



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

### Disclaimer



# Multi-asset technical strategies

# Week of 21st May 2019

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

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Commodities
+ Oil + Gold
IMPLIED ASSET ALLOCATION

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

More



## Currencies: Dollar Euro

### CURRENCIES:

Now it is clearer still: the Dollar is strengthening in all time frames against the Euro and the Sterling. The Yen is an exception: stand back there for clarity. Sterling Euro, having been bull Stelring looks to have fallen back into the old, long-established 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 **look to have reversed or at least halted** the bear Dollar/bull Euro market ...

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

**That is, a continuance of the trend from the beginning of 2018.**

More



## Currencies: Dollar Euro

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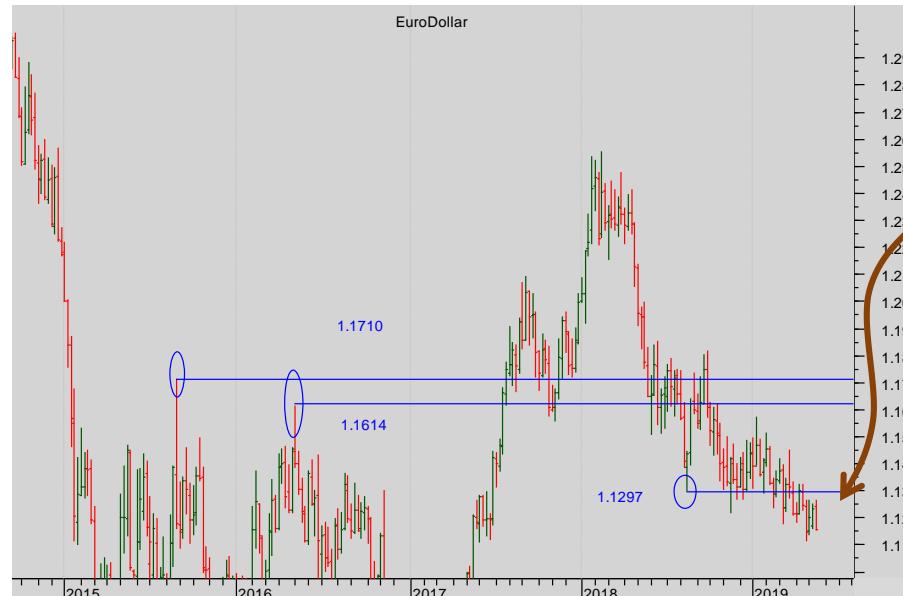
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### IMPLIED ASSET ALLOCATION



Note the break beneath 1.1297 beginning the next leg down (strengthening Dollar).



Here's a completed bear continuation triangle. Minimum move?



## Currencies: Dollar Sterling

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#### IMPLIED ASSET ALLOCATION



Look more closely.



More



## Currencies: Dollar Sterling

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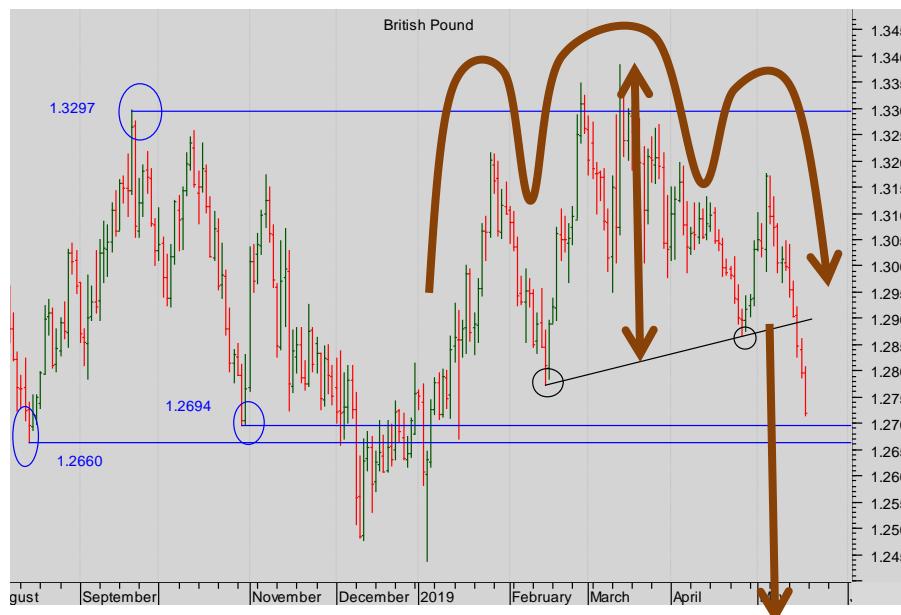
- + Oil
- + Gold

#### IMPLIED ASSET ALLOCATION



Dollar Sterling weekly spot cash chart

The range since August 2018 is intact.



Dollar Sterling daily spot cash chart

The H&S pattern has completed: Sterling is being driven lower by powerful medium-term forces..



## Currencies: Dollar Yen

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### IMPLIED ASSET ALLOCATION



Dollar Yen monthly spot cash chart

Note the very well-formed diagonal downtrend resistance, that was smashed by the rally in 2014, and then, later, acted as good support in 2016.

No clear structure since the beginning of 2017.

Stand back.



Dollar Yen weekly spot cash chart

Watch the range.

More



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### IMPLIED ASSET ALLOCATION



### Dollar Yen daily spot cash chart

A completed Double Top? The Dollar bears will be looking for more weakness still ...

Expect resistance now at the breakout horizontal of 110.



