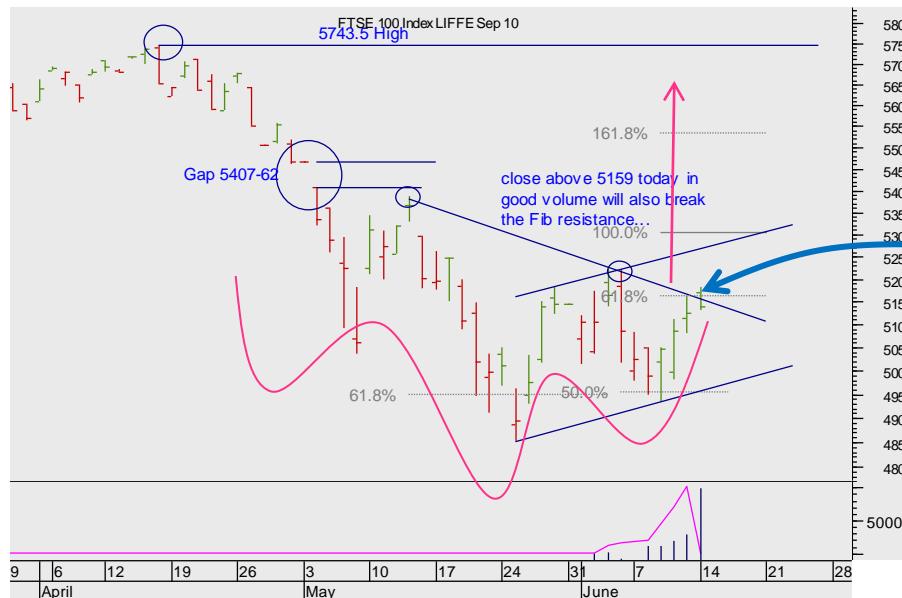
- + Nymex WTI Oil
- + Comex Gold

Stocks: Liffe FTSE 100



Liffe FTSE 100 daily Jun10 futures chart

The triangle is being tested on the upside.



Liffe FTSE 100 daily Sep 10 futures chart

But note this – the near completion of a Head and Shoulders Reversal pattern.

Wait for a confirming close, but if completed, the pattern suggests moves up as far as 5625....



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

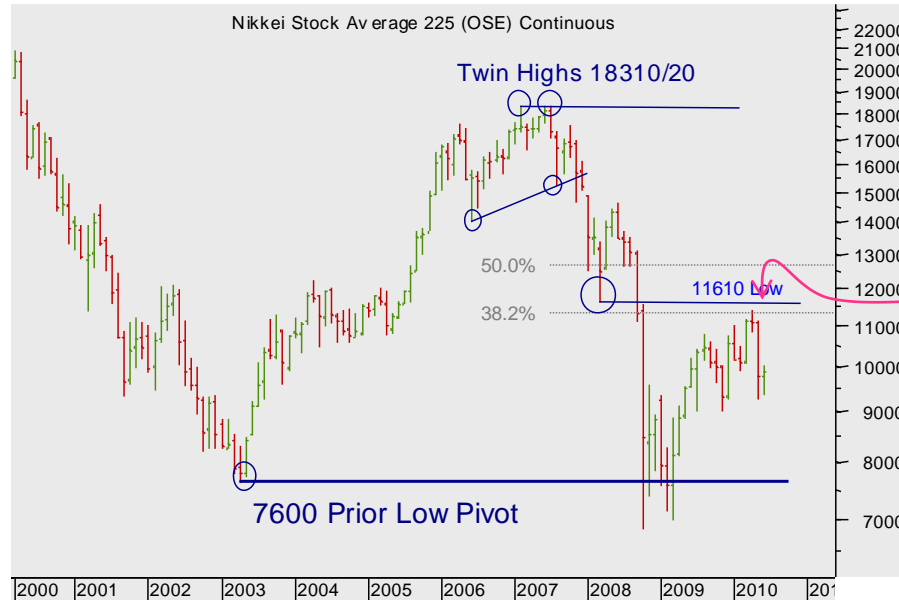
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

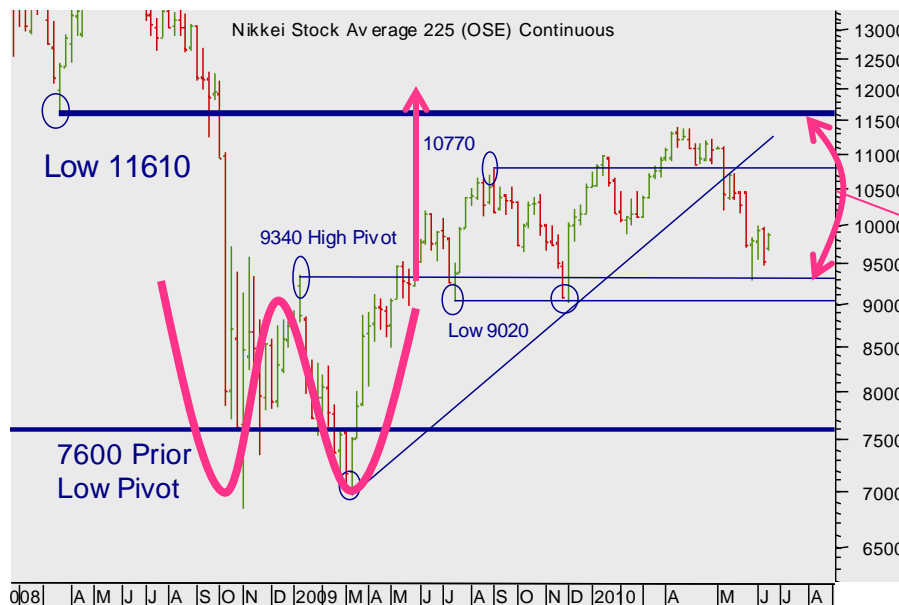
Stocks: OSE Nikkei 225



OSE Nikkei 225 monthly continuation futures chart

The market traded down to the Pivotal level of the 7600 low and bounced hard.

... as far as the resistance from the 38% Fib and the 11610 Prior Low.



