



27th September 2011

the technical analyst

AWARDS 2011

F I N A L I S T

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** Euros beneath 1.3900
Stay **SHORT** Sterling beneath 1.5786
Stay **LONG** Yen beneath 78.00
Stay SQUARE

Stocks

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

Stay **SHORT** (Sep11) **ADD** on a confirmed break of 1130
Stay **SHORT** (Sep11) with Stops above 2187.
Stay SQUARE (Sep 11); **SELL** on a confirmed break of 5150 - Neckline.
Stay **SHORT** beneath 9350 (Sep11); with Stops above 8650.

Bonds

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

Stay **LONG** above 128-01 (Dec 11); **ADD** on a fresh break up through 130-22.
Stay **LONG** with Stops beneath 134.62 (Sep 11);
Stay **LONG** (Sep11) above 142.46

Interest rates

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

Stay **LONG** above 99.3650 (June 12); **ADD** above 99.5550.
Stay **LONG** above 98.76.50 (June 12) **ADD** above 99.1050.
Stay **LONG** above 98.93 (Sep 12); **ADD** above 99.29.

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stay **SHORT** beneath 91.77 (Dec11); **ADD** on a break of 77.12.
Stay SQUARE (Oct 11).



Currencies: Dollar Euro

CURRENCIES: The Dollar was bought hard throughout the week against the Euro. For the moment the 50% Fibonacci retracement support is holding... but the massive resistances (for the Euro) above the market do not augur well. Similarly, Sterling suffered against the Dollar, leaving Sterling Euro virtually unchanged. The Yen held its own.

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

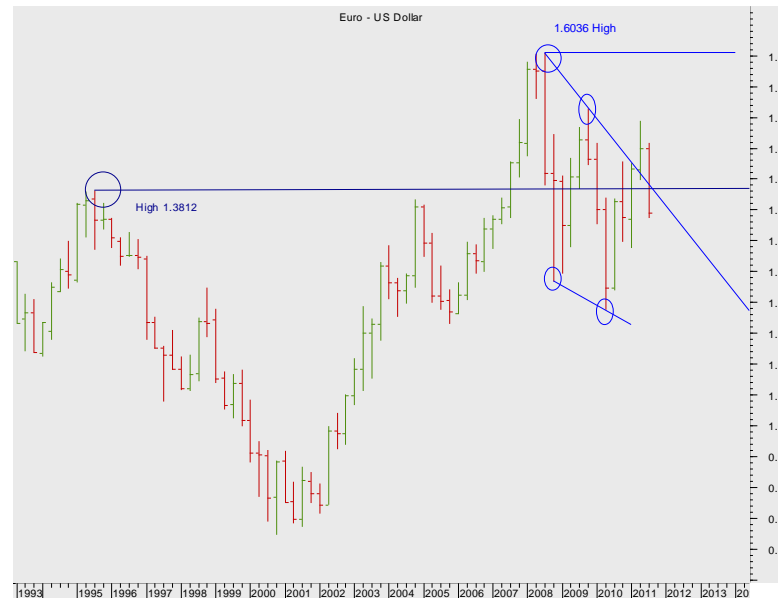
- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold



Dollar Euro monthly spot cash chart

The long-term chart lacks clarity.

The bear rising wedge may have completed - but the pull-back throws great doubt on the bulls' case...

More



Currencies: Dollar 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



Dollar Euro weekly spot cash chart

In greater detail, the large falling wedge is clear, but the market has broken down through a Double level of support - the intersection of the diagonals.

Plus there has been a push beneath the Fib support close to the low at 1.3841.



Dollar Euro daily spot cash chart

Bears for the Euro have a close beneath the coincidence of support from the two diagonal supports.

Plus the break beneath the low 1.3841 – which proved good resistance on the rally. **The move beneath 1.3841 completes a large complex Multiple Top...**

Note too the push beneath the prior low at 1.3601... Adding more bear momentum.

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

In greater detail, note the failed rally at the twin resistances of the Prior Low at 1.3841 and the Fib resistance 1.39.

We are still bears.

Add on a confirmed break of the 1.3501.



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

Cable has been dithering for several years around the lower diagonal of a large bear rising wedge....

Note that the market has failed twice at the 1.7050 resistance.



Dollar Sterling weekly spot cash chart

The multiple failures at the resistance 1.7050 are clear.

the uncertainty surrounding the breakdown through the rising diagonal support has been clarified by the push

So concentrate on the recent low at 1.5786. a break below there would create a Double Top.

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

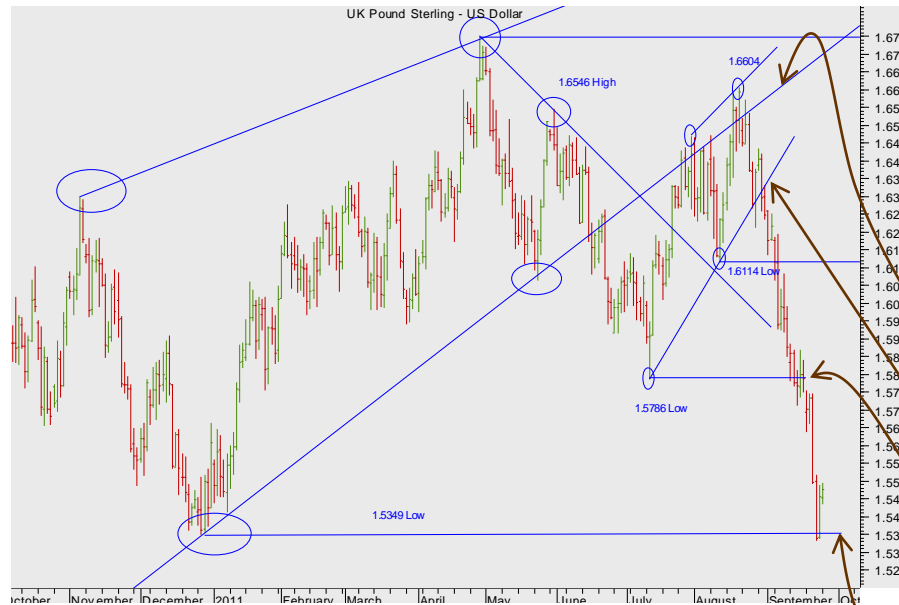
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Dollar Sterling



Dollar Sterling daily spot cash chart

In greater detail: These successive bear wedges are unreliable structures.

Note the failed re-penetration of the old large wedge here...

And the completion of a new bear wedge...

But watch particularly the break of the Prior Low Pivot at 1.5786.

The bear Euro case is confirmed – note the pivotal support from the Prior low at 1.5349.



Dollar Sterling weekly spot cash chart

The steady sell-off has created a clear trendline resistance which should be watched on any rally from 1.5349. Note too the successive Fibonacci resistances.

Stay square.



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

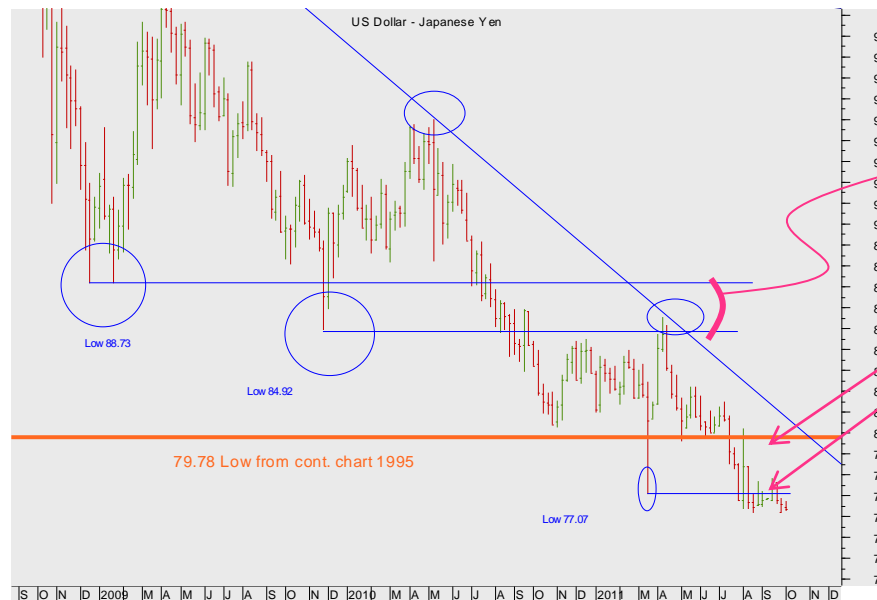
Currencies: Dollar Yen



Dollar Yen monthly spot cash chart

The Prior Lows are pressing down on the market.

And forced a move to the **MAJOR** Pivotal Prior Low 79.78 and below.



Dollar Yen weekly spot cash chart

The Prior Lows are powerful resistance above the market at the band from at 84.92/88.73.

Note that the market has broken both 79.78 (medium-term pivot) and 77.07 (short-term pivot) again

and failed to rally

It looks v poor for the Dollar.

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

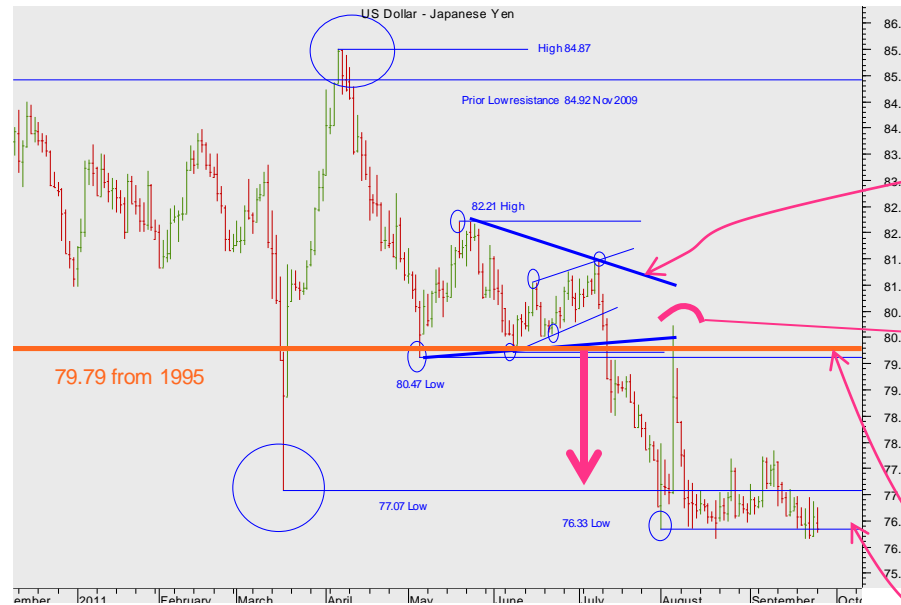
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Dollar Yen



Dollar Yen daily spot cash chart

Within the wide congestion, a clear bear continuation triangle completed which was the catalyst for the push down to 77.07

That bounce (BOJ intervention) made no headway through the resistance at the bottom of the triangle (the same at the 1995 79.79 level) **as a result the market remains under great pressure to go lower.**

We are short Dollars with stops above 79.79 (medium-term) and set to add to those shorts beneath 76.33.



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.

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

Look closer:



Sterling Euro weekly spot cash chart

The bull falling wedge has clearly completed.

But the market is not reacting to the bull wedge.

The support from the Prior High at 0.8671 appears for the moment to be working....

Note too the rising diagonal support....

