



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



# Multi-asset technical strategies

## Week of 19<sup>th</sup> November 2019

**Mark Sturdy**

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

### Stocks

- + S&P 500
- + EuroStoxx 50
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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 FLAT	Short-term FLAT
Long-term FLAT	Medium-term <b>BULL</b>	Short-term <b>BULL</b>

### Bonds

- + Ten Year US TNote
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Long-term <b>BEAR</b>	Medium-term FLAT	Short-term <b>BEAR</b>
Long-term <b>BULL</b>	Medium-term <b>BEAR</b>	Short-term <b>BEAR</b>
Long-term <b>BEAR</b>	Medium-term <b>BEAR</b>	Short-term FLAT

### Commodities

- + Oil
- + Gold

Long-term FLAT	Medium-term FLAT	Short-term FLAT
Long-term <b>BEAR</b>	Medium-term <b>BEAR</b>	Short-term <b>BEAR</b>

## IMPLIED ASSET ALLOCATION

More



## Currencies: Dollar Euro

### CURRENCIES:

Sterling remains perky in all time-frames; the Euro weak in all times frames. So, not surprisingly, the Sterling is still powering ahead against the Euro.

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#### IMPLIED ASSET ALLOCATION



### Dollar Euro monthly spot cash chart

These powerful resistances above the market at 1.15 and above **reversed** the attempted bear Dollar/bull Euro market ...

The pressure is on the Euro now. **We favour a strengthening Dollar in the longer term.**

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

More



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### IMPLIED ASSET ALLOCATION

## Currencies: Dollar Euro

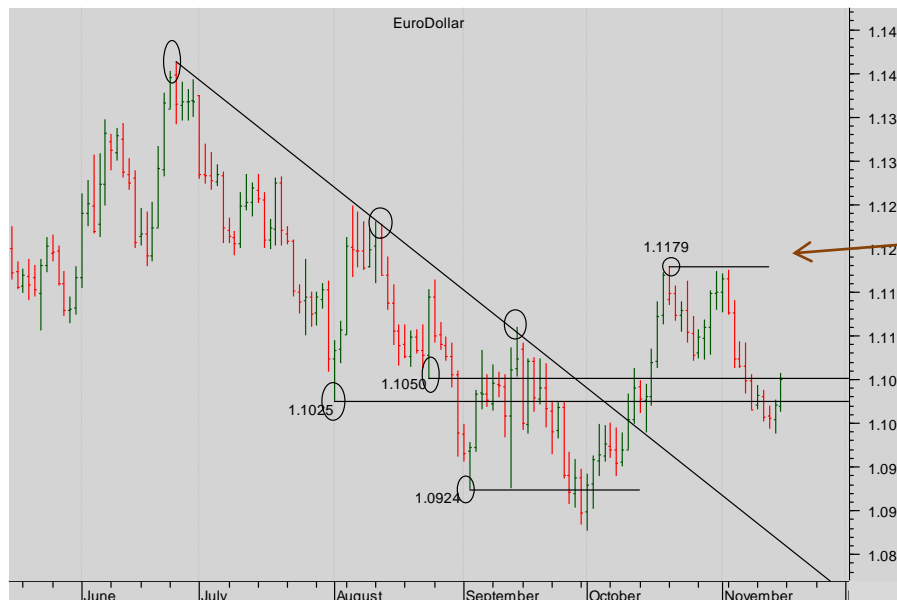


### Dollar Euro weekly spot cash chart

This is a clear failure by the market to get back above and stay above the prior low resistance at 1.1297.

Note the FAILED rally back to test the resistance from the Prior Low at 1.1110

So the Dollar bears remain in charge.



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

The small Double Top has thrown doubt on the bull case too...

THE BEARS **REMAIN IN CHARGE**



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### Bonds

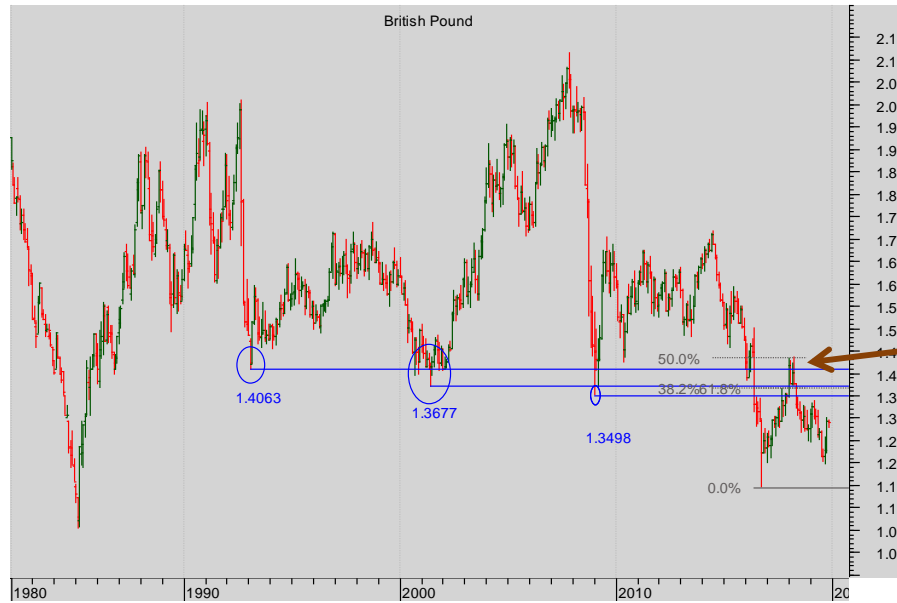
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

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### IMPLIED ASSET ALLOCATION

## 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 rallied back deep into the band of resistance as far as the 50% Fibonacci resistance – **but failed there.**

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 a clear failure...

But the market is now testing the Prior low and, for the moment, bouncing ...

More



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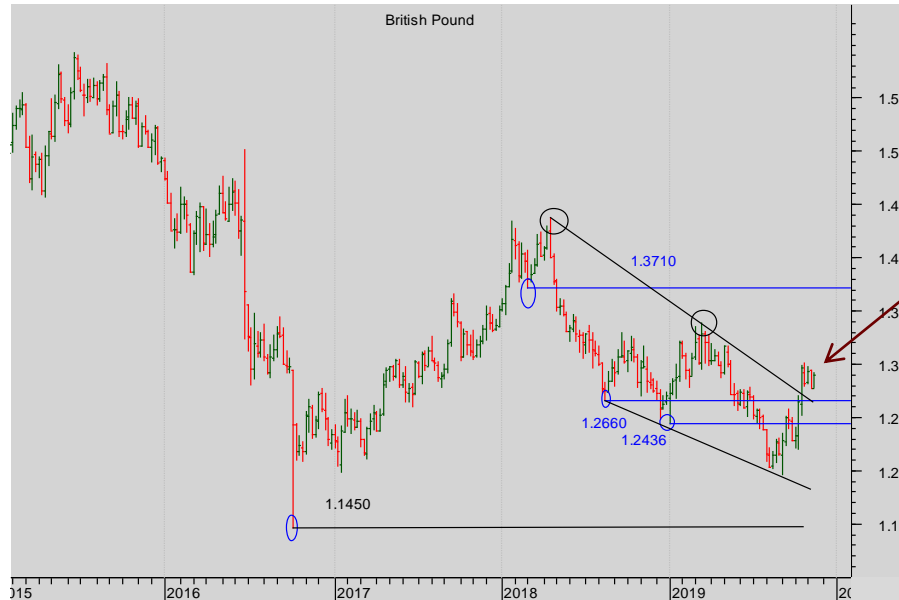
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## IMPLIED ASSET ALLOCATION