OSE Nikkei 225 weekly cont. futures chart

A completed Double Bottom was the catalyst for the bounce - set to drive the market to 13000.

But for now we are in a trading range between the support from the completion level 9340 and the massive resistance from the 11610 Low.

Look closer.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

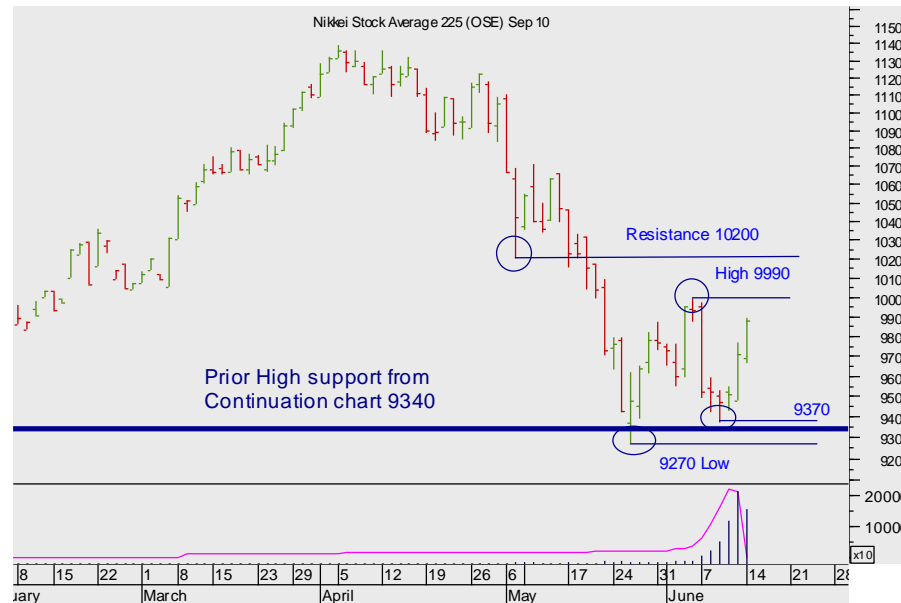
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: OSE Nikkei 225



OSE Nikkei 225 Jun 10 daily futures chart

In the **very short-term** the second bounce from the 9340 is clear and encouraging, but the bulls need a push through 9990.



Bonds

BONDS: Bonds are led by the Bund driving ahead into blue water. Others are less obviously impressive: the JGB is struggling to free itself from Prior highs, the TNote is consolidating beneath Prior Highs.

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes monthly futures continuation chart

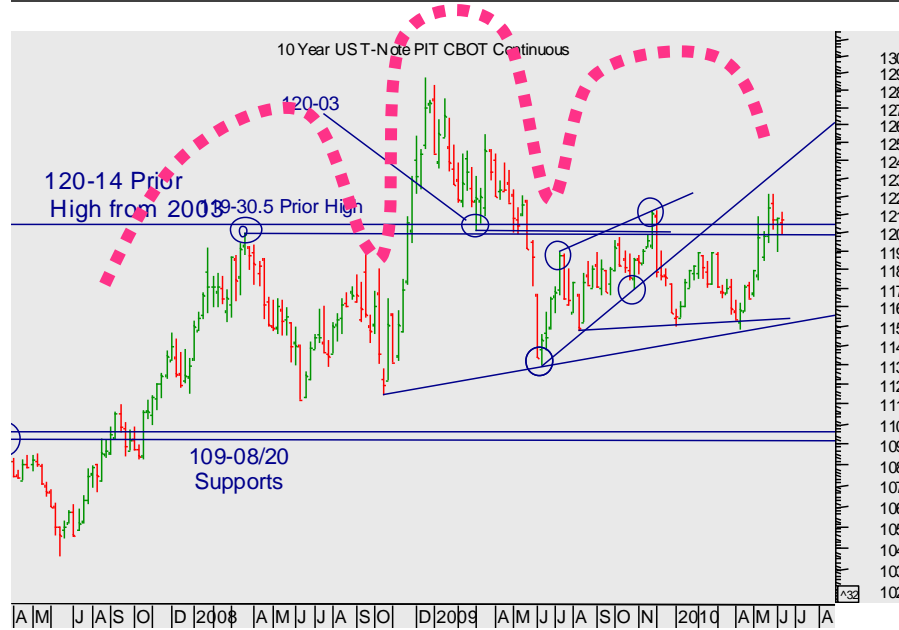
The long bull channel –
surprisingly well-defined.

Now look within.

More



Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes weekly futures continuation chart

This is a fascinating chart – pregnant with **medium and long-term** bear possibilities most of all in the Head and Shoulders Reversal on a move beneath 115 or so....

But that is conjecture for the moment.

Look closer.



CBOT Ten Year Notes weekly Sep 10 futures chart

A strong bull trend has been clearly in place since April

Yet the Prior High Pivotal level at 120-5.5 is proving troublesome.

Stand back and watch for greater clarity.

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + **Eurex Ten Year Bund**
- + TSE Ten Year JGB

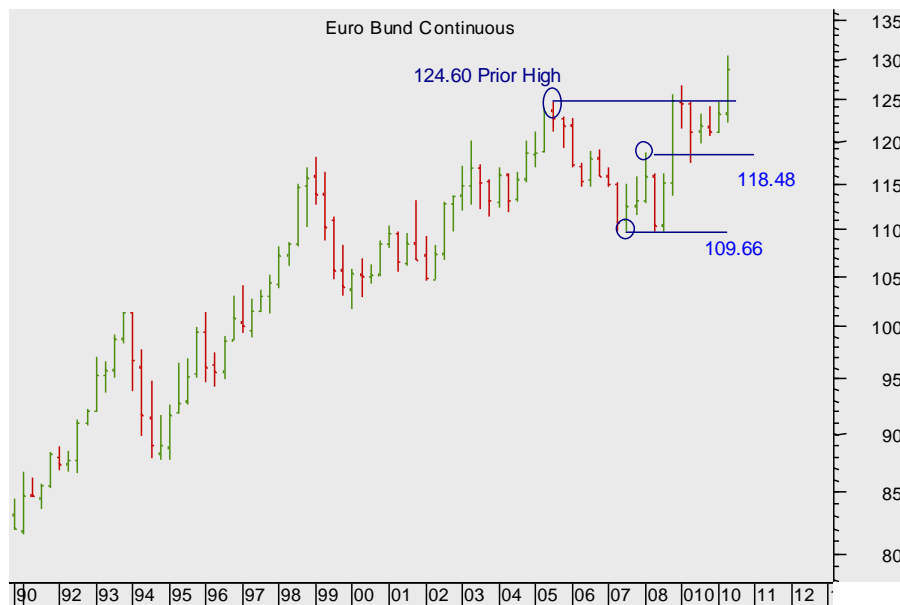
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund quarterly futures continuation chart

The market has surpassed the top established in 2005.



