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 21st July 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	Long-term **BEAR** Euro	Medium-term **BEAR** Euro	Short-term FLAT Euro
+ Dollar Sterling	Long-term **BEAR** Sterling	Medium-term **BEAR** Sterling	Short-term FLAT Sterling
+ Dollar Yen	Long-term **BEAR** Yen	Medium-term **BEAR** Yen	Short-term FLAT Yen
+ Sterling Euro	Long-term FLAT Euro	Medium-term FLAT Euro	Short-term **BULL** Euro
Stocks			
+ S&P 500	Long-term **BULL**	Medium-term **BULL**	Short-term **BULL**
+ EuroStoxx 50	Long-term **BEAR**	Medium-term FLAT	Short-term FLAT
+ FTSE 100	Long-term **BEAR**	Medium-term **BEAR**	Short-term FLAT
+ Nikkei 225	Long-term FLAT	Medium-term FLAT	Short-term FLAT
Bonds			
+ Ten Year US TNote	Long-term **BULL**	Medium-term FLAT	Short-term FLAT
+ Ten Year German Bund	Long-term FLAT	Medium-term **BULL**	Short-term FLAT
+ UK Gilt	Long-term **BULL**	Medium-term FLAT	Short-term FLAT
Commodities			
+ Oil	Long-term **BEAR**	Medium-term **BEAR**	Short-term FLAT
+ Gold	Long-term **BULL**	Medium-term **BULL**	Short-term **BULL**

IMPLIED ASSET ALLOCATION

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Currencies: Dollar Euro

CURRENCIES:
There's Dollar weakness that has supported Sterling as much as the Euro. Both are approaching important level which need to be carefully watched.

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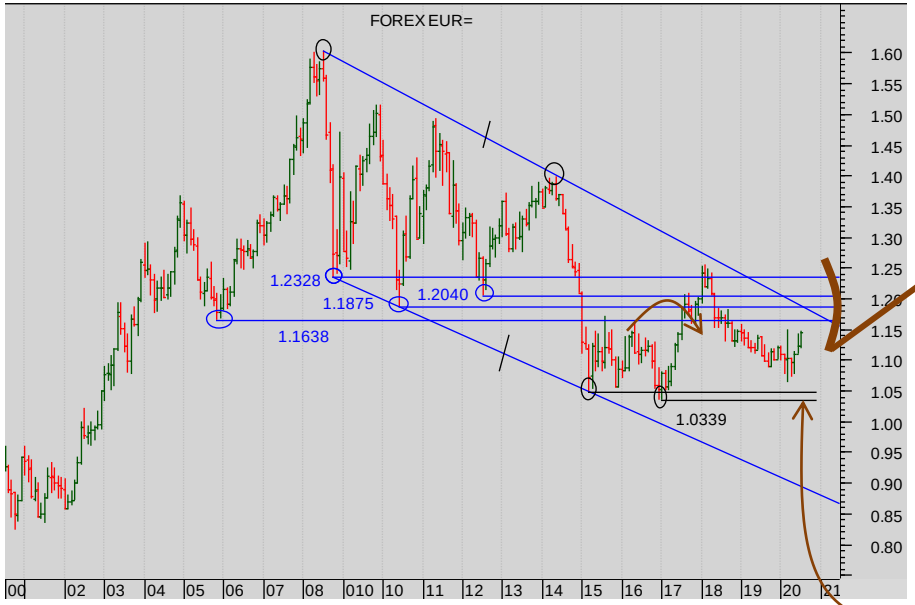

Dollar Euro monthly spot cash chart

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.

But the long-term trigger for that is now a break beneath 1.0339.

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SEVEN DAYS AHEAD

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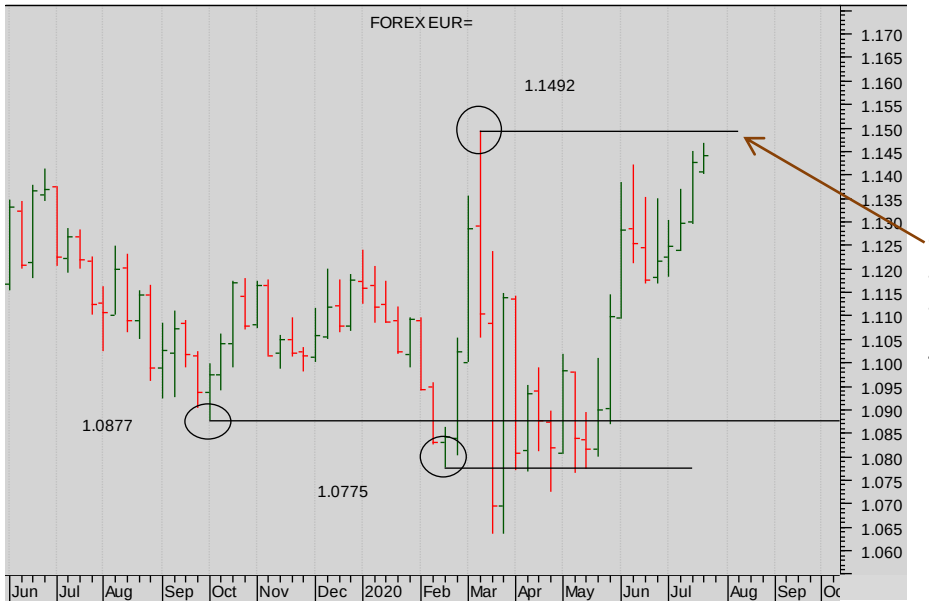
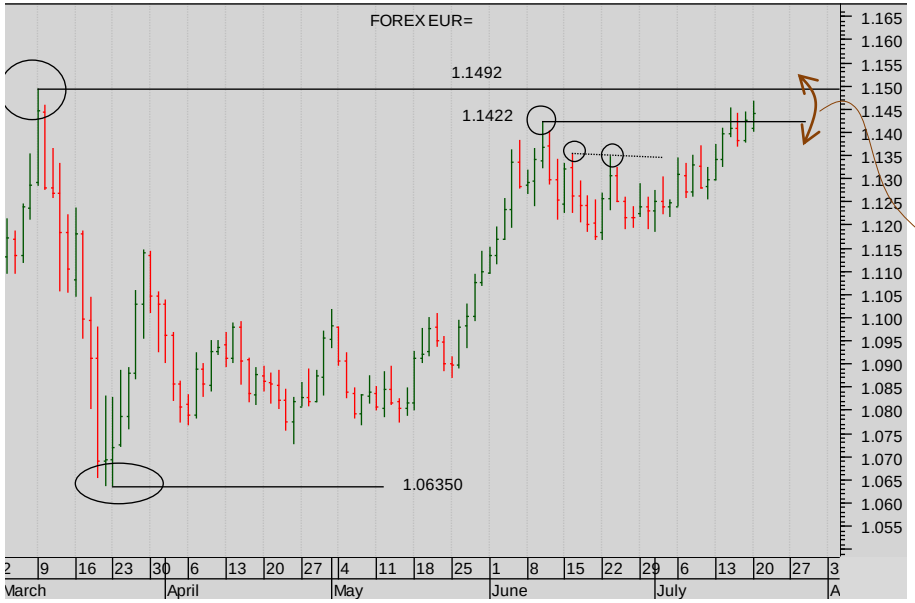
Currencies: Dollar Euro



Dollar Euro weekly spot cash chart

The sudden weakness of the Dollar that pushed the market back up towards the prior high - is pushing on past that near high to test 1.1492



Dollar Euro spot cash chart daily chart...

