



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 24th March 2020

Mark Sturdy

Disclaimer

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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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Long-term BEAR Euro	Medium-term BEAR Euro	Short-term BEAR Euro
Long-term BEAR Sterling	Medium-term BEAR Sterling	Short-term BEAR Sterling
Long-term BEAR Yen	Medium-term FLAT Yen	Short-term FLAT Yen
Long-term BULL Euro	Medium-term FLAT Euro	Short-term FLAT Euro

Stocks

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

Long-term BEAR	Medium-term BEAR	Short-term BEAR
Long-term BEAR	Medium-term FLAT	Short-term FLAT
Long-term BEAR	Medium-term BEAR	Short-term FLAT
Long-term FLAT	Medium-term FLAT	Short-term FLAT

Bonds

- + Ten Year US TNote
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Long-term BULL	Medium-term BULL	Short-term BULL
Long-term FLAT	Medium-term BEAR	Short-term FLAT
Long-term BULL	Medium-term FLAT	Short-term BEAR

Commodities

- + Oil
- + Gold

Long-term FLAT	Medium-term FLAT	Short-term BULL
Long-term FLAT	Medium-term FLAT	Short-term BEAR

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More



Currencies: Dollar Euro

CURRENCIES:

The Dollar is strong. Especially so against the Sterling (there is a newly completed structure in place there) but still against the Euro. No let up.

Note that the Sterling is happier against the Euro tho' having bounced deeper into the long-standing trading range.

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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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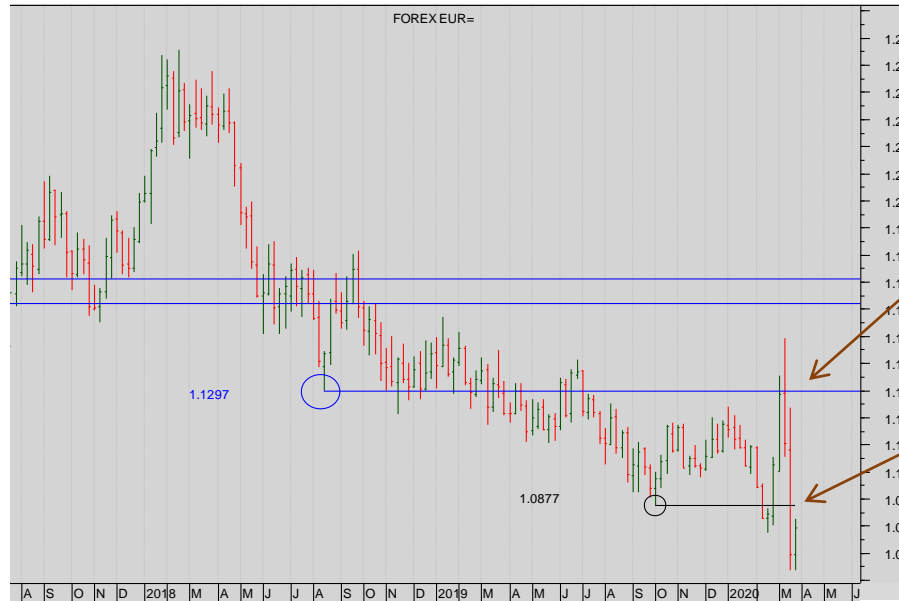
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IMPLIED ASSET ALLOCATION

Currencies: Dollar Euro



Dollar Euro weekly spot cash chart

The sudden weakness of the Dollar that pushed the market back up through the resistance 1.1297 has failed. Dollar strength remains the default position.

Resistance now



Dollar Euro spot cash chart daily chart...

The detail of the failed Dollar weakness...watch the band of resistance 1.0775-1.0877



Currencies: Dollar Sterling

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IMPLIED ASSET ALLOCATION

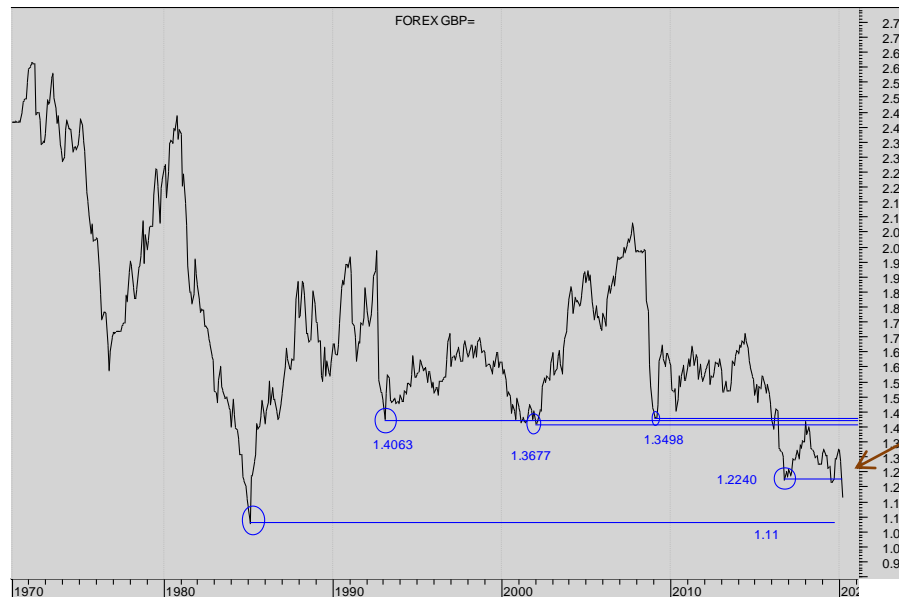


Dollar Sterling Monthly spot cash chart

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.**

Now there's a bear continuation triangle that has completed: minimum move? 0.90!



Dollar Sterling Monthly spot cash LINE CHART based on closes

Note here the bear continuation triangle - completed. The break beneath the lower diagonal will **accelerate the bear move implicit in the massive bear formation in the long-term chart....**

More



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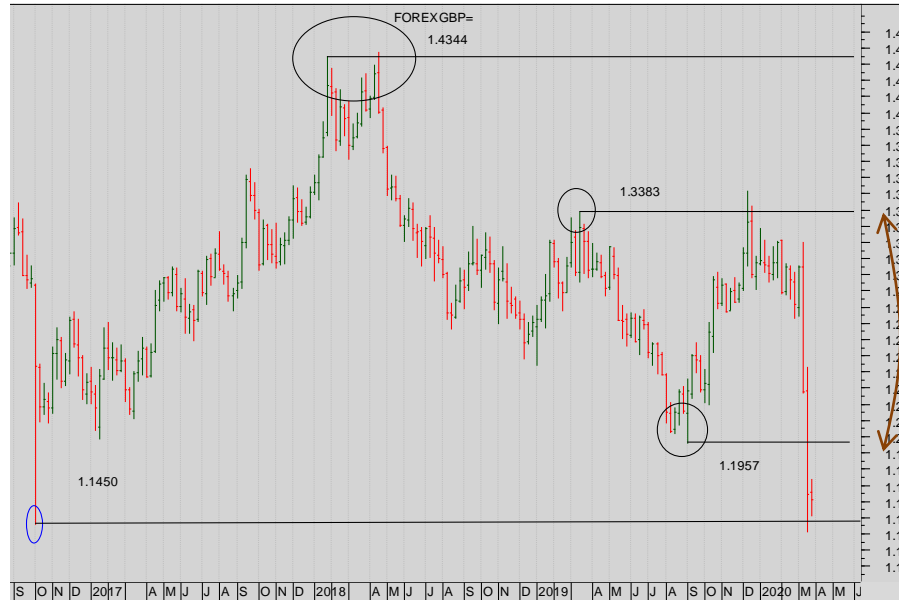
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Commodities

