

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 ALLCATION

Disclaimer



Multi-asset technical strategies Week 1st May 2018

Mark Sturdy

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

Summary

Currencies			
+ Dollar Euro	Long-term **BEAR** Euro	Medium-term **BEAR** Euro	Short-term FLAT Euro
+ Dollar Sterling	Long-term **BEAR** Sterling	Medium-term **BEAR** Sterling	Short-term FLAT Sterling
+ Dollar Yen	Long-term FLAT Yen	Medium-term FLAT Yen	Short-term **BEAR** Yen
+ Sterling Euro	Long-term FLAT Euro	Medium-term **BEAR** Euro	Short-term **BEAR** Euro
Stocks			
+ S&P 500	Long-term FLAT	Medium-term FLAT	Short-term FLAT
+ EuroStoxx 50	Long-term **BEAR**	Medium-term FLAT	Short-term **BULL**
+ FTSE 100	Long-term **BULL**	Medium-term **BULL**	Short-term **BULL**
+ Nikkei 225	Long-term **BULL**	Medium-term **BULL**	Short-term **BULL**
Bonds			
+ Ten Year US TNote	Long-term **BEAR**	Medium-term **BEAR**	Short-term FLAT
+ Ten Year German Bund	Long-term **BEAR**	Medium-term **BEAR**	Short-term FLAT
+ UK Gilt	Long-term **BEAR**	Medium-term **BEAR**	Short-term FLAT
Commodities			
+ Oil	Long-term **BULL**	Medium-term **BULL**	Short-term **BULL**
+ Gold	Long-term FLAT	Medium-term FLAT	Short-term FLAT

IMPLIED ASSET ALLOCATION

More



CURRENCIES

The seeds of a Dollar resurgence are in place especially well-developed against Sterling, it is close the breakout against the Euro too. The short-term revival of the Dollar against the Yen is impressive but that market lacks the longer-term bull Dollar structures about to fall into to place elsewhere.

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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.

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SEVEN DAYS AHEAD

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Currencies: Dollar Euro



Dollar Euro weekly spot cash chart

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

Note the fall back to the horizontal support from the Prior High.



Dollar Euro spot cash chart daily chart...

Note that the range over the last two months is being tested… watch for any push and close beneath the support from 1.2092.



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Currencies: Dollar Sterling



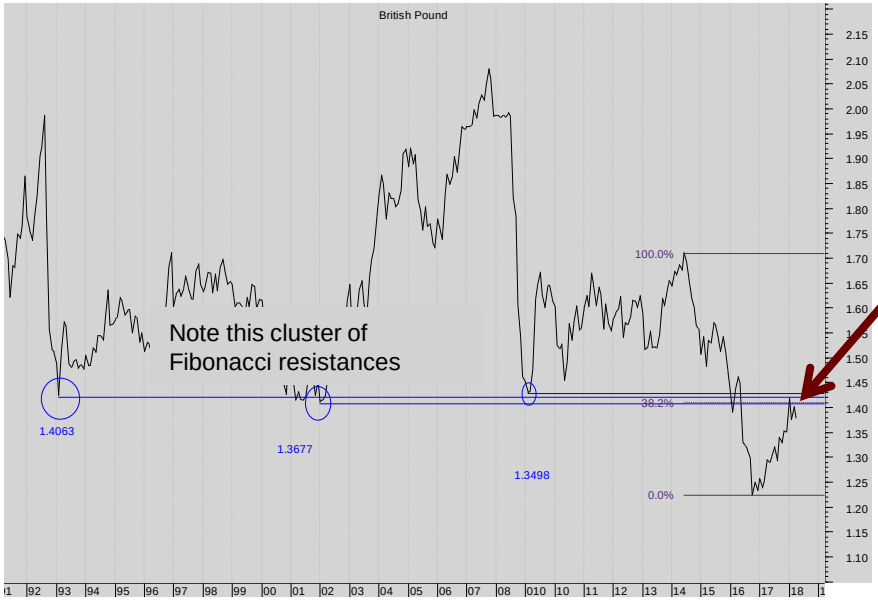
Dollar Sterling Monthly spot cash chart

All the Prior Pivotal lows of 1993, 2001, 2008 and 2016 have acted as good resistance. A massive Multiple Top has formed.

The market is rallied back deep into resistance as far as the 50% Fibonacci resistance– but has it broken it?

Not yet.

Look more closely.



Dollar Sterling Monthly spot cash LINE CHART based on closes

Note here the repeated testing of the resistance band formed from low closes.

It's beginning to look like a failure…

Look more closely still…

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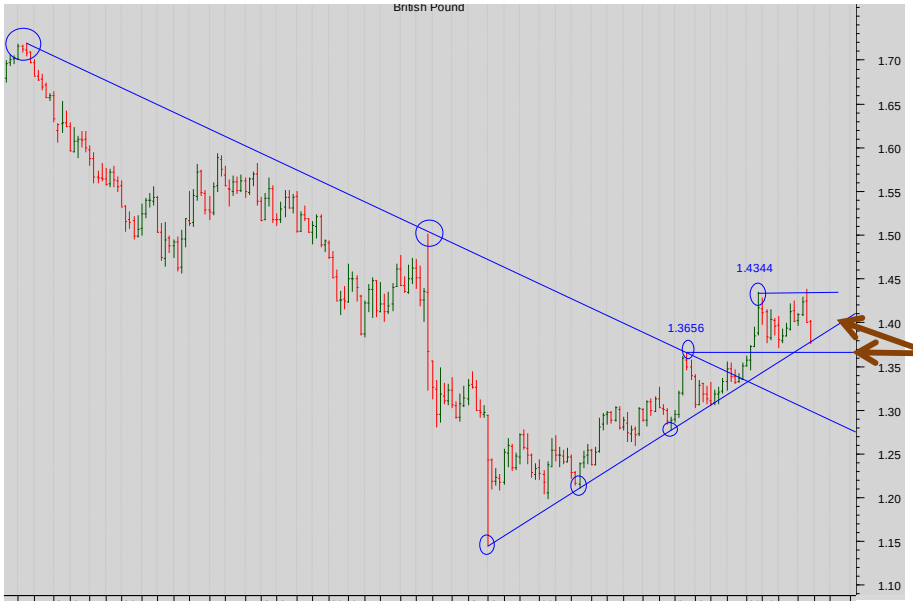
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Currencies: Dollar Sterling



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.

Watch the current test of those levels…maybe the bull trend of the last 19 months is breaking down.



Dollar Sterling daily spot cash chart

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

Watch closely for a break beneath 1.3656 which would complete a Double Top.

Currencies: Dollar Yen

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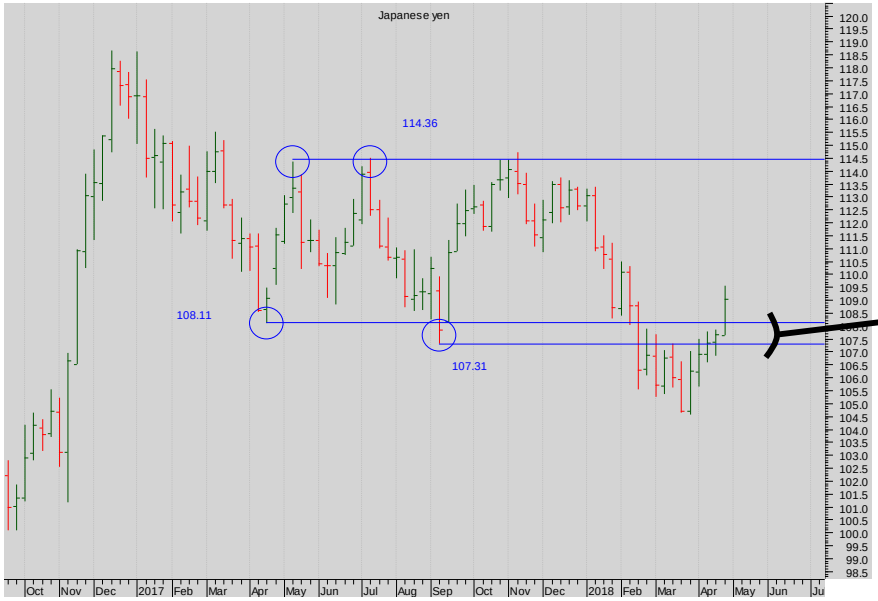
Commodities
+ Oil
+ Gold

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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 showed that **the Dollar bears were in charge** but the rally back has smashed that thought.