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

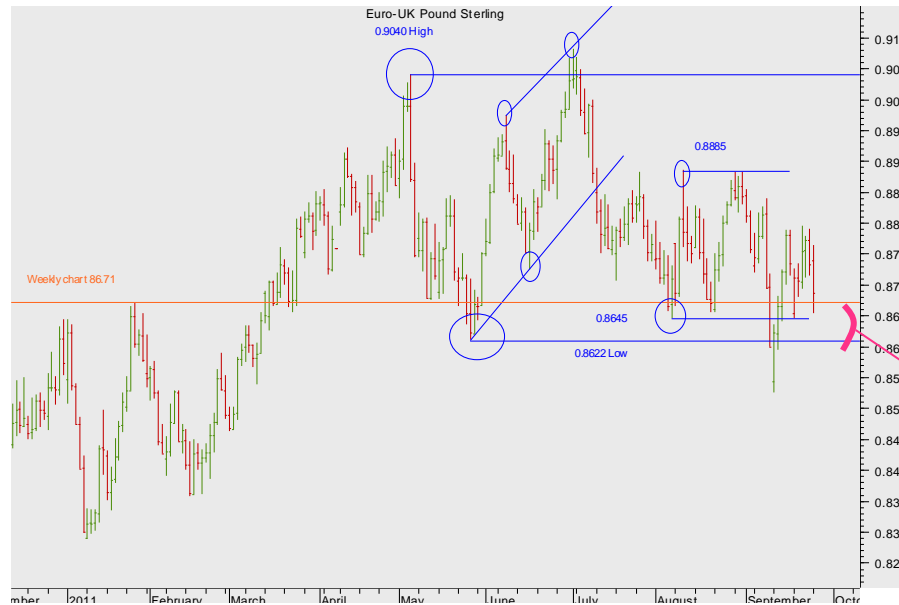
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Currencies: Sterling Euro



Sterling Euro daily spot cash chart

In greater detail :

We thought a clear **multiple top** had broken – but the rally of last week threw doubt on that...

The band of support 0.8622-0.8645 is strong beneath the market and still intact.

Stand back.



Stocks

STOCKS: The possible continuation patterns in the FTSE and S&P we talked about last week came to completion. These, along with the weakness of the Far East – driving through Prior Lows on Friday – these are the critical short-term features of the markets. And the wider context? Bearish all round.

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

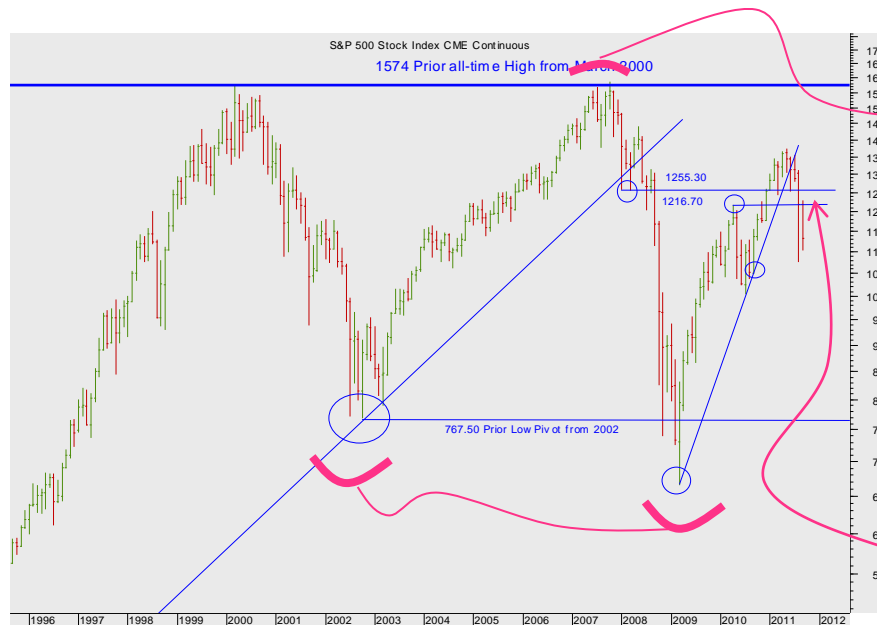
Interest rates

- + 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 has been **very negative for the market long-term..**

And the double bounce from 797 has created a wide trading range.

Medium-term, note the two failures of the market :

1. The steep diagonal support has been smashed.
2. The horizontal support from 1216.70 has been broken.

Look closer.

More



Stocks: CME S&P 500

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

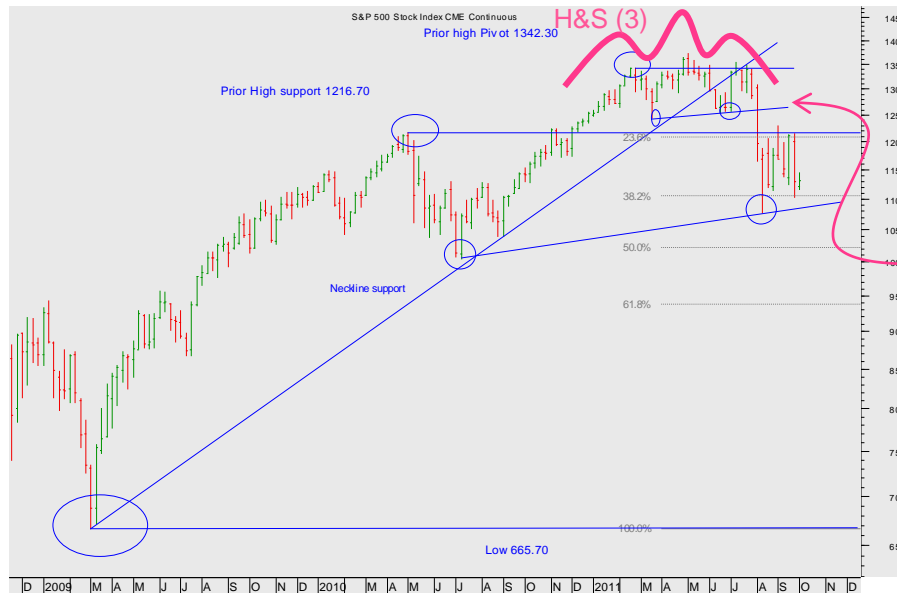
- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold



CME S&P 500 cont weekly cont. chart

The bull market trend from 2009 has **failed** in three senses:

1. A Head and Shoulders (HS3) Top has been completed.
2. The Prior high support at 1216.70 is smashed.
3. The Fibonacci support at 1216 too is smashed.

So a medium-term bear top formation is in place.

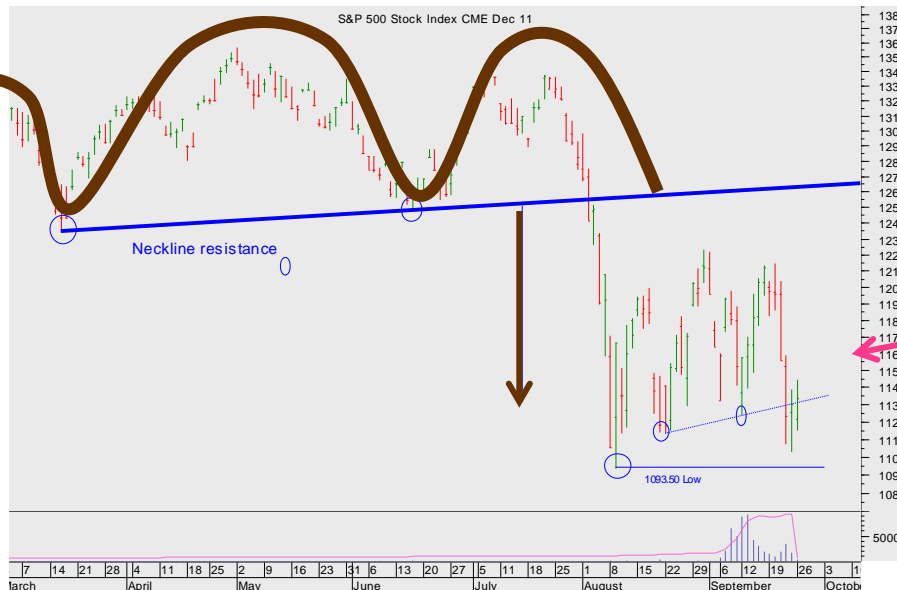
CME S&P 500 DEC 11 Day chart

Similarly in the Dec 11 chart a **Head and Shoulders Top** has completed, for which there is a minimum move down to **1140** BUT that target has been achieved (as in the weekly chart above).

But note the consolidation that has resulted.

A potential H&S continuation pattern should be noted.

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

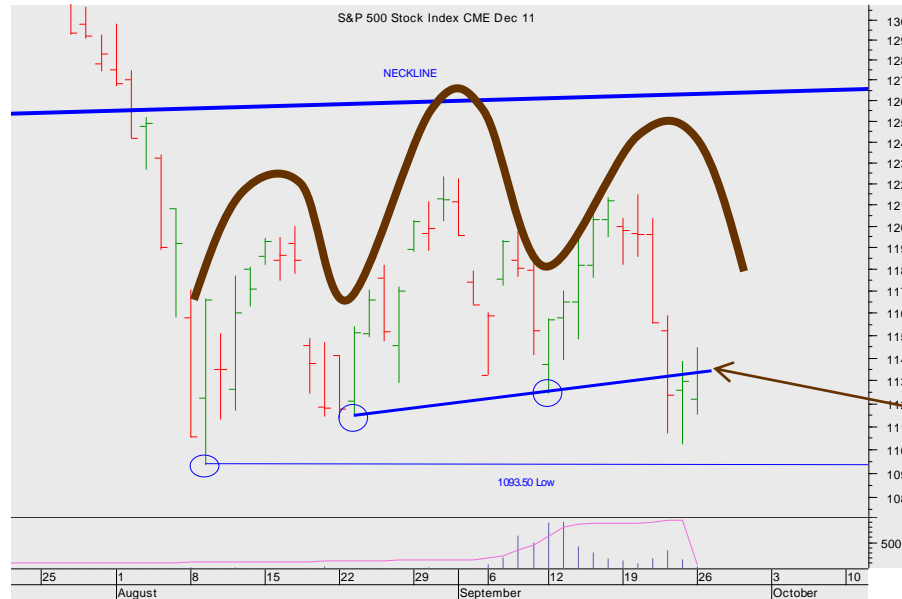
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: CME S&P 500



CME S&P 500 daily Dec 11 chart

The possible H&S is clear here too.

Stay square until a new bear pattern has been completed – watch then, the possible Neckline at 1130.

If the resistance at the Neckline holds, **that will** signal a new bear leg.

Minimum move? 1030 or so....