## Currencies: Sterling Euro

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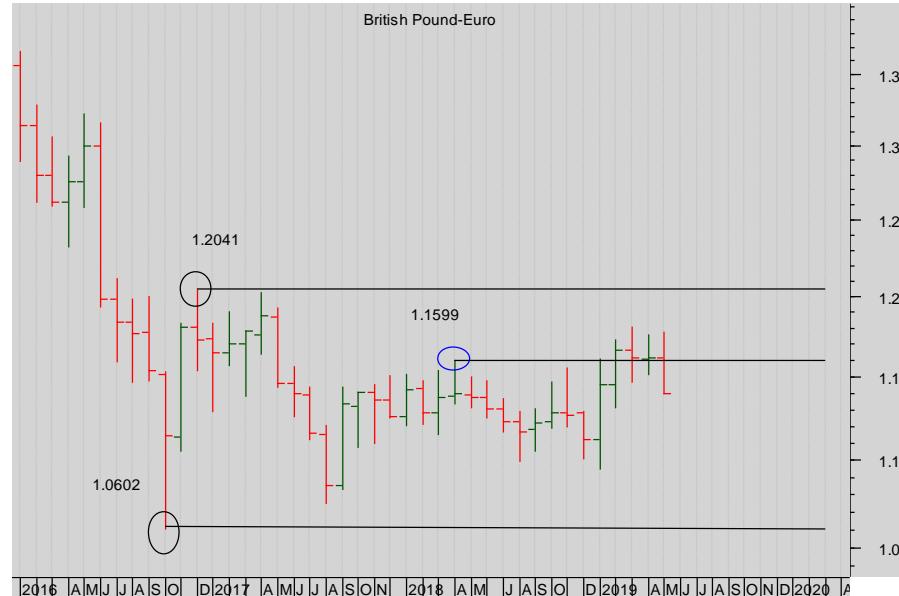
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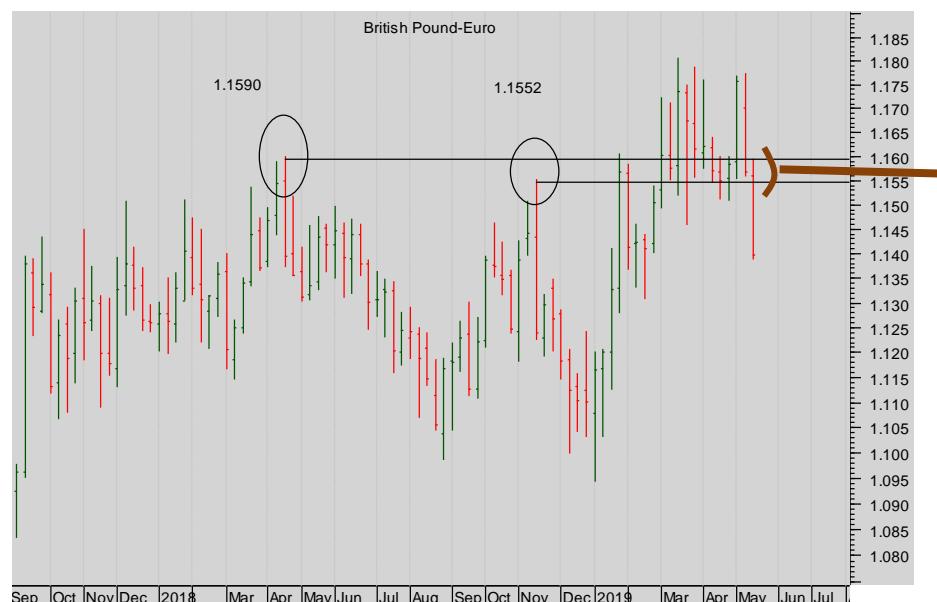


### Sterling Euro monthly spot cash chart

Is this a break up - will the Prior High at 1.1599 provide good support for another push higher?

No break up.

The market has fallen back in to the trading range.



### Sterling Euro weekly spot cash chart

This detail is a bit clearer: the band 1.1552-1.1590 is the critical support.

The market has fallen back into the trading range.

**More**



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### IMPLIED ASSET ALLOCATION



### Sterling Euro daily spot cash chart

It's volatile and ranging....

But now there's a completed multiple top – suggesting a push down further towards



## Stocks

### STOCKS:

How have the bounces of the last week affected the pessimism of last week? Bluntly, a good deal more has to be achieved to convince the bulls: the double failure of the US still looks very threatening from all angles. Note though that the bounce of the FTSE has been impressive (so the relative strength against the US has continued to improve). The Nikkei bounce has been muted.

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#### IMPLIED ASSET ALLOCATION

### Stocks: CME S&P



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

The market broke the well-established long-term diagonal support, and then bounced.

NB first long-term support lay some way beneath the market at 2118 – the horizontal from a Prior High back in 2015

Look closer.

More



## Stocks: CME S&P 500

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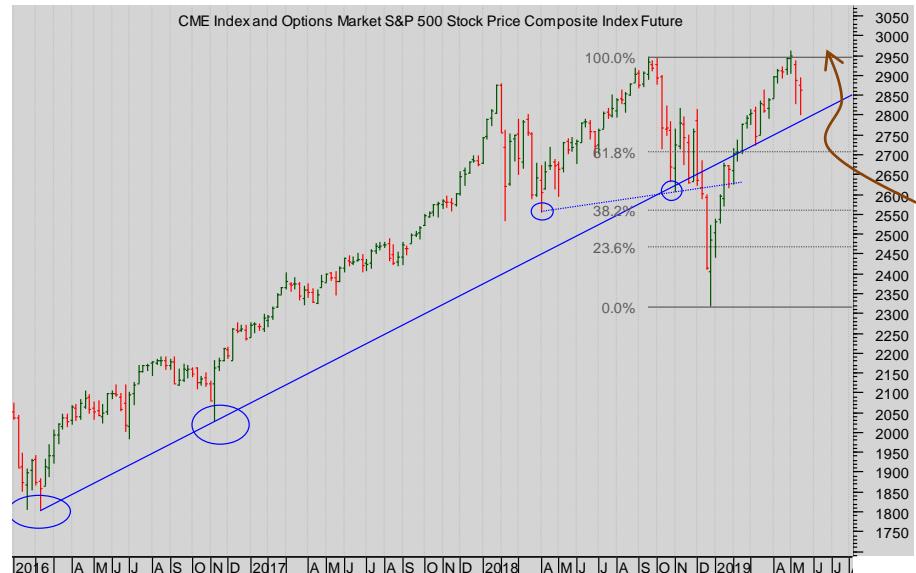
### Bonds

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### Commodities

- + Oil
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### IMPLIED ASSET ALLOCATION

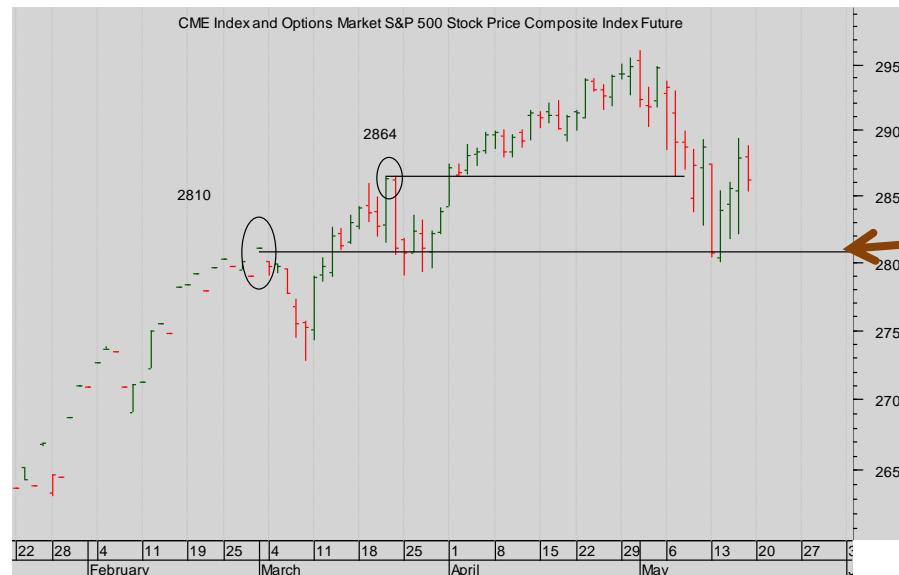


## CME S&P 500 cont. weekly cont. chart

We have long argued that this rally is not a retracement.

