



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 12th May 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 **BEAR**  
Medium-term FLAT

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

### 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 **BULL**

### Commodities

- + Oil
- + Gold

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

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

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

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## Currencies: Dollar Euro

### CURRENCIES:

Short and medium-term currency charts are stuck in trading ranges. Longer term though it is difficult to challenge the stronger Dollar trend.

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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



## Summary

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- + Sterling Euro

### Stocks

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

### Bonds

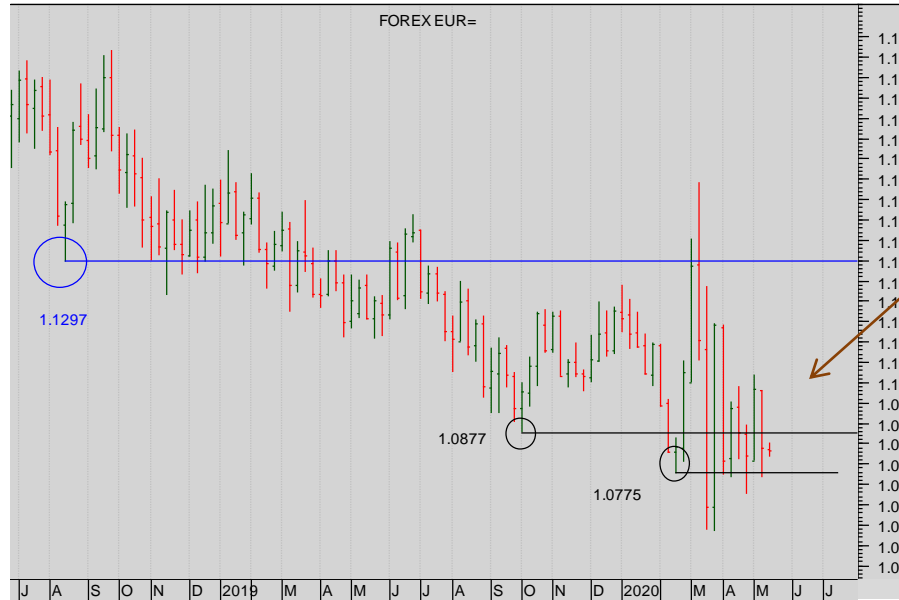
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

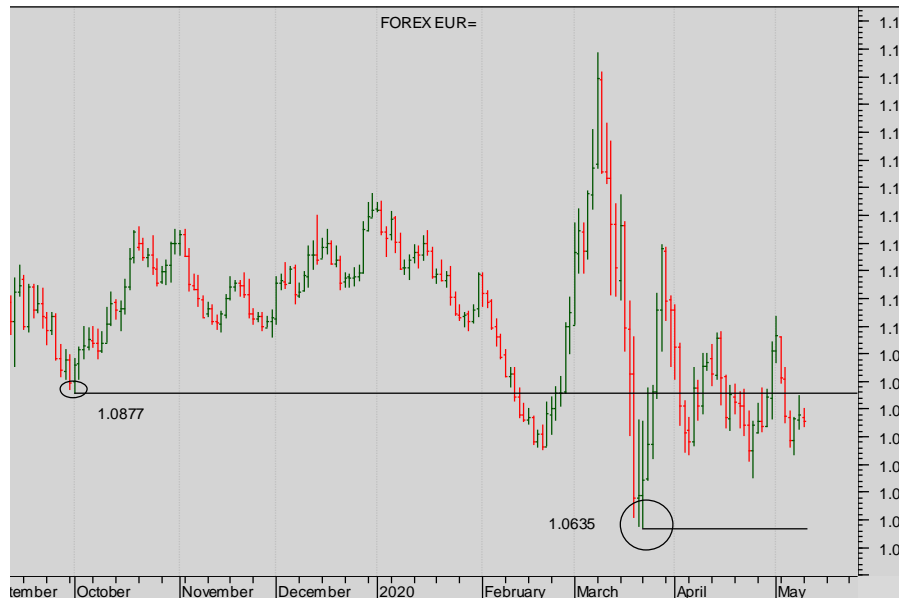
## Currencies: Dollar Euro



### 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...



## Currencies: Dollar Sterling

### Summary

### Currencies

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

### Stocks

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

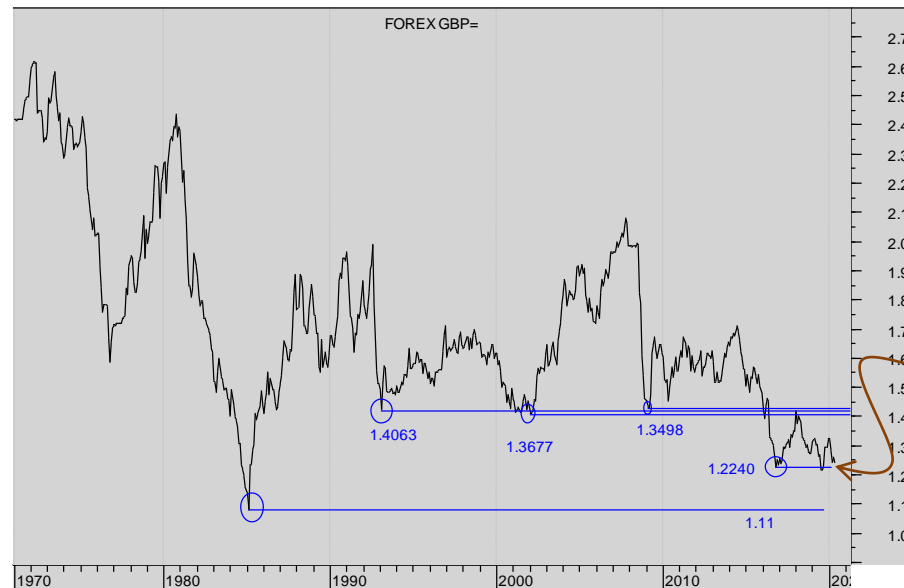
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



## 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 horizontal 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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- + Nikkei 225