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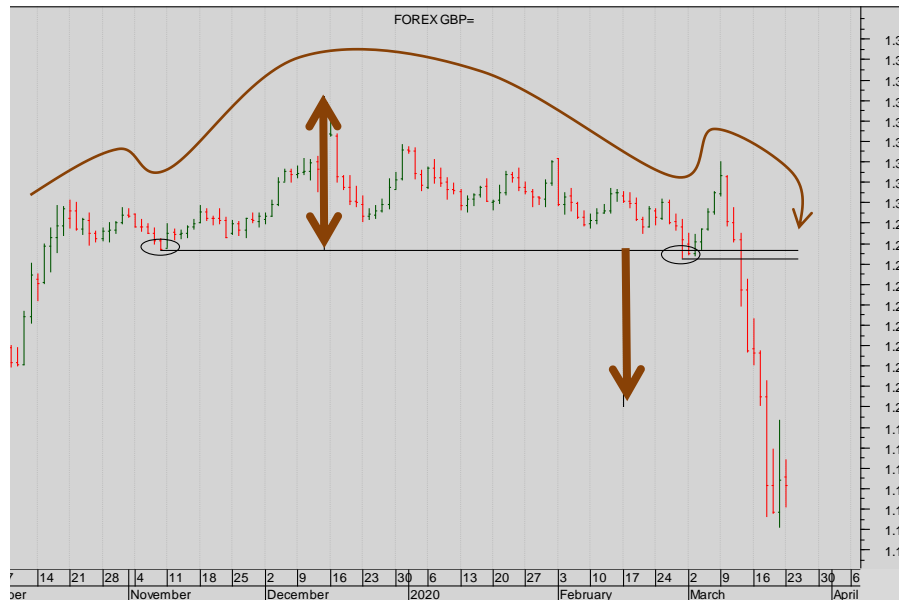
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Currencies: Dollar Sterling



Dollar Sterling weekly spot cash chart

Note the broken range.



Dollar Sterling daily spot cash chart

The market has stalled short-term.



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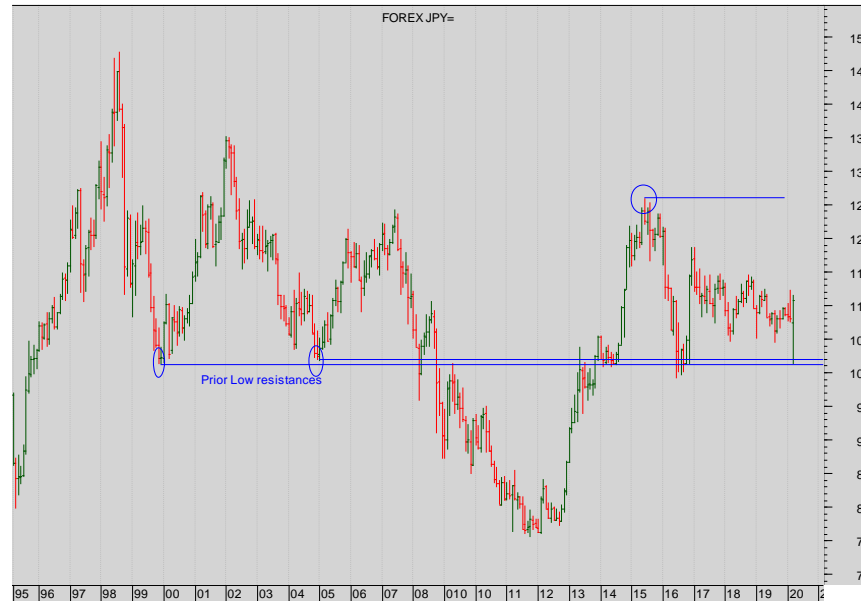
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Currencies: Dollar Yen



Dollar Yen monthly spot cash chart

Note the fall to 102 – where the market found support in 2016 ... and which was major resistance in years past.

That's the bottom of the trading range – **the Yen may have difficulty strengthening from here** note that it's bounced (weakened) from here before.



Dollar Yen weekly spot cash chart

Watch the range – this is a smaller range within the large and there looks to have been a false break out.

More



Currencies: Dollar Yen

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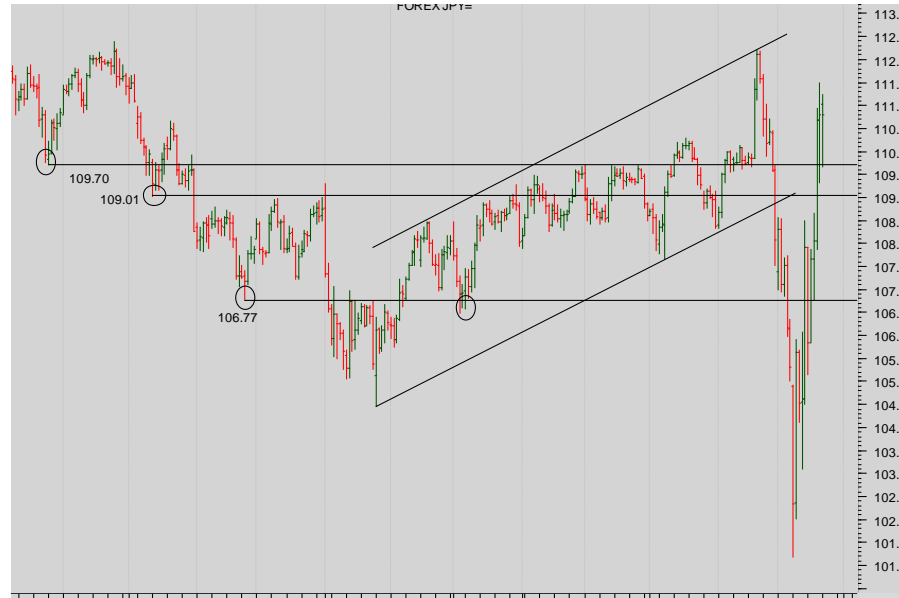
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Dollar Yen daily spot cash chart

Short-term, great volatility, but the upshot is that the Dollar's decline was reversed.