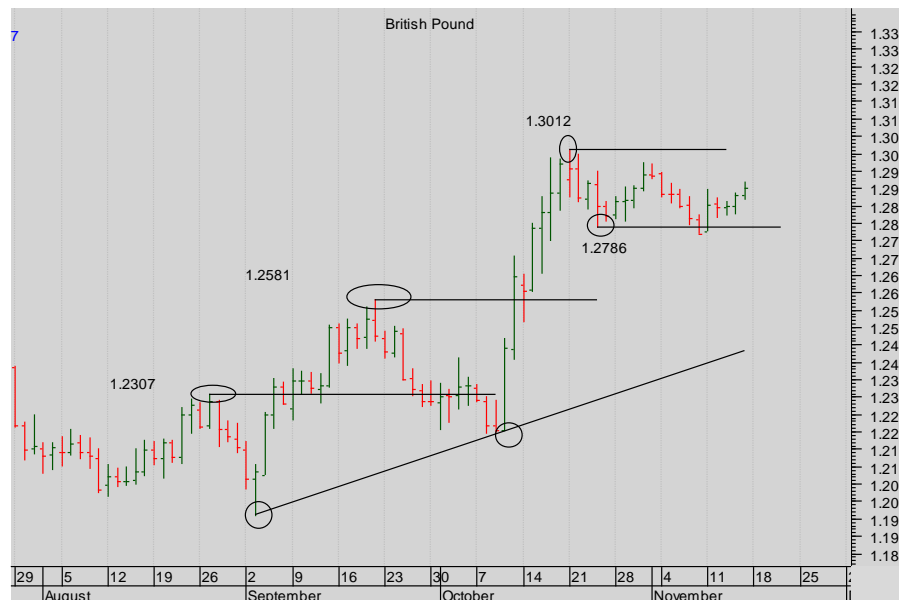
## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

Note the medium-term resistance from the horizontal band and the diagonal resistance that the market has penetrated

The Sterling bears have been routed **short-term, THAT IS A BULL FALLING WEDGE** that has completed.



### Dollar Sterling daily spot cash chart

The new bull trend in place – a bit hesitant...

Fresh buying should wait for a break through 1.3012.



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### IMPLIED ASSET ALLOCATION

## Currencies: Dollar Yen



### 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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### Dollar Yen daily spot cash chart

We need a break up through the band 109.01/109.70 to convince.

Note the significance of the rising diagonal – well established **and thus important should it break.**





## Currencies: Sterling Euro

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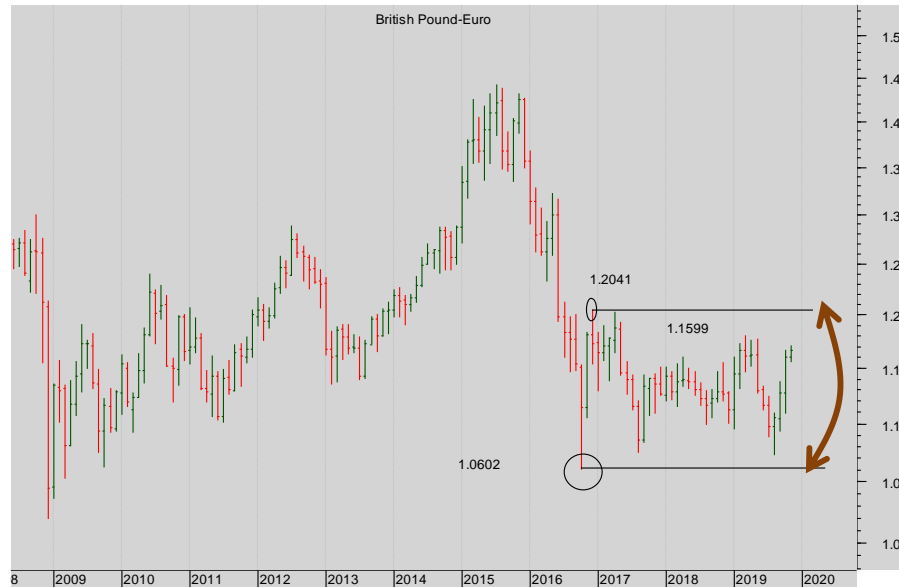
### Bonds

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### Commodities

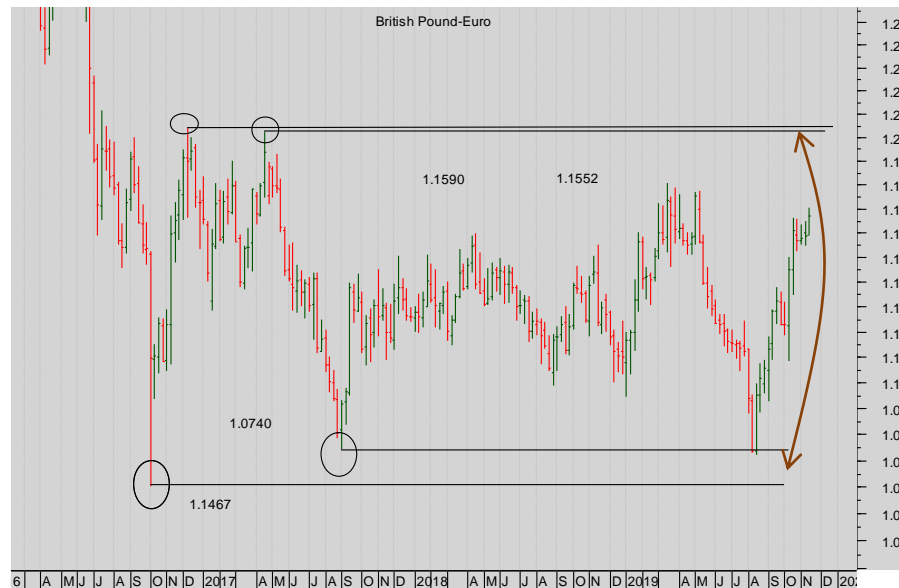
- + Oil
- + Gold

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### Sterling Euro monthly spot cash chart

The market remains in the broad trading range.



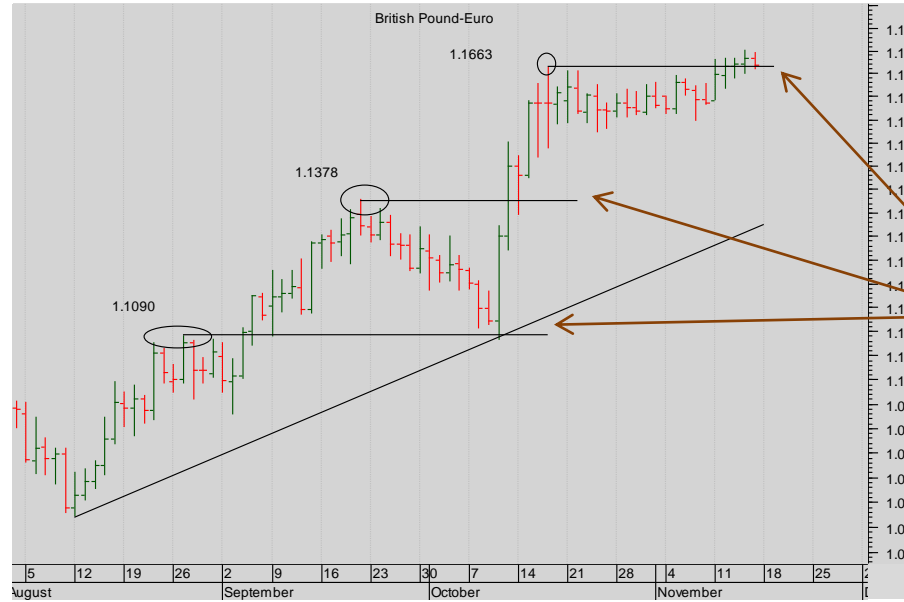
### Sterling Euro weekly spot cash chart

This detail is a bit clearer: the market has bounced back into the trading range. The strengthening Sterling move, has been strong.