The dollar has fallen back into the old trading range.

More



Currencies: Dollar Yen



Dollar Yen daily spot cash chart

The market is strong to have driven back up through that band of resistance so easily.

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Currencies: Sterling Euro

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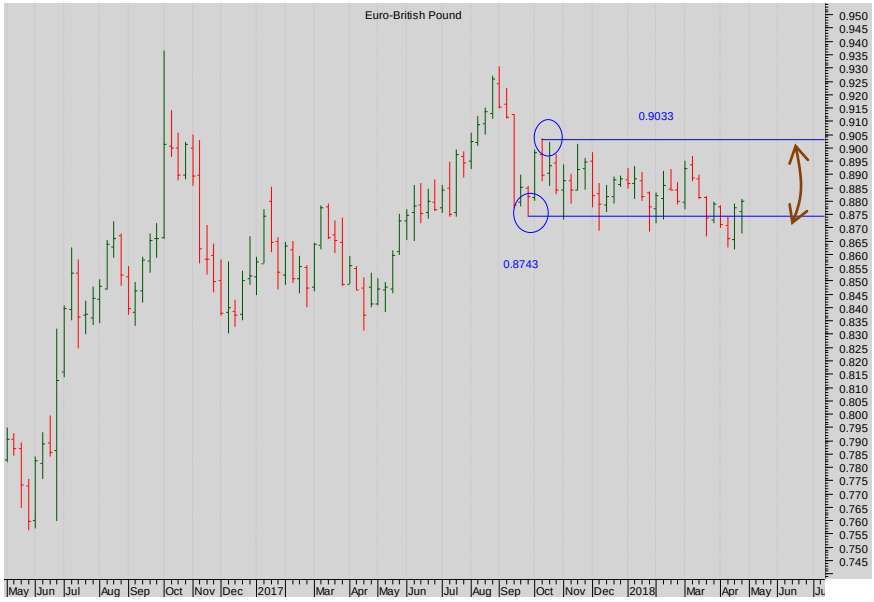
Commodities
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Sterling Euro monthly spot cash chart

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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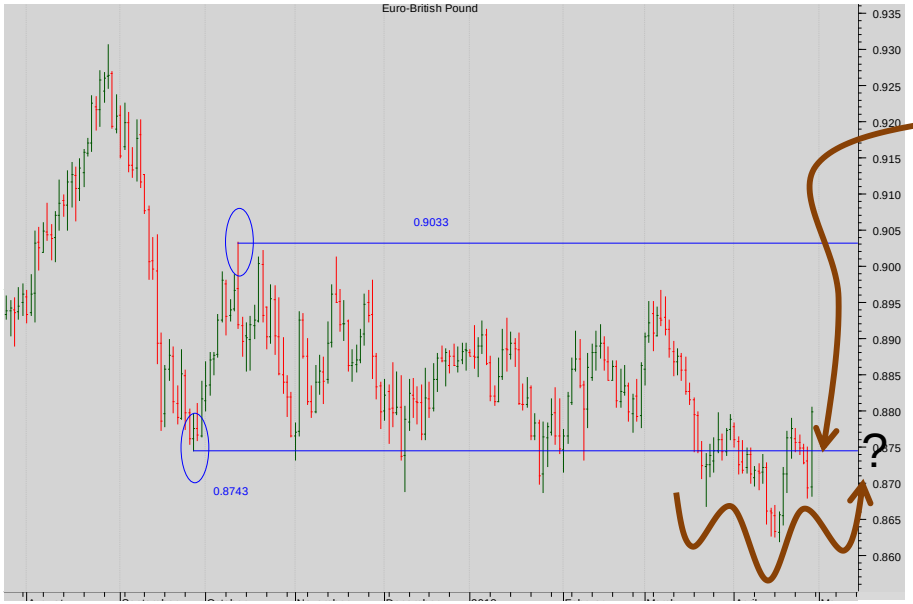
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IMPLIED ASSET ALLOCATION

Currencies: Sterling Euro



Sterling Euro daily spot cash chart

Watch the bottom of the trading range closely – is that a bull H&S that has just completed?

If so, there's more to come from Dollar strength.



Stocks

STOCKS: Stock are poised in the US, the long-term trend has yet to clearly re-assert itself there. Though the clear possibility of a long-run continuation Triangle in the S&P is a powerful encouragement for the bulls. FTSE and the Nikkei are more clearly long-term bullish so the short-term bull moves have a more attractive context.

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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.

Is this pause at 2700 the beginning of a reversal?

Look closer.

More

SEVEN DAYS AHEAD

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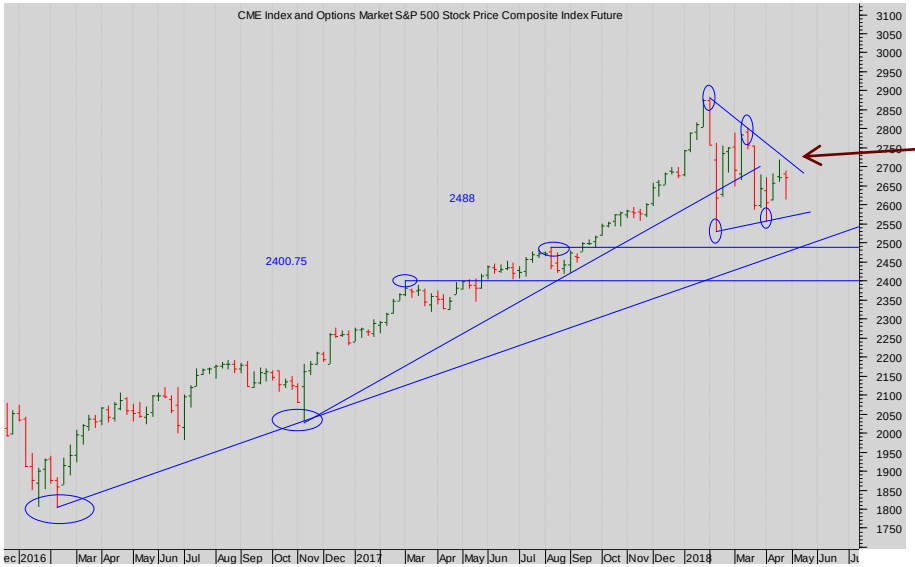
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IMPLIED ASSET ALLOCATION

