



the technical analyst

AWARDS 2012

FINALIST BEST INDEPENDENT RESEARCH HOUSE

## Summary

### Currencies

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

### Stocks

- + S&P 500
- + EuroStoxx 50
- + FTSE 100
- + Nikkei 225

### Bonds

- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



# Multi-asset technical strategies

# Week 24th April 2018

### Disclaimer

Authorised and regulated  
by the FSA



# summary

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

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Commodities
+ Oil + Gold
IMPLIED ASSET ALLOCATION

Long-term FLAT Euro	Medium-term FLAT Euro	Short-term <b>BULL</b> Euro
Long-term <b>BEAR</b> Sterling	Medium-term <b>BEAR</b> Sterling	Short-term <b>BEAR</b> Sterling
Long-term <b>BULL</b> Yen	Medium-term <b>BULL</b> Yen	Short-term <b>BULL</b> Yen
Long-term FLAT Euro	Medium-term <b>BEAR</b> Euro	Short-term <b>BEAR</b> Euro
Long-term <b>BULL</b>	Medium-term <b>BEAR</b>	Short-term FLAT
Long-term <b>BEAR</b>	Medium-term FLAT	Short-term FLAT
Long-term <b>BULL</b>	Medium-term FLAT	Short-term FLAT
Long-term <b>BULL</b>	Medium-term FLAT	Short-term FLAT
Long-term <b>BEAR</b>	Medium-term <b>BEAR</b>	Short-term <b>BEAR</b>
Long-term <b>BEAR</b>	Medium-term <b>BEAR</b>	Short-term <b>BEAR</b>
Long-term <b>BEAR</b>	Medium-term <b>BEAR</b>	Short-term <b>BEAR</b>
Long-term <b>BULL</b>	Medium-term <b>BULL</b>	Short-term <b>BULL</b>
Long-term <b>BULL</b>	Medium-term FLAT	Short-term FLAT

More



## Currencies: Dollar Euro

### CURRENCIES

Short and medium term Sterling is looking very vulnerable against the Dollar. Dollar Euro remains dull, and so the Euro Sterling has fallen back into the old long-standing trading range.

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#### IMPLIED ASSET ALLOCATION



Dollar Euro monthly spot cash chart

These powerful resistances above the market at 1.15 and above have been penetrated.

The final bull frontier is the falling diagonal.

More



## Currencies: Dollar Euro

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#### IMPLIED ASSET ALLOCATION



Dollar Euro weekly spot cash chart

Watch also for evidence of a break through this band of resistance from the two diagonals..



Dollar Euro spot cash chart daily chart...

Note that the range over the last two months is rather dull and not likely to be breached anytime soon.

The range matters a good deal more than the breach of the rising diagonal.



## Currencies: Dollar Sterling

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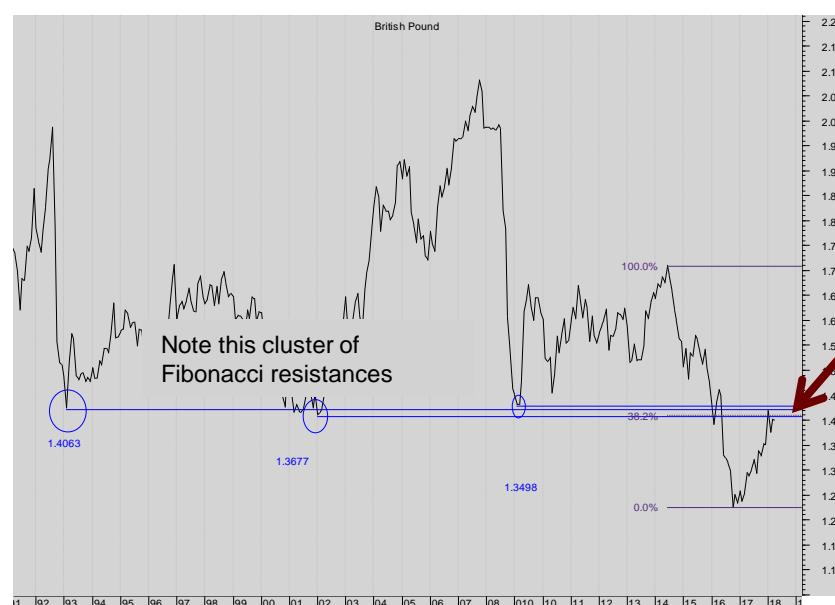
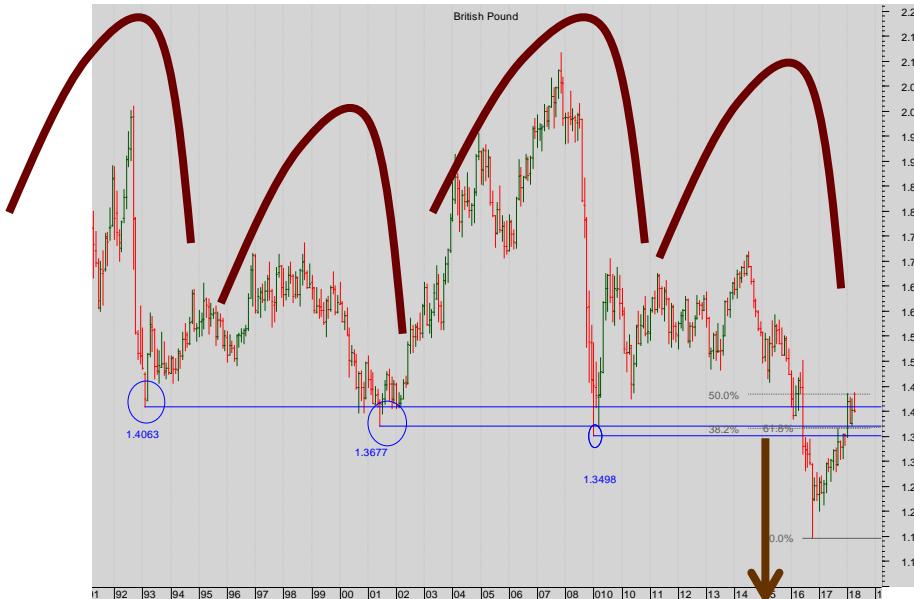
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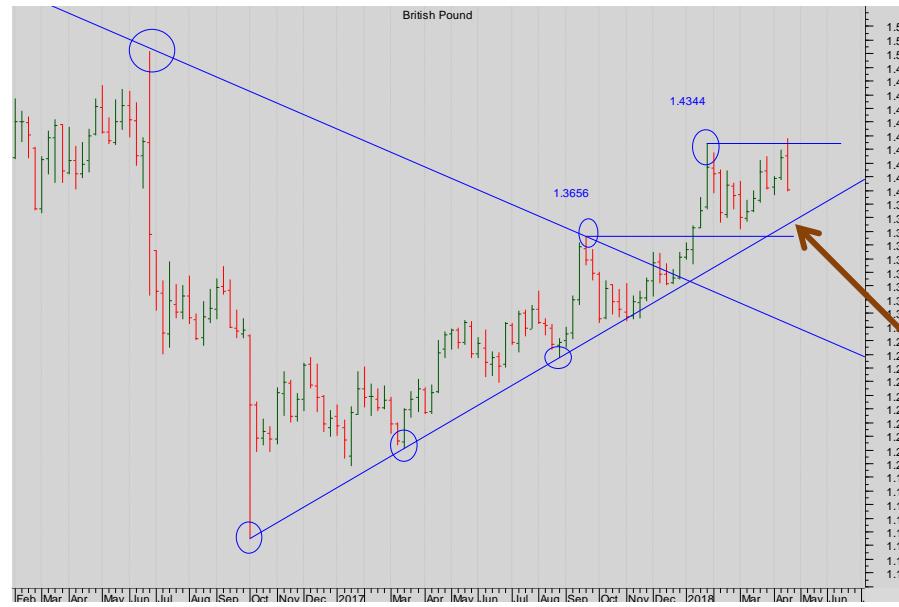
#### IMPLIED ASSET ALLOCATION