Eurex Ten Year Bund weekly cont. futures chart

The bounce off the support from the Prior High at 118.48 was the signal for the bulls.

Now watch the break through (1) the Triple level of 124.60, (2) 126.53 and most recently (3) the gentle diagonal from the Prior Highs in 2005 and 2009. **All these should act as good support now on any pull back.**

Look closer.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + **Eurex Ten Year Bund**
- + TSE Ten Year JGB

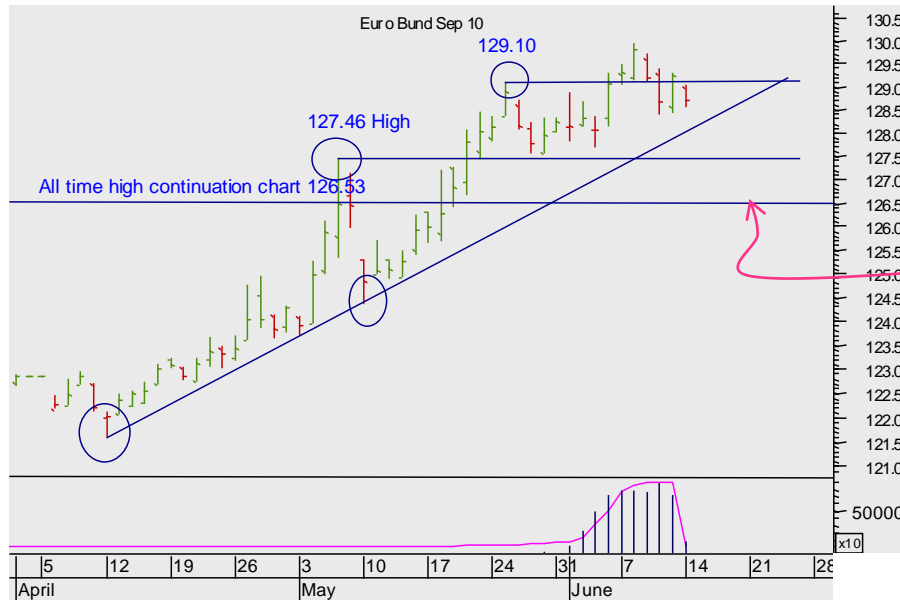
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund Sep 10 daily futures chart

The bull move is pausing but the trend remains in place.

Stay long with Stops beneath 126.53.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

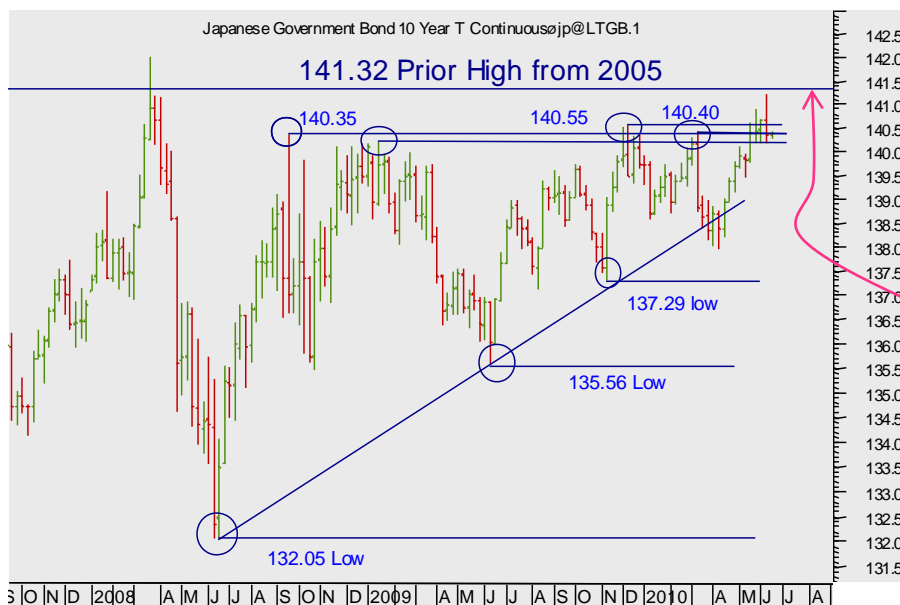
Bonds: TSE Ten Year JGB



TSE Ten Year JGB monthly futures continuation chart

The JGB market remains within a trading range set in 2005-6

Look closer.



TSE Ten Year JGB weekly continuation futures Chart

A confirmed close up through the 140.35/140.55/140.40 highs will ratchet the market better...by providing powerful support.

But note well the close proximity of the Pivot at 141.32.

