



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 28th April 2020

### Mark Sturdy

Disclaimer

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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

## Summary

### Currencies

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

Long-term **BEAR** Euro  
Long-term **BEAR** Sterling  
Long-term **BEAR** Yen  
Long-term FLAT Euro

Medium-term **BEAR** Euro  
Medium-term **BEAR** Sterling  
Medium-term **BEAR** Yen  
Medium-term FLAT Euro

Short-term FLAT 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 FLAT  
Long-term **BEAR**  
Long-term **BEAR**  
Long-term FLAT

Medium-term FLAT  
Medium-term FLAT  
Medium-term FLAT  
Medium-term FLAT

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 FLAT  
Long-term **BULL**

Medium-term **BULL**  
Medium-term **BULL**  
Medium-term **BULL**

Short-term FLAT  
Short-term **BULL**  
Short-term FLAT

### Commodities

- + Oil
- + Gold

Long-term **BEAR**  
Long-term **BULL**

Medium-term **BEAR**  
Medium-term **BULL**

Short-term **BEAR**  
Short-term **BULL**

## IMPLIED ASSET ALLOCATION

More



## Currencies: Dollar Euro

### CURRENCIES:

There is still massive medium and short-term confusion in the market – though the long-term shape is still unquestionably for a stronger Dollar. Short-term there is clear resistance to the Pound strengthening much further against the Dollar. It's not so clear 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 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

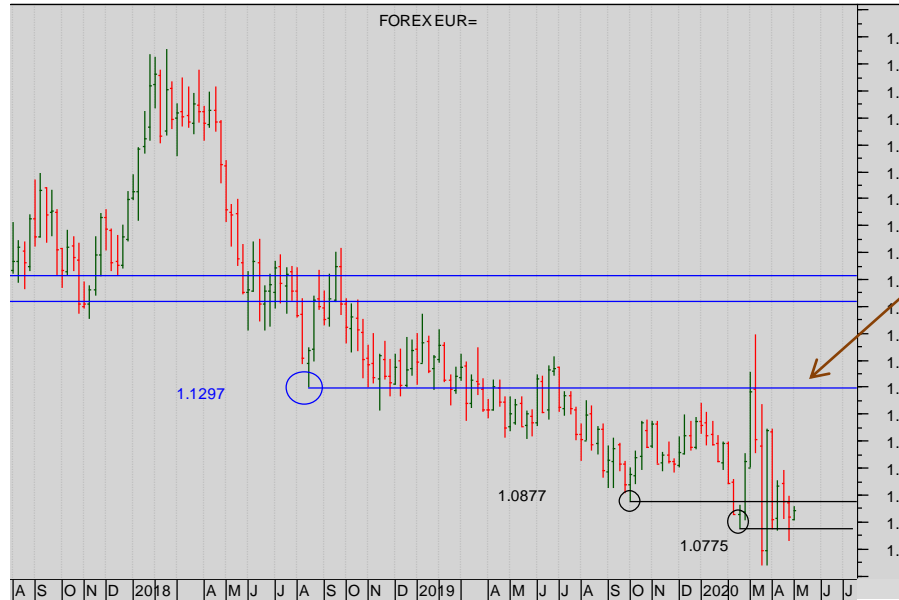
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

## Currencies: Dollar Euro



## Dollar Euro weekly spot cash chart

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.**

But there is great volatility still ...



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

Stand aback in the short-term these wild gyrations have no structure...



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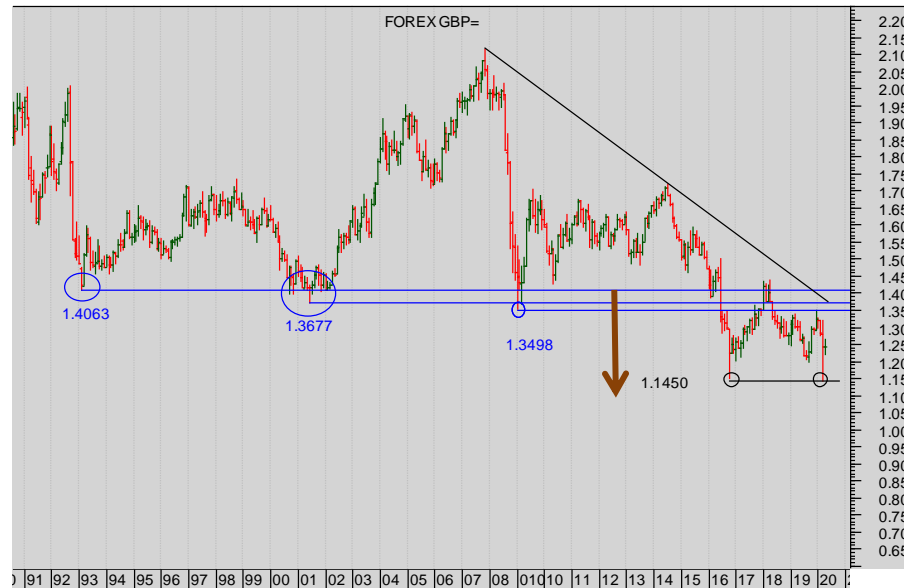
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### 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 latest rally back into the band of resistance from those lows has failed...

Watch and wait now for a break back beneath the Prior Low 1.1450 to set off the bears.