### Bonds

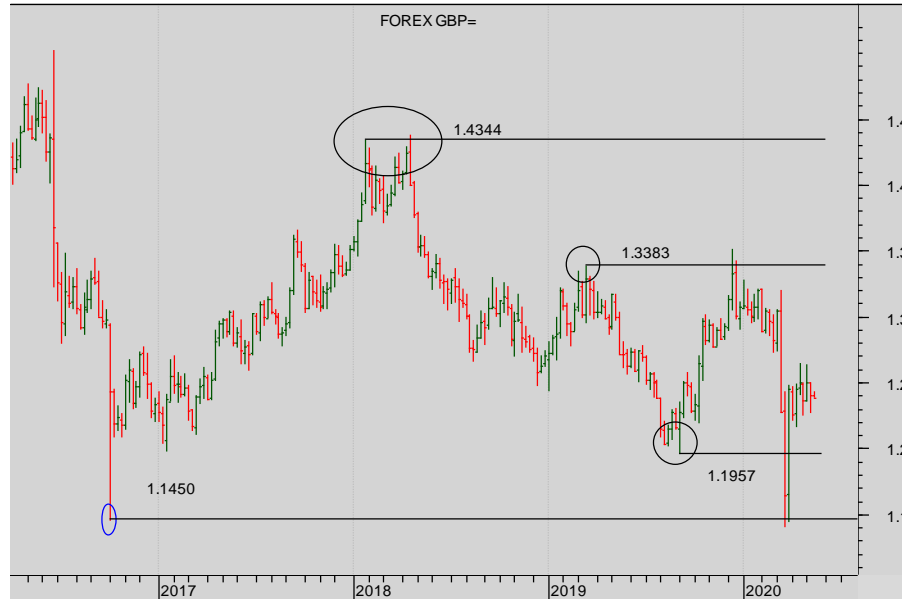
- + Ten Year US TNote
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- + UK Gilt

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

The volatility is chaotic. **Stand aside.**



### Dollar Sterling daily spot cash chart

There is the resistance at 1.28.

And beneath there is a horizontal channel...

Wait for a break of the range.



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- + Sterling Euro

### Stocks

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

### Bonds

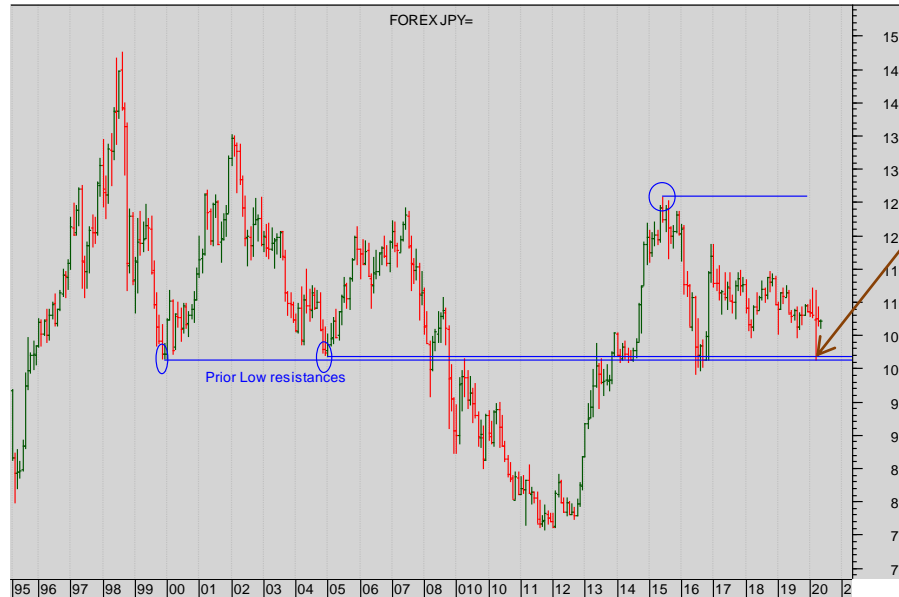
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

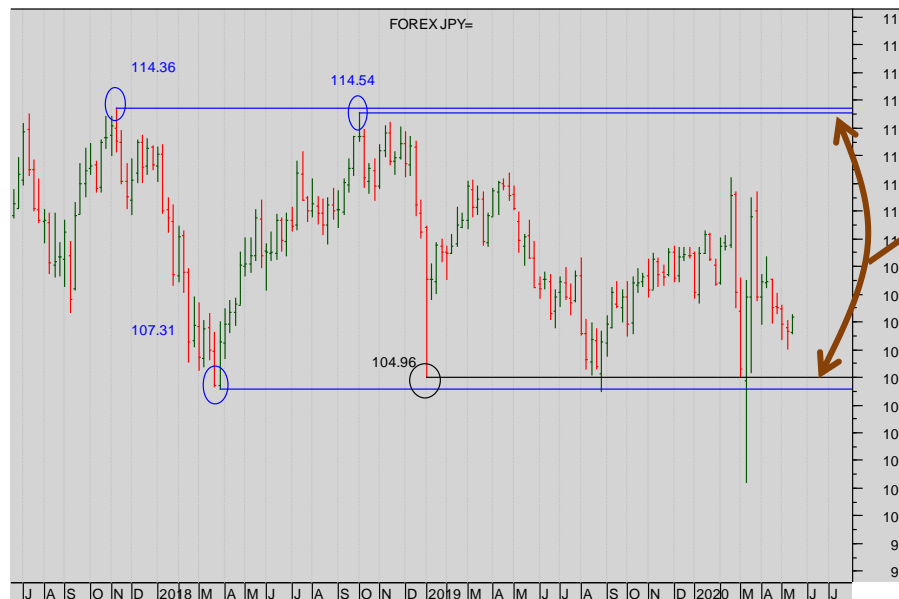
## Currencies: Dollar Yen



### 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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- + Sterling Euro

### Stocks

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

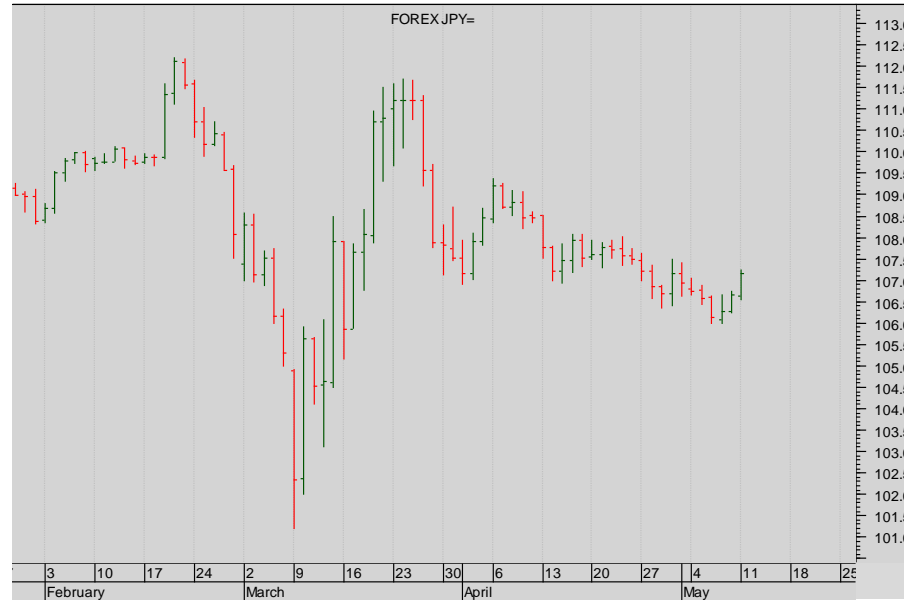
### Bonds

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- + UK Gilt

### Commodities

- + Oil
- + Gold

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## Dollar Yen daily spot cash chart

Short-term, great volatility and an unclear structure...





