



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 8th September 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

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### Currencies

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

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

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

Short-term **BULL** Euro  
Short-term FLAT Sterling  
Short-term FLAT Yen  
Short-term **BULL** Euro

### Stocks

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

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

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

Short-term FLAT  
Short-term FLAT  
Short-term **BEAR**  
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 FLAT  
Medium-term **BULL**  
Medium-term FLAT

Short-term FLAT  
Short-term FLAT  
Short-term FLAT

### Commodities

- + Oil
- + Gold

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

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

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

## IMPLIED ASSET ALLOCATION

More



## Currencies: Dollar Euro

### CURRENCIES:

There was a slight strengthening of the Dollar but not sufficient to remove the threat of a breakthrough to further faster weakening in the long-term charts. Watch Dollar Sterling's test of 1.3383 in the weekly chart in particular. Note too, the 1.1277 resistance to further Sterling strengthening 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 **reversed** the attempted bear Dollar/bull Euro market in 2017 – WILL THEY DO THE SAME IN 2020?

Note in particular the breach in the diagonal resistance from the parallel flag...**the market is testing the bull Dollar trend from 2008.**

More



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### Bonds

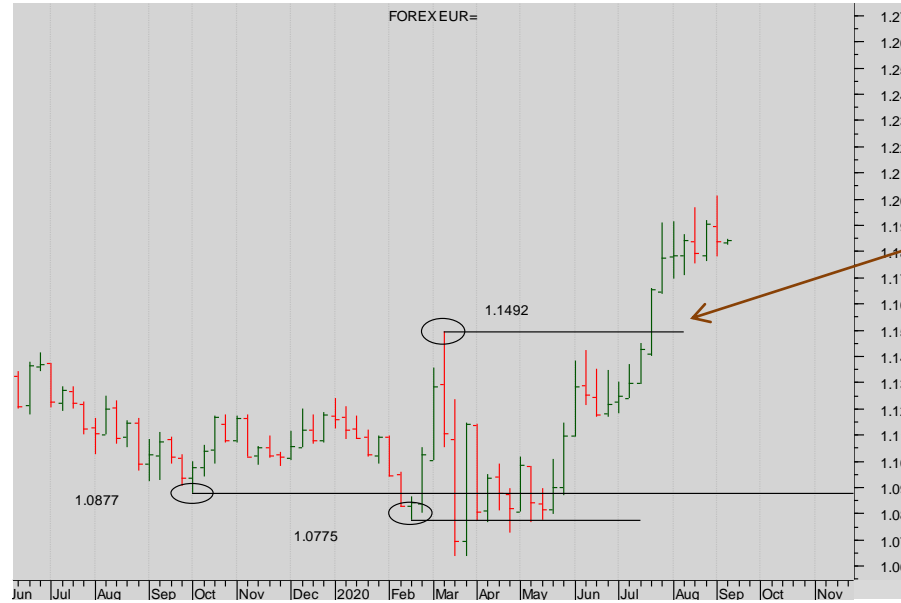
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

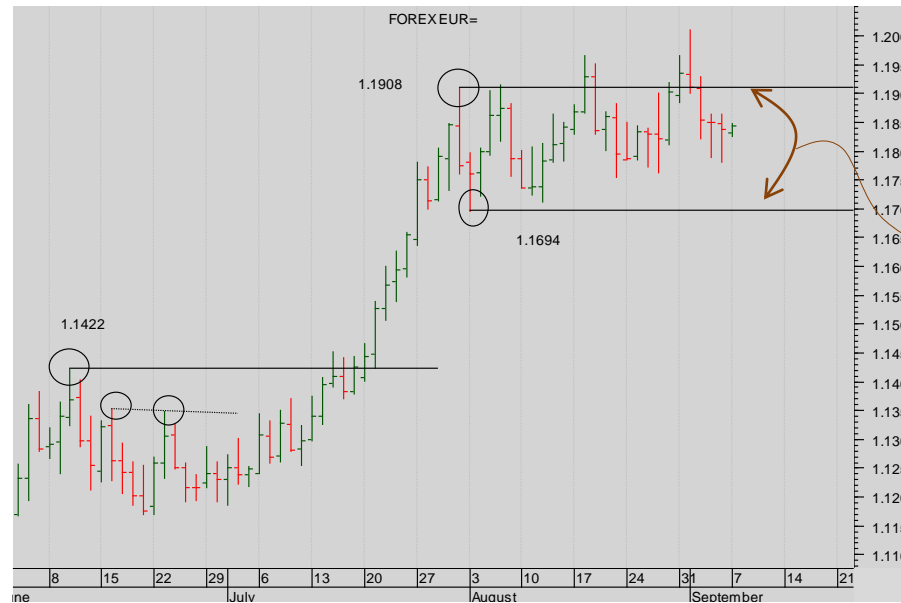
## Currencies: Dollar Euro



## Dollar Euro weekly spot cash chart

The sudden weakness of the Dollar has pushed the market back up through 1.1492.