### Dollar Sterling Monthly spot cash LINE CHART based on closes

Note here the possible bear continuation triangle. The break beneath the lower diagonal would **accelerate the bear move implicit in the massive bear formation in the long-term chart....wait for the monthly close.**

More



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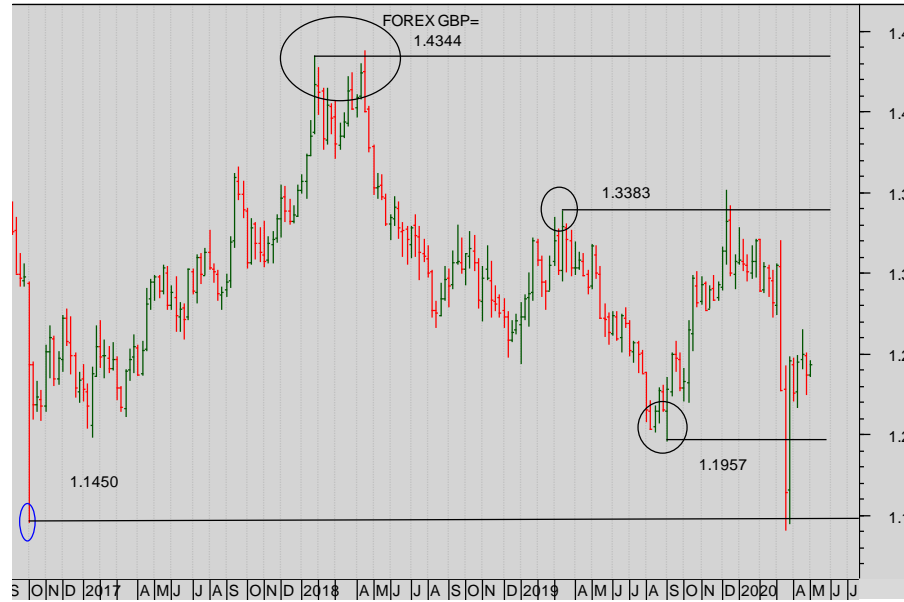
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- + UK Gilt

### Commodities

- + Oil
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IMPLIED ASSET ALLOCATION

## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

The volatility is chaotic. Stand aside.



### Dollar Sterling daily spot cash chart

The only clear structure is the resistance at 1.28...



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### Bonds

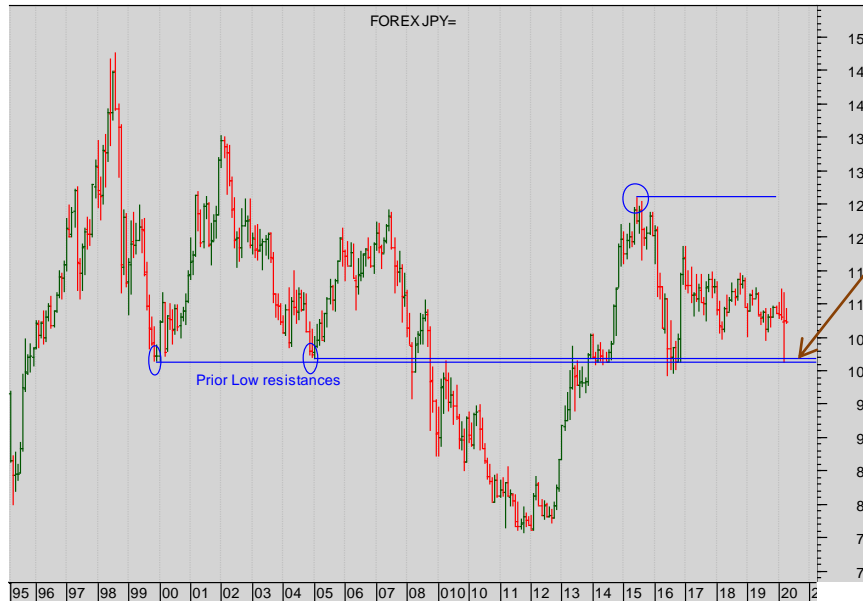
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- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

