



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 25th February 2020

**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

## Summary

### Currencies

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

Long-term **BEAR** Euro

Long-term **BULL** Sterling

Long-term **BEAR** Yen

Long-term **BULL** Euro

Medium-term **BEAR** Euro

Medium-term **BULL** Sterling

Medium-term **FLAT** Yen

Medium-term **BULL** Euro

Short-term **BEAR** Euro

Short-term **FLAT** Sterling

Short-term **FLAT** Yen

Short-term **FLAT** Euro

### Stocks

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

Long-term **BULL**

Long-term **BULL**

Long-term **BULL**

Long-term **BULL**

Medium-term **BULL**

Medium-term **BULL**

Medium-term **FLAT**

Medium-term **BULL**

Short-term **FLAT**

Short-term **FLAT**

Short-term **FLAT**

Short-term **FLAT**

### Bonds

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

Long-term **BULL**

Long-term **BULL**

Long-term **BULL**

Medium-term **BULL**

Medium-term **BULL**

Medium-term **BULL**

Short-term **BULL**

Short-term **BULL**

Short-term **BULL**

### Commodities

- + Oil
- + Gold

Long-term **BEAR**

Long-term **BULL**

Medium-term **BEAR**

Medium-term **BULL**

Short-term **BULL**

Short-term **BULL**

## IMPLIED ASSET ALLOCATION

More



## Currencies: Dollar Euro

### CURRENCIES:

The Dollar is smashing the Euro. Note tho' that there is no similar beating up of Sterling. So Sterling is strong against the Euro, without yet, breaking the important resistance level there which it is testing

....

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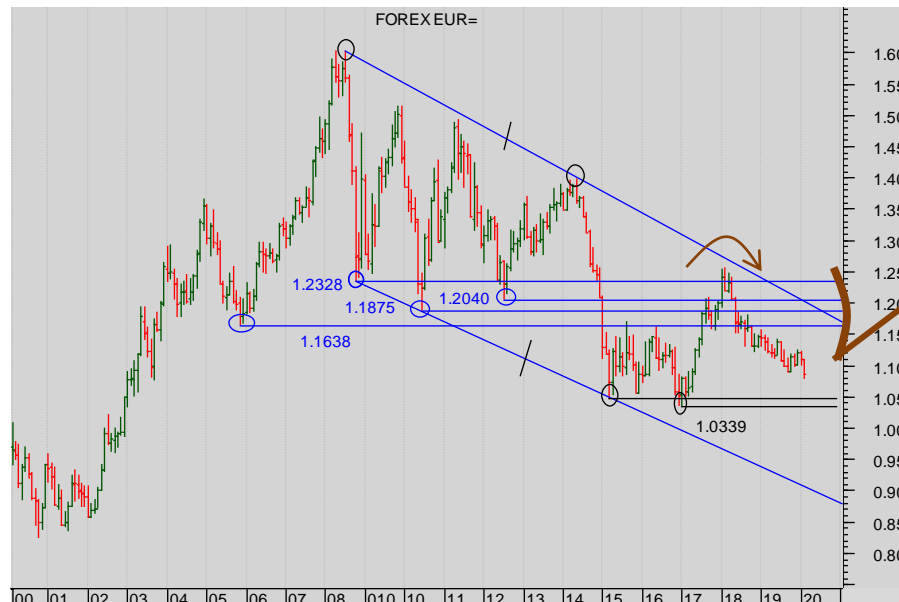
#### Bonds

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#### IMPLIED ASSET ALLOCATION



### Dollar Euro monthly spot cash chart

These powerful resistances above the market at 1.15 and above have **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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- + Nikkei 225

### Bonds

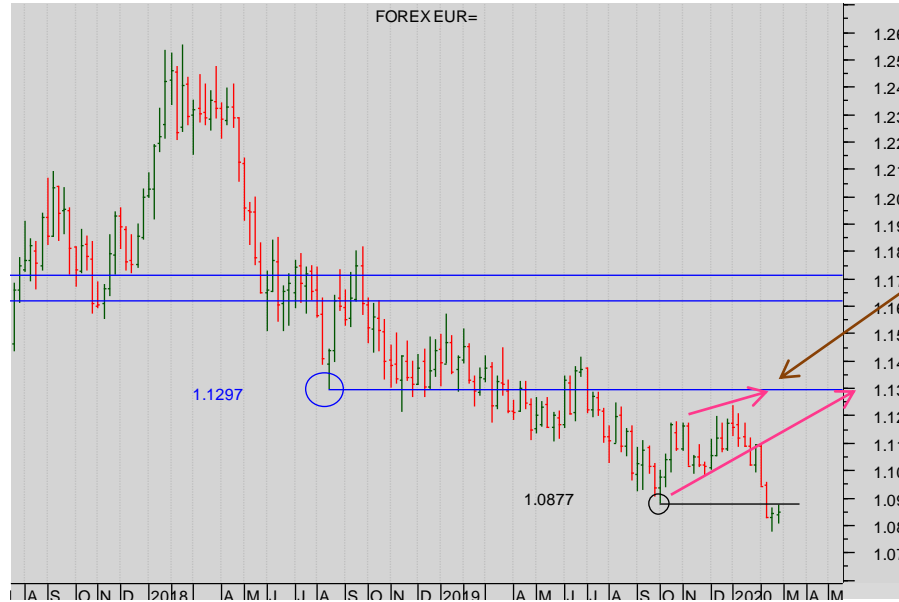
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

## Currencies: Dollar Euro

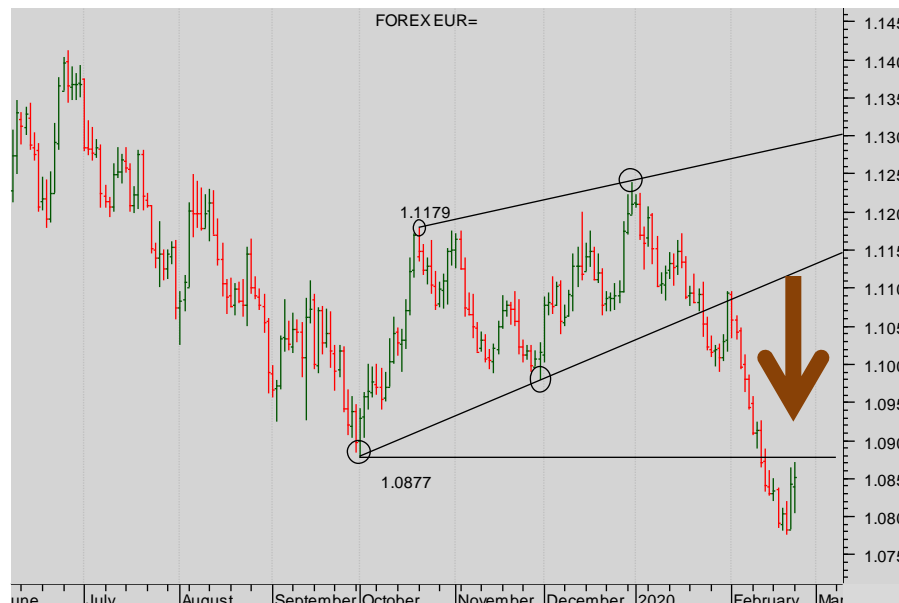


### Dollar Euro weekly spot cash chart

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

A small bear wedge has completed... and now the Prior Low is broken beneath, the bears have really got the bit between their teeth.