Look closer.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

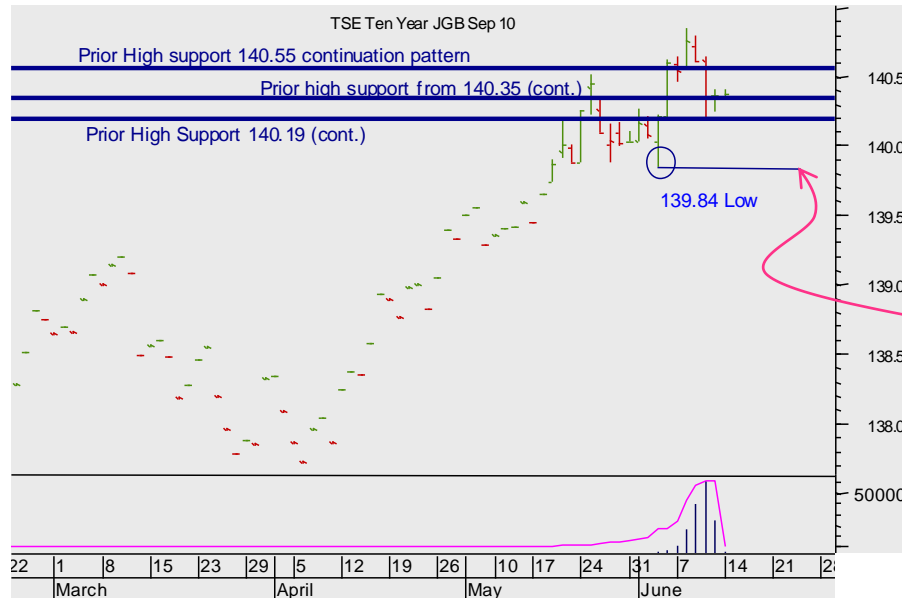
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: TSE Ten Year JGB



TSE Ten Year JGB daily Sep 10 futures Chart

This suggests rather less clarity in the move through the Prior Highs.

Note well the failure a pull-back through the 139.84 low would represent.

Watch and wait.



Interest rates

SHORT INTEREST RATE FUTURES: All these markets have been moving sideways for the last month. The resultant trading ranges lack clear structures within them with which to anticipate a breakout. Yet the preceding bull trends are strong, and in some cases such as the Eurodollar, the minimum targets from old patterns have yet to be achieved. We remain bullish.

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

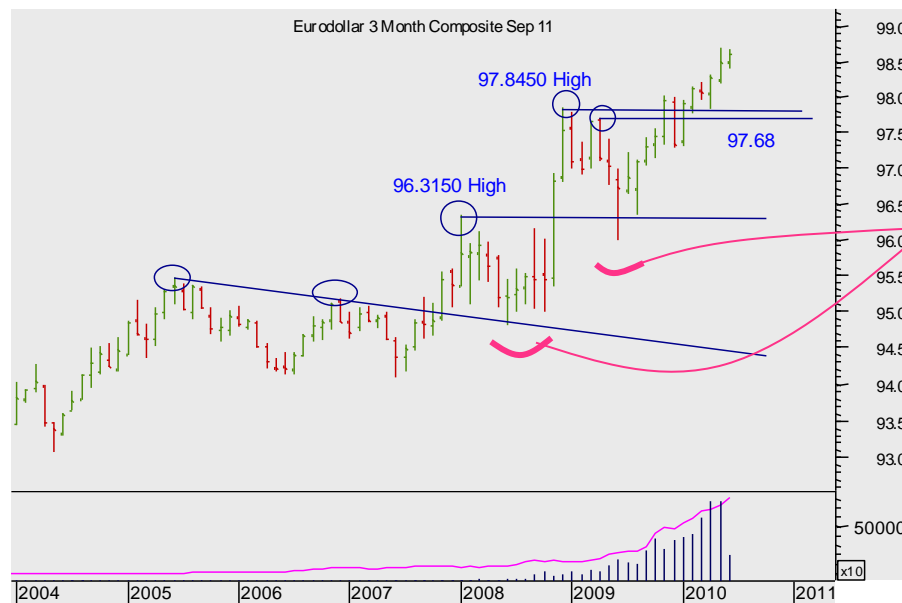
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Interest rates: CME Eurodollar rates



CME Eurodollar rates monthly Sep 11 futures chart

The long march of the Eurodollars – the market is ratcheting better on the support from Prior Highs.

We paused on top of the Highs since the beginning of 2009 and then pushed ahead.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Interest rates: CME Eurodollar rates



CME Eurodollar rates weekly Sep 11 futures chart

Note the H&S continuation pattern whose minimum move is very much higher about 99.15.

The Neckline and then the Prior High at 97.84 were powerfully solid supports on the pull-back.

Look closer.



CME Eurodollar rates daily Sep 11 futures chart

Closer to, the market looks well-supported.

See how the rising diagonal from Prior Highs has support the market's pull-back.

The bull trend is well structured.

Stay long. Add on a break up through 98.68.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

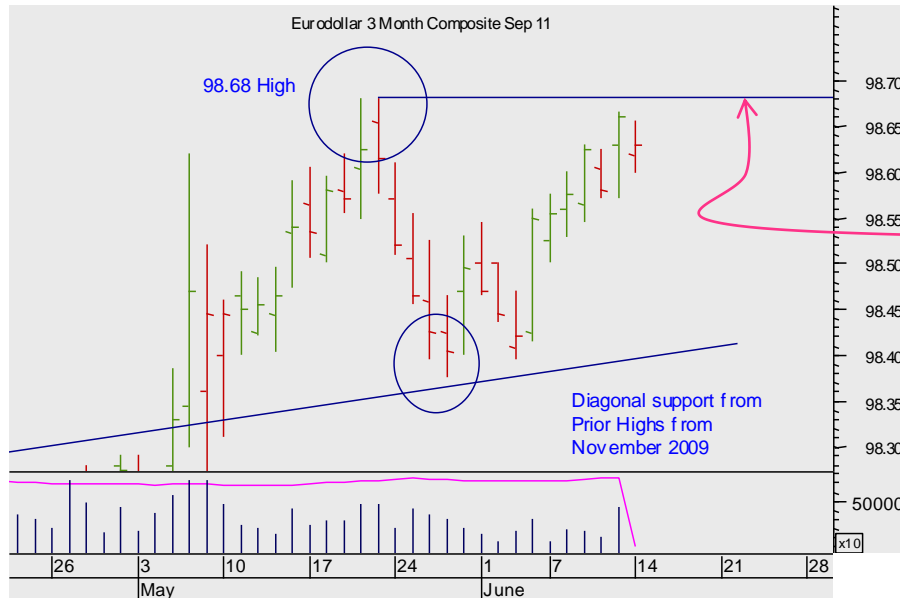
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Interest rates: CME Eurodollar rates