Stocks: CME S&P 500

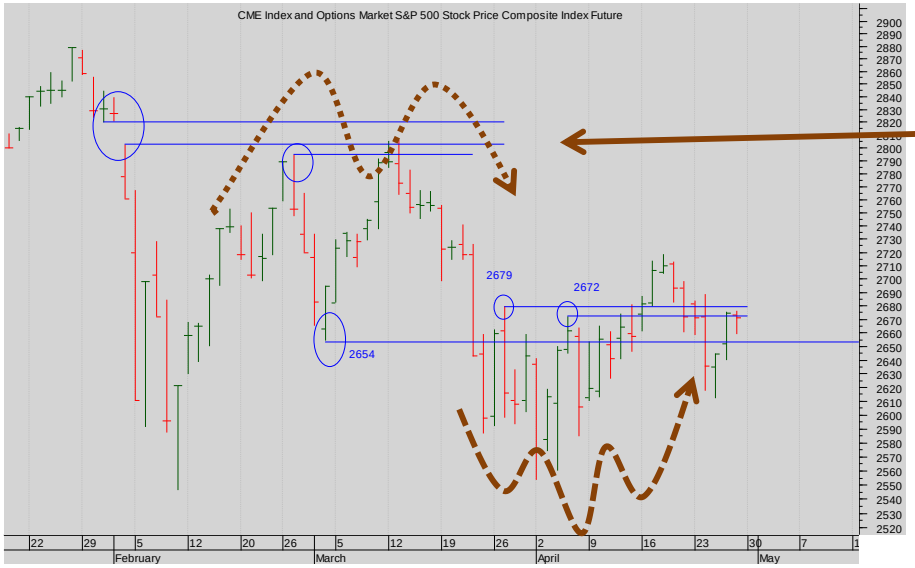


CME S&P 500 cont weekly cont. chart

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

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 is not clear whether there is a continuation triangle in place or a possible top.



CME S&P 500 daily Jun 2018 chart

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

Remain standing back.

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SEVEN DAYS AHEAD

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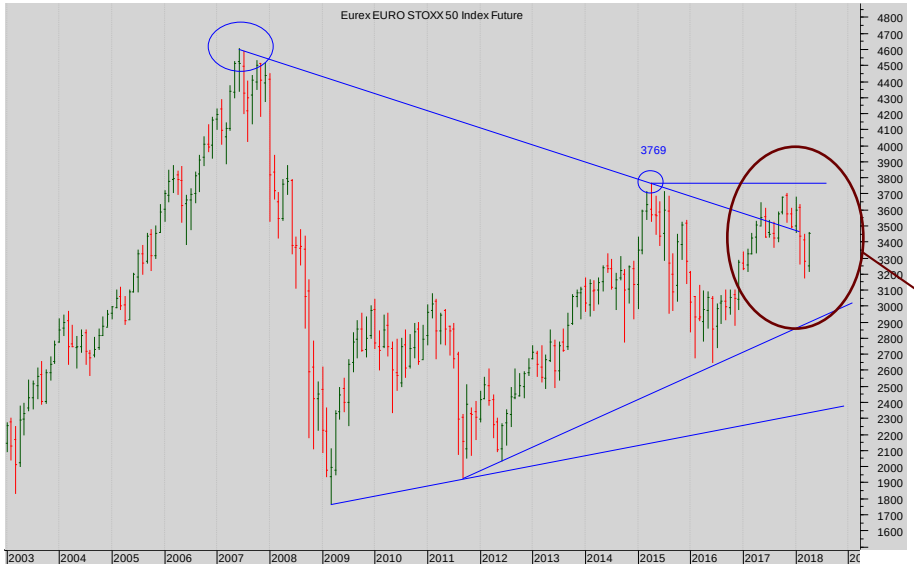
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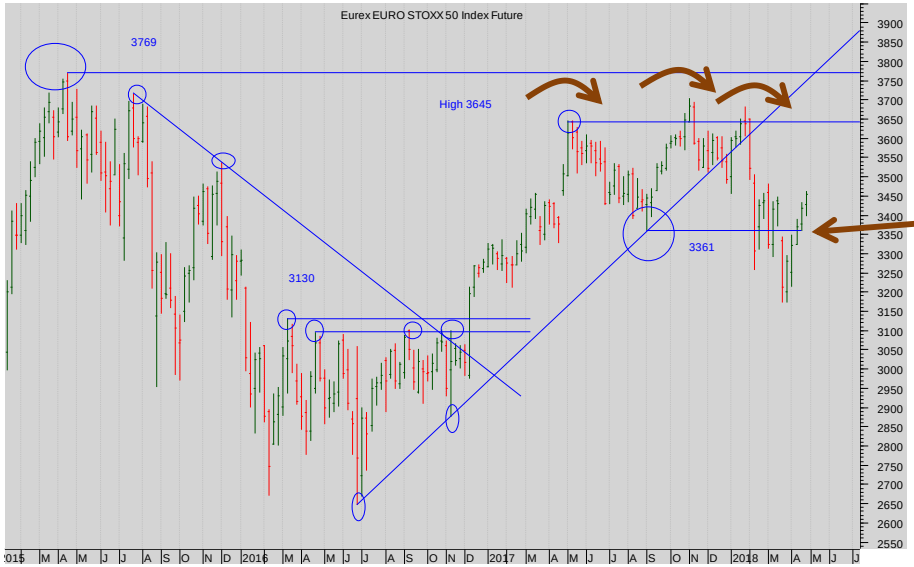
Stocks: Eurex EuroStoxx 50



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

More



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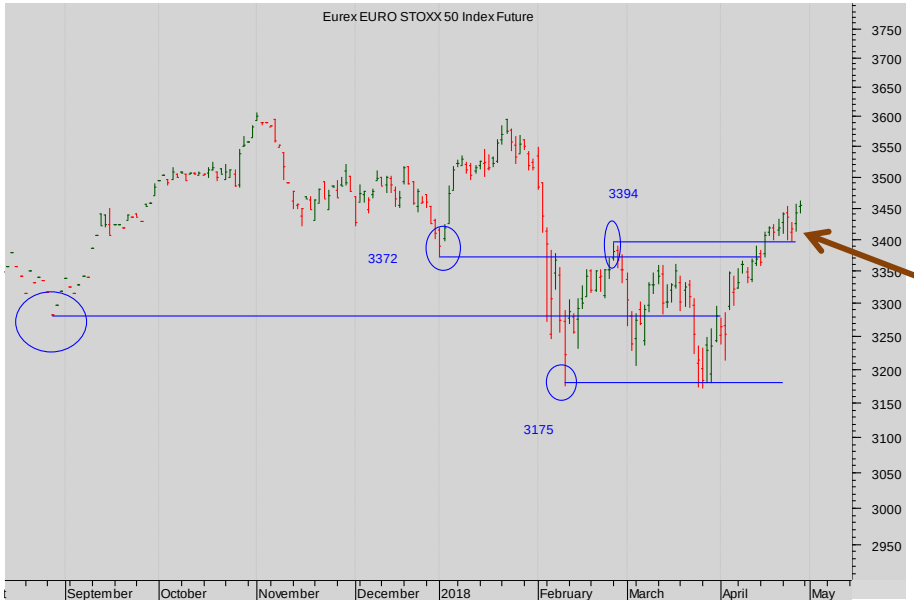
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Commodities
+ Oil
+ Gold

IMPLIED ASSET ALLOCATION

Stocks: Eurex EuroStoxx 50



Eurex EuroStoxx 50 daily Jun 17 futures chart

The short-term detail favours the bulls…

There's a Double Bottom in place and the market had the power to break up through the resistance from the low at 3372.

3394 is now good support.