**The bear Euro trend remains intact and the Dollar bulls remain in charge.**



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

That bear wedge has completed. (the lower diagonal proved to be good resistance on an attempted rally)

The momentum drove the market beneath the Prior Low – which is now the resistance on any rally, ratcheting the market lower still



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### Stocks

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### Bonds

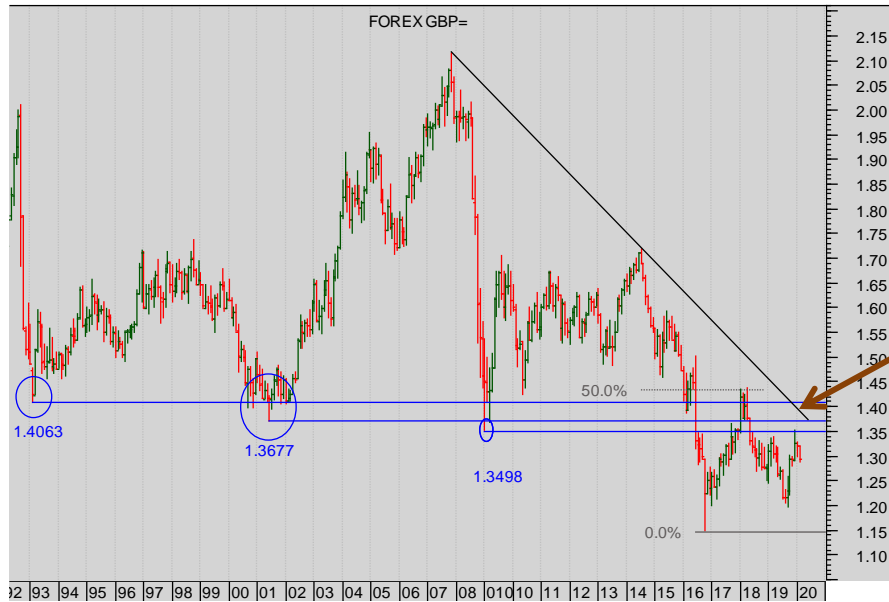
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

## Currencies: Dollar Sterling

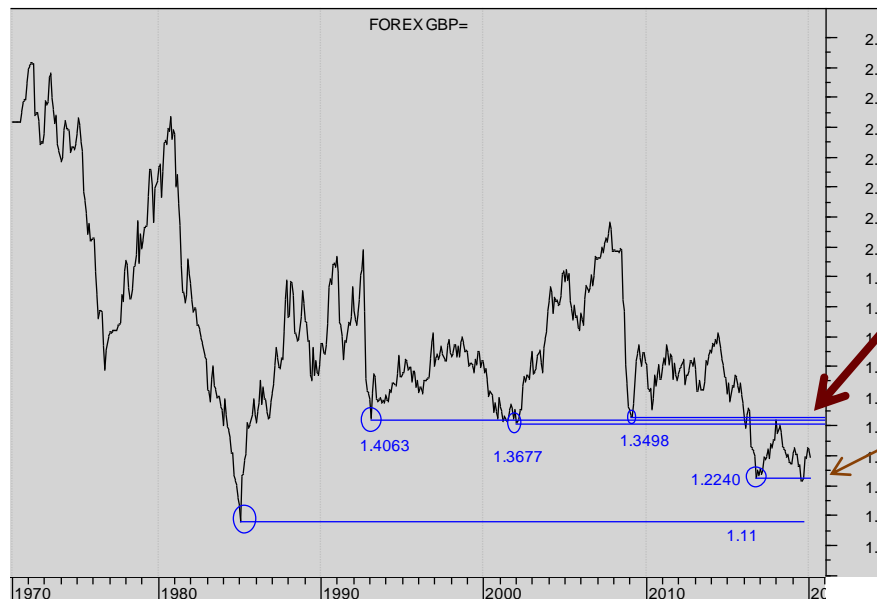


### Dollar Sterling Monthly spot cash chart

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 at the re-approach.



### 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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### Bonds

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- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

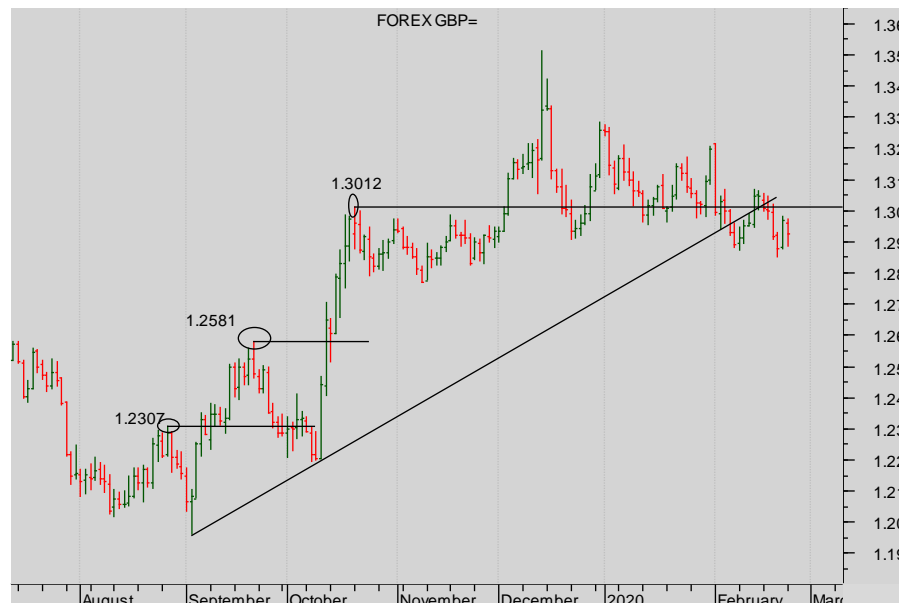
## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

THAT IS A BULL FALLING WEDGE that has completed.

The Pound has tried to go stronger still. But is dithering



### Dollar Sterling daily spot cash chart

Yet short-term, note the lack of clear structure....stand back



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### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