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

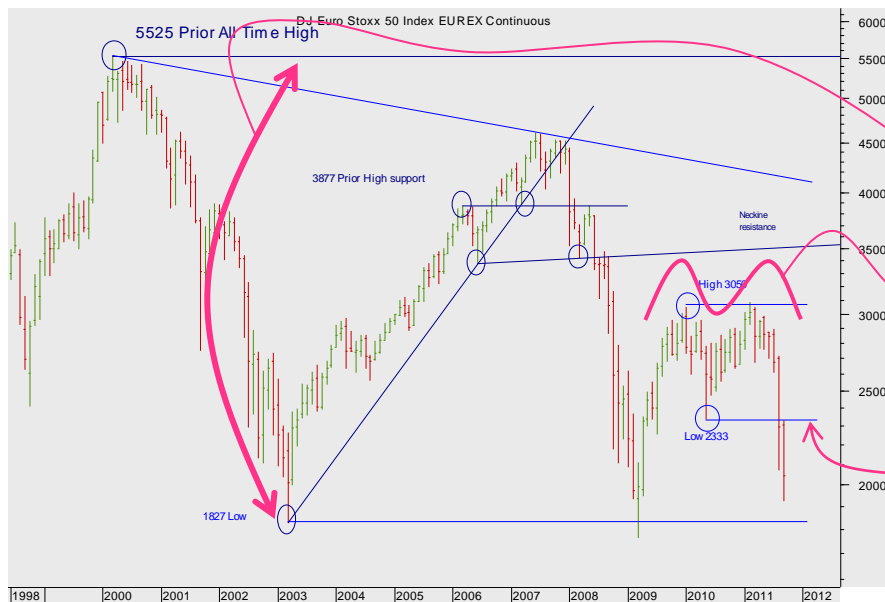
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: Eurex EuroStoxx 50

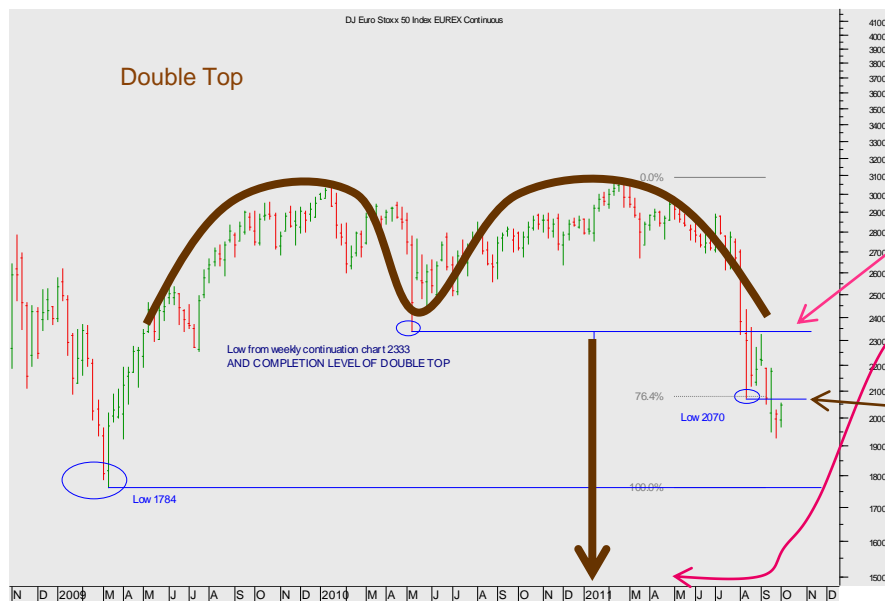


Eurex EuroStoxx 50 monthly continuation futures chart

The market is in a huge trading range.

Note the stalled rally of 2009/2010 at 3050.

And note that the recent fall has created a **Double Top** that completed a break down through 2333....



Eurex EuroStoxx 50 weekly continuation futures chart

The 2333 level that created a Double Top whose completion level proved powerful resistance in the attempted rally.

Its minimum target is down at 1600 or so....

Note the break of the final Fibonacci support.

Tremendous bear pressures remain. Stay short.

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

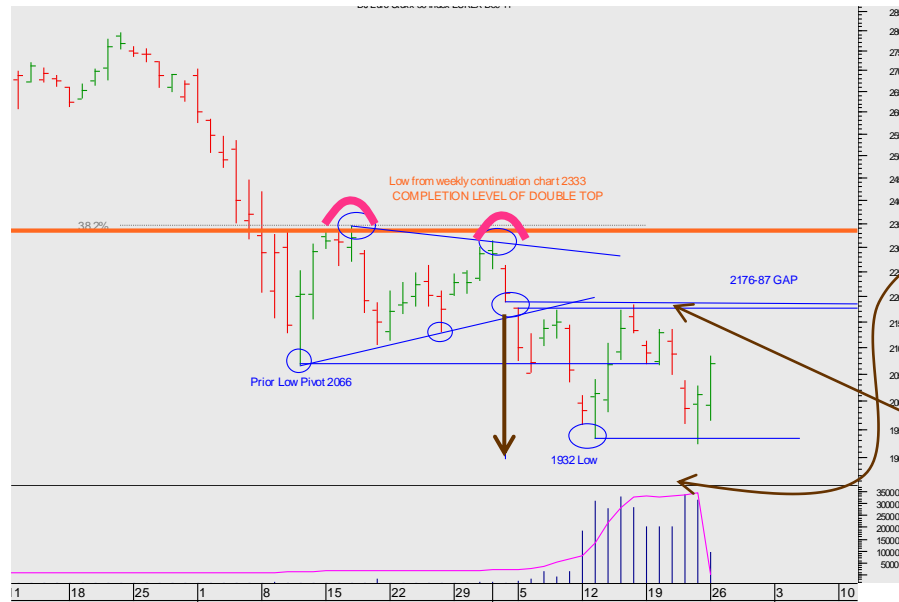
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: Eurex EuroStoxx 50

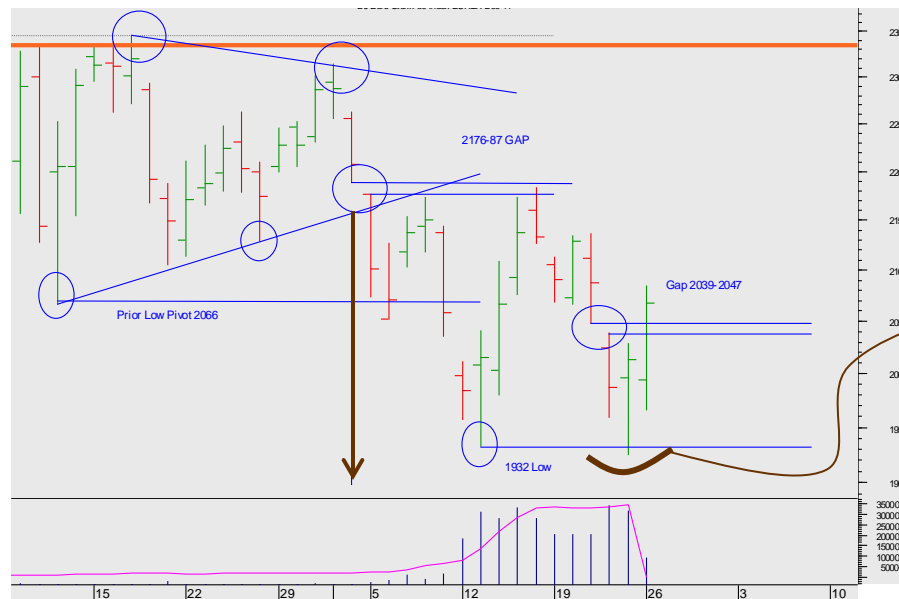


Eurex EuroStoxx 50 Dec 11 futures chart

The DEC FUTURES has completed a continuation triangle whose minimum move is down as far as 1900....

Note that the market failed to break that 2323 Double top completion level on the rebound....

And recently was resisted by the Gap ...



Eurex EuroStoxx 50 weekly continuation futures chart

We thought the bears lacked real momentum for the moment since the target of the Triangle has been met... So the bounce off the 1932 low is not surprising... But how far can it go?



Stocks: Liffe FTSE 100

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

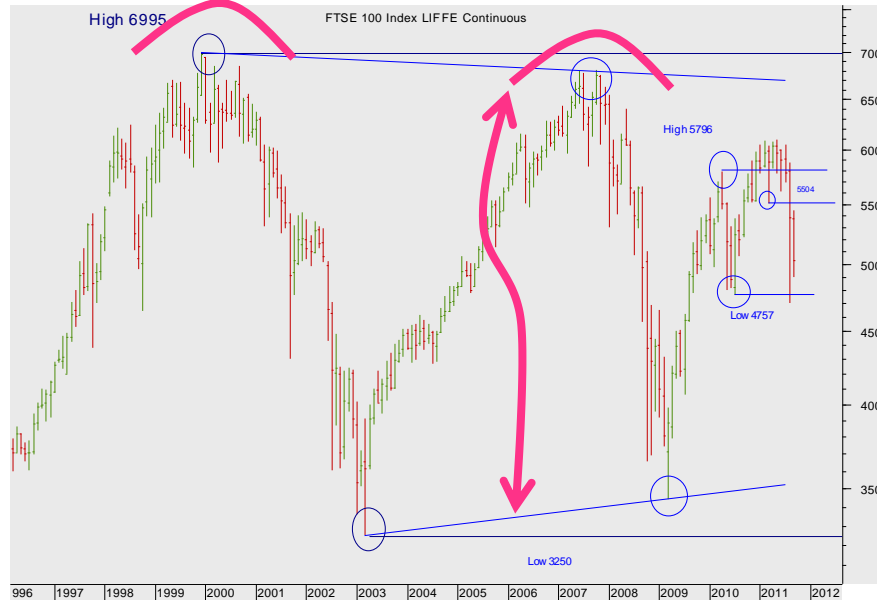
- + CBOT US Ten Year Notes
- + Eurex Ten Year Bund
- + TSE Ten Year JGB

Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

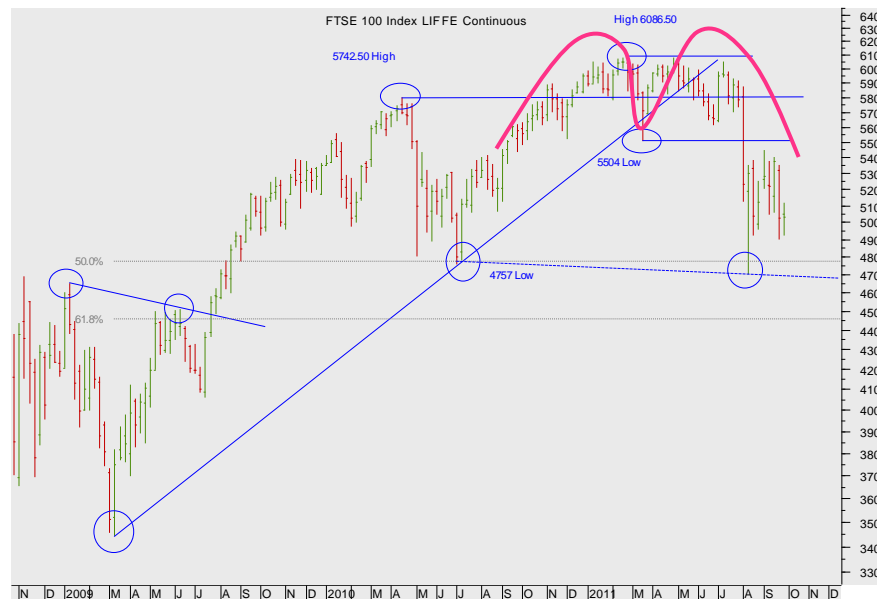


Liffe FTSE 100 monthly continuation futures chart

The market is in a massive trading range (or a possible large bull Continuation Triangle)

But the market has pulled back through the Prior High support at 5796... and completed a small Double Top by moving through 5504 and dipped as far as the 4757 low.

Look closer.



