



the technical analyst

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## SUMMARY

## POSITIONS

- + Dollar Euro
- + US TNote
- +
- +
- +



# Multi-asset trade and investment recommendation

13<sup>th</sup> November 2018

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# Summary

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**13<sup>th</sup> November 2018:** BUY Spot Dollars SELL Spot Euros @ 1.1289. Stop 1.1503.

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



(1) TECHNICAL: 13<sup>th</sup> November 2018: BUY Spot Dollars SELL Spot Euros @ 1.1289. Stop 1.1503.

## SUMMARY

### Positions

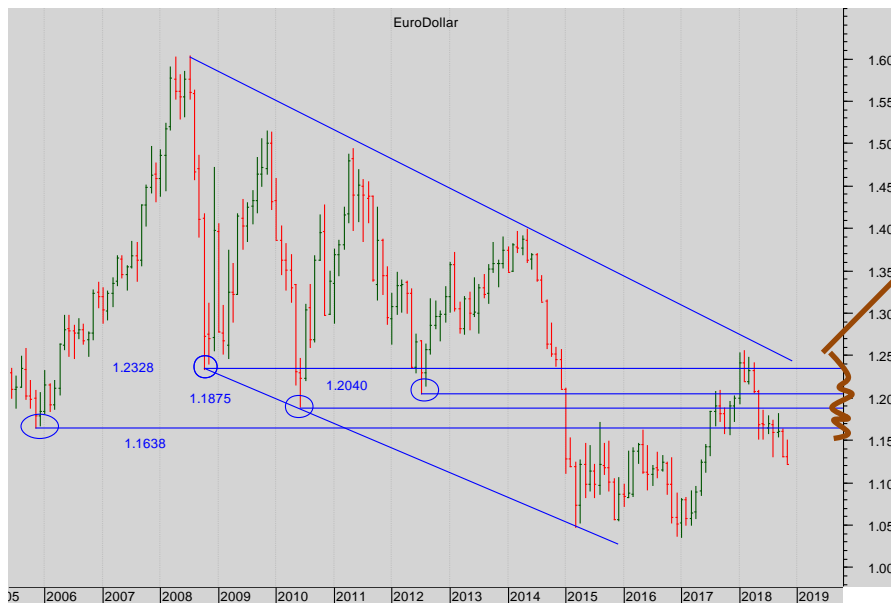
+ Dollar Euro FX

+ US TNote

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### Dollar Euro monthly spot cash chart

These powerful resistances above the market at 1.15 and above **look to have reversed or at least halted** the bear Dollar/bull Euro market ...

The pressure is on the Euro now.  
**We favour the Dollar.**



### Dollar Euro weekly spot cash chart

So the support from the Prior Highs has failed **DRAMATICALLY**.

There are wild swings, but on the whole the Dollar looks set to gain strength.

NoW the break beneath 1.1297 is beginning the next leg down (strengthening Dollar)

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## Dollar Euro spot cash chart daily chart...

Note how the Prior low at 1.1429 and the August low of 1.1297 have been smashed and now present as powerful resistances to any rally.

The dollar bulls are in charge.



**(2) FUNDAMENTAL: 13<sup>th</sup> November 2018: BUY Spot Dollars SELL Spot Euros @ 1.1289. Stop 1.1503.**

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Last week there were three key events for the Dollar:

1. The Mid-term elections,
2. ISM non-manufacturing survey and
3. The FOMC policy decision.

Unless Trump lost control of the House and Senate we judged traders would focus on the Fed, since a Democrat controlled house was in the market already.

In the event Trump only lost the House. The Fed held policy steady, but is set to hike in December and the ISM non-manufacturing survey beat consensus.

Looking ahead the key events this week are CPI and retail sales. Of the two we judge CPI is the main focus, a stronger report would mean the Fed will definitely hike at its December meeting.

We are Bullish the Dollar and advise Buying the Dollar against Selling the Euro.