## Currencies: Dollar Yen

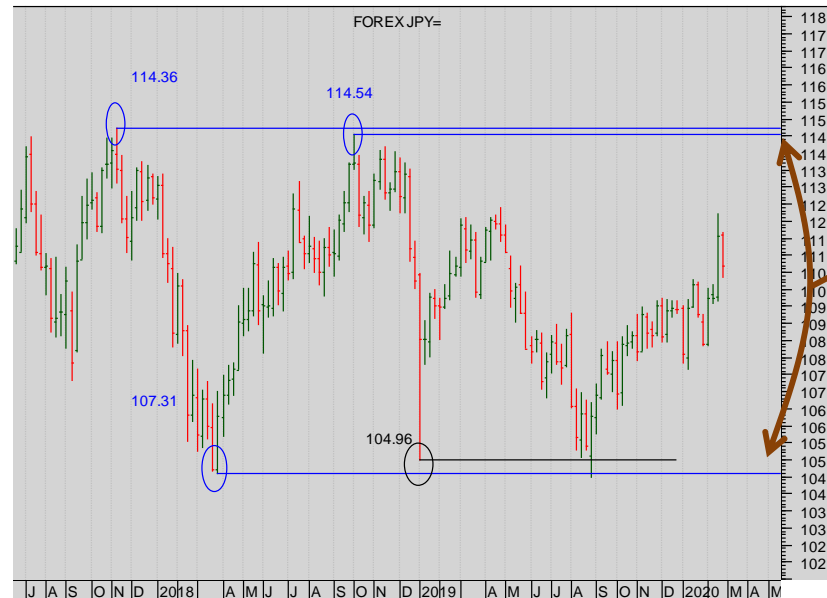


### Dollar Yen monthly spot cash chart

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



## Currencies: Dollar Yen

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### Currencies

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

### Stocks

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

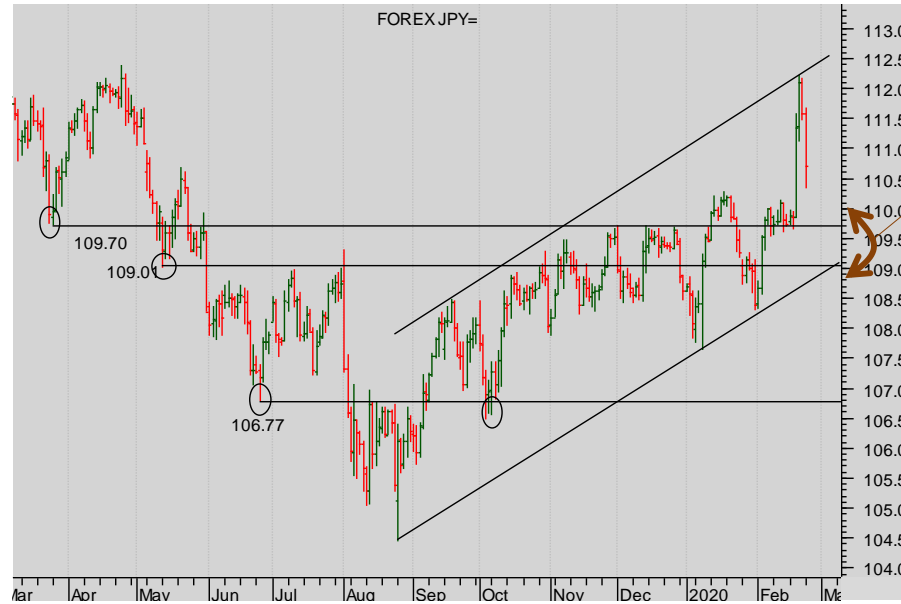
### Bonds

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

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Dollar Yen daily spot cash chart

Short-term we got a SUSTAINED break up through the band 109.01/109.70 to convince the Yen bears ( and Dollar bulls).

But the channel is established and we remain within it.





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### Currencies

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

### Stocks

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

### Bonds

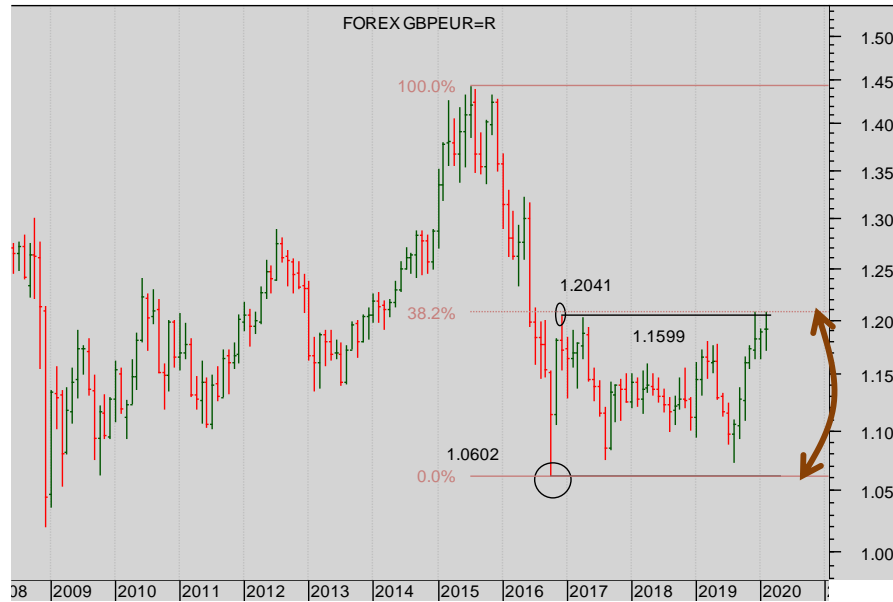
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

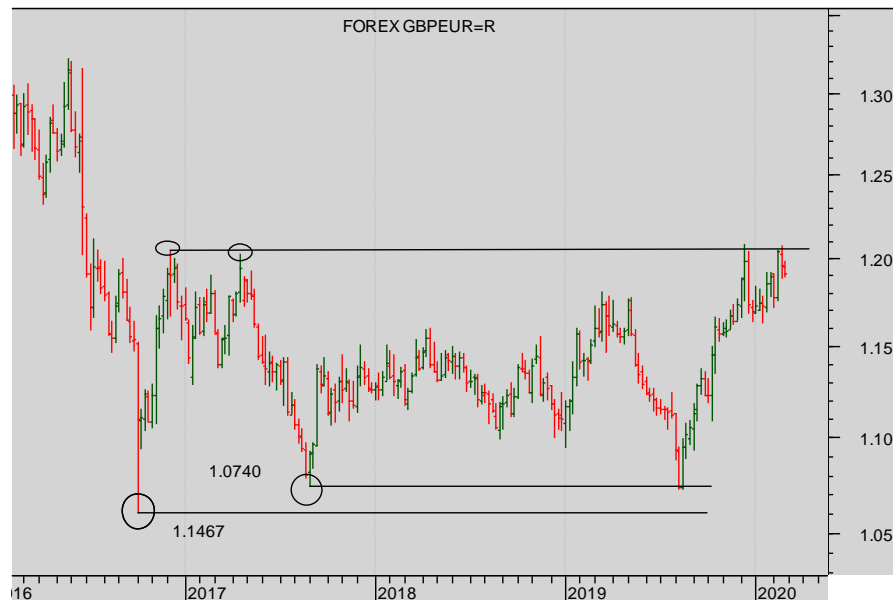
## IMPLIED ASSET ALLOCATION

## Currencies: Sterling Euro



### Sterling Euro monthly spot cash chart

The market remains in the broad trading range, but very close to the top of the range.



### Sterling Euro weekly spot cash chart

This detail is a bit clearer: the market remains in the trading range. But there's no breakout yet!

More



## Currencies: Sterling Euro

### Summary

### Currencies

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

### Stocks

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

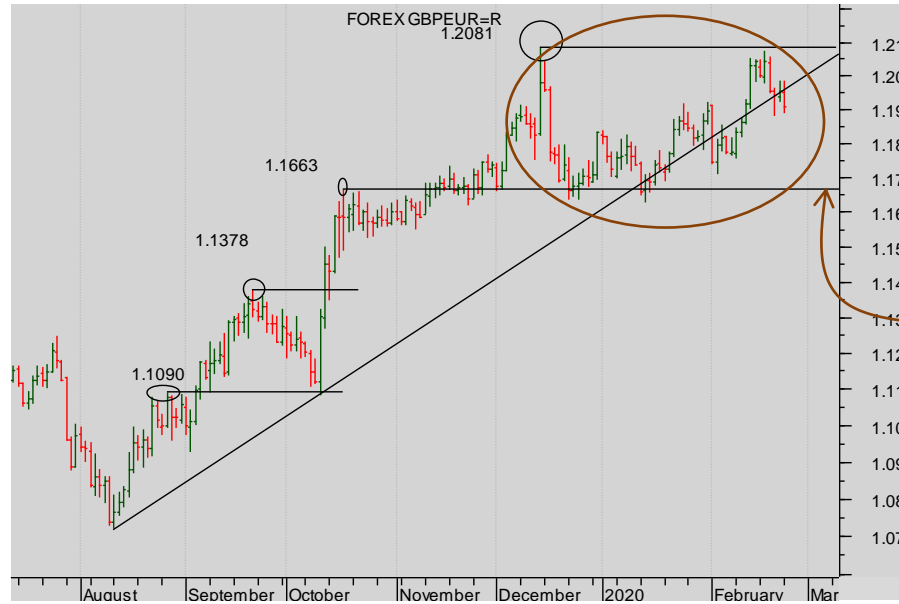
### Bonds

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

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Sterling Euro daily spot cash chart

The short-term rally **CONTINUES** – wait for a break of the clear range.