Liffe FTSE 100 cont. futures chart

In greater detail, we can see the **completed Double Top...**

(its minimum target has been reached in a fast move down as far as the 50% retracement support (4750) of the 2009 bull rally (NB also a level from where the market has bounced before in 2010))

(In watching the bounce from the Fib support, **note too the scope for the creation of a 2nd shoulder of a wider H&S reversal...**)

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

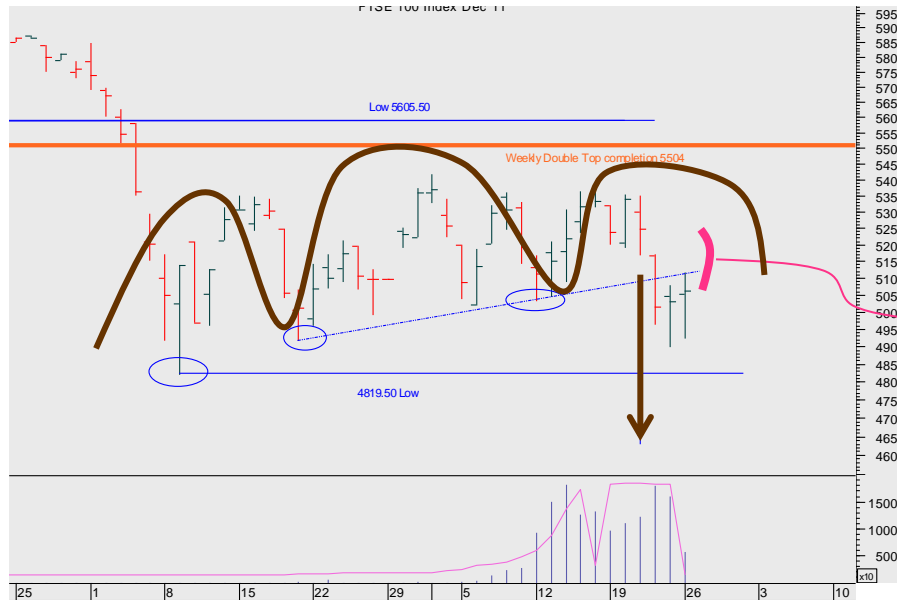
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: Liffe FTSE 100



Liffe FTSE 100 DEC11 futures chart

Here is the completed H&S continuation pattern - watch the resistance at the Neckline above the market at 5120 or so....

Minimum move down to 4638....



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

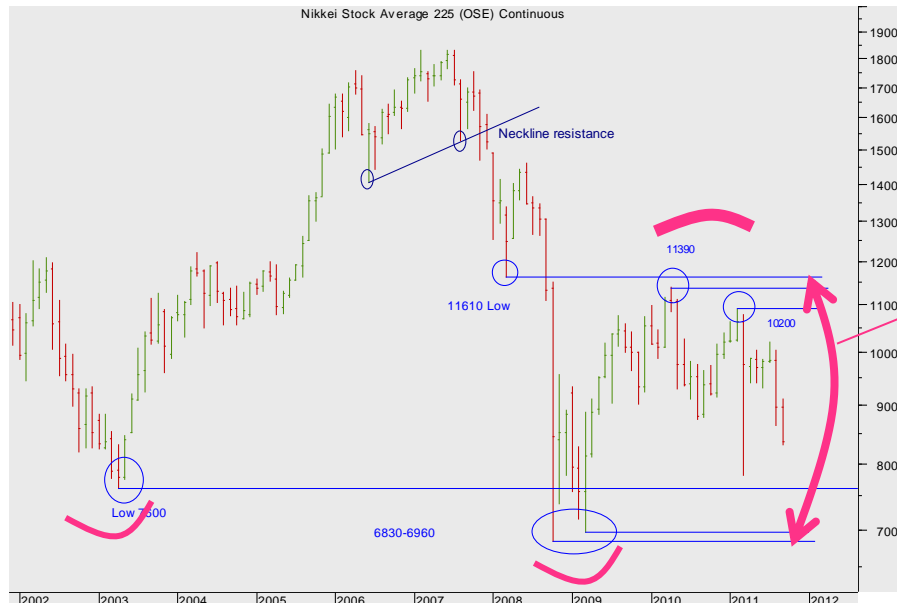
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

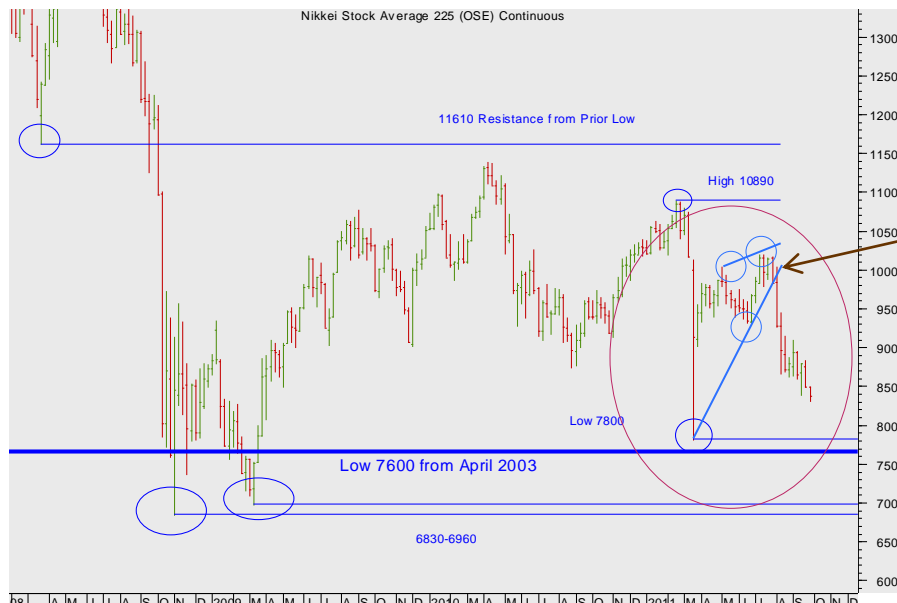
Stocks: OSE Nikkei 225



OSE Nikkei 225 quarterly continuation futures chart

In 2008 the market traded down to the Pivotal level of the 7600 low and bounced hard.

A trading range has resulted.



OSE Nikkei 225 monthly cont. futures chart

This added detail adds little except to confirm the resistance at 11610... And the completion of a bear rising wedge.

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

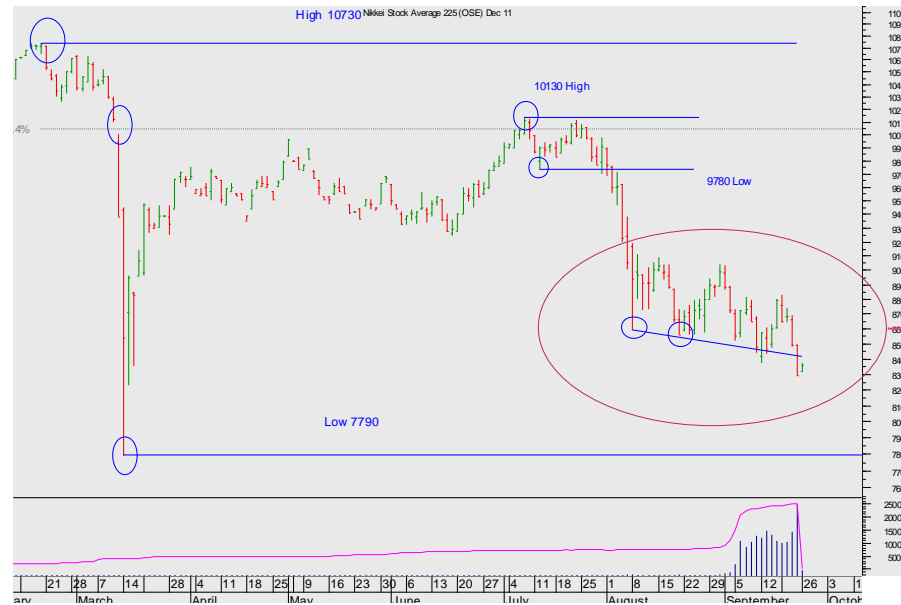
Interest rates

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

Commodities

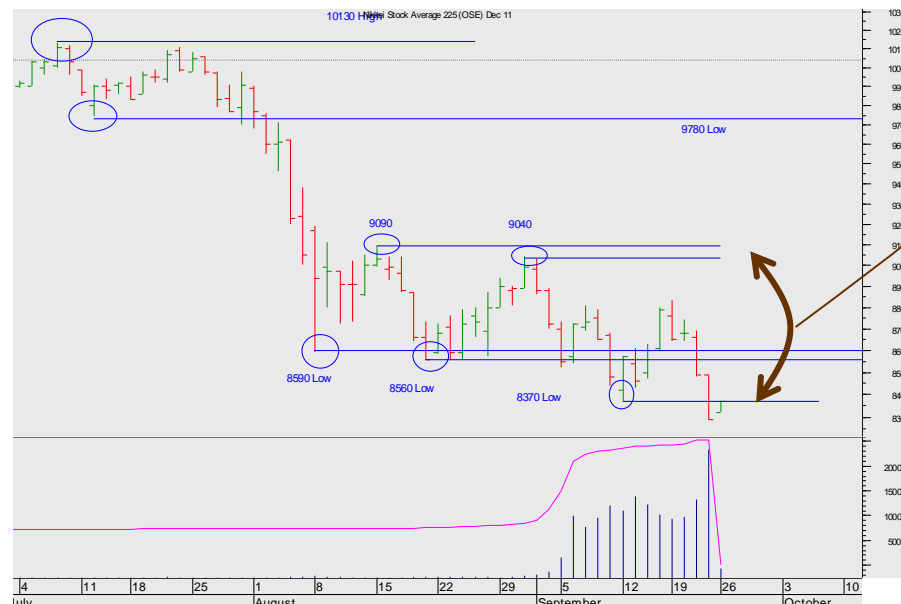
- + Nymex WTI Oil
- + Comex Gold

Stocks: OSE Nikkei 225



OSE Nikkei 225 weekly cont futures chart

The range dominates and within there range there is no clear structure yet.



OSE Nikkei 225 daily Sep 11 futures chart

This tight consolidation from the beginning of August looked like a trading range – but the break was false – until Friday's close.

Stand back.



Bonds

BONDS: The markets were largely unchanged last week. Tests of the Prior Highs lacked vigour and the markets fell back... But the wider picture, for the moment, remains solidly bullish trends.

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

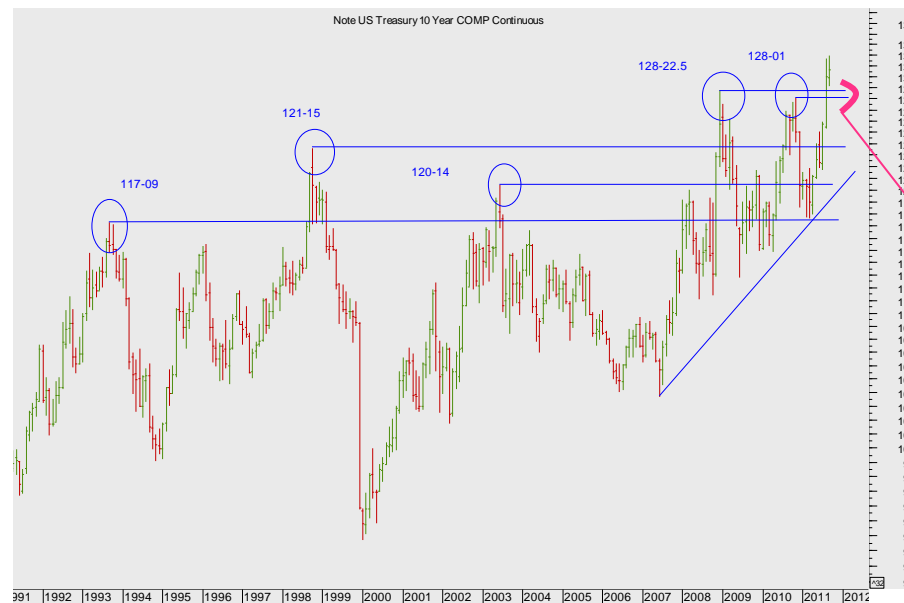
Interest rates

- + 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 market has broken through its all-time-highs.

