



1st November 2016

the technical analyst

AWARDS 2012

FINALIST BEST INDEPENDENT RESEARCH HOUSE

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

Commodities

- + Nymex Oil
- + Comex Gold



Multi-asset technical strategies

Mark Sturdy

PERFORMANCE 2006 to date

Disclaimer

Authorised and regulated
by the FSA



summary

Very powerful signals arise when the charts are aligned in all three time frames - see highlights

Summary

Currencies

+ Dollar Euro
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+ Euro Sterling

Long-term **BEAR** Euro

Long-term **BEAR** Sterling

Long-term **BEAR** Yen

Long-term **BULL**

Medium-term **BEAR** Euro

Medium-term **BEAR** Sterling

Medium-term **BEAR** Yen

Medium-term **BULL** Euro

Short-term **BEAR** Euro

Short-term FLAT Sterling

Short-term FLAT Yen

Short-term **BEAR**

Stocks

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

Long-term **BULL**

Long-term **BEAR**

Long-term FLAT

Long-term **BULL**

Medium-term **BULL**

Medium-term FLAT

Medium-term **BULL**

Medium-term FLAT

Short-term FLAT

Short-term **BULL**

Short-term FLAT

Short-term FLAT

Bonds

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

Long-term **BEAR**

Long-term **BULL**

Long-term **BULL**

Medium-term **BEAR**

Medium-term **BULL**

Medium-term FLAT

Short-term **BEAR**

Short-term FLAT

Short-term FLAT

Commodities

+ Nymex WTI Oil
+ Comex Gold

Long-term **BULL**

Long-term **BEAR**

Medium-term **BULL**

Medium-term **BEAR**

Short-term FLAT

Short-term **BEAR**



Currencies: Dollar Euro

CURRENCIES

Though the Euro remains within a triangle - it is still a trading range – the market is vulnerable to more selling, but until the Triangle breaks the bears will be cautious. Sterling too is vulnerable to the downside against the Dollar.

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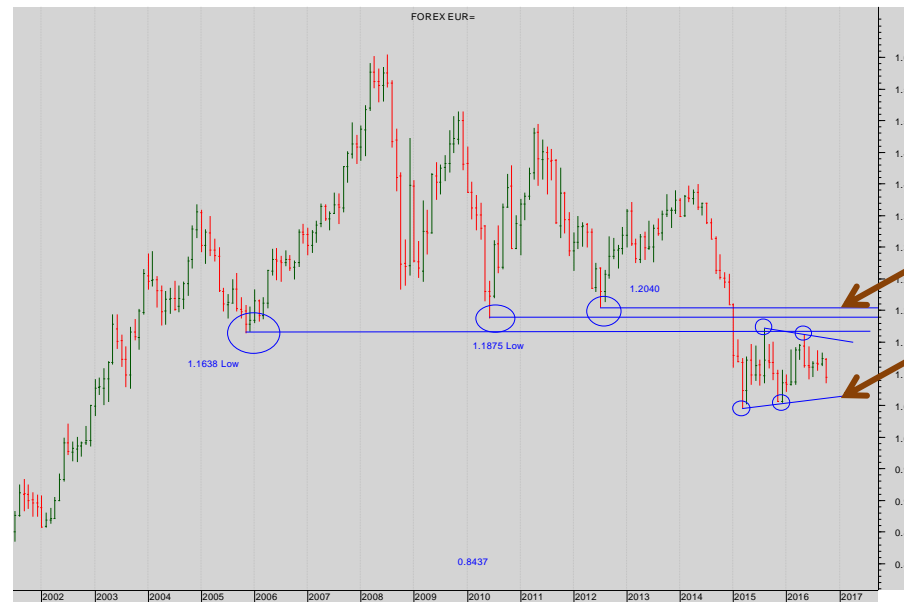
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Dollar Euro monthly spot cash chart

The market broke the 1.20 level (which was also Fibonacci support) and now is POWERFUL RESISTANCE

We note **the possible creation of a bear continuation Triangle... Watch for a completion move down through the lower boundary about 1.06**

More



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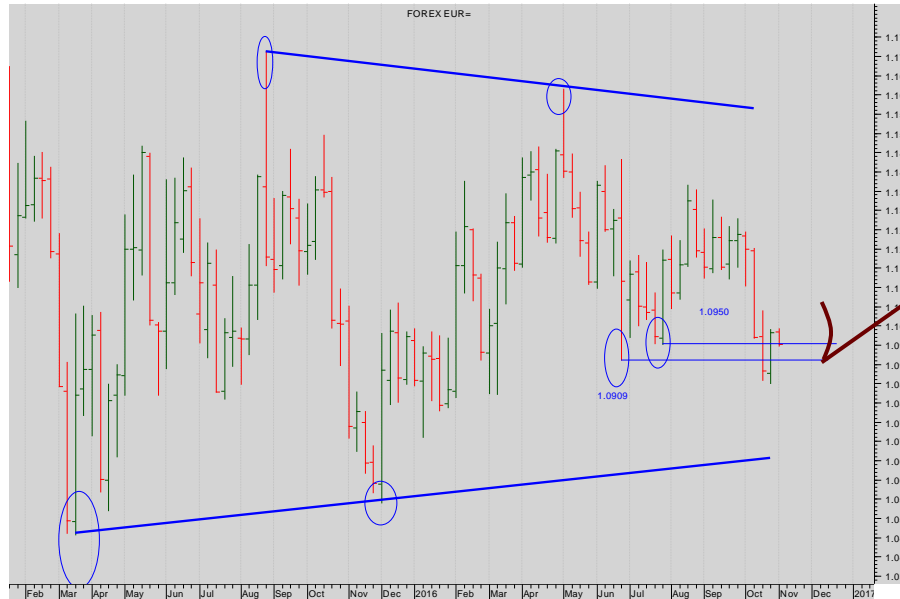
Bonds

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Commodities

- + Nymex WTI Oi
- + Comex Gold

Currencies: Dollar Euro



Dollar Euro weekly spot cash chart

That evolving triangle in more detail.

