



17th January 2017

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

PERFORMANCE 2006 to date

Disclaimer



Multi-asset technical strategies

Mark Sturdy

Authorised and regulated
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summary

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

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Long-term BEAR Euro	Medium-term BEAR Euro	Short-term FLAT Euro
Long-term BEAR Sterling	Medium-term BEAR Sterling	Short-term BEAR Sterling
Long-term BEAR Yen	Medium-term BEAR Yen	Short-term FLAT Yen
Long-term BULL	Medium-term BEAR Euro	Short-term BEAR Euro

Long-term BULL	Medium-term BULL	Short-term FLAT
Long-term BULL	Medium-term BULL	Short-term BULL
Long-term BULL	Medium-term BULL	Short-term BULL
Long-term BULL	Medium-term BULL	Short-term FLAT

Long-term FLAT	Medium-term FLAT	Short-term BULL
Long-term FLAT	Medium-term FLAT	Short-term BEAR
Long-term BEAR	Medium-term BEAR	Short-term BEAR

Long-term BULL	Medium-term BULL	Short-term FLAT
Long-term BEAR	Medium-term BEAR	Short-term FLAT



Currencies: Dollar Euro

CURRENCIES

The long Dollar stance still looks good but is over shadowed by the particular drama of the weak Pound against the Euro and the Dollar.

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Dollar Euro monthly spot cash chart

The market broke the 1.20 level which now is POWERFUL RESISTANCE

Note the creation of a bear continuation Triangle...

Note too, the monthly completion move down through the lower boundary about 1.06.

Now the TARGET 0.94

(Notice that that target suggests a break of the rising diagonal support from 1995)

More



Currencies: Dollar Euro

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Dollar Euro weekly spot cash chart

That completed triangle in more detail.

The break beneath the lower diagonal then a failed rally.

Minimum move? Down to 0.94. We are now unambiguously bearish.



Dollar Euro spot cash chart daily chart...

That break in detail... Note the failed succession of failed rallies.

Medium-term bears are already short, short-term bears will have been frustrated at the congestion beneath the triangle...



Currencies: Dollar Sterling

Summary

Currencies

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

Stocks

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

Bonds

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

Commodities

- + Dollar rates
- + Euribor rates

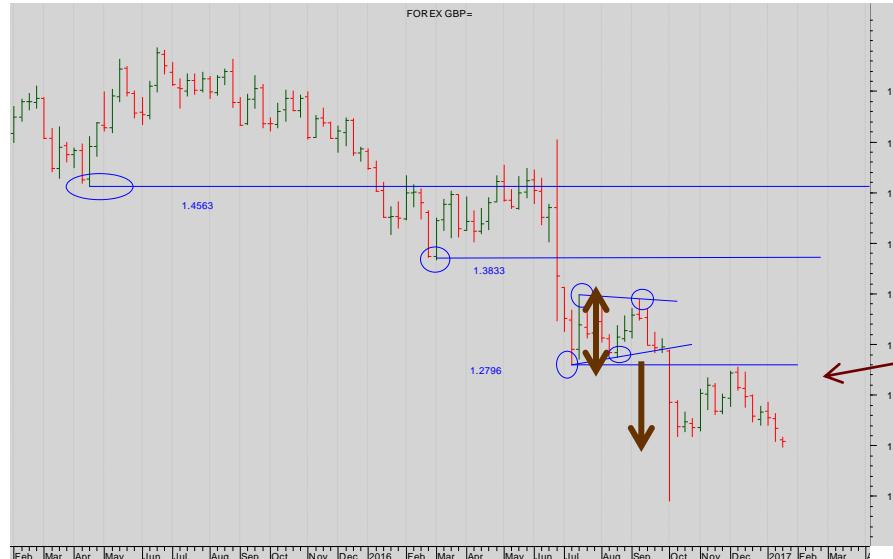


Dollar Sterling Monthly spot cash chart

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.

So there is no longer impetus from that particular pattern...



Dollar Sterling weekly spot cash chart

This was another bear continuation Triangle which has also achieved the measured Target of the small continuation Triangle, about 1.23

Note the rally back - first resistance at 1.2796 has held and has driven the market on down.

More



Currencies: Dollar Sterling

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Commodities

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



Dollar Sterling daily spot cash chart

Though the targets of both the small short-term and the medium-term triangle have been achieved, the loss of momentum has been countered by the creation of a bear wedge.

