



SUMMARY

POSITIONS

+ US TNotes

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

# Multi-Asset Trade Recommendation

31st October 2018

**John Lewis**

**Mark Sturdy**



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3<sup>rd</sup> October 2018 Sell US TNote Dec 18 @ 118.23 Stop 120.20



**(1) TECHNICAL: 3<sup>rd</sup> October 2018 Sell US TNote Dec 18 @ 118.23 Stop 120.20.**

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**MONTHLY Chart –**

The Double Top suggest moves down as far as 110.

The break of the very solidly-established rising long-term diagonal **on top of** the completion of the big Bear pattern – established at multiple lows – only **adds greatly to the bear momentum.**

Altogether, this is very bearish long-term.



**Weekly Chart Dec18**

The clear break down in the short-term charts arose from the completion of a small Continuation Triangle:

That suggests suggest moves with a minimum target of 116.50.

The small rally of the last week has come up against the resistance from the Lows 118.32 and 119.07.

This look like a medium-term selling opportunity.

The market is set to ratchet lower.

**Disclaimer**





(1) **FUNDAMENTAL:** 3<sup>rd</sup> October 2018 Sell US TNote Dec 18 @ 118.23 Stop 120.20.

Last week all eyes were on the Q3 GDP release, a strong report would increase focus on the Feds talk of policy needing to become restrictive.

In the event Q3 GDP and Q3 Personal consumption were both stronger than expected, but the market extended its correction as traders reacted to a sell off in stocks and bonds enjoyed yet more safe haven buying.

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Looking ahead several key data releases due, with non-farm payroll due on Friday the main event. We judge the Fed will not be deflected from raising rates further by the recent sell off in stocks, meaning Bonds remain a long term sell.

In summary hold the trade.



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### SEVEN DAYS AHEAD

Authorised and Regulated by the FCA

124 REGENTS PARK ROAD LONDON NW18XL

TEL +44 (0) 7849 922573 E-MAIL [msturdy@sevendaysahead.com](mailto:msturdy@sevendaysahead.com),

[jlouis@sevendaysahead.com](mailto:jlouis@sevendaysahead.com)

WEB SITE [SEVENDAYS Ahead.COM](http://SEVENDAYS Ahead.COM)

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