A base has been completed – though it's not a compelling structure - the bear Dollar trend remains intact.



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

The Dollar pause over the last few days should be closely watched from the next short-term breakout.

Nothing yet.



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- + Nikkei 225

### Bonds

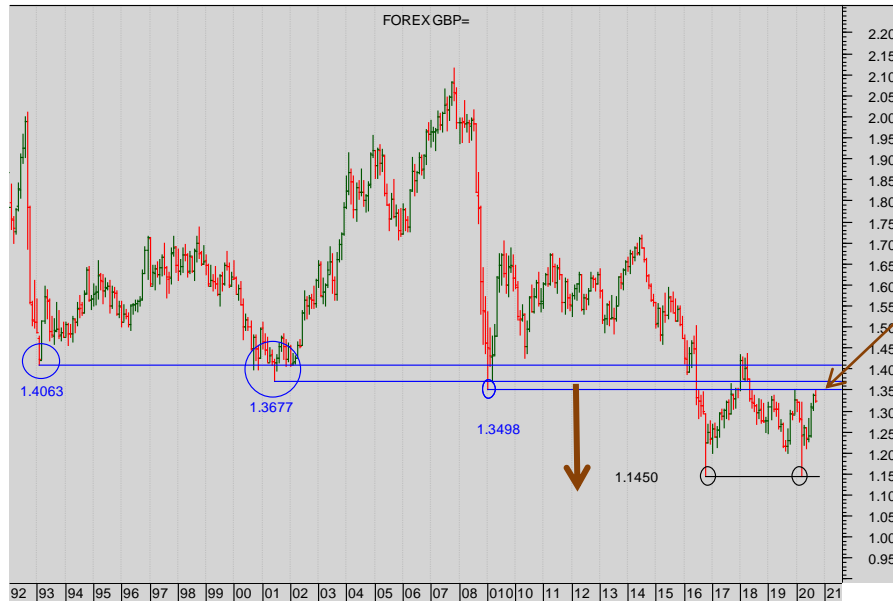
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- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

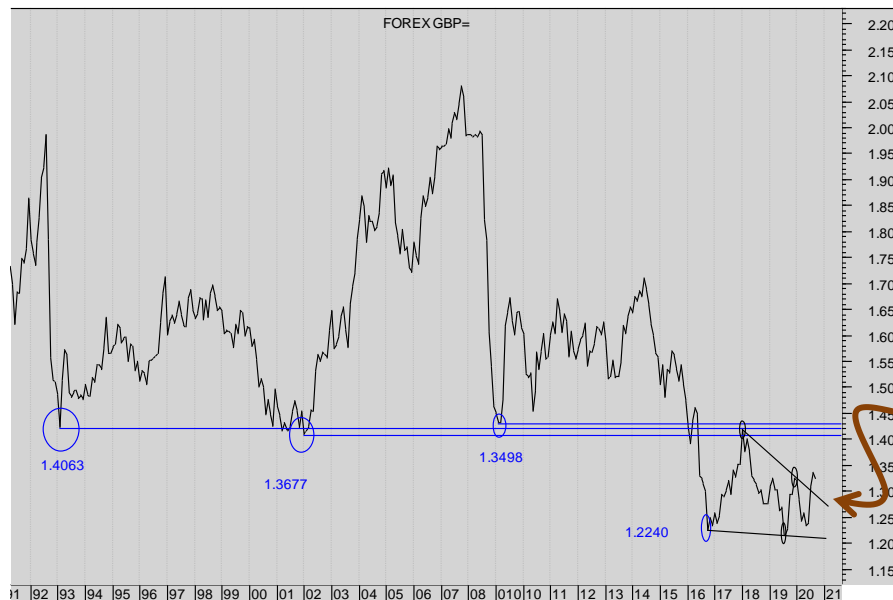
## Currencies: Dollar Sterling



### 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 recent rally back into the band of resistance from those lows should be closely watched for failure as before...