The bears are again in charge short-term.

Sell again on a confirmed break of 1.2081.



Currencies: Dollar Yen

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Commodities

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- + Comex Gold



Dollar Yen monthly spot cash chart

But the market has bounced from good diagonal support at 102.

The yen is ratcheting weaker again.



Dollar Yen weekly spot cash chart

The break up through 105.44/103.30 has formed a base of considerable power.

The resistance at 116 (both Fibonacci and Prior Lows) was smashed with ease.

More



Currencies: Dollar Yen

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Dollar Yen daily spot cash chart

Expect support at current levels around 116.50

The bulls remain in charge.



Currencies: Sterling Euro

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Sterling Euro monthly spot cash chart

The last three months' volatility hasn't yet totally reversed the weakness of Sterling but it is strengthening against the Euro

Sterling Euro weekly spot cash chart

The turn in greater detail.

The bull trend above the diagonal (in the monthly chart) is clear but is being threatened by the pull-back through 0.8724.

Now watch for a test of 0.8117 (both a horizontal and a diagonal support)



More



Currencies: Sterling Euro

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Stocks

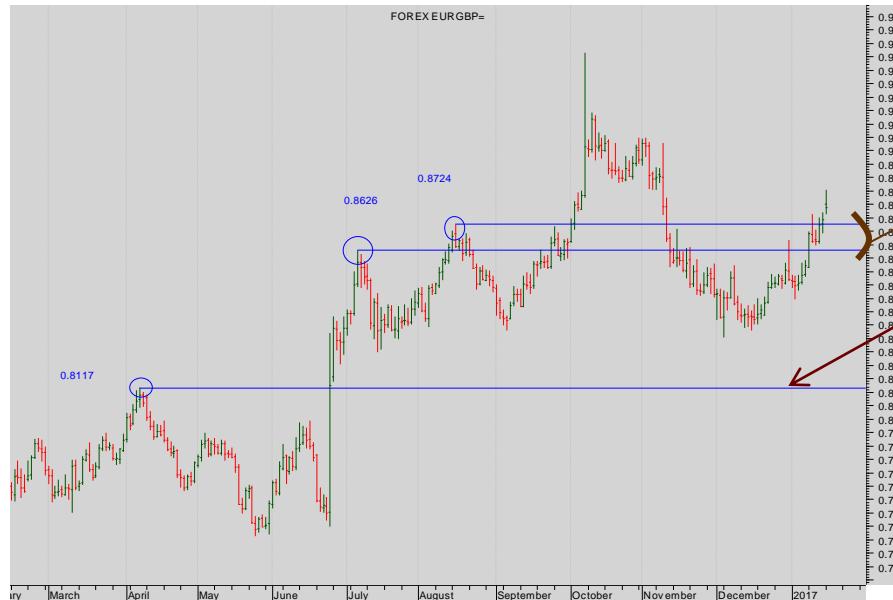
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Sterling Euro daily spot cash chart

Note the confirmed break beneath the support from the recent highs that questions the bull trend.

Next support 0.8117.



Stocks

STOCKS: All these markets are strong, but the outperformance of FTSE is particularly marked given the short-term pause in the S&P and Nikkei and the lesser pause in the EuroStoxx.

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Stocks: CME S&P 500



CME S&P 500 monthly cont. futures chart

The bulls are firmly in control. The market paused beneath 2133 and then overcame it.

The recent pull-back and bounce off the top of the congestion is a powerful endorsement of the bull stance.

More



Stocks: CME S&P 500

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CME S&P 500 cont weekly cont. chart

This is too, is unambiguously bullish.

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

The pull-back was interesting, the supports held...

The breakout has been confirmed by the break up through 2191.20.



CME S&P 500 daily March 2017 chart

The rally has paused at the Prior High support and then bounced.

All time frames are bullish.

The market is set too drive higher still – watch for added impetus on a break up through 2272.

More



Stocks: Eurex EuroStoxx 50

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Commodities

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- + Comex Gold



Eurex EuroStoxx 50 monthly continuation futures chart



More



Stocks: Eurex EuroStoxx 50

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Eurex EuroStoxx 50 daily
Dec 16 futures chart

Close support 3269



Stocks: Liffe FTSE 100

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Liffe FTSE 100 Monthly continuation futures chart

The succession of Prior Highs (6796, 6995) has been overcome, so the market is underpinned in a powerful way.