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## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

The possible double failure at the recent high is interesting BUT:

only a break of both the Prior High and diagonal support from 1.3656 would threaten the Sterling bulls.

There is no medium-term sign yet that the bull trend of the last 19 months is breaking down.



### Dollar Sterling daily spot cash chart

This was an impressive bottom formation : a Double Headed Head and Shoulders Reversal.

BUT IT FAILED SPECTACULARLY.

As the medium-term chart makes clear , there's a Double Bottom in the making...

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## Currencies: Dollar Yen

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#### IMPLIED ASSET ALLOCATION



Dollar Yen monthly spot cash chart

The structure's not clear but the drift of the Dollar will find support at the 102 level whence it has bounced before.



Dollar Yen weekly spot cash chart

But this is interesting;

The break beneath the lower boundary of the trading range shows that **the Dollar bears are in charge** because powerful resistance has been created above the market. **The Yen bulls still look in control** while the band of resistance holds...

More



## Currencies: Dollar Yen



## Dollar Yen daily spot cash chart

The market is pausing beneath the Prior Lows, repeatedly testing their band of resistance 107.31-108.52

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## Currencies: Sterling Euro

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### IMPLIED ASSET ALLOCATION



### Sterling Euro monthly spot cash chart

The last four months' volatility has created a wide trading range.



### Sterling Euro weekly spot cash chart

The trading range has not clearly broken.

**Stand back for clarity.**

**More**



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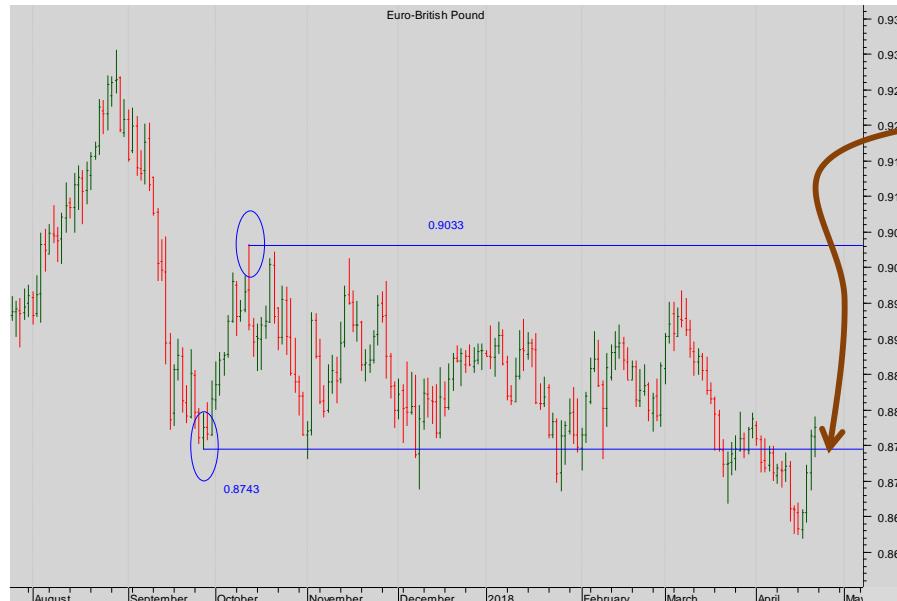
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### IMPLIED ASSET ALLOCATION



### Sterling Euro daily spot cash chart

Watch the bottom of the trading range closely – is that a confirmed break?