But the failure exactly at the old high is significant - the test of the bull intention of the market is its ability to break up through the Prior High.

Stand back and wait for a break



## CME S&P 500 daily Jun 2019 chart

NO weakness yet apparent.  
The bulls remain in charge.

Watch the support from the Prior High supports closely.

If 2810 break the bears will scent more blood still ...

More



## Stocks: Eurex EuroStoxx 50

### Summary

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

### Stocks

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

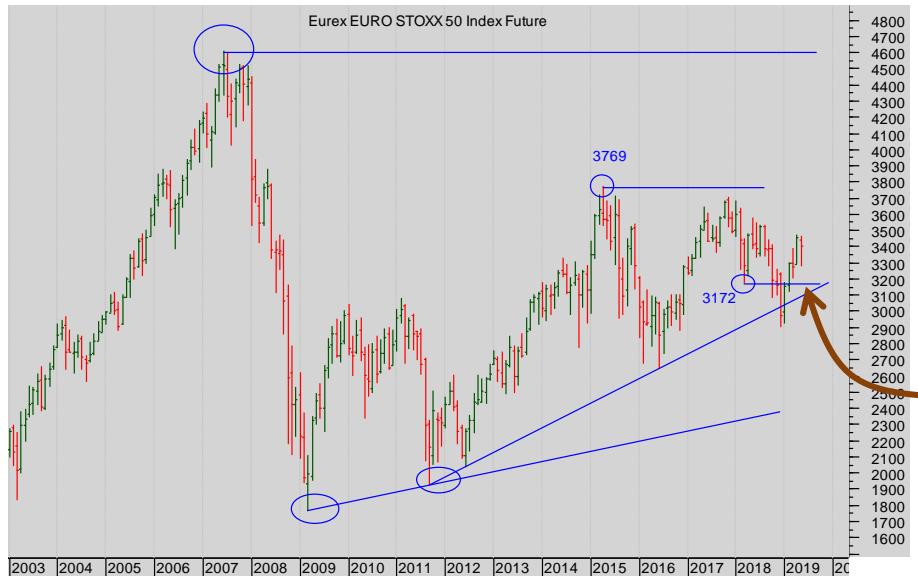
### Bonds

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- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

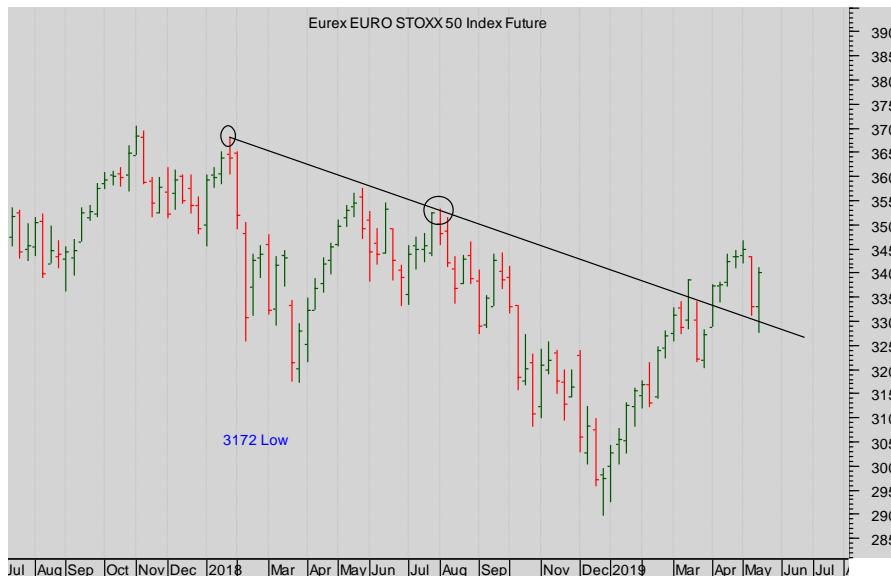
### IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 monthly continuation futures chart

The long-term condition of the market is quite clear: the market failed twice at the old 3769 High and remains vulnerable.

But the break up through the resistance at the Prior Low of 3172, was cause for celebration for the bulls.



### Eurex EuroStoxx 50 weekly continuation futures chart

The push up through the falling diagonal has found support from it as well...

More



## Stocks: Eurex EuroStoxx 50

### Summary

### Currencies

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

### Stocks

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

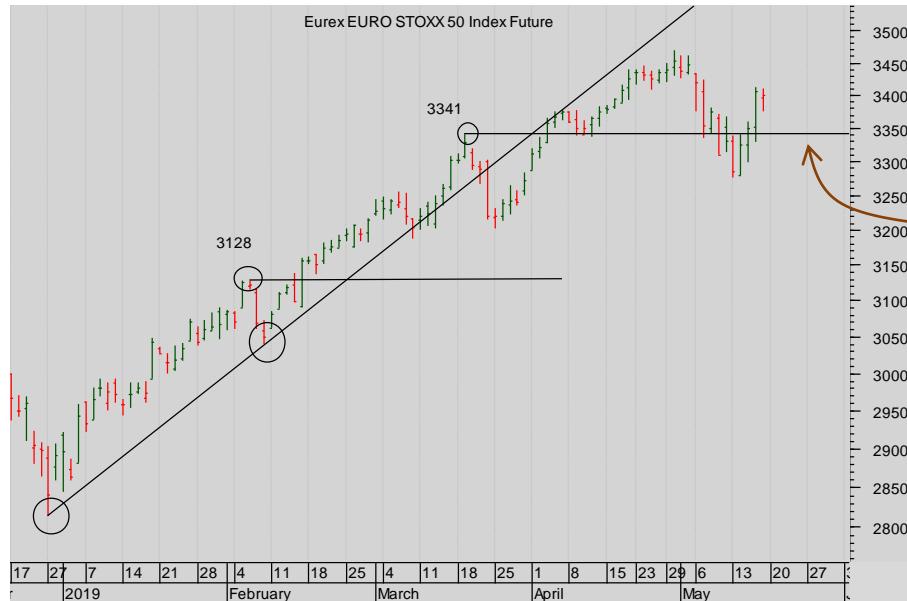
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 daily Jun 19 futures chart

Short-term, the market bounced  
...