## Stocks

### STOCKS:

Stock have had a short-term shock. Note that on Monday night no weekly levels of consequence have been breached. But the lows of January are very close ( December in FTSE the weakest) and need to be watched for any failure there.

#### Summary

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- + Dollar Euro
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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

IMPLIED ASSET ALLOCATION

### Stocks: CME S&P



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

The bull market.

More



## Stocks: CME S&P 500

### Summary

### Currencies

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

### Stocks

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

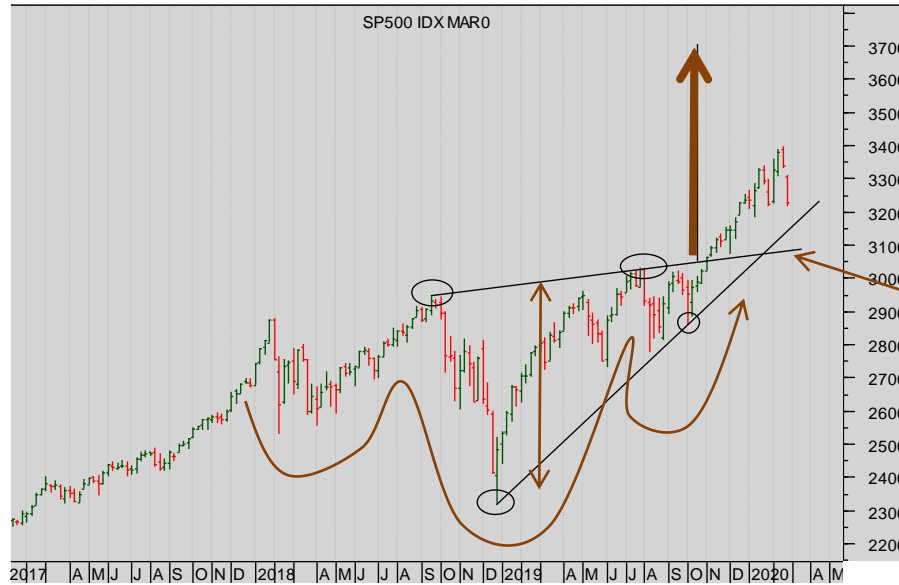
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

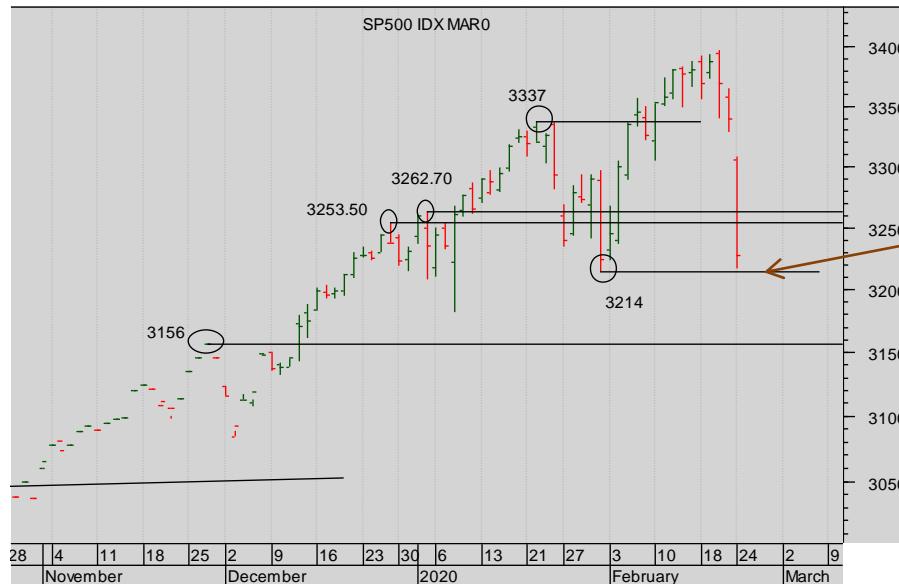


### CME S&P 500 cont. weekly cont. chart

The succession of highs have all been overcome. This is surely a bull continuation Head and Shoulders!

Minimum move? 3700!

Thus there is now massive support beneath the market at the rising neckline.



### CME S&P 500 daily Dec 2019 chart

The break beneath the Prior was dramatic, but note the failure to break beneath the Prior Low at 3214.

That is the critical level.

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 monthly continuation futures chart

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

If the market can hold above the upper diagonal at around 3670 at the end of November and again in December to confirm the completion – the bulls will be ecstatic.



### Eurex EuroStoxx 50 weekly continuation futures chart

The market is failing to sustain itself above the Prior High at 3703.

The market needs to stabilise above that level so the bulls can buy again with confidence.

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

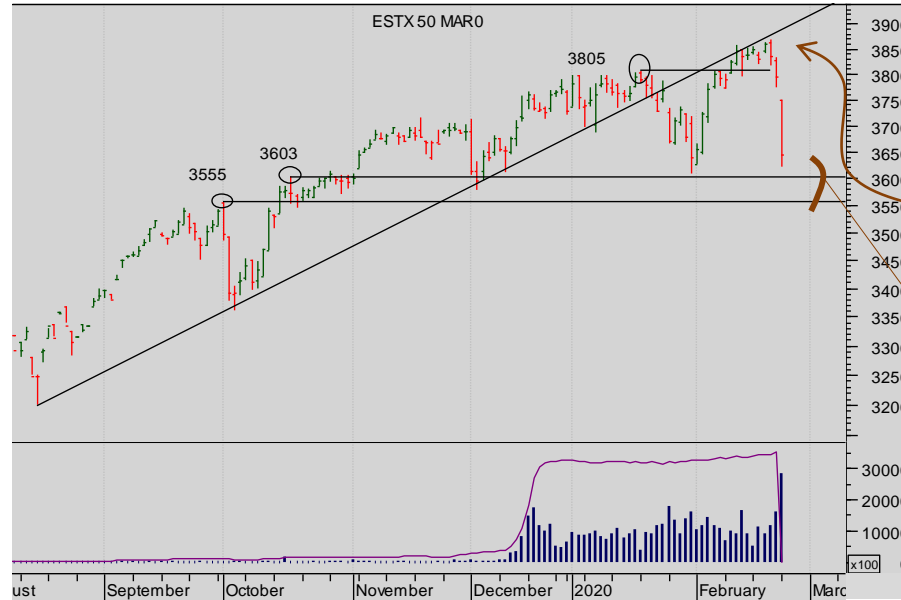
### Bonds

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

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 daily Dec 19 futures chart

NB the failure to break above the resistance from the broken (but once very well-established) Diagonal support **now resistance**

Good support well-established remains beneath the market at the horizontals.

These have to break for the bears to gain confidence.