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### Currencies

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

### Stocks

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

### Bonds

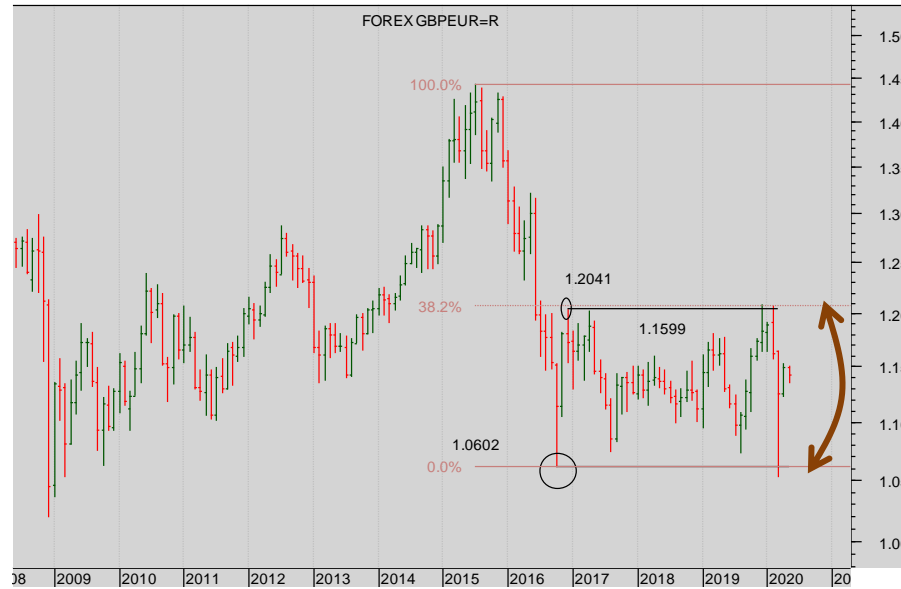
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

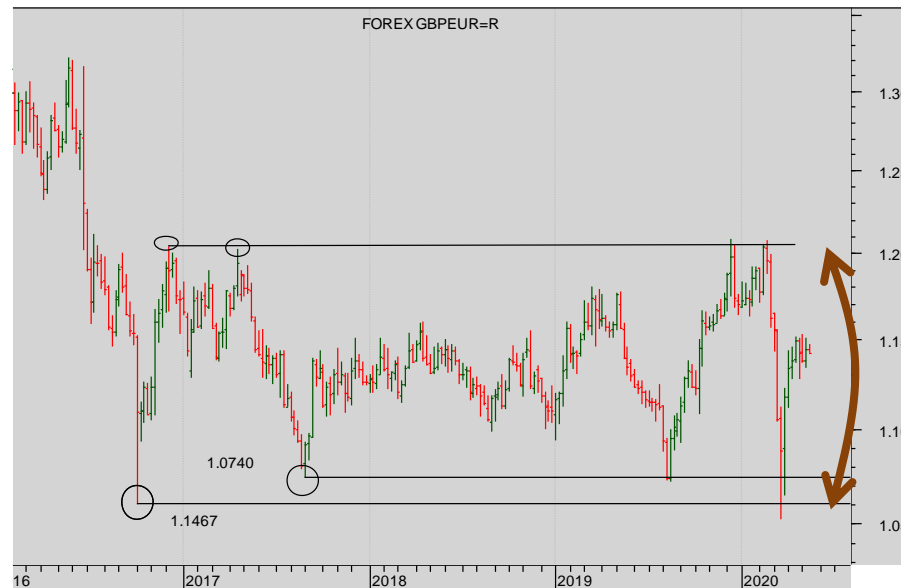
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## Currencies: Sterling Euro



### 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

### Summary

### Currencies

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

### Stocks

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

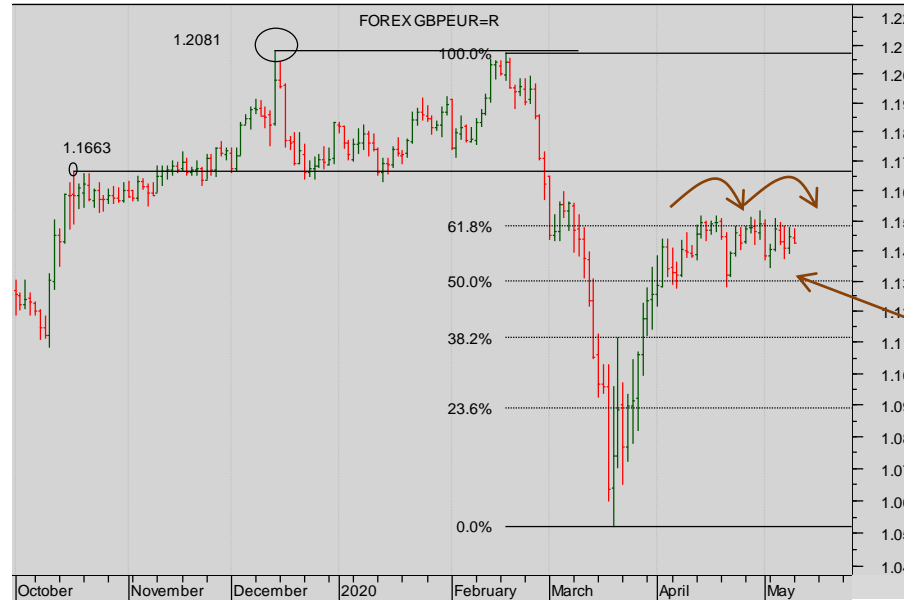
### Bonds

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

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Sterling Euro daily spot cash chart

The detail: note the double failure at the Fibonacci resistance at 1.15, so a break of the low at 1.13 would add to bearish excitement by completing a small Double Top.

Watch and wait.



## Stocks

### STOCKS:

The bullish vigour of these markets over the last week has been impressive – small but telling obstacles have been overcome, Fibonacci resistances surpassed. Note especially the Nikkei... but in the grand scheme of things we remain sceptical.

