17th May 2011

the technical analyst AWARDS 2011 FINALIST

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	Stay SQUARE Euros
+ Dollar Sterling	Stay SQUARE Sterling with Stops beneath 1.6298
+ Dollar Yen	Stay SQUARE; **BUY** Dollars on a clear break above 84.92.
+ Sterling Euro	Stay **LONG** Euros with Stops beneath 0.8644. **ADD** above 0.8854.
Stocks	
+ CME S&P 500	Stay **LONG** (Jun 11) above 1325.50
+ Eurex EuroStoxx 50	Stay SQUARE (Jun 11).
+ Liffe FTSE 100	Stay **LONG** above 5857 (Jun 11);
+ OSE Nikkei 225	Stay SQUARE (Jun 11)
Bonds	
+ CBOT US Ten Year Notes	Go **LONG** above 121-25 (Jun11);
+ Eurex Ten Year Bund	Stay SQUARE (Jun11);
+ TSE Ten Year JGB	Stay SQUARE (Jun11)
Interest rates	
+ CME Eurodollar	Stay SQUARE (June 12). **BUY** on a clear break of 99.4450
+ Liffe Euribor	Go **LONG** with Stops beneath 97.6350 (June 12)
+ Liffe Short Sterling	Stay SQUARE **(**June12)
Commodities	
+ Nymex WTI Oil	Stay **LONG** above 95.65 (June 11)
+ Comex Gold	Stay **LONG** (Jun 11) above $1430

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

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

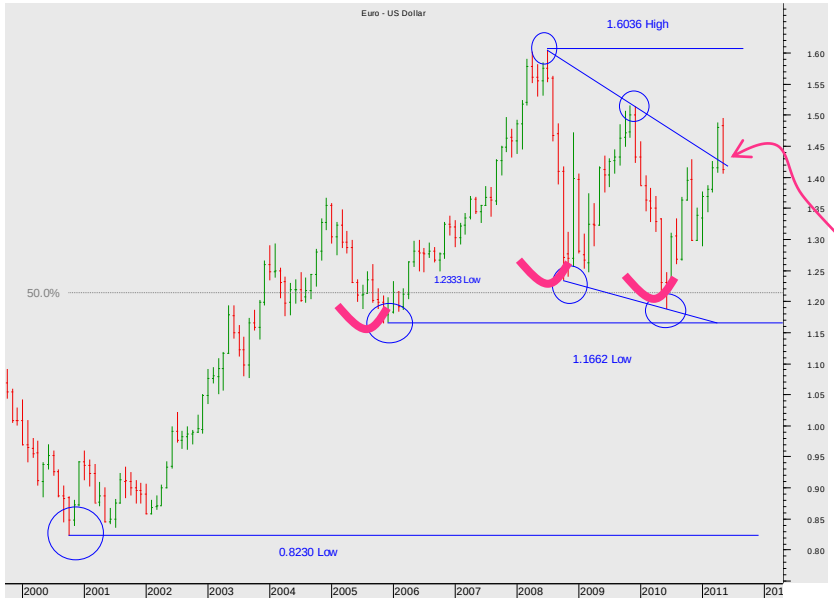
Bonds
+ CBOT US Ten Year Notes
+ Eurex Ten Year Bund
+ TSE Ten Year JGB

Interest rates
+ CME Eurodollar
+ Liffe Euribor
+ Liffe Short Sterling

Commodities
+ Nymex WTI Oil
+ Comex Gold

Currencies: Dollar Euro

CURRENCIES: Last we week suggested that the strength of the Dollar had not yet smashed the medium and long term bull structures still set to drive the Euro stronger yet. Stand back and look through the short-term confusion. But the Dollar is higher still. The bears for the Dollar are under grave threat if the short-term breakdown of the Euro is sustained.



Dollar Euro monthly spot cash chart

The long-term chart looks underpinned by the triple bounce off the Fibonacci retracement support at 1.21.

The bull falling wedge is being retested....

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

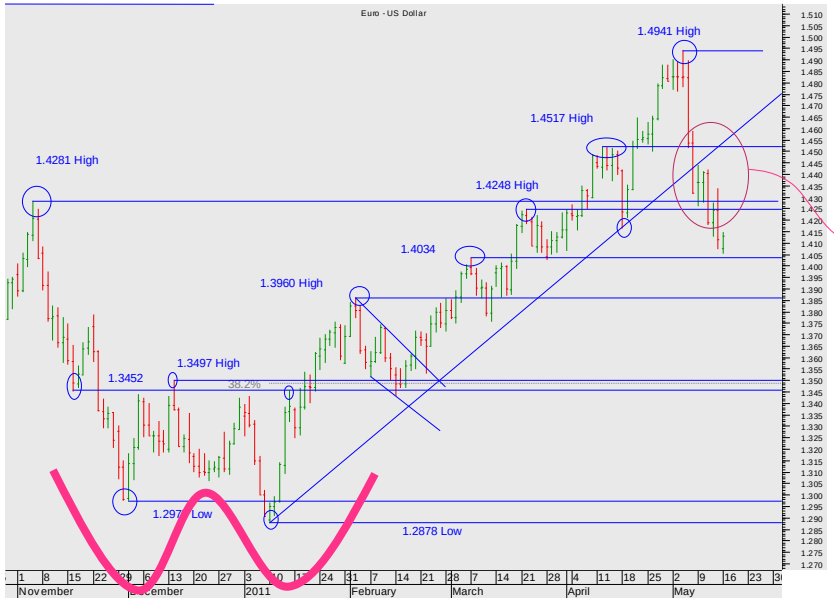
Commodities
+ Nymex WTI Oil
+ Comex Gold

Currencies: Dollar Euro

Dollar Euro weekly spot cash chart

The break of the coincidence of the horizontal and falling diagonal was powerfully bullish. But the market has broken back down through the breakout levels....

Look closer.



Dollar Euro daily spot chart

We thought the pull-back to the prior High supports 1.4281-48 was a good buying opportunity,

but the break of the rising diagonal and the horizontal supports at 1.4517, 1.4281, 1.4248 suggest continued real impetus in the sell off ... and the medium-term trend remains intact.

More

Summary

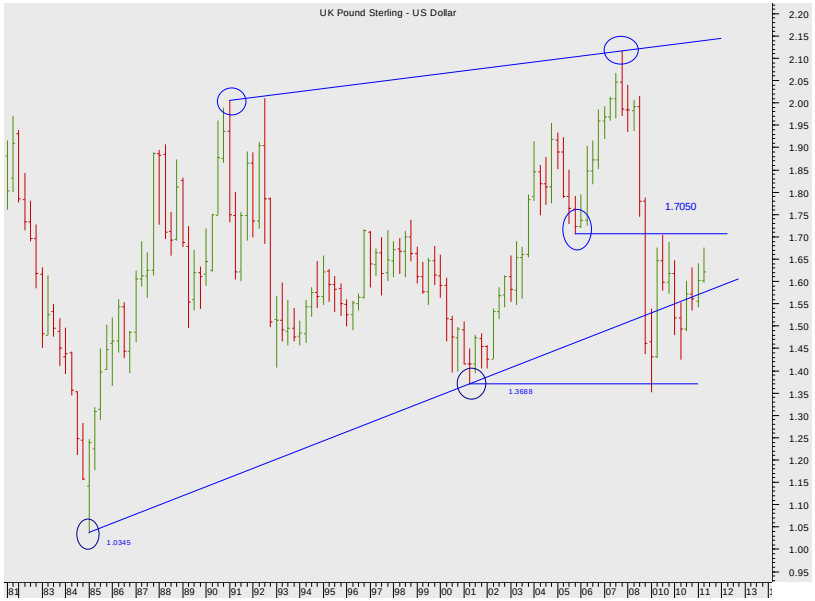
Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

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

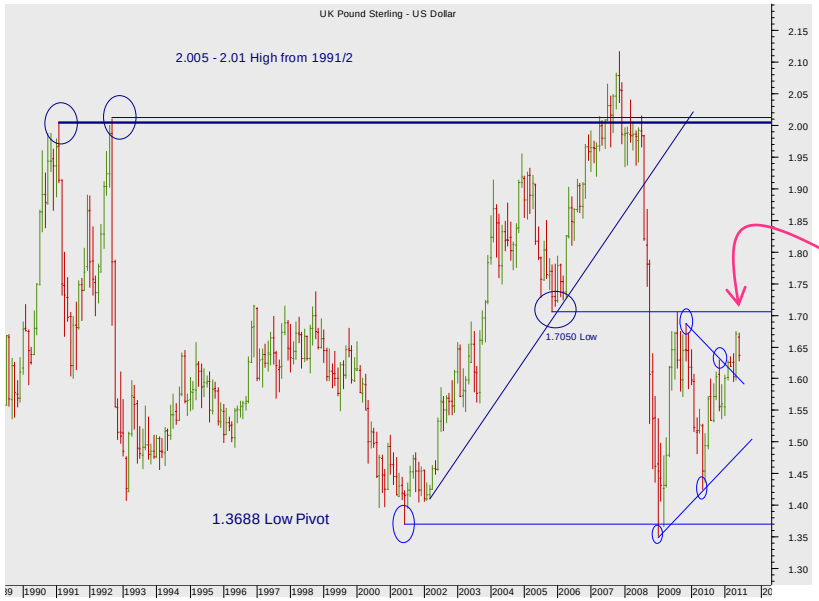
Commodities
+ Nymex WTI Oil
+ Comex Gold



Dollar Sterling quarterly spot cash chart

Cable is teetering on the verge of completing a bear wedge...

Look closer.



Dollar Sterling weekly spot cash chart

The triangular consolidation suggests a break to the upside...

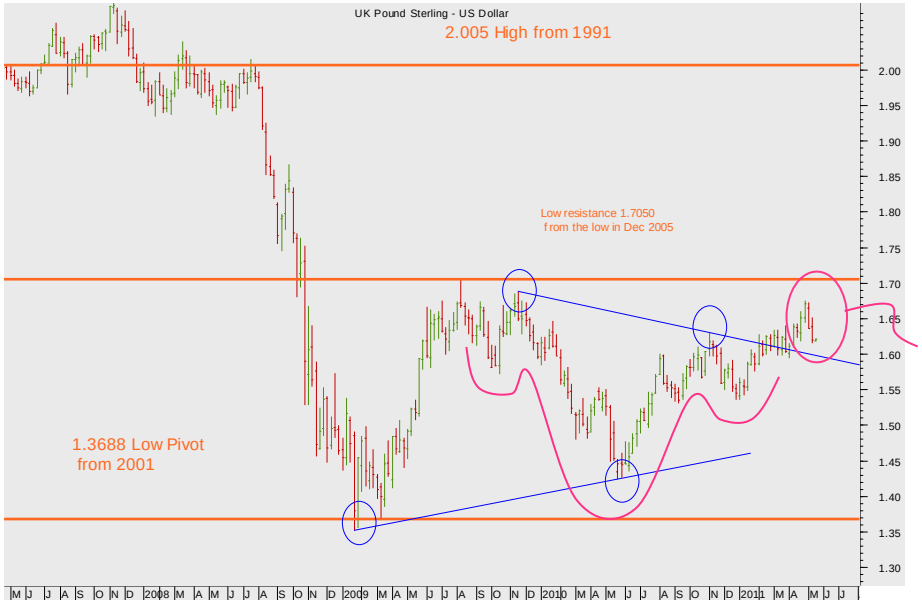
Yet the confinement of the Prior low resistance restricts the excitement of the bulls.