The band 128-01/22.5 is now enormously powerful support.

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

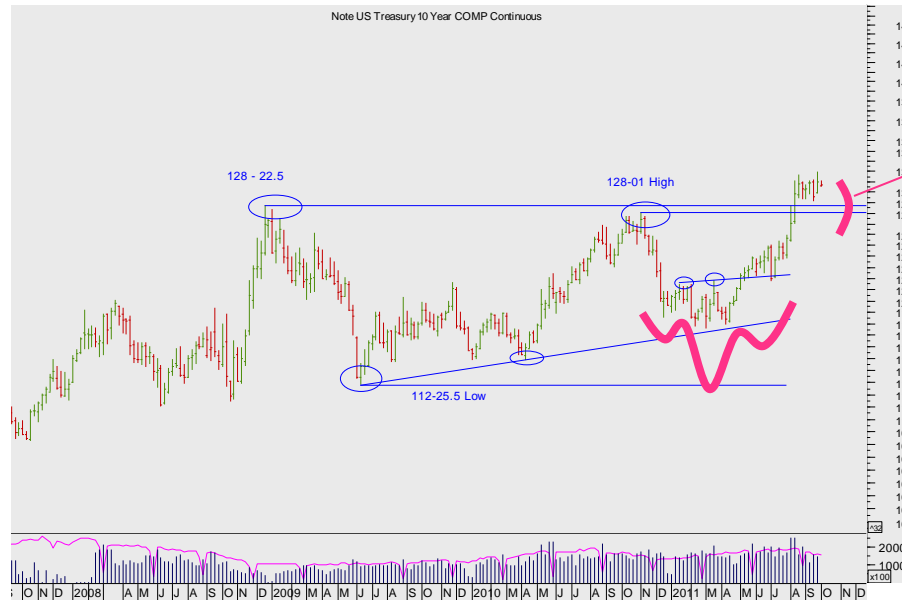
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

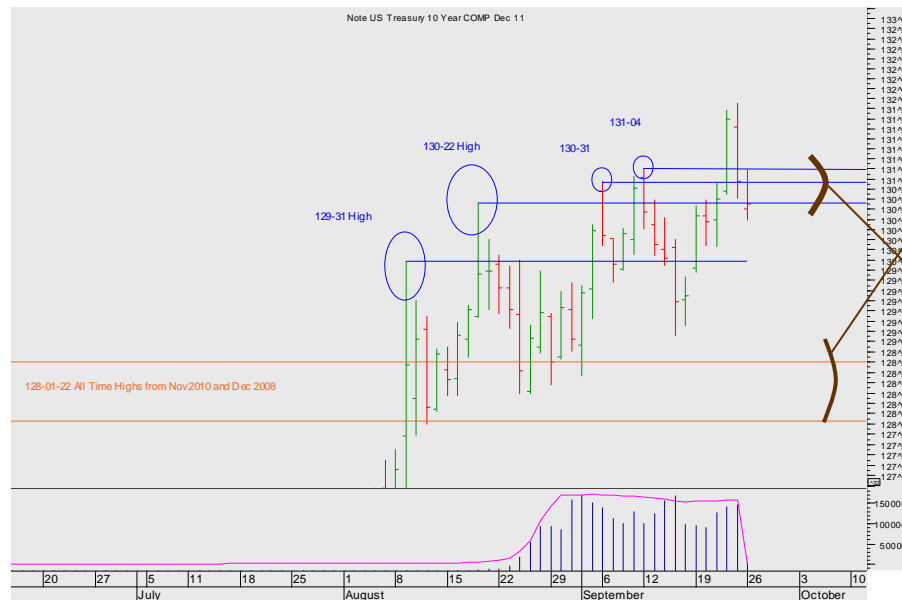
Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes weekly futures continuation chart

The market has driven and closed above the band 128-01/22.5.

This is massive support for a new bull leg.



CBOT Ten Year Notes DAILY DEC11 futures chart

Once the Prior Highs, 128-01/22 were overcome, the market paused a then tested those supports before pushing ahead...

Short-term, concentrate on the band of resistance from the Prior Highs 129-31 and 130-22/131-04 add to longs on a confirmed break.



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

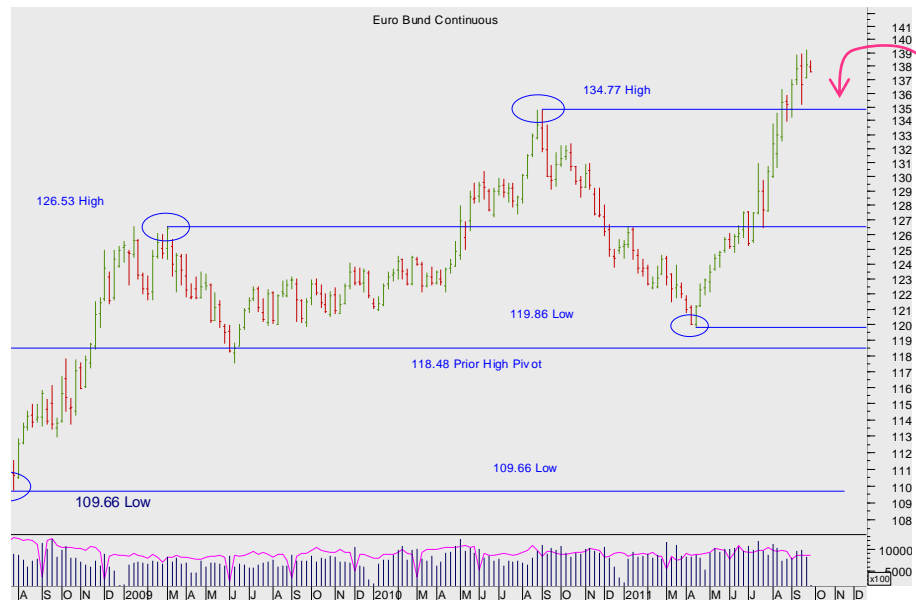
- + Nymex WTI Oil
- + Comex Gold

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund quarterly futures continuation chart

The market's rally has finally broken the All Time Highs.



Eurex Ten Year Bund weekly cont. futures Chart

That break of the massively important Pivotal resistance from the All Time High – in greater detail.

More



Bonds: Eurex Ten Year Bund

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

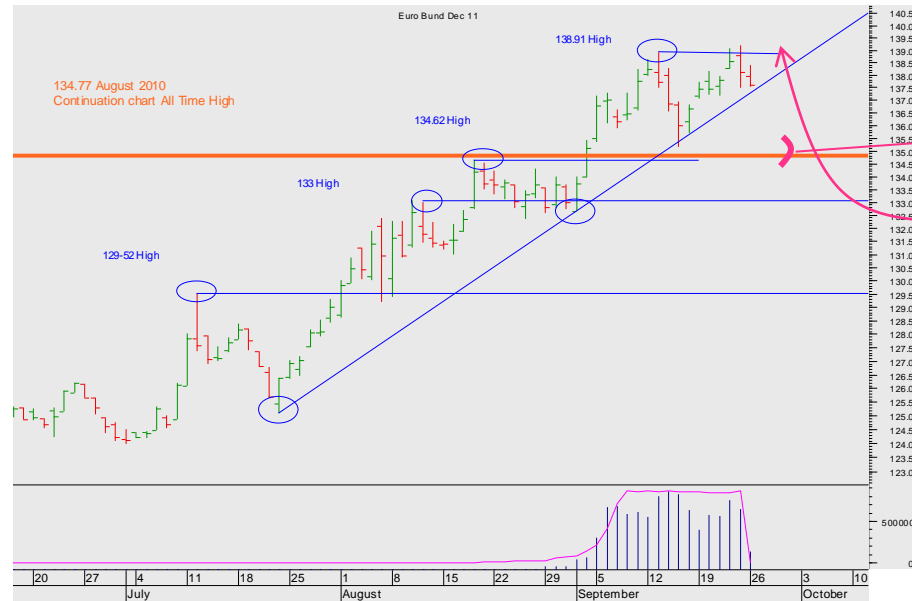
- + CBOT US Ten Year Notes
- + **Eurex Ten Year Bund**
- + TSE Ten Year JGB

Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold



Eurex Ten Year Bund DEC11 daily futures chart

134.62/77 is support. Plus the rising diagonal above

We are bulls, and fresh buyers on a confirmed break of 138.91.



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

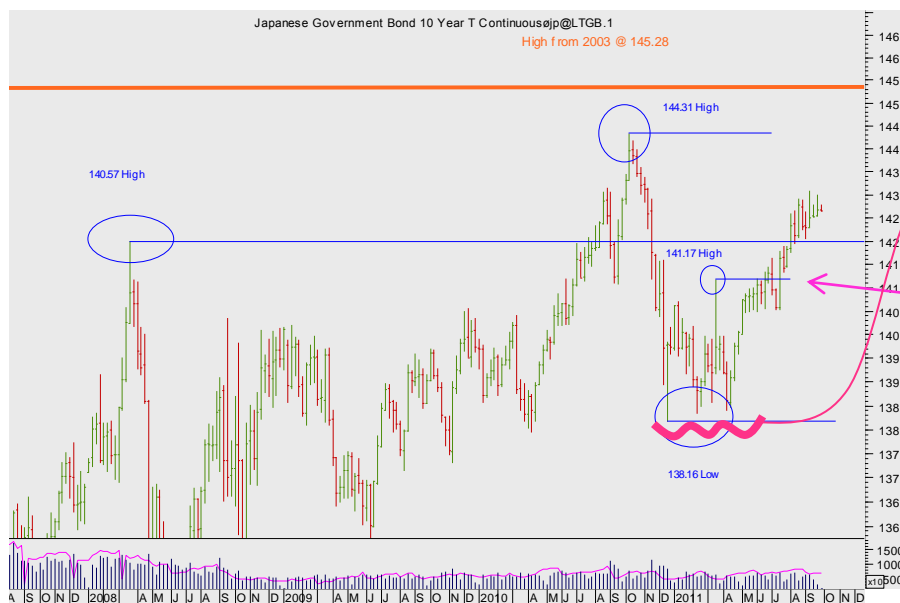
Bonds: TSE Ten Year JGB



TSE Ten Year JGB monthly futures continuation chart

There is a lack of structure – bulls need the market to break the band of Prior Highs 144.31-145.28....

Look closer.



TSE Ten Year JGB weekly continuation futures Chart

But the succession of lows around 138.16 revealed good support.

And now the 141.17 High has been overcome, a possible Double/Triple Bottom has been completed-ratcheting the market higher....