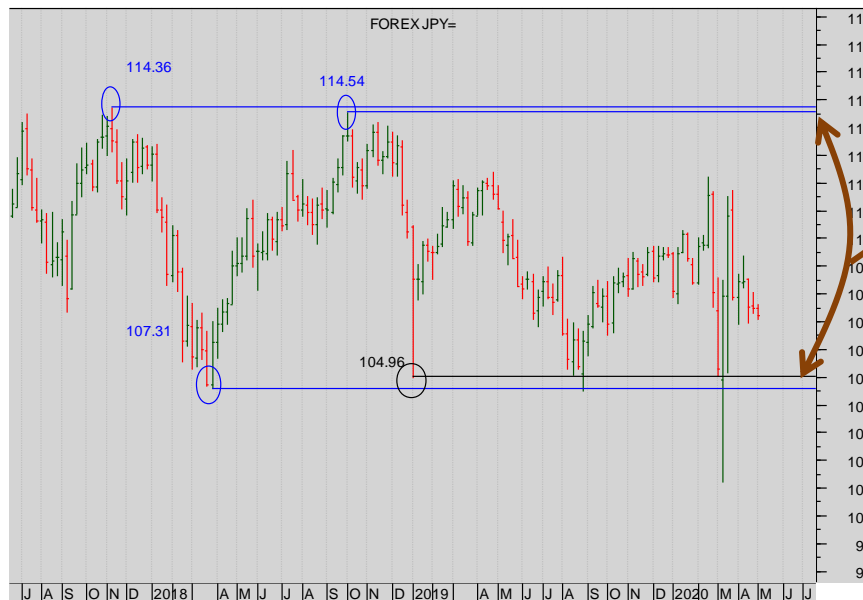
## Currencies: Dollar Yen



### 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.



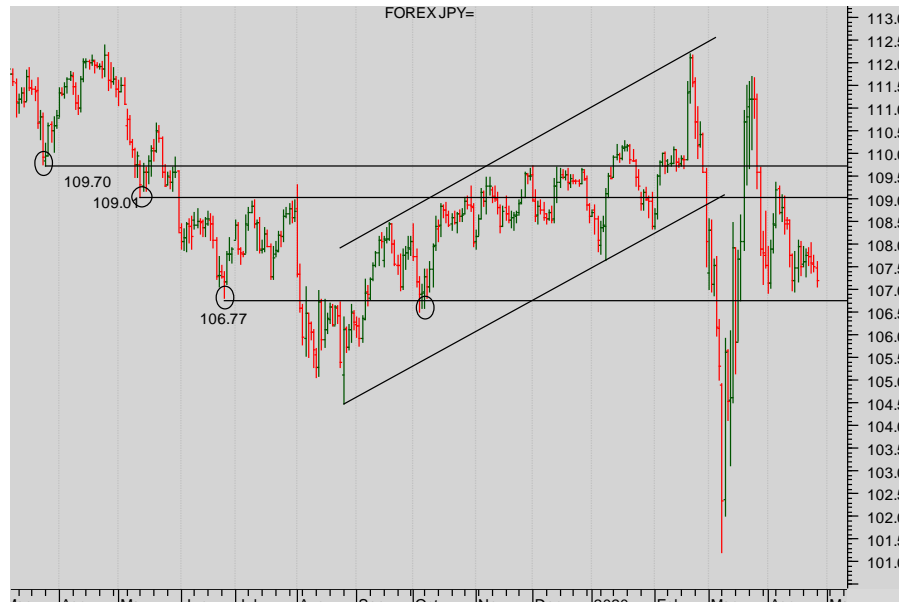
### Dollar Yen weekly spot cash chart

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



### Dollar Yen daily spot cash chart

Short-term, great volatility and an unclear structure.

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IMPLIED ASSET ALLOCATION





## Summary

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### Bonds

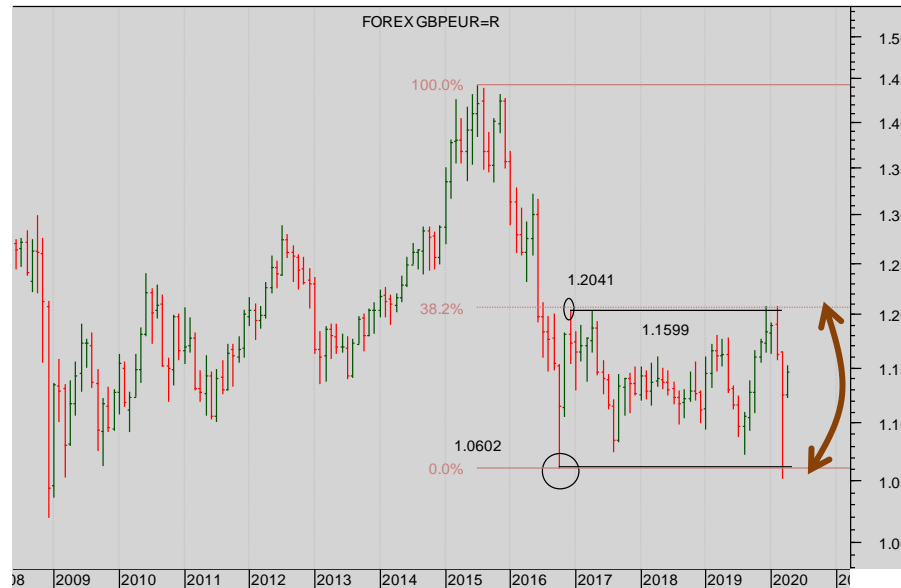
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

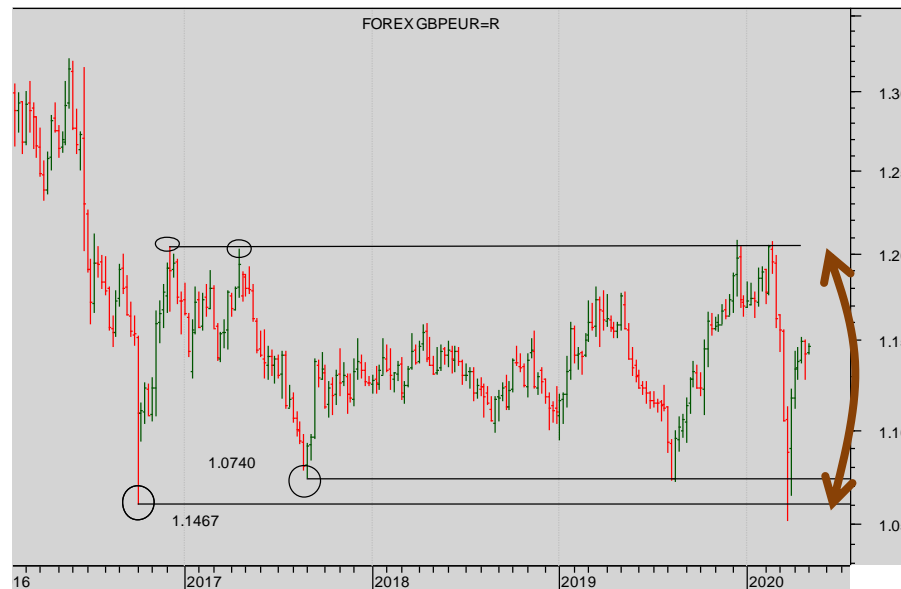
## IMPLIED ASSET ALLOCATION

## Currencies: Sterling Euro



### Sterling Euro monthly spot cash chart

The market remains in the broad trading range\_



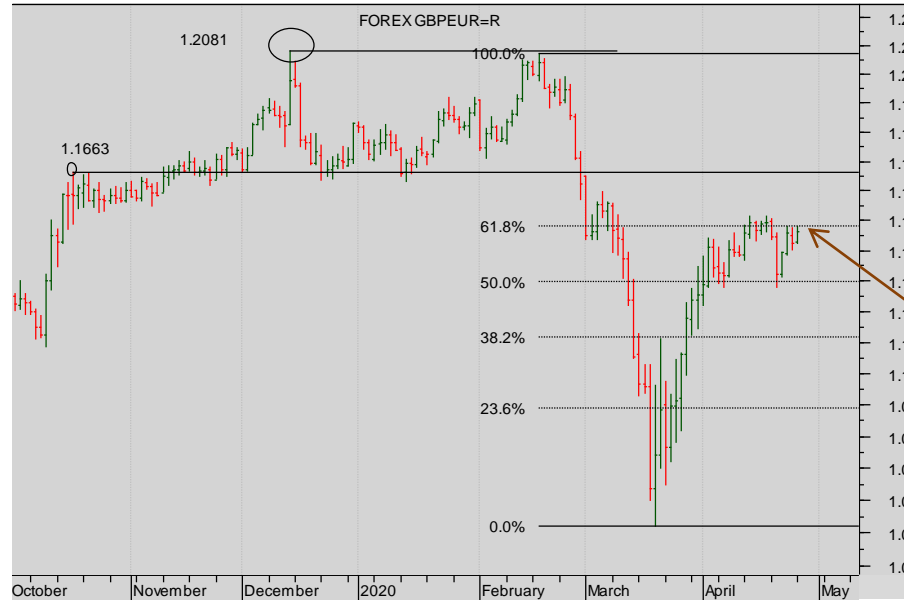
### Sterling Euro weekly spot cash chart

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. Resistance on the rally at 1.16 but also maybe small at the Fibonacci retracement resistance at the recent High...