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

The possible bear continuation triangle looks rather unlikely at the moment.

Stand back and wait for a monthly close for greater clarity.

More



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### Bonds

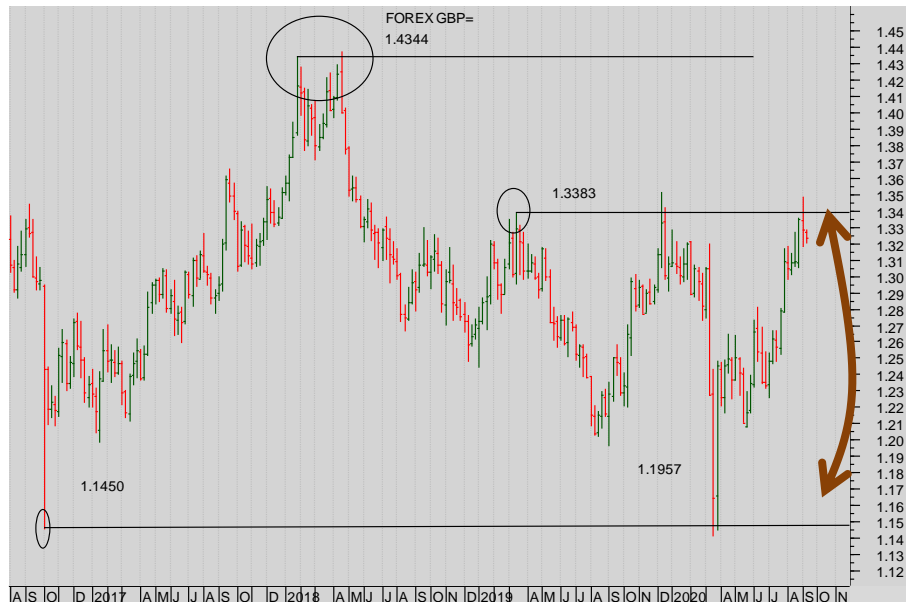
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### Commodities

- + Oil
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### IMPLIED ASSET ALLOCATION

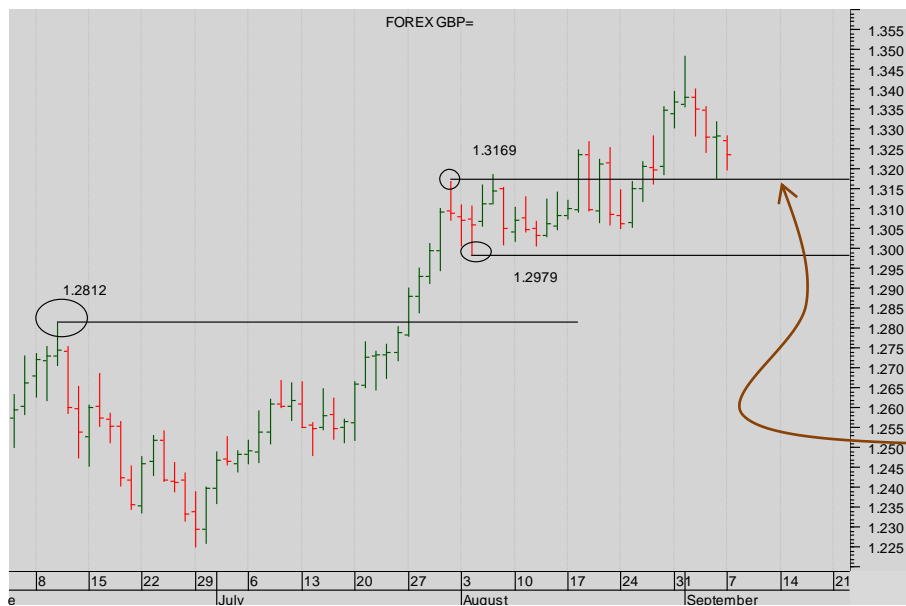
## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

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

**Note the market's approach of the upper boundary of the range. Wait for a break.**



### Dollar Sterling daily spot cash chart

Note the small range over the last few days has been breached ...

Is this the short-term catalyst the Dollar bears need to break the Weekly highs?

There should be small support at 1.3169.