CME Eurodollar rates daily Sep 11 futures chart

In greater detail: bulls should have been pleased with the rejection of the lower levels but will wait for a break of the 98.68 High before adding to longs.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

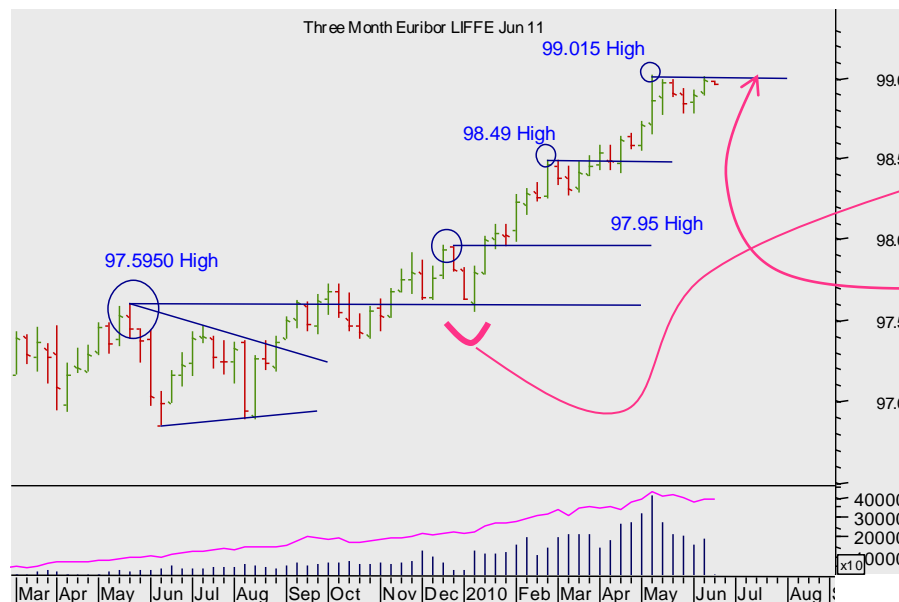
- + Nymex WTI Oil
- + Comex Gold

Interest rates: Liffe Euribor rates



Liffe Euribor rates monthly Sep 11 futures chart

The rally has been relentless – **but almost featureless** for the technician.



Liffe Euribor rates Sep11 weekly futures chart

The 97.3750 level was an important reassertion of the trend.

Note the pause at the recent high 99.015.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

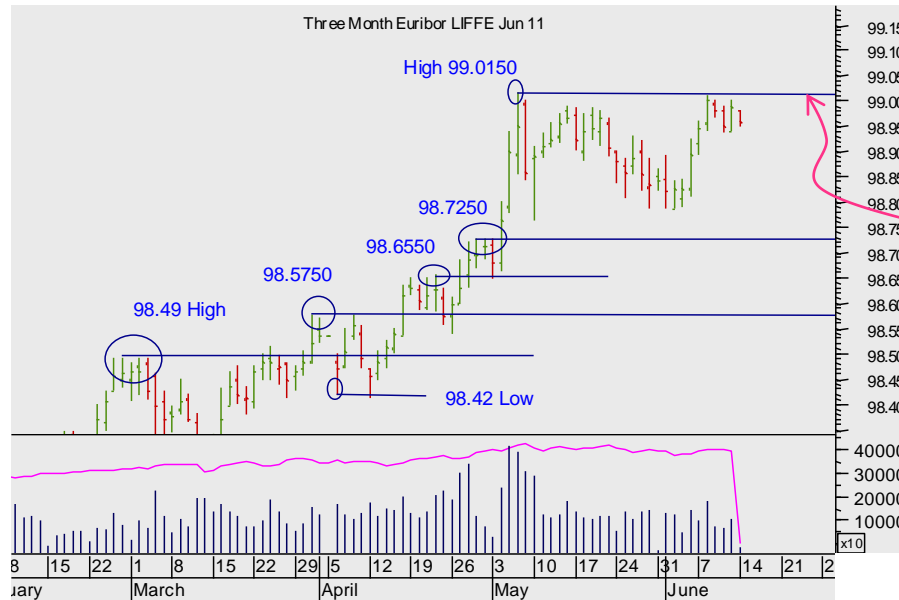
Interest rates

- + CME Eurodollar
- + **Liffe Euribor**
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Interest rates: Liffe Euribor rates



Liffe Euribor rates daily Jun11 futures chart

The short-term question for market participants is the nature of the congestion beneath 99.0150 – certainly a trading range - but otherwise shapeless.

Wait for the range to clear.

Stand back.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

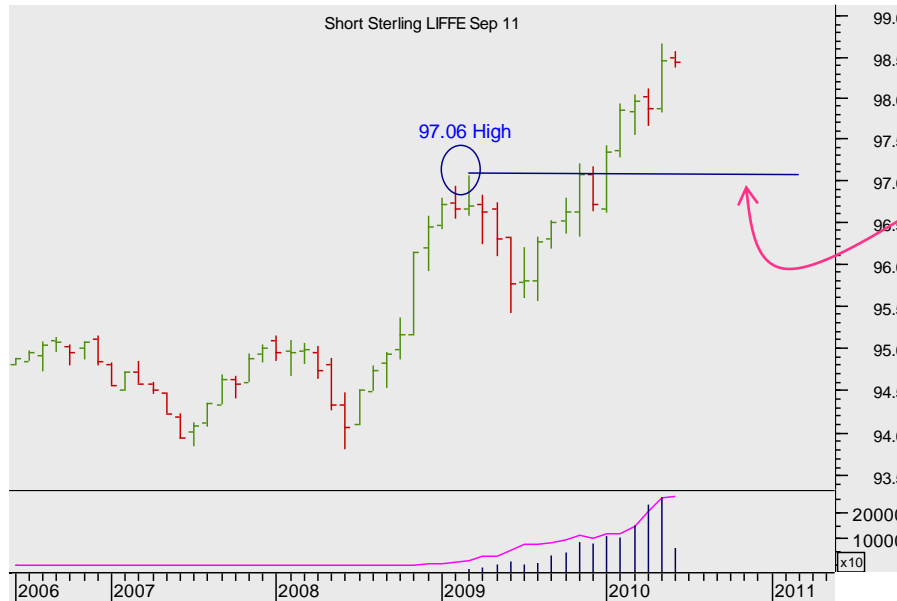
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Sterling