More



## Currencies: Sterling Euro



### Sterling Euro daily spot cash chart

In more detail: the fierce Sterling rally has re-established the bull trend by breaking up through successive Prior Highs.

Now watch 1.1663 – a confirmed break will lead to fresh buying.

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## Stocks

### STOCKS:

The S&P is not surging ahead bullish in all time-frames. The EuroStoxx looks to have completed a very powerful long-term continuation pattern – that suggests moves up as far as 4700 about 25%. FTSE is languishing. The Nikkei looks well-set the break into new highs.

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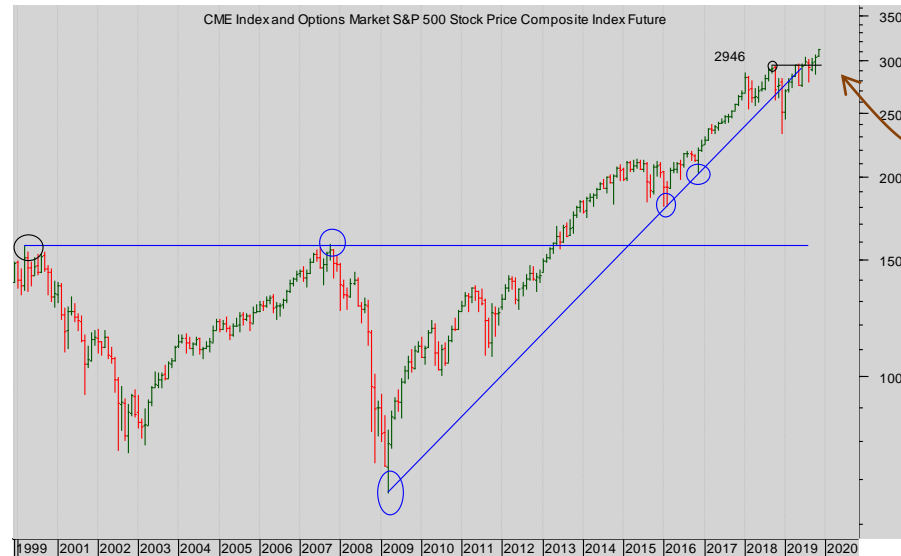
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#### Commodities

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### Stocks: CME S&P



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

The break of the Prior high 2946 was a powerful reassertion of the bull market.

And despite a brief subsequent dip back beneath, making traders anxious, the market looks set to sustain the break up...

More



## Stocks: CME S&P 500

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### Stocks

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- + Nikkei 225

### Bonds

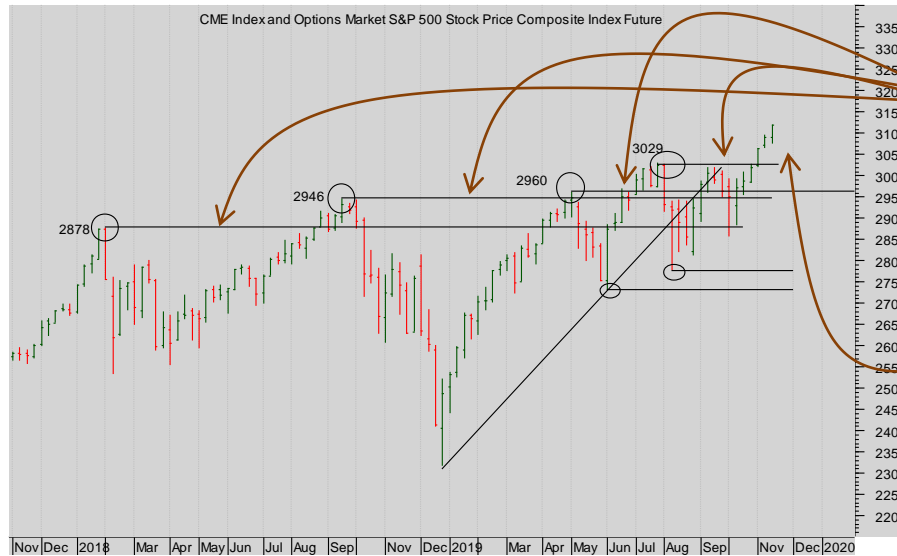
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### Commodities

- + Oil
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## CME S&P 500 cont. weekly cont. chart



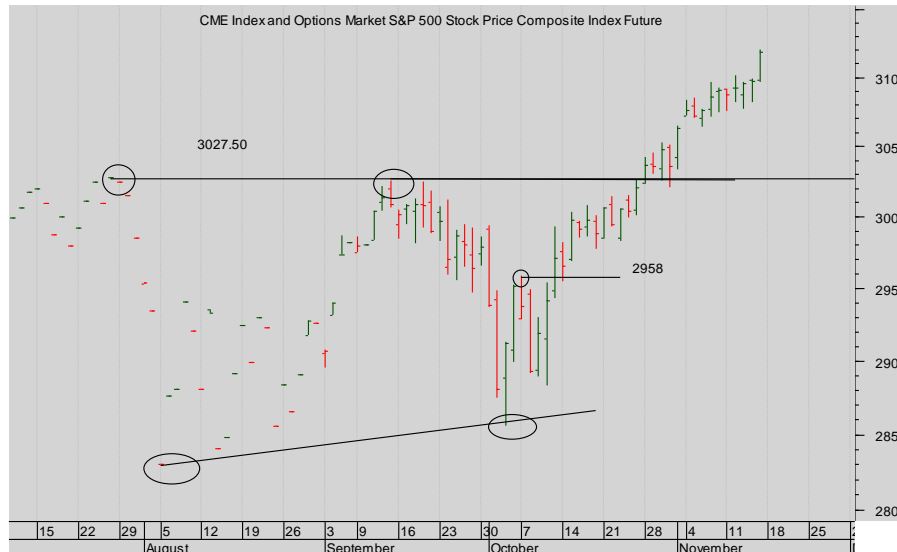
The succession of highs look as if they are all about to be overcome.

The succession of rising lows is equally impressive.

It's not clear yet.

Now there's a break above 3029....!

## CME S&P 500 daily Dec 2019 chart



We have a clear break .

The bulls are in charge.

More



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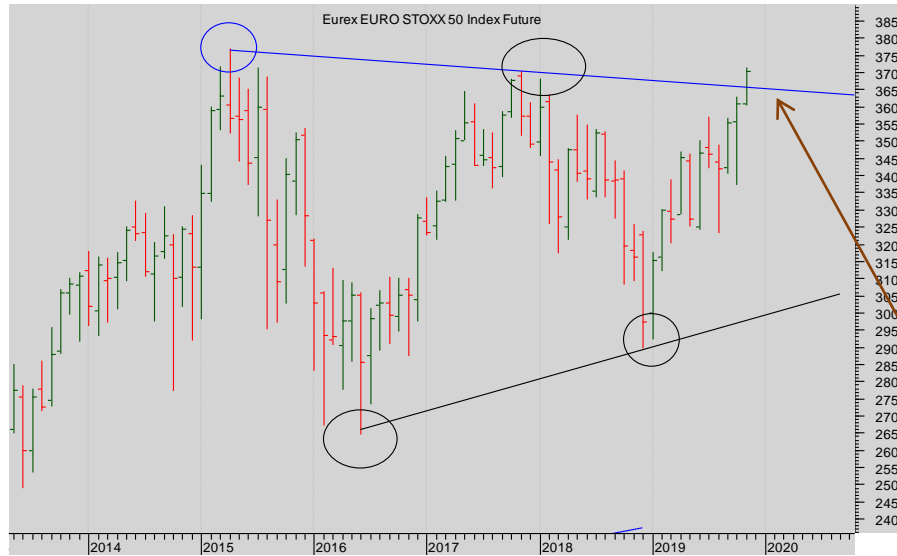
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### Commodities