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### Bonds

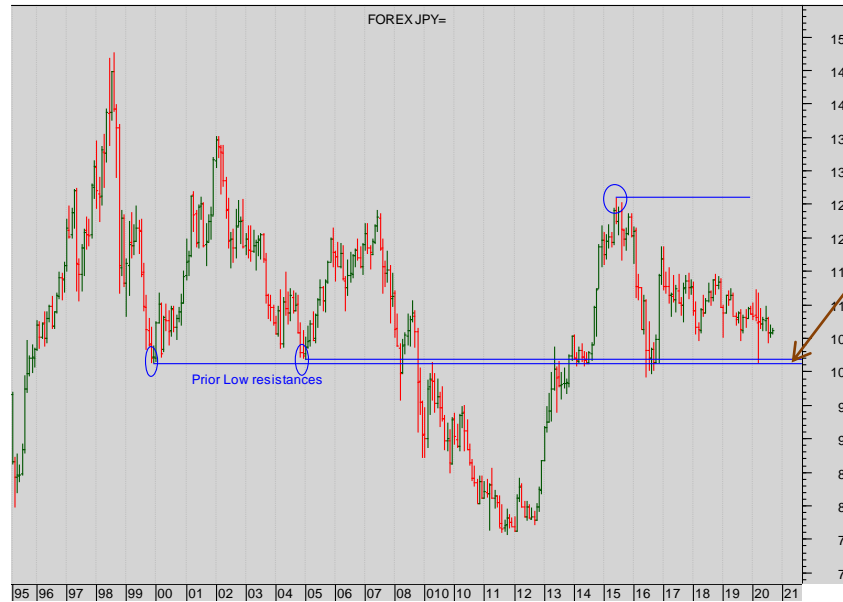
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### Commodities

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- + 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.

The range remains intact.

More



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### Bonds

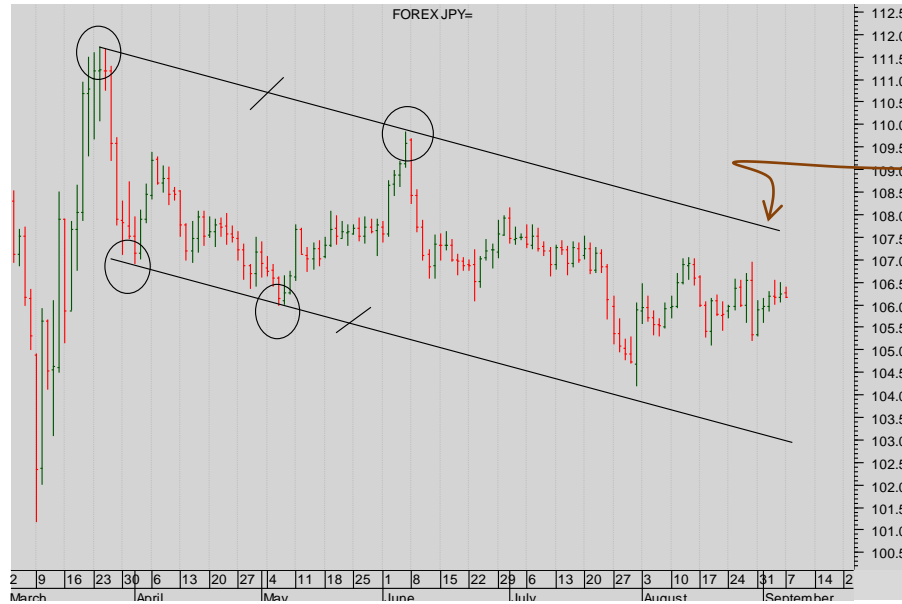
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

## Currencies: Dollar Yen



### Dollar Yen daily spot cash chart

Short-term, this lacks clarity.  
**Stand back and watch the bear channel...**





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### 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