## Stocks: Liffe FTSE 100

### Summary

### Currencies

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

### Stocks

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

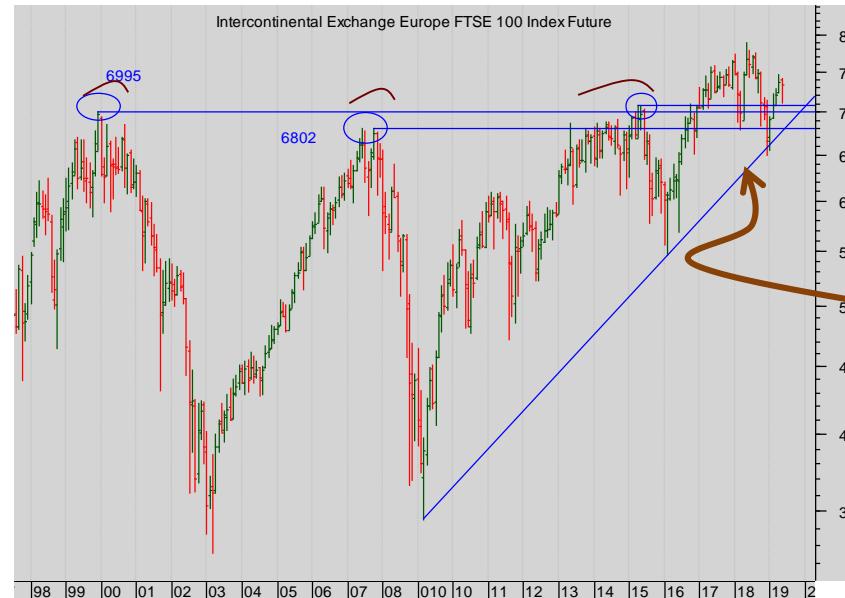
### Bonds

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

### Commodities

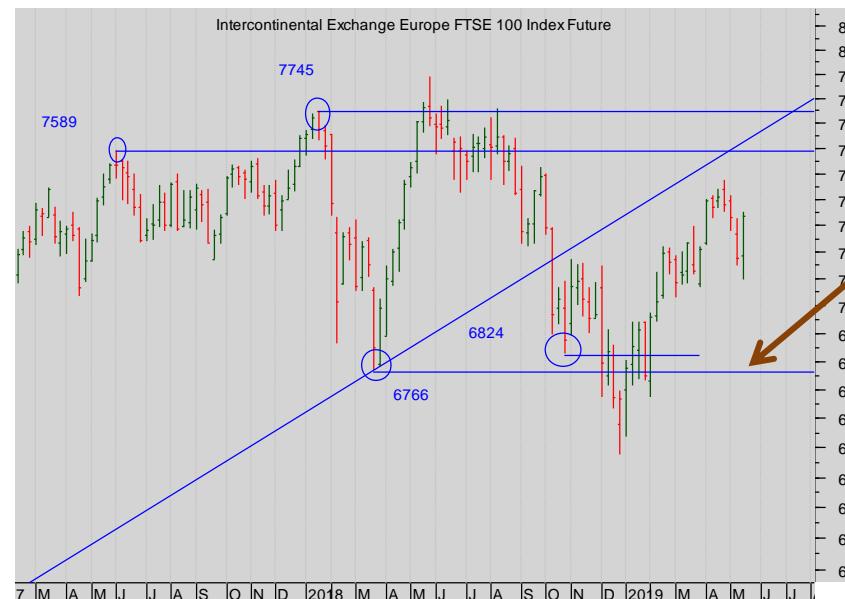
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Monthly continuation futures chart

So the support from the succession of Prior Highs (6796, 6995) was smashed, then there was a **powerful bounce** from the diagonal uptrend support drawn from 2009... and the consequent push back above the band of support from the Prior Highs.



### Liffe FTSE 100 Weekly cont. futures chart

The bounce back up through the resistance from the Prior Lows was impressive and began the rally.

More



## Stocks: Liffe FTSE 100

### Summary

### Currencies

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

### Stocks

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

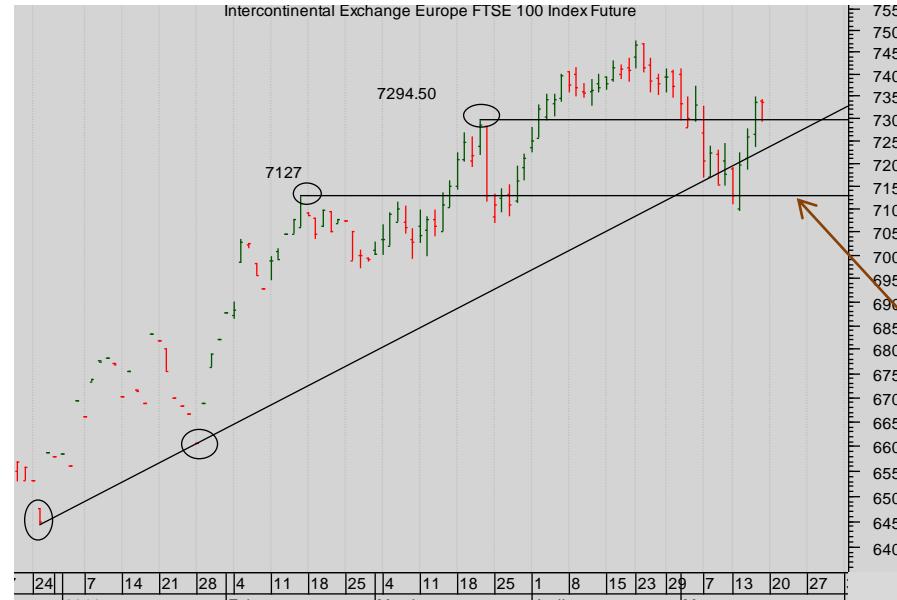
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



**Liffe FTSE 100 Mar19 daily futures chart**

Watch now the 7127 support and see if the bear move gains momentum ...



## Stocks: OSE Nikkei 225

### Summary

### Currencies

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

### Stocks

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

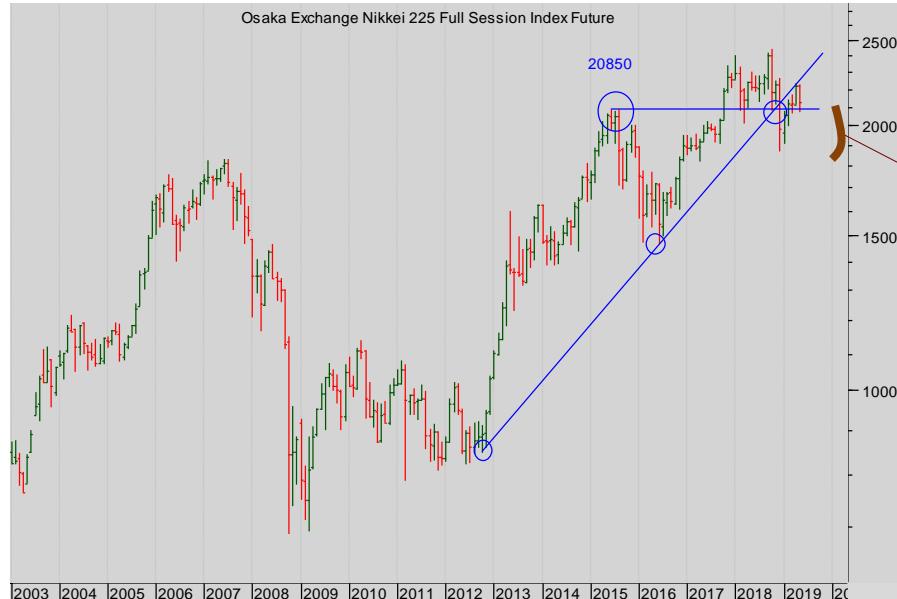
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Nikkei 225 chart (monthly)

The market has failed to break beneath the band of support 20850 – so far.