- + Oil
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### IMPLIED ASSET ALLOCATION

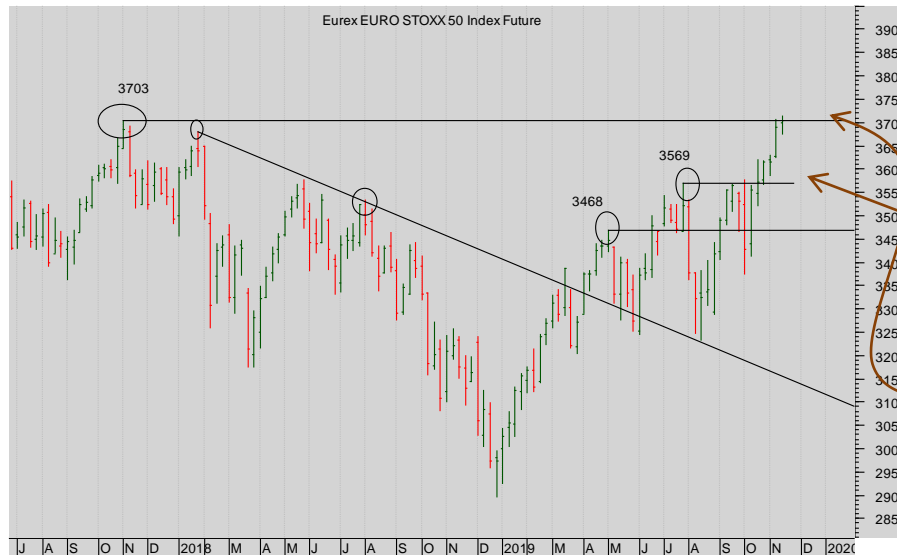
## Stocks: Eurex EuroStoxx 50



### Eurex EuroStoxx 50 monthly continuation futures chart

The long-term condition of the market is dominated by the large triangle – possibly a continuation Triangle...

The bulls need the market to hold above the upper diagonal at around 3670 at month (Nov) end...



### Eurex EuroStoxx 50 weekly continuation futures chart

Note the break above 3569.

It looks good because there is now support beneath the market at 3569...

Watch for a break above 3703.

More



## Stocks: Eurex EuroStoxx 50

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### Stocks

- + S&P 500
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- + Nikkei 225

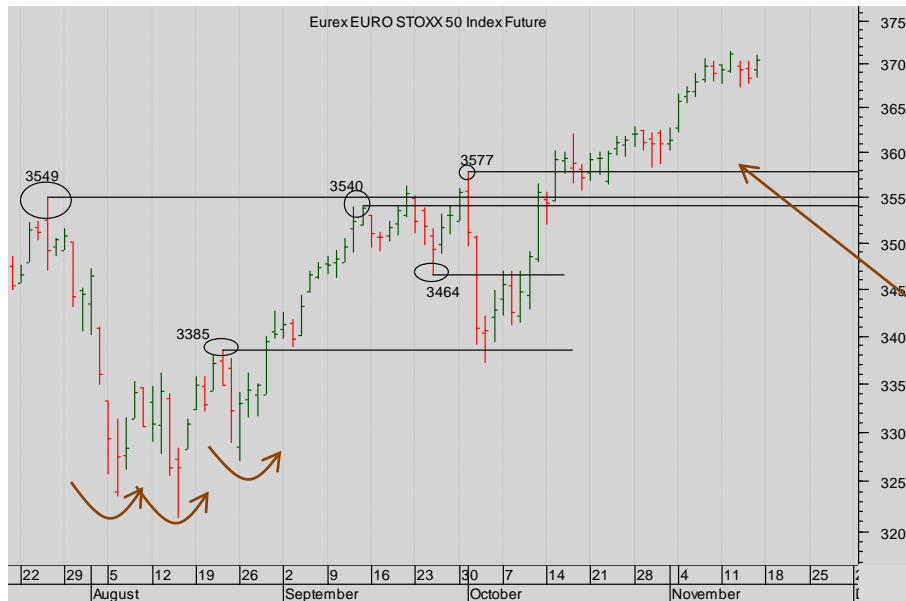
### Bonds

- + Ten Year US TNote
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### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 daily Dec 19 futures chart

Like the weekly chart this too, looks good.

With good support beneath the market at 3577 and 3550.



## Stocks: Liffe FTSE 100

### Summary

### Currencies

- + Dollar Euro
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### Stocks

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

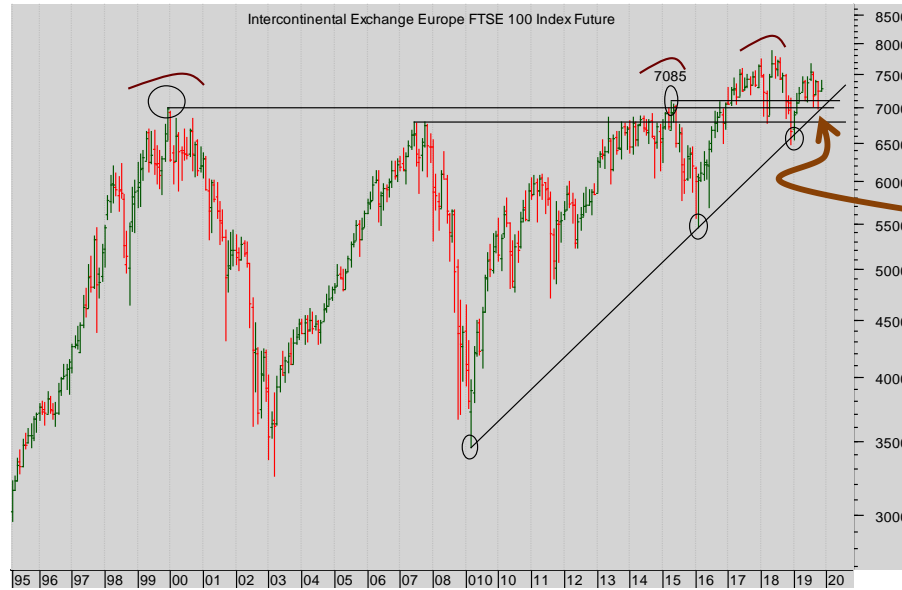
### Bonds

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

### Commodities

- + Oil
- + Gold

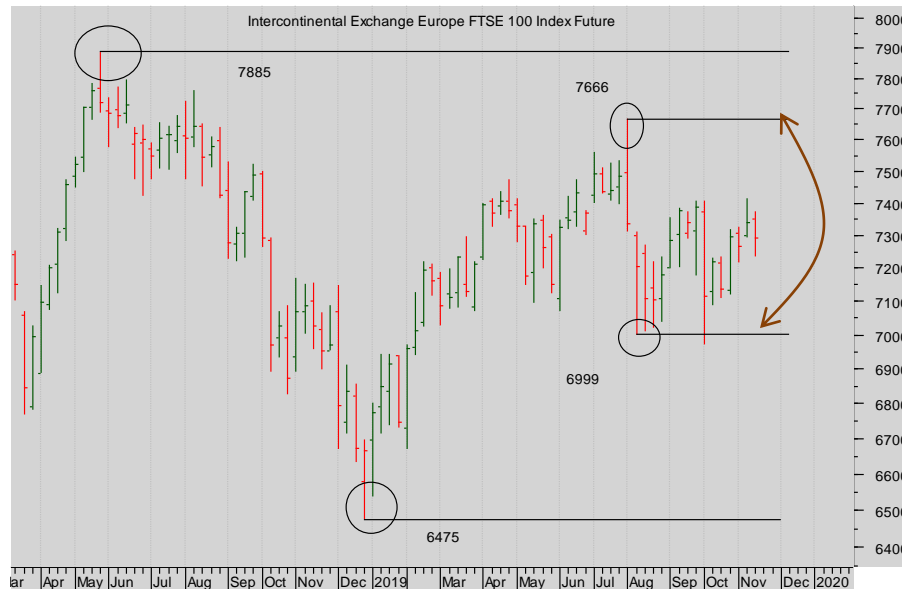
### IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Monthly continuation futures chart

While the rising diagonal support remains intact it is giving enormous confidence to UK investors.