More

SEVEN DAYS 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

Currencies: Dollar Sterling

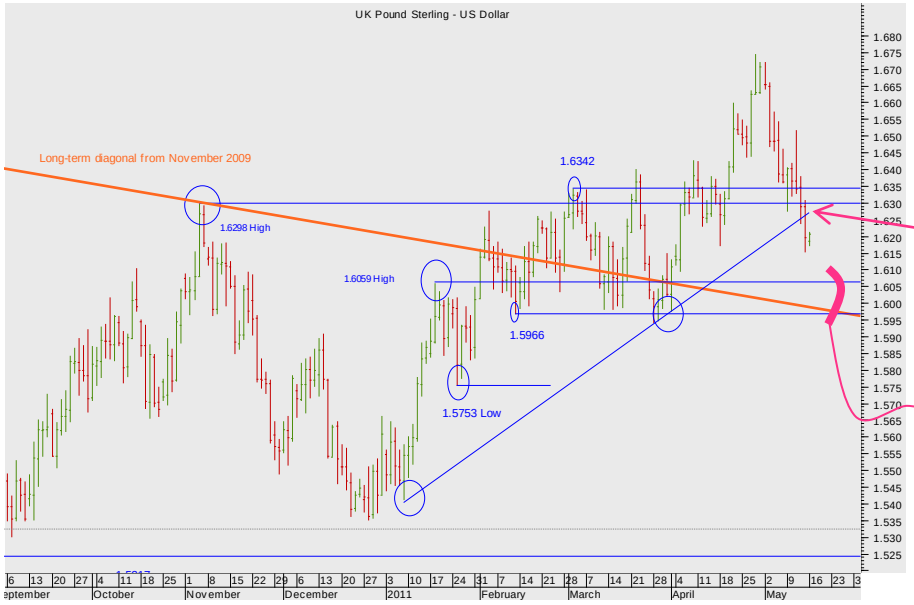


Dollar Sterling weekly spot cash chart

The uncertainty of the market's reaction to the falling diagonal/Neckline was resolved by a break up

Watch the pull-back..

We remain Sterling Bulls in the medium-term.



Dollar Sterling daily spot cash chart

Watch the pull-back.. The breakdown through the support of the band from the Highs at 1.6298-1.6342 PLUS the break of the rising Diagonal at 1.6250 looks bad.

We now expect a test of the Neckline and the Pivotal Prior Low levels at 1.6059 and 1.5966.

SEVEN DAYS 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

Currencies: Dollar Yen

Dollar Yen monthly spot cash chart

The Prior Lows are pressing down on the market.

And forced a move down through the Prior Lows 87.15, 88.04 to the MAJOR Pivotal Prior Low 79.78

Look closer.

Dollar Yen weekly spot cash chart

The Prior Lows are powerful resistance above the market at the band from at 84.92/87.15.

Equally, note that the breakdown through the 80.26 low and 79.78 Pivot was not **sustained in March.**

But now we have a re-approach of that levels.

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 price action has tried - **and failed** – to break down through the major Pivotal low 79.78 or through the resistance at the old lows at 84.92.

The market is stuck in a range.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

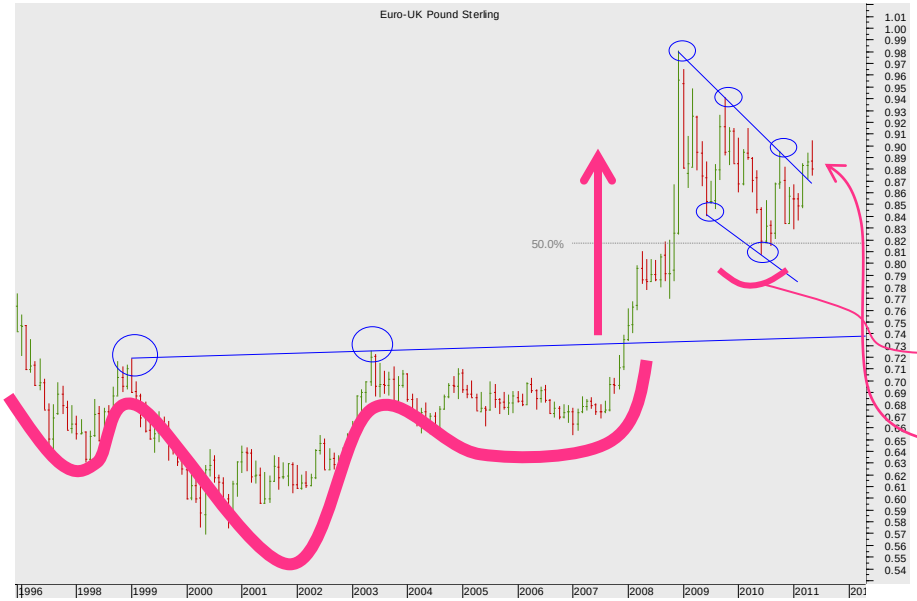
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 monthly spot cash chart

We were long-term 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.

Note the pull-back as far as the 50% Fibonacci support.

Now the market has completed a bull (for the Euro) falling wedge the Euro bulls are in charge.

Look closer.

Sterling Euro weekly spot cash chart

The bull falling wedge completed.

At the same time a small Head and Shoulders reversal completed.

Look closer.

More

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

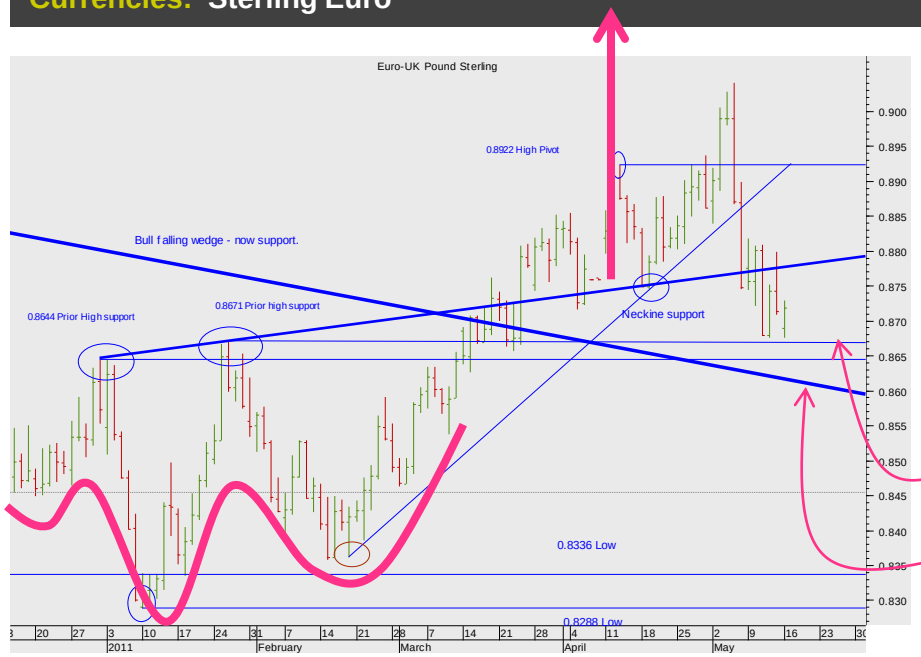
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Currencies: Sterling Euro



Sterling Euro daily spot cash chart

The completion of the wedge and the HS reversal has been followed by a fierce and impressive pull-back through 0.8922, and the rising diagonal and then smashing the Neckline support.

Now watch the support from the Prior Highs

and the wedge

Until they break we are content to stay LONG of the Euro.

Stocks

STOCKS: Bull for stocks are under grave threat still. Watch our levels in particular in the S&P and the FTSE.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

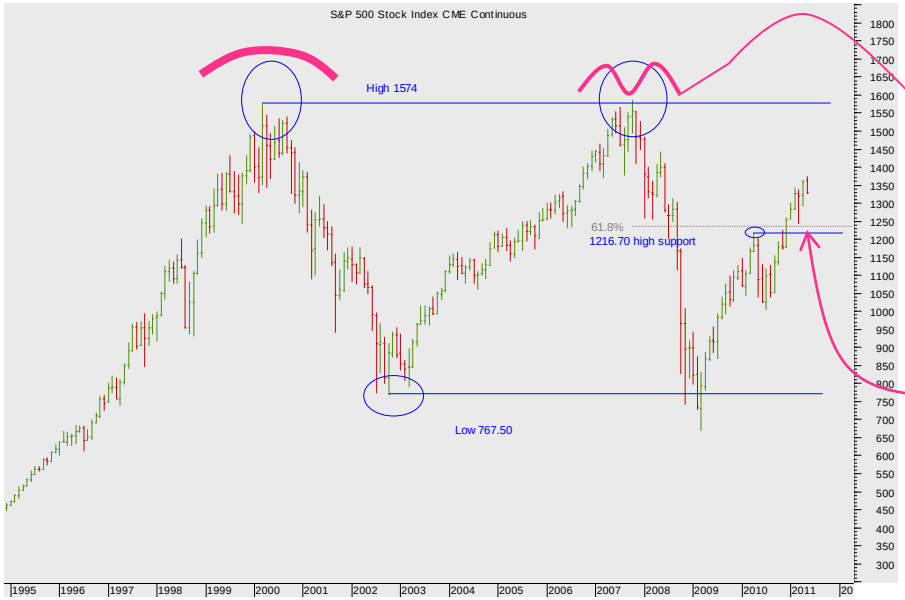
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 monthly cont. futures chart

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

But the double bounce has created a wide trading range.

Note the drive up through the important Fibonacci at 1236....and then how it subsequently acted as good support on a pull-back.

The market is ratcheting better.

More

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

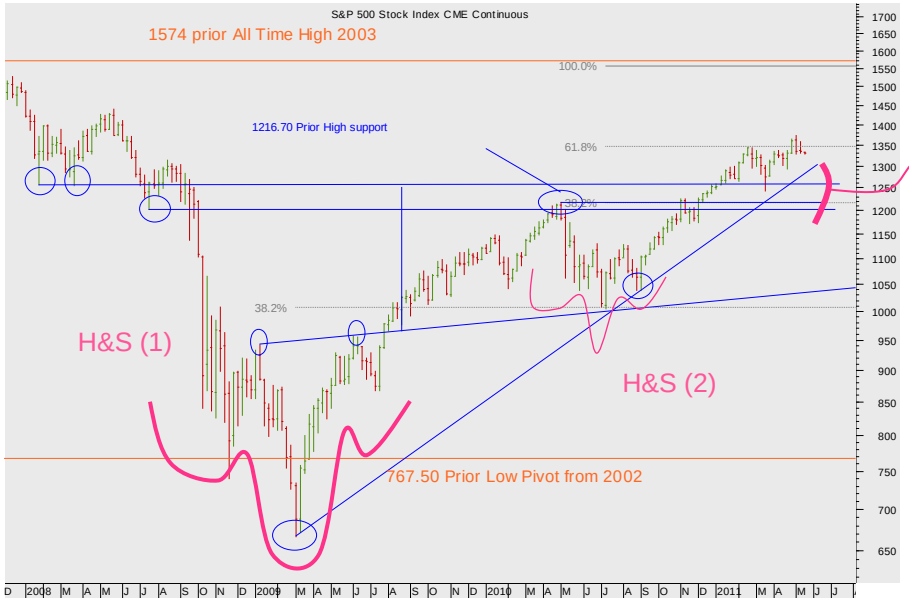
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Stocks: CME S&P 500

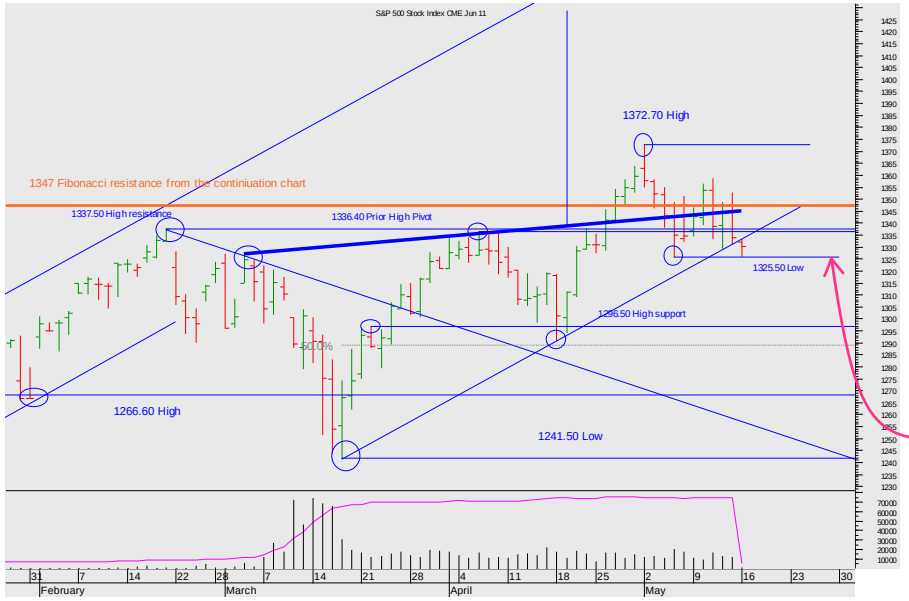


CME S&P 500 cont weekly cont. chart

Driven by H&S (1) and H&S (2) the market has now surpassed the band of resistance from the Prior lows at 1201-1253.