Stocks: Liffe FTSE 100

Summary

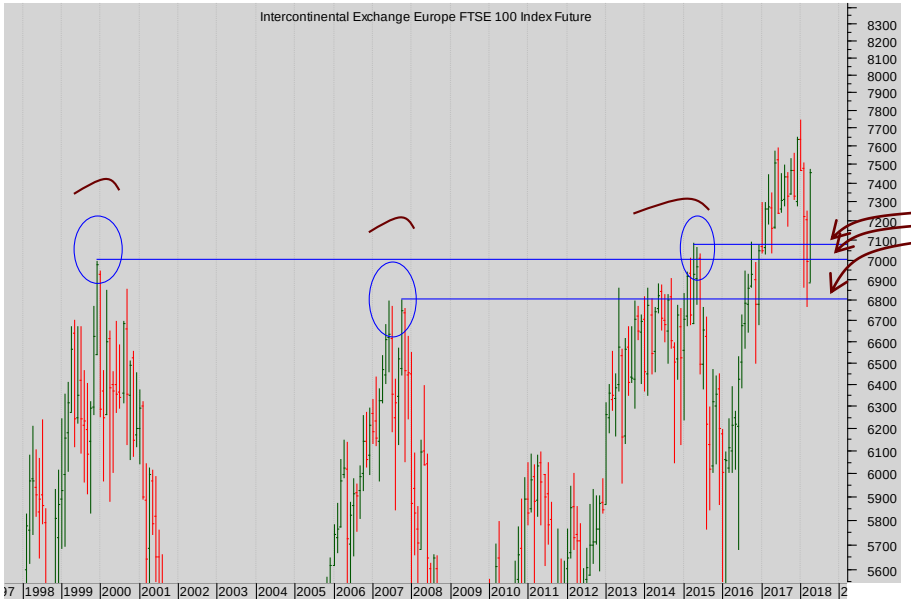
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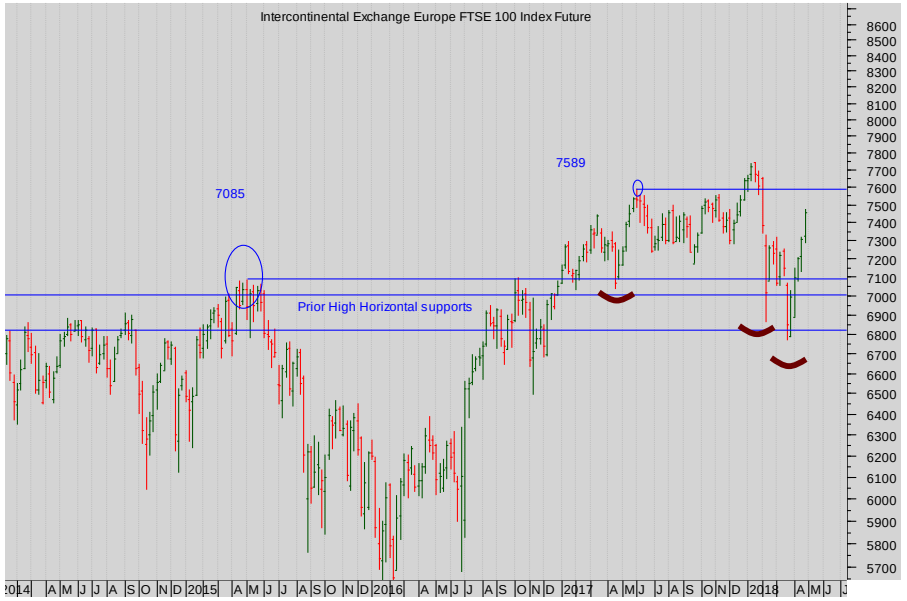
Commodities
+ Oil
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Liffe FTSE 100 Monthly continuation futures chart

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 3rd test? So far so good!

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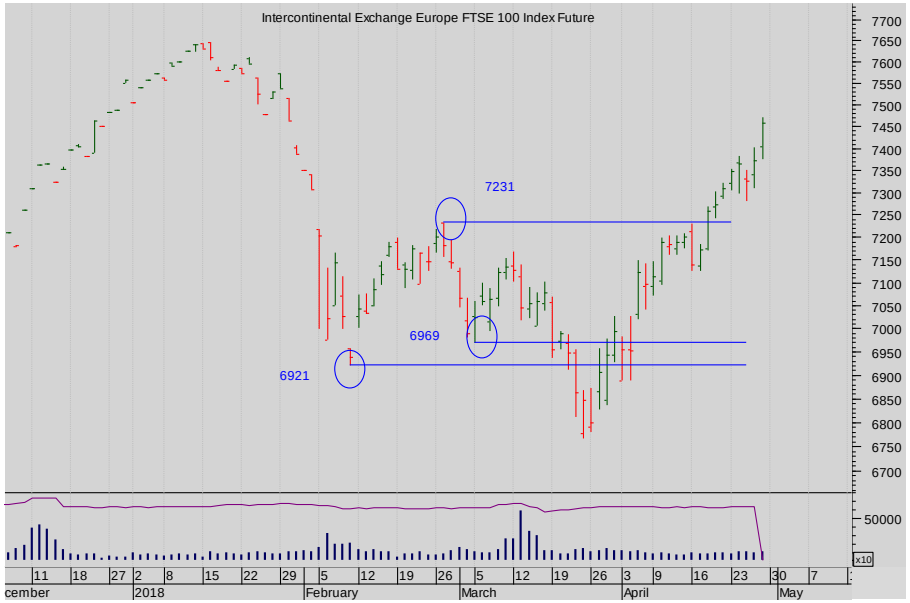
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Commodities
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IMPLIED ASSET ALLOCATION

Stocks: Liffe FTSE 100



Liffe FTSE 100 Sep17 daily futures chart

This is impressive.
The critical level has become the 7231: if the break above looks sustained so the bulls look well-set.

SEVEN DAYS AHEAD

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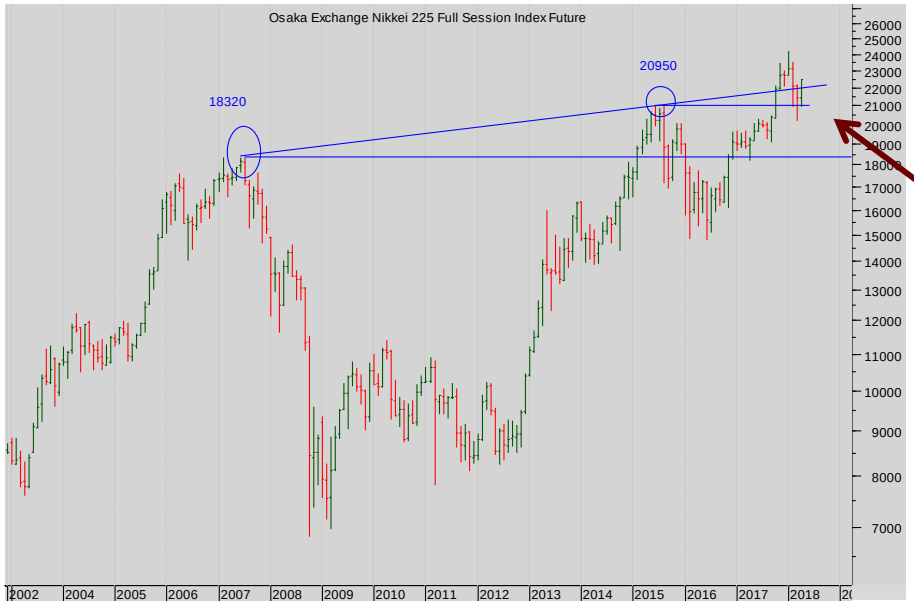
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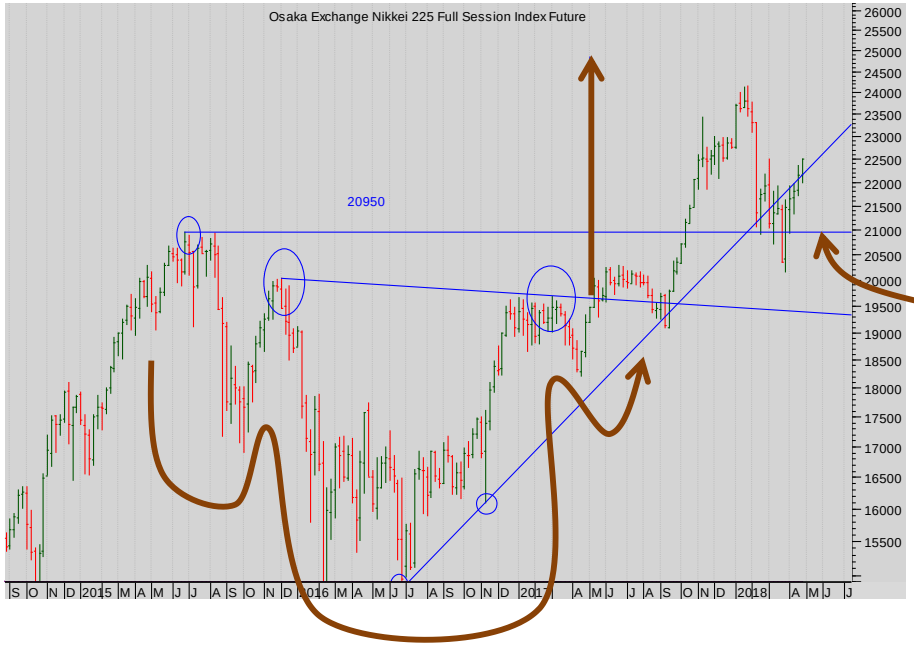
Stocks: OSE Nikkei 225