The Dollar weakness is now meeting the critical band from the Prior Highs – the market needs to get above that for the weakening Dollar to continue

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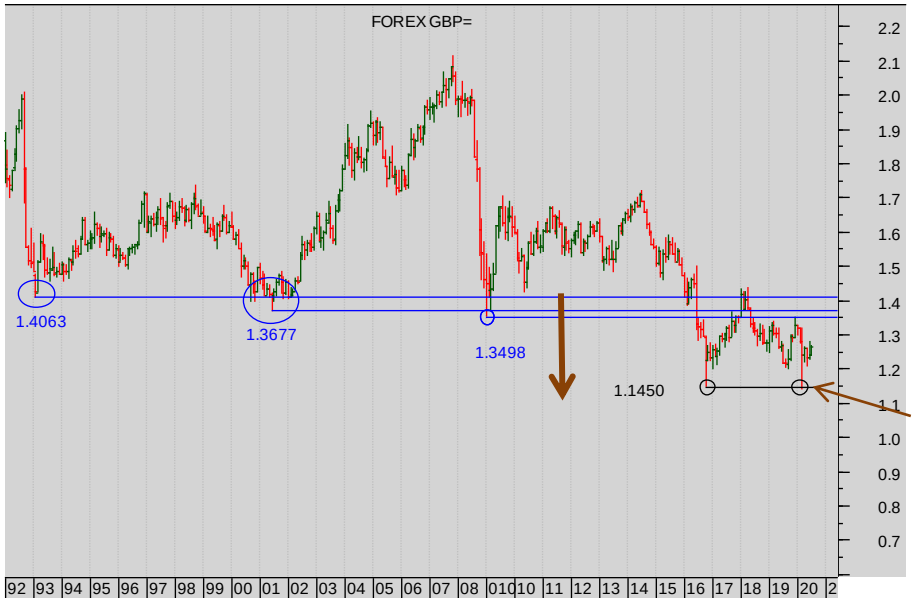
Currencies: Dollar Sterling

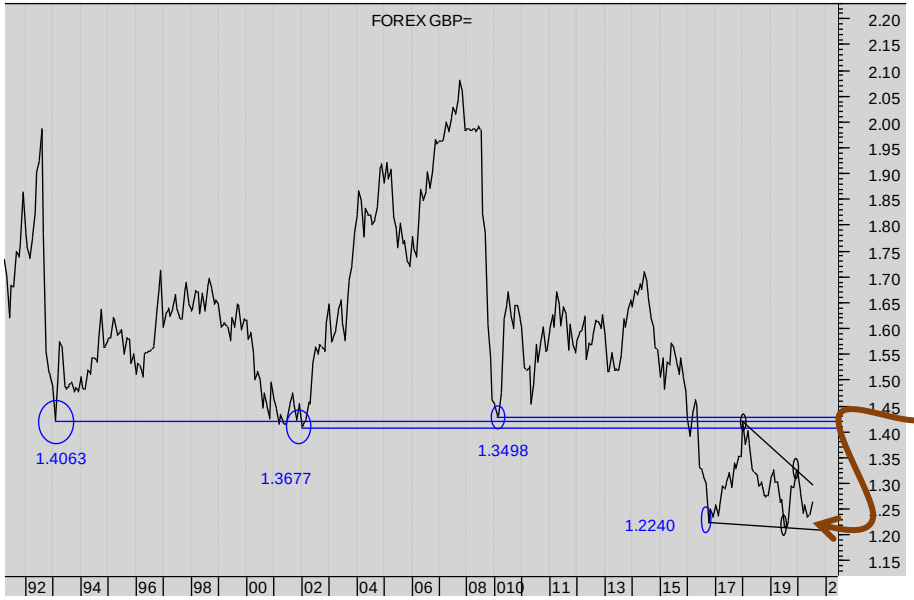


Dollar Sterling Monthly spot cash chart

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.

A break beneath the lower diagonal (around 1.20) would accelerate the bear move implicit in the massive bear formation in the long-term chart….wait for the monthly close.

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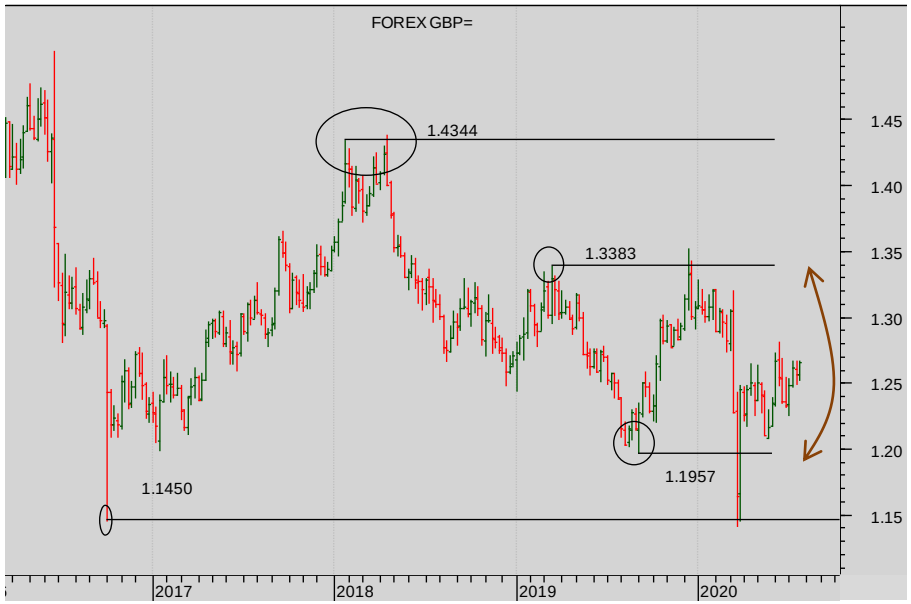
Currencies: Dollar Sterling



Dollar Sterling weekly spot cash chart

The volatility is chaotic. Stand aside.

Note well that the market is in the middle of a wide range.

Dollar Sterling daily spot cash chart

The market's failure at the resistance from the Prior Low at 1.2750 is interesting, as that looks to be tested again …

The Sterling bulls need that level to be breached for excitement to grow….

SEVEN DAYS AHEAD

Currencies: Dollar Yen

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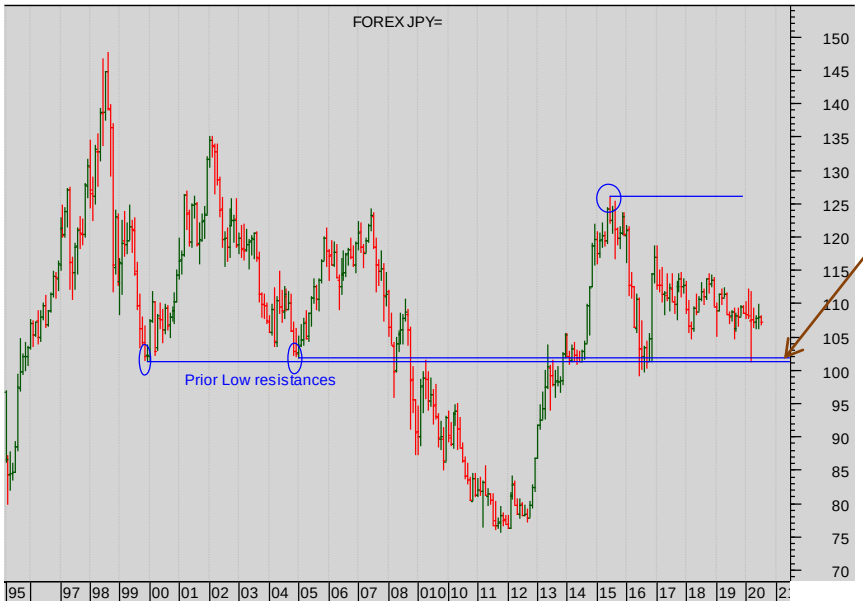

Dollar Yen monthly spot cash chart

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.