That band of resistance1201-1252 is now clearly good support racheting the market better.

This is enormously impressive for the bulls.



CME S&P 500 Jun 11 Day chart

But now the small completed H&S reversal (Minimum move 1430...) is under great pressure.

The pull-back through the neckline, rising diagonal and horizontal supports is clear for all to see.

Use a close beneath the recent low (1325.50) as a signal for further weakness.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

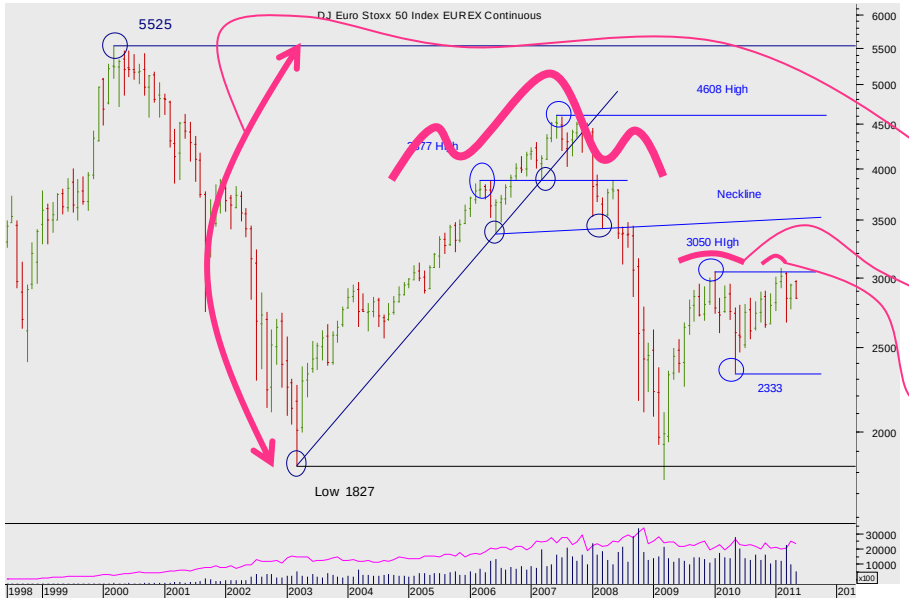
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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: Eurex EuroStoxx 50



Eurex EuroStoxx 50 monthly continuation futures chart

The market is in a huge trading range.

Note the stalled rally of 2009/2010 at 3050.

And, so far the failed rally of 2011.

Look closer.

Eurex EuroStoxx 50 weekly continuation futures chart

The diagonal from early 2009 appears to be good support and helping drive the market back up to retest the strength of the Prior Low resistance at 3107. Indeed there is a band of resistance from 3107 and the 3050 High.
The market has failed there twice. A breakthrough will be dramatic.

Look closer again.

.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

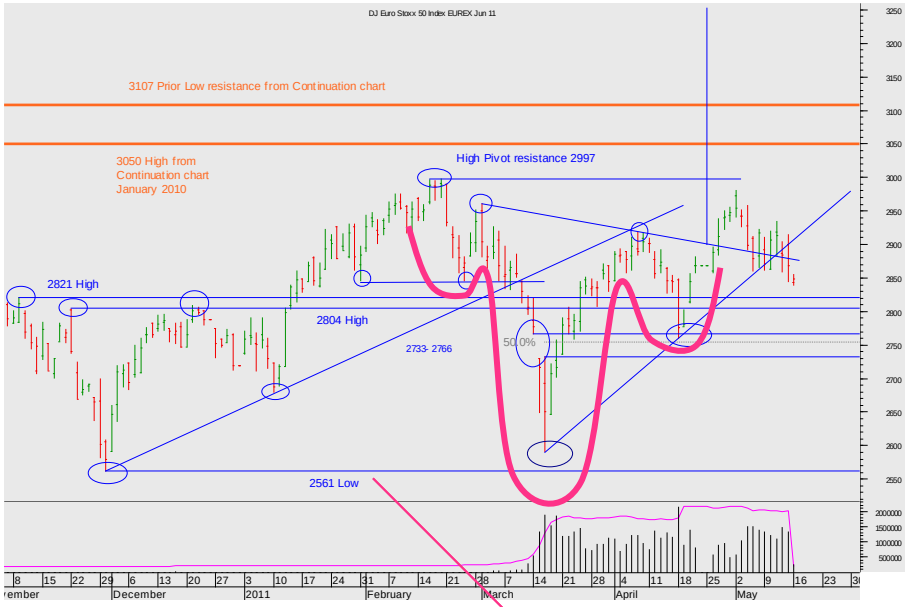
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Interest rates
+ CME Eurodollar
+ Liffe Euribor
+ Liffe Short Sterling

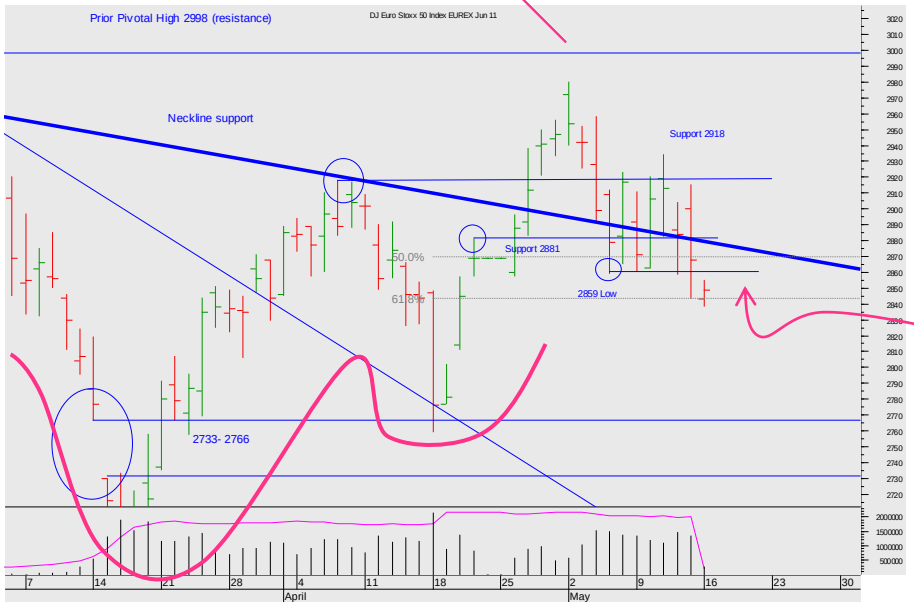
Commodities
+ Nymex WTI Oil
+ Comex Gold

Stocks: Eurex EuroStoxx 50



Eurex EuroStoxx 50 Jun11 futures chart

The completion of the Head and Shoulders continuation pattern is under threat from the pull-back to the Neckline...



Eurex EuroStoxx 50 Jun11 futures chart

In greater detail, the market has smashed the supports at 2918, the Neckline and 2881.

If it closes beneath the 2859 Low Pivot, there will be additional bear impetus.

Stand back.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

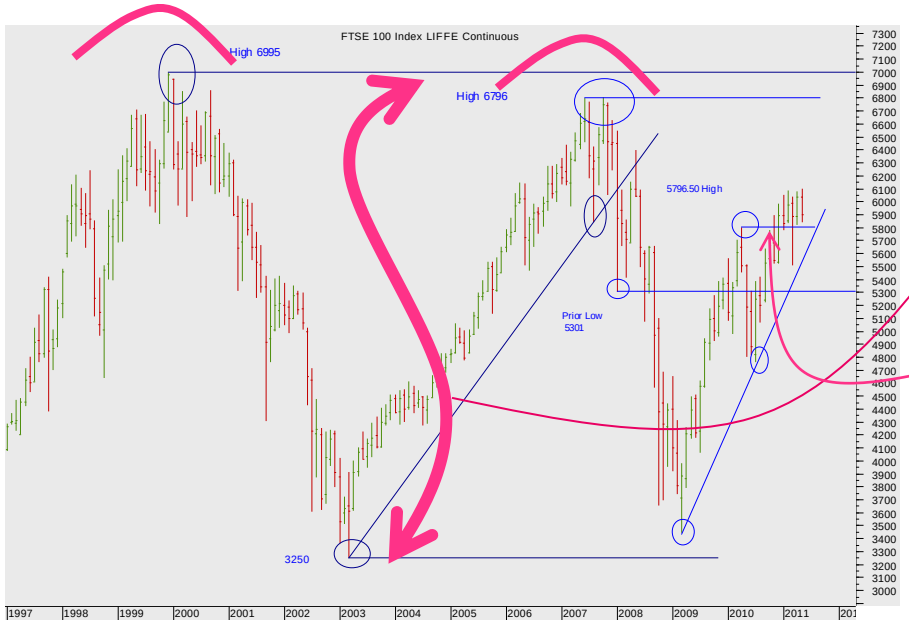
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Interest rates
+ CME Eurodollar
+ Liffe Euribor
+ Liffe Short Sterling

Commodities
+ Nymex WTI Oil
+ Comex Gold

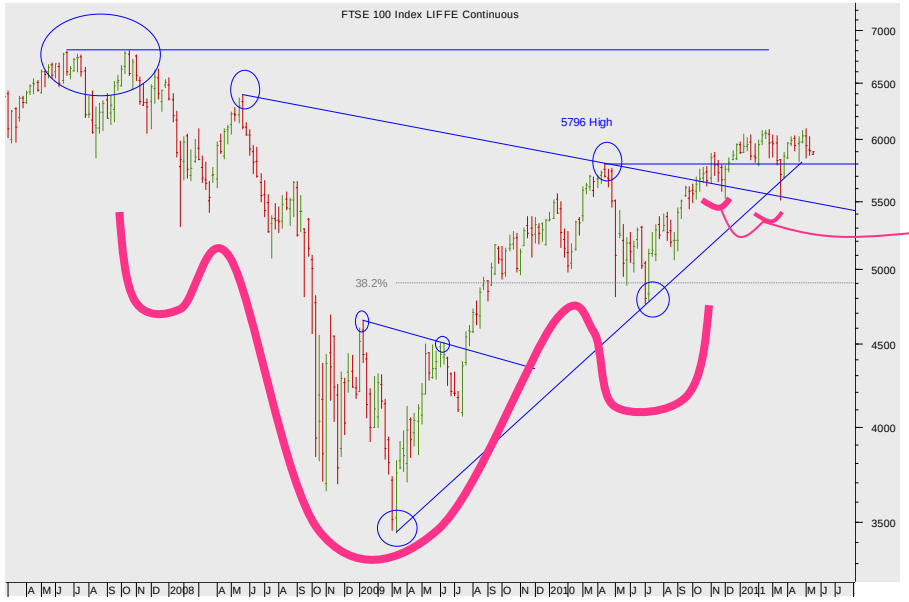
Stocks: Liffe FTSE 100



Liffe FTSE 100 monthly continuation futures chart

The market is in a massive trading range.