Liffe FTSE 100 Weekly cont. futures chart

There was a clear completed **H&S reversal** in place – and looks like the catalyst for a long-term bull break.

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

This is the catalyst that smashed the bands of monthly resistance – and overcame the 2015 Prior High of 7085.

We are bulls.

More



Stocks: Liffe FTSE 100

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Stocks

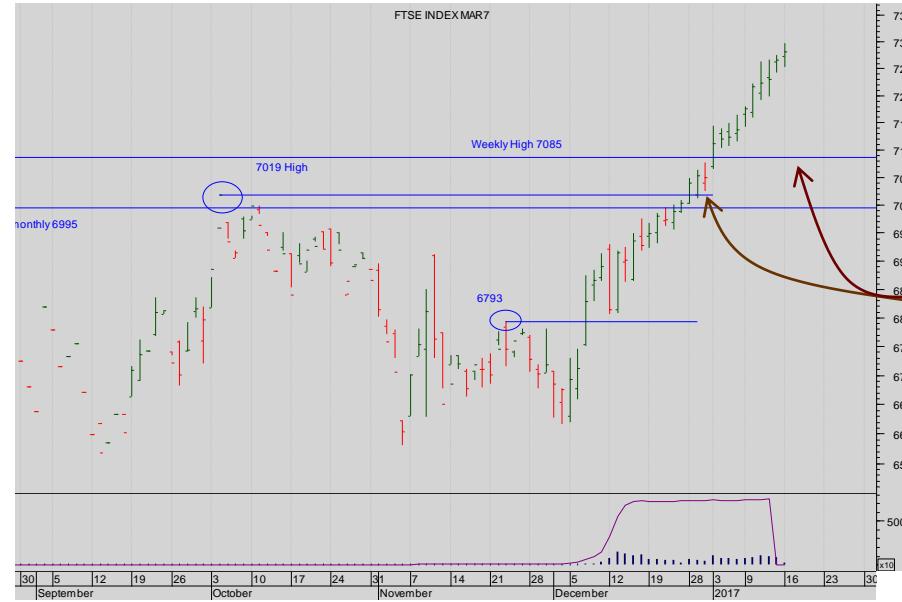
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Commodities

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Liffe FTSE 100 Dec 16 daily futures chart

In detail:

Buy on the break above 7019.

Buy again on a break of 7085.

Stay long.



Stocks: OSE Nikkei 225

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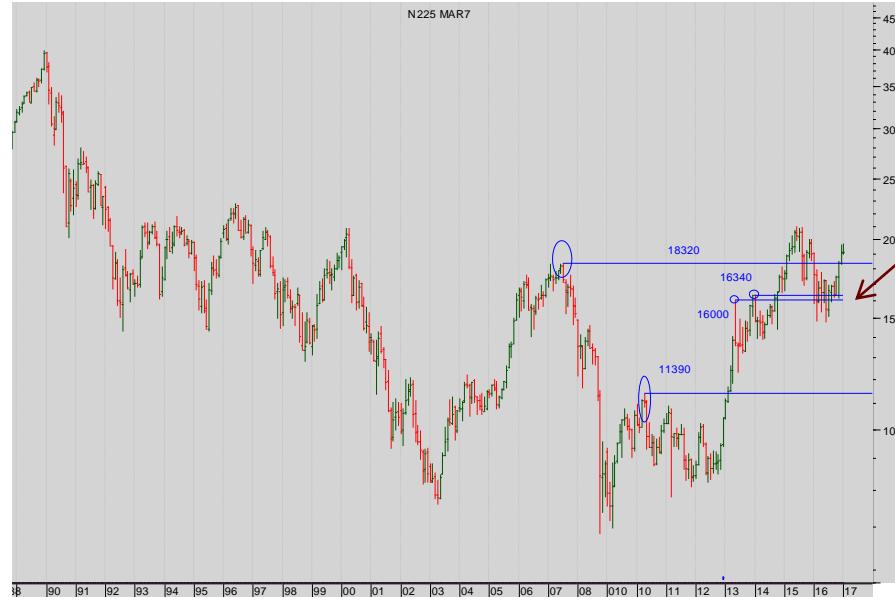
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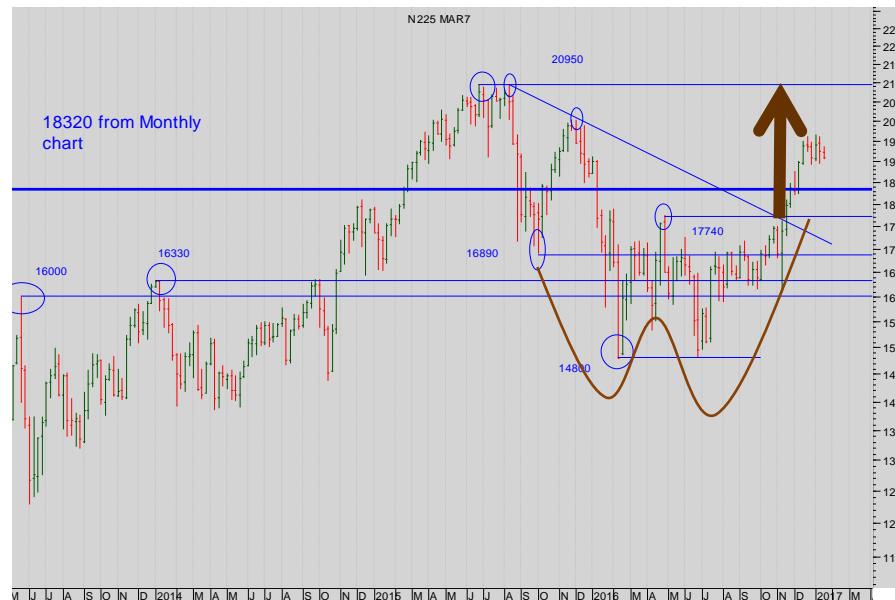
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Nikkei 225 chart (monthly)