Not yet.



## Stocks

**STOCKS:** UK and European stocks have broken up out of medium-term trading ranges and look set to go further. US and Japanese markets are lacklustre, remaining within existing range.

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### IMPLIED ASSET ALLOCATION

## Stocks: CME S&P



### CME S&P 500 monthly cont. futures chart

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

But note that the pause is at a  
Fibonacci resistance at 28500.

Is this the beginning of a  
reversal?

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## Stocks: CME S&P 500



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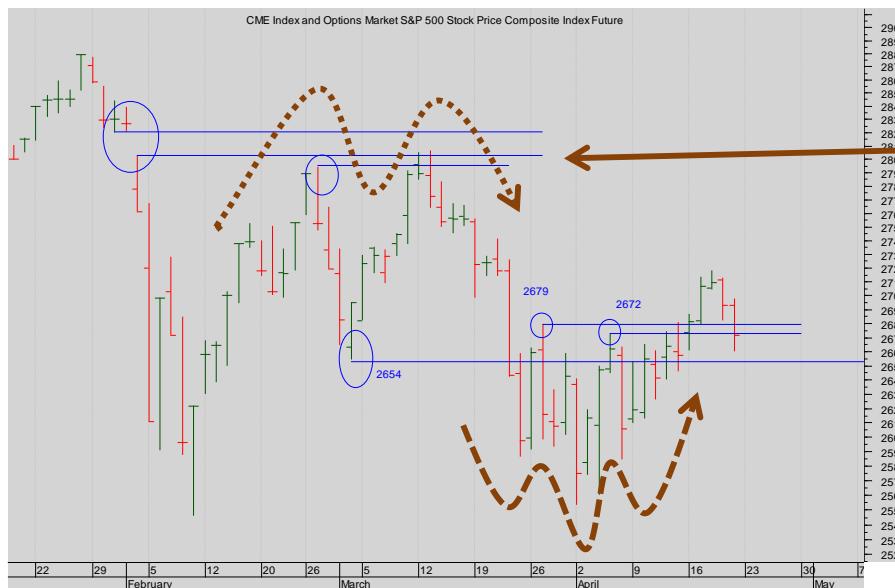
### CME S&P 500 cont weekly cont. chart

The pull-back was initially sharp and since that initial move has possibly formed a triangle.

(The long-run diagonal support from 2016 has been smashed, for sure)

And NB that there was a weekly Key Reversal at the top....

Despite the lack of a top formation (apart from the Key Reversal) it not clear whether there is a continuation triangle in place or a possible top.



### CME S&P 500 daily Jun 2018 chart

The detail of that pull-back shows a reluctance to break back through the Gap resistance around 2800.

This is not clear: a possible Double Top in the making, or a small H&S bottom formation?

Remain standing back.

**More**



## Stocks: Eurex EuroStoxx 50

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- + Oil
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#### IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 monthly continuation futures chart

The long-term condition of the market is not clear:

The market has failed to push through the old High and looks vulnerable...



### Eurex EuroStoxx 50 weekly continuation futures chart

The critical Pivot lies beneath the market at the old low 3361.

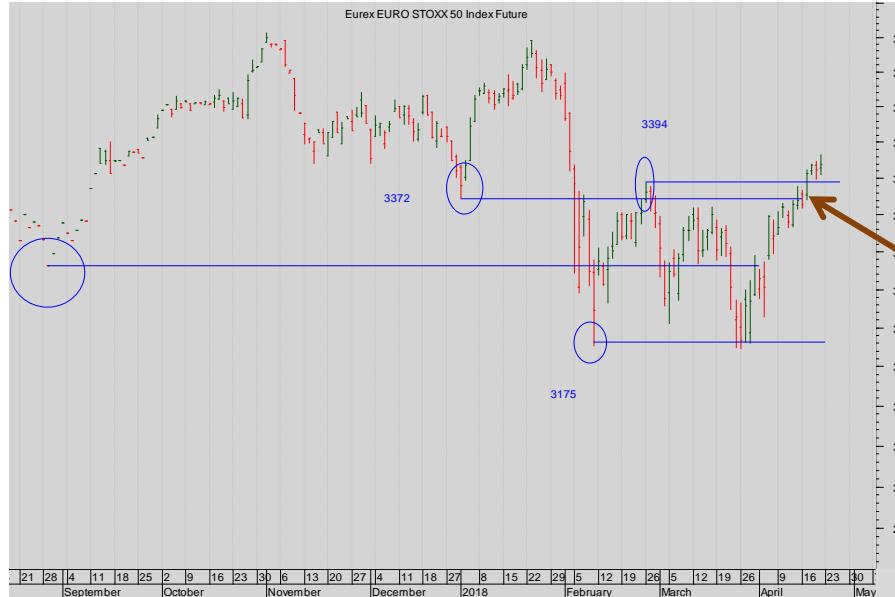
The break of that got the bears going by completing a Top.

But the bounce back through 3361 throws the whole bear case into doubt.

**More**



## Stocks: Eurex EuroStoxx 50



## Eurex EuroStoxx 50 daily Jun 17 futures chart

The short-term detail favours the bulls...the market has got up through the resistance from the Prior Low at 3400 or so and the Prior High.