### Summary

#### Currencies

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

#### Stocks

- + S&P 500
- + EuroStoxx 50
- + FTSE 100
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#### Bonds

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

#### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



## Stocks

### STOCKS:

There are still problems for all markets (except the S&P) in driving higher from current levels. Watch our resistance levels closely in each case these all need to be breached before the bulls can gain confidence.

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- + Gold

IMPLIED ASSET ALLOCATION

### 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.

Note the intact horizontal support and bounce from the 2133 Prior high support.

And the close on the month above the diagonal bull trendline support from 2010.

More



## Stocks: CME S&P 500

### Summary

### Currencies

- + Dollar Euro
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- + Sterling Euro

### Stocks

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

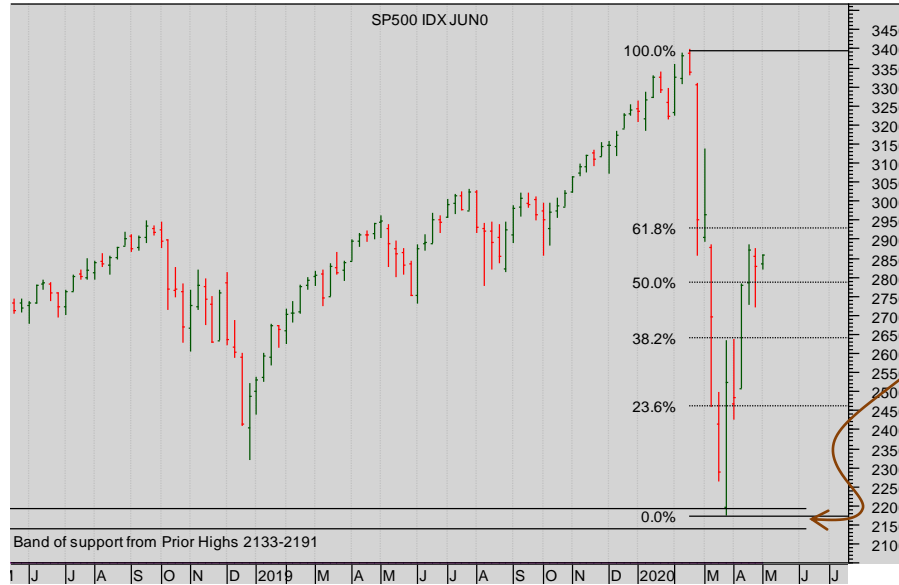
### Bonds

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### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



CME S&P 500 cont. weekly cont. chart

The intact band of support from the Prior Highs looks important.



CME S&P 500 daily Dec 2019 chart

No bottom formation yet... might there be a v shaped recovery as in 2018/19?

Watch the resistance at 2945.60.

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

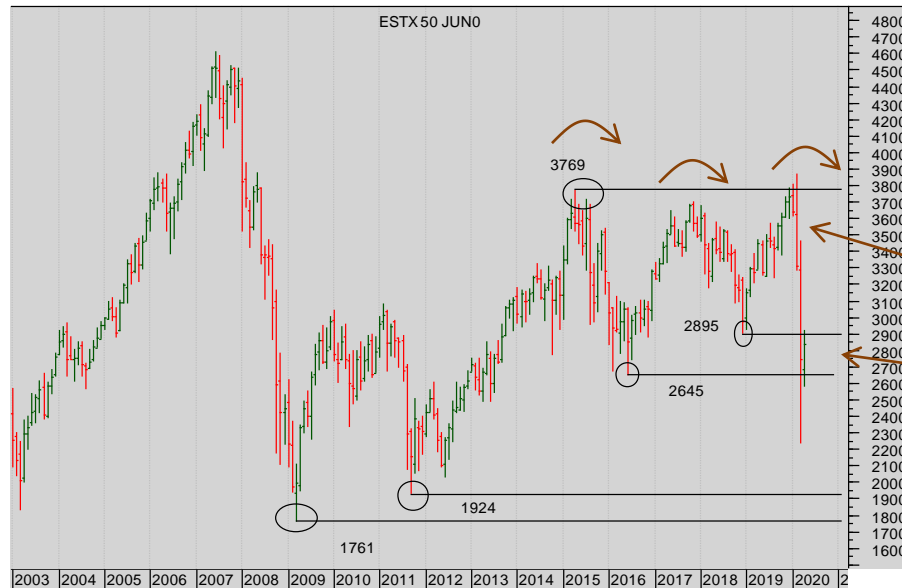
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 monthly continuation futures chart

1. The triple failure of the market at 3700 boded ill
2. The Monthly Key Reversal of the market boded ill.
3. There was no clear monthly close beneath the Prior Low range of 2645-2895 – the bears will be hesitant and the bulls watching closely for a bottom formation ...



### Eurex EuroStoxx 50 weekly continuation futures chart

The speed of the fall and the speed of the bounce. Use the resistance at the **Prior Low of 2895** as a test of the bulls' resolve.