That band of 1.1875/1.2040 is massive resistance on any retracement.

But essentially we are in the middle of a range within the large triangle.



Dollar Euro spot cash chart daily chart...

The market is rallying back above the Prior lows – which otherwise would ratchet it lower by creating resistance above the market.

Watch for a sustained break beneath 1.0909.



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Stocks

- + Standard & Poors 500
- + European DJ Stoxx 50
- + FTSE 100
- + Nikkei 225

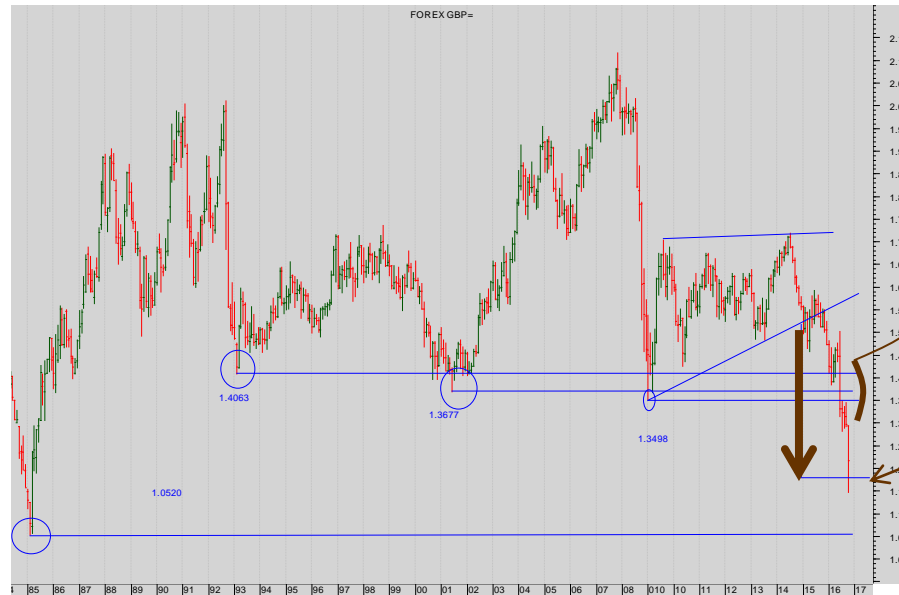
Bonds

- + Ten year US Treasury Note
- + Ten year Euro Bund
- + Ten year Japanese Bond

Commodities

- + Dollar rates
- + Euribor rates

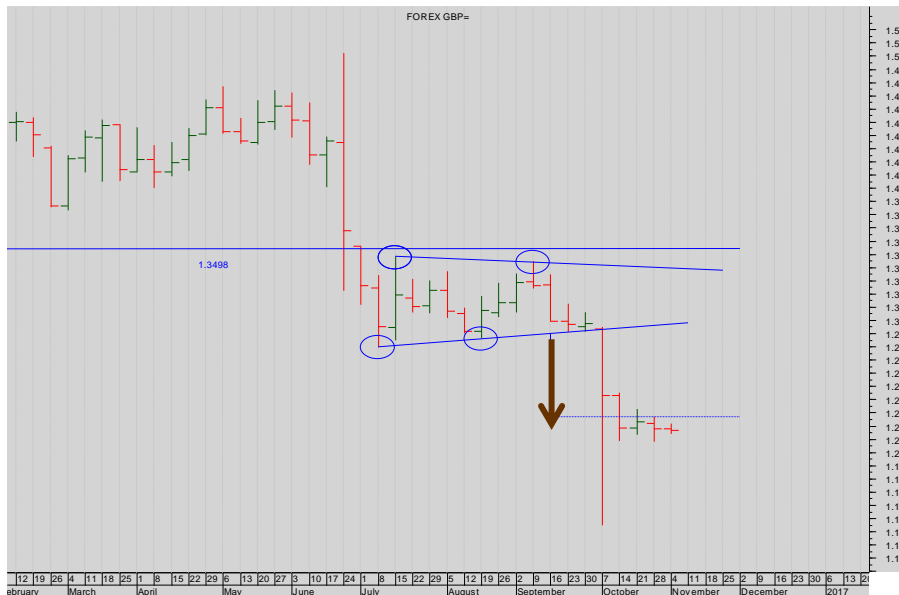
Currencies: Dollar Sterling



Dollar Sterling Monthly spot cash chart

Cable has broken down through the Prior Pivotal lows of 1993, 2001, 2008 and 2016 - all of whom should now act as good resistance. A massive Multiple Top has formed.

The triangle forming the second shoulder of the Multiple Top pattern has achieved its minimum move target.



Dollar Sterling weekly spot cash chart

This is another bear continuation Triangle.

But the market has also achieved the measured Target of the small continuation Triangle, about 1.23

Now look closer.

More



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Commodities

- + Nymex WTI Oil
- + Comex Gold
- + Liffe Short Sterling

Currencies: Dollar Sterling



Dollar Sterling daily spot cash chart

In greater detail...