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- + S&P 500
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### Bonds

- + Ten Year US TNote
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### Commodities

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- + Gold

### IMPLIED ASSET ALLOCATION



## Stocks: Liffe FTSE 100

### Summary

### Currencies

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

### Stocks

- + S&P 500
- + EuroStoxx 50
- + FTSE 100**
- + Nikkei 225

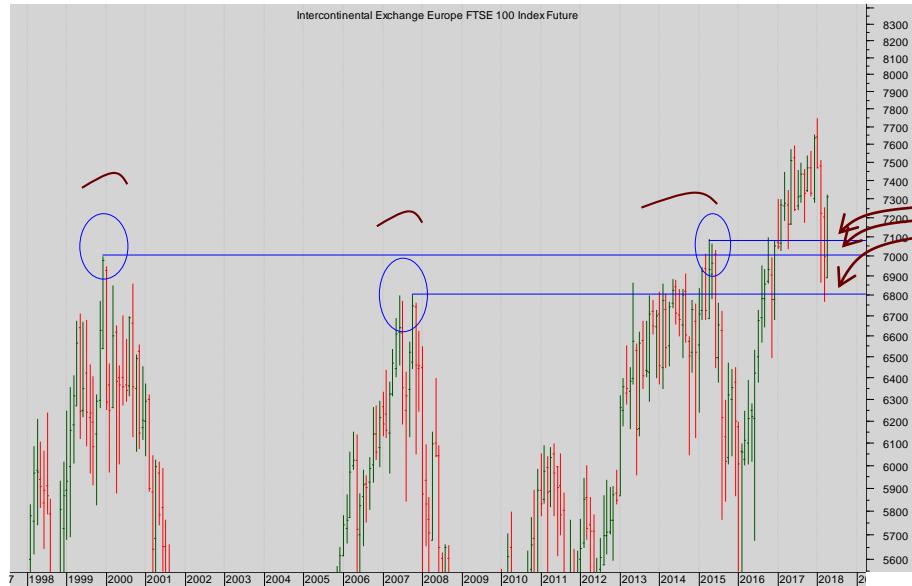
### Bonds

- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

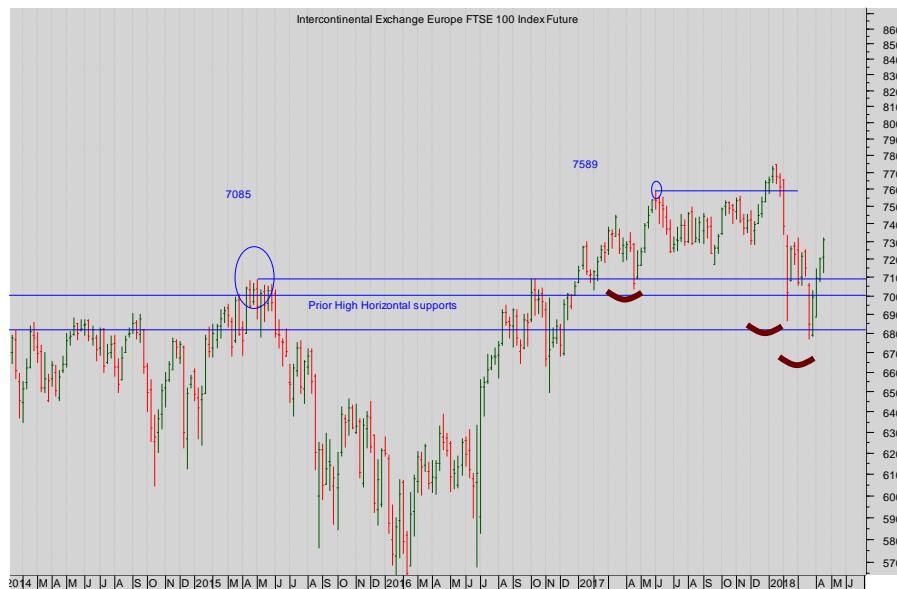
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Monthly continuation futures chart

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



### Liffe FTSE 100 Weekly cont. futures chart

The retest of the successive levels of support from 6800 to 7100 looks very spirited – can the market recover from the recent 3<sup>rd</sup> test? So far so good!

More



## Stocks: Liffe FTSE 100

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### Commodities

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- + Gold

### IMPLIED ASSET ALLOCATION



**Liffe FTSE 100 Sep17 daily futures chart**

**This is impressive.**

The critical level has become the 7231: if the break above can be sustained the bulls look well-set.



