



## SUMMARY

## POSITIONS

- + Bunds
- + EuroStoxx 50
- + US TNote
- +
- +



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

# Trade and Investment Recommendations

## 26<sup>th</sup> March 2019

**John Lewis**  
**Mark Sturdy**  
**Multi-Asset**

Authorised and regulated  
by the FSA



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12th March 2019 Long Jun Bunds @ 164.53. Stop @ 162.99

20<sup>TH</sup> March 2019 long Jun 19 EuroStoxx @ 3303. Stop@ 3179

22nd March BUY US TNotes @ 123-30 STOP @ 121.49 .

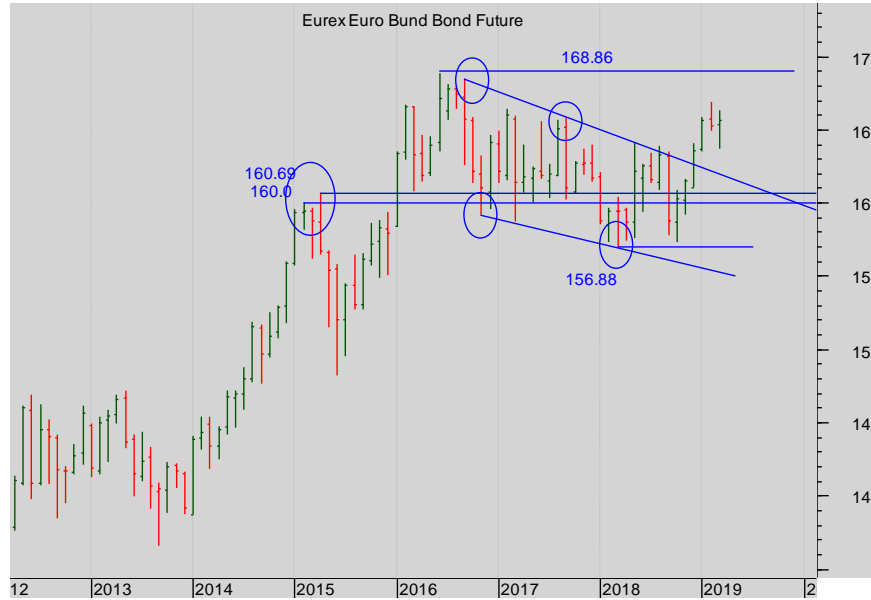


(1) TECHNICAL : 12th March 2019 Long Jun Bunds @ 164.53. Stop @ 162.99

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Weekly continuation Chart :

The completed bull falling wedge is a powerfully bullish construction.



Daily bar chart :

This is a well-constructed bull trend.



**(2) FUNDAMENTAL:** 12th March 2019 Long Jun 19 Bunds @ 164.53. Stop @ 162.99

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The main event last week was the Euro zone PMI Composite survey, would it show more weakness or the beginning of a recovery? We thought a continuation of the recent soft trend.

In the event the survey was weaker than expected, supporting the view of a weakening Euro zone economy.

This week's focus is German and Euro zone CPI and French Q4 GDP, but we doubt they will undermine the sentiment in this market.

In summary we remain bullish and advise holding the trade.

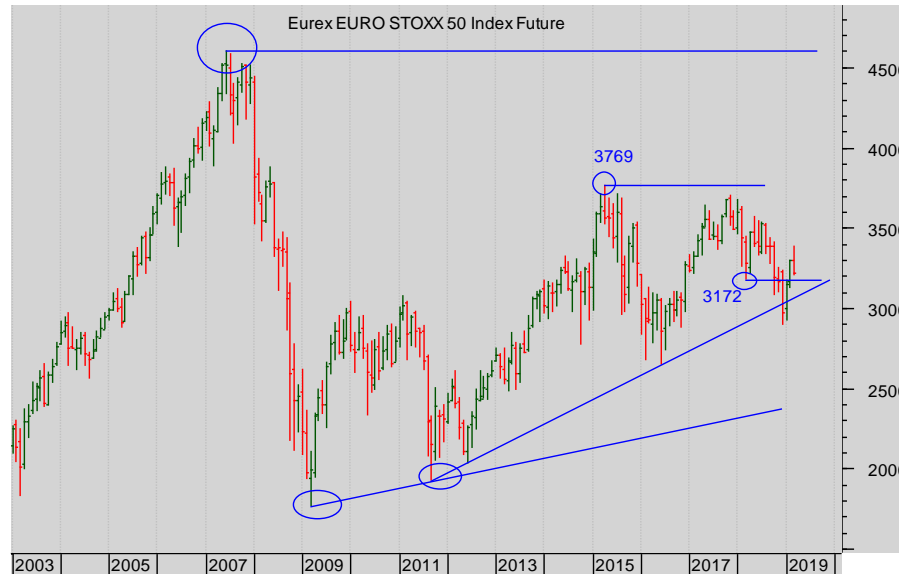


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**Weekly Chart – Continuation:**