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#### Currencies

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

#### Stocks

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

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- + 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 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

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- + Dollar Yen
- + Sterling Euro

### Stocks

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

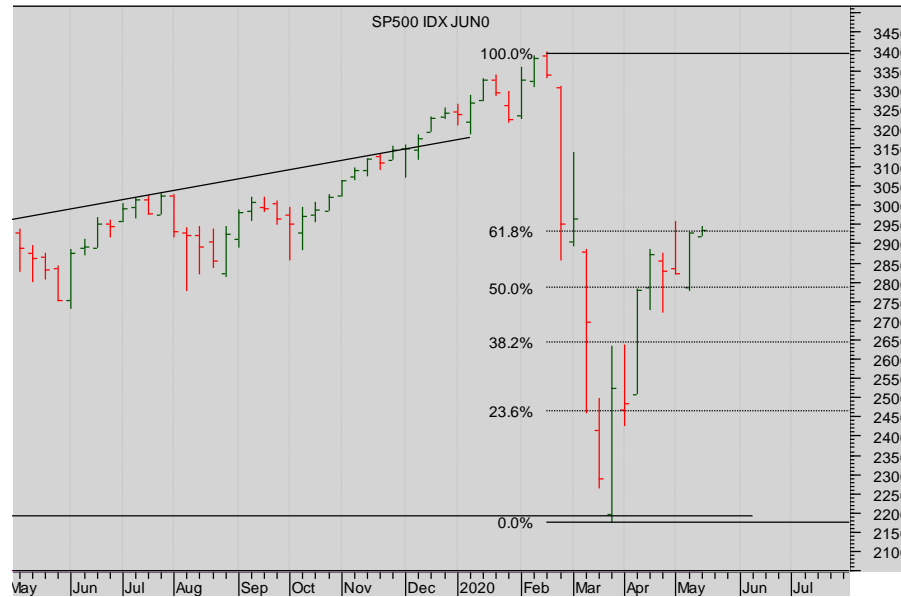
### Bonds

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

### Commodities

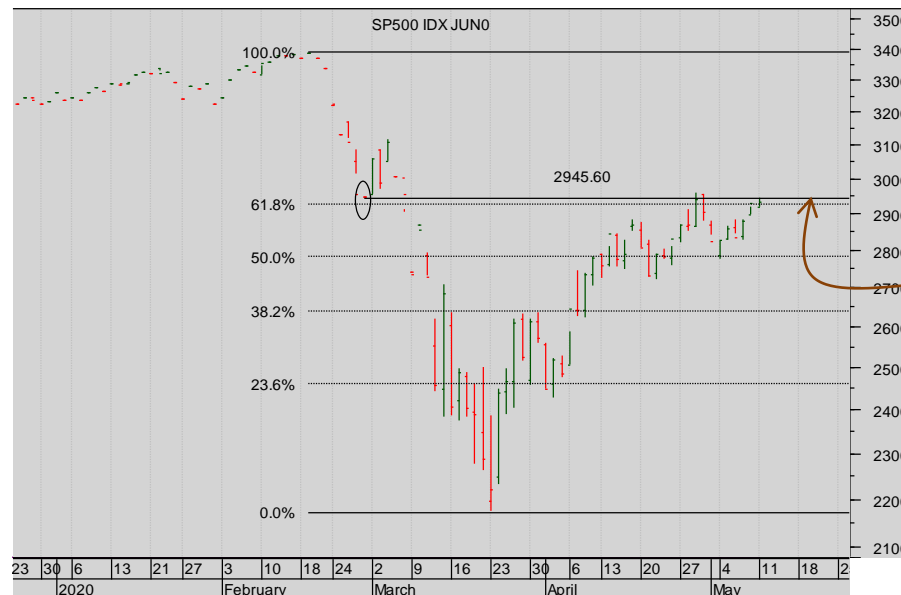
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



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

The rally – driven by a Weekly key reversal – pausing at the Fibonacci resistance...



### CME S&P 500 daily Jun 2020 chart

Note the resistance at 2945.60. The market has baulked there but is retesting **the coincident Fibonacci and Prior Low resistance.**

More



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- + Sterling Euro

## Stocks

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## Bonds

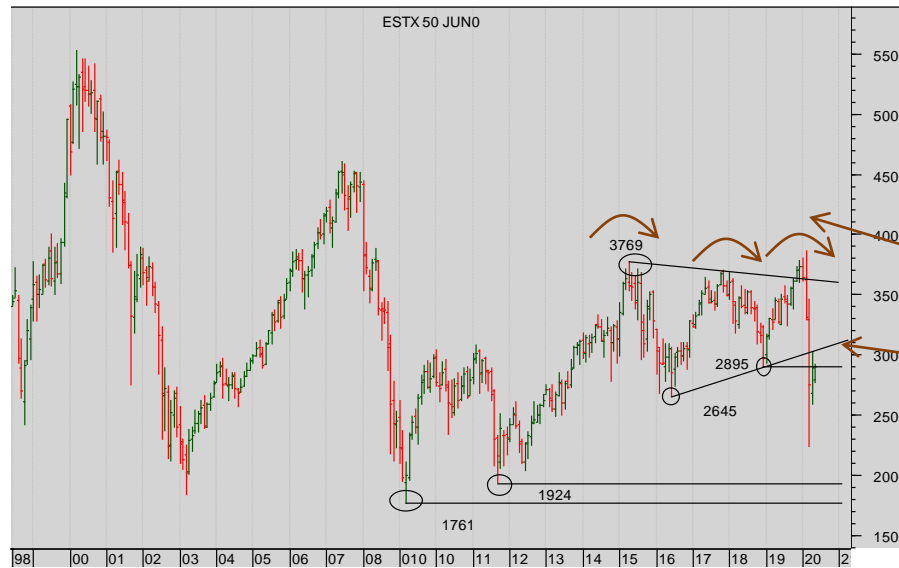
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

## Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

## Stocks: Eurex EuroStoxx 50



## 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 bounce has found resistance at the **Prior Lows of 2895/2974 ...**

It looks as if the market will struggle to get above that level and instead, revisit the downside.

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%) – and there was almost a Key Reversal last Friday..... Watch the range...