### Summary

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- + Sterling Euro

### Stocks

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- + **FTSE 100**
- + Nikkei 225

### Bonds

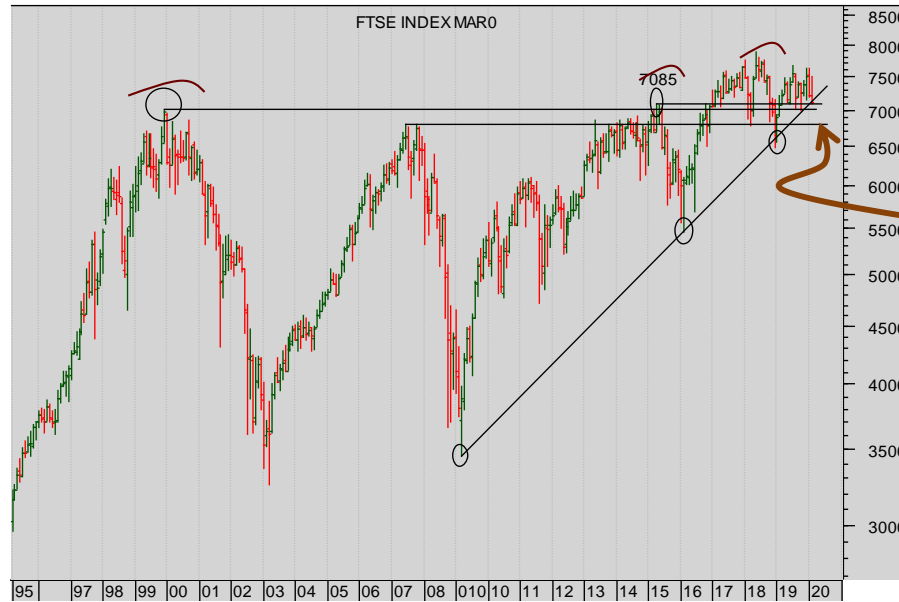
- + Ten Year US TNote
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- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

## Stocks: Liffe FTSE 100

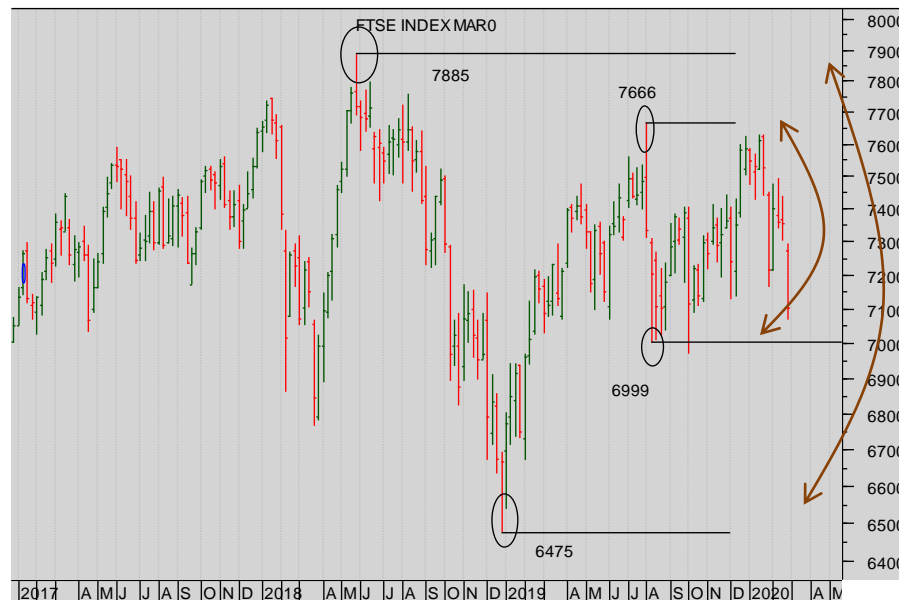


### Liffe FTSE 100 Monthly continuation futures chart

The rising diagonal support remains intact

And the horizontal support remains intact,

They are giving enormous confidence to UK investors.



### Liffe FTSE 100 Weekly cont. futures chart

Watch the ranges. Note the diagonals. **But the ranges are the things that matter.**

**And none are broken yet.**

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

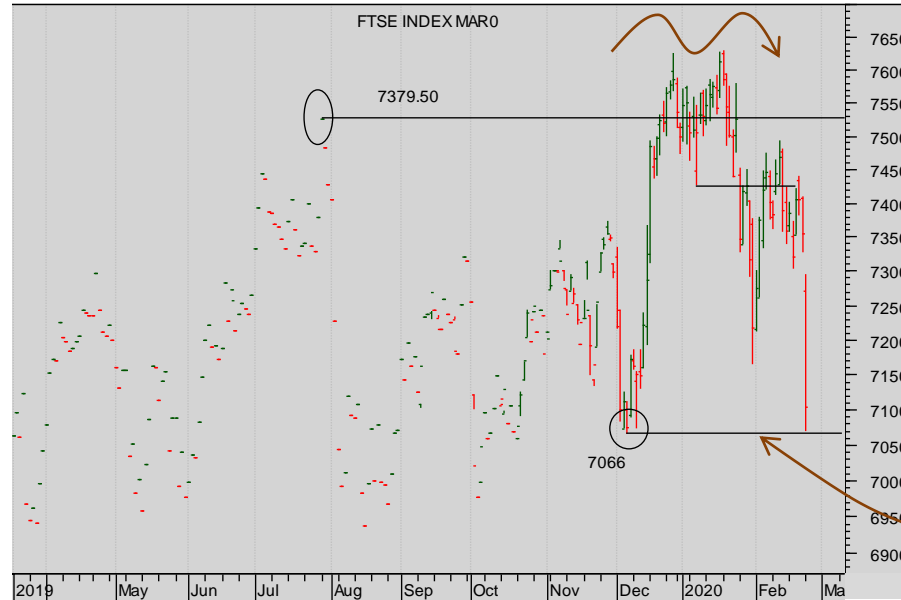
### Bonds

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

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Dec 19 daily futures chart

This lacks clarity, but note the Double Top's completion at the Prior High at 7379, and the market's current pause at that completion level of the Double Top.

This market looked vulnerable and has been vulnerable.

But it needs to break and hold beneath 7066..





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### Bonds

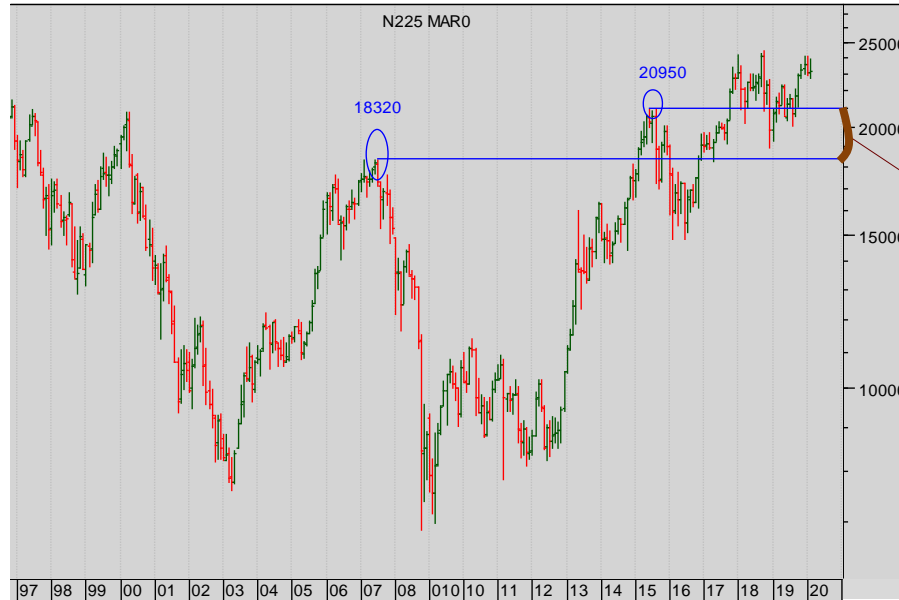
- + Ten Year US TNote
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- + UK Gilt