The targets of both the small short-term and the medium-term triangle have been achieved.

The bear trend remains in place – but expect a loss of momentum (as we have already seen)

And is that another triangle forming in the day chart?

Watch for a breakdown.



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Currencies: Dollar Yen



Dollar Yen monthly spot cash chart

But the market looks to have topped out around 125...

And has returned towards good support at 102.

Watch carefully for a break of 102.

Yet there is good support here from both the horizontal and the diagonal.



Dollar Yen weekly spot cash chart

The break of the horizontal supports at 105.44/103.30 has created powerful resistance.

The market is vulnerable to more medium-term selling.

Watch for a break down through 99.08.

More



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Commodities

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Currencies: Dollar Yen



Dollar Yen daily spot cash chart

There's a possible triangle beneath the 106.14 resistance.

Watch for a breakdown through 100.



Currencies: Sterling Euro

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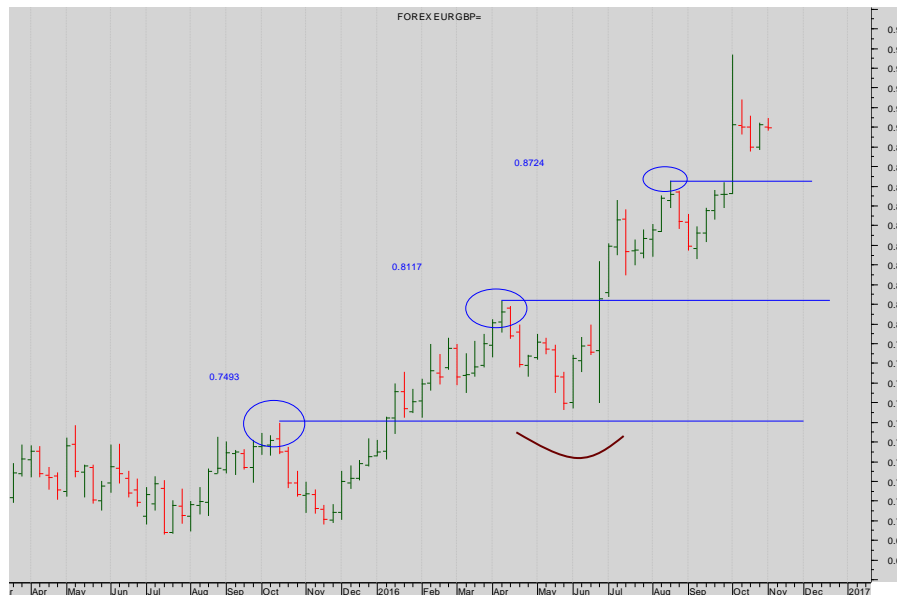
Commodities

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Sterling Euro monthly spot cash chart

What matters here is the break up through the falling diagonal (at 0.81)



Sterling Euro weekly spot cash chart

In greater detail.

The trend above the diagonal is clear.

This suggests more Sterling weakness to come....

More



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Commodities

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Currencies: Sterling Euro



Sterling Euro daily spot cash chart

Note the confirmed break above the recent highs setting the next bull leg going.

Nearest support 0.8724.



Stocks

STOCKS: The S&P and FTSE are testing good short-term supports but only the S&P has a good long and medium-term bull structure. The DJEuroStoxx has drifted back through short-term support and the Nikkei is approaching an important short-term Prior High. Neither has a compelling long and medium-term bull structure – yet.

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Commodities

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Stocks: CME S&P 500



CME S&P 500 monthly cont. futures chart

The bulls are in control because of a completed Flag pattern and the close above the recent high 2134.

More



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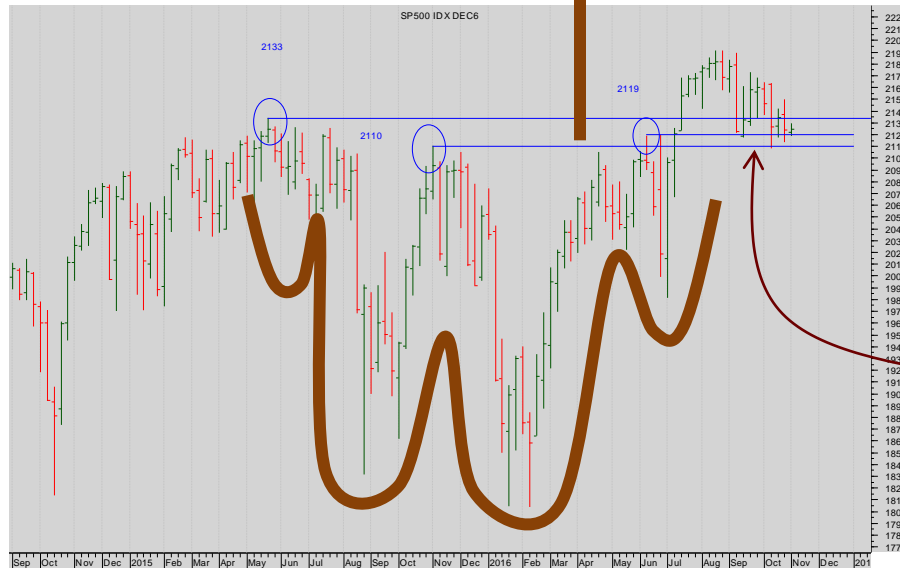
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Commodities