There's a bounce in progress.



### Nikkei 225 chart (WEEKLY)

The market is holding above the 21000 level where there was support and the market smashed it emphatically..

More



## Stocks: OSE Nikkei 225

### Summary

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- + Dollar Yen
- + Sterling Euro

### Stocks

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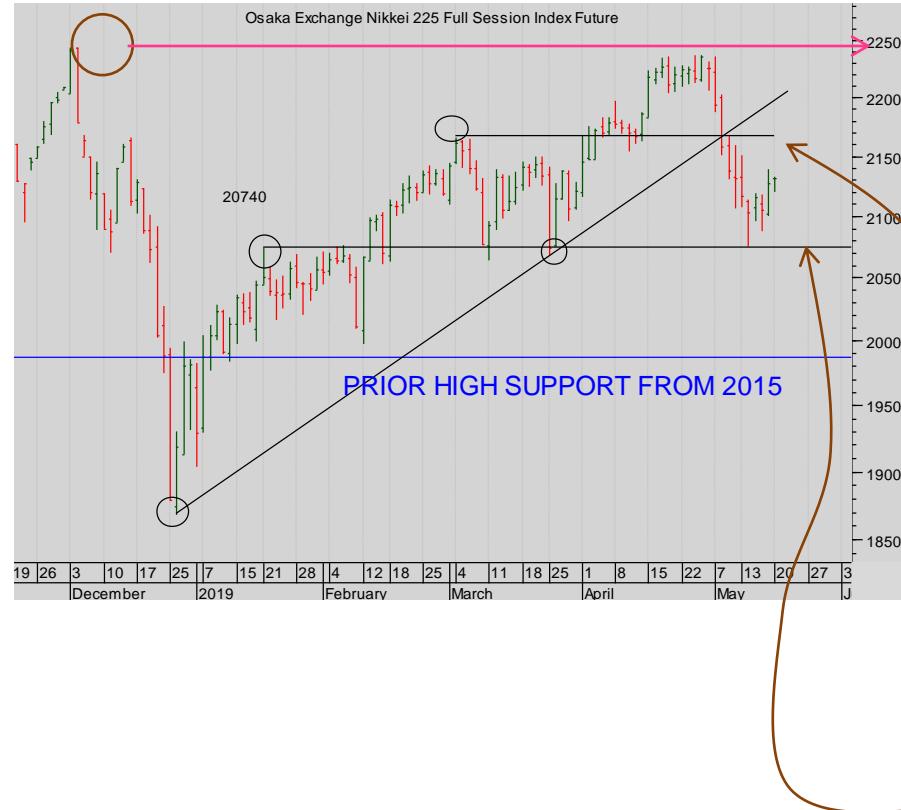
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



Nikkei 225 chart Daily JUN 19.

The market has failed – at the Prior High from November 2018.

Stand back and wait for the retest of successive supports beneath the market.

The breakdown beneath the coincidence of support at the diagonal and horizontal was poor short-term.

Watch the strength of 20740 closely.



## Stocks: RELATIVE STRENGTH

### Summary

#### Currencies

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#### Stocks

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#### Bonds

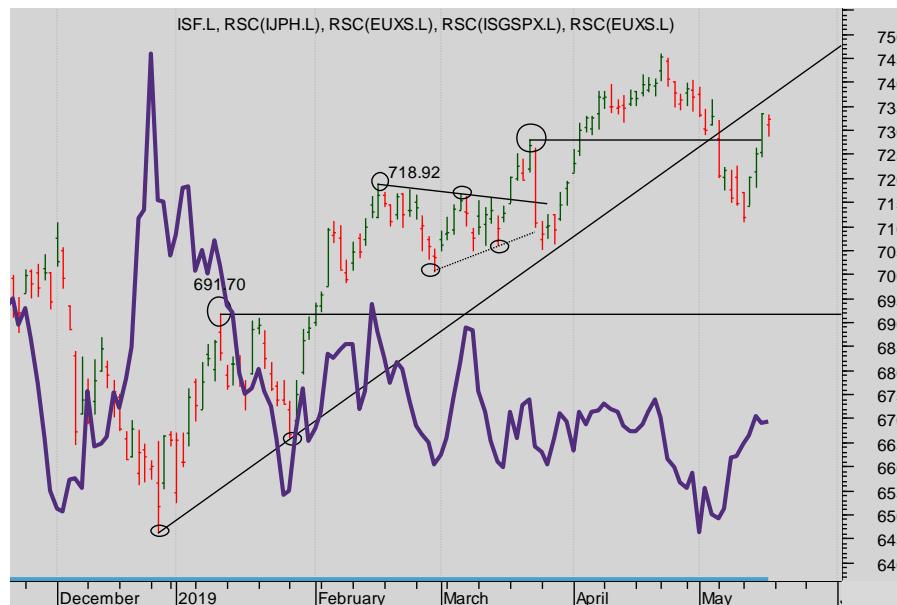
- + Ten Year US TNote
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#### Commodities

- + Oil
- + Gold

## Sterling-hedged US and EU

The relative strength of the FTSE remains true.



iShares FTSE Etf. Daily chart.

The UK market, has improved relative to the US in the recent weakness .



## Bonds

### BONDS:

We are still bulls of these markets: especially now since the Bund has completed a powerful continuation Triangle in the weekly chart. All Bund time-frames are bullish.

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#### IMPLIED ASSET ALLOCATION

### Bonds: CBOT Ten Year Notes



### CBOT Ten Year Notes monthly futures continuation chart

The recent two-month rally has driven through the diagonal and the horizontal bands of resistance.

A massive statement of strength.

Look closer.

More



## Bonds: CBOT Ten Year Notes

### Summary

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- + Dollar Euro
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### Bonds

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### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### CBOT Ten Year Notes weekly futures continuation chart

This looks even more impressive.

The break up through the band of resistance from the prior Lows is hugely impressive.

And now the bulls look to have got going again ...



### CBOT Ten Year Notes daily Jun 19 futures chart

Another bull continuation Triangle has been completed.

Minimum target? About 126..

**More**



## Bonds: Eurex Ten Year Bund

### Summary

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- + Dollar Euro
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### Commodities

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### IMPLIED ASSET ALLOCATION



### Eurex Ten Year Bund monthly futures continuation chart

The break up through the falling diagonal is important and sets up a new bull leg by completing a **bull falling wedge formation**.