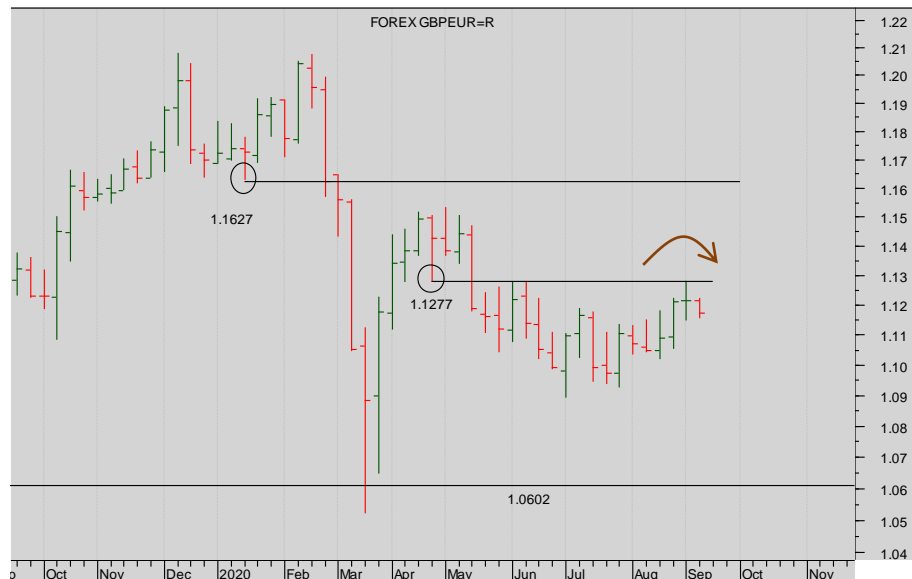
## IMPLIED ASSET ALLOCATION

## 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: some small pressure to drive the market lower beneath the resistance at 1.1277.

More



## Currencies: Sterling Euro

### Summary

### Currencies

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

### Stocks

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

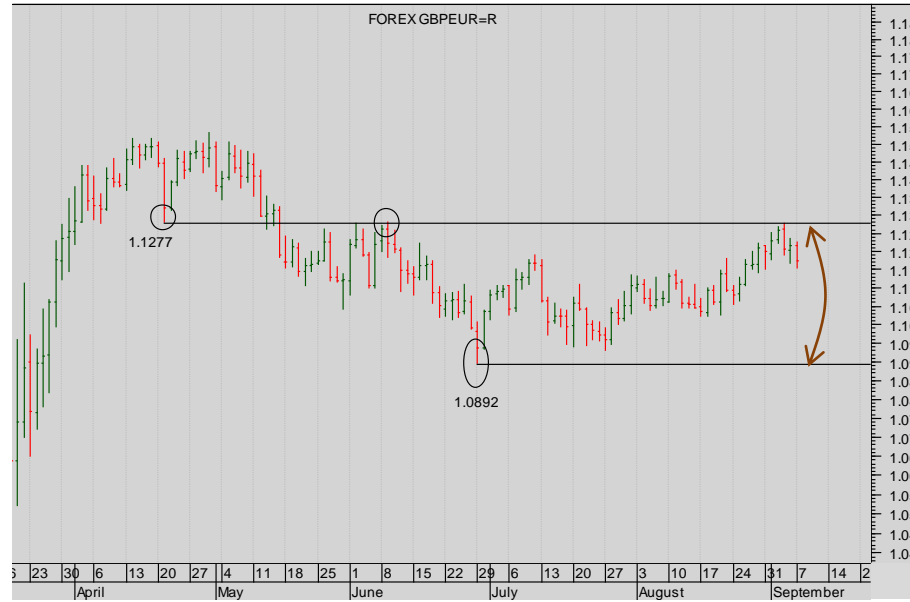
### Bonds

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- + UK Gilt

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



## Sterling Euro daily spot cash chart

Watch the range.

Sterling needs to break out of the range 1.1277 - 1.0892 for the bulls to really get excited. .



## Stocks: CME S&P

### STOCKS:

The recent weaknesses have been fascinating. No breakdown yet in the S&P, but important support is close by. Predictably weaker FTSE has led to a short-term breakdown which should be watched closely. Note too the Nikkei – looking very vulnerable having to push ahead to critical overhead levels.

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#### Stocks

- + S&P 500
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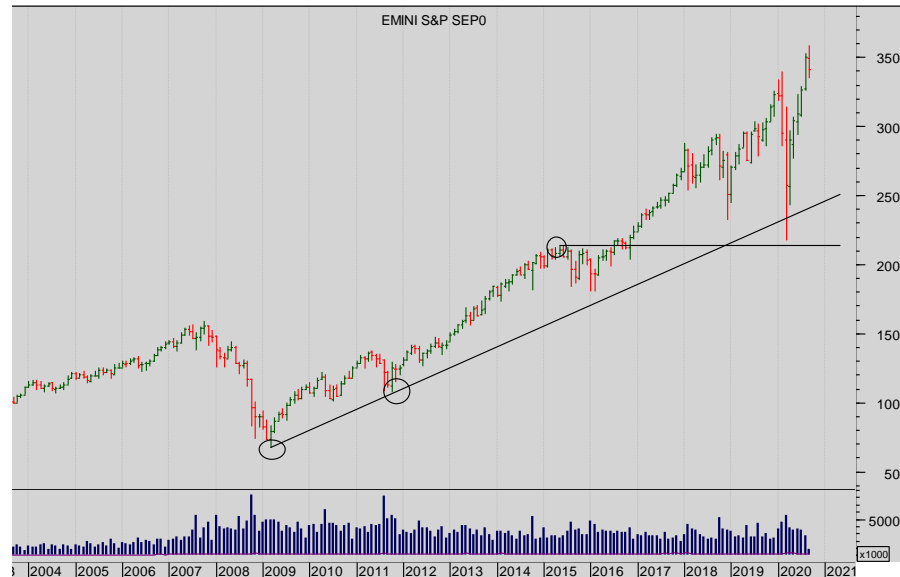
#### Bonds