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Stocks: CME S&P 500

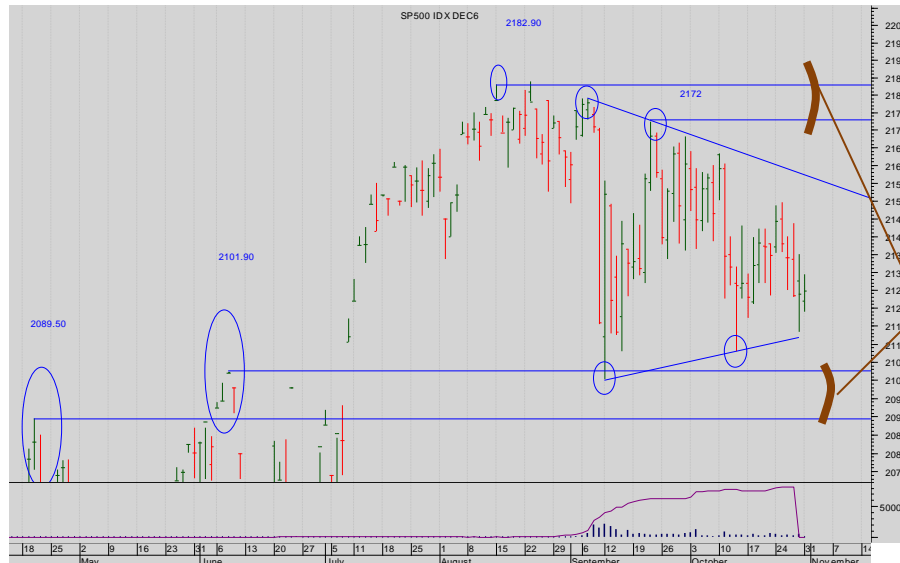


CME S&P 500 cont weekly cont. chart

This is too, is unambiguous

The break up through 2133 is a major breakout creating massive support beneath the market from the Double Bottom and the continuation Head and Shoulders.

But the pull-back is interesting and testing the supports - but they have held....



CME S&P 500 daily chart

The rally paused at the Prior Highs. And has fallen back sharply to support.

The support band 2089/2101 needs to hold for the bulls to remain confident.

Bulls need a break up through the Prior Highs 2164,2182.

More



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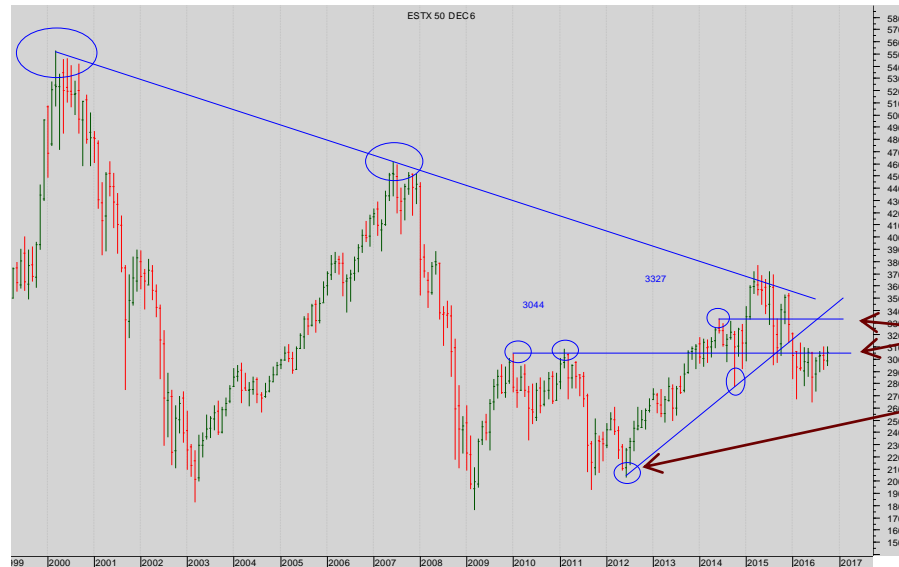
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Commodities

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Stocks: Eurex EuroStoxx 50

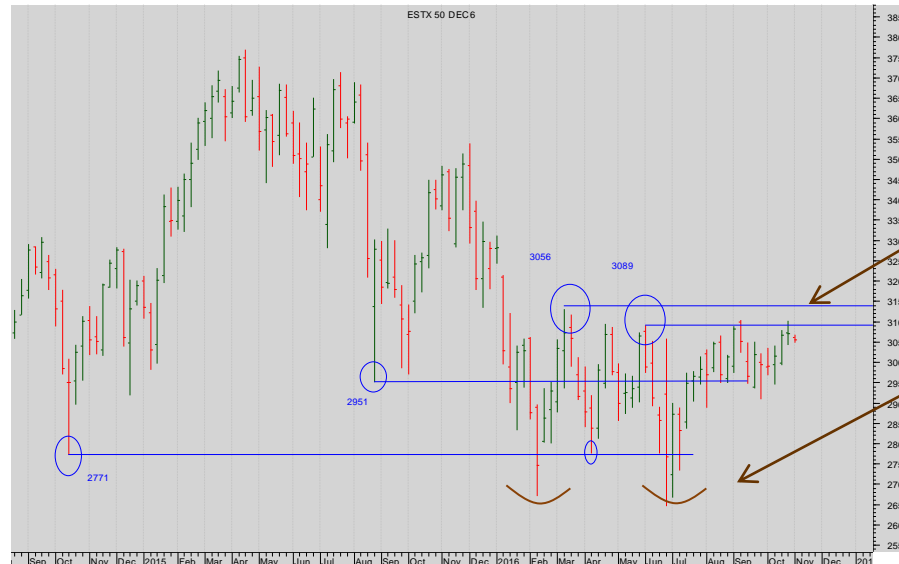


Eurex EuroStoxx 50 monthly continuation futures chart

Anatomy of the breakdown since the beginning of 2015:

1. the broken Prior High support (3327/3044)
2. The broken rising diagonal support

The bears remain in control but the market may be forming a small bottom...