Commodities

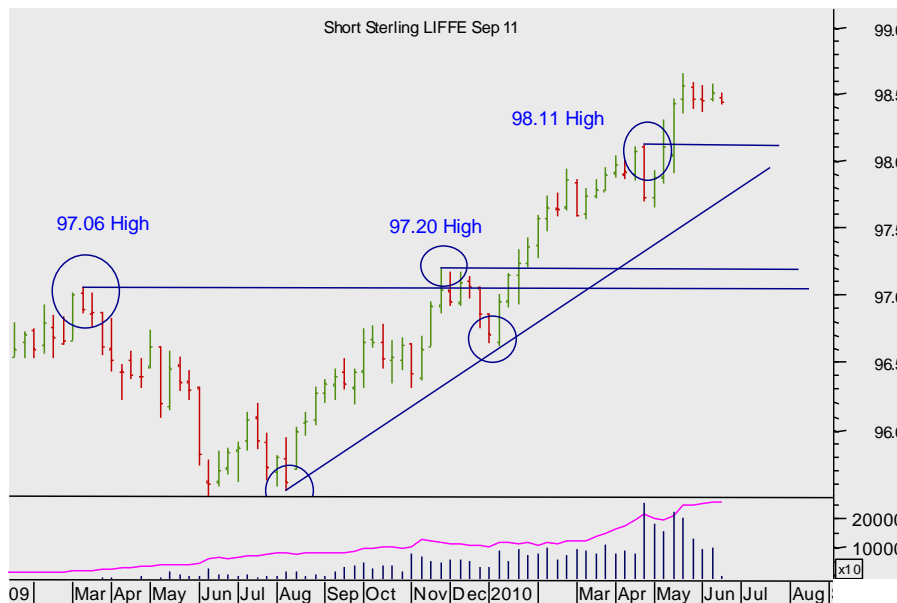
- + Nymex WTI Oil
- + Comex Gold

Interest rates: Liffe Sterling rates



Liffe Sterling rates monthly Sep 11 futures chart

The major high 97.06 is now good long-term support beneath the market.



Liffe Sterling rates weekly Sep 11 futures chart

The trend is equally featureless in the week chart.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

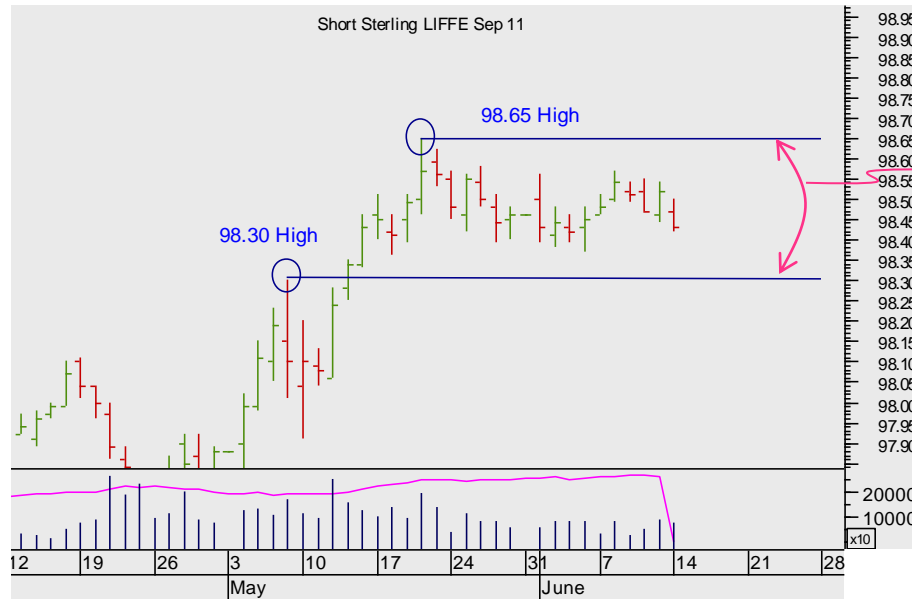
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Interest rates: Liffe Sterling rates





Commodities

COMMODITIES: We remain bears of Oil, looking to establish bear positions on the completion of small short term emerging structures. Yet we remain bulls of Gold: there we await the moves to/through our critical levels above and below the market before adding to longs.

Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

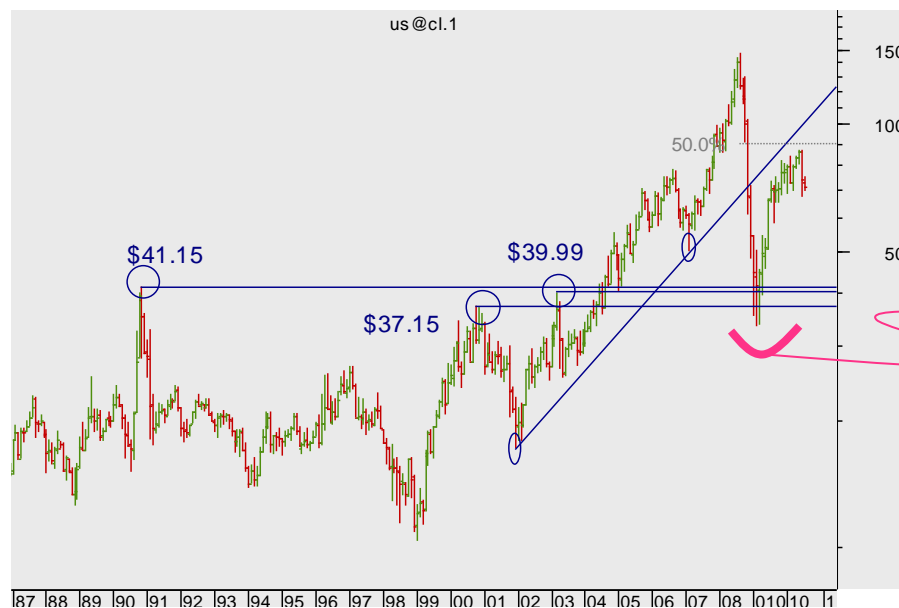
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Nymex WTI Oil monthly futures continuation chart

The market's sell-off from the absolute highs found huge support at the \$40.