The drive and bounce from the diagonal, the smash through the resistance from the Prior Low, these were a reassertion of bullishness.



**Daily Chart Continuation:**

The pull back after a rally of three months is totally reasonable.

Only if the support at 3128 were to be broken ( NB the Fibonacci at the same level) would the bulls be anxious.



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The Market suffered a correction last week as US data disappointed on Friday and traders worried the global economy could be facing a period of extended weakness.

However the US/China trade negotiations continue and a successful conclusion would be equity market positive. Add in the FOMC policy statement last week that saw the Fed expand on its pause and now looks more like a move to a neutral bias.

The German and Euro zone CPI reports are due this week and are likely to confirm inflation remains well below target.

In summary we judge the ECB's recent shift of policy stance is market supportive and advise holding the trade.

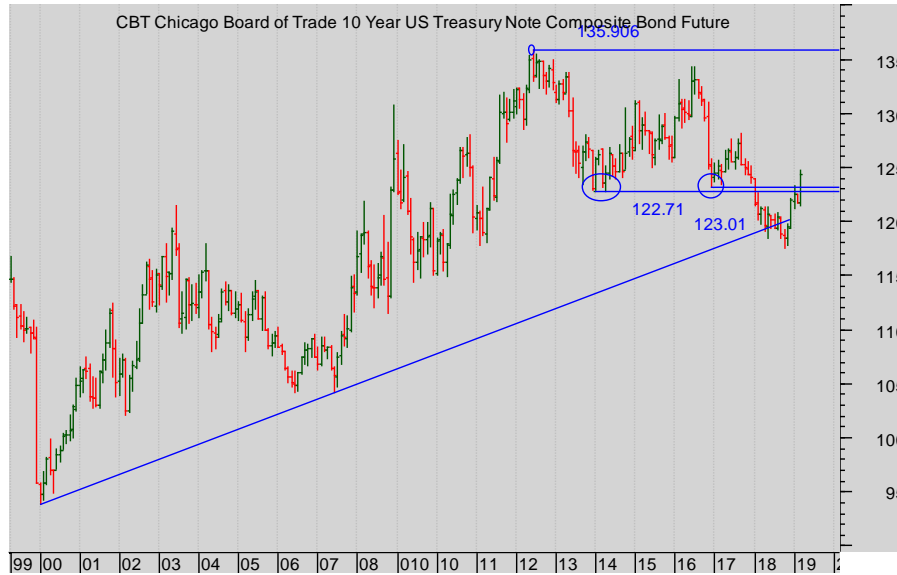


**(1) TECHNICAL : 22nd March BUY US TNotes @ 123-30 STOP @ 121.49 .**

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**Monthly Chart Continuation:**

The market's bounce back up through the resistances of the diagonal and the horizontal has been a powerful reassertion of the bull market.



**Daily Chart Continuation:**

The continuation Triangle has driven the market up through the prior High – which should now be good support on pull-backs....

**Disclaimer**





## (2) FUNDAMENTAL : 22nd March BUY US TNotes @ 123-30 STOP @ 121.49 .

The dynamics driving this market have changed very little since advising this trade yesterday and we repeat...

...“The main event last week was the FOMC policy decision and statement, we judged it would be market supportive.

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We were not disappointed; the Fed held rates steady, as expected, and virtually ruled out any further hikes this year sighting global risks, benign US inflation and a need to be patient, with balance sheet reduction set to end by September.

Looking ahead the Q4 GDP report is due, unless there are unexpected revisions we judge this market's direction is set.

Additionally the US/China trade talks continue and appear to have entered a crucial phase, with some obstacles still remaining”....

In summary we advise holding the trade.





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### SEVEN DAYS AHEAD

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