If the triple highs can be overcome the bulls will be buying again.



### Liffe FTSE 100 Weekly cont. futures chart

Watch the ranges.

More



## Stocks: Liffe FTSE 100

### Summary

### Currencies

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

### Stocks

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

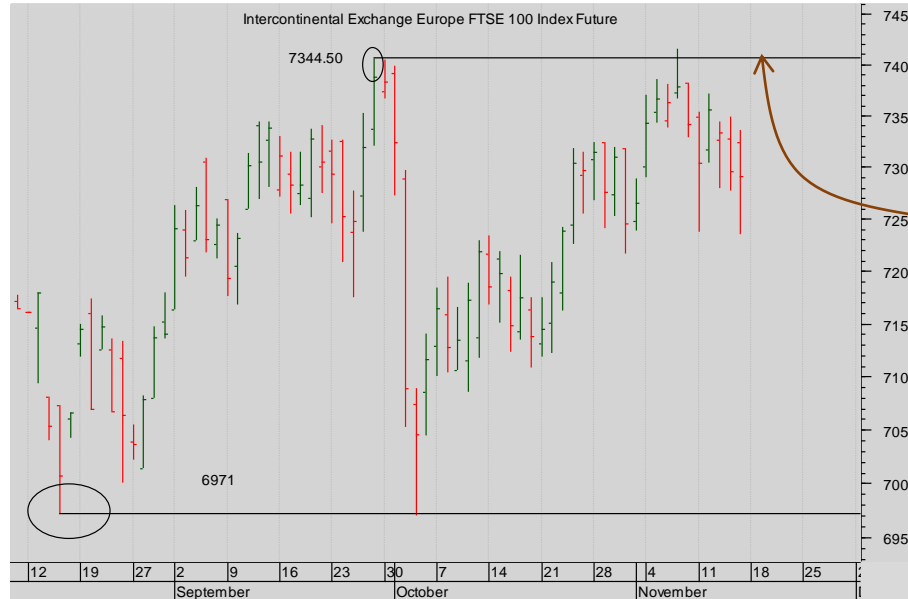
### Bonds

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Liffe FTSE 100 SEP 19  
daily futures chart

Watch the Prior High!





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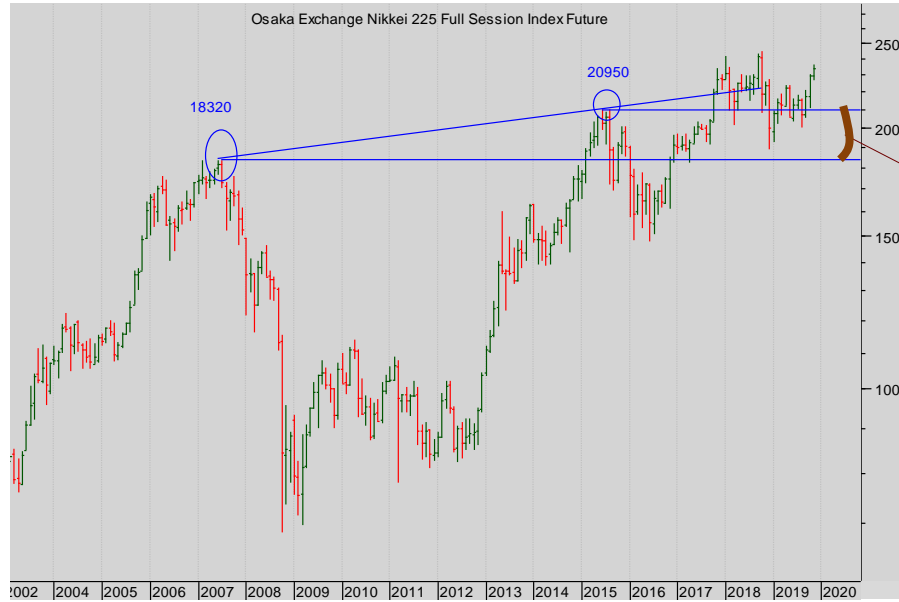
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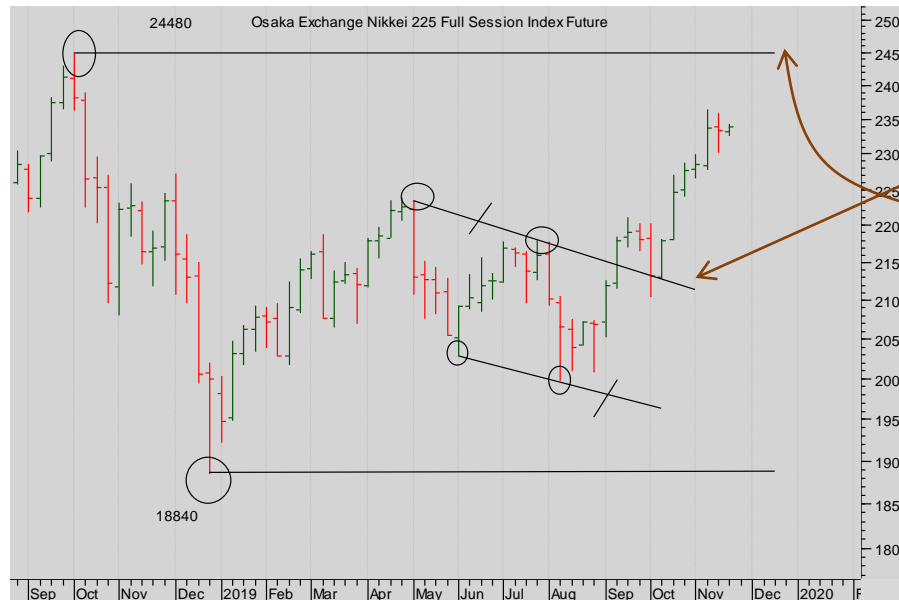
### IMPLIED ASSET ALLOCATION

## Stocks: OSE Nikkei 225



### Nikkei 225 chart (monthly)

The market is retesting the powerful band of support from the Prior Highs 18320 - 20950.



### Nikkei 225 chart (WEEKLY)

The completion of a bull falling wedge is bullish.

The bulls look to be in charge : expect a test of the recent high.