Now study the bounce.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

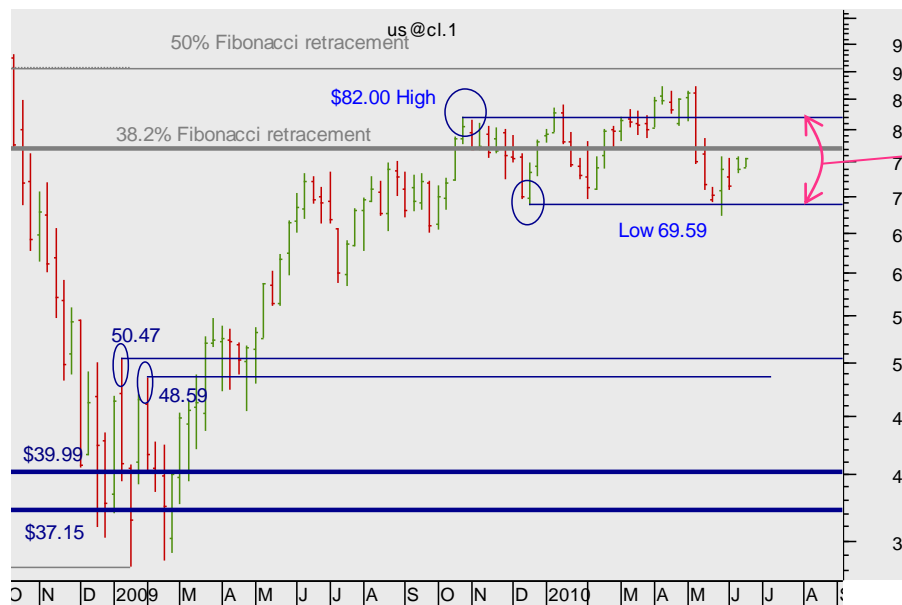
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Oil weekly cont. chart futures

The market is pausing around the 38.2% Fibonacci retracement



Oil Aug 10 daily chart futures

This has the appearance of a bear rising wedge imparting some good downward momentum.

Look closer.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Oil Aug 10 daily chart futures

There is a smaller wedge - possibly - beneath the larger one.

Wait for the double confirmation (ie a breakdown through the lower diagonal of the 2nd wedge about \$73 currently) before selling.

We remain modest bears.



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

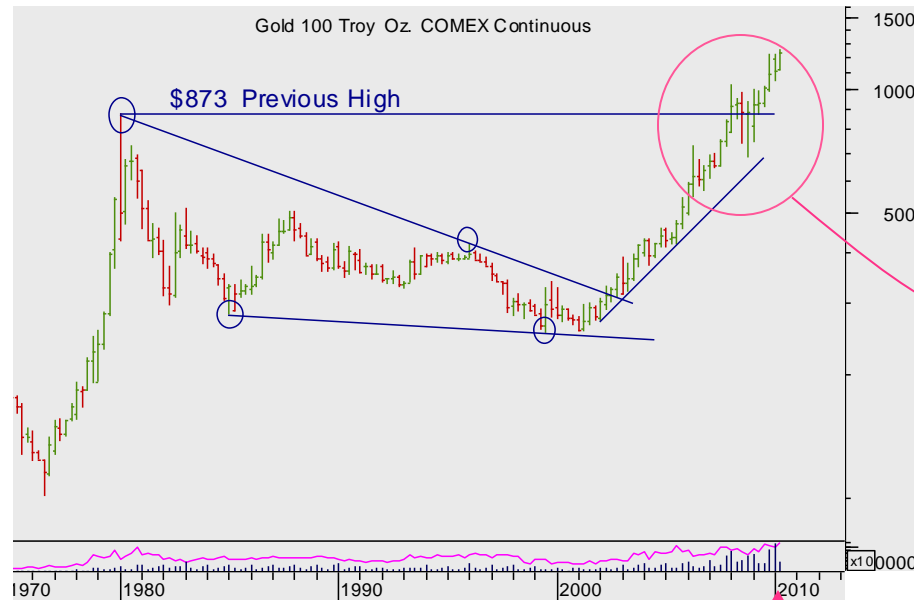
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

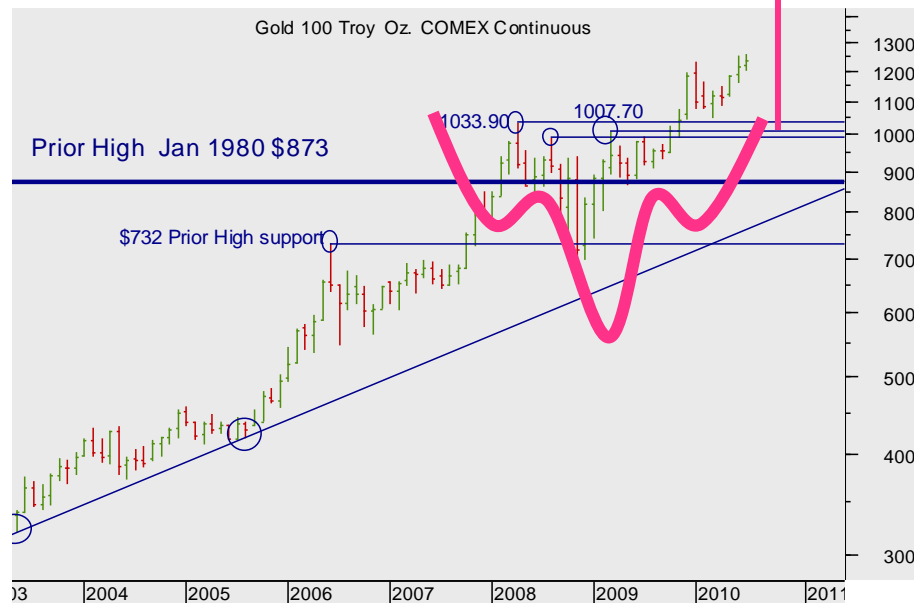
- + Nymex WTI Oil
- + Comex Gold

Commodities: Comex Gold



Comex Gold quarterly cont. futures chart

The market has surged through the all-time-high from 1980.