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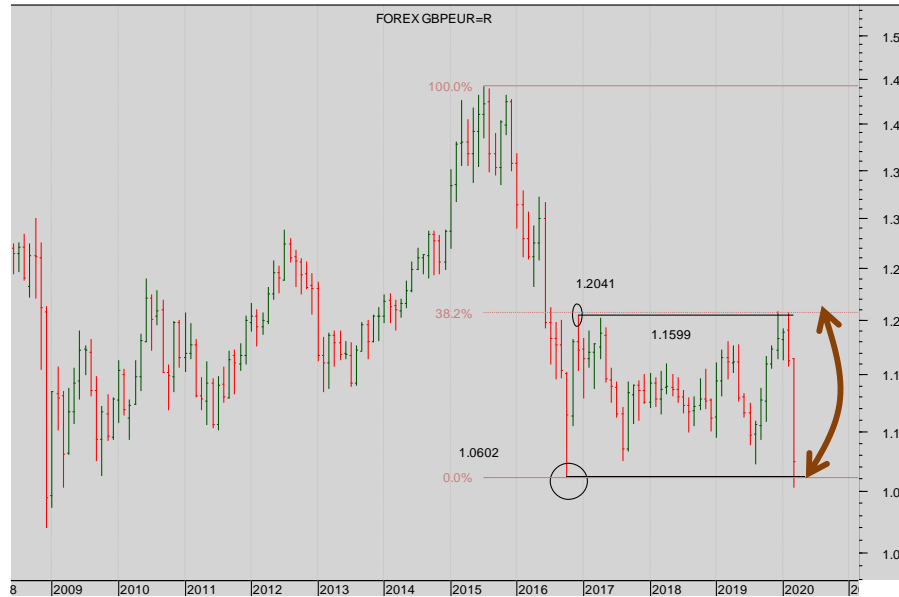
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Currencies: Sterling Euro



Sterling Euro monthly spot cash chart

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



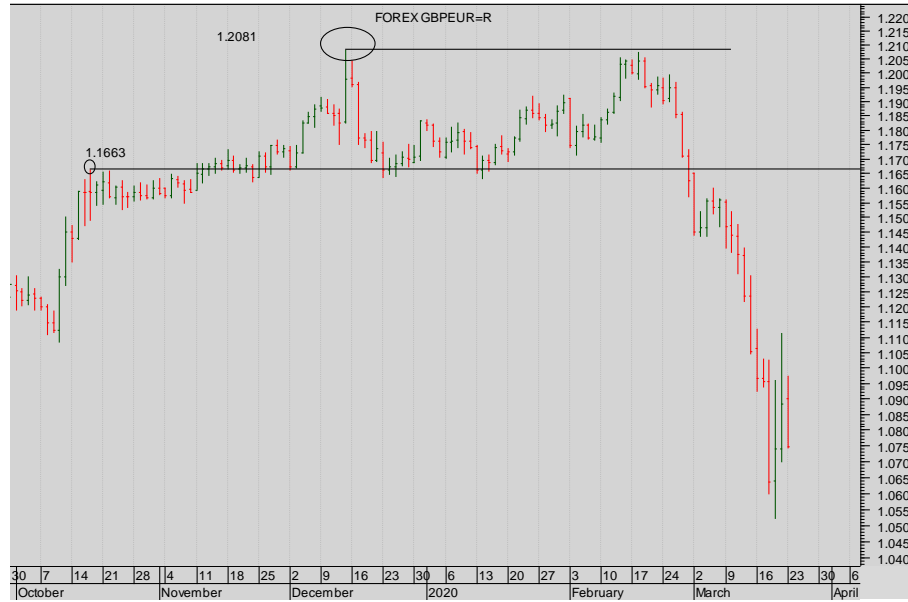
Sterling Euro weekly spot cash chart

This detail is a bit clearer: the market remains in the trading range.

More



Currencies: Sterling Euro



Sterling Euro daily spot cash chart

The detail of the Sterling weakness: no short-term bottom yet.

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Stocks

STOCKS:

It fascinating: short-term pauses for everything but the S&P. But the US looks likely to test the real support from Prior Highs in 2015 which is somewhat lower still at 2100 or so. The EuroStoxx looks dreadful with a completed top that suggests a move down as far as 1500, but perhaps the Prior Lows of 1700-1900. FTSE is very scarily without support until the bottom of the new trading range of 3500.

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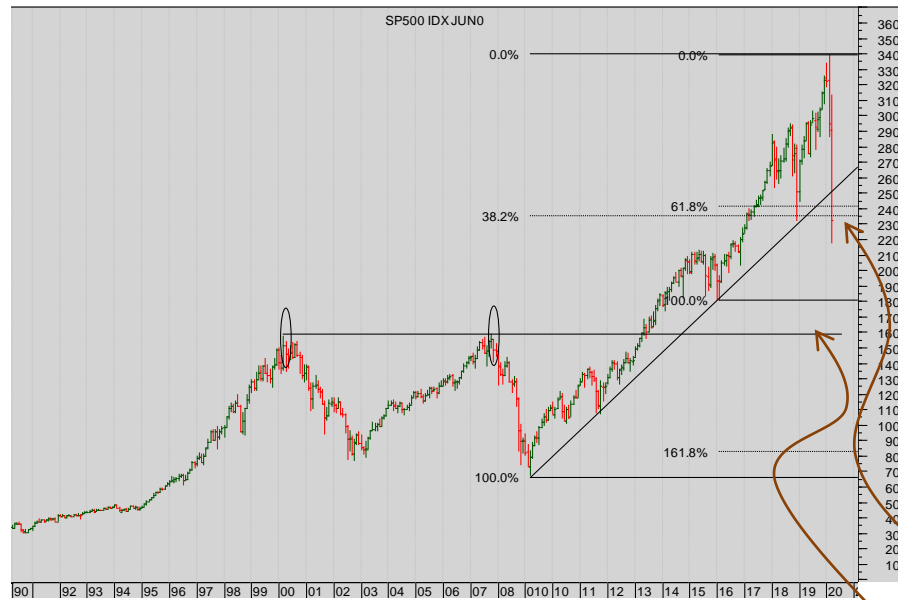
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Commodities

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Stocks: CME S&P



CME S&P 500 monthly cont. futures chart

The pull back of this month has been accelerated by the MONTHLY Key reversal of last month.

The result has been a break beneath the long diagonal bull trendline support.

Note the break beneath the possible support from the concentration of Fibonacci lines at the Prior Low 2344 whence the market bounced in 2018. **Will the monthly close remain beneath?**

Beneath that the support lies at 1600.

More



Stocks: CME S&P 500

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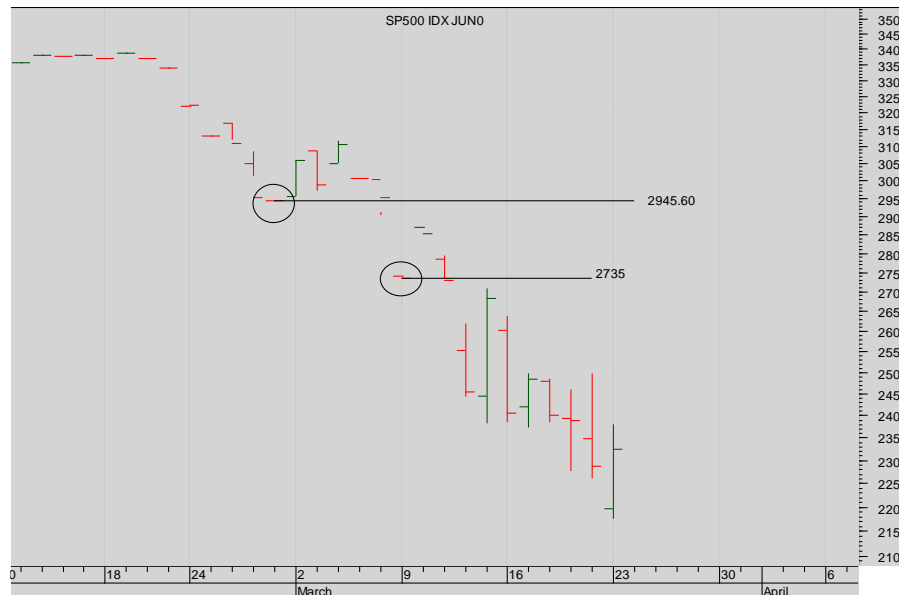
- + Oil
- + Gold

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CME S&P 500 cont. weekly cont. chart

The price action at the Prior low 2344 and the band of Fibonacci at 2400 was gloomy for the bulls.