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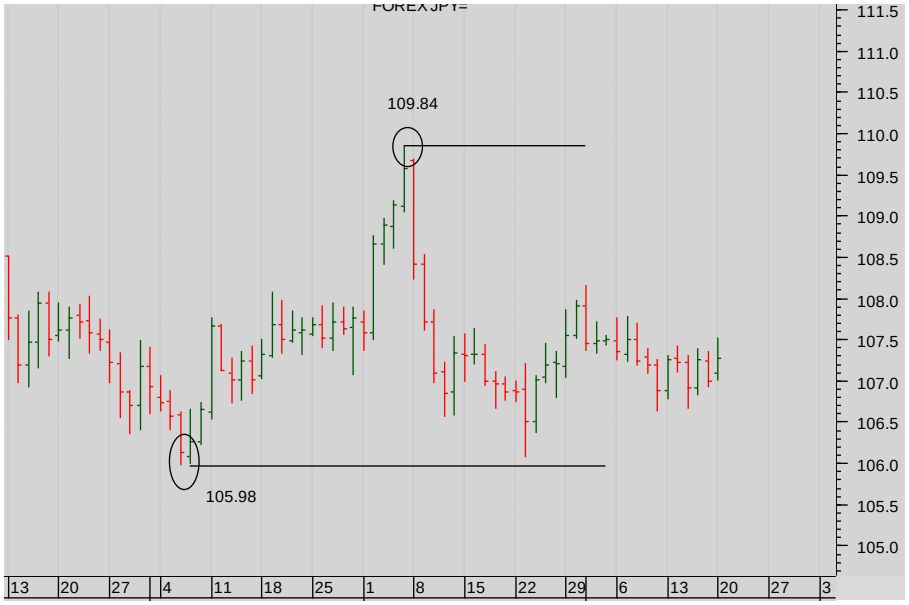
IMPLIED ASSET ALLOCATION

Currencies: Dollar Yen



Dollar Yen daily spot cash chart

Short-term, great volatility and an unclear structure…

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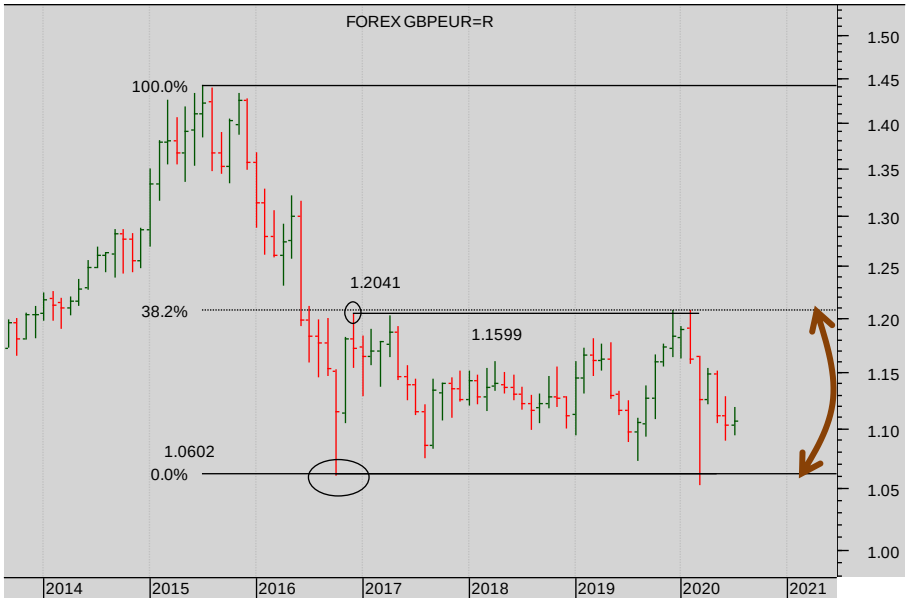
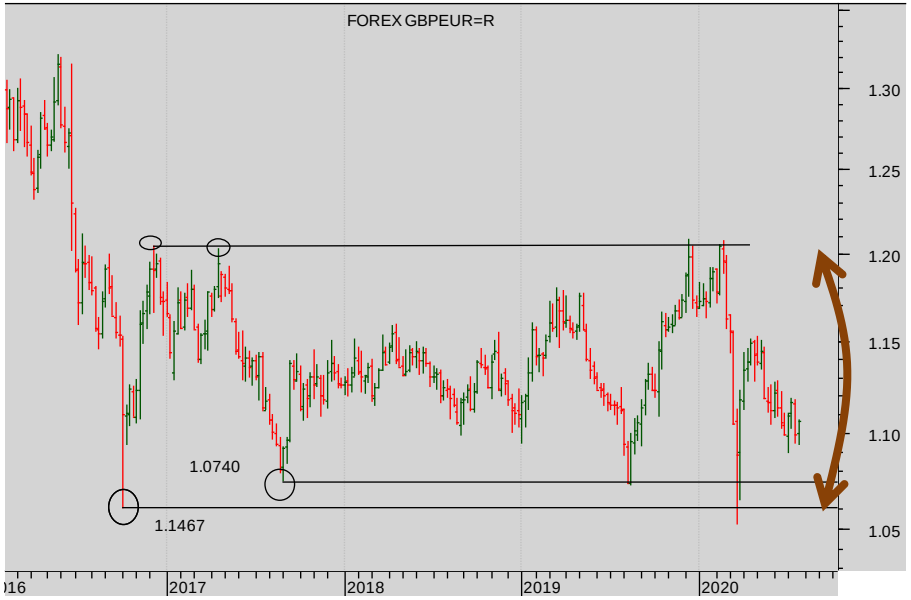
IMPLIED ASSET ALLOCATION

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.

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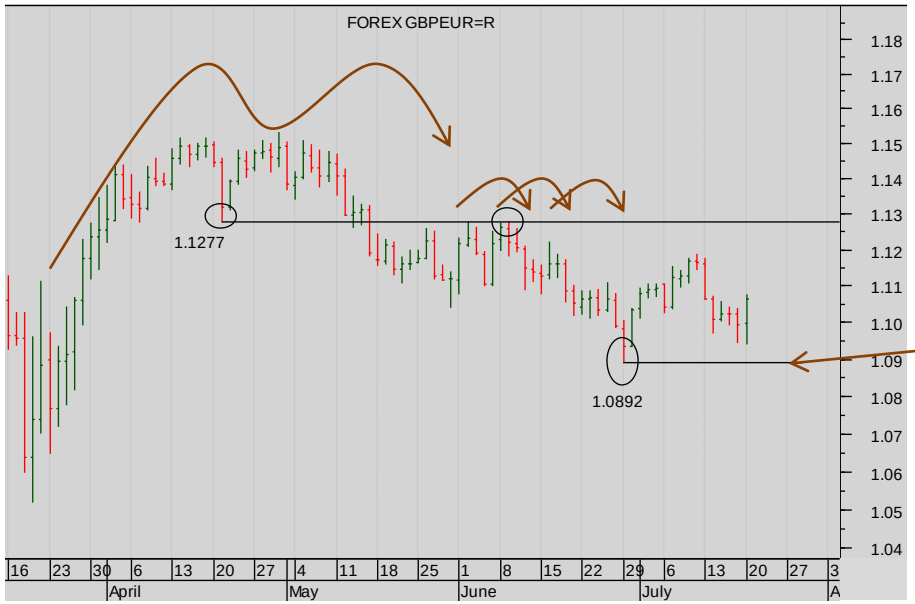
IMPLIED ASSET ALLOCATION

Currencies: Sterling Euro



Sterling Euro daily spot cash chart

The detail: a break of the low at 1.1277 has added to bull Sterling excitement by completing a small Double Top.

On balance – Sterling needs to break 1.0892 for the bulls to really get excited. .

STOCKS:

Our continues bullishness in non-FTSE markets has been spectacularly rewarded by a very bullish structure e in the S&P. Europe and Japan are more stodgy. FTSE remains the vulnerable laggard, struggling beneath powerful resistance.

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IMPLIED ASSET ALLOCATION

Stocks: CME S&P

CME S&P 500 monthly cont. futures chart

The long run bull points are that:

- There is an 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.