More



## Stocks: OSE Nikkei 225

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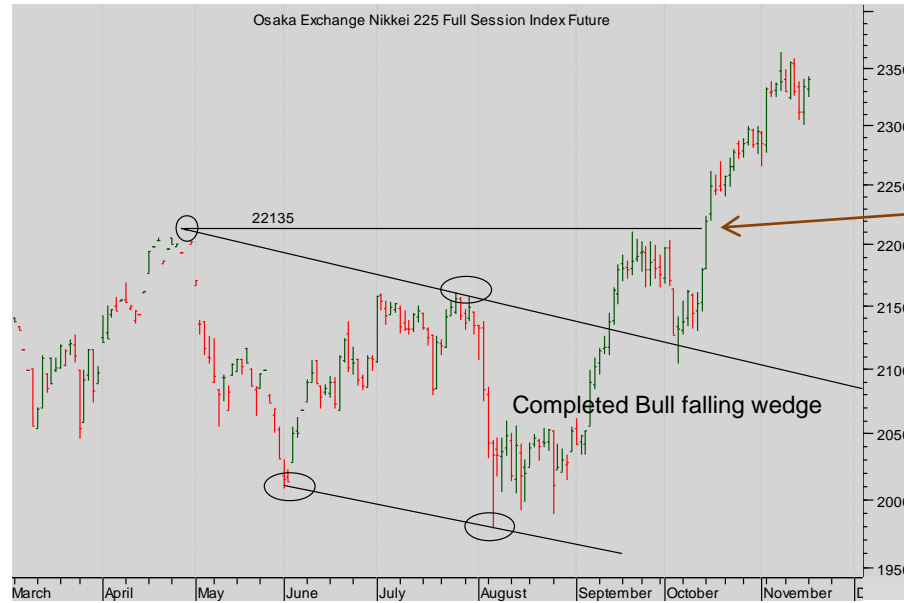
### Bonds

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### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



**Nikkei 225 chart Daily Dec 19.**

Short-term, the push above the Prior High of 22135 was exciting.

That is now good support.



## Stocks: RELATIVE STRENGTH

### Sterling-hedged US and EU

The relative strength of the FTSE has had a dramatic move.

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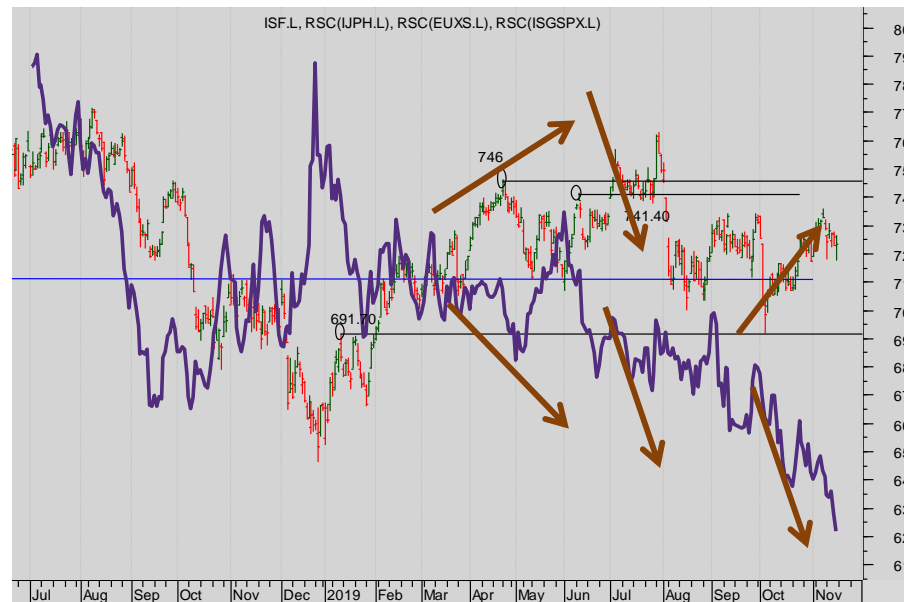
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iShares FTSE Etf. Daily chart.

Note now the dramatic relative failure of the UK market, relative to the US IN BOTH THE BEAR MOVE AND the bull moves!



## Bonds

### BONDS:

The swift pull-backs in the German bond markets has arrived at powerful support. The US is much the same having fallen back rather less. These supports need careful watching. The UK is rather more skittish having fallen back too, but lacks the clarity of the other markets.

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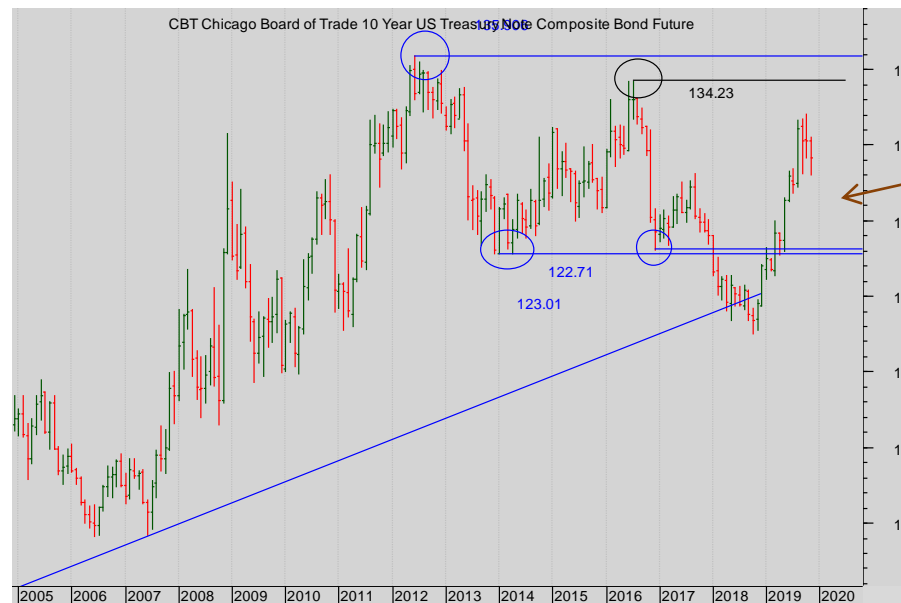
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#### Commodities

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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 up through the diagonal and the horizontal bands of resistance.

**A massive statement of strength.**

Look closer.

More



## Bonds: CBOT Ten Year Notes

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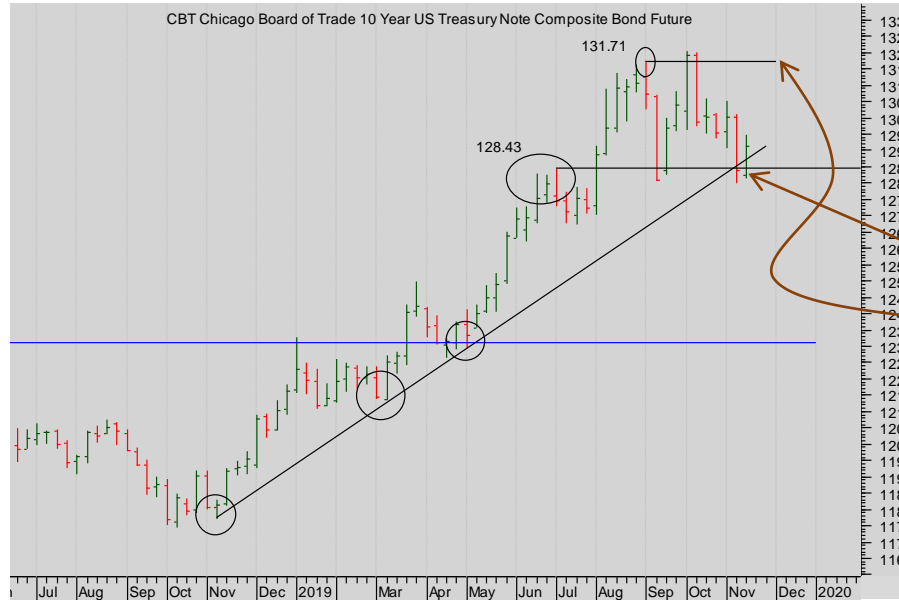
### Bonds

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### Commodities

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### IMPLIED ASSET ALLOCATION



### CBOT Ten Year Notes weekly futures continuation chart

Note the break of the combined support at the diagonal and Prior High at 128.43

And the failed break up through the Prior High at 131.71

The range is breaking.



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

Though looked like a completion of the Double Top and a breakdown through the horizontal support.