CME S&P 500 daily Dec 2019 chart

The market has edged sideways and downwards. No bottom formation yet...

More



Stocks: Eurex EuroStoxx 50

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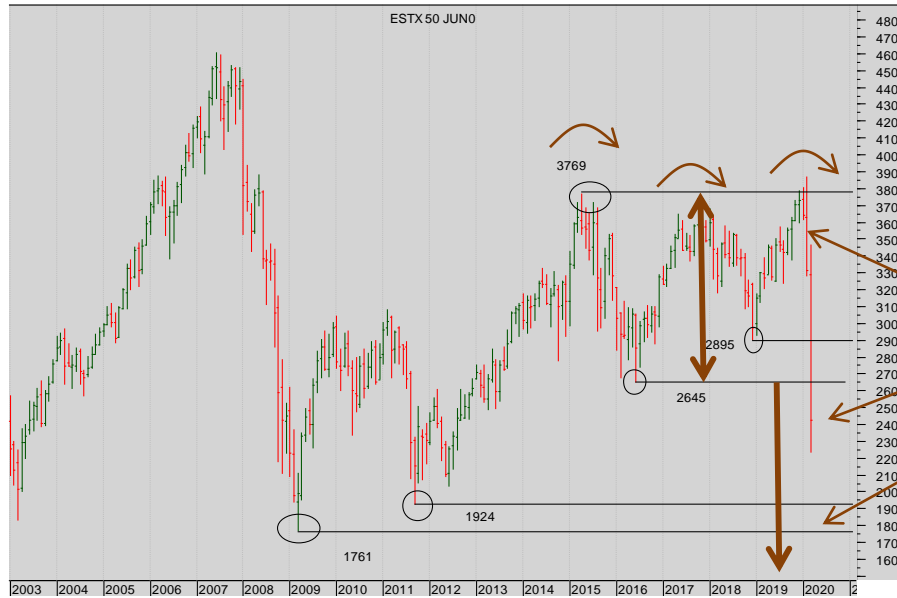
Bonds

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Commodities

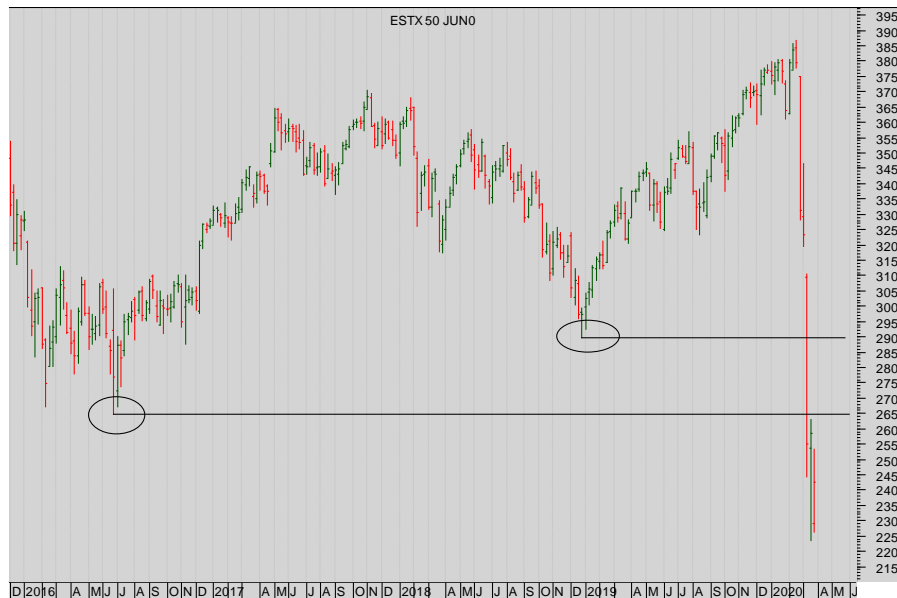
- + Oil
- + Gold

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Eurex EuroStoxx 50 monthly continuation futures chart

1. The triple failure of the market at 3700 boded ill
2. The Monthly key reversal of the market boded ill.
3. The break beneath the 2895 2645 trading range bodes ill as it completes a Double Top with a minimum implied move to 1500



Eurex EuroStoxx 50 weekly continuation futures chart

The speed of the fall.

More



Stocks: Eurex EuroStoxx 50

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Eurex EuroStoxx 50 daily Dec 19 futures chart

The pause of the last few days ...



Stocks: Liffe FTSE 100

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Commodities

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IMPLIED ASSET ALLOCATION



Liffe FTSE 100 Monthly continuation futures chart

1. The rising diagonal support has been smashed
2. The 6995 horizontal support (the long-term support for the market dating back to 1999) has been smashed.
3. The recent low at 6475 has been smashed completing a Double Top (whose minimum target has been achieved.

There is now massive resistance above the market and very little support.



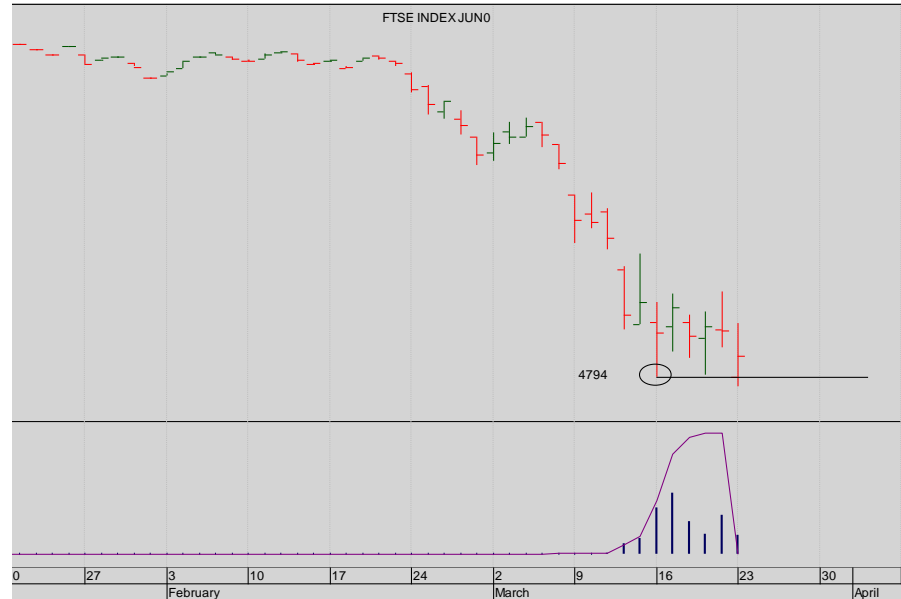
Liffe FTSE 100 Weekly cont. futures chart

The break beneath 6475 has established powerful resistance above the market that will be difficult to overcome on any bounce.

More



Stocks: Liffe FTSE 100



Liffe FTSE 100 Mar 20 daily futures chart

Is that a short-term bottom?