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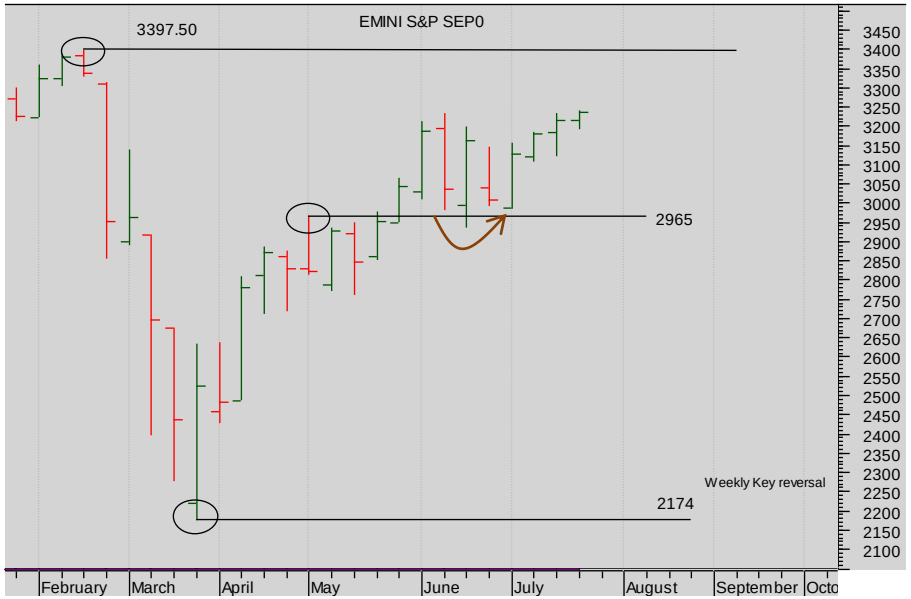
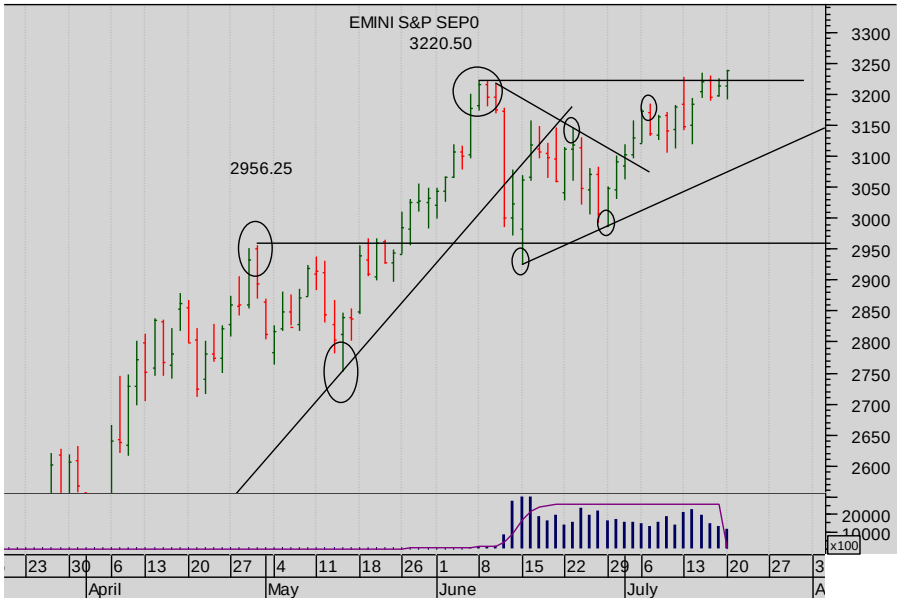
IMPLIED ASSET ALLOCATION

Stocks: CME S&P 500



CME S&P 500 cont. weekly cont. chart

The bull rally – has found good support at the horizontal from the Prior High at 2965.



CME S&P 500 daily SEP 2020 chart

This is even more impressive – the completion of a clear continuation Triangle, the break up through the Prior High….

It's very bullish and the minimum move is up as far as 3400.

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SEVEN DAYS AHEAD

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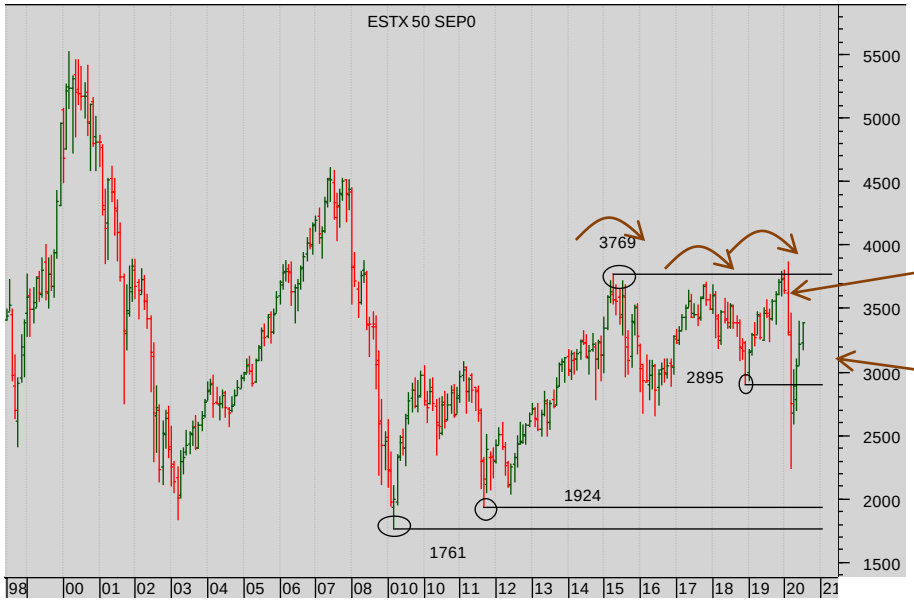
IMPLIED ASSET ALLOCATION

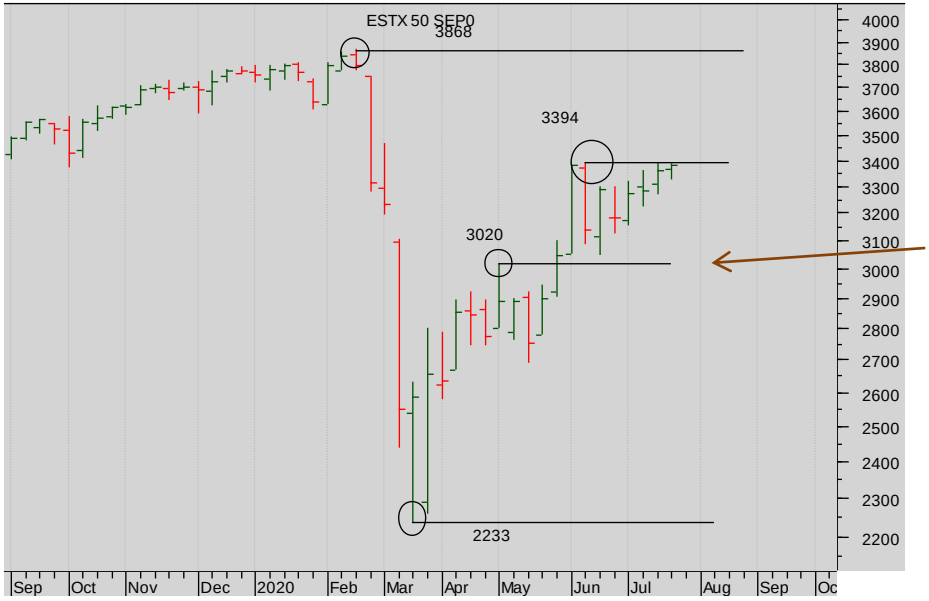
Stocks: Eurex EuroStoxx 50



Eurex EuroStoxx 50 monthly continuation futures chart

1. The triple failure of the market at 3700 bode ill
2. The Monthly Key Reversal of the market boded ill.
3. Yet there was no clear monthly close beneath the Prior Low range of 2645-2895 –

Are we simply back in a trading range?