Eurex EuroStoxx 50 weekly continuation futures chart

Yet the market may be forming a base.

But the bulls need a push up above these highs to really get going...

The bears were waiting for a close beneath 2771. It never came – so the case for a medium-term base continues to build.

More



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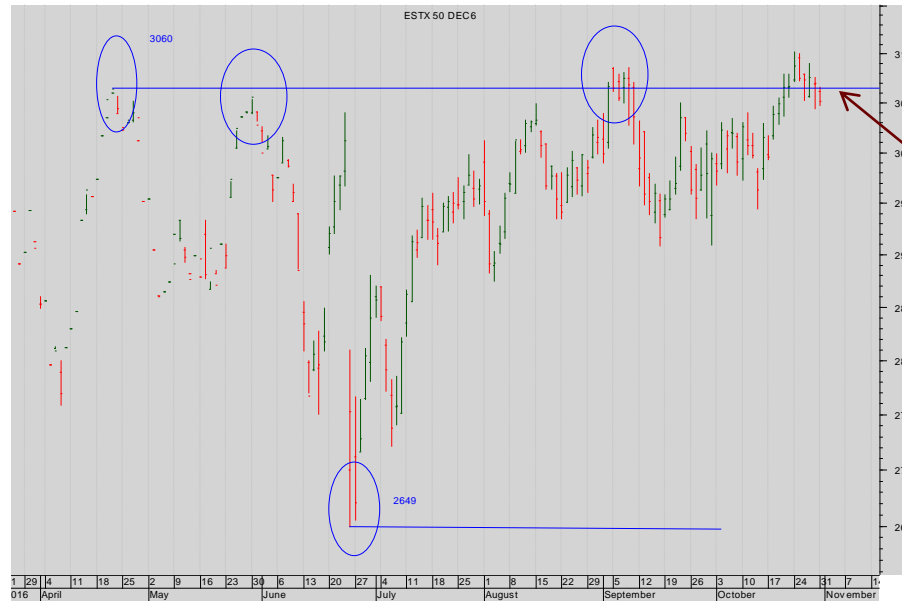
Bonds

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Commodities

- + Nymex WTI Oil
- + Comex Gold

Stocks: Eurex EuroStoxx 50



Eurex EuroStoxx 50 daily Dec 16 futures chart

This is disappointing in the short-term - bulls need a sustained break up through 3060.

(afterall, the break in September failed)



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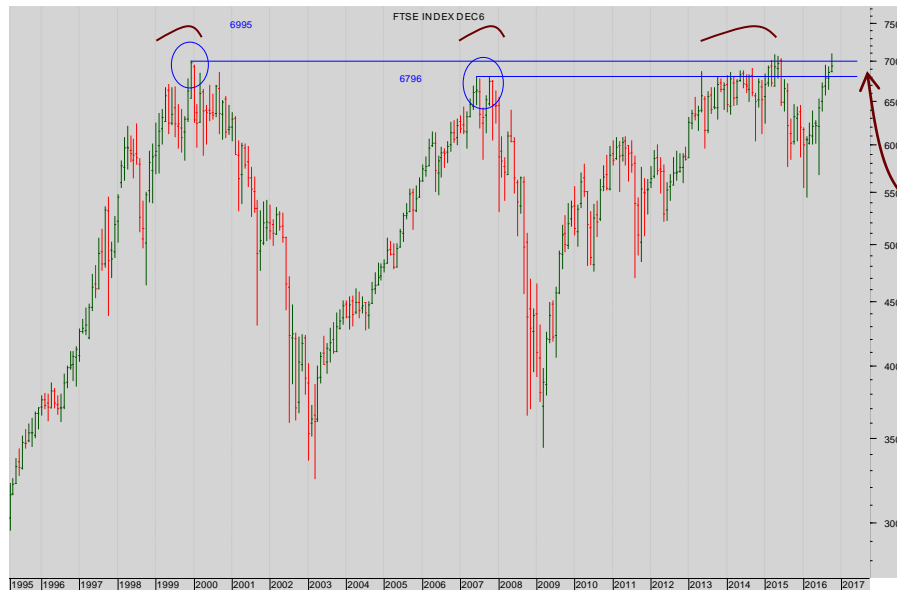
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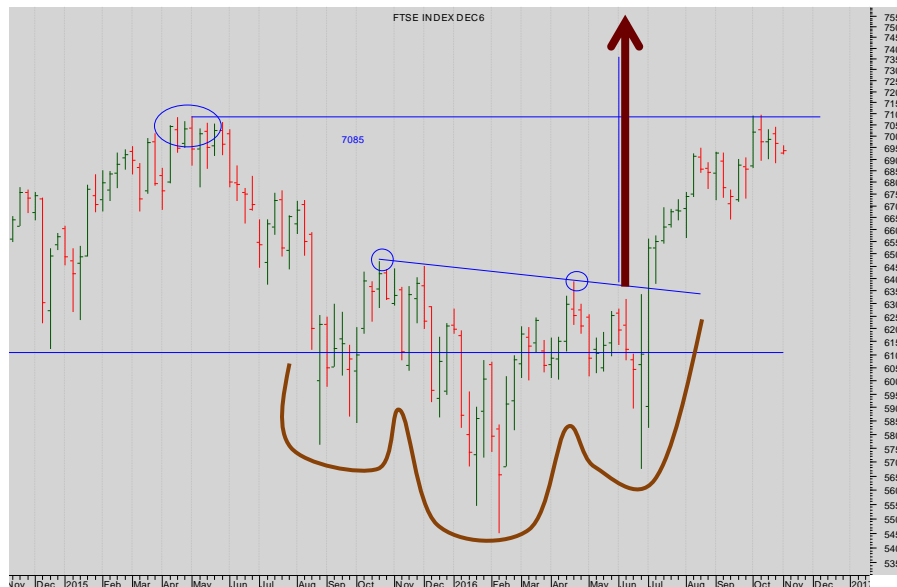
Stocks: Liffe FTSE 100