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IMPLIED ASSET ALLOCATION



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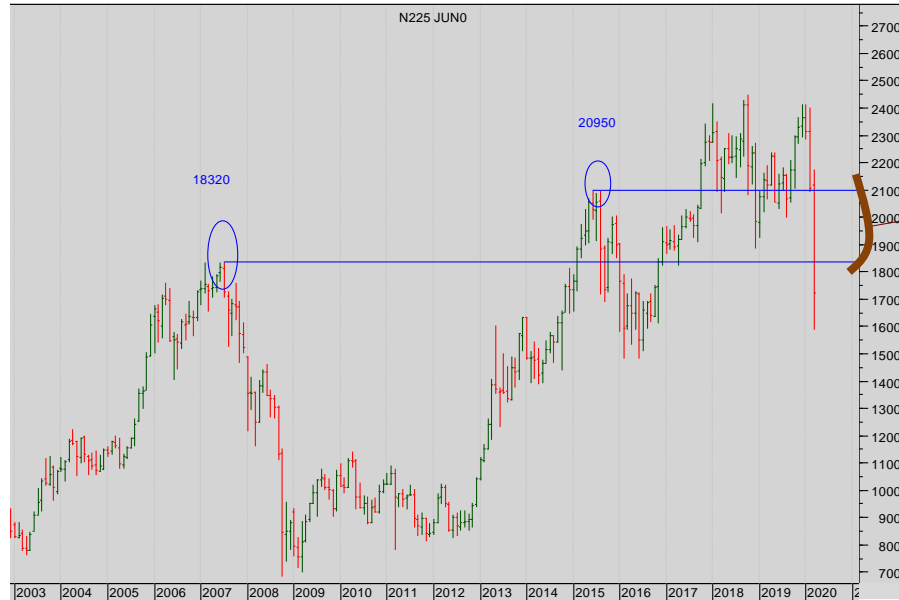
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Commodities

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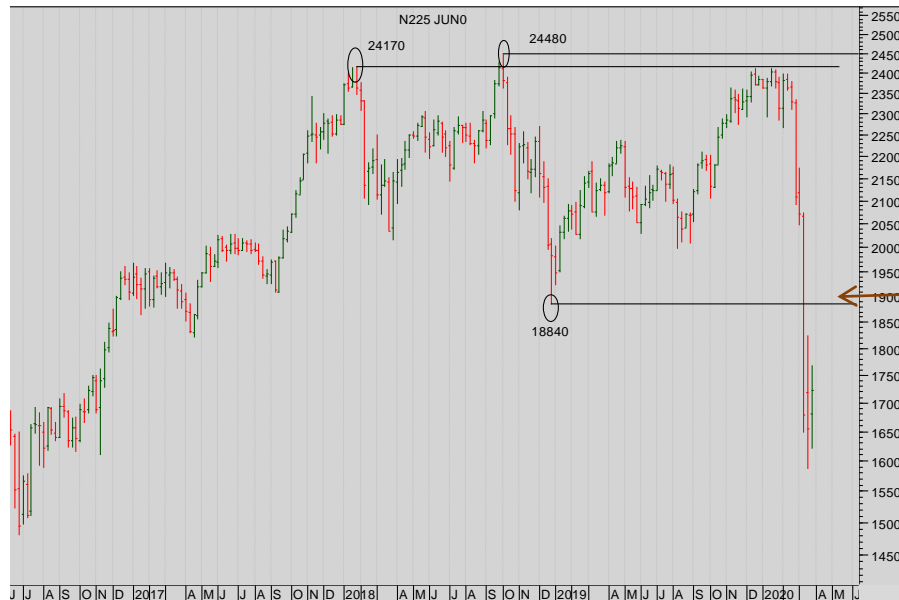
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Stocks: OSE Nikkei 225



Nikkei 225 chart (monthly)

The market has broken the powerful band of support from the Prior Highs 18320 - 20950.



Nikkei 225 chart (WEEKLY)

But the triple failure of the market at the 24500 level was worrying.

Now the range is broken **the bottom of the range will be good resistance on any rally.**

More



Stocks: OSE Nikkei 225

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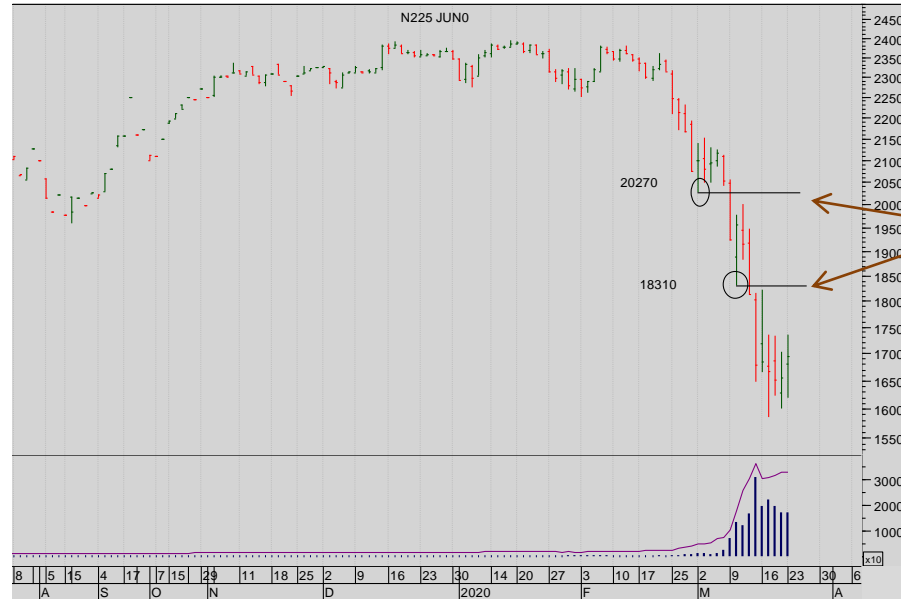
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Commodities

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Nikkei 225 chart Daily March 2020.

A pause: on any rally watch the Prior Low resistances.



Bonds

BONDS:

These are fascinating: New highs in the US and tremendous support. Not so the Bunds - a potential Double Top is there that may yet signal the end of the bull market. Watch the weekly and monthly close there! UK Gilts are bipolar: both testing long term support from 2011 and close to All Time Highs.... Watch our levels closely in all these markets!