## Stocks: Liffe FTSE 100

### Summary

### Currencies

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

### Stocks

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

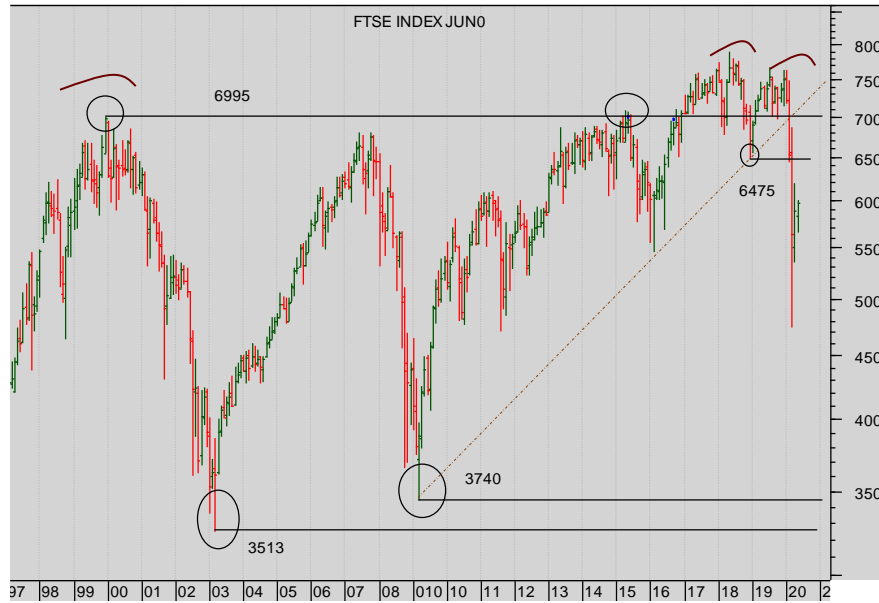
### Bonds

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

### Commodities

- + Oil
- + Gold

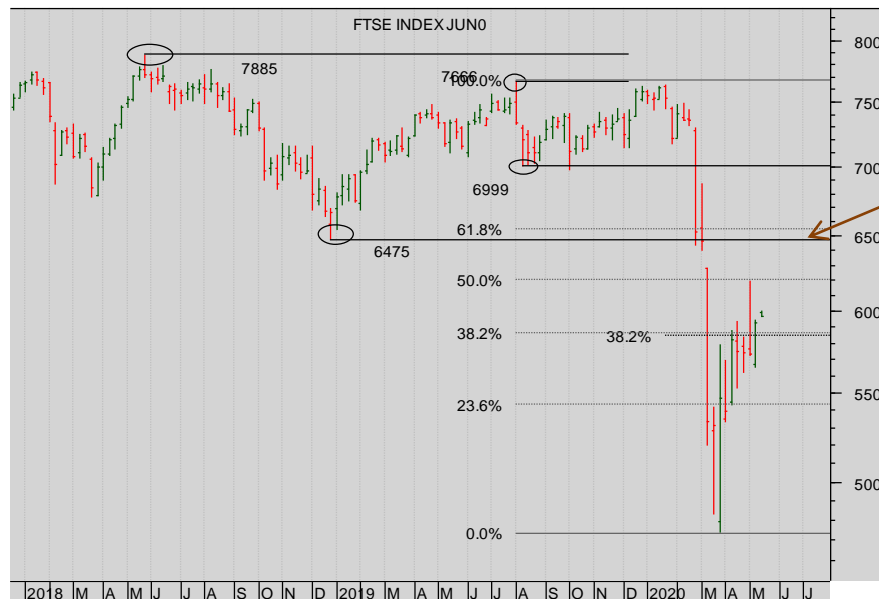
### IMPLIED ASSET ALLOCATION



### 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

And on the bounce note the failure to break the 50% retracement resistance...

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 Mar 20 daily futures chart

That is a bearish day Key reversal in the FTSE..





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### Bonds

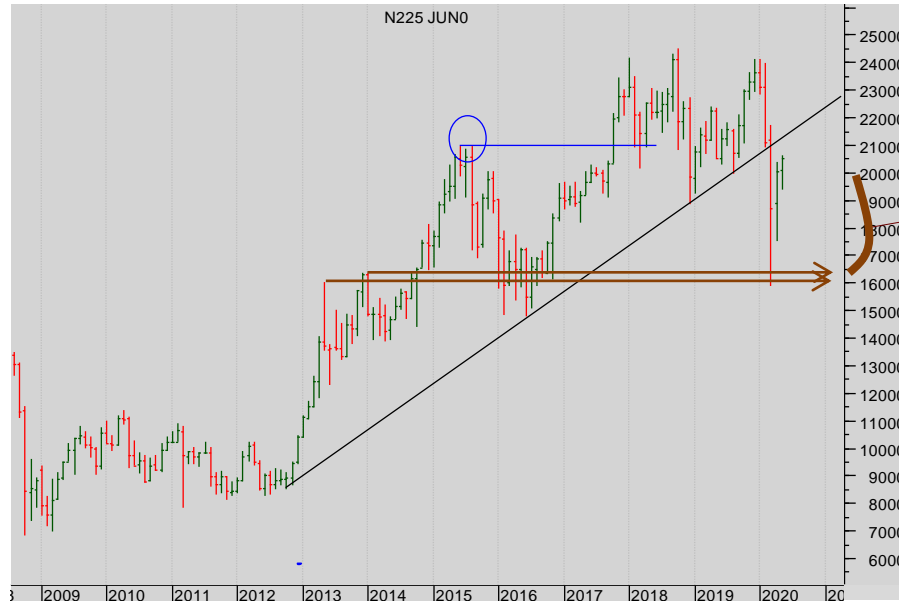
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

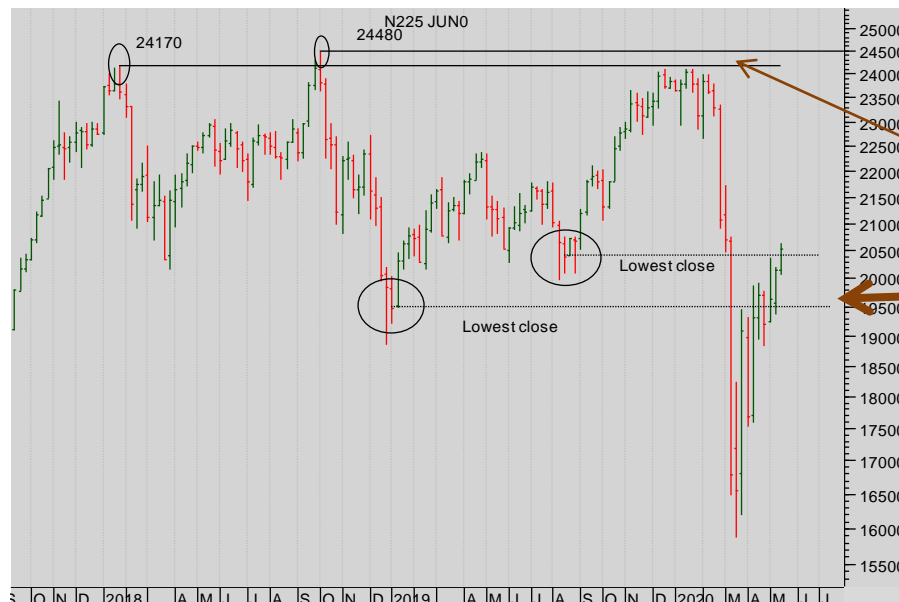
## Stocks: OSE Nikkei 225



### Nikkei 225 chart (monthly)

Note that the monthly close was not beneath the powerful band of support from the Prior Highs 16000-16500. **That band of powerful support is still intact...**

The bears are hesitant and the bulls hopeful...