Comex Gold weekly cont. chart

Driven by a **Head and Shoulders Continuation** pattern.

The minimum target of the pattern is **very much higher** – **around 1313**.

Look closer.

More



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

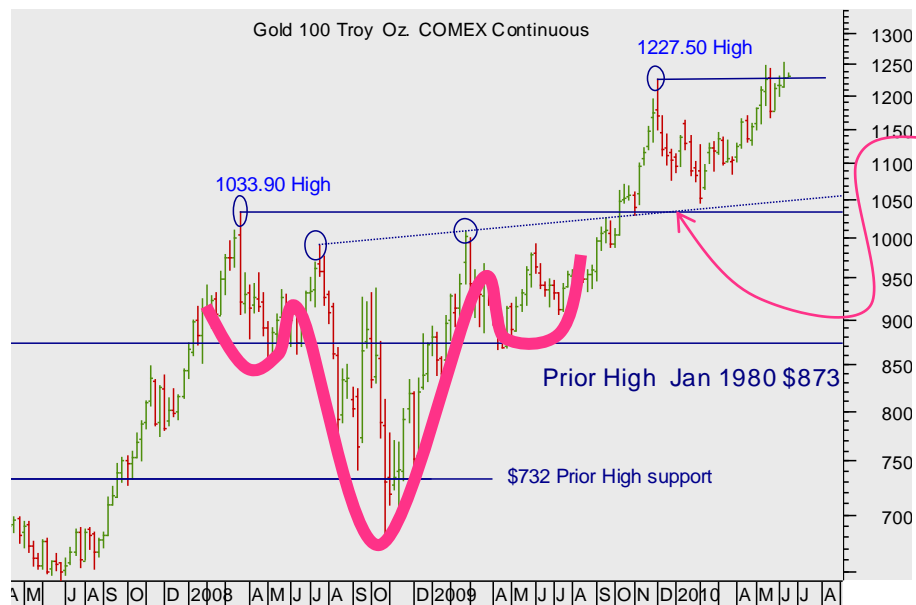
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + Comex Gold

Commodities: Comex Gold



Comex cont. Gold futures weekly chart

The pull-back to the Neckline support was a massive medium-term buying opportunity.

Note the well-structured bull reaction and the support from Prior Highs on pull-backs....

Now the critical Pivot is the 1227.5

High - the bulls need a confirmed close above that level....



Comex August 10 Gold futures daily chart

The Head and Shoulders pattern is repeated in the daily chart.

Again, note the well-structured bull reaction and the support from Prior Highs on pull-backs 1169 say.

Now the critical Pivot is the 1230.70

High - the bulls need a confirmed close above that level.. And preferably above 1251.40 too..



Summary

Currencies

- + Dollar Euro
- + Dollar Sterling
- + Dollar Yen
- + Sterling Euro

Stocks

- + CME S&P 500
- + Eurex EuroStoxx 50
- + Liffe FTSE 100
- + OSE Nikkei 225

Bonds

- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

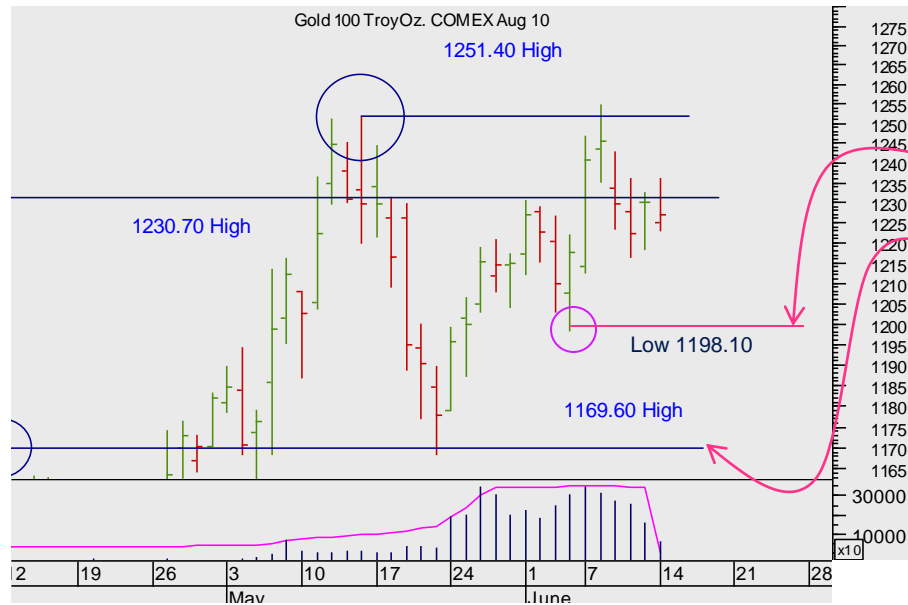
Interest rates

- + CME Eurodollar
- + Liffe Euribor
- + Liffe Short Sterling

Commodities

- + Nymex WTI Oil
- + **Comex Gold**

Commodities: Comex Gold



Comex Gold cont. Aug 10 Futures



The material and information set out in this research is not intended to be a quote of an offer to buy or sell any financial products. Any expression of opinion is based on sources believed to be reasonably reliable but is not guaranteed as to accuracy or completeness.

The material and information herein is general and for informational purposes only. Although Seven Days Ahead endeavours to provide useful information they make no guarantee as to the accuracy or reliability of the research.

The derivative market comprises volatility and considerable risks. To the maximum extent permitted by law no responsibility or liability can be accepted by Seven Days Ahead, any company or employee within its group for any action taken as a result of the information contained in this presentation. You are requested not to rely on any representation in this research and to seek specific advice from your accountant, legal adviser or financial services adviser when dealing with specific circumstances.

Seven Days Ahead is regulated by the UK Financial Services Authority.

[Back to main menu](#)