Eurex EuroStoxx 50 weekly continuation futures chart

The bounce has been sharp and for the moment there is good support at the Prior High at 3020.

Bulls now need the break up through the Prior High at 3394.

More

Stocks: Eurex EuroStoxx 50

Eurex EuroStoxx 50 daily Dec 19 futures chart

The market looks set to go higher now there's a break above 3369 to begin the next bull leg.

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IMPLIED ASSET ALLOCATION

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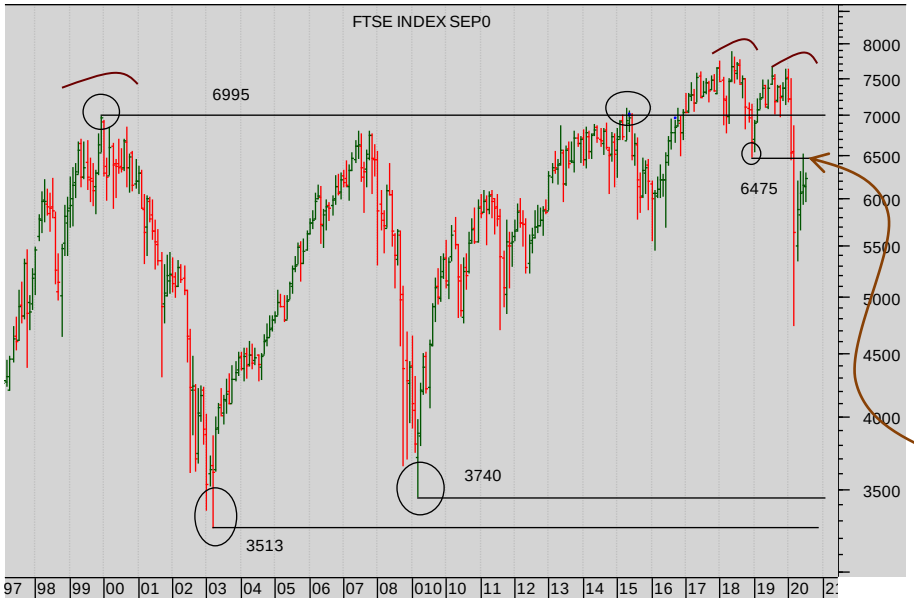
IMPLIED ASSET ALLOCATION

Stocks: Liffe FTSE 100

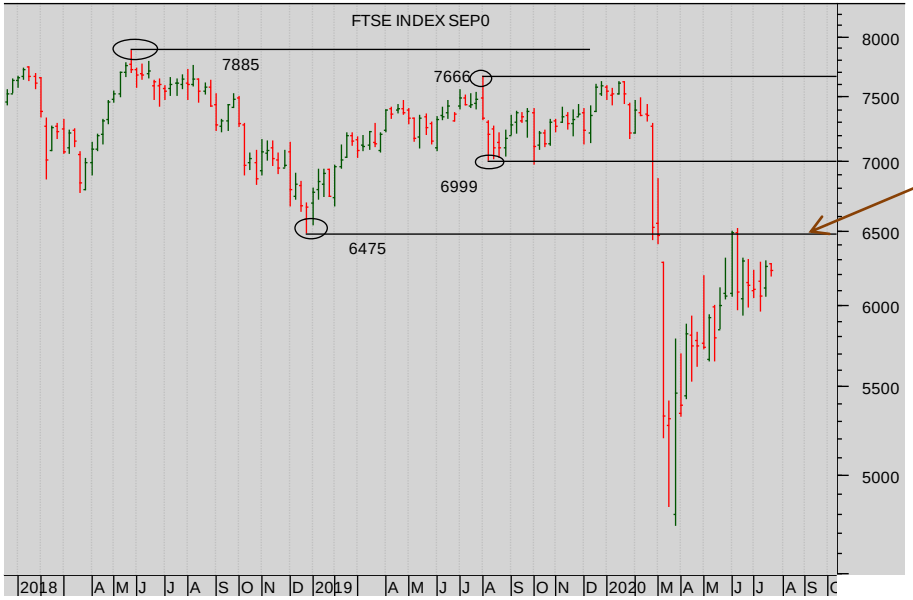


Liffe FTSE 100 Monthly continuation futures chart

1. 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 at 6475 and very little support.



Liffe FTSE 100 Weekly cont. futures chart

The powerful resistance above the market – which so far has held …

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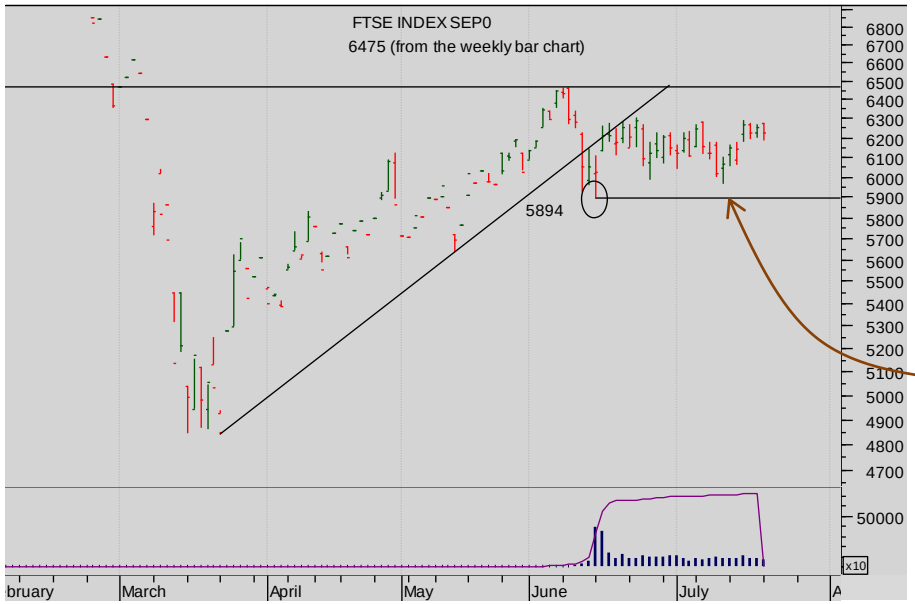
Stocks: Liffe FTSE 100



Liffe FTSE 100 Mar 20 daily futures chart

The market has failed at the 6475 resistance from the low in the long-term charts, but shows no sign yet of wanting to fall

Watch the 5894 low for signs of breakdown.

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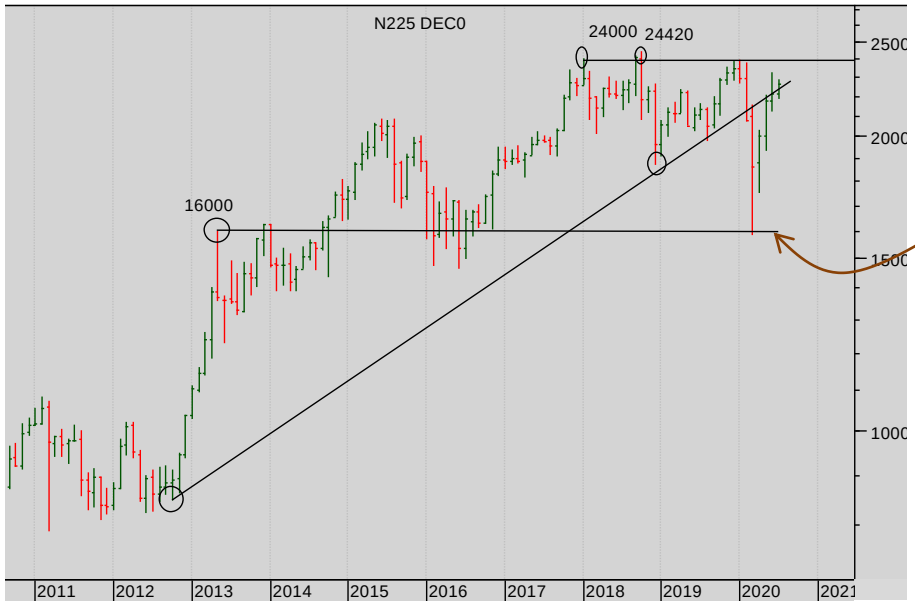
IMPLIED ASSET ALLOCATION