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

The bulls are excited....first support on pull-back 163.88 Prior High is holding and strong.

Now a bull continuation Triangle has completed

Minimum move? UP to 170...

**More**



## Bonds: Eurex Ten Year Bund

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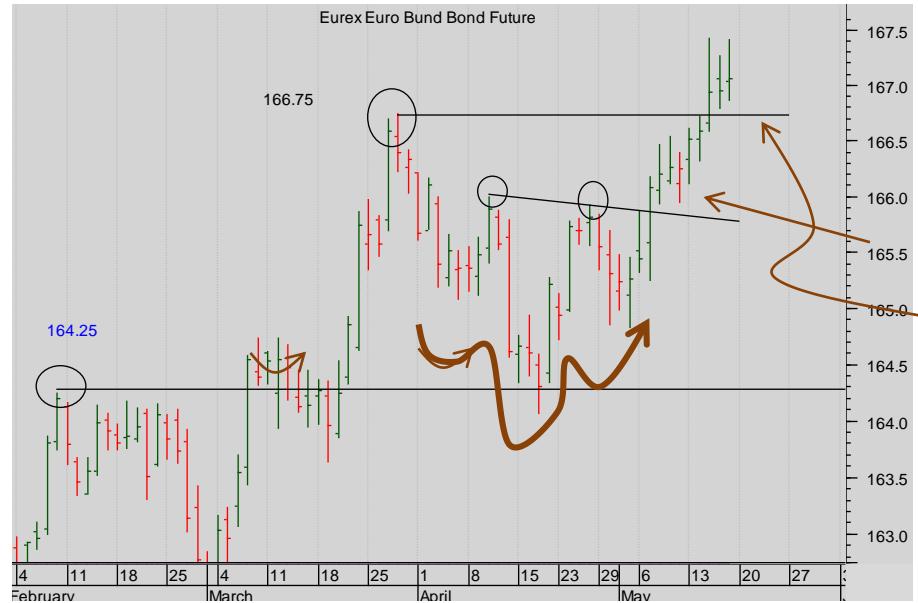
### Bonds

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### Commodities

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### IMPLIED ASSET ALLOCATION



**Eurex Ten Year Bund  
March 2019 Daily futures  
chart**

Now note the completion of the  
H&S Neckline.

Now add to longs on the break of  
the Prior High.



## Bonds: Liffe UK Gilt futures

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### Stocks

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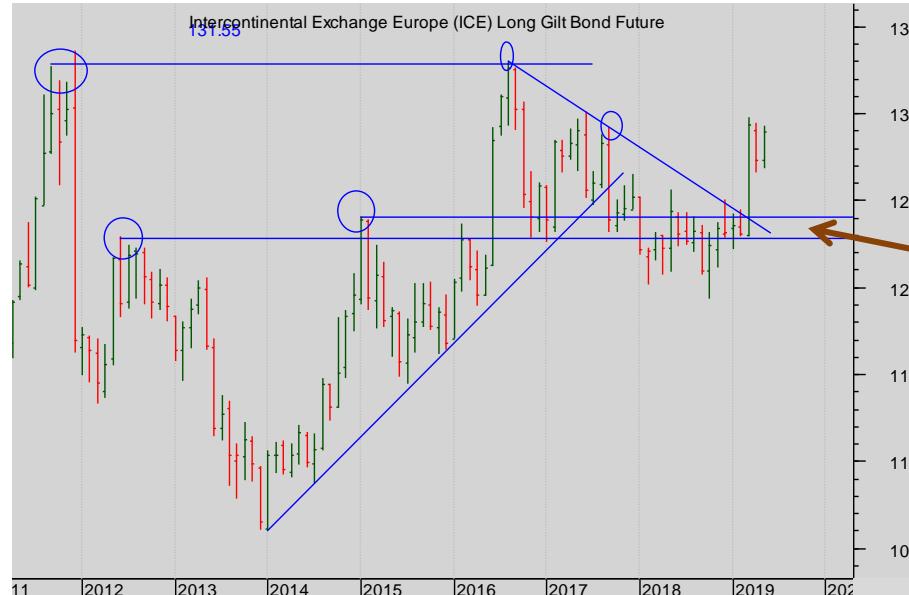
### Bonds

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### Commodities

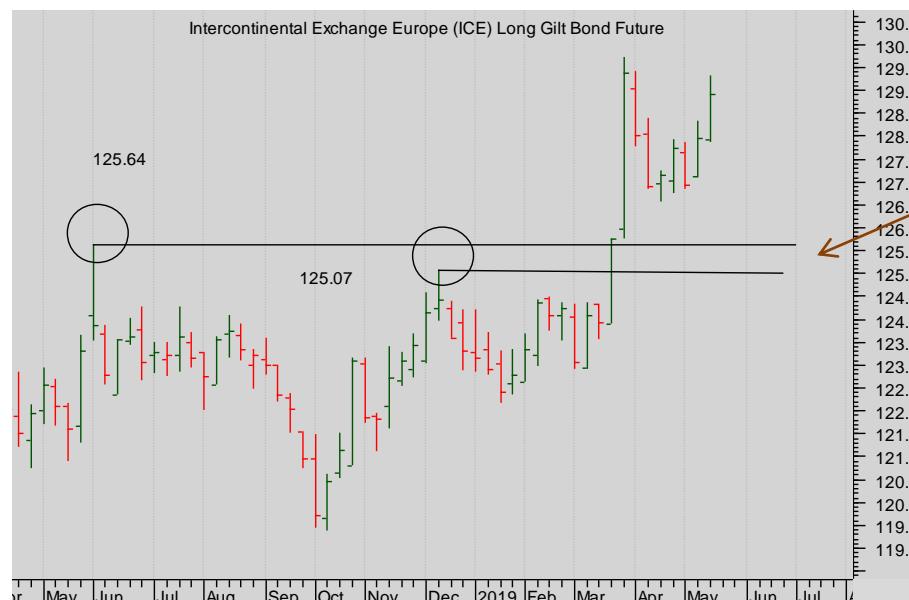
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Liffe UK Gilt monthly futures continuation chart

The break up through the falling diagonal and the horizontal resistances has been impressive.



### Liffe UK Gilt weekly continuation futures Chart

Watch for support from the Prior Highs on the drift.