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.

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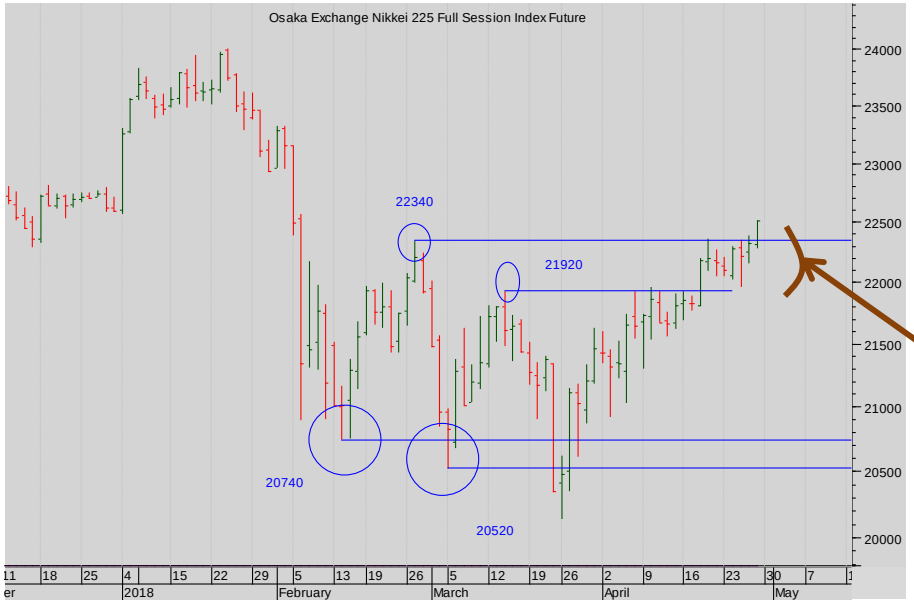
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IMPLIED ASSET ALLOCATION

Stocks: OSE Nikkei 225



Nikkei 225 chart Daily Jun 18.

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

Short-term bulls have a confirmed break up through 21920-22340.

The bulls are in charge



Bonds

BONDS The sharp rallies at the end of the week were especially notable in Europe. More muted short-covering in the US and UK nonetheless should find telling resistance not far above, which should test the resolve of the bulls. Overall the long-term context of all these markets remains bearish.

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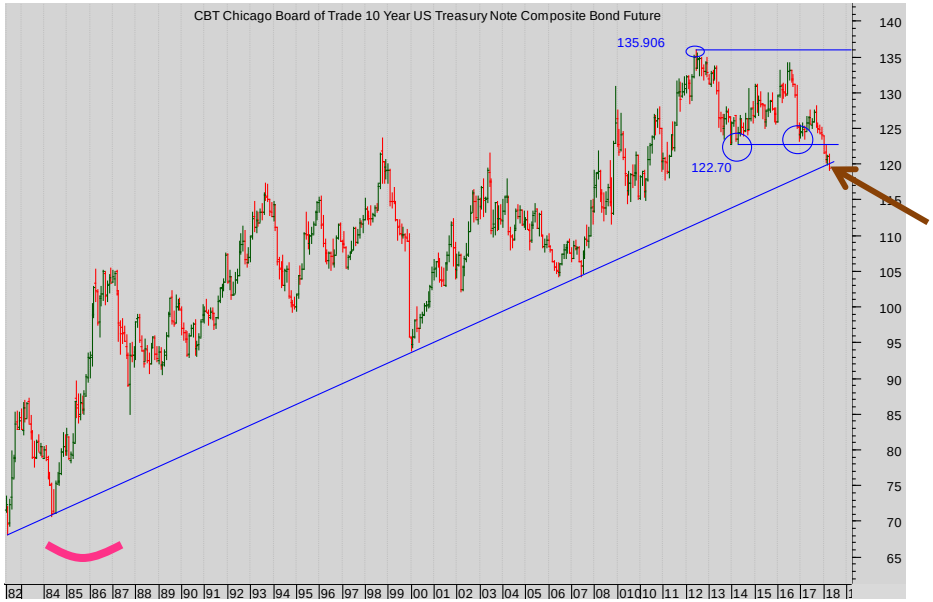
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Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes monthly futures continuation chart

The long-standing diagonal trendline support from 1998 looks broken.