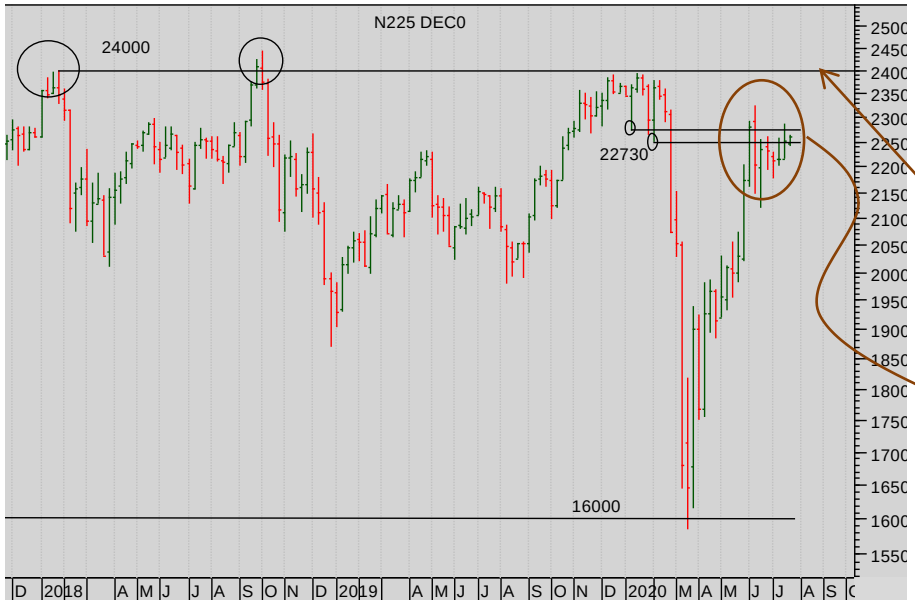
Stocks: OSE Nikkei 225



Nikkei 225 chart (monthly)

Note the bounce off the major Prior high Support at 16000.

Where the market had bounced before.



Nikkei 225 chart (WEEKLY)

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

On the bounce from the 16000 support, note the pause at the band of resistance beginning at 22730.

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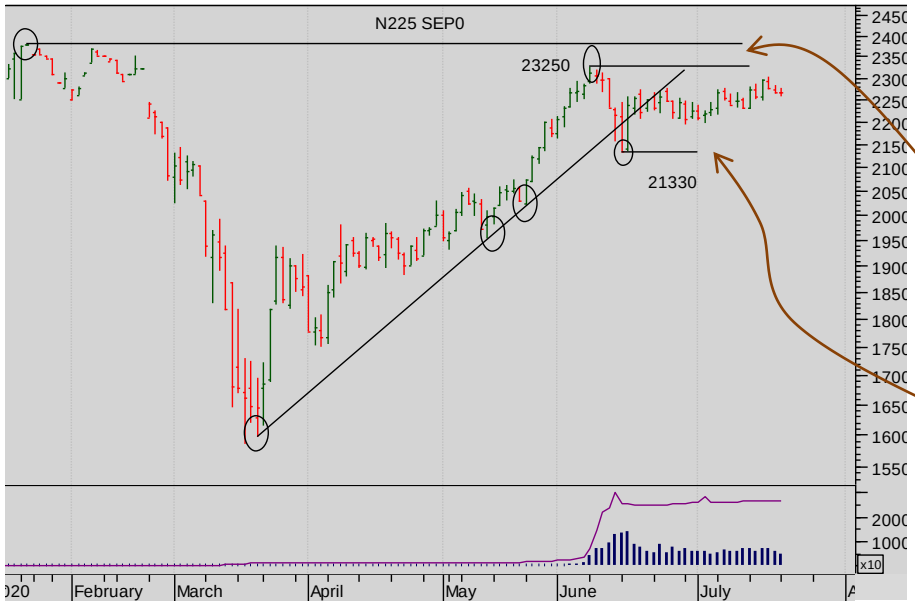
IMPLIED ASSET ALLOCATION

Stocks: OSE Nikkei 225



Nikkei 225 chart Daily Sep 2020.

This isn't clear. The bulls need a break up through the band from the Prior Highs

Bears should watch for a break of 21330

Stand back.

Bonds

BONDS:
These bond markets all look well-supported in the long run – but in the short and medium-term they are struggling for momentum and notably (especially UK and US) have failed to break above important Prior Highs lying just above the current levels. So they look increasingly vulnerable to set-backs.

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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 135.90.

The market looks set for the next bull leg.

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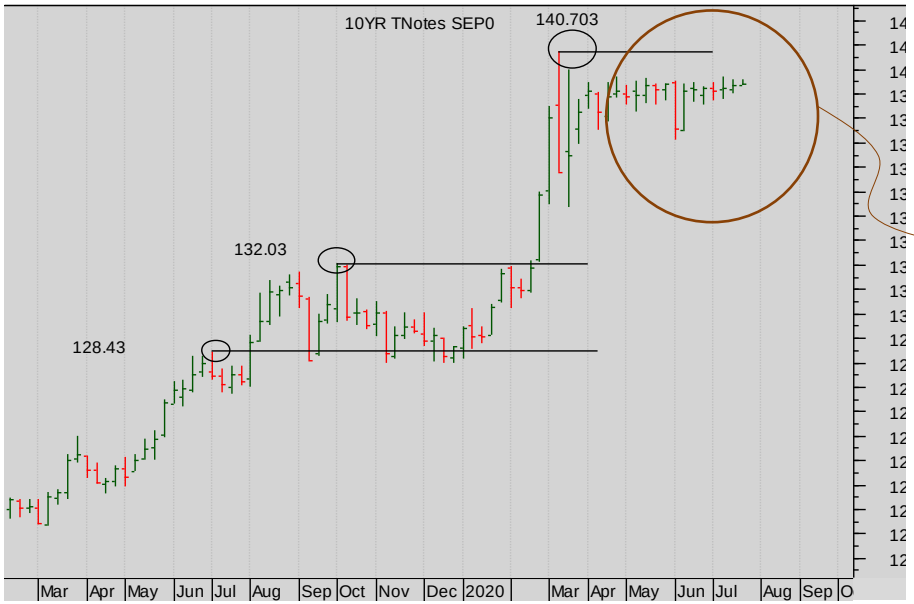
Bonds: CBOT Ten Year Notes



CBOT Ten Year Notes weekly futures continuation chart

But this is a rather different picture.

Note the consolidation – rather shapeless – and lacking consolidation charactersitcs.

CBOT Ten Year Notes daily SEP 20 futures chart

In detail, if the market, can overcome the successive Highs, it will be well-set.

Watch and wait.