But now the rally back up has thrown the bears into confusion.

More



# Bonds: Eurex Ten Year Bund

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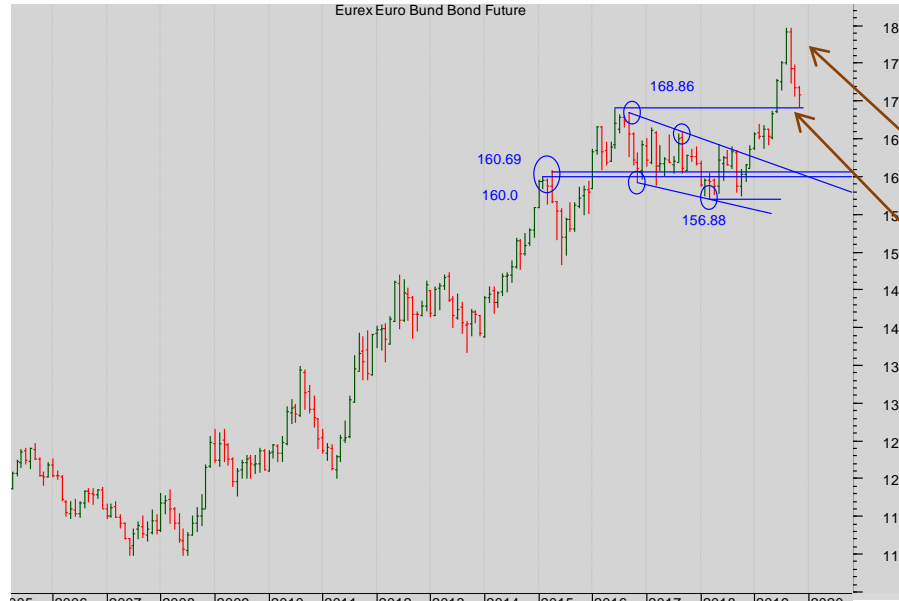
## Bonds

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## Commodities

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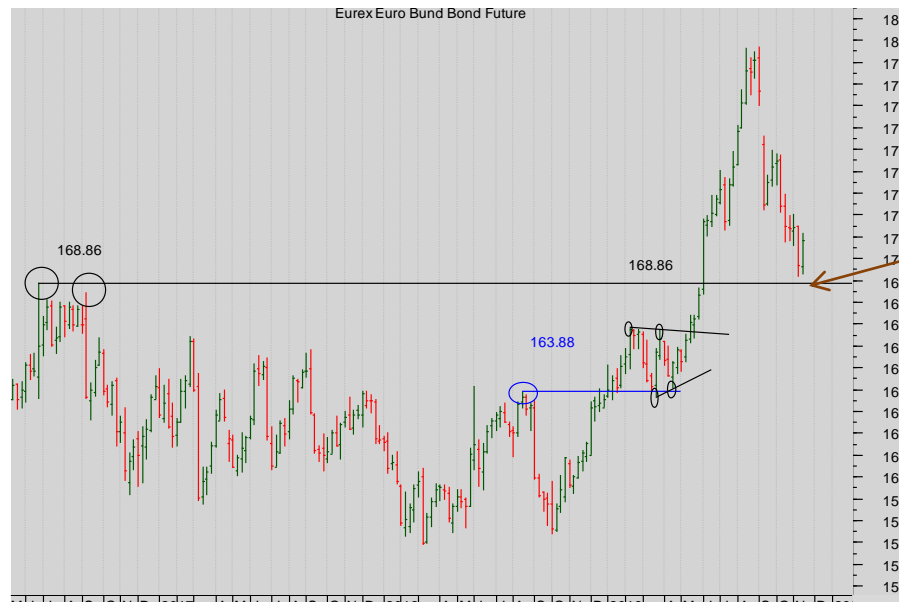
## IMPLIED ASSET ALLOCATION



**Eurex Ten Year Bund monthly futures continuation chart**

That is a **Monthly bear Key Reversal** ...

The break up through the Prior High added another support beneath the market. **Now watch that support.**



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

That 168.86 remains good support on any pull-back. **So expect good support there...**





## Bonds: Eurex Ten Year Bund



### Eurex Ten Year Bund Dec 2019 Daily futures chart

Short-term the bull market has broken the first diagonal trendline support.

Note the smashing of the current horizontal support beneath the market at 171.25.

The rally back should find resistance there too...

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### IMPLIED ASSET ALLOCATION

## Bonds: Liffe UK Gilt futures



**Liffe UK Gilt monthly futures continuation chart**

Note the break down through the band from the Prior Highs – the market's broken up.



**Liffe UK Gilt weekly continuation futures Chart**

In detail: here is the weekly price action pulling back through the support from the nearer high.

It looks convincingly bearish .... In the short-term.

More





## Bonds: Liffe UK Gilt futures

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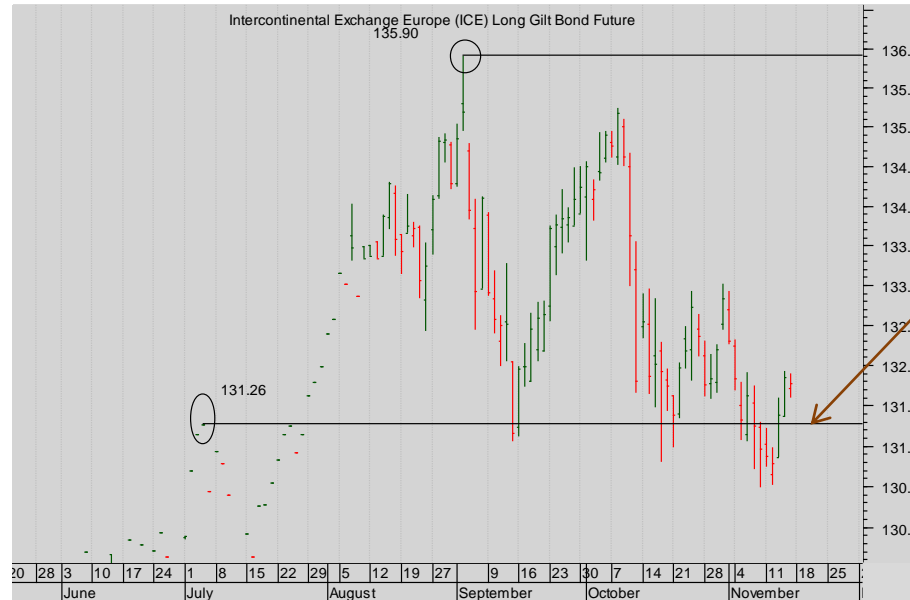
### Bonds

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IMPLIED ASSET ALLOCATION



### Long Gilt daily Dec 19 chart

We thought a break beneath 131.26 would complete a short-term Triple Top.

But the rally back has thrown the bears into disarray.



## Commodity

### COMMODITIES:

Oil remains dull; Gold having run into some resistance in the long-term charts, now is close to having completed a top formation and looks likely to fall further.

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IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



### Nymex oil monthly continuation

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

Stand Back.