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 completed a Double Bottom on the break up through 17740 (coincident with a break up through the falling diagonal)

Minimum move? Up to 20950.

More bull moves to come.

More



Stocks: OSE Nikkei 225

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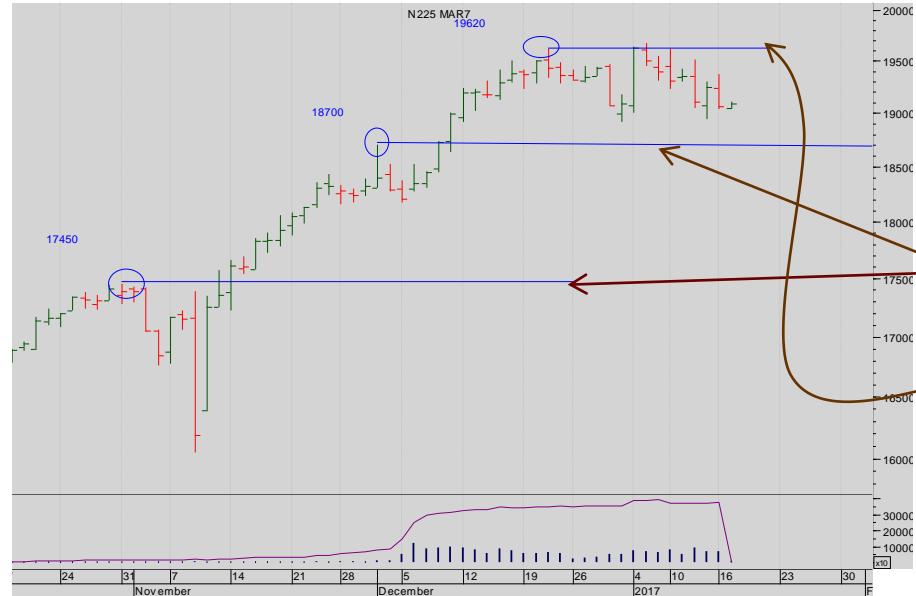
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Commodities

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Nikkei 225 chart Daily Mar 17.

Stops beneath 17450 and 18700.

Buy again on a break above



Bonds

BONDS: All these markets have rallied over the last month, the US least enthusiastically, note in particular the structural weakness of the JGB that suggests that that rally at least is short-covering retracement with the bears will in charge medium-term.

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Commodities

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Bonds: CBOT Ten Year Notes



**CBOT Ten Year Notes
monthly futures
continuation chart**

Note the wide range; the market is close to support at the lower boundary.

Wait for a break of the range.