The Prior High at 5796.50 has acted as good support ...note the **good bounce.**



Liffe FTSE 100 cont. futures chart

This explains the bounce: the Neckline of the Bull Head and Shoulders held as good support – the bounce from the Neckline (and, indeed, the rising diagonal) is clear....

Look closer.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

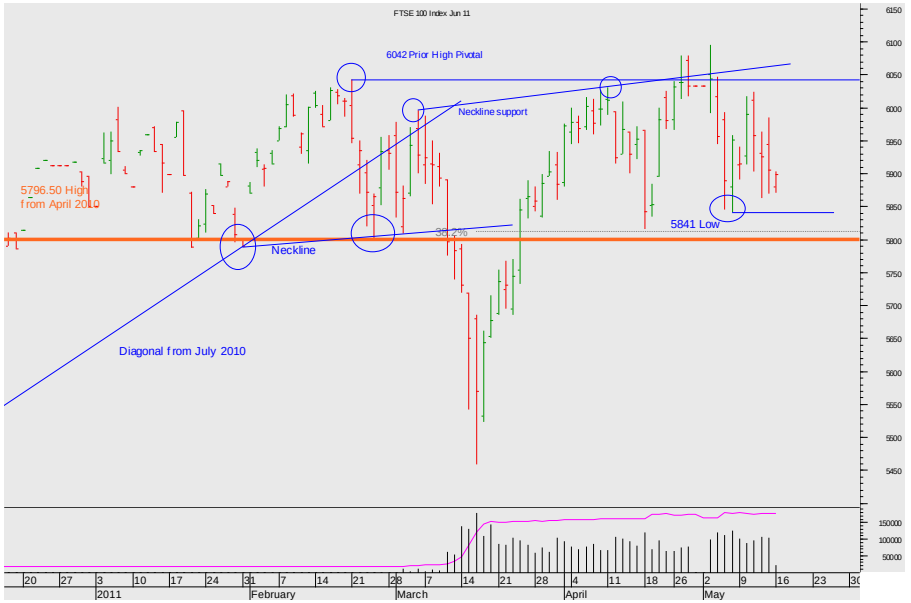
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

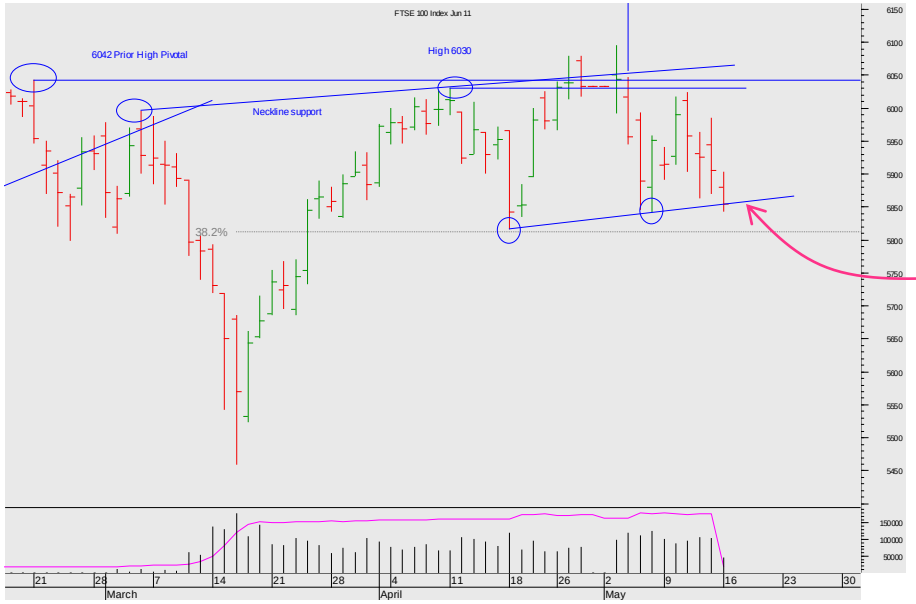
Stocks: Liffe FTSE 100



Liffe FTSE 100 JUN 11 futures chart

The completion of an additional complex Head and Shoulders continuation pattern is possible – with Multiple shoulders – stand back and wait for a clear break up through 6042.

Or watch for a breakdown through the possible Neckline ...



Liffe FTSE 100 JUN 11 futures chart

The Neckline lies beneath the market at 5857 or so....a close beneath would greatly add to the bear impetus.

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

In 2008 the market traded down to the Pivotal level of the 7600 low and bounced hard. Equally, the market failed to get up through the band of resistance Fib and from the Prior low at 11910.

Look at the trading range.

OSE Nikkei 225 weekly cont. futures chart

The sharp fall back and down through the diagonal **was not sustained.**

Note the succession of bounces from the 9340 area.

Though the market spiked down beneath 9340, there has been no close beneath that level.

Look closer.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

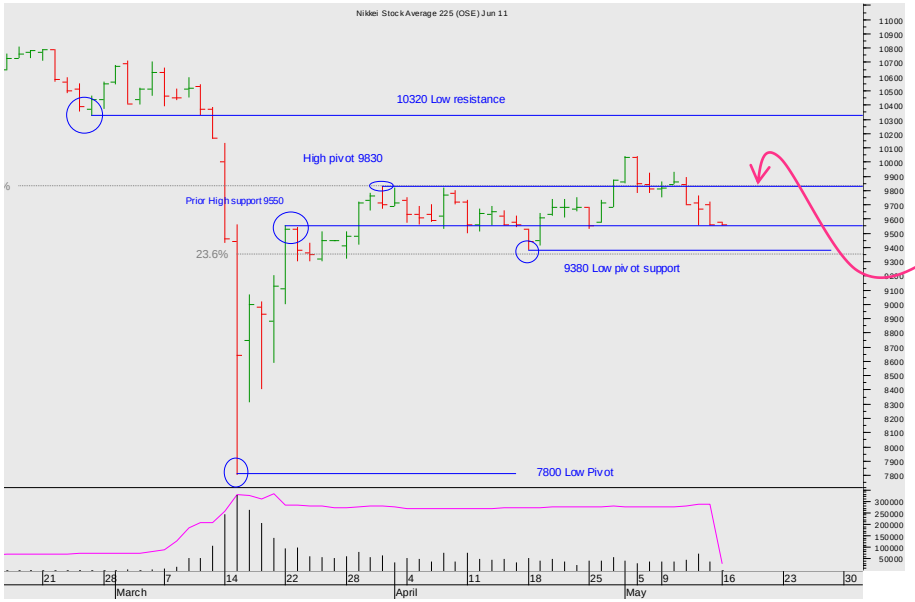
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

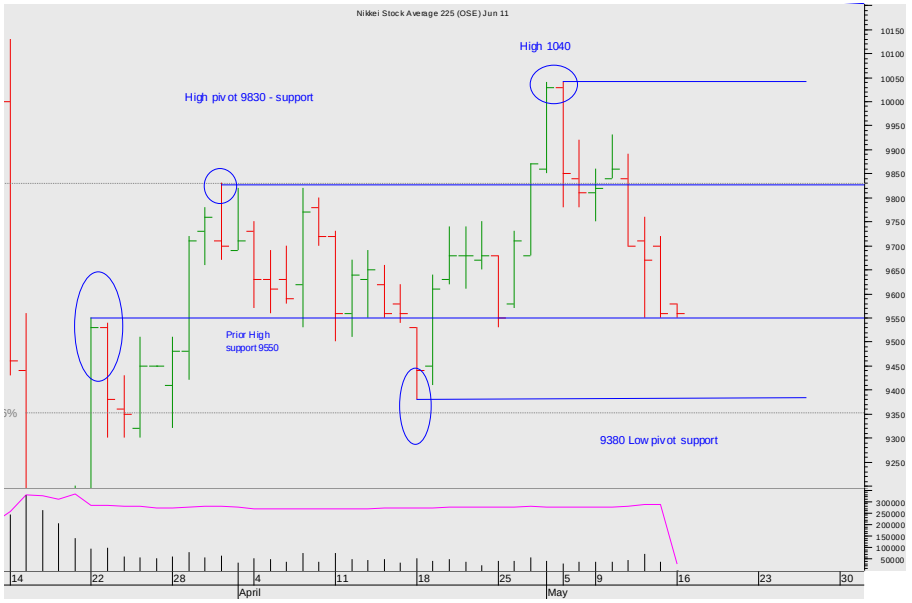


OSE Nikkei 225 JUN11 daily futures chart

The market price has been sideways since early March.

The break up through the Prior High of 98.30 has not been sustained.

See below.



OSE Nikkei Jun 11 futures chart

The pull-back into the trading congestion should have disappointed the bulls.

Stand back..

Bonds

BONDS: Does the continued buying still feel like a retracement? Less and less. The TNote has now completed a Reversal pattern in the weekly chart. There looks like more to come. The Bund is a rather more reluctant bull market, and we would look there first for any emergent signs of weakness.

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 parallel channel is surprisingly well-defined.

Now look within.

More

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

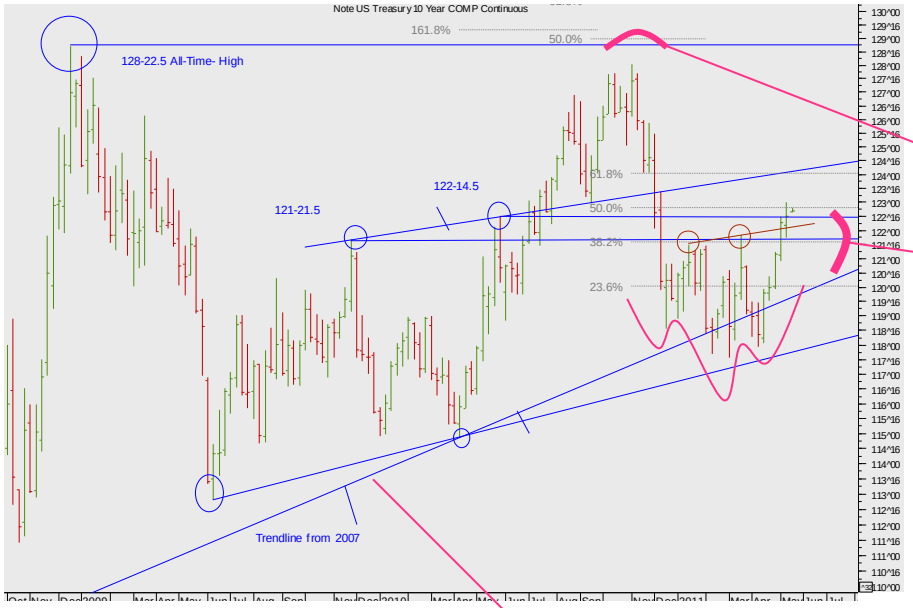
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

Bonds
+ CBOT 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

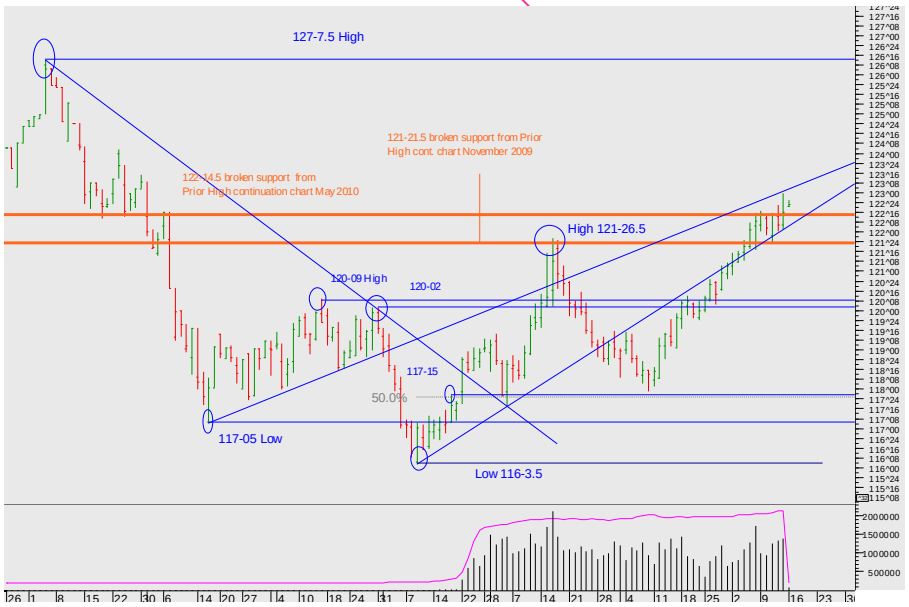


CBOT Ten Year Notes weekly futures continuation chart

The failure to get above and close above 128-22.5 looked poor.