## Stocks: OSE Nikkei 225

### Summary

### Currencies

- + Dollar Euro
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### Stocks

- + S&P 500
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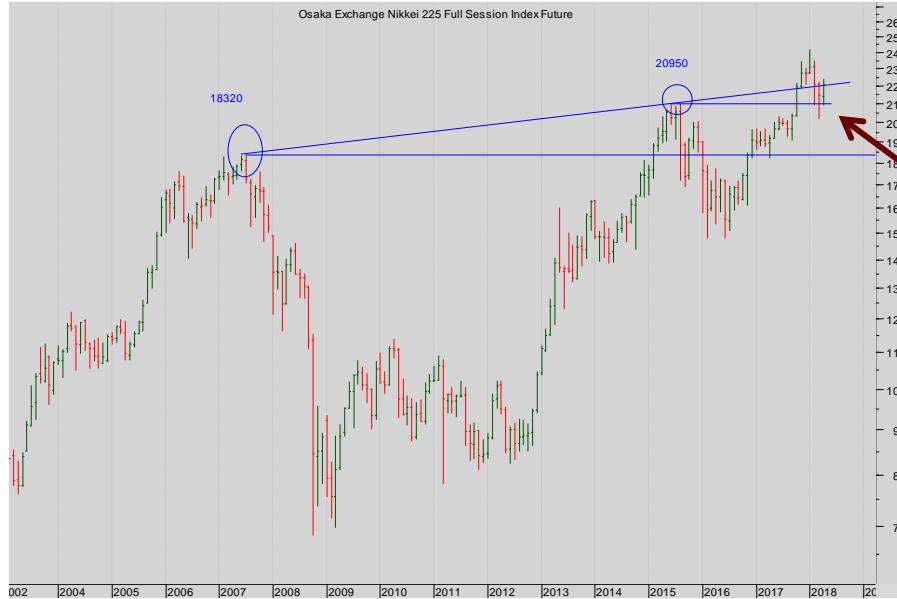
### Bonds

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- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

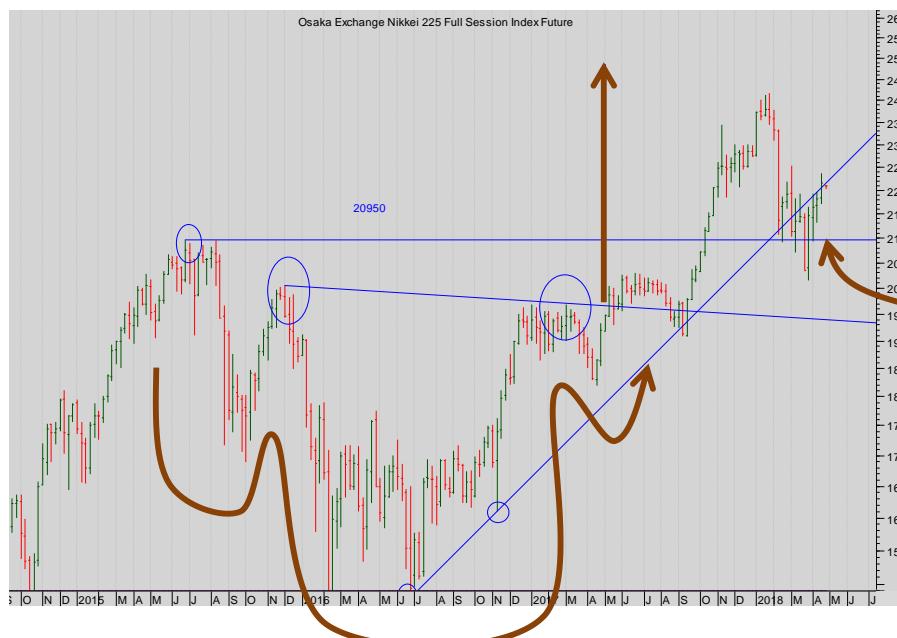
### IMPLIED ASSET ALLOCATION



### Nikkei 225 chart (monthly)

The market smashed up through the Prior High and then, on pulling back, found support from that level.

But that support remains under pressure. Look closer...



### Nikkei 225 chart (WEEKLY)

The bulls have retreated to the support from the Prior High between 20000 and 21000.

Only if all the horizontal supports break will the bulls lose their confidence.

So far they have held...the bulls remain intact.

**More**



## Stocks: OSE Nikkei 225

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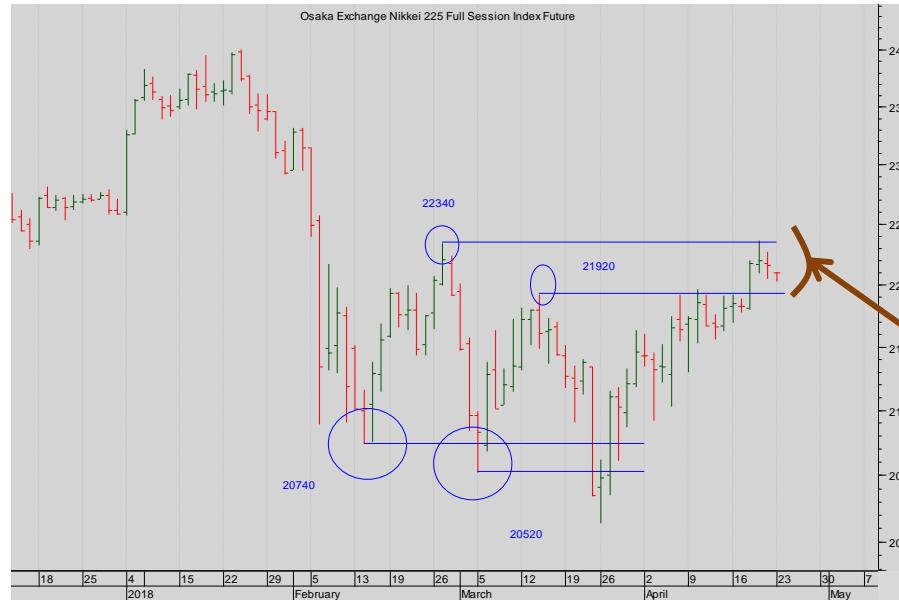
### Bonds

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### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Nikkei 225 chart Daily Jun 18.

The detail of the Nikkei suggests a small short-term bottom may be in place.