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

The pause of the last few days ... note the Fibonacci retracement resistance (the market has broken up through the 38.3%)



## Stocks: Liffe FTSE 100

### Summary

### Currencies

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

### Stocks

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

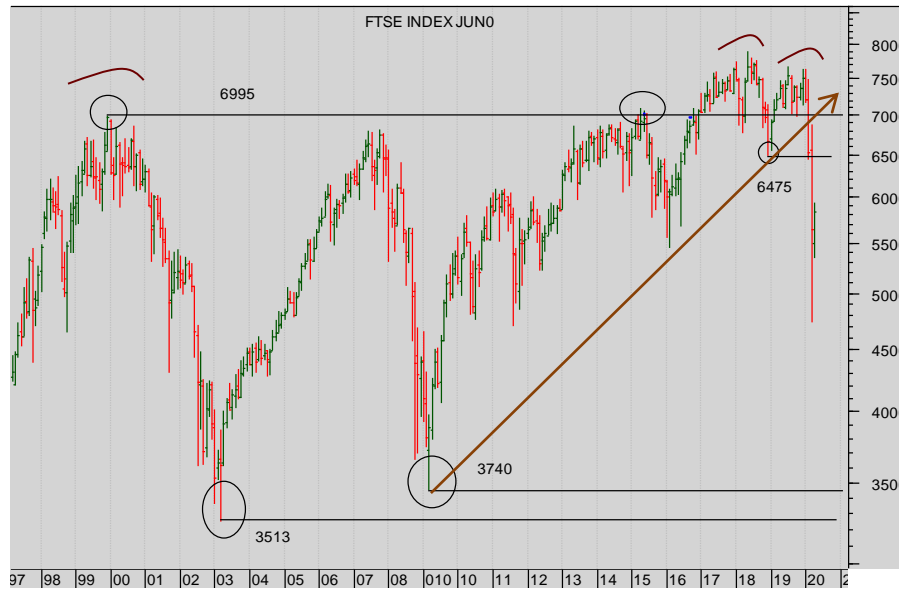
### Bonds

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

### Commodities

- + Oil
- + Gold

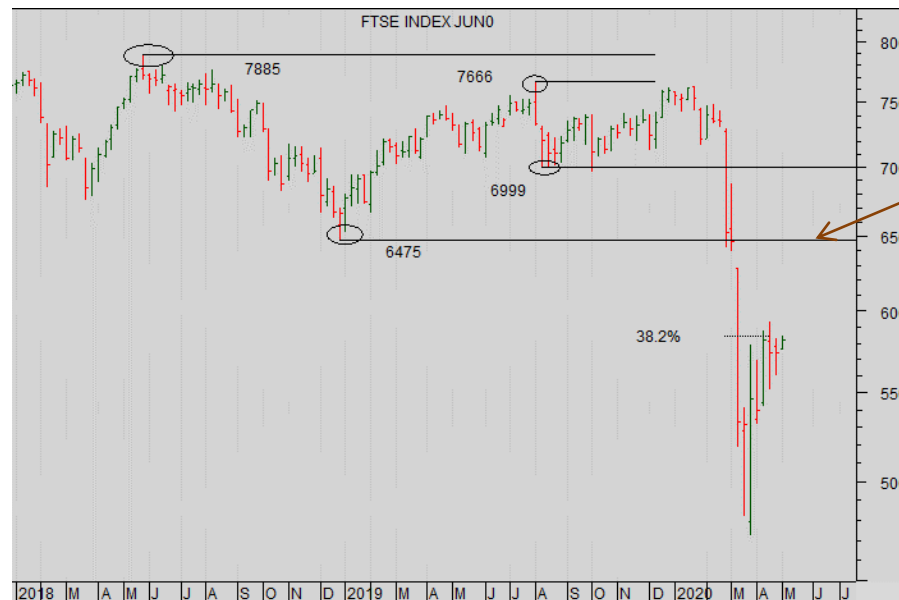
### IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Monthly continuation futures chart

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.

Note the 38.2% resistance in the Fibonacci.

More



## Stocks: Liffe FTSE 100

### Summary

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### Stocks

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

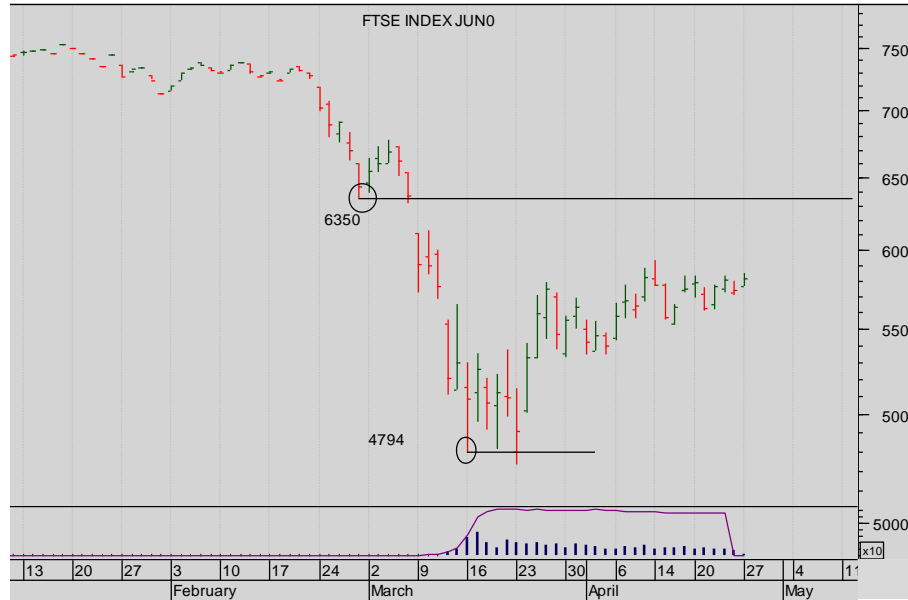
### Bonds

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

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



Liffe FTSE 100 Mar 20 daily futures chart

Is that a short-term bottom?