The market's collapse back through the 121-21.5/122-14.5 pivotal Prior Highs seemed a total capitulation by the bulls.

But the rally, sustained by a complex H&S reversal is impressive.



CBOT Ten Year Notes weekly Jun 11 futures chart

The H&S pattern in the week is less clear in the June contract.

Yet, the break up through the band horizontal that was critical to the breakdown is still impressive.

And the racheting up through the Prior High Pivot 121-26.5 is good bullish structure to the Trend.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

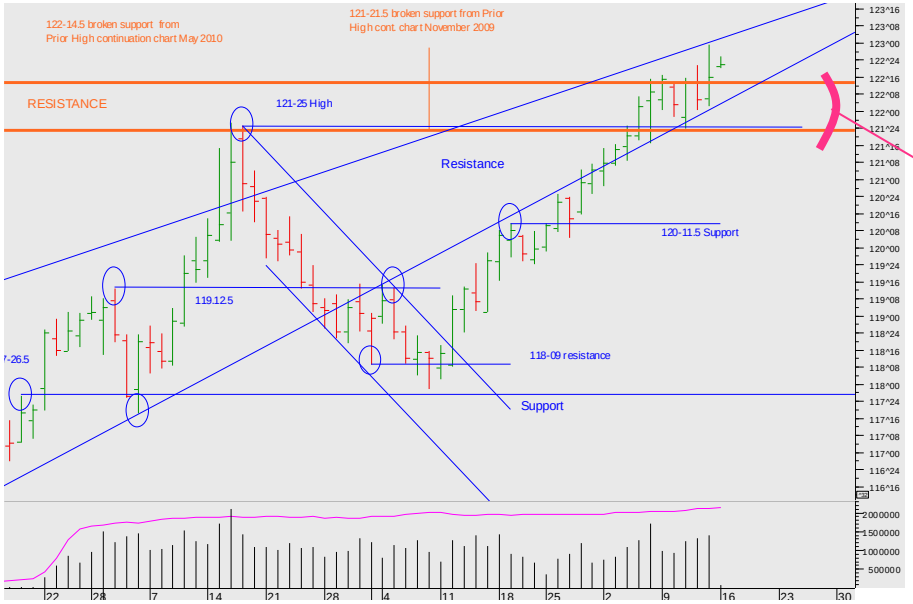
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 daily futures chart

The bears should be dismayed by the way the market has got above the band 121-21.5/122-14.5.

SEVEN DAYS 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

Bonds: Eurex Ten Year Bund

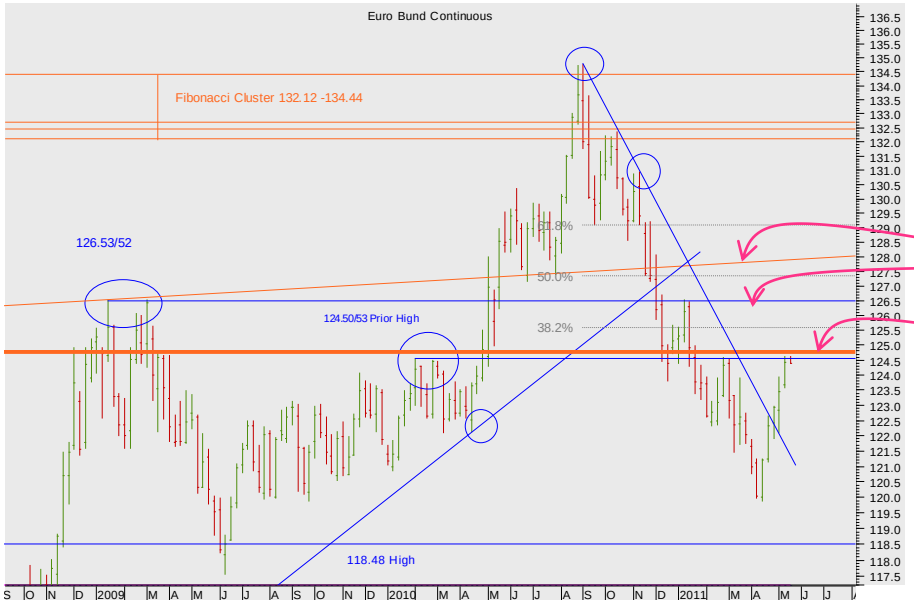
Eurex Ten Year Bund quarterly futures continuation chart

Note the significant Fib cluster above the market from 132 -134 where the market stopped and pulled back.

The market tested the band of support from those Prior Highs 124.60-126.53 and broke it. (As well as the steep diagonal support.

The market is medium and long-term vulnerable.

Look closer.



Eurex Ten Year Bund weekly cont. futures Chart

The pull-backs down through

(1) the two rising diagonals,
(2) the horizontal prior High support at 126.53
(3) 124.50 horizontal support

are all a powerful bear statement.

But watch the rally, it needs in the medium-term to break the band 124.53 -126.53 to convince.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

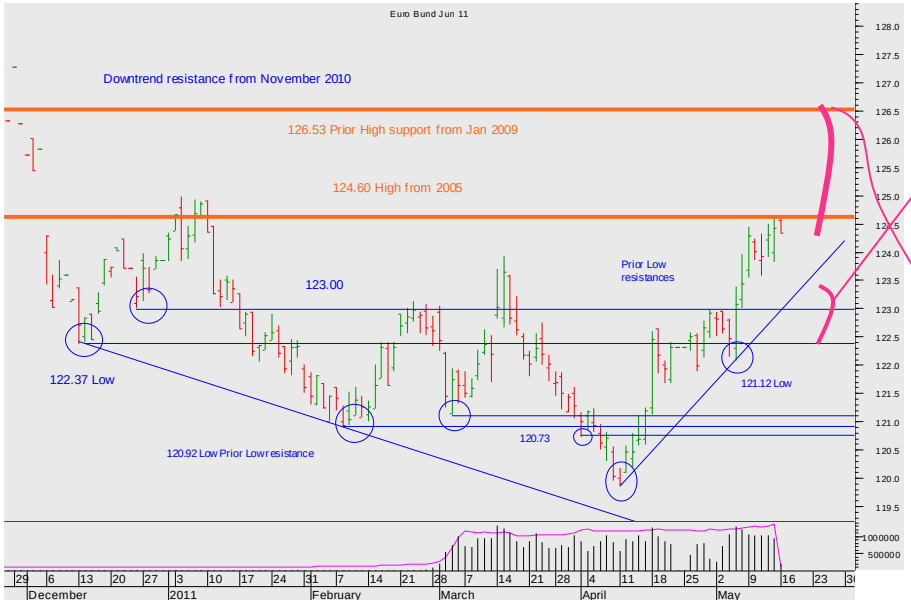
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 JUN11 daily futures chart

The market has broken the short-term band of resistance 122.37-123 ...

But important resistance lies in wait above the market...

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

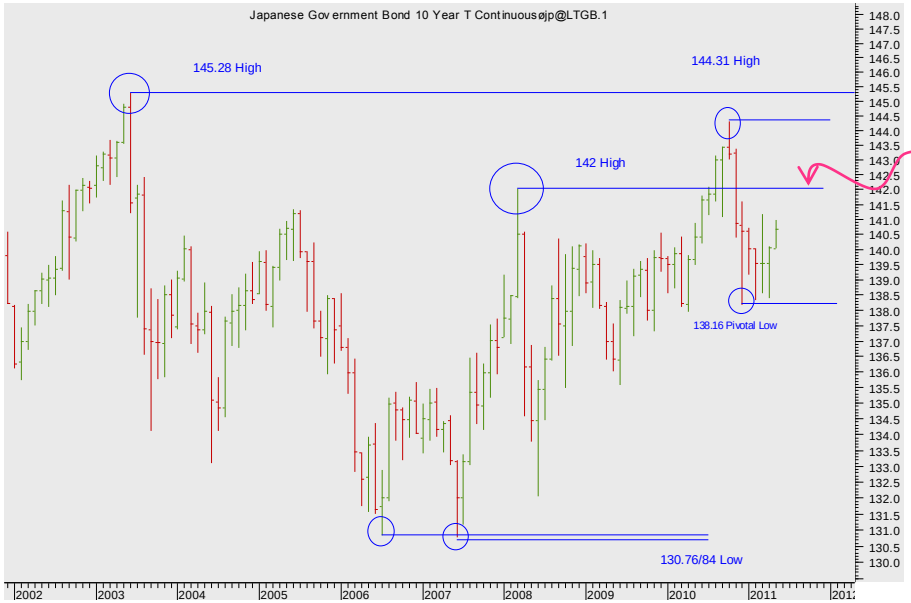
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Bonds: TSE Ten Year JGB



TSE Ten Year JGB monthly futures continuation chart

The JGB failed to sustain a close above the major 142 Prior High

Look closer.

TSE Ten Year JGB weekly continuation futures Chart

the smashing of the medium-term band of Prior Highs141.29-142 was rapid..

Then, in addition, the short-term band of Prior High support at 140.35-140.55 was smashed....

But watch the rally of the market back, **aided by a Triple Bottom**

More

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

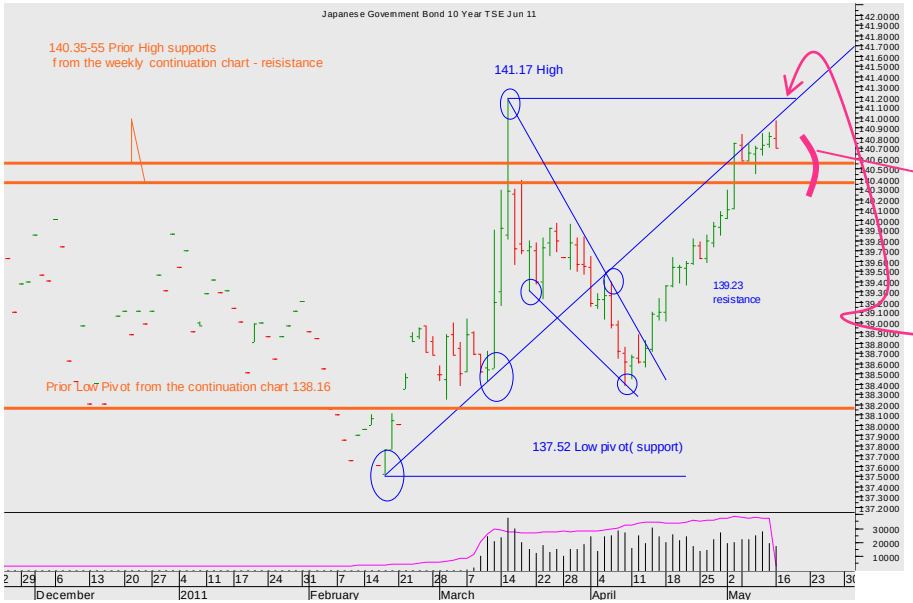
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Bonds: TSE Ten Year JGB



TSE Ten Year JGB Mar11 futures chart

Here is the detail of congestion beneath the broken supports (now resistance) - that medium-term band of 140.35-55 resistance has been smashed.

