



the technical analyst

AWARDS 2011

F I N A L I S T

## SUMMARY

## POSITIONS

+ Dollar Sterling (NEW)

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[Alpha  
capture  
Performance  
to date  
from 2006](#)

# Multi-Asset Trade Recommendation

6th October 2017

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**Mark Sturdy**

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# Summary

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6<sup>th</sup> October : SELL Sterling BUY Dollars @1.3037 Stop 1.3301



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### Positions

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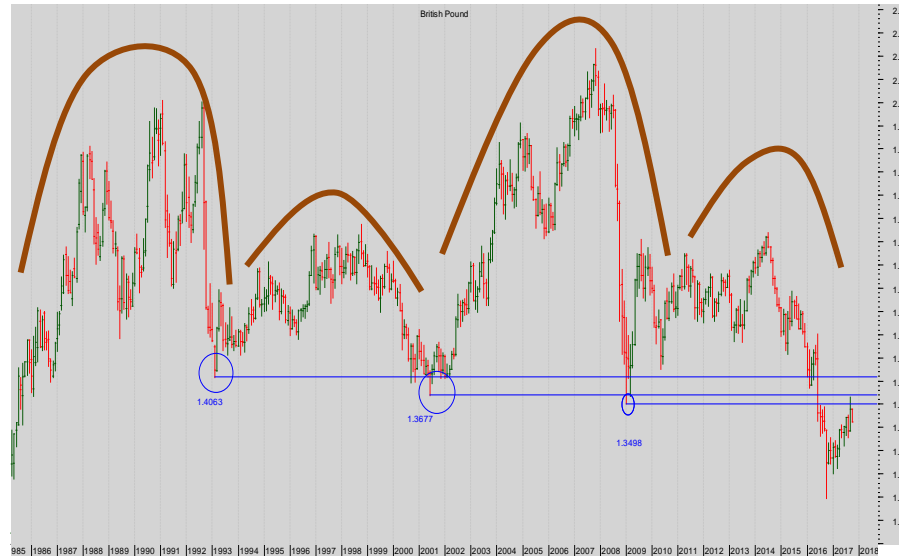
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(1) TECHNICAL: 6<sup>th</sup> October : SELL Sterling BUY Dollars @1.3037 Stop 1.3301



## MONTHLY CHART

The drama of this chart is difficult to exaggerate.

The multiple top established since the mid-eighties is bearing down on the market.

The spirited rally from the initial lows established by the onset of Brexit looks to be no more than a dead-cat bounce.

We see little upside from these levels given the succession of horizontal resistances from Prior Lows.



## WEEKLY CHART

This detail of the rally back from the post-referendum low found a coincidence of Fibonacci resistance close to Prior Low (1.3833) and diagonal resistance...

Cautious bears will want to wait for a conclusive breakdown through the very well-established rising diagonal at 1.30...

Disclaimer

More



(1) FUNDAMENTAL: 6<sup>th</sup> October : SELL Sterling BUY Dollars @1.3037 Stop 1.3301

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+ US TNotes (NEW)

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The UK economy is still slowing, the PMI surveys released this week, showed manufacturing and construction falling short of consensus and although the PMI Services survey was a little better than expected, the overall tone of data suggests Q3 GDP will be even softer than the already weak Q2.

Then there is the political dimension. The “BREXIT” talks are still in a cloud of uncertainty, with various government ministers saying they agree with the plan set out by May, then giving their own versions of how “BREXIT” should look.

On top of all that there is a massive question mark hanging over the longevity of May’s Premiership. Conservative party MP’s were already loosing faith after the disastrous election in June, but after her fascial performance at the Conservative part Conference many are saying enough is enough and some are planning to remove her as part leader and PM.

Of course all of this unsettles investors and the Pound will definitely take the strain. Moreover as US President Trump tries again to implement his Tax cutting agenda, the Dollar will enjoy a renewed period of strength, the two situations combined argue for a Sterling sell off against the Dollar.

We advice selling Sterling and Buying the Dollar.



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### SEVEN DAYS AHEAD

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