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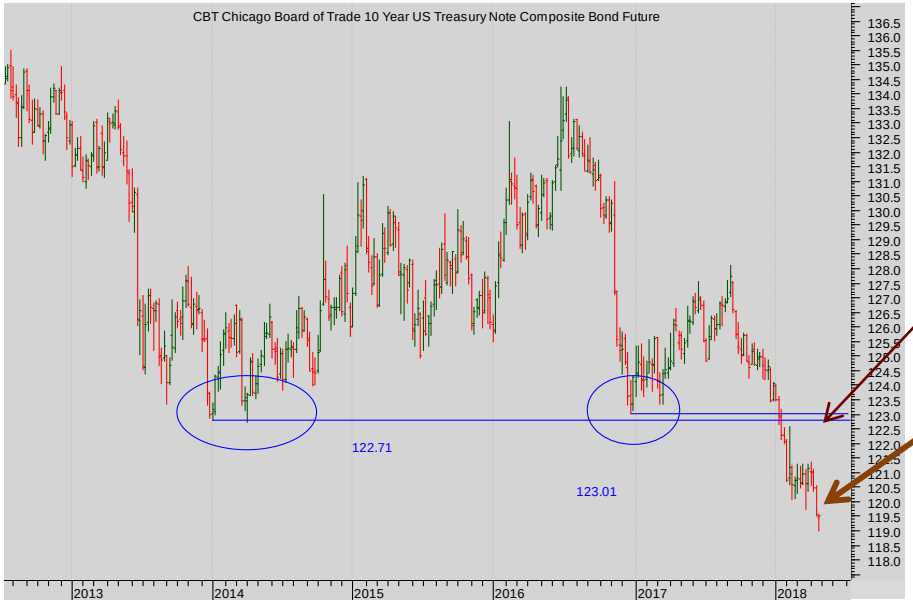
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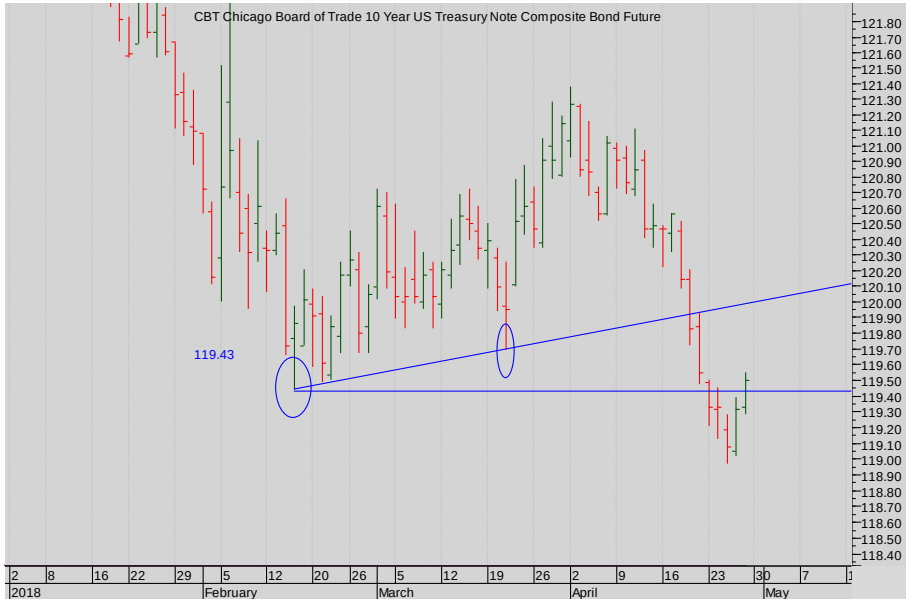
Bonds: CBOT Ten Year Notes



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

The break beneath 119.43 may not be sustained in the short-term…

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IMPLIED ASSET ALLOCATION

Bonds: Eurex Ten Year Bund



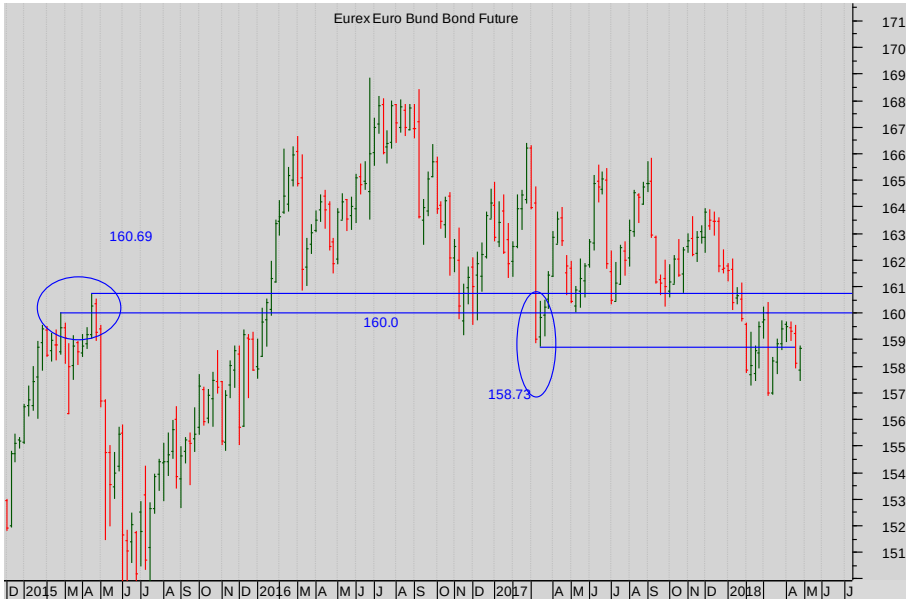
Eurex Ten Year Bund monthly futures continuation chart

A top formation is very much intact. The push beneath

1. the support from the Prior High at 160.69
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.

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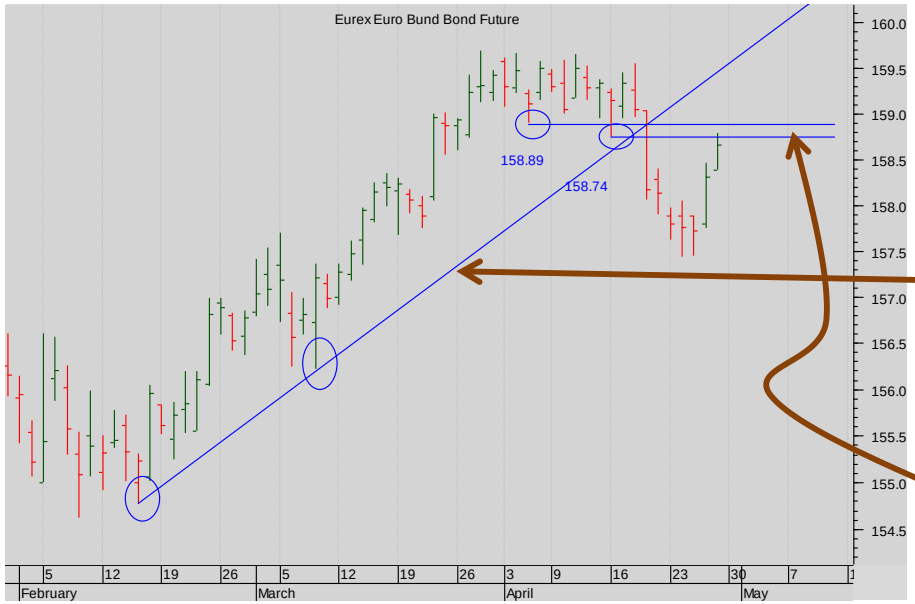
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IMPLIED ASSET ALLOCATION

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund Jun 18 Daily futures chart

This short-term picture is bearish.

The broken diagonal support is clear. So too, is the break of the prior lows.

Note the rally back to the break out level. There should be resistance there at the band 158.74-89

SEVEN DAYS AHEAD

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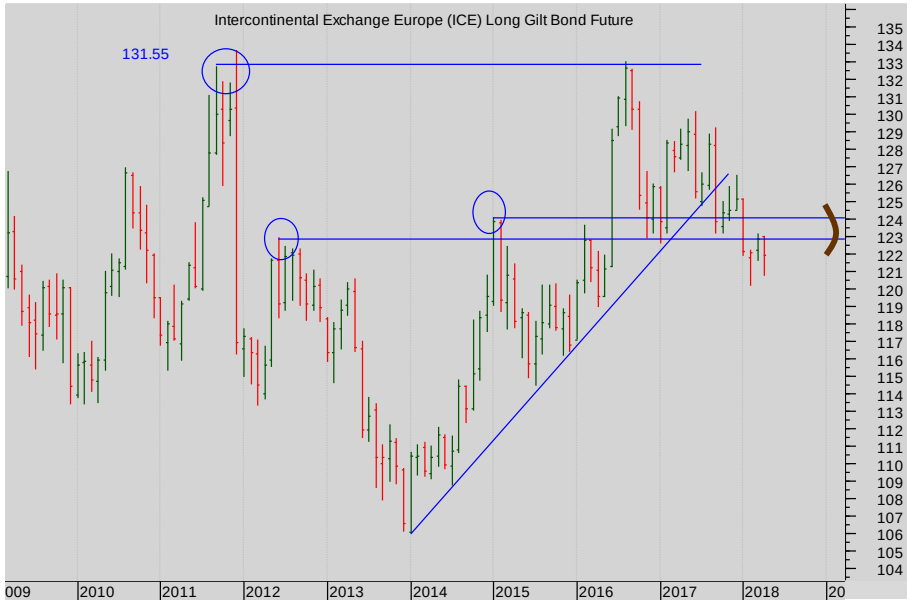
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IMPLIED ASSET ALLOCATION

Bonds: Liffe UK Gilt futures



Liffe UK Gilt monthly futures continuation chart

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

2. 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.