Liffe FTSE 100 Monthly continuation futures chart

But the market has achieved very little in the long-term chart until the succession of Prior Highs (6796, 6995) is overcome. Is that likely?

Look closer.



Liffe FTSE 100 Weekly cont. futures chart

There is a clear completed **H&S reversal** in place – this may be the catalyst for the long-term bull break.

Minimum move? **Up to about 7500.**

This may be the catalyst that smashes the band of monthly resistance – and certainly overcomes the 2015 Prior High of 7085.

More



Stocks: Liffe FTSE 100

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Commodities

- + Nymex WTI Oil
- + Comex Gold



Liffe FTSE 100 Dec 16 daily futures chart

In detail, the short-term bull H&S has good support at the Neckline (Prior High) and ratcheting the market better....

Stay long above 6900.



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Commodities

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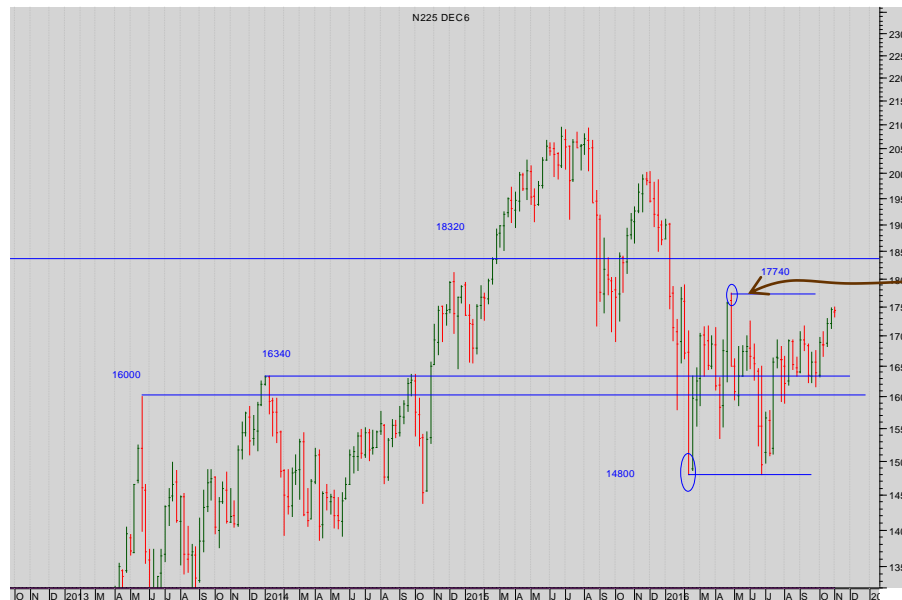
Stocks: OSE Nikkei 225



Nikkei 225 chart (monthly)

The support from the Prior Highs (16000 and 16340) seems to have held.

But watch the bounce closely.



Nikkei 225 chart (WEEKLY)

The bounce from 14800 level.

Only a break up through the 17740 resistance would really get the bulls going.

Wait for a break of the trading range, for clarity.

More



Stocks: OSE Nikkei 225

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Commodities

- + Nymex WTI Oil
- + Comex Gold



Nikkei 225 chart Daily Dec 16.

The third failure at the 16800 level will have disappointed the bulls...

But the re-approach will be encouraging...

Stand back and wait for a clear break of the ascending triangle around 17300.

And then, additionally, a break of 17550?



Bonds

BONDS: These markets may have exhausted their short-term bearishness but now there is good overhead resistance to rallies in the US; moreover in the least bearish of markets the Yen Bonds, a medium-term top may gradually be forming that, if completed, will signal more pressure on all markets.

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Commodities

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- + Comex Gold

Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes monthly futures continuation chart

The long-term chart is featureless, unless the market can get above 135.906 or break beneath the rising diagonal...