### Commodities

- + Oil
- + Gold

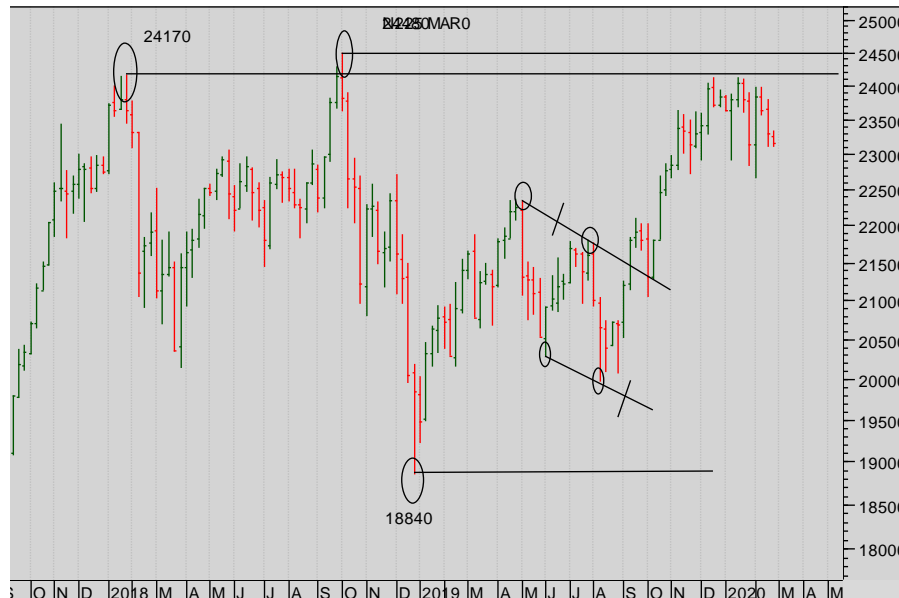
### IMPLIED ASSET ALLOCATION

## Stocks: OSE Nikkei 225



### Nikkei 225 chart (monthly)

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



### Nikkei 225 chart (WEEKLY)

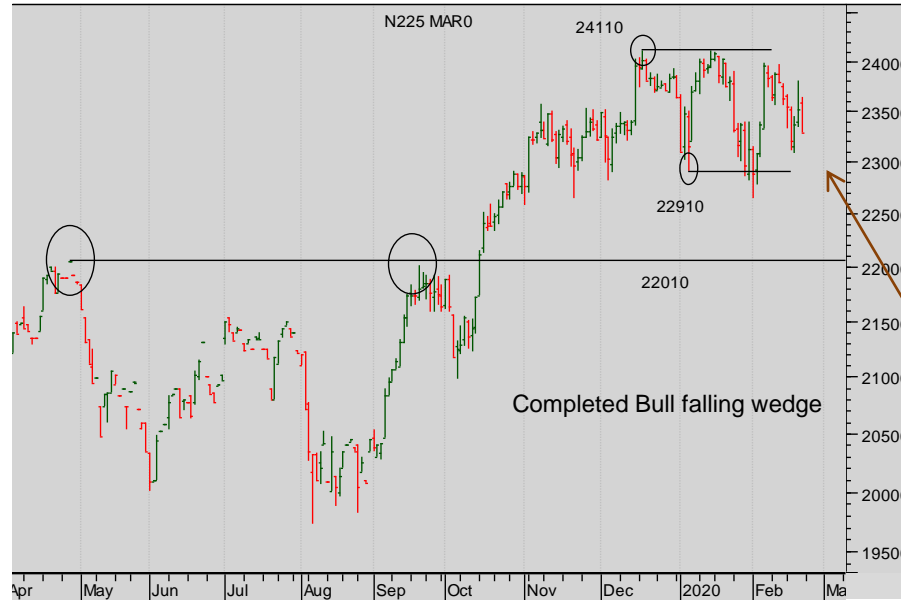
The completion of a bull falling wedge was bullish.

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

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## Stocks: OSE Nikkei 225



### Nikkei 225 chart Daily March 2020.

Watch the range.

A clear break beneath the 22910 level would drive the market even further down.

For the moment the market is in a trading range.

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#### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



## Bonds

### BONDS:

Bonds are still strong, and now through Prior Highs ( sept 2019 ) in the US and close to them in the Bunds and Gilts – rather less bullish markets now but bullish none the less.

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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 long-run rally.

Look closer.

More



# Bonds: CBOT Ten Year Notes

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## Bonds

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- + UK Gilt

## Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION



**CBOT Ten Year Notes weekly futures continuation chart**

Note the solidity of the combined support at the Prior High at 128.43

The looks to have broken the range with a break of the Prior high 132.03 level.



**CBOT Ten Year Notes daily March 20 futures chart**

The range has been broken.

That old range is good support.





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### Bonds

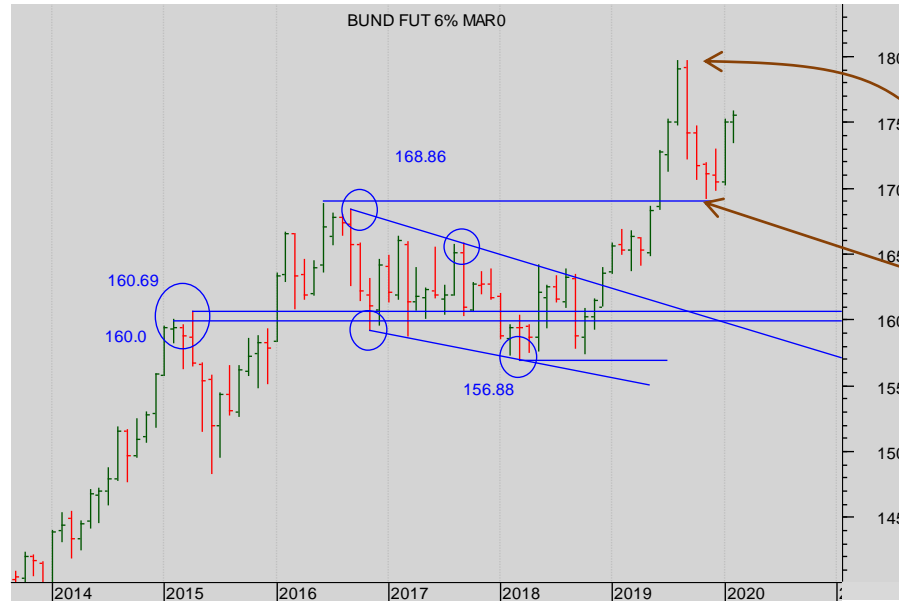
- + Ten Year US TNote
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### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