But the Pivotal Prior High above the market remains important.

Interest rates

SHORT INTEREST RATE FUTURES: Last week the Eurodollar was retesting the Pivotal Prior All-Time Highs. It still is. Little has changed. The sideway pause there is interesting. Other markets are catching up – note the completed H&S reversal in the Euribor suggesting further good bull moves to come.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

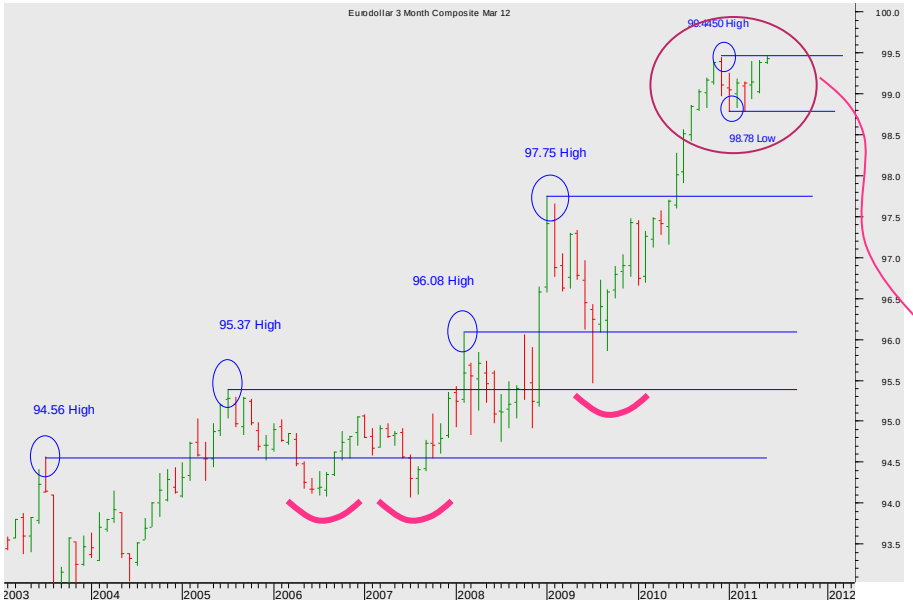
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 Jun 12 futures chart

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

But look closer at the congestion over the last few months.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

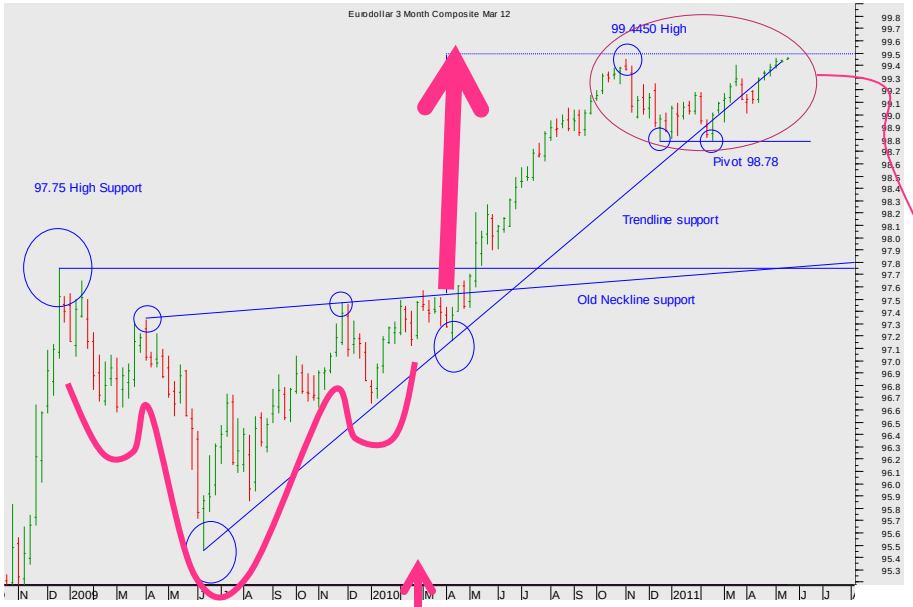
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

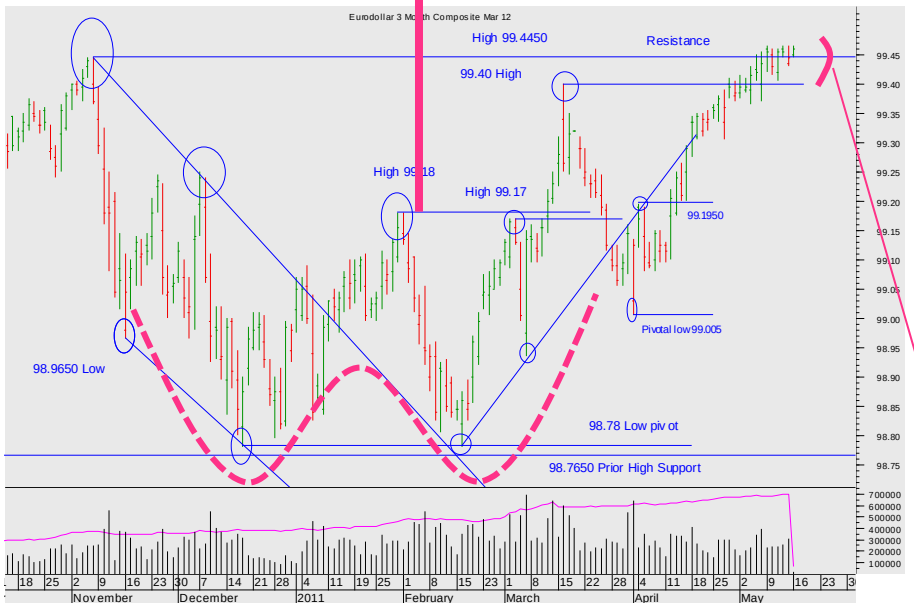
Interest rates: CME Eurodollar rates



CME Eurodollar rates weekly Jun 12 futures chart

Note the H&S continuation pattern whose minimum move to 99.70 or has been achieved...

And now the pull-back needs close examination...note the Double Bounce from the 98.78 level... And the re-approach to the 99.4450 High.



CME Eurodollar rates daily Jun 12 futures chart

The sharp rally from 99.005 has driven the market back to the 99.4450 **All-Time-High.**

A break through that band of Prior High Pivots 99.40-4450 is critical to re-ignited the bulls' hopes.

A confirmed break has yet to be established.

More

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

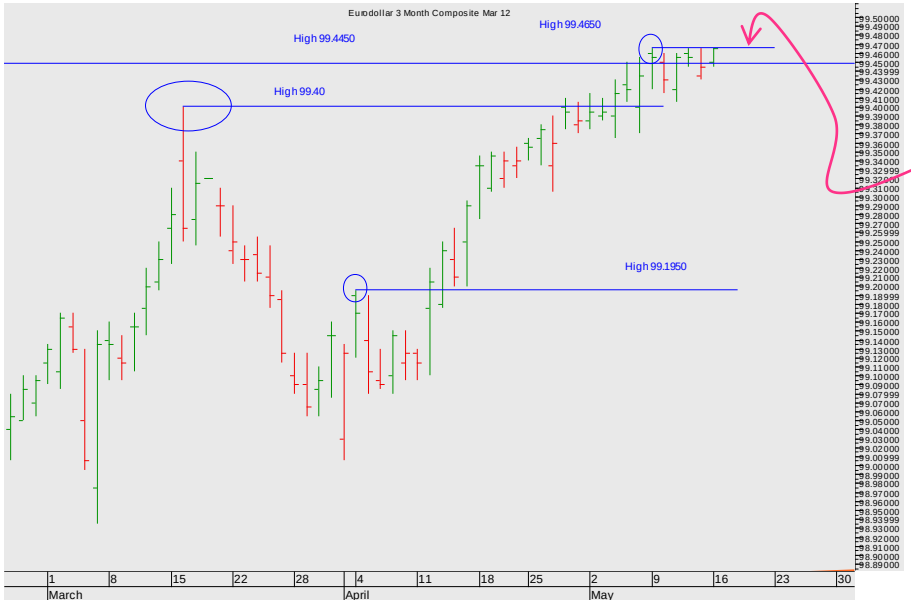
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 Jun 12 futures chart

Watch for a clear break above 99.4650...

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

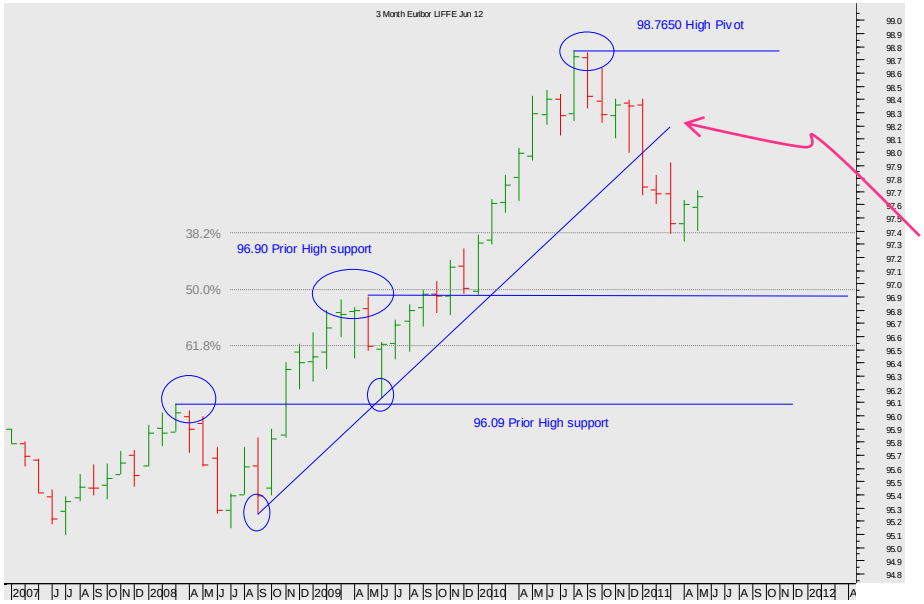
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Interest rates
+ CME Eurodollar
+ **Liffe Euribor**
+ Liffe Short Sterling

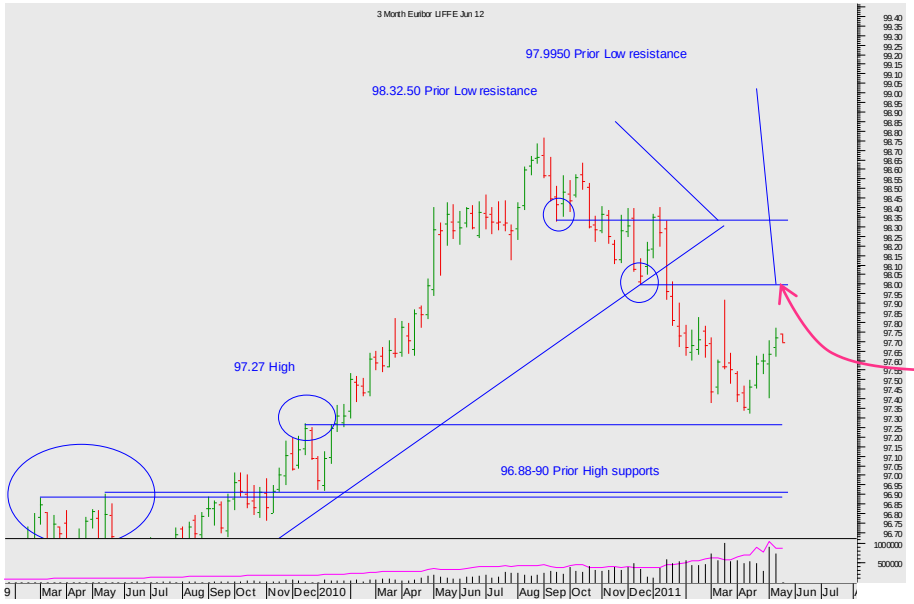
Commodities
+ Nymex WTI Oil
+ Comex Gold

Interest rates: Liffe Euribor rates



Liffe Euribor rates Monthly Jun 12 futures chart

The break of the long-running bull trendline support from 2008 is clear.