More



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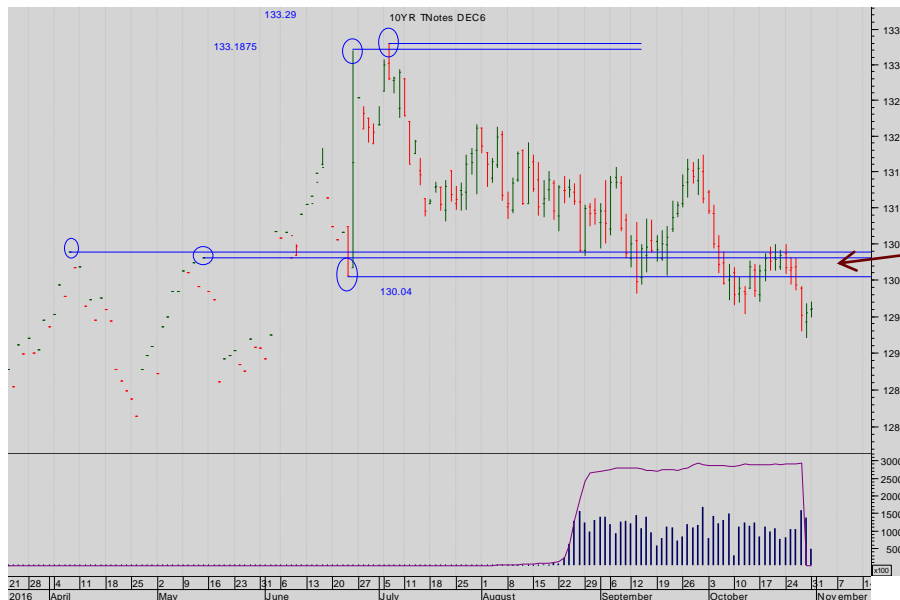
Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes weekly futures continuation chart



CBOT Ten Year Notes daily Dec16 futures chart

More



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Bonds

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Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund monthly futures continuation chart

The market remains through the All-Time-Highs, the bull trend very much intact.

Note the bounce off the supports at 146.89 and 160.69.

Bears need a break of 160.69/ and the diagonal.



Eurex Ten Year Bund weekly **cont.** futures Chart

This is interesting - there is the possibility of a H&S top which may drive the market done and may be the catalyst for breaking 160.69.

Watch 163 where the possible neckline is.

Bulls will also concentrate on 160.69 which needs to hold.

Remember, though, the wider context remains the bull channel.

More



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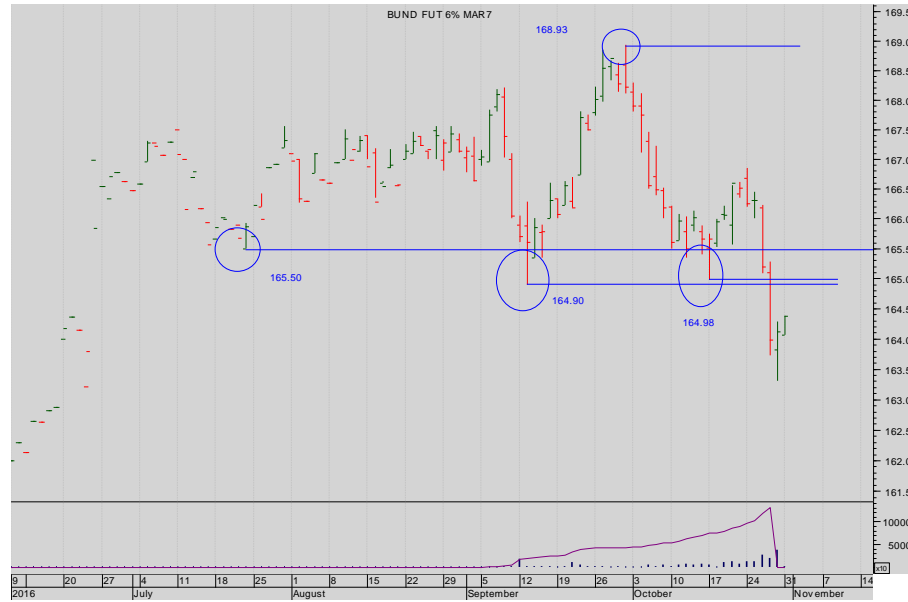
Bonds

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Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund Sep16 Daily futures chart

So much for the bull trend! Watch for a break beneath 163 ...



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Commodities

- + Nymex WTI Oil
- + Comex Gold

Bonds: TSE Ten Year JGB



TSE Ten Year JGB monthly futures continuation chart

The market's rally has confirmed the importance of the break of the prior Highs since 2003.



TSE Ten Year JGB weekly continuation futures Chart

The long-term bull trend has been challenged by the break back through 152.48. Note the possible H&S top...

These Prior Highs are a good band of support.

More



Bonds: TSE Ten Year JGB

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- + Comex Gold



TSE Ten Year JGB daily Dec 16 chart

Watch the support from the old short-term trading range.



Commodity

COMMODITIES: Oil's drift over the last week has stopped the completion of a compelling H&S bull reversal pattern. Gold looks vulnerable for more selling – it's pause may soon be over.

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Interest rates

- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Nymex oil monthly continuation

Massive support at \$35.94

The bulls remain in charge.