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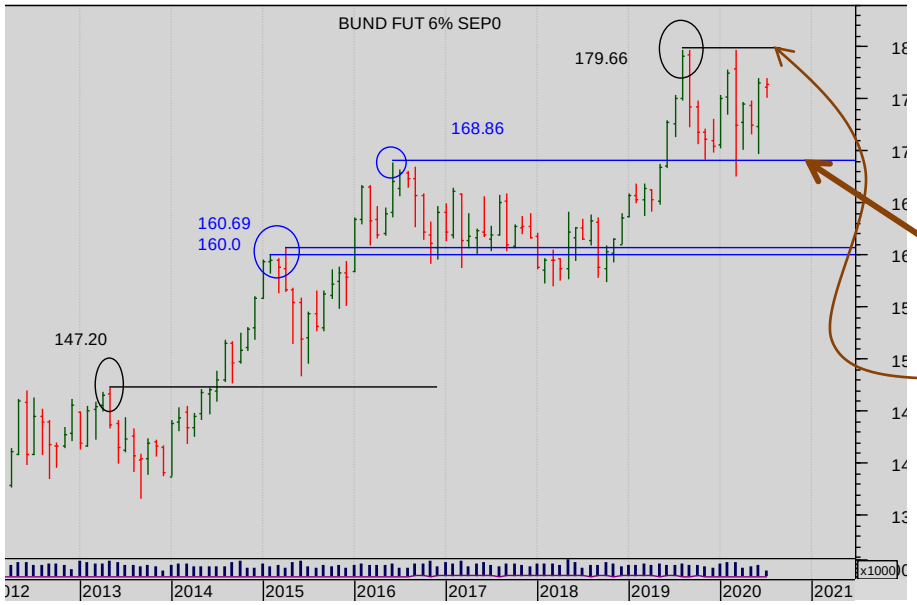
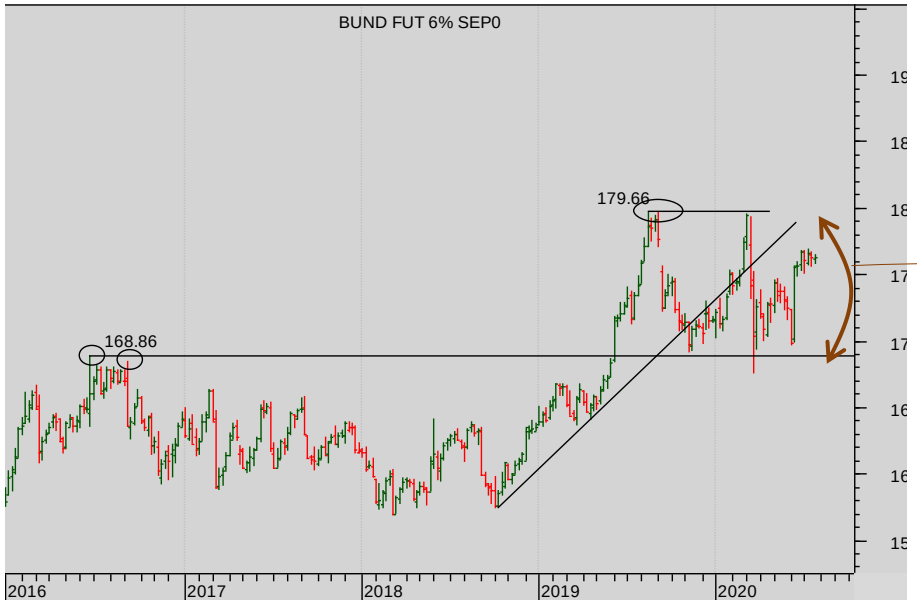
Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund monthly futures continuation chart

The support at 169.03 is important (and so far has held) as the market re-approaches the 179.66 High again.

A breakthrough would set the bulls going again.



Eurex Ten Year Bund weekly cont. futures Chart

For the moment the range is intact

169.03 remains good support on the pull-back.

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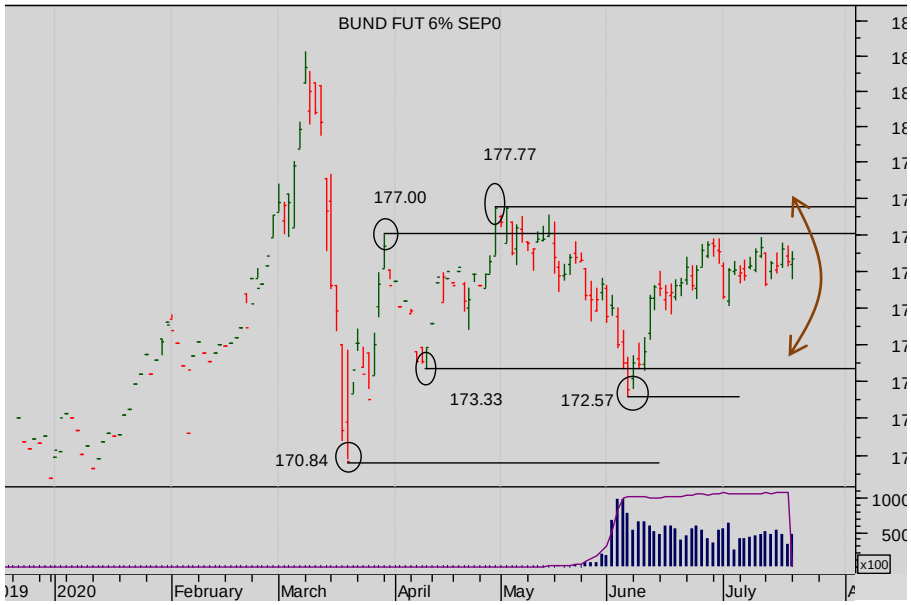
Bonds: Eurex Ten Year Bund



Eurex Ten Year Bund JUN 2020 Daily futures chart

Short-term, the bulls and bears will have been disappointed.

Stand back.

SEVEN DAYS AHEAD

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

Bonds: Liffe UK Gilt futures

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 136.52 looks more sustainable this time…

More

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IMPLIED ASSET ALLOCATION

Bonds: Liffe UK Gilt futures

Long Gilt daily Sep 20 chart

But there's a clear lack of bull momentum. The market for the moment seems unable to break clear above the Prior Highs.

Watch for signs either of a third failure or indeed a break up above 138.02.

Commodity

COMMODITIES:

Oil has bounced but lacks bull impetus. Gold is bullish in all time frames.

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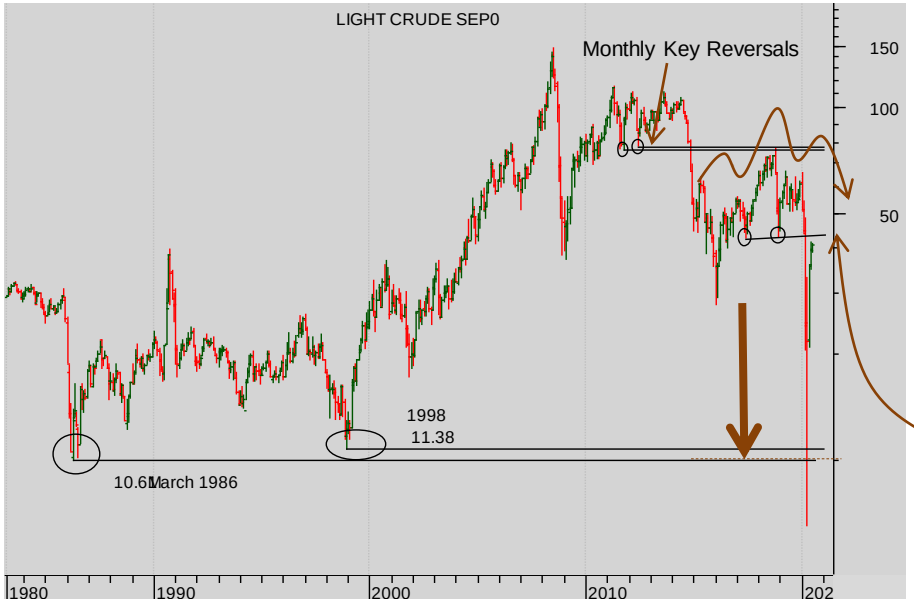
IMPLIED ASSET ALLOCATION

Commodities: Nymex WTI Oil



Nymex oil monthly continuation

The completion of the H&S reversal achieved the minimum move at great speed.

On the bounce, there will be powerful resistance at the Neckline at $44 or so.