Liffe Euribor rates weekly Jun 12 futures chart

The market has been selling-off since the summer of 2010.

Note the failed rally back to the resistance at 97.9950.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

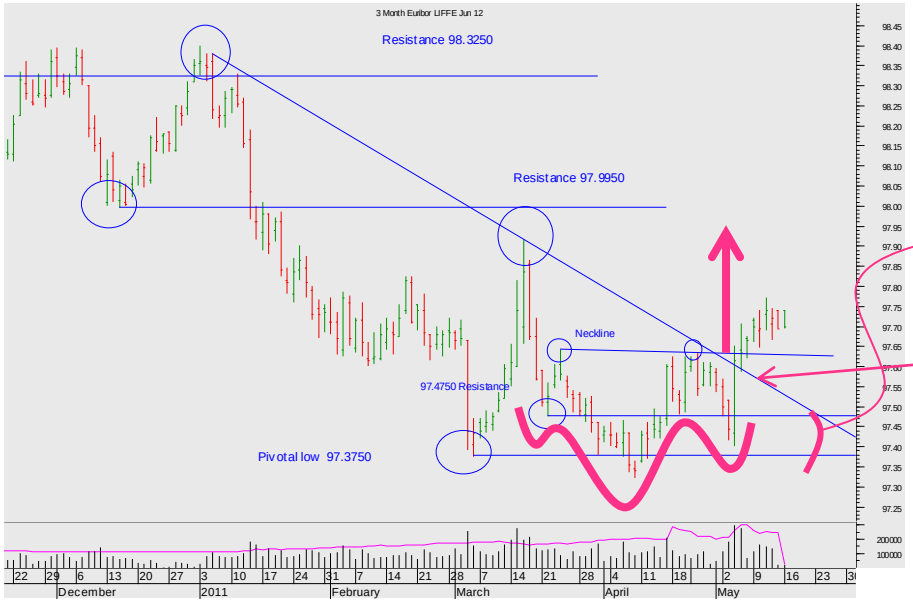
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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 Jun 12 futures chart

In greater detail bears will note the rally back through the band of resistance from the Prior Lows above the market.

And the break up through the falling diagonal...

But most of all they will notice the completion of a Head and Shoulders Reversal – **minimum move to 97.995.**

It is an impressive rally with no real resistance until 97.9950.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

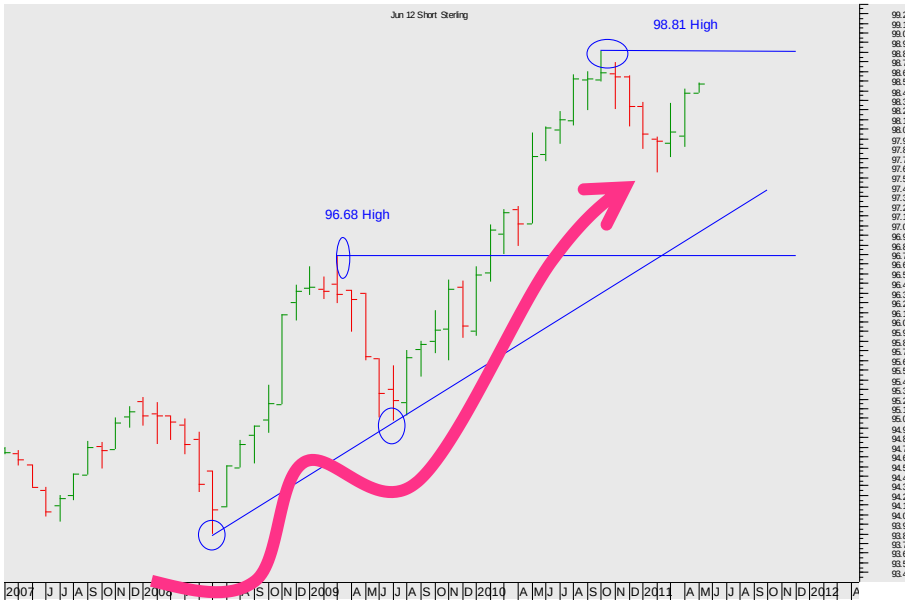
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Interest rates
+ CME Eurodollar
+ Liffe Euribor
+ Liffe Sterling

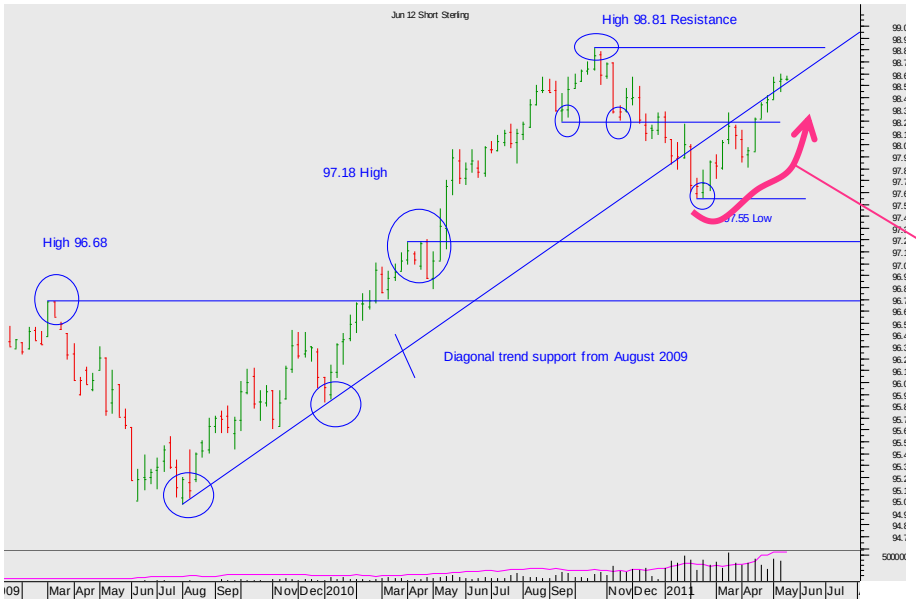
Commodities
+ Nymex WTI Oil
+ Comex Gold

Interest rates: Liffe Sterling rates



Liffe Sterling rates monthly Jun 12 futures chart

The market's long-term rally is looking tired but the trend is far from clearly smashed.



Liffe Sterling rates monthly Jun 12 futures chart

(1) There was the clear completion of an H&S Top.

And the market broke

(2) the rising diagonal

But the rally back has been impressive,...taking out all successive resistances.

Look closer.

More

Summary

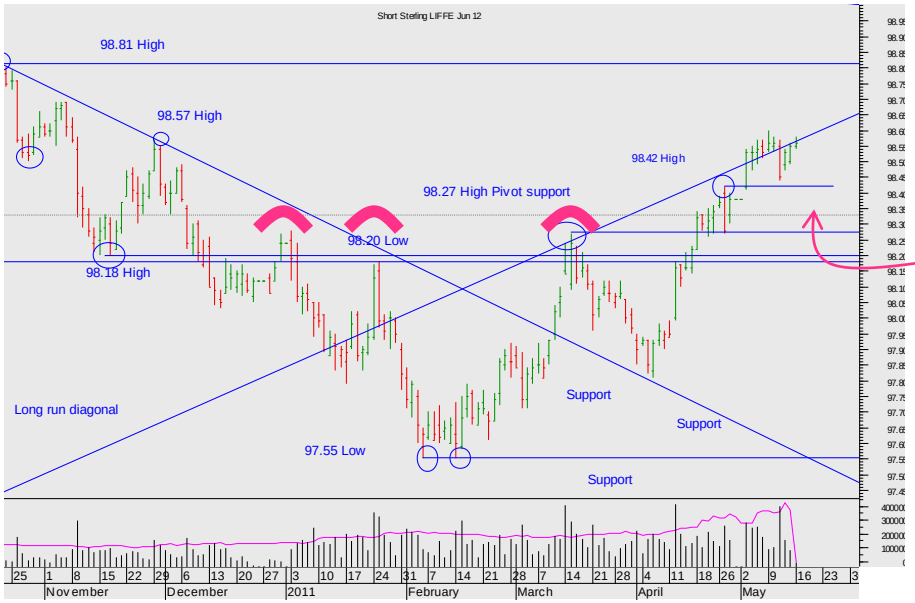
Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

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 Sterling

Commodities
+ Nymex WTI Oil
+ Comex Gold



Liffe Sterling rates daily Jun 12 futures chart

The rally back has been hugely impressive smashing the 98.18-20 Neckline, driving up through the Prior Pivotal High of 98.27.

Is the market in a Head and Shoulders reversal?

See below. But the bull rally is well-constructed and powerful.

Liffe Sterling rates daily Jun 12 futures chart

Here then is the ruling pattern: A completed Head and Shoulders Reversal pattern....

The minimum move? Up as far as 99.00.

Note too the significance of the break back up through the old neckline at 98.23.

The bulls are in control. There is more to come.

Summary

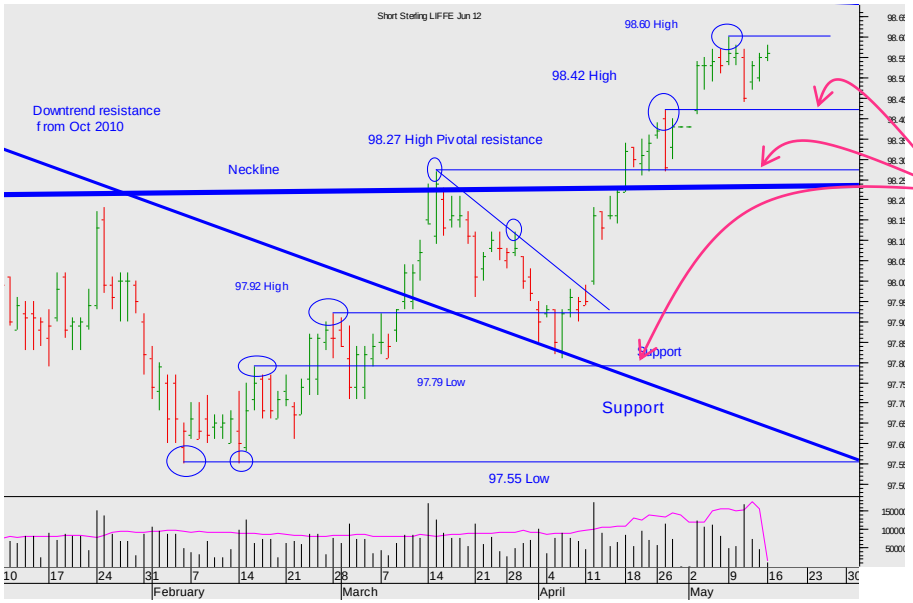
Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

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



Liffe Sterling rates daily Jun 12 futures chart

The good construction of the Day chart: successive Highs supporting the market's pull-backs.