## Stocks: OSE Nikkei 225

### Summary

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

### Stocks

- + S&P 500
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- + Nikkei 225

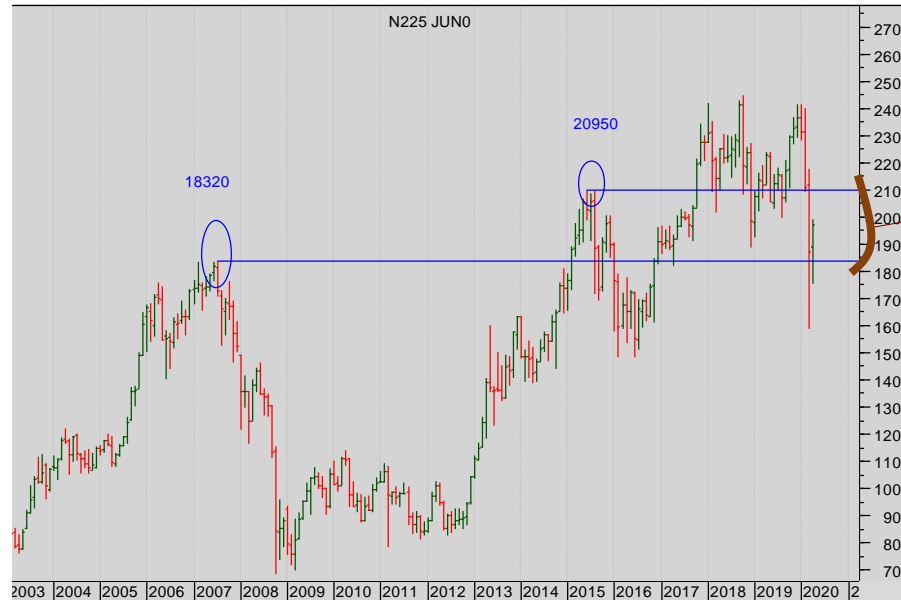
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Nikkei 225 chart (monthly)

Note that the monthly close was not beneath the powerful band of support from the Prior Highs 18320 – 20950. **That band is still intact....**

The bears are hesitant and the bulls hopeful...



### Nikkei 225 chart (WEEKLY)

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

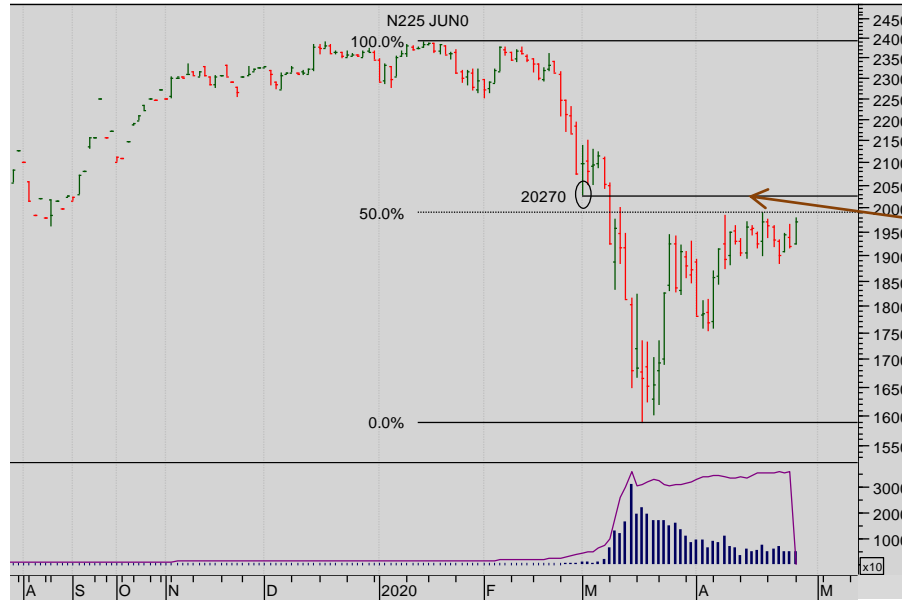
Note the positive price action pushing up through the resistance at 18840 at the bottom of the range.

The bears will be disappointed.

More



## Stocks: OSE Nikkei 225



Nikkei 225 chart Daily March 2020.

A 50% Fibonacci resistance pause close to the low at 20270... The rally looks vulnerable to a sell-off..

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### Commodities

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IMPLIED ASSET ALLOCATION



## Bonds

### BONDS:

These markets lack medium and short-term clarity at the moment. The Bund is very well underpinned and in the longer term charts so are the Gilt and TNotes, but there is no explosive bullishness arising from the charts at the moment.

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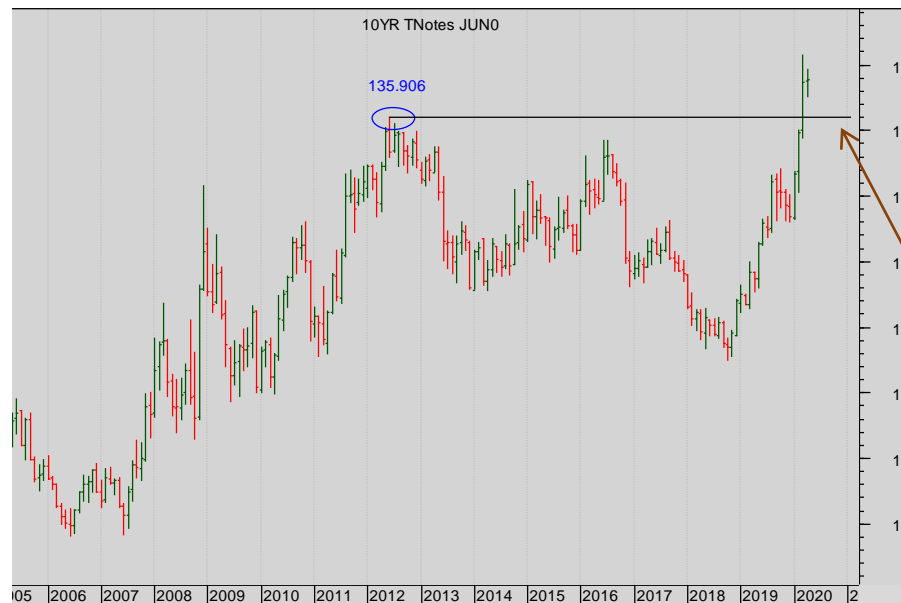
- + Ten Year US TNotes
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#### Commodities