Short-term bulls need a confirmed break up through 21920-22340



## Bonds

**BONDS** Bonds across the board now look very vulnerable, led by the US which has broken the very long (and well-established) diagonal support from the early 1980s. Gilts and Bunds have broken down too but lack the long-term clarity of the US chart.

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### IMPLIED ASSET ALLOCATION

## Bonds: CBOT Ten Year Notes



### CBOT Ten Year Notes monthly futures continuation chart

The long-standing diagonal trendline support from 1998 is being tested.

It has not yet broken.

More



## Bonds: CBOT Ten Year Notes

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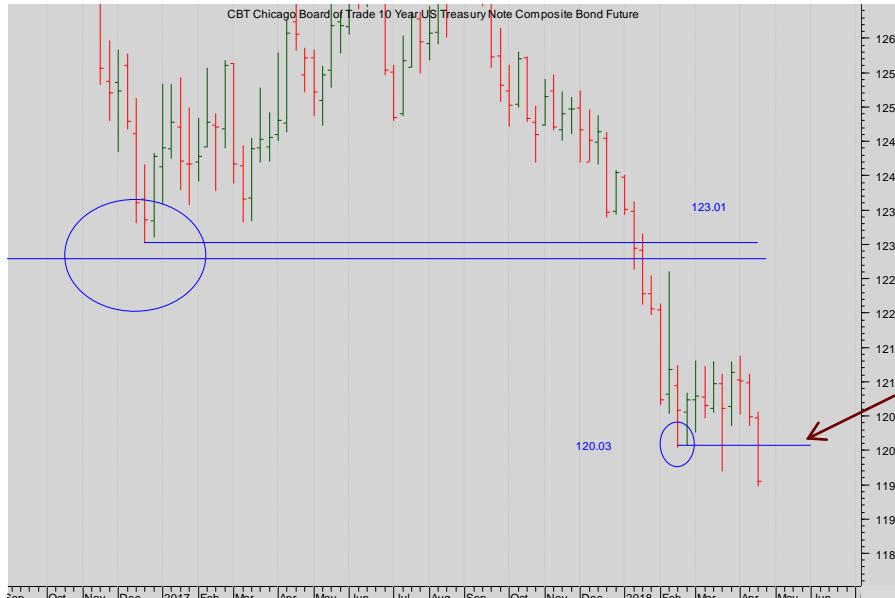
#### Bonds

- + Ten Year US TNotes
- + Ten Year German Bund
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#### Commodities

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#### IMPLIED ASSET ALLOCATION



### CBOT Ten Year Notes weekly futures continuation chart

The push beneath the Prior lows around 123 established huge resistance above the market and should be worrying the bulls...

and note this push beneath the recent low 120.03



### CBOT Ten Year Notes daily Jun18 futures chart

Watch closely for a break beneath 119.43

**More**



## Bonds: Eurex Ten Year Bund

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### Commodities

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### IMPLIED ASSET ALLOCATION



### Eurex Ten Year Bund monthly futures continuation chart

A top formation is very much intact. The push beneath

1. the support from the Prior High at 160
2. The Prior low at 158.73

Is clear.

The breakdown is clear.

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

Looking at that top formation in greater detail shows that successive attempts to break back above the Prior Low (157.73) have failed.

The bears are in control.

**More**



## Bonds: Eurex Ten Year Bund

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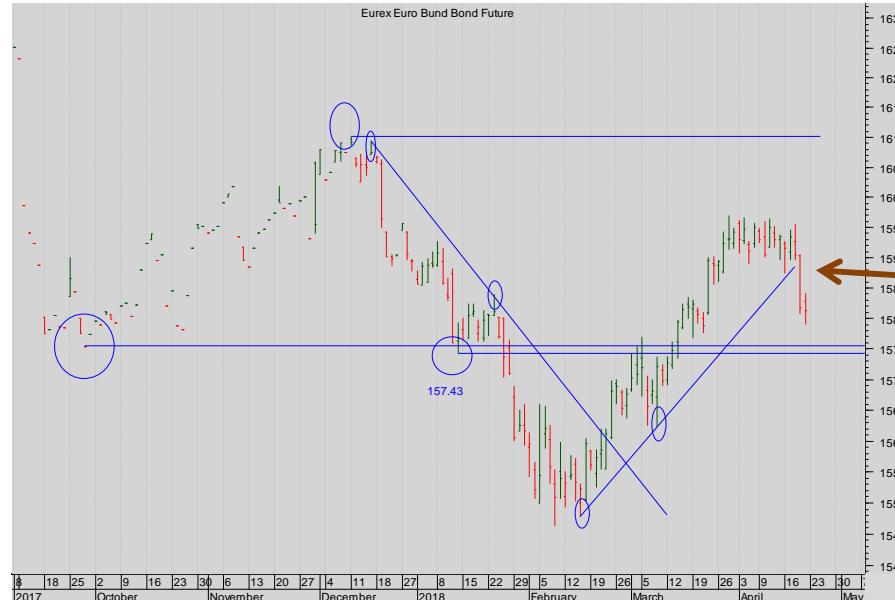
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### Commodities

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### IMPLIED ASSET ALLOCATION



## Eurex Ten Year Bund Jun 18 Daily futures chart

This short-term picture is bearish.

The broken diagonal support is clear.