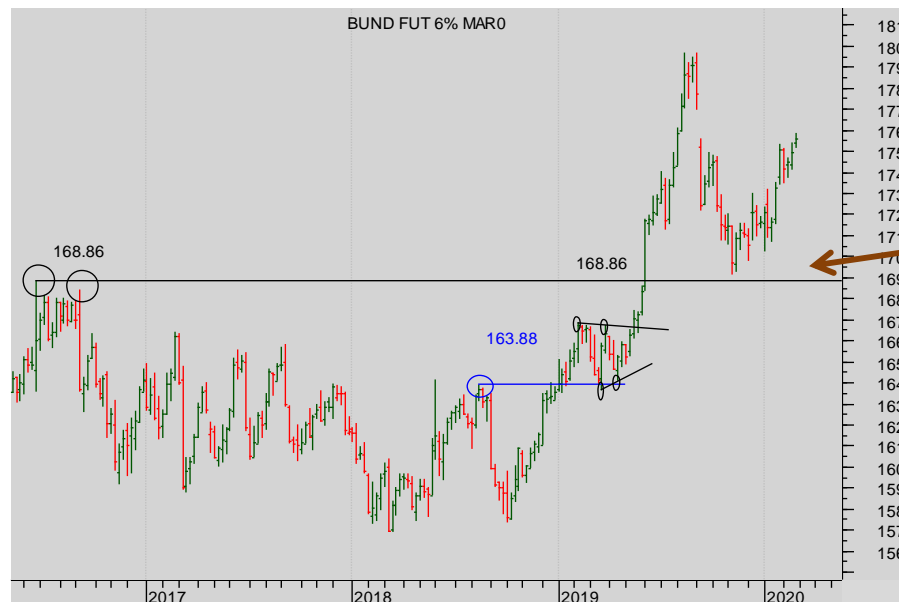
## Bonds: Eurex Ten Year Bund



### Eurex Ten Year Bund monthly futures continuation chart

That is almost a Monthly bear Key Reversal ...

The break up through the Prior High added another support beneath the market. Note the bounce off that support.



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

That 168.86 remained good support on the pull-back.

More



## Bonds: Eurex Ten Year Bund

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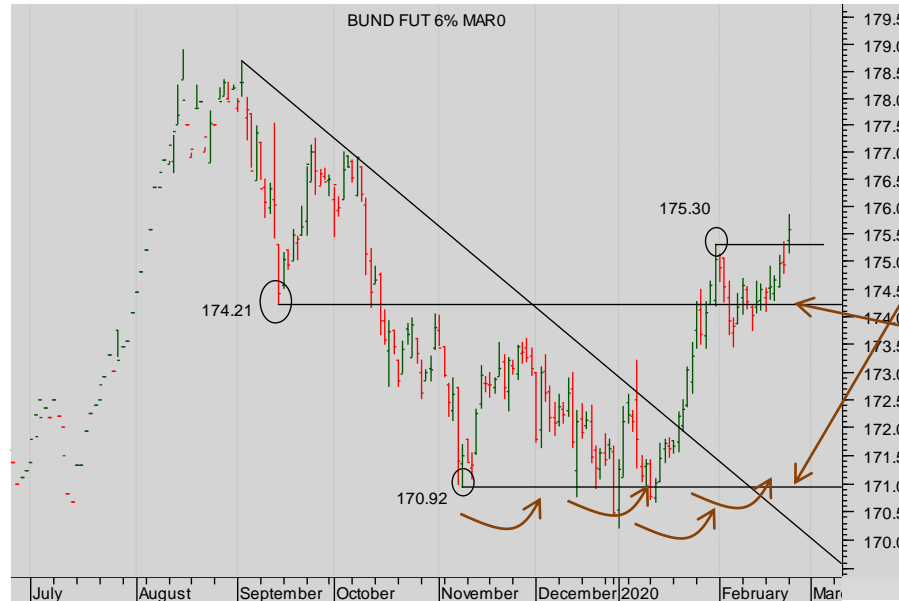
### Bonds

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### Commodities

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IMPLIED ASSET ALLOCATION



## Eurex Ten Year Bund Mar 2020 Daily futures chart

Short-term, note the important horizontal support beneath the market at 170.92 whence the market has bounced four times.

The rally back has bounced off 174.21

The bulls remain in control.



# Bonds: Liffe UK Gilt futures

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## Stocks

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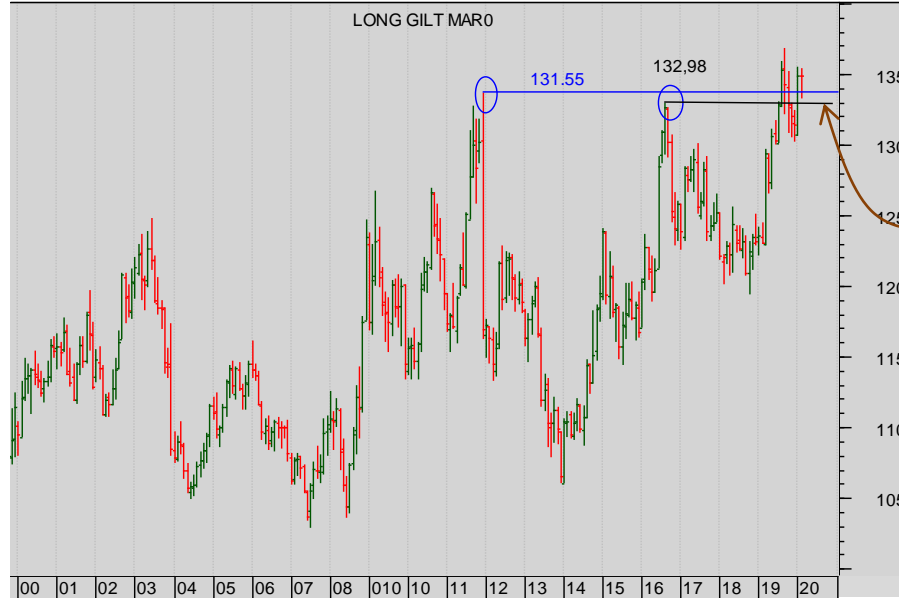
## Bonds

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

## Commodities

- + Oil
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## IMPLIED ASSET ALLOCATION



## Liffe UK Gilt monthly futures continuation chart

The drift from the Prior Highs has been reversed.

If the market sustains itself above that 131.55/132.98 band – it will be a HUGELY powerful endorsement of the bull trend.

Another leg will be in prospect.



## Liffe UK Gilt weekly continuation futures Chart

In detail: here is the weekly price action bouncing back from the support of the nearer high 129.73 and possibly the diagonal.





## Bonds: Liffe UK Gilt futures



### Long Gilt daily Mar 20 chart

This resurgence into new territory ( for the Mar Contract only) is exciting for the bulls, establishing good (band of) support beneath the market , from the Prior Highs at 133.90 and 133.59.

Bulls should wait for a break of the Prior High 135.52.

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IMPLIED ASSET ALLOCATION





## Commodity

### COMMODITIES:

Oil remains testing the lower boundary of a clear weekly and daily trading range. Gold is rallying hard with no clear top in sight.