- + Oil
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IMPLIED ASSET ALLOCATION

### 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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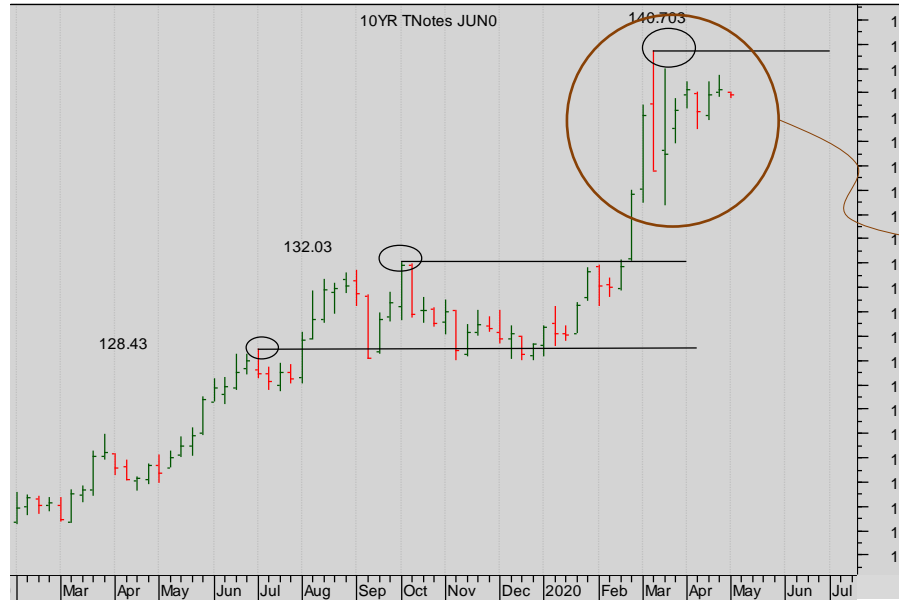
### Bonds

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

### Commodities

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### CBOT Ten Year Notes weekly futures continuation chart

Note the continuation triangle that may be forming....



### CBOT Ten Year Notes daily JUN 20 futures chart

This lacks clarity.

...

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# Bonds: Eurex Ten Year Bund

## Summary

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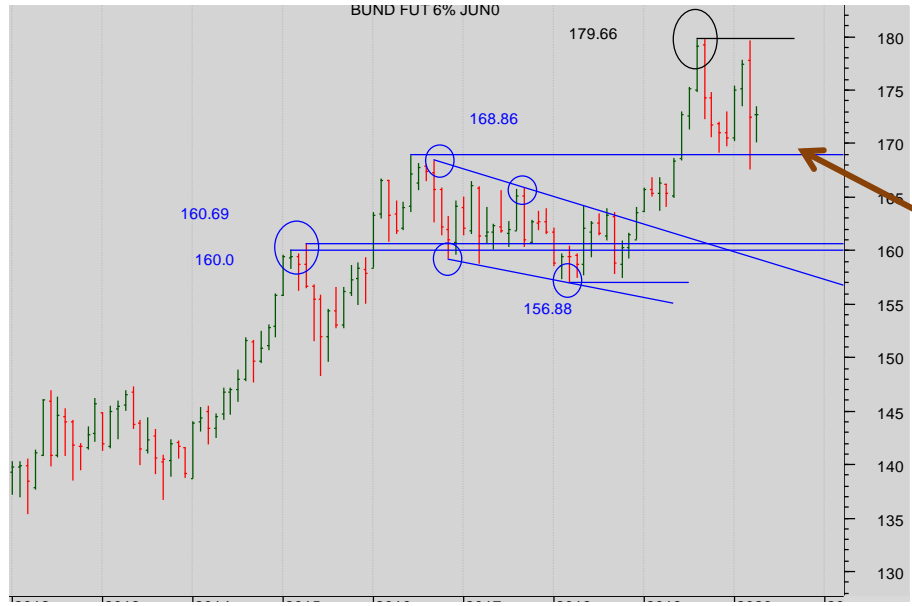
## Bonds

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## Commodities

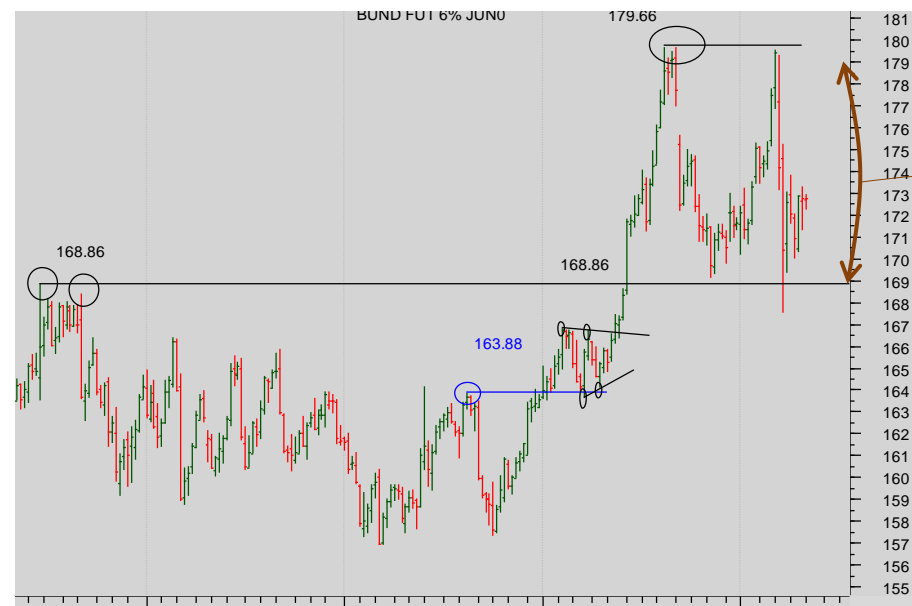
- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION



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

The closes have not yet established a convincing reversal case. The support at 168.86 is important and so far has held.



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

That 168.86 remains good support on the pull-back.  
For the moment the range is intact.