## Bonds: Liffe UK Gilt futures

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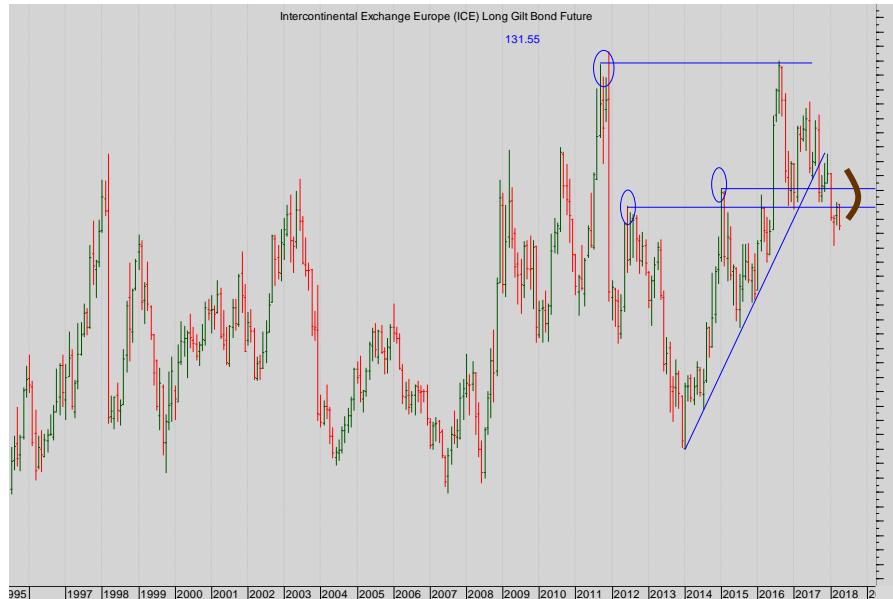
### Bonds

- + Ten Year US TNote
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- + UK Gilt

### Commodities

- + Oil
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### IMPLIED ASSET ALLOCATION



### Liffe UK Gilt monthly futures continuation chart

The clear well-established long-term diagonal bull trend support that has been broken.

The market has fallen back through the band of support from the Prior Highs.

Look closer.

### Liffe UK Gilt weekly continuation futures Chart

And it has fallen beneath the Prior Lows beginning at 122.60.

That band should be important resistance above the market; the price action is testing it right now.

More



## Bonds: Liffe UK Gilt futures

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- + Ten Year German Bund
- + **UK Gilt**

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



## TSE Ten Year JGB daily June 17 chart

The market broke

- the recent highs at 122.02
- (also the 50% Fibonacci resistance.)
- And the rising diagonal.
- The bears are in control.



## Commodity

**COMMODITIES:** Oil remains powerfully bullish with (we think) a good deal further to go.. Gold is lacklustre.

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### IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



**Nymex oil monthly continuation**

Massive support at \$37.80

And note too the completed H&S bull reversal ....

Minimum move? Over \$100.

**More**



## Commodities: Nymex WTI Oil

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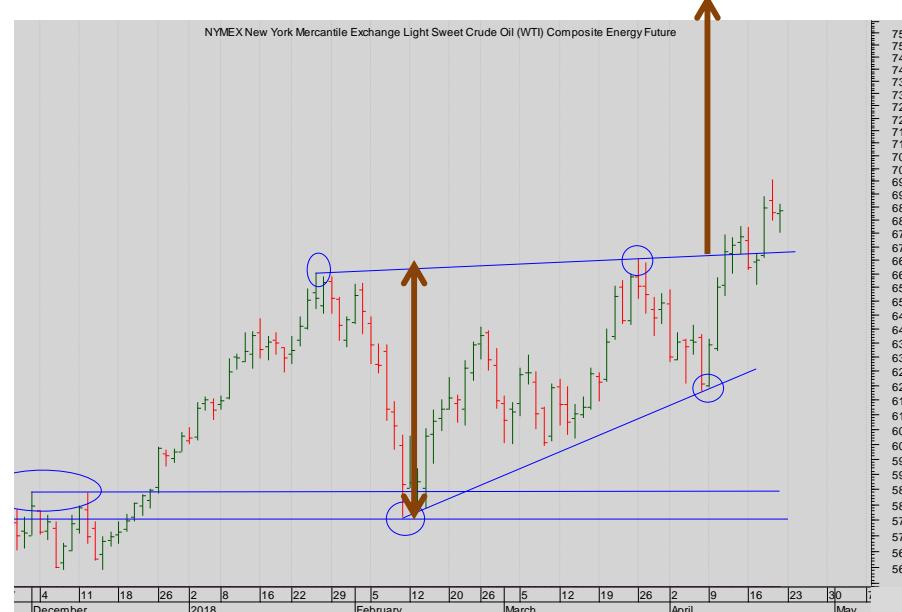
- + Oil
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### IMPLIED ASSET ALLOCATION



### Nymex oil weekly continuation

The bull H&S reversal pattern dominates the chart note the recent break above 66.66 continuing the minimum move up towards 90.



### Nymex oil daily Jun 17 futures

The completed continuation triangle is set to drive the market higher still, up as far as \$76.



## Commodities: Comex Gold

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### IMPLIED ASSET ALLOCATION



## 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

Stand back; traders and investors are on the side-lines.

There is a clear difficulty in overcoming the 1370 level....

We are buying only if the market can do that – to complete the bottom formation.