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IMPLIED ASSET ALLOCATION

Bonds: Liffe UK Gilt futures



TSE Ten Year JGB daily June 17 chart

The market broke down through the recent highs at 122.02

And the rising diagonal.

The bears are in control, but watch the rally back there should be resistance at 122.



Commodity

COMMODITIES: Gold is at the bottom of a short-term trading range and close to the top of a long-term range. Oil remains very bullish in the long and medium-term; over the last week there has been some sideways consolidation.

Summary

Currencies
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro

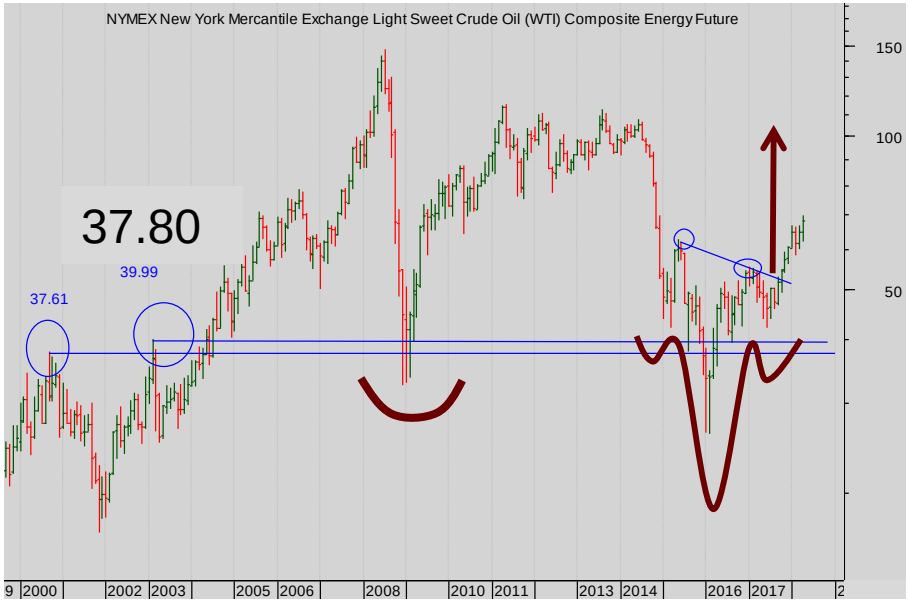
Stocks
+ S&P 500
+ EuroStoxx 50
+ FTSE 100
+ Nikkei 225

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

Commodities
+ Oil
+ Gold

IMPLIED ASSET ALLOCATION

Commodities: Nymex WTI Oil



Nymex oil monthly continuation

Massive support at $37.80

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

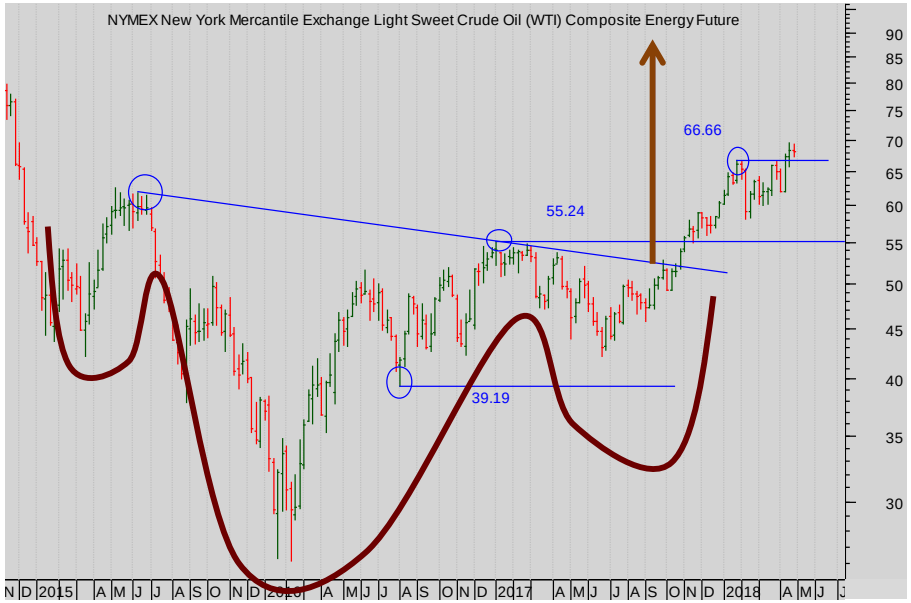
Minimum move? Over $100.

More

SEVEN DAYS AHEAD

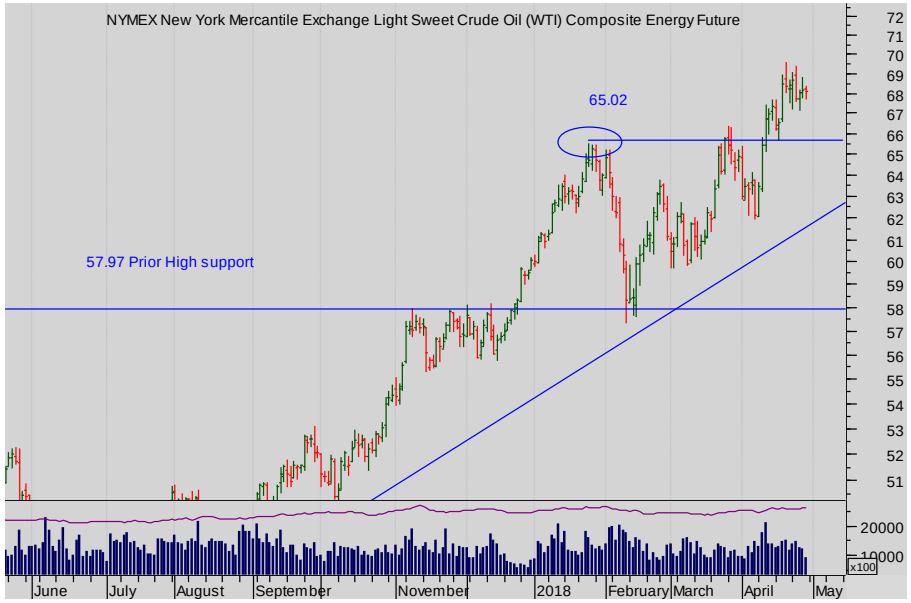
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- Commodities
  - + Oil
  - + Gold
- IMPLIED ASSET ALLOCATION

Commodities: Nymex WTI Oil



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.