More



## Commodities: Nymex WTI Oil

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

### Commodities

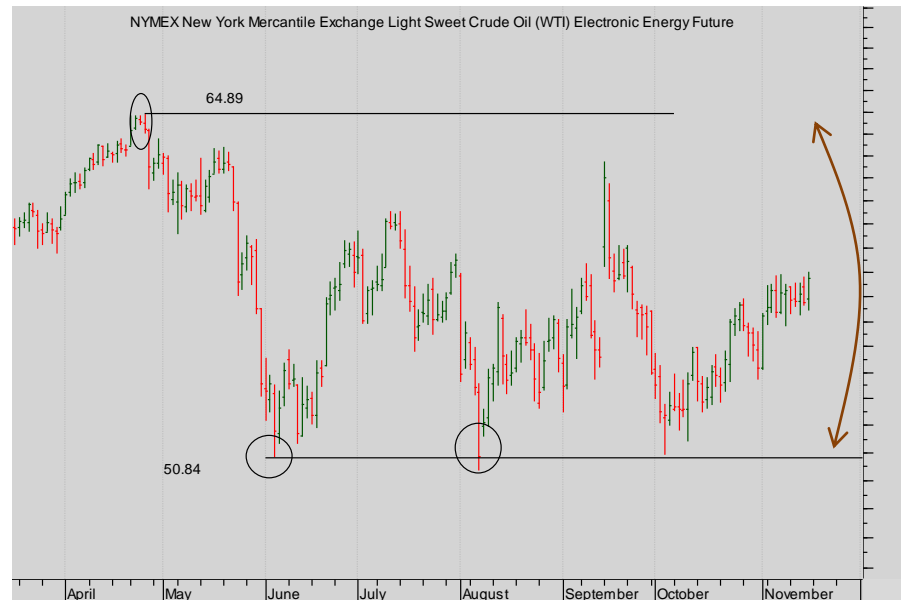
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Nymex oil weekly continuation

It's not clear: watch the range.



### Nymex oil daily Dec 19 futures

There's a range.



## Commodities: Comex Gold

### Summary

### Currencies

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

### Stocks

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

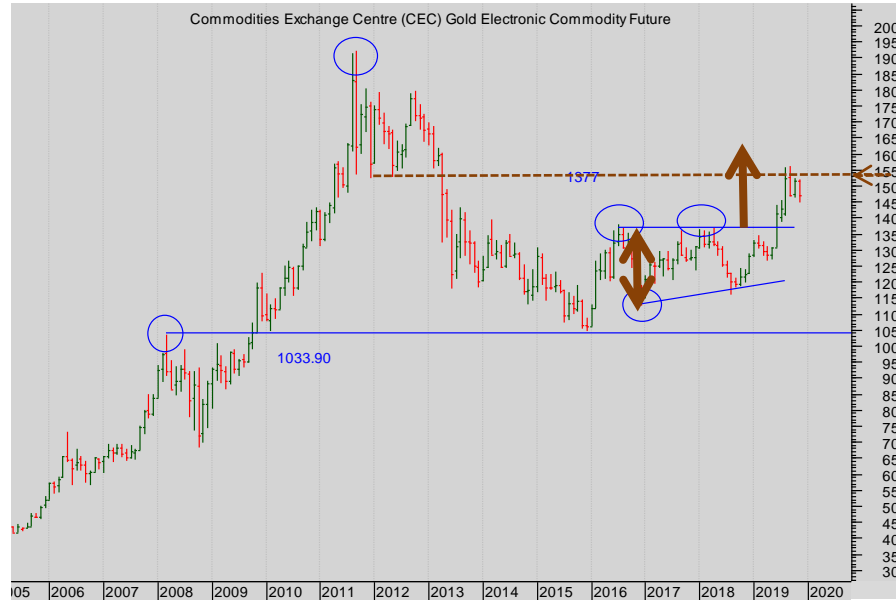
### Bonds

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

### Commodities

- + Oil
- + Gold

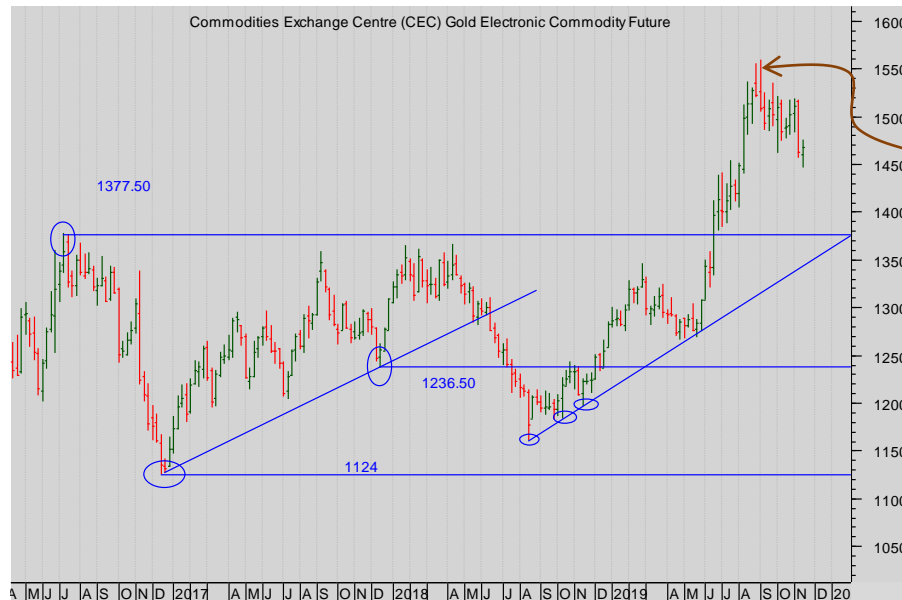
### IMPLIED ASSET ALLOCATION



### Nymex Gold Monthly

The long-term chart shows a failure at the Prior Low resistance at 1526.

The bulls remain in charge.



### Nymex Gold weekly

That was a good Key Reversal.



## Summary

## Currencies

- + Dollar Euro
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- + Sterling Euro

## Stocks

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- + Nikkei 225

## Bonds

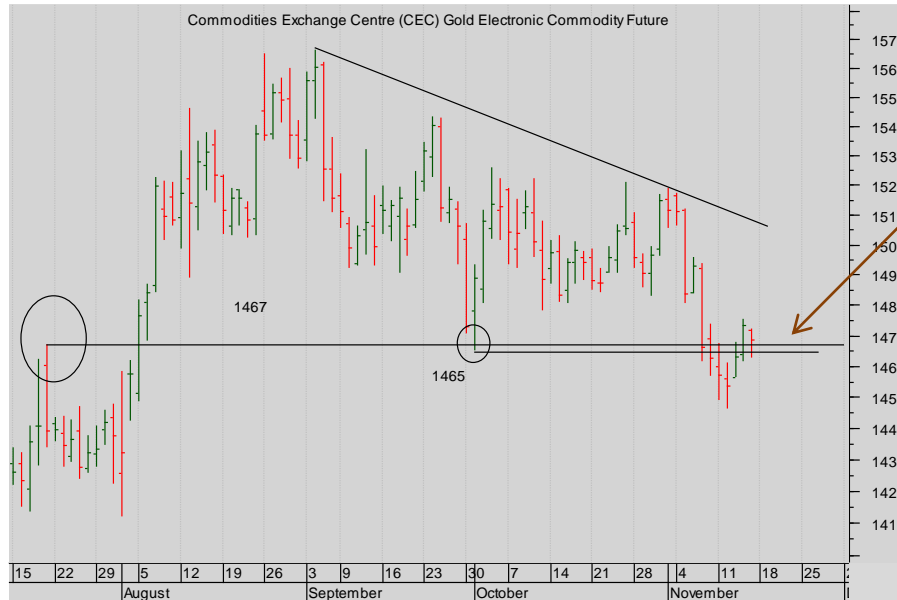
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

## Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

## Commodities: Comex Gold



## Nymex Gold Oct 2019 Daily

A bull flag?

Not clear – the breakdown through 1467-1465 is being threatened by the rally over the last few days ...



# Summary

## Summary

### Currencies

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- + Dollar Sterling
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- + 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

## Seven Days Ahead Balanced Risk IMPLIED Asset Allocation

v

### MSCI Balanced Risk Asset Allocation



More



*the technical analyst*

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