## Commodities: Comex Gold

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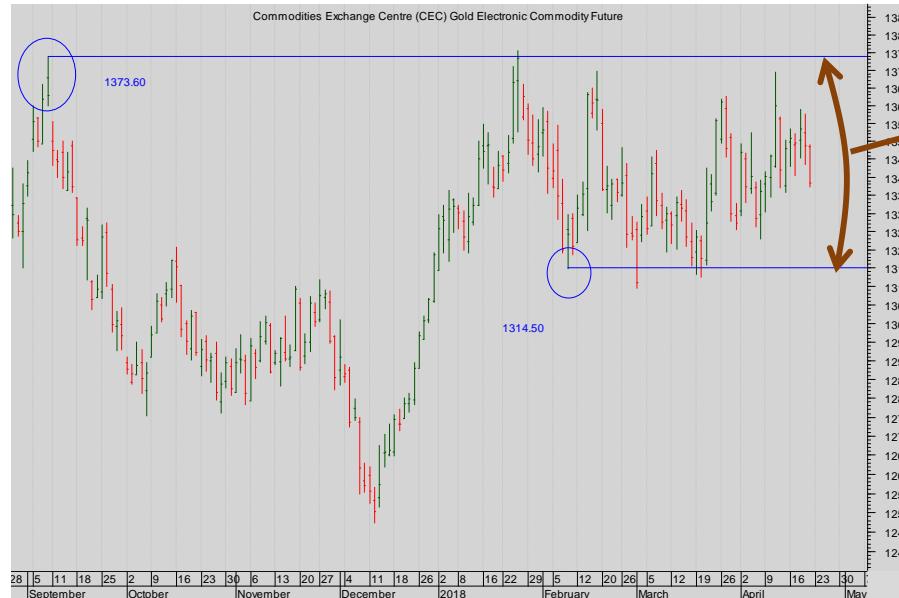
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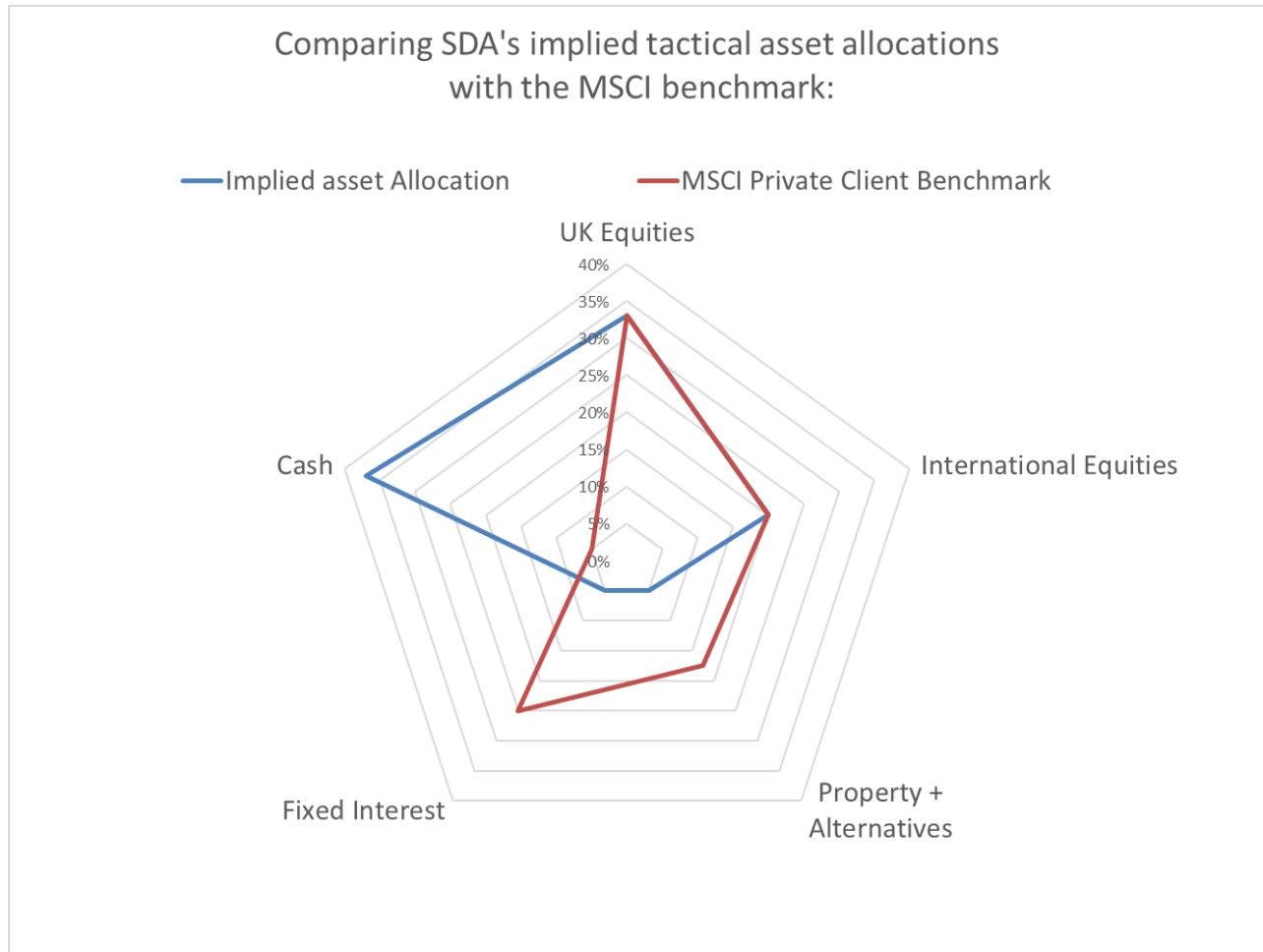
Comex Gold daily April 2018 futures chart

Watch this structure: and wait for a break of the 1315-1375 range.



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*the technical analyst*

# AWARDS 2012

FINALIST BEST INDEPENDENT RESEARCH HOUSE

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