SEVEN DAYS AHEAD

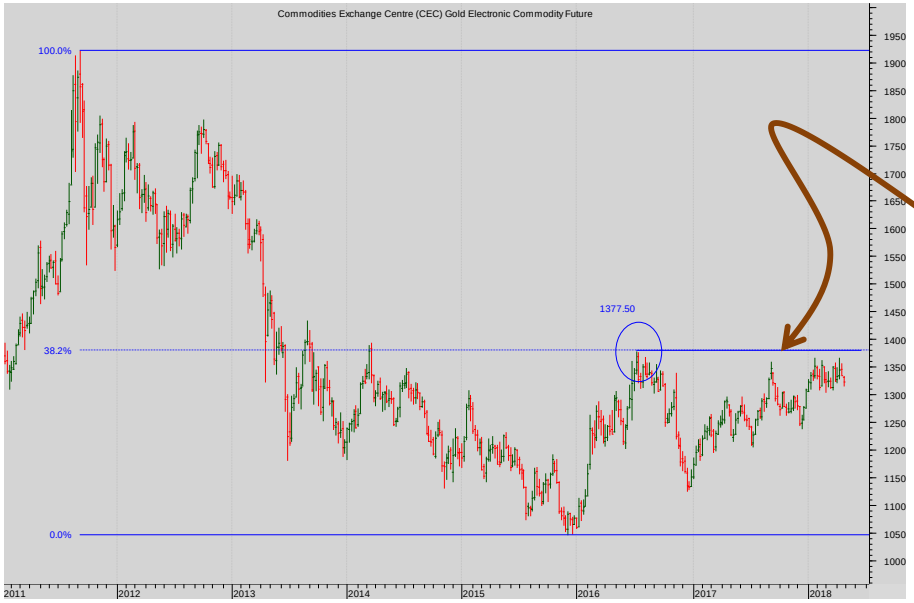
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  - + Oil
  - **+ Gold**
- IMPLIED ASSET ALLOCATION

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

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.



Summary

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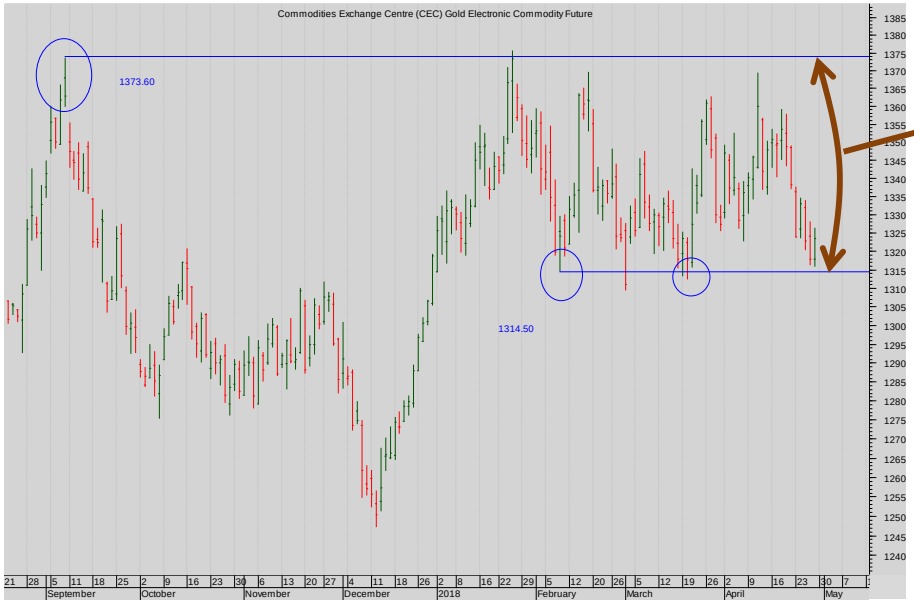
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Commodities
+ Oil
+ Gold

IMPLIED ASSET ALLOCATION

Commodities: Comex Gold



Comex Gold daily April 2018 futures chart

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



Summary

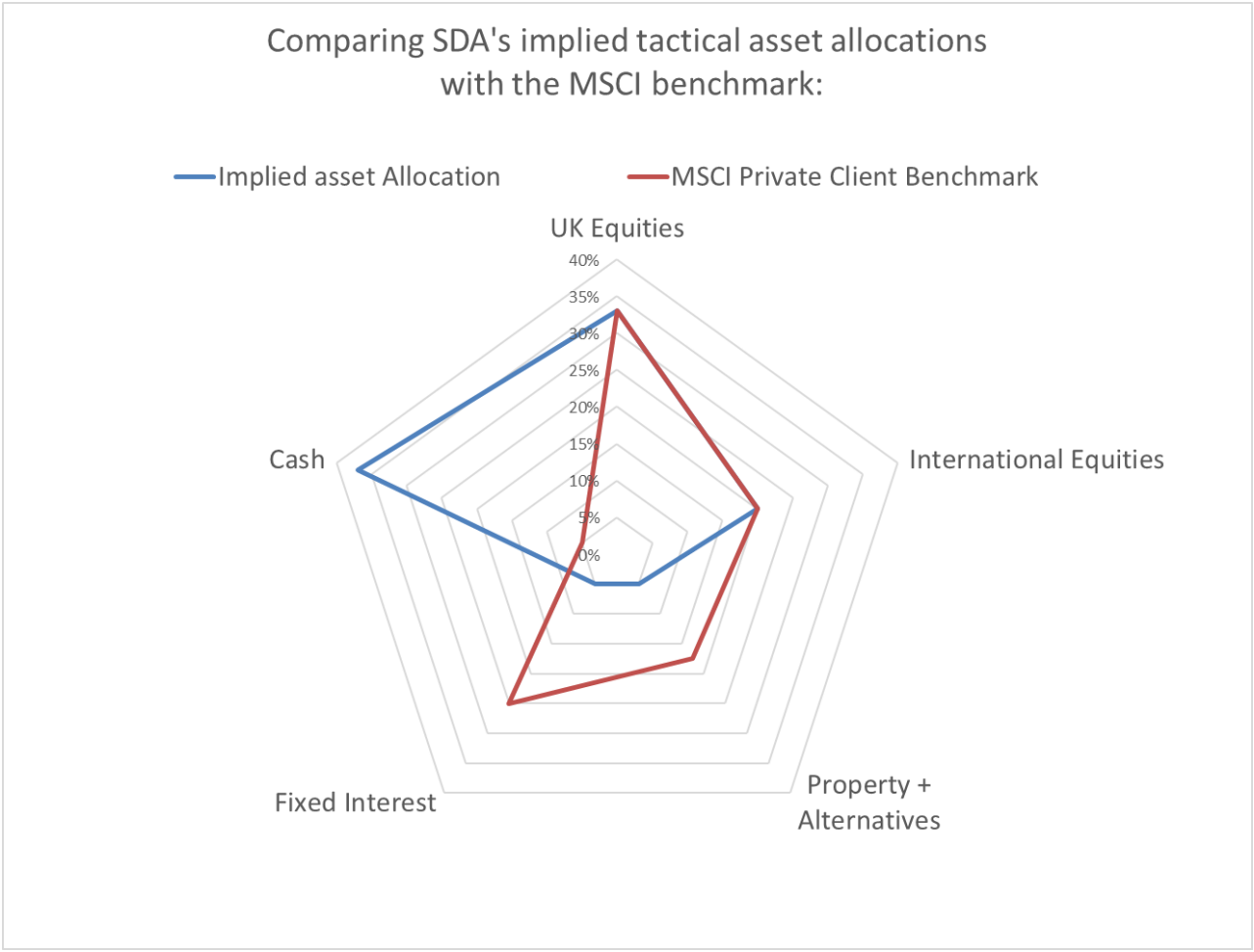
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Commodities
+ Oil
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More



the technical analyst

AWARDS 2012

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