### Nikkei 225 chart (WEEKLY)

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

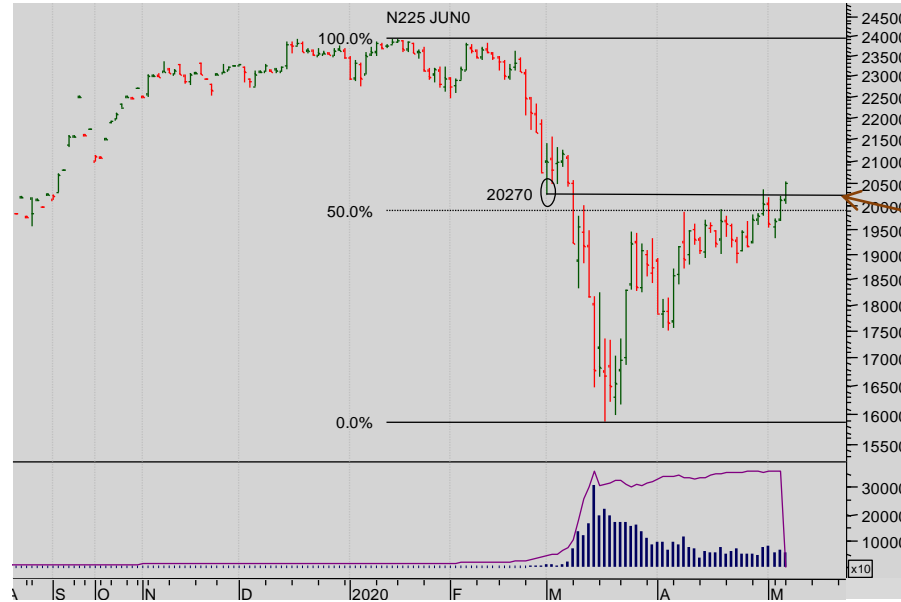
Note the positive price action pushing up through the resistance at **18840 at the bottom of the range.**

**And note too that the band of resistance from the lowest Closes has been overcome ... This is impressively bullish price action.**

More



## Stocks: OSE Nikkei 225



Nikkei 225 chart Daily March 2020.

Note the breakthrough at the low at 20270... This is impressive.

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### Bonds

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### Commodities

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- + Gold

IMPLIED ASSET ALLOCATION



## Bonds

### BONDS:

Bonds have stagnated. There are growing signs of a top in the US bonds, and bear triggers are close by in the bund. The UK Gilt remains the most bullish.

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#### Bonds

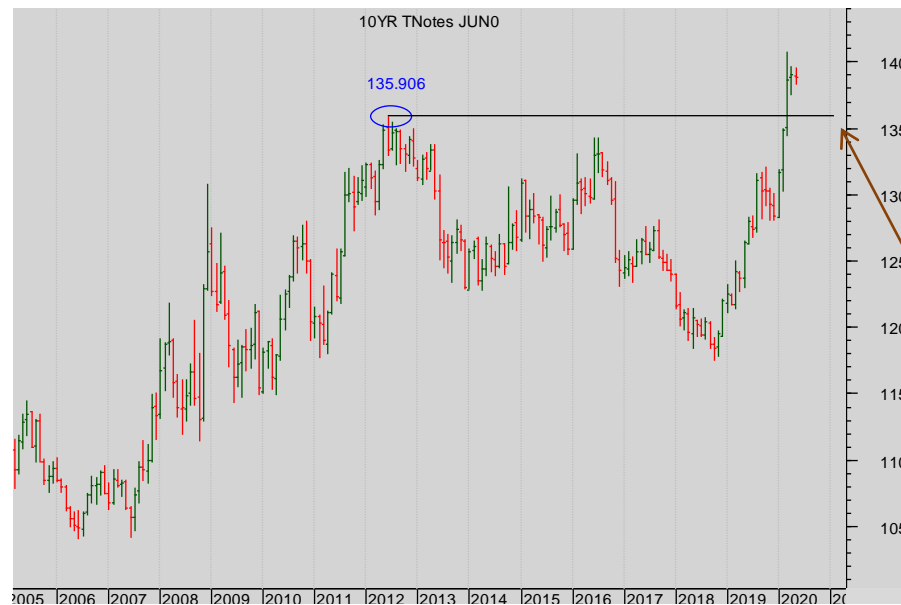
- + Ten Year US TNotes
- + Ten Year German Bund
- + UK Gilt

#### Commodities

- + Oil
- + Gold

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.

The market looks set for the  
next bull leg.

More



## Bonds: CBOT Ten Year Notes

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### Bonds

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### Commodities

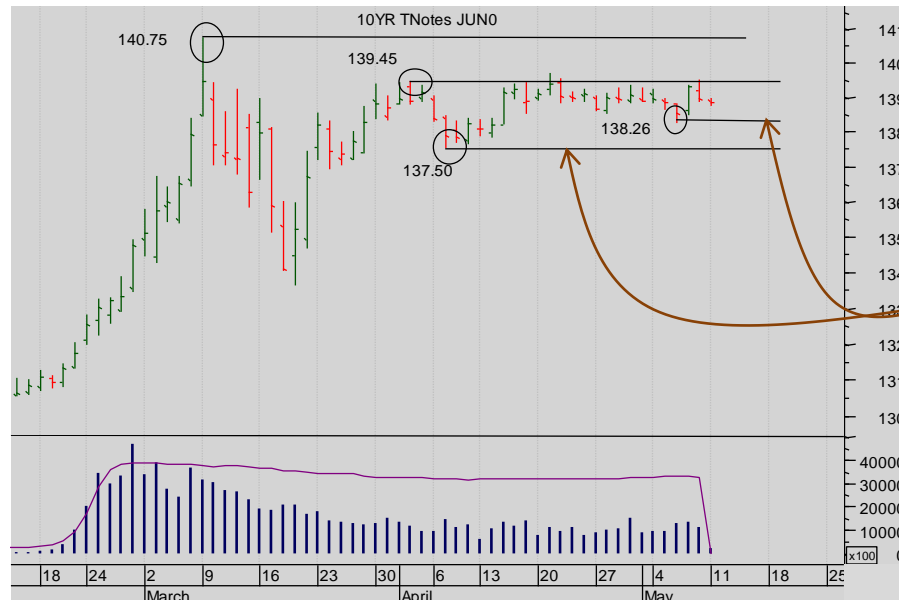
- + Oil
- + Gold

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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

The triple failure at 139.45 is pressing on the market...watch closely for a break beneath the near lows...