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- + Ten Year German Bund
- + UK Gilt

#### Commodities

- + Oil
- + Gold

#### IMPLIED ASSET ALLOCATION



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

The long-run bull points are these:

- 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.

More



## Stocks: CME S&P 500

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### Currencies

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- + Sterling Euro

### Stocks

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

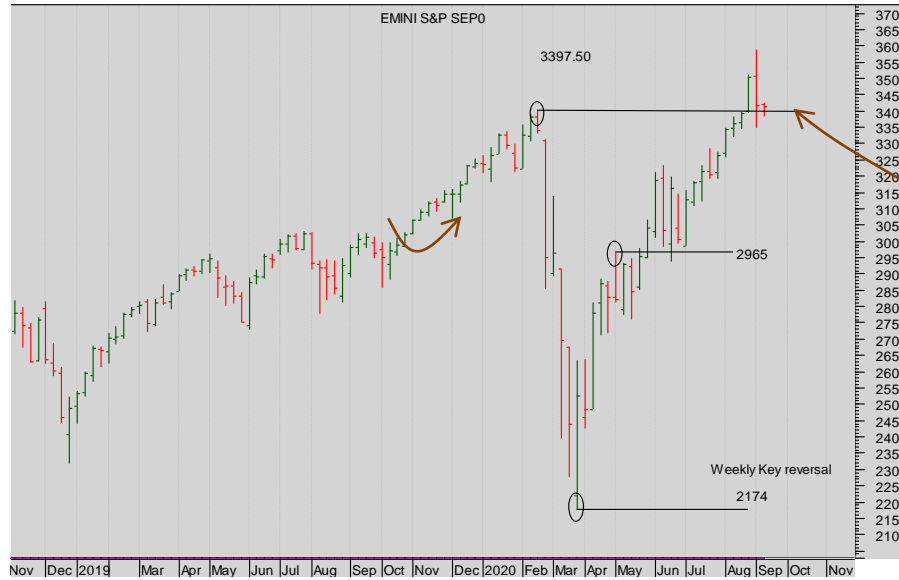
### Bonds

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- + Ten Year German Bund
- + UK Gilt

### Commodities

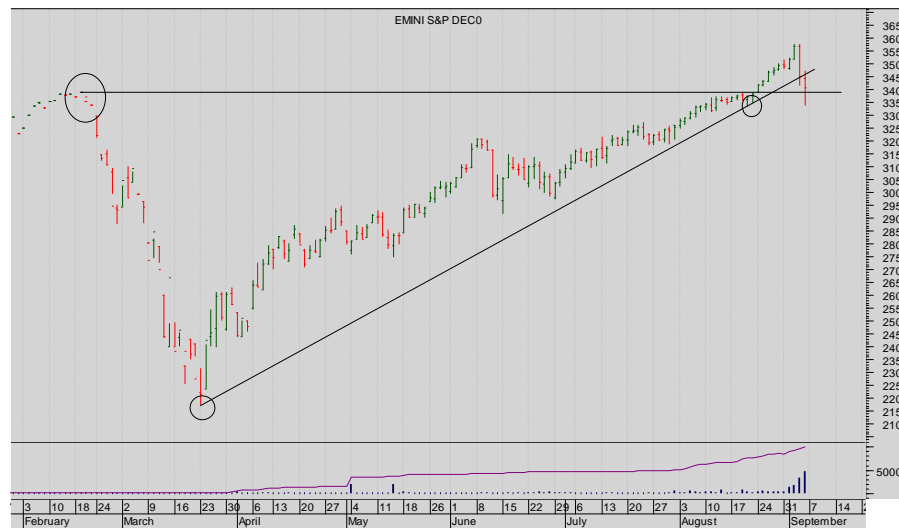
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



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

The bull rally – has found additional impetus from the break up through the Prior High. *The 3397 level is good support for a new bull leg....*



## CME S&P 500 daily DEC 2020 chart

Note the pull-back to the support from the Prior High - and note too the break back through the diagonal support...