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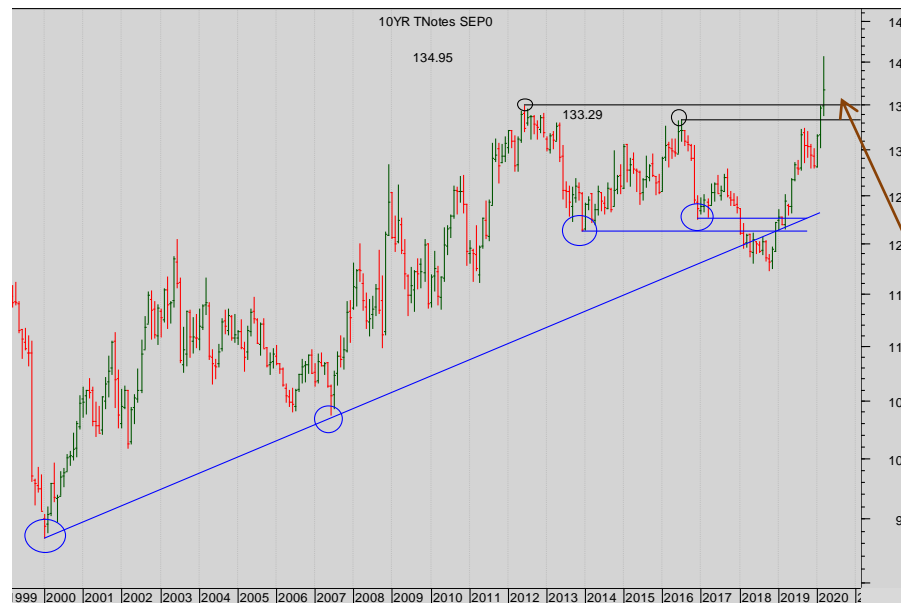
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Commodities

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Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes monthly futures continuation chart

The long-run rally:
the recent surge has driven the
market through the Level
achieved in 2012 – an all-time
Prior High.

There is now powerful support
beneath the market at 133/4.

More



Bonds: CBOT Ten Year Notes

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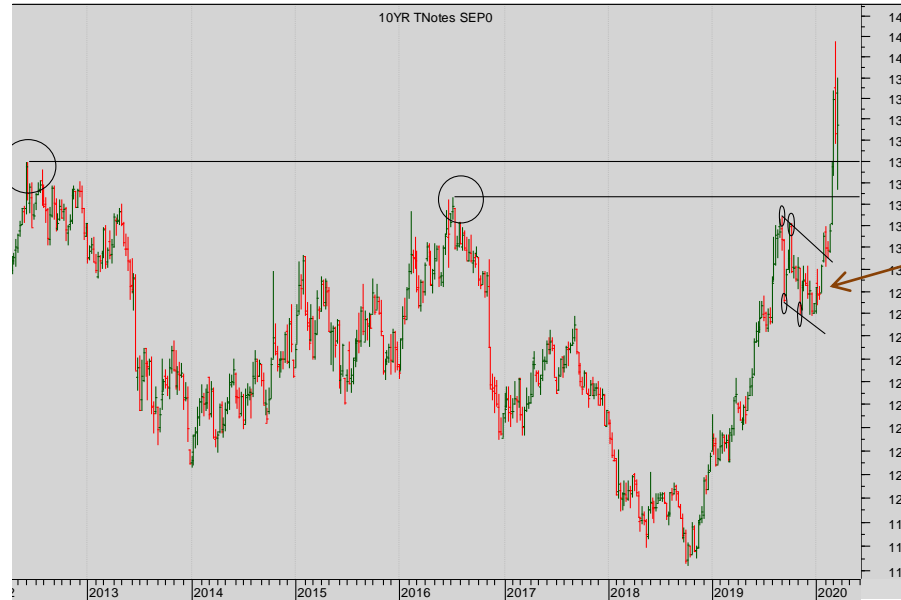
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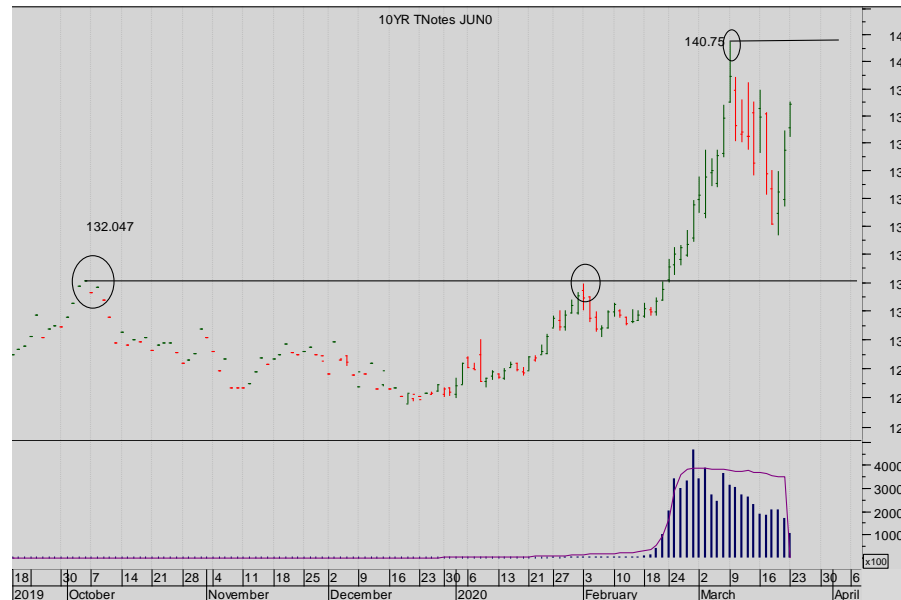
- + Oil
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CBOT Ten Year Notes weekly futures continuation chart

The continuation triangle that drove the market up through the Prior Highs.



CBOT Ten Year Notes daily March 20 futures chart

The market looks overbought: it's pausing... but there's no top yet.

More



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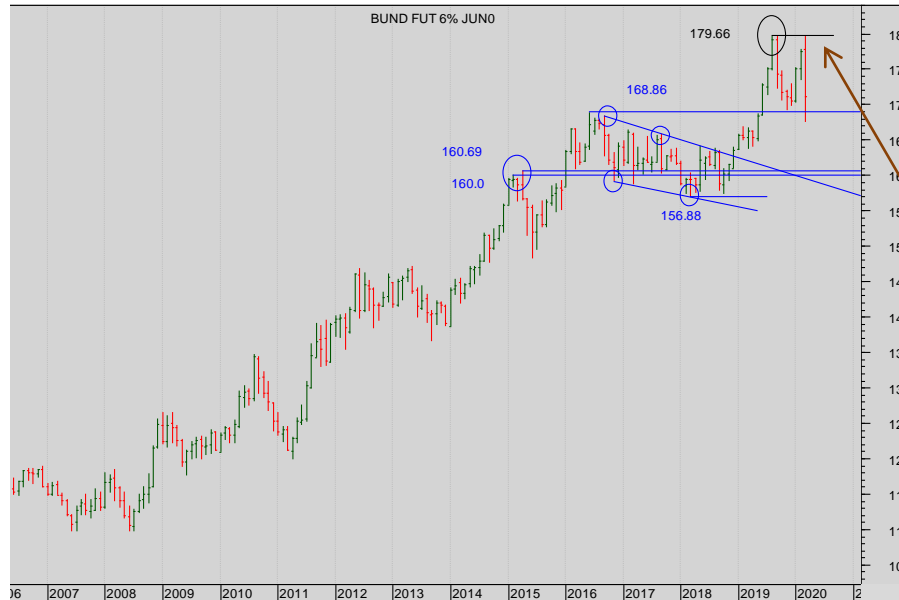
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IMPLIED ASSET ALLOCATION

Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund monthly futures continuation chart

The failure to break up through the Prior High has led to two monthly Key reversals (depending on the close this month).

Yet the support from the Prior high at 168.86 remains intact. A break of that support would set up a bear Double Top.

Potentially Very Bearish!