More



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## Bonds

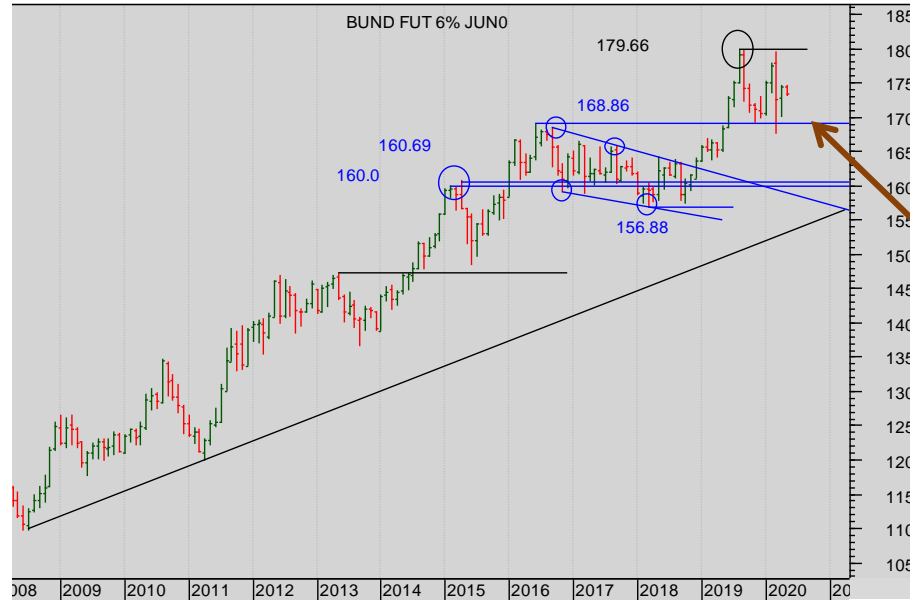
- + Ten Year US TNote
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## Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

## Bonds: Eurex Ten Year Bund



### Eurex Ten Year Bund monthly futures continuation chart

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

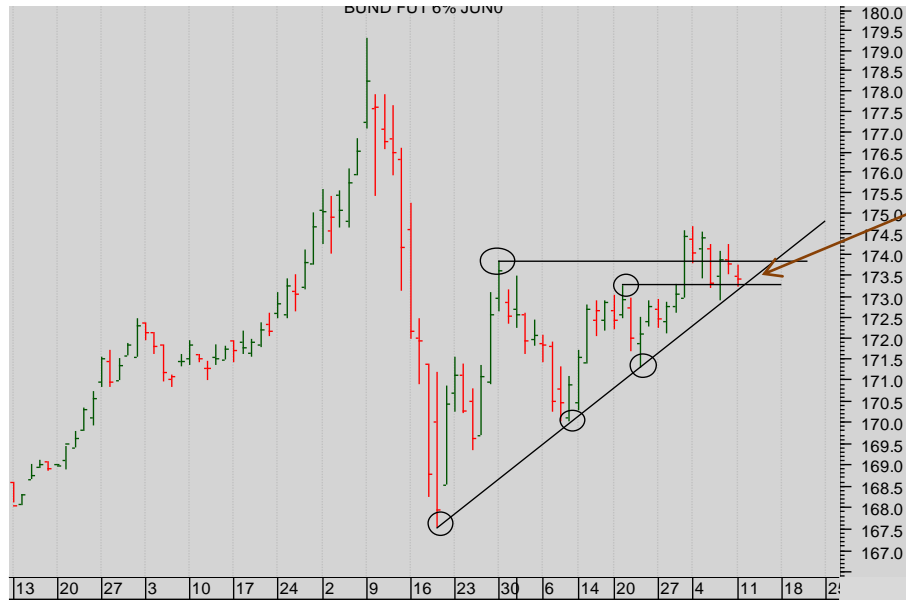
That 168.86 remains good support on the pull-back.

For the moment the range is intact.

More



## Bonds: Eurex Ten Year Bund



### Eurex Ten Year Bund JUN 2020 Daily futures chart

Short-term, the bulls will have been disappointed at the market's inability to get above and stay above the Prior Highs. Note the well-established diagonal support which is being tested close by.

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#### Bonds

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IMPLIED ASSET ALLOCATION



## Bonds: Liffe UK Gilt futures

### Summary

### Currencies

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### Stocks

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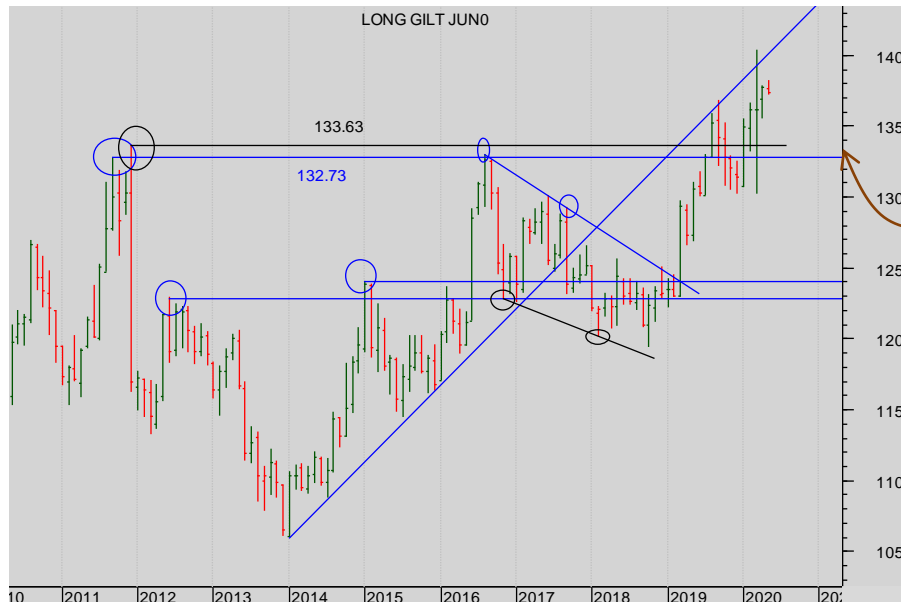
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### 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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### Long Gilt daily Jun 20 chart

Note the break up through the short-term term range.