Commodities

COMMODITIES Gold and Oil have marked time over the last week whilst ranging widely above critical medium-term supports. Yet, for the moment, both markets still remain medium-term bullish for much higher levels.

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 level.

Now study the bounce.

More

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

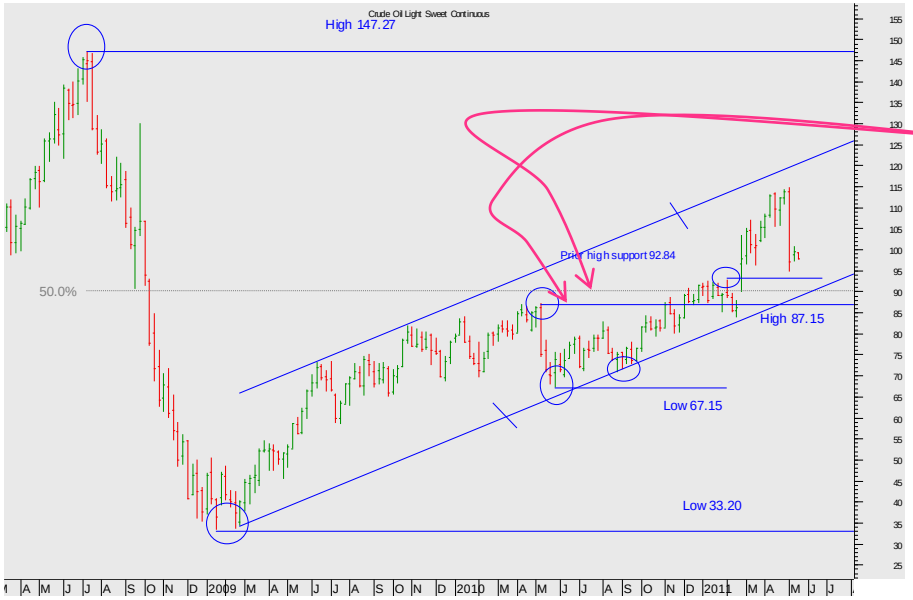
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

Commodities: Nymex WTI Oil

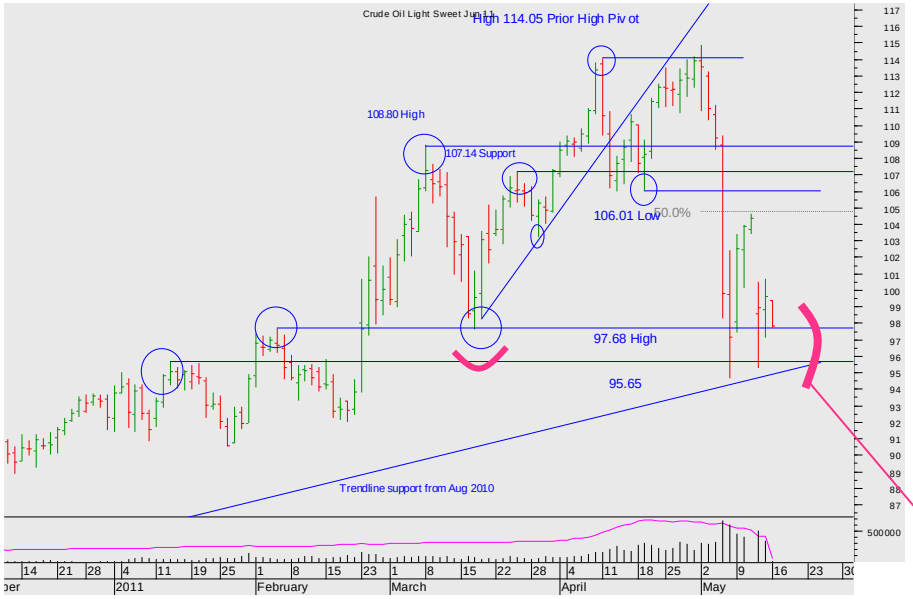


Oil weekly cont. chart futures

The rally broke the top of the recent range in the weekly continuation chart and after struggling, broke up through the 50% resistance.

Then the pull-back...

Look closer.



Oil Jun 11 daily chart futures

The pull-back was driven by the small Double Top.

The break of the band of Prior High support 107.14-108.80 led to a sharp reverse.

Note that the support at 95.65/8 (whence the market has bounced before) now coincides with the support from the Rising Diagonal from Aug 2010.

These are critical levels.
The bulls need these levels to hold.

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

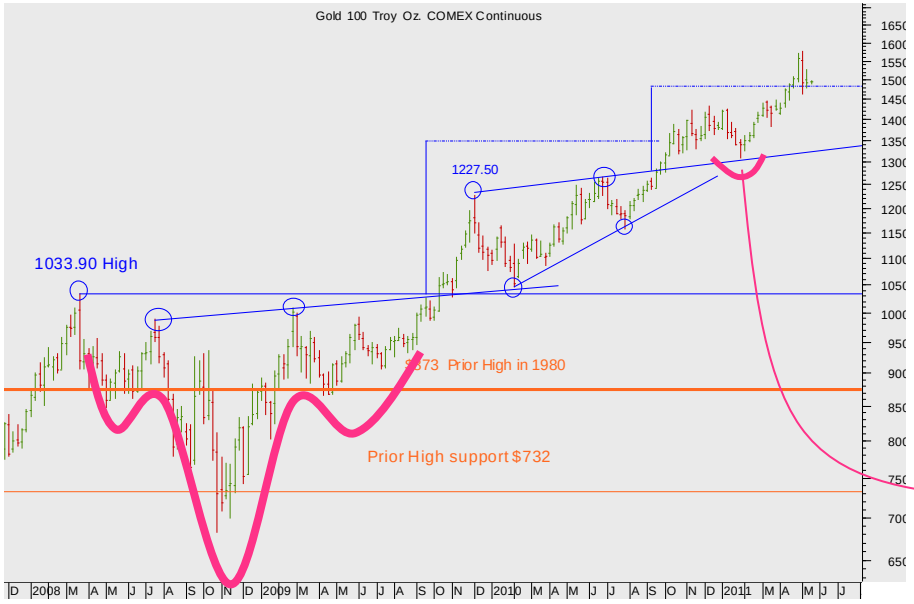
Interest rates
+ CME Eurodollar
+ Liffe Euribor
+ Liffe Short Sterling

Commodities
+ Nymex WTI Oil
+ Comex Gold

Commodities: Comex Gold

Comex Gold futures monthly cont. chart

The long-term chart is well-known – the 1980 Prior High of $873, once surpassed (thanks to the momentum from the completed Continuation Triangle/ Bull Falling Wedge) levered the market better.



Comex Gold cont. weekly chart

The driving patterns of the market:

(1) The catalyst for the break of 873 was the completion of a continuation Head and Shoulders pattern....

And then (2) the market completed a continuation Triangle

And showed great underlying bull strength by bouncing back from the support from the upper diagonal of the Triangle...

Look closer still.

SEVEN DAYS AHEAD

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

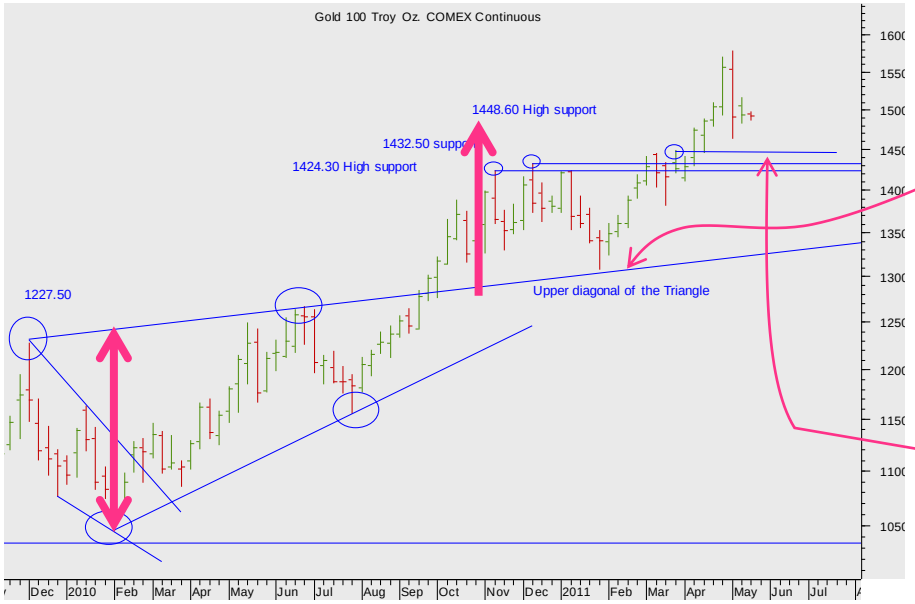
Stocks
+ CME S&P 500
+ Eurex EuroStoxx 50
+ Liffe FTSE 100
+ OSE Nikkei 225

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

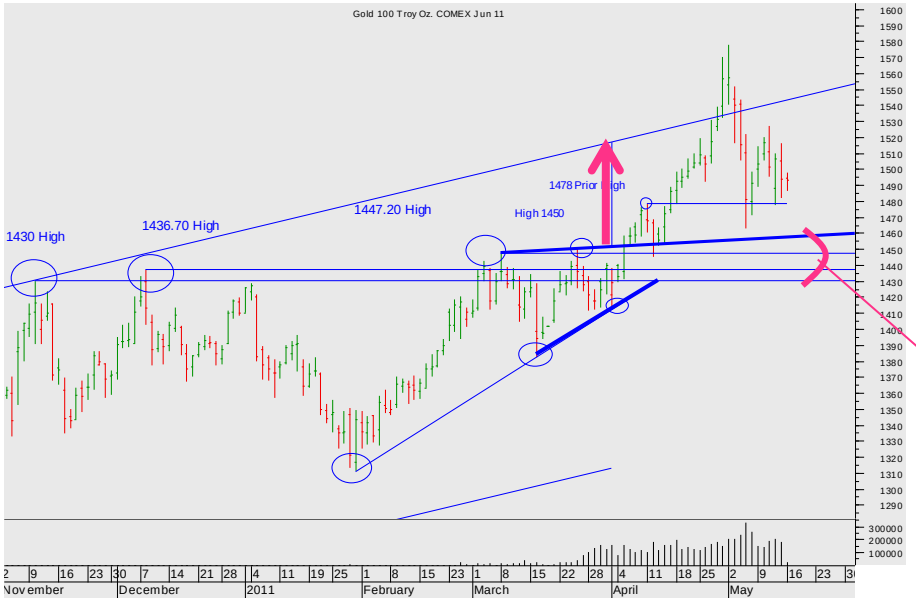
Commodities: Comex Gold



Comex Gold cont. Weekly chart

The detail of the pull-back to support from the Top of the continuation Triangle – there was good support there.

The minimum target of the Continuation Triangle has been reached - around 1475 or so...but note the breakup through the succession of Prior Highs...



Comex Jun 11 futures daily chart

The completion of a small Continuation achieved a minimum target of 1520. But the pull-back has been vicious. Note the short-term supports at 1478 (prior High) the upper diagonal of the Triangle 1452 and then 1430-1436.

We remain bulls (and fresh buyers at these lower levels) while watching the supports beneath the market carefully.

But the support from the Prior High at 1478 looks to be holding...

the technical analyst
AWARDS 2011
FINALIST

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