**More**



## Bonds: Liffe UK Gilt futures

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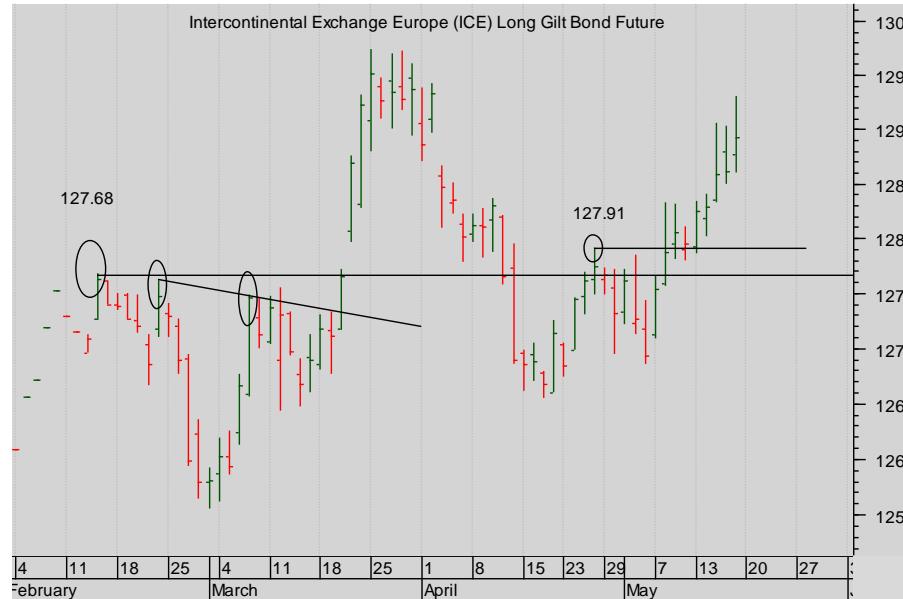
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### Commodities

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- + Gold

### IMPLIED ASSET ALLOCATION



### Long Gilt daily Jun 19 chart

The market looks set for another bull run..



## Commodity

### COMMODITIES:

Oil has medium term resistance, and short-term support. Watch closely – though we favour the bear case. Stand back from Gold: last week's bull break has not been sustained: stand back.

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#### IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



#### Nymex oil monthly continuation

The rally from 35.94 support failed at the resistance from the low at 75.35.

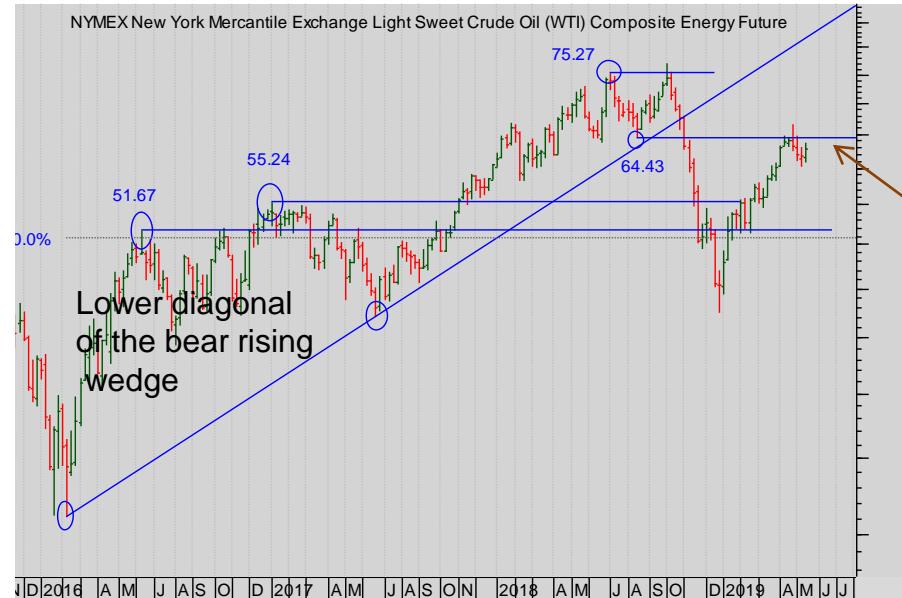
Then a confusion arose ... look closer.

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## Commodities: Nymex WTI Oil

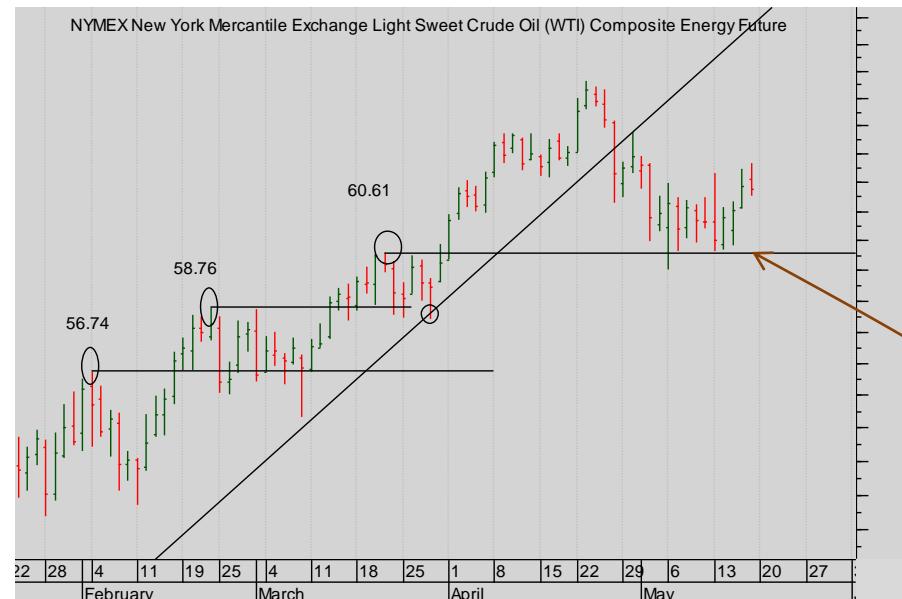
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IMPLIED ASSET ALLOCATION



### Nymex oil weekly continuation

The breakdown and then bounce in 2019 has little structure.

Watch the Prior Low Resistance and the Fibonacci resistance at 64\$



### Nymex oil daily Jun 19 futures

Some slight uncertainty has entered the short-term market with the break of the diagonal ...

Watch the market's reaction to the horizontal support.