## Commodity

### COMMODITIES:

Oil's price action lacks clarity in the short and medium-term. Gold is doggedly supported but lacks impetus.

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IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



### Nymex oil monthly continuation

The market has smashed the support from the long-term support at 35.64.

An in addition pushed beneath the 29.85 overhead resistance from the Prior Low at 29.85.

Both breaks suggest that the market will remain under pressure.

More



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### Bonds

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- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

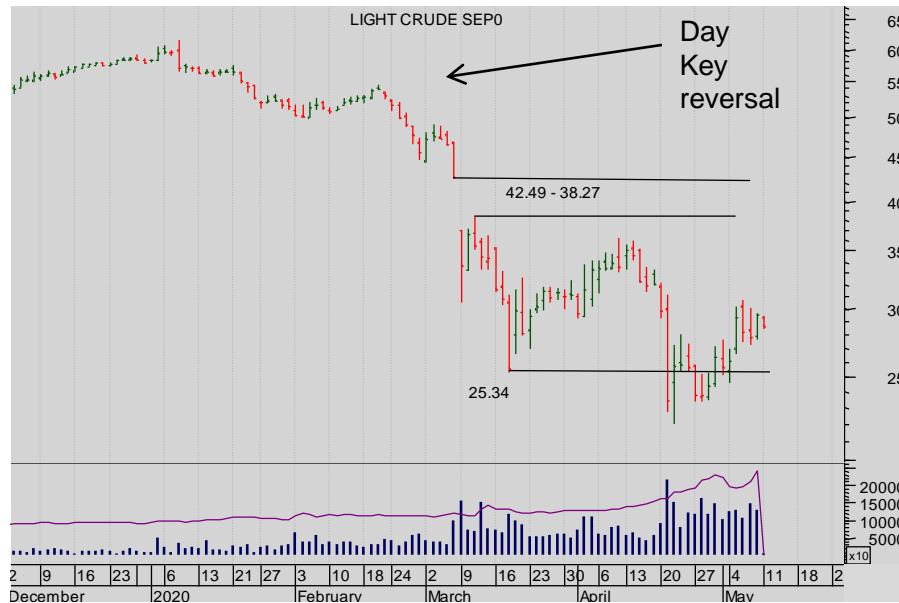
## Commodities: Nymex WTI Oil



### Nymex oil weekly continuation

The minimum target of the H&S top has been achieved

But now the market is beneath the Prior Low at 29.85 there is still downward pressure on the price.



### Nymex oil daily SEP 2020 futures

The market has entered a sideways consolidation...



## Commodities: Comex Gold

### Summary

### Currencies

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

### Stocks

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

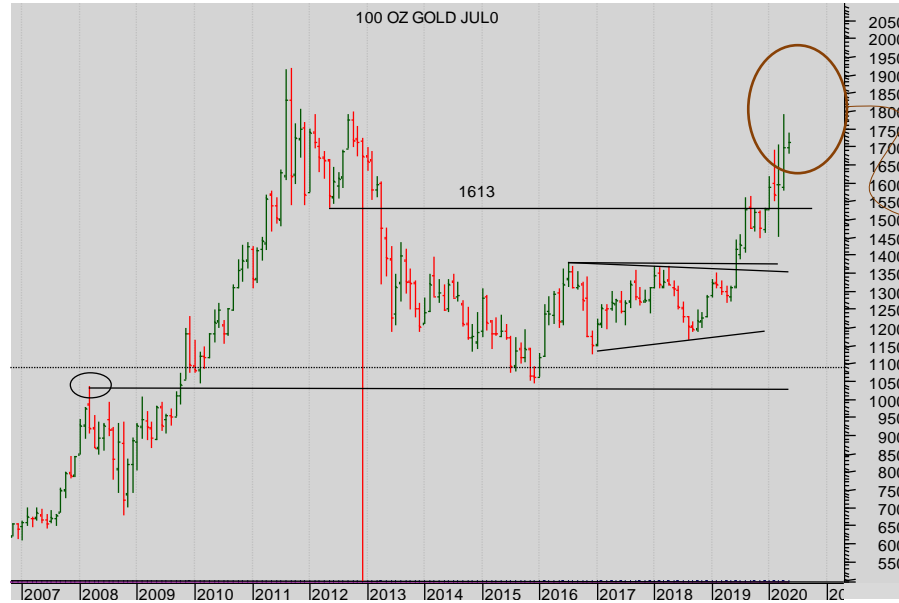
### Bonds

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

### Commodities

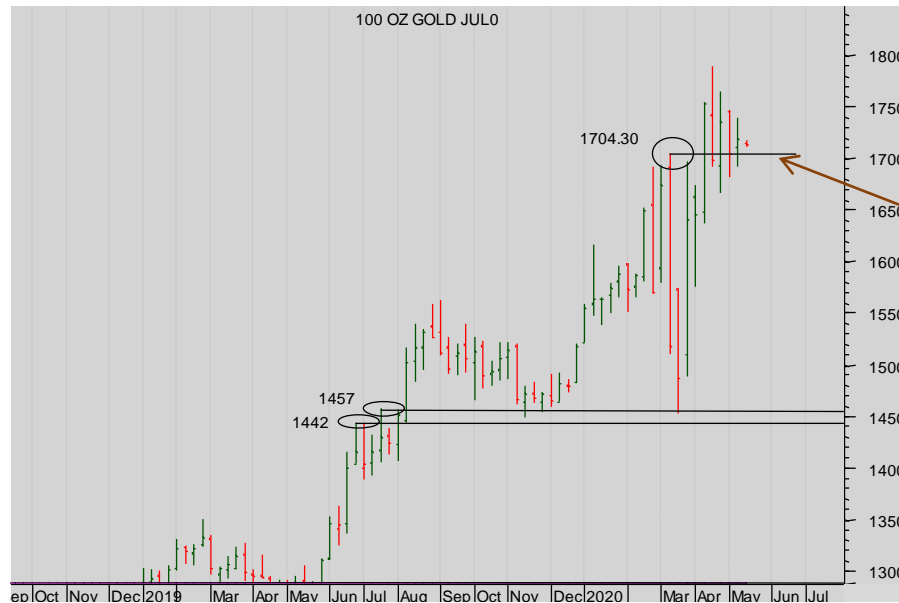
- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



### Nymex Gold Monthly

The 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.



## 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 Jun 2020 2020 Daily

NB: A break above 1697 established good support for a fresh bull leg. But that lack of bull energy has been disappointing...

For the moment though, the support from Prior Highs is still in place.



# Summary

## 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

## 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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