More

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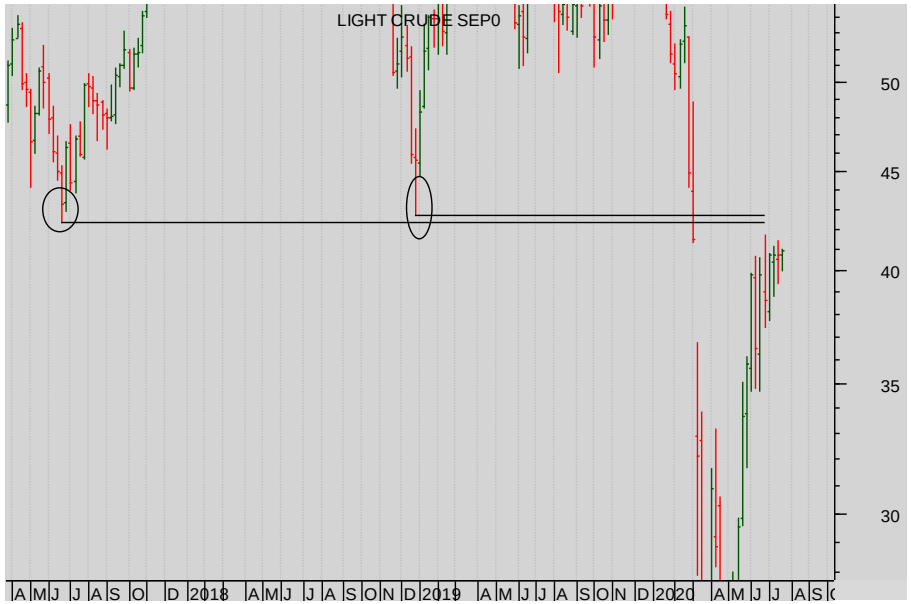
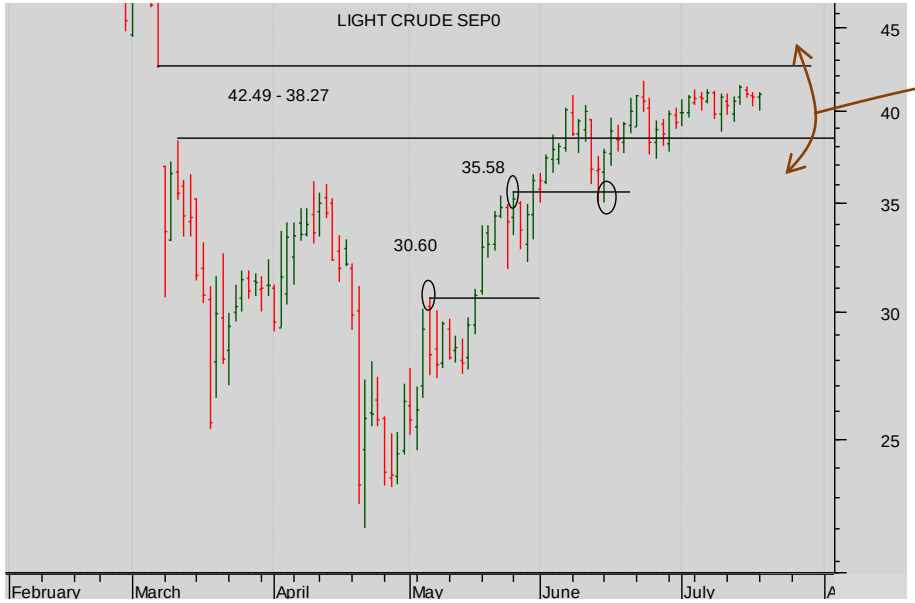
Commodities: Nymex WTI Oil



Nymex oil weekly continuation

The rally has approached the resistance from the Prior Lows at 43.00 – but hasn't really tested it yet.



Nymex oil daily SEP 2020 futures

The market is testing the Gap resistance still above the market.

Watch carefully whether the price action can get above the Gap and sustained the break of the well-constructed trendline.

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+ Oil
+ Gold

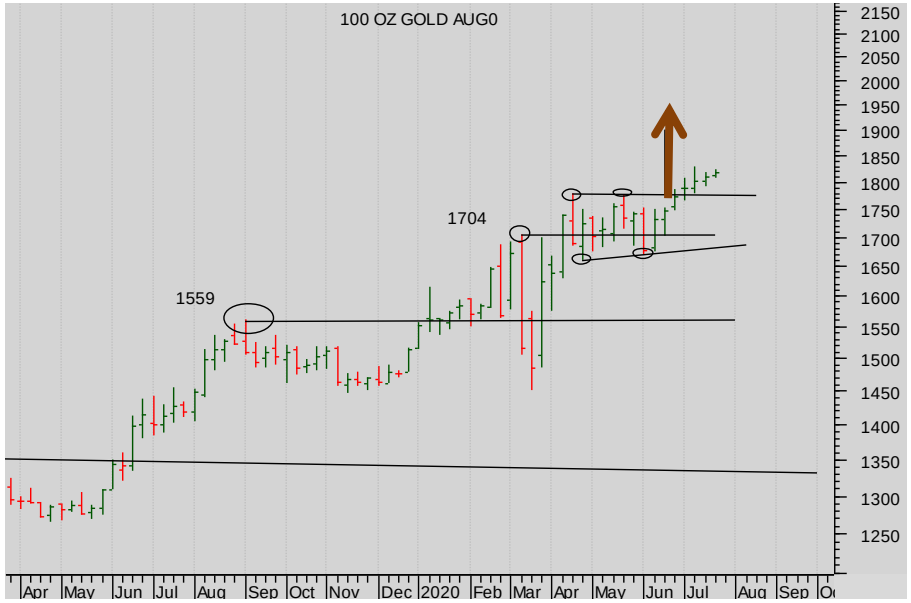
IMPLIED ASSET ALLOCATION

Commodities: Comex Gold

Nymex Gold Monthly

The bulls are in charge.

Watch the Prior Highs of 2011 and 2012 have been tested and new High closes have been established…



Nymex Gold weekly

The completion of the continuation Triangle – is a fresh injection of Bull momentum.

Minimum move? 1900 or so.

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IMPLIED ASSET ALLOCATION

Commodities: Comex Gold

Nymex Gold August 2020 2020 Daily

Not only has the medium-term triangle completed but so too has a small daily triangle…

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Seven Days Ahead Balanced Risk IMPLIED Asset Allocation

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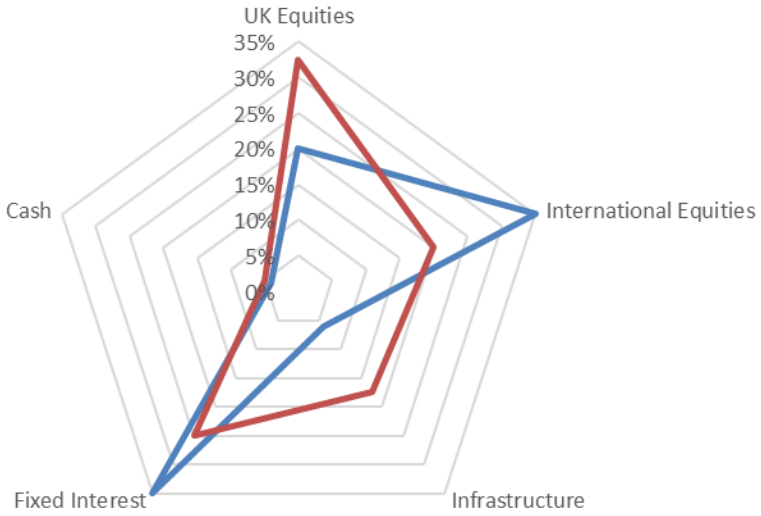
MSCI Balanced Risk Asset Allocation



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the technical analyst

AWARDS 2012

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