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

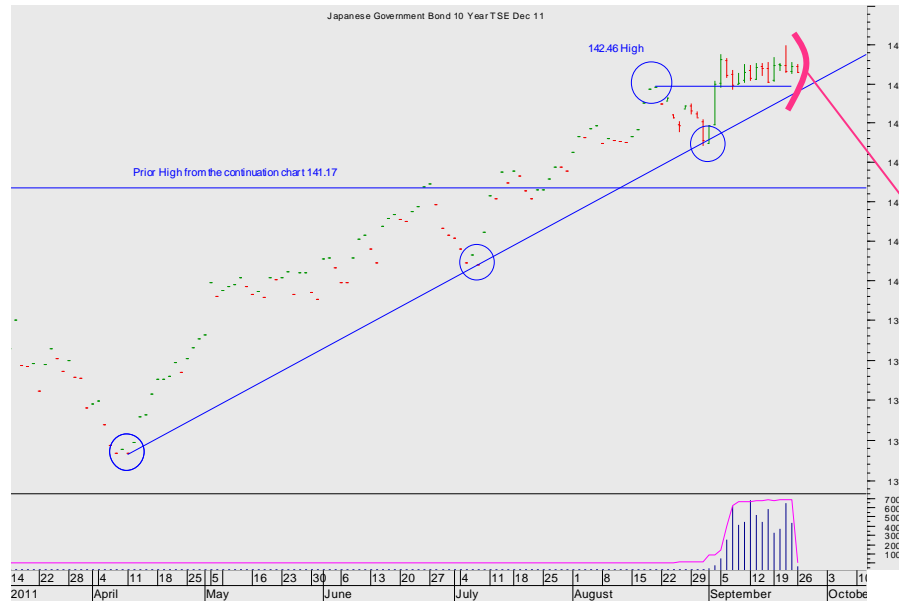
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

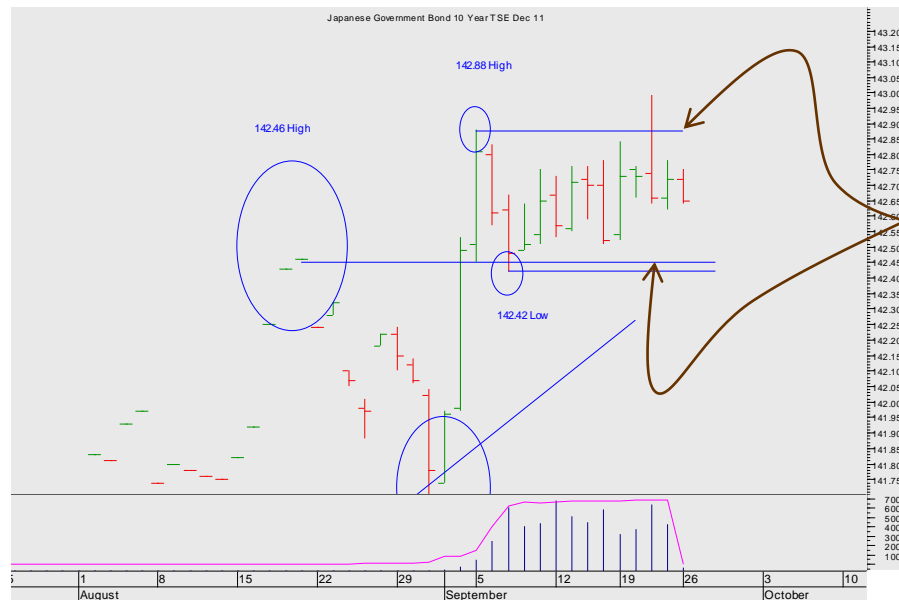
Bonds: TSE Ten Year JGB



TSE Ten Year JGB Dec 11 futures chart

The rally is clear, and so too the recent push through the 142.46 Prior High.

But the pause on the support needs closer looking at...



TSE Ten Year JGB Dec11 futures Chart

Look closer. We remain bulls with Stops beneath 142.46.... Adding on a break of 142.88.



Interest rates

SHORT INTEREST RATE FUTURES: The Euribor 4th test of the recent all-time highs, looks promising for the bulls. Note too, the good support in the Eurodollars. Short Sterling looks stagnant.

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

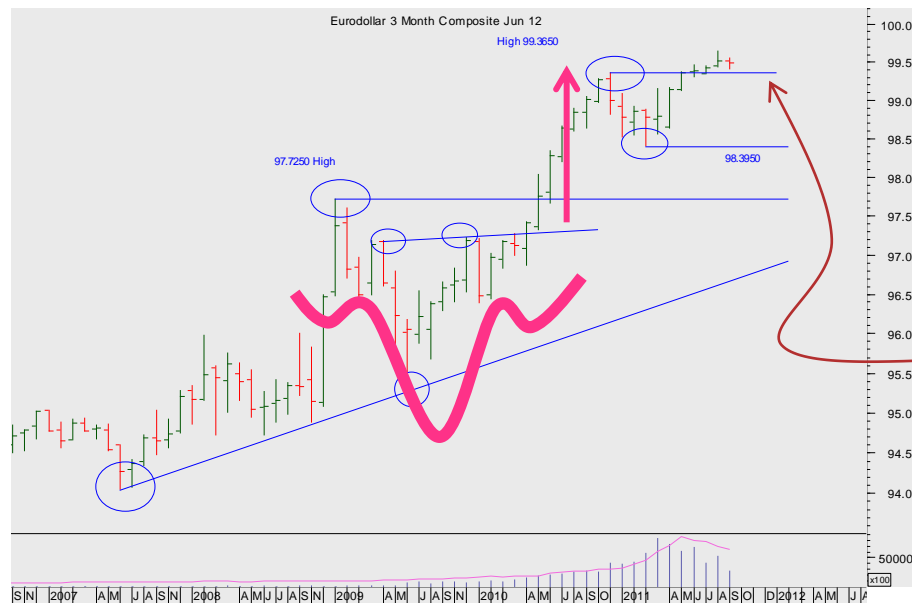
Interest rates

- + 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 and has done so again on the support from the recent Prior High 99.3650



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

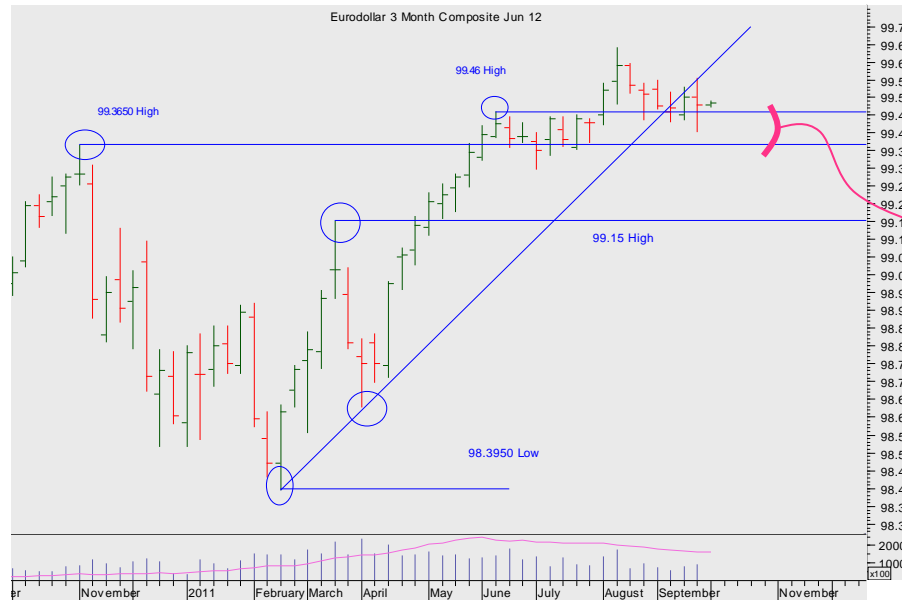
Interest rates

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

Commodities

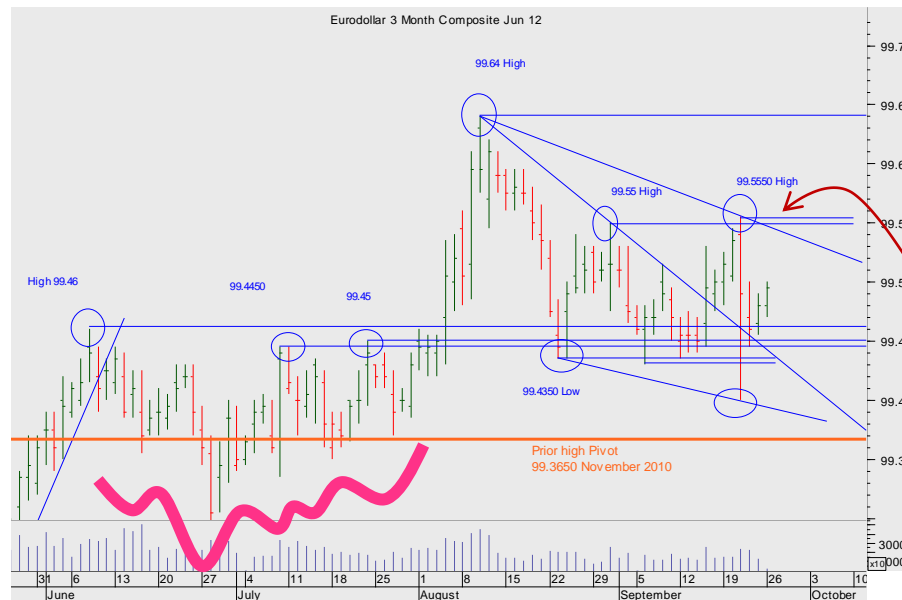
- + Nymex WTI Oil
- + Comex Gold

Interest rates: CME Eurodollar rates



CME Eurodollar rates weekly Jun 12 futures chart

The drive up through the 99.3650/99.46 Prior Highs has been sustained and will ratchet the market better.



CME Eurodollar rates daily Jun 12 futures chart

The Prior Highs 99.45-46 are (99.3650) acting as good support on pull backs but should they break expect a retest of the Major support at 99.3650.

Add to longs on a break up through the falling diagonal and the Prior Highs say 99.56.

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

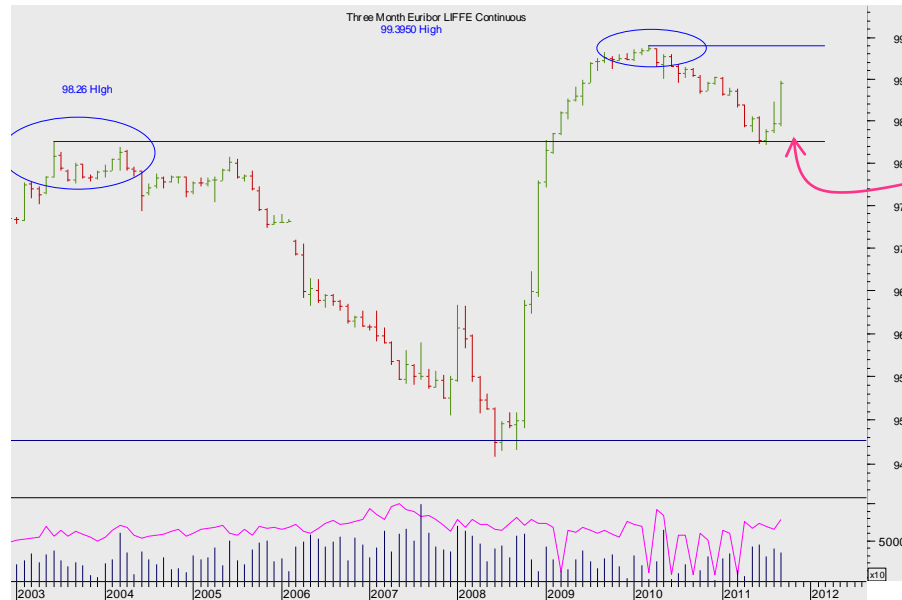
Interest rates

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

Commodities

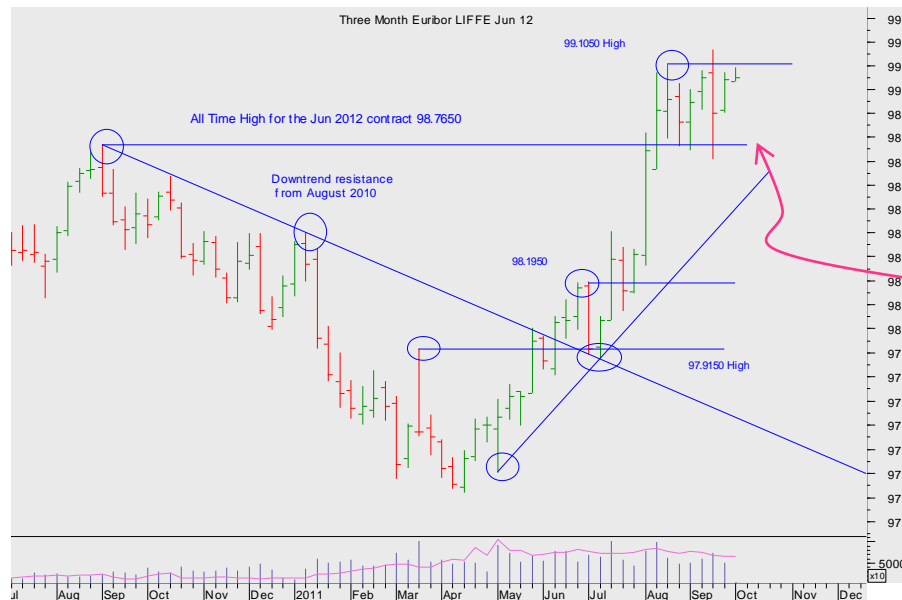
- + Nymex WTI Oil
- + Comex Gold

Interest rates: Liffe Euribor rates



Liffe Euribor rates Monthly continuation futures chart

The pull-back to the 98.26 Prior high support revealed important support;