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#### Bonds

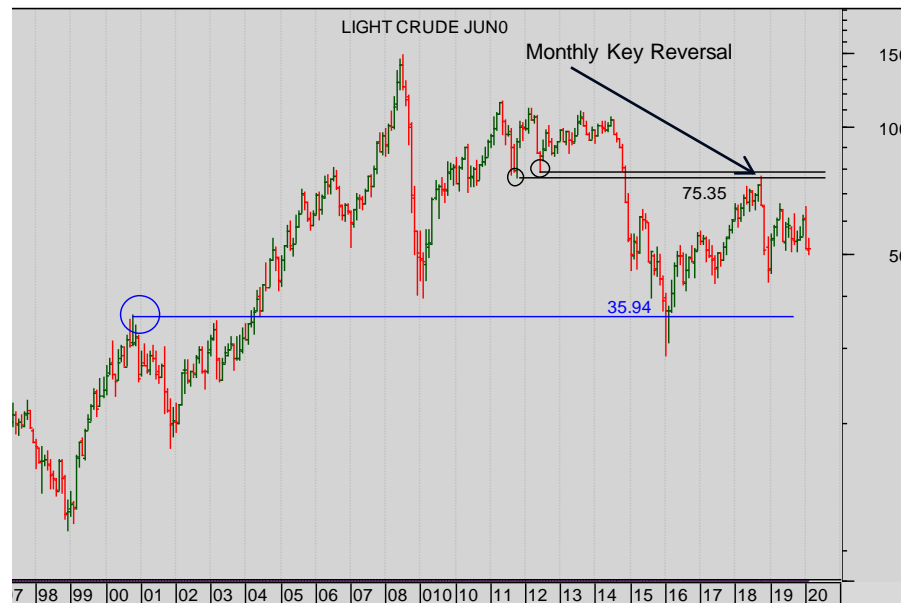
- + Ten Year US TNote
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- + UK Gilt

#### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



### Nymex oil monthly continuation

The wider range is clear. The influence of the monthly Key Reversal is still there – and another may have been set in motion...

Use the diagonal as the critical trigger to sell.

More



# Commodities: Nymex WTI Oil

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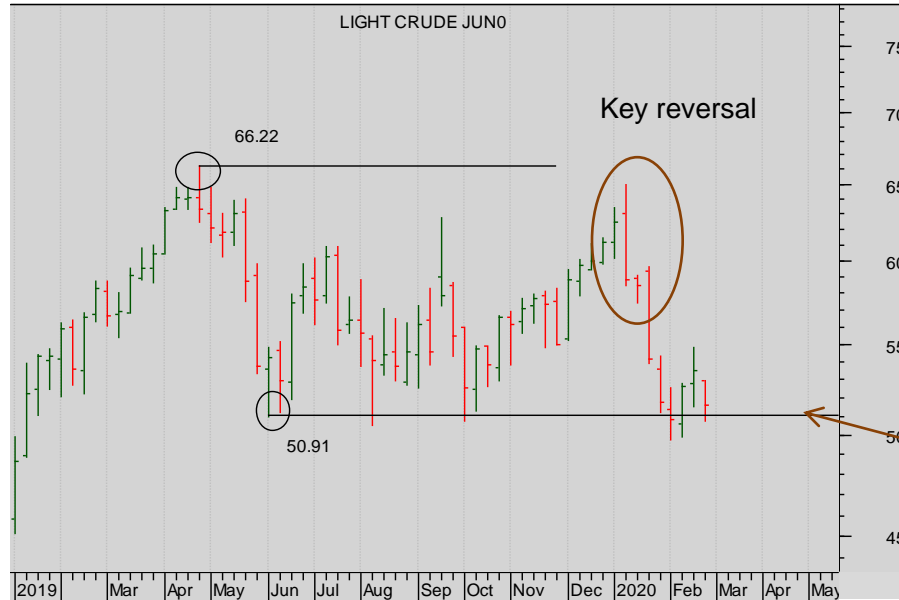
## Bonds

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- + UK Gilt

## Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

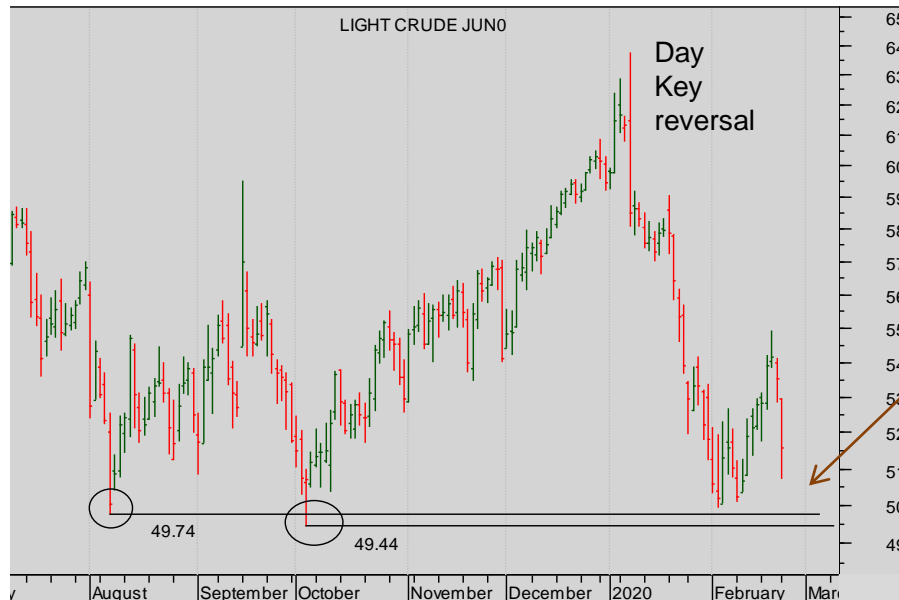


## Nymex oil weekly continuation

It's failed twice at the 64 level.... Not good.

Nor is the possible completion of a Bear rising wedge. Or, better still, a Double Top

We have the completion BENEATH to confirm the Double (Triple, Quadruple?) Top.



## Nymex oil daily Jun 2020 futures

Watch the horizontal band from the lows at 49.74/49.44.

That has to break for the bears to be in control.



## 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

We see the long-term bull propulsion from the completed continuation Triangle.

Yet note too that the minimum target has been reached.

We also see the long-term resistance at the Prior Low at 1523. SMASHED!

**The bulls are in charge.**



### Nymex Gold weekly

The emphatic smash up through the Prior High 1559, using the catalyst of a bull falling wedge, has encouraged the bulls.



## Commodities: Comex Gold

### Nymex Gold March 2020 Daily

Watch this continuation Triangle - it's the catalyst of the next bull move...



#### Summary

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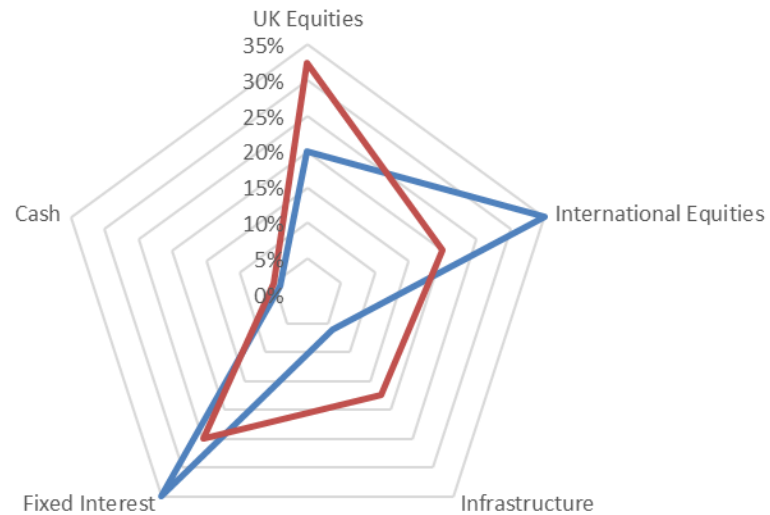
### Commodities

- + Oil
- + Gold

## Seven Days Ahead Balanced Risk IMPLIED Asset Allocation

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### MSCI Balanced Risk Asset Allocation



More



*the technical analyst*

AWARDS 2012

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