**The horizontal is the more important.**

More



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## Bonds

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- + UK Gilt

## Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

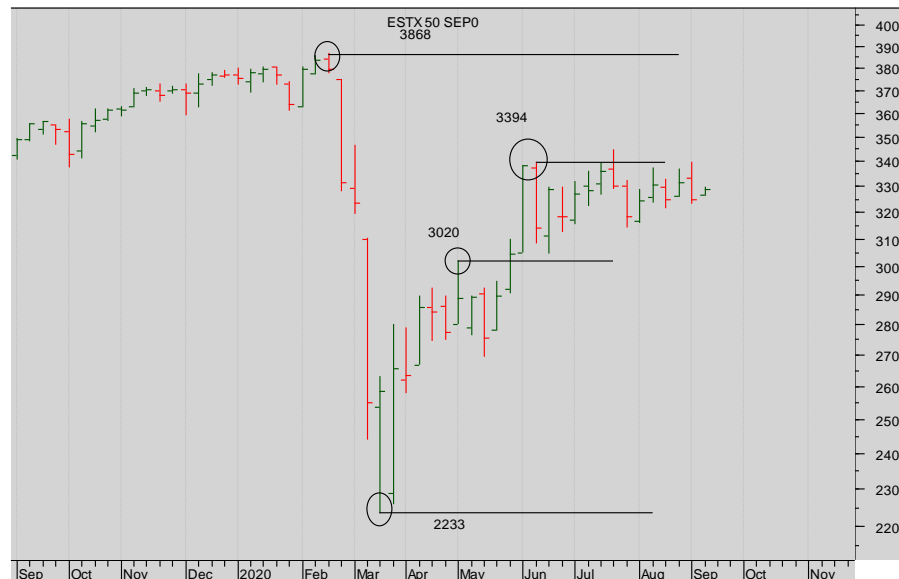
## Stocks: Eurex EuroStoxx 50



## Eurex EuroStoxx 50 monthly continuation futures chart

1. The triple failure of the market at 3700 bode ill
2. The Monthly Key Reversal of the market boded ill.
3. Yet there was no confirmed 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

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

Nothing so far.

More



## Stocks: Eurex EuroStoxx 50

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- + Sterling Euro

### Stocks

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

### Bonds

- + Ten Year US TNote
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- + UK Gilt

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION



## Eurex EuroStoxx 50 daily Dec 19 futures chart

The market failed to establish itself above the 3369 Prior High FOUR TIMES and yet does not want to sell off.

The bears are having to repeatedly short-cover. The bulls look in command.



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### Stocks

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

### Bonds

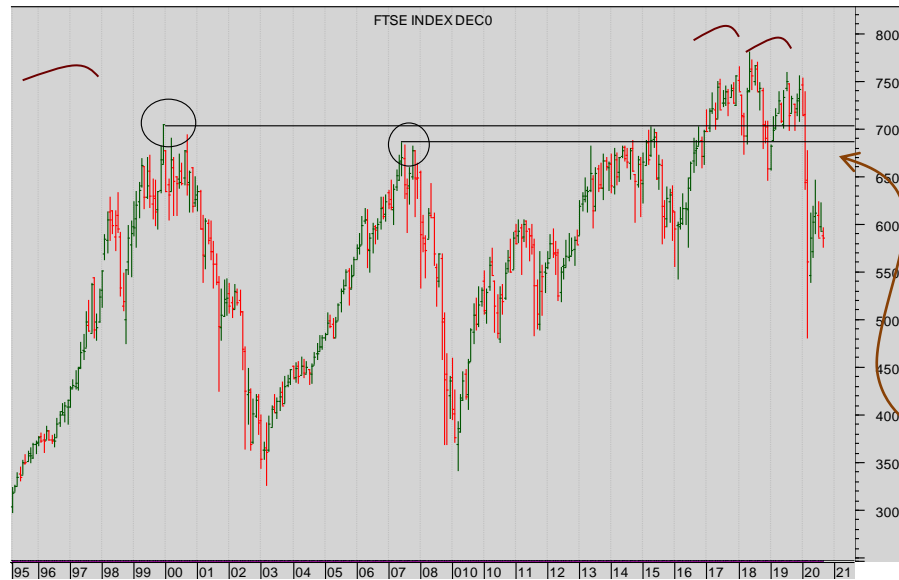
- + Ten Year US TNote
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### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