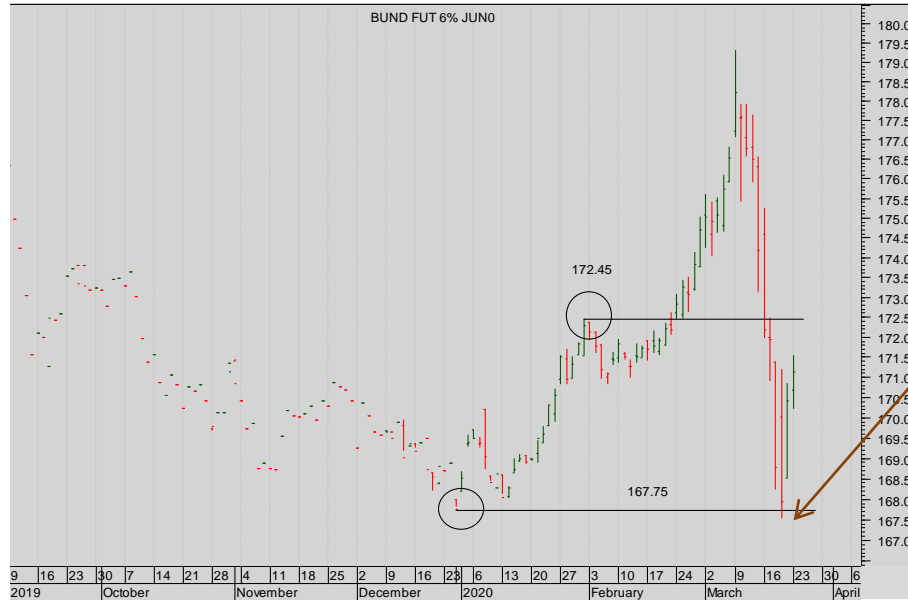
Eurex Ten Year Bund weekly cont. futures Chart

That 168.86 remains good support on the pull-back.

More



Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund Mar 2020 Daily futures chart

Short-term, note the bounce from old low at 167.75.

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Bonds: Liffe UK Gilt futures

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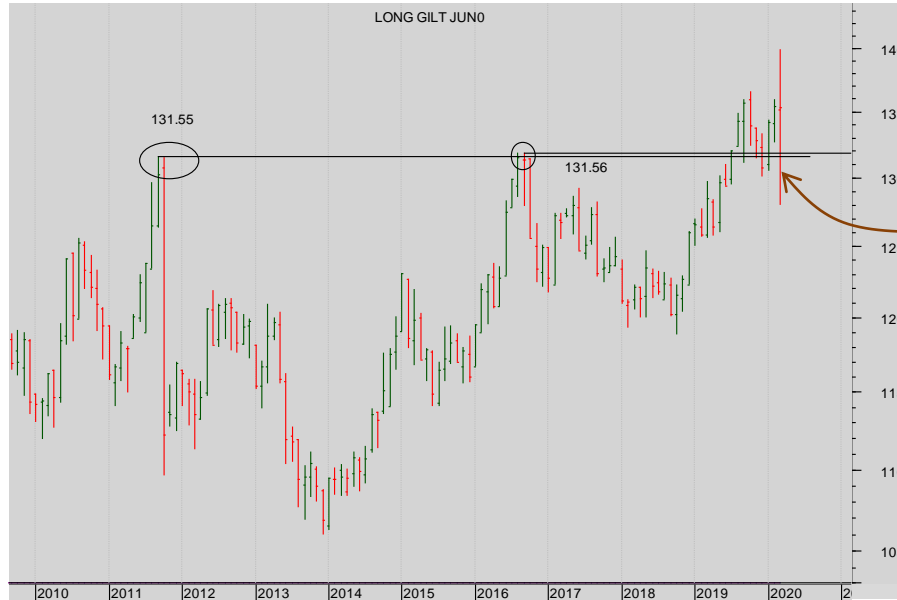
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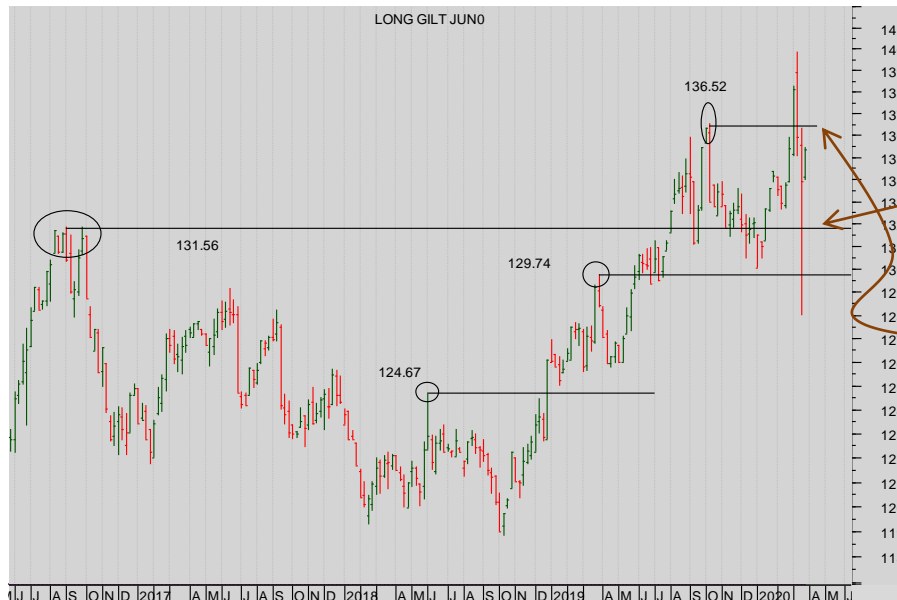
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Liffe UK Gilt monthly futures continuation chart

The market has bounced off the Prior Highs 131.55/131.56 band – it is be a HUGELY powerful endorsement of the bull trend.

Another leg is in prospect.



Liffe UK Gilt weekly continuation futures Chart

In detail: the bounce back from the supports of 131.56 and the nearer high at 129.74 .

The push through 136.52 failed first time, but can it get above this time?





Bonds: Liffe UK Gilt futures

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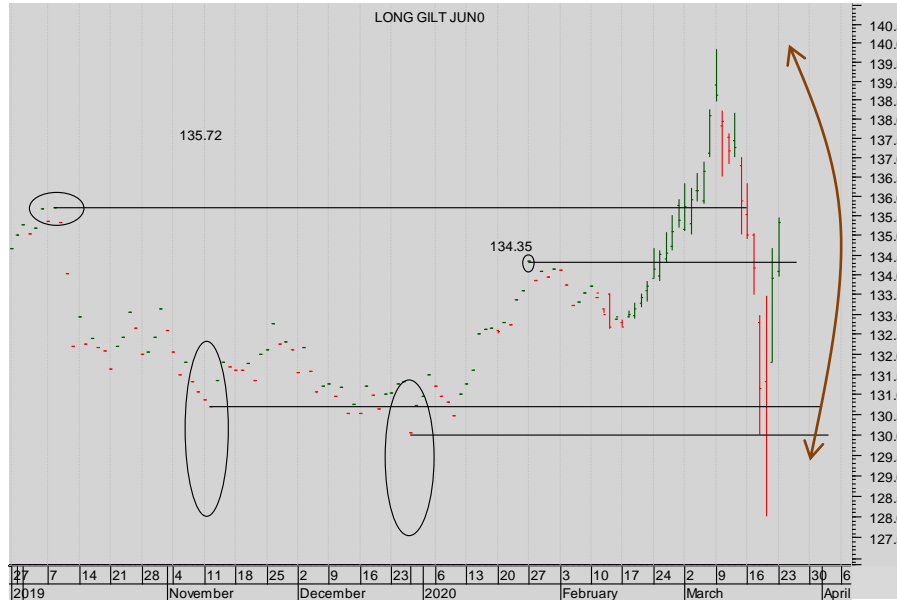
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Long Gilt daily Jun 20 chart

This is unstructured chaotic price action.