More



Bonds: CBOT Ten Year Notes

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CBOT Ten Year Notes weekly futures continuation chart

This doesn't add much



CBOT Ten Year Notes daily Mar 17 futures chart

This looks like a bounce could go further.

More



Bonds: Eurex Ten Year Bund

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Eurex Ten Year Bund monthly futures continuation chart

The bull trend is very much intact.

Note the test of the supports horizontal and diagonal at 160.60.

Bears need a break of both the horizontal 160.69 and the diagonal.

Nothing yet.



Eurex Ten Year Bund weekly cont. futures Chart

The bounce was solid and remains so.

More



Bonds: Eurex Ten Year Bund

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Eurex Ten Year Bund Mar 17 Daily futures chart

But this suggests good resistance above the market above 165.

Good short-term selling with
Stops above 165.50?



Bonds: TSE Ten Year JGB

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TSE Ten Year JGB monthly futures continuation chart

The market's rally is under threat from a H&S reversal....

On the pull-back first support lies at 148.68



TSE Ten Year JGB weekly continuation futures Chart

The completed H&S Top.

These Prior Highs are good support.

But they are some way below.

The H&S pattern says the bears are in charge. Minimum move? 147.50... Good resistance too, at the neckline 150.90.

More



Bonds: TSE Ten Year JGB

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TSE Ten Year JGB daily
Mar 17 chart

Watch the range



Commodity

COMMODITIES: Oil's dithering since the beginning of December has not yet seriously weakened the underlying bull structures. Gold's rally since the middle of December still looks vulnerable to failure in line with the medium-term bearish H&S pattern.

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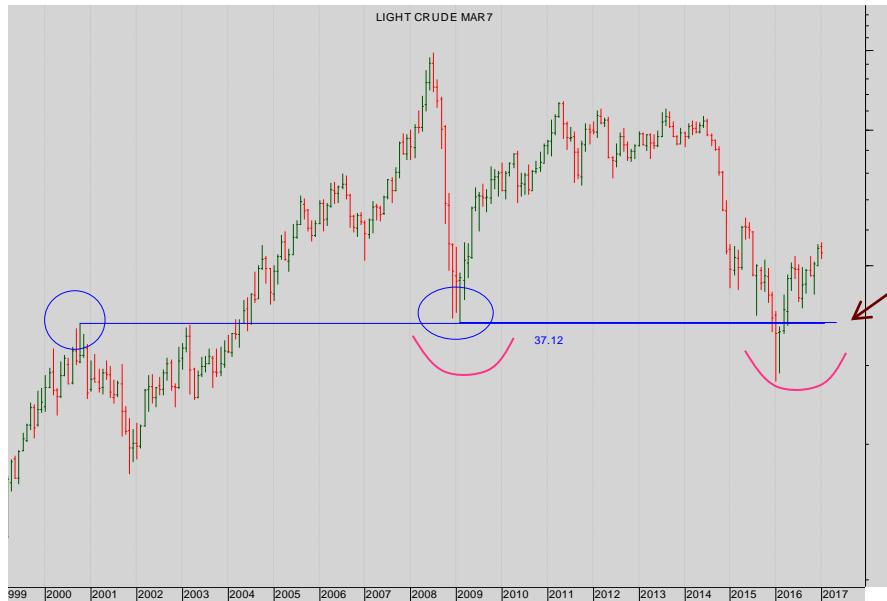
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Interest rates

- + Nymex WTI Oil
- + Comex Gold

Commodities: Nymex WTI Oil



Nymex oil monthly continuation

Massive support at \$35.94

The bulls remain in charge.

More



Commodities: Nymex WTI Oil

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Commodities

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Nymex oil weekly continuation

Note the completed bull continuation Triangle.

The minimum likely move?

To about 70.



Nymex oil daily Feb17 futures

Both the daily and the weekly triangle completed but drifted.

Stand back and wait for a clear short-term signal.



Commodities: Comex Gold

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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.

Now the market has fallen from the Fibonacci resistance (and the bear trendline resistance.)



Comex gold Weekly futures chart

1. Note the broken diagonal bull trendline support..
2. And the Key Reversal two weeks ago...
3. And isn't that a H&S reversal? Minimum target 1090!

The bears are in charge.



Commodities: Comex Gold

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Comex gold daily FEB17 futures chart

The detail of the breakdown of the H&S pattern.



the technical analyst

AWARDS 2012

FINALIST BEST INDEPENDENT RESEARCH HOUSE

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