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

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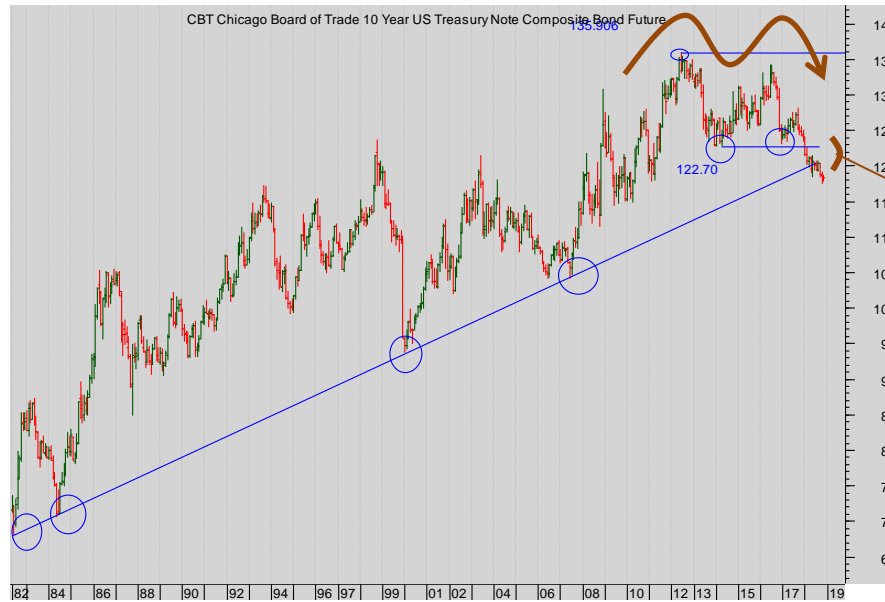
+ Dollar Euro

+ TNote

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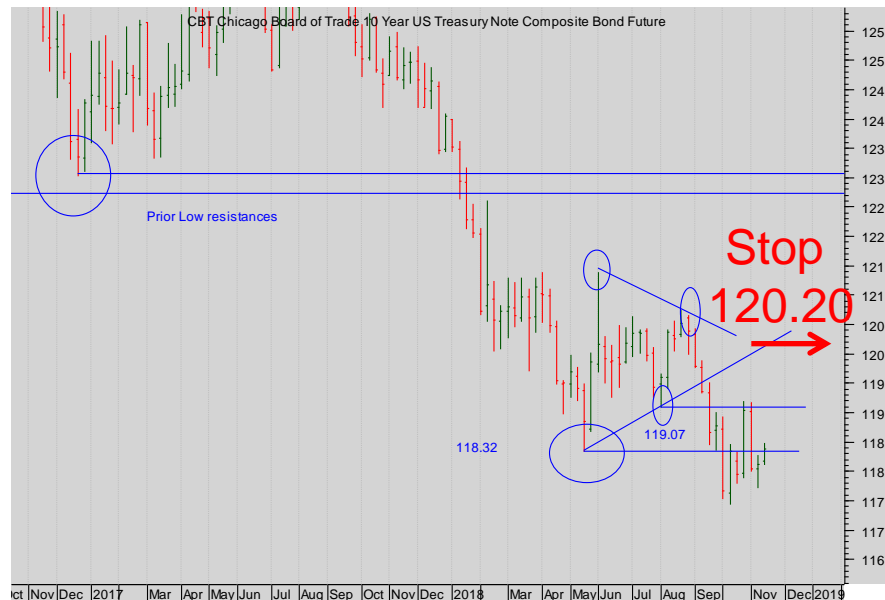


**MONTHLY Chart –**

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 at 119.07 and the **sold off.**

The market is set to ratchet lower.

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

Last week traders were focussed on the ISM non-manufacturing survey and FOMC policy decision, we judge the Fed's course is set and Bonds look set to sell off further.

In the event ISM non-manufacturing was stronger than expected, PPI was much stronger on both headline and core measures and the Fed reminded traders of its often stated course of policy direction, which is rate hike through December 2018, all of 2019 and into 2020.

Looking ahead CPI and Retail sales are due, strong data will weigh on this market., especially Wednesday's CPI report. A strong report will leave traders in little doubt about a December Fed rate hike.

In summary we remain bearish of this market and advise holding the trade.

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+ TNote

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### SEVEN DAYS AHEAD

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