Commodity

COMMODITIES:

The sell-off in Oil has broken the very important support at 26\$. But watch the weekly and monthly closes to confirm that. Gold is under the influence of a weekly Bear Key Reversal but the price action is violent : stand back and watch our levels.

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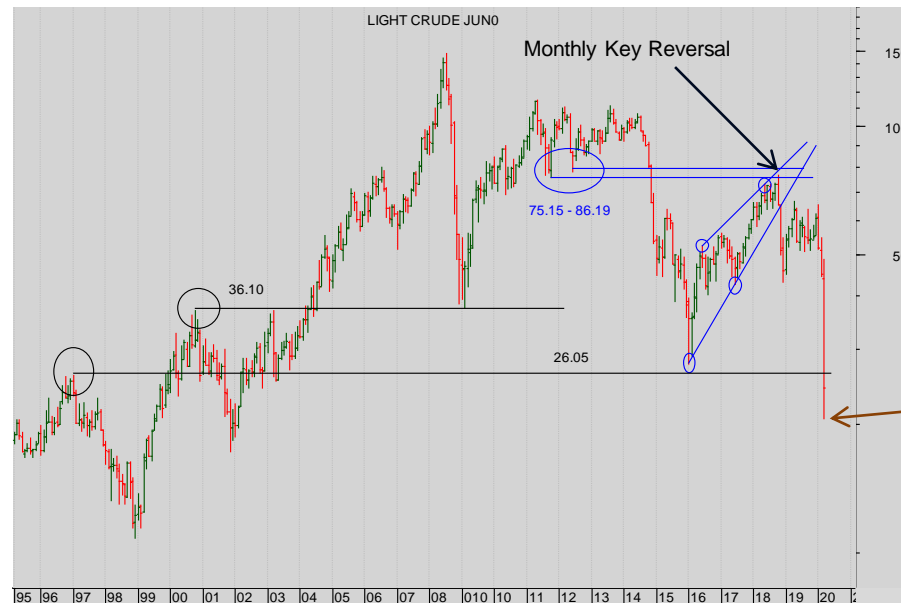
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Commodities

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Commodities: Nymex WTI Oil



Nymex oil monthly continuation

The market is testing the support from the long-term support when the market has bounced in 2000, 2008 and 2016... **WATCH THE CLOSE AT MONTH END**

More



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Commodities: Nymex WTI Oil

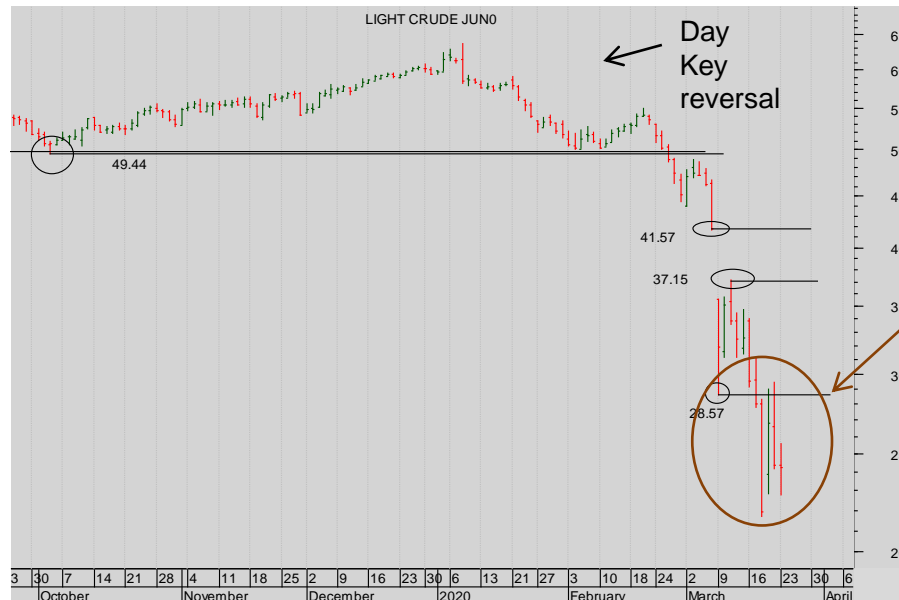


Nymex oil weekly continuation

Is that a badly drawn H&S TOP?

The minimum target of the top has been achieved.

A break beneath the Prior Low 28.76 would create yet more overhead resistance



Nymex oil daily Jun 2020 futures

The market has been stalling for the last four days.

Note first the Prior Low at 28.57 and then the Gap above the market that will be good resistances on any rally.



Commodities: Comex Gold

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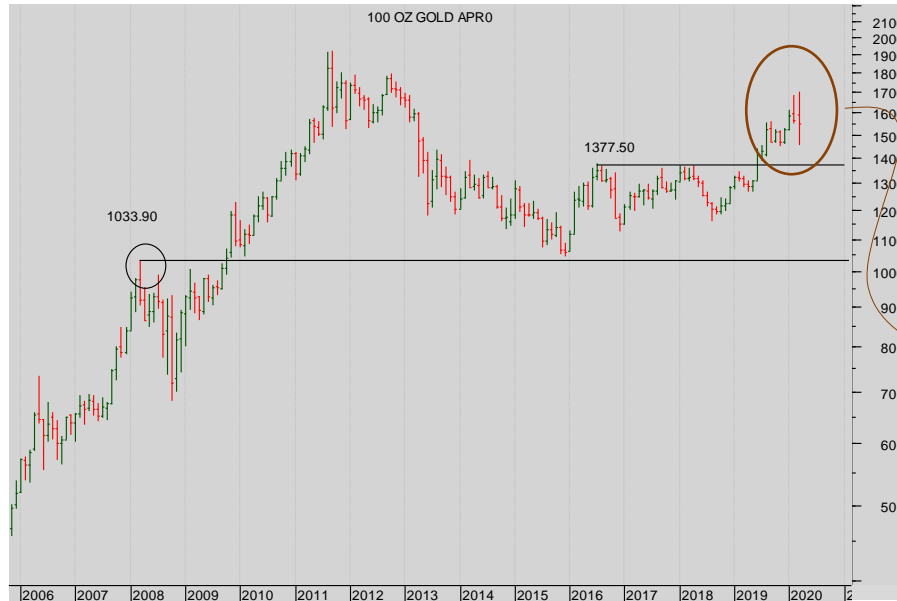
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Nymex Gold Monthly

The bulls are in charge – but lacking dynamism and there is a **possible** Monthly Key Reversal in place depending on the close at the end of the month.



Nymex Gold weekly

There is already a weekly Key reversal in place...

A test of the support at 1365 looks likely.



Commodities: Comex Gold

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



Nymex Gold March 2020 2020Daily



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MSCI Balanced Risk Asset Allocation



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