## Commodities: Comex Gold

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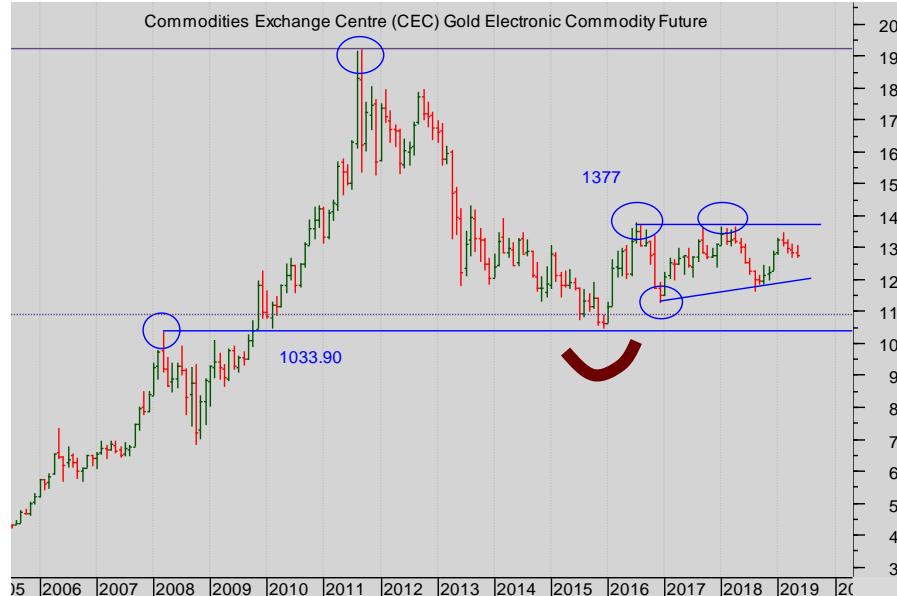
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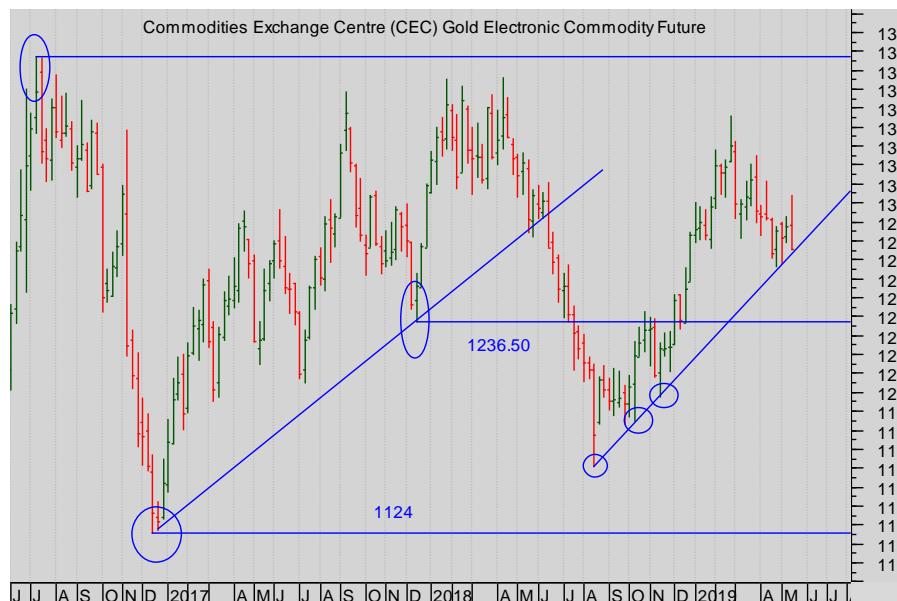
### IMPLIED ASSET ALLOCATION



## Nymex Gold Monthly

The long-term chart shows a clear bounce from the long-term support from the Prior High (and Fibonacci) at 1033.90.

A bull continuation Triangle is possible but uncompleted.



## Nymex Gold weekly

The detail of the price action within the trading range....



## Commodities: Comex Gold

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- + Sterling Euro

### Stocks

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- + EuroStoxx 50
- + FTSE 100
- + Nikkei 225

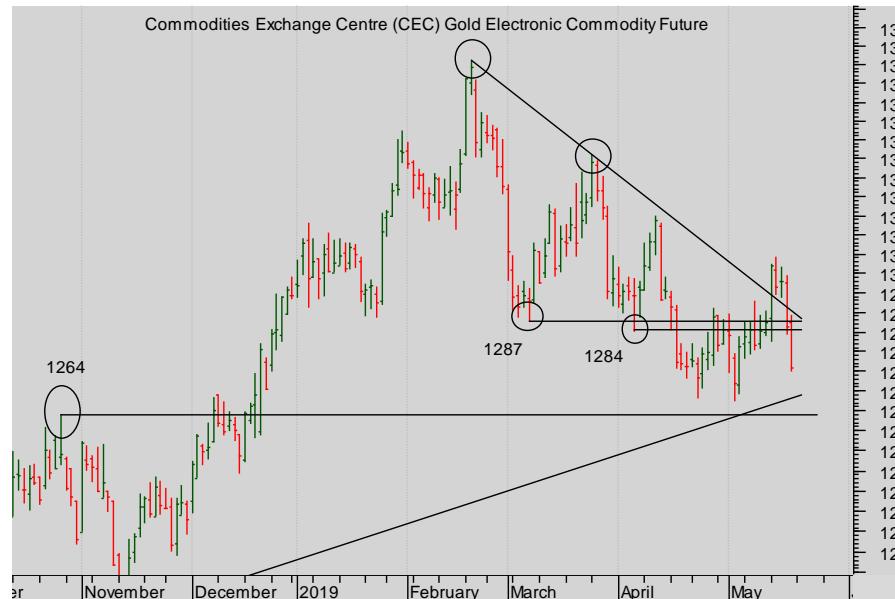
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



## Nymex Gold Daily

The failed bull breakout is clear..

**Stand back.**



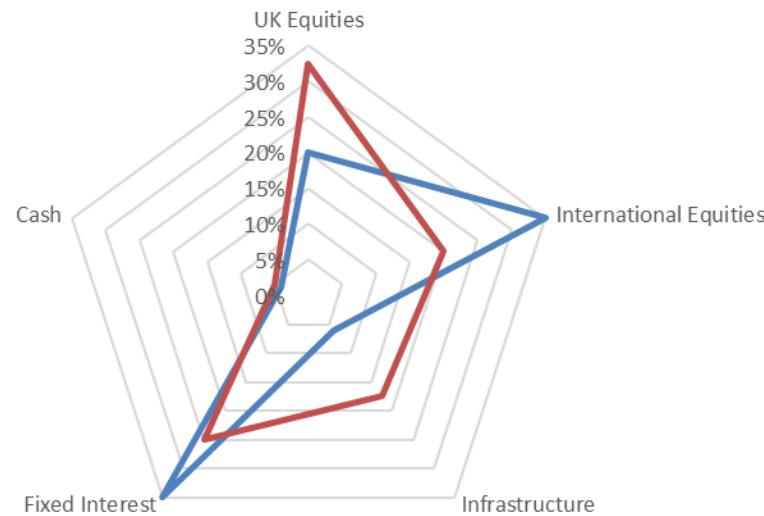
# Summary

Summary
<b>Currencies</b>
+ Dollar Euro
+ Dollar Sterling
+ Dollar Yen
+ Sterling Euro
<b>Stocks</b>
+ S&P 500
+ EuroStoxx 50
+ FTSE 100
+ Nikkei 225
<b>Bonds</b>
+ Ten Year US TNote
+ Ten Year German Bund
+ UK Gilt
<b>Commodities</b>
+ Oil
+ Gold

## Seven Days Ahead Balanced Risk IMPLIED Asset Allocation

v

## MSCI Balanced Risk Asset Allocation



More



*the technical analyst*

# AWARDS 2012

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