More



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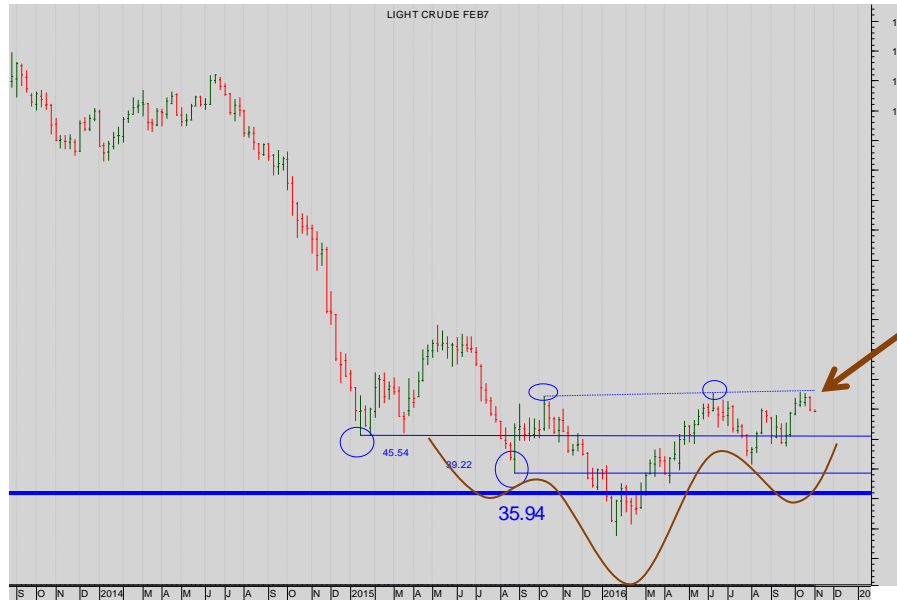
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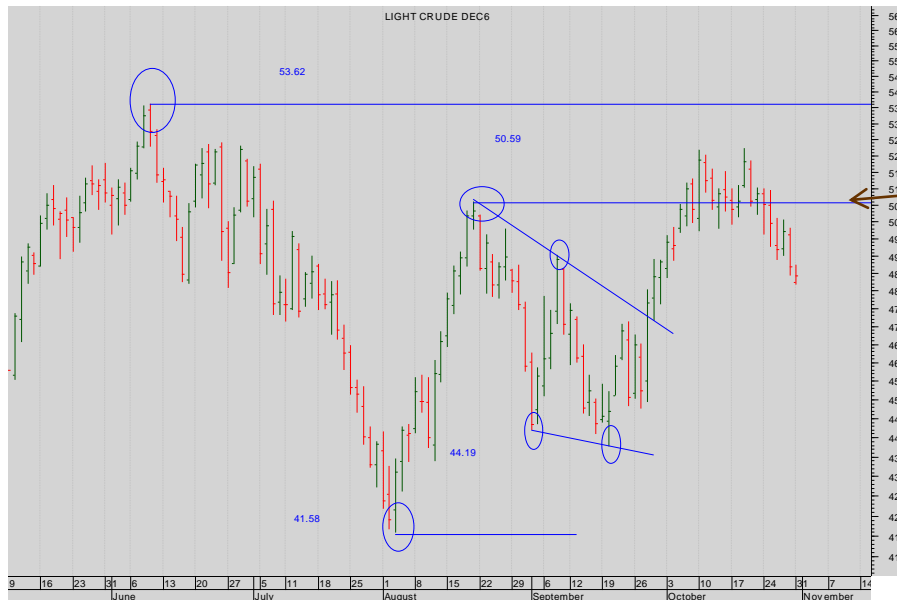
- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Nymex oil weekly continuation

A possible H&S bottom? So far that is conjecture, but watch closely for a break of the possible H&S Neckline around 53.



Nymex oil daily Dec 16 futures

NO clarity within the wide range.

The drift back through the 50.59 Prior High will not have impressed the bulls.

Stand back.



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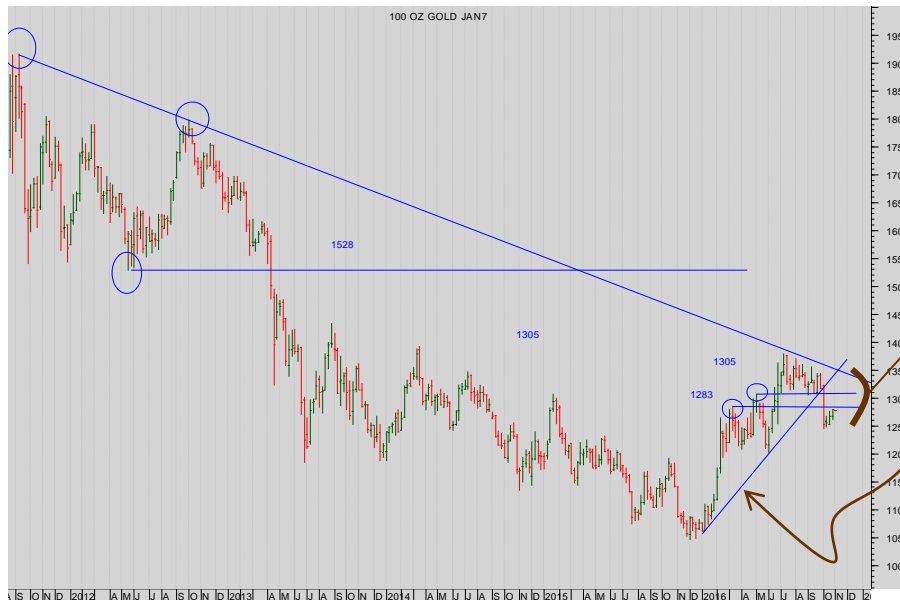
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Commodities: Comex Gold



Comex gold Monthly **Cont** futures chart

The long-term chart shows a clear bounce from the long-term support from the Prior High (and Fibonacci) at 1034.



Comex gold Weekly futures chart

1. Note the broken support from the Prior Highs 1308
2. And the broken diagonal bull trendline support..
3. It's a bad collapse...



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Commodities: Comex Gold



Comex gold daily Dec 16 futures chart

There is now good resistance above the market at 1311.50 which may ratchet the market lower...

And that the falling diagonal

In any case there is a small multiple top in place.

Expect more on the downside.



the technical *analyst*

AWARDS 2012

FINALIST BEST INDEPENDENT RESEARCH HOUSE

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