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IMPLIED ASSET ALLOCATION

## 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. Otherwise it is unclear. Is the 50% retracement line to be resistance?



## Bonds: Liffe UK Gilt futures

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- + Oil
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### IMPLIED ASSET ALLOCATION



### Liffe UK Gilt monthly futures continuation chart

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

Another bull leg is in prospect.



### Liffe UK Gilt weekly continuation futures Chart

In detail: the bounce back from the supports of high at 129.73 .

The push through 136.80 failed first time, but can it get above this time?

More



## Bonds: Liffe UK Gilt futures

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- + **UK Gilt**

### Commodities

- + Oil
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## Long Gilt daily Jun 20 chart

Watch the short-term term range.





## Commodity

### COMMODITIES:

Leaving on one side the wild fluctuations of the month, oil is still weak and looks as if it has further to fall in the medium and short-term so we remain bearish. Gold is working better under the influence of the continuation H&S pattern, and has further to go.

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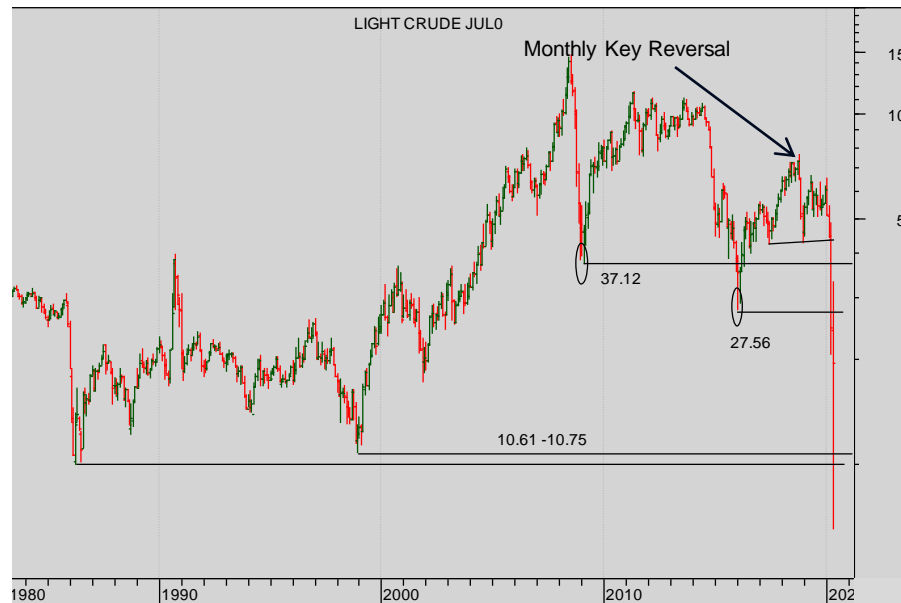
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#### Commodities

- + Oil
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IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



### Nymex oil monthly continuation

The market is testing the support from the long-term support whence the market has bounced in 2000, 2008 and 2016...

More



# Commodities: Nymex WTI Oil

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## IMPLIED ASSET ALLOCATION



### Nymex oil weekly continuation

Is that a badly drawn H&S TOP? (But the minimum target of the top has been achieved.)

Note the price action of the last few weeks: a failure to bounce back above the resistance at 27.56 – so there is still downward pressure on the price.



### Nymex oil daily July 2020 futures

The market working higher.

Note the continuation pattern of a completed bear rising wedge, a push beneath the Prior low 22.97, which will now be resistance ratcheting the market lower still.



## Commodities: Comex Gold

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### Stocks

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### Commodities

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### IMPLIED ASSET ALLOCATION



### Nymex Gold Monthly

The bulls are in charge – but lacking dynamism.



### Nymex Gold weekly

The market is edging up, helped now by the support from the Prior high 1704.30.



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### Bonds

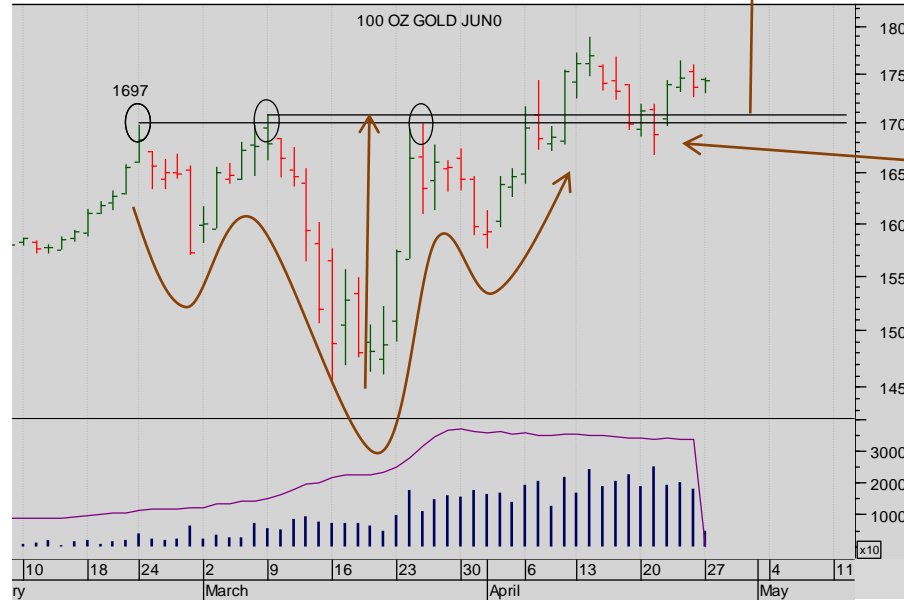
- + Ten Year US TNote
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- + UK Gilt

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

## Commodities: Comex Gold



## Nymex Gold Jun 2020 2020 Daily

NB: A break above 1697 establishes good support for a fresh bull leg and the measured move of the H&S continuation pattern is as far as 1950 MINIMUM!



# Summary

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### 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

## Seven Days Ahead Balanced Risk IMPLIED Asset Allocation

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### MSCI Balanced Risk Asset Allocation



More



*the technical analyst*

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