Liffe Euribor rates weekly Jun 12 futures chart

At the same time in the Jun 12 contract the market has broken the All Time Highs.

We are buyers with Stops beneath 98.7650.



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

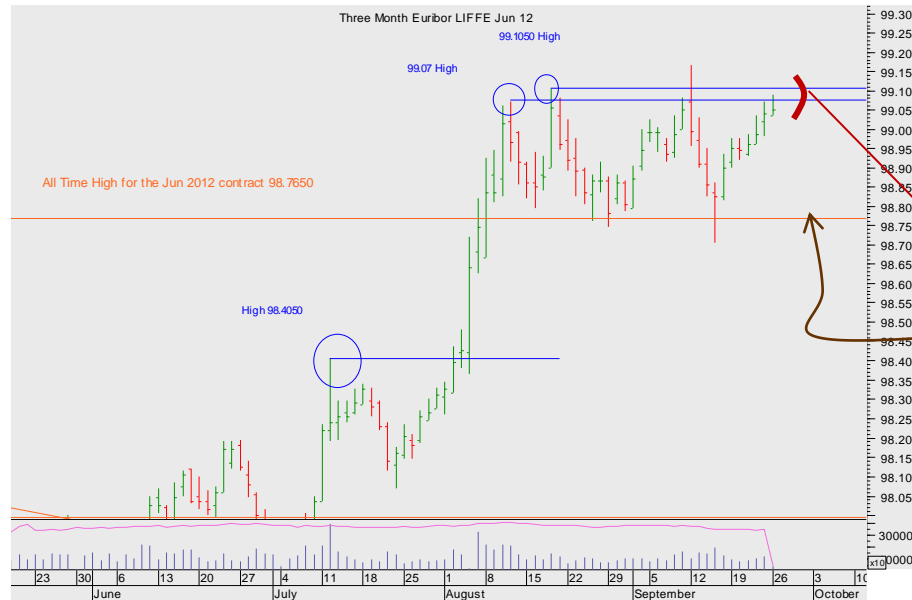
Interest rates

- + 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

Note the pause in the day chart.

We are buyers above 99.1050.

Stay long on with Stops beneath
98.7650



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

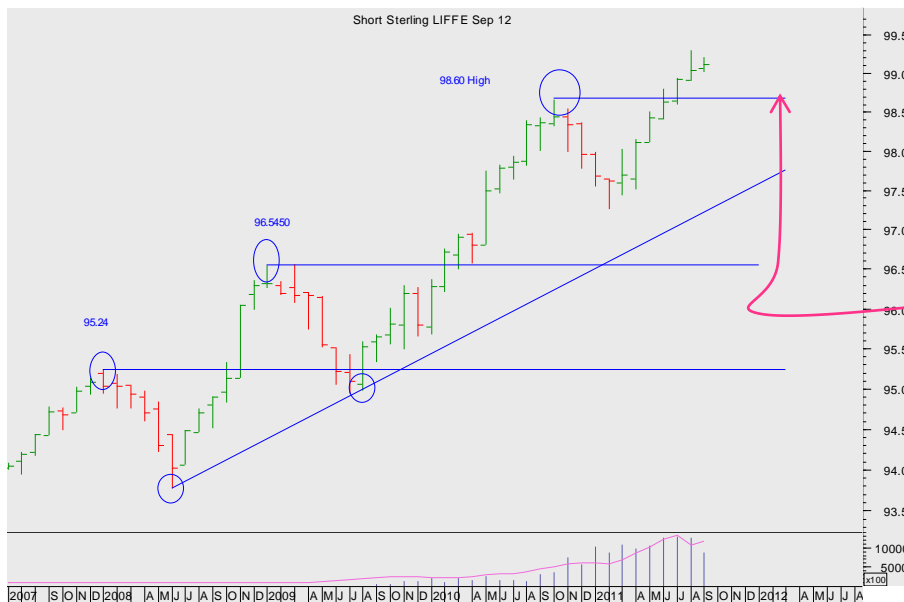
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

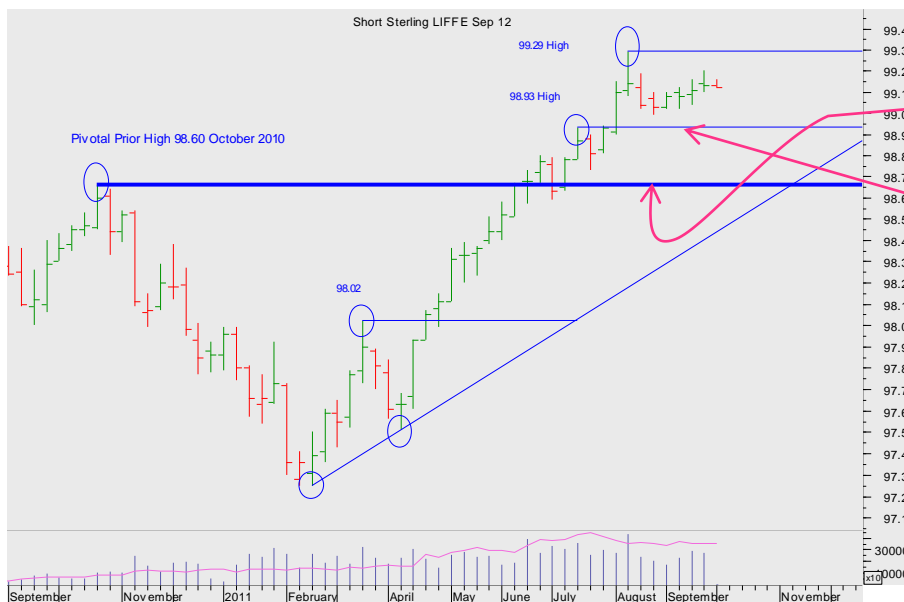
Interest rates: Liffe Sterling rates



Liffe Sterling rates monthly Sep 12 futures chart

The market's long-term rally is intact - the trend far from being clearly tested...

Note well the break through the Prior Highs.



Liffe Sterling rates weekly Jun 12 futures chart

A confirmed close above 98.60 led to fresh buying.

On the pull-back look for support at 98.93 then 98.60/

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

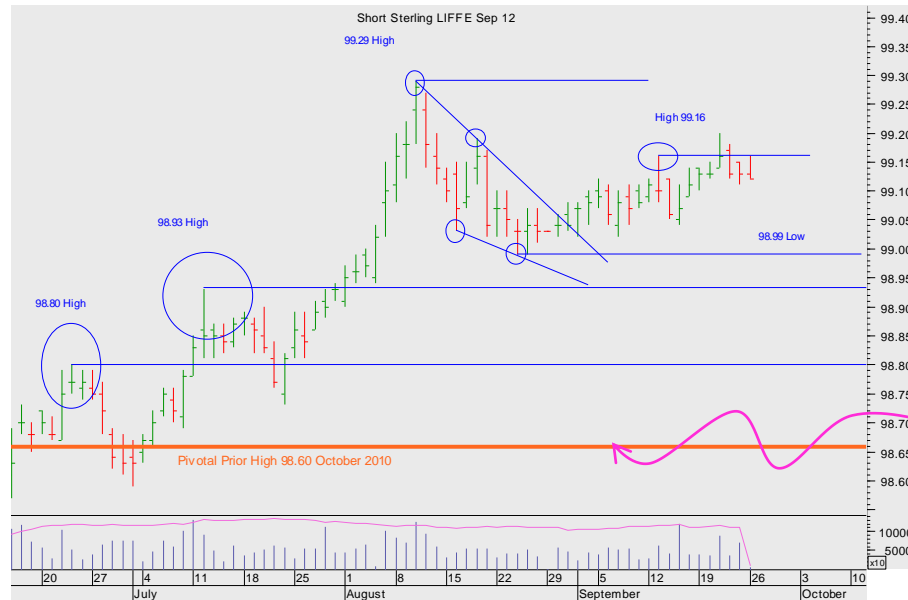
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Interest rates: Liffe Sterling rates



Liffe Sterling rates daily Sep 12 futures chart

The market's drift over the last 25 trading days is clear. But the break up through the falling diagonal has completed a bull falling wedge...

Short-term the bulls are in charge.

(And the medium-term structure still hugely favours the bulls above 98.60)



Commodities

COMMODITIES We said Oil was set to go substantially lower. And it has - with a good deal more possible. Gold too, completed the Double Top we warned about and fell heavily – albeit to well-supported 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

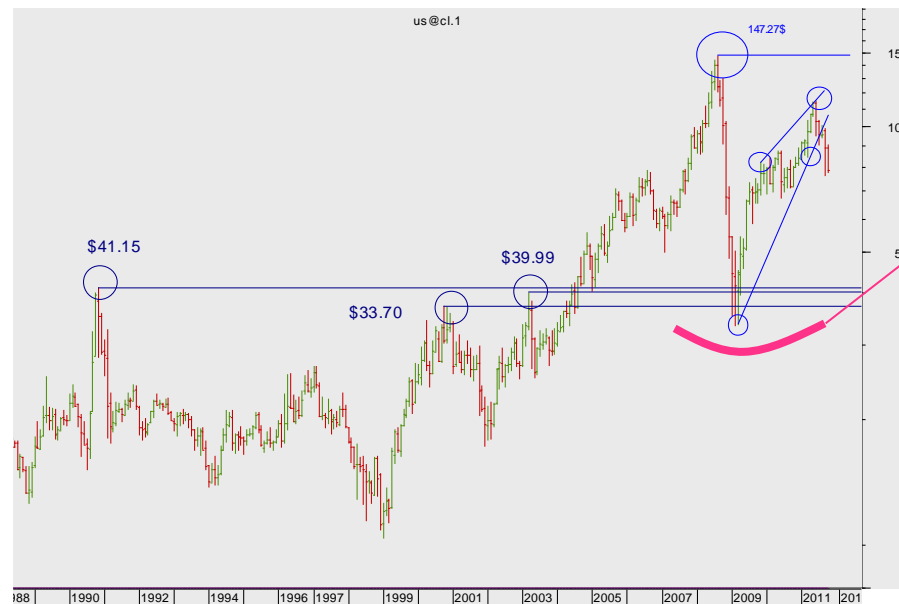
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Oil monthly cont. chart futures