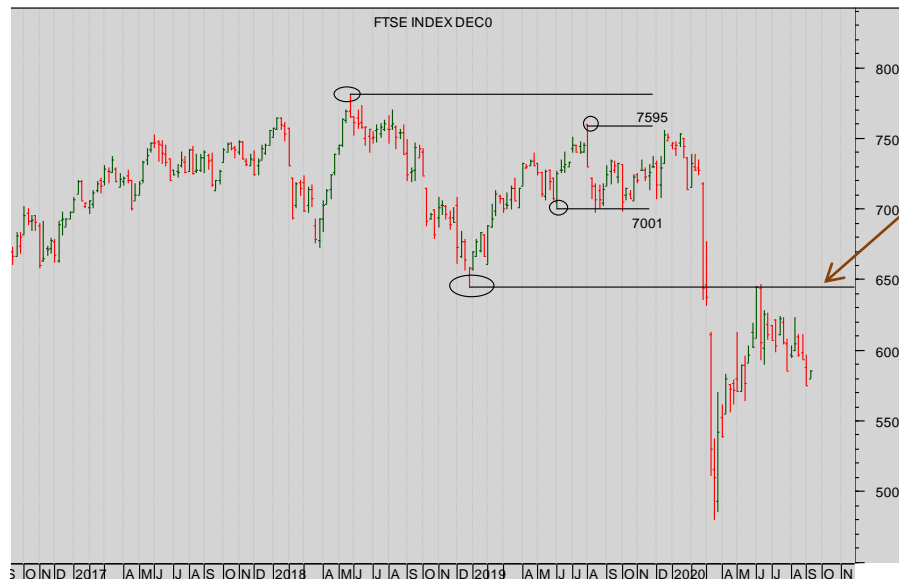
## Stocks: Liffe FTSE 100



### 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 –has held and reversed the rally.

More



## Stocks: Liffe FTSE 100

### Summary

### Currencies

- + Dollar Euro
- + Dollar Sterling
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### Stocks

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

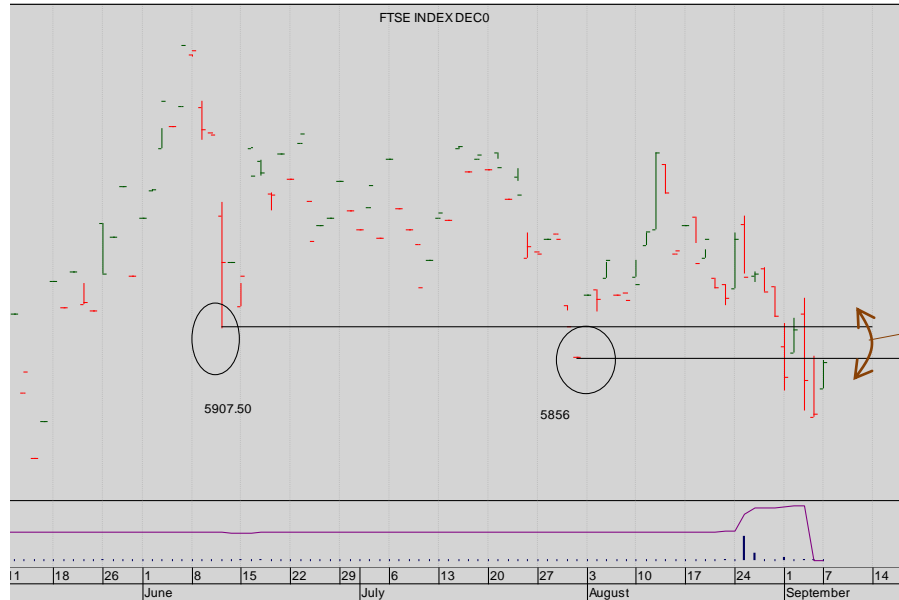
### Bonds

- + Ten Year US TNote
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### Commodities

- + Oil
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IMPLIED ASSET ALLOCATION



Liffe FTSE 100 Dec 20 daily futures chart

We were watching the band from the lows for signs of a confirming breakdown. **Now we have it.**

**The bears are in control.**





## Stocks: OSE Nikkei 225

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### Bonds

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- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



**Nikkei 225 chart (monthly)**

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

Whence the market had bounced before.



**Nikkei 225 chart (WEEKLY)**

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