The long perspective emphasises the bounce off the \$40 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

Commodities: Nymex WTI Oil

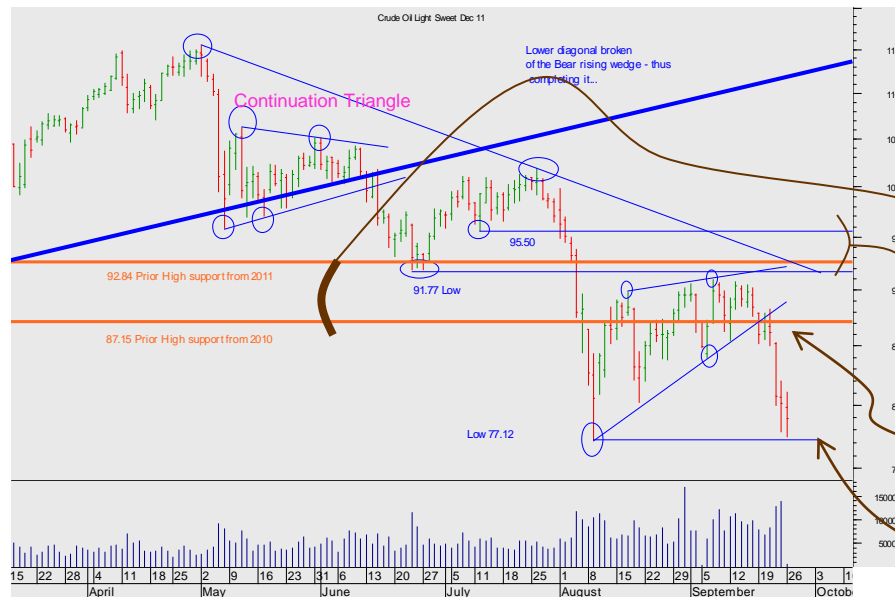


Oil weekly cont chart futures

The recent pull-back from 114.83 was sharp, smashing the long-term diagonal trendline support.

Additionally, the horizontal support close beneath at the band of horizontal support 87.15 - 92.58 was broken.

Note the proximity of the 50% retracement support.



Oil daily chart DEC11 futures

This Dec11 chart shows the story in greater detail: the breakdown through the band of Prior High support (87.15/92.84), and the failed bounce:

Both the 87.15 - 92.58 medium-term band of resistance

And the 91.77-95.50 short-term band of resistance were powerful.

The **a break of the rising bull trend diagonal has led to a sharp fall. Expect some hesitation at the prior Low 77.12, and fresh selling on a breakdown.**



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

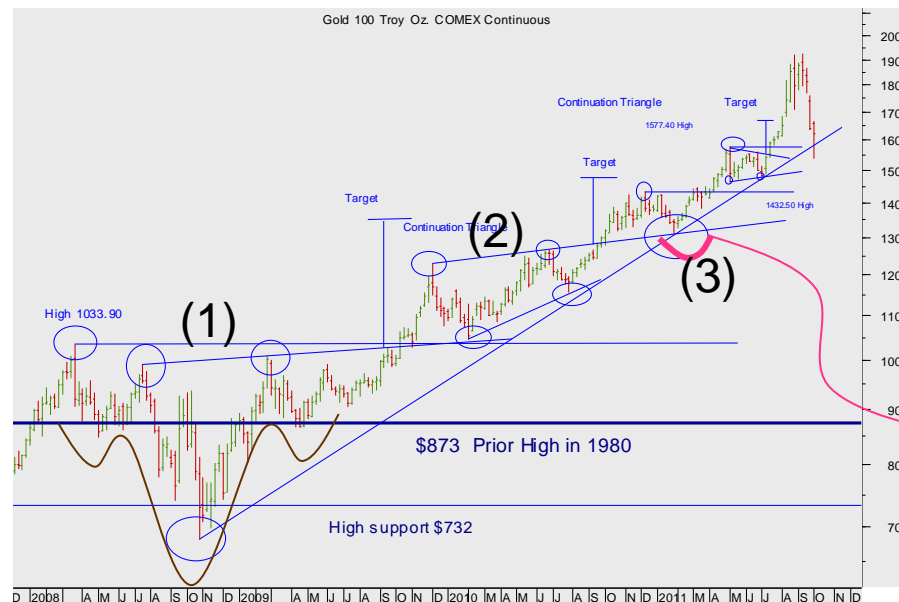
Interest rates

- + 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, which, once surpassed, (thanks to the momentum from the completed Continuation Triangle) **levered the market better.**

Comex Gold cont. weekly chart

The medium-term driving patterns of the market:

(1) The catalyst for the break of 1980's 873 High was the completion of a continuation Head and Shoulders pattern....

And then (2) the market completed a continuation Triangle

Revealing great underlying bull strength by (3) bouncing back from the support from the upper diagonal of the Triangle...



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

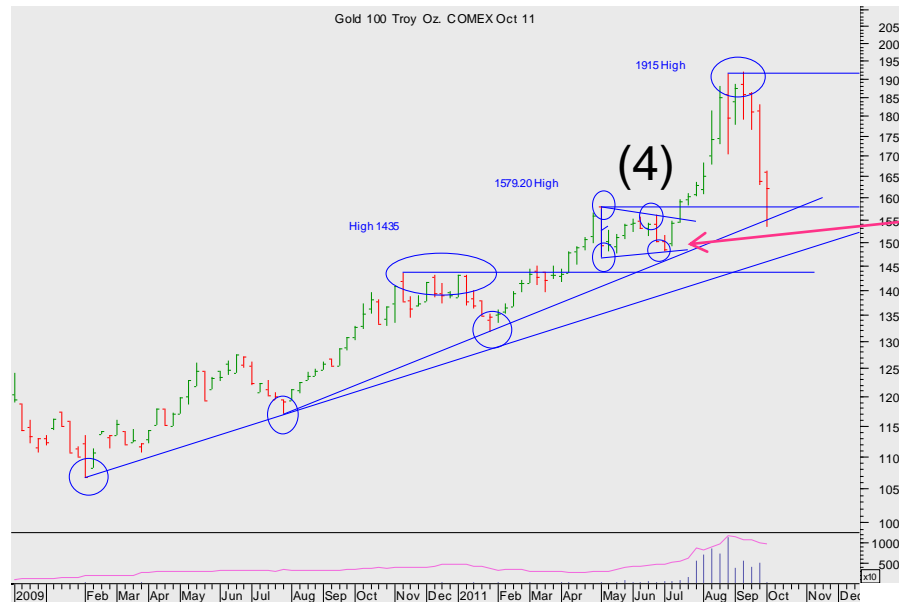
Interest rates

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

Commodities

- + Nymex WTI Oil
- + Comex Gold

Commodities: Comex Gold



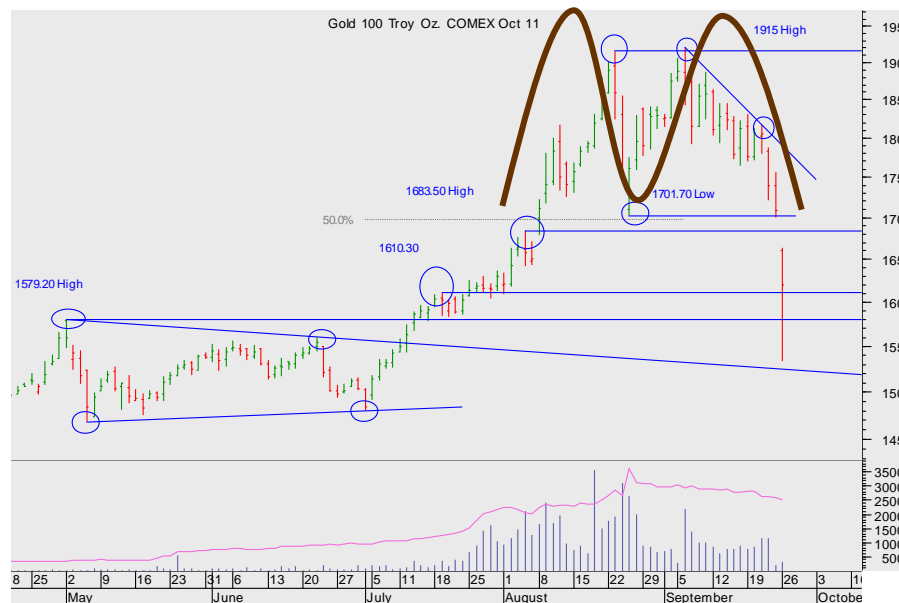
Comex Gold cont. Weekly chart

Here is

(4) The completion of a continuation Triangle which has completed spectacularly.

The minimum move for the Triangle (easily measured...about 1665 or so) was achieved and surpassed.

But look at the pull-back... To the diagonal supports.



Comex Oct11 futures daily chart

But the drama of this Double TOP is unmistakeable.

(1) The pull-back through the 1701.01 low.

And (2) the break of the important Fibonacci support.

Look closer.



Summary

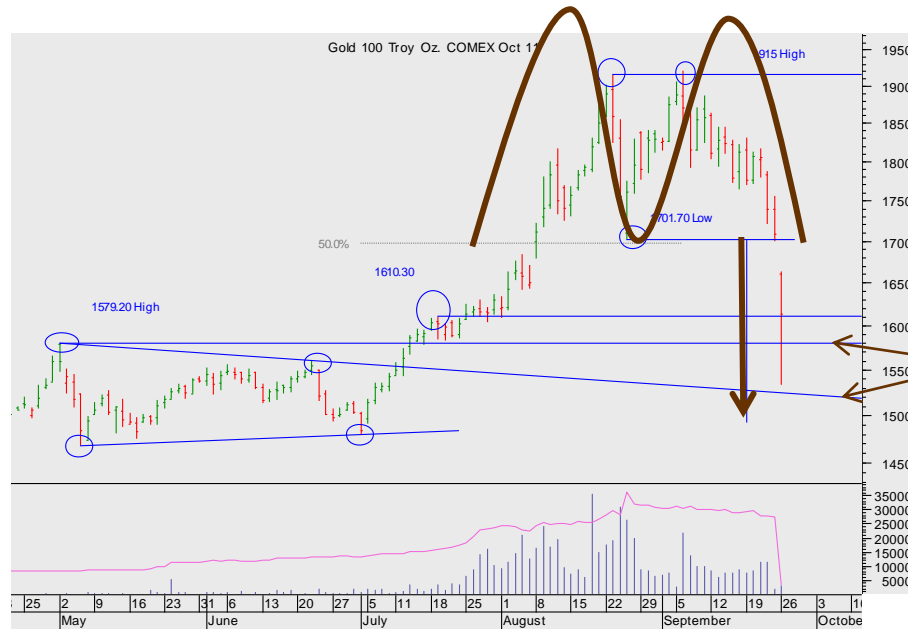
Currencies

Stocks

Bonds

Interest rates

Commodities



Comex Gold Oct 11 daily chart

Here is the completion Double Top whose minimum move is down to 1500 or so.

Mostly achieved.

Note too the supports from the Prior Highs especially 1579.

Taken with the diagonal support from the weekly chart.... All these suggest that Gold should find support at these levels.

Watch for a break of the weekly diagonal (about 1550 on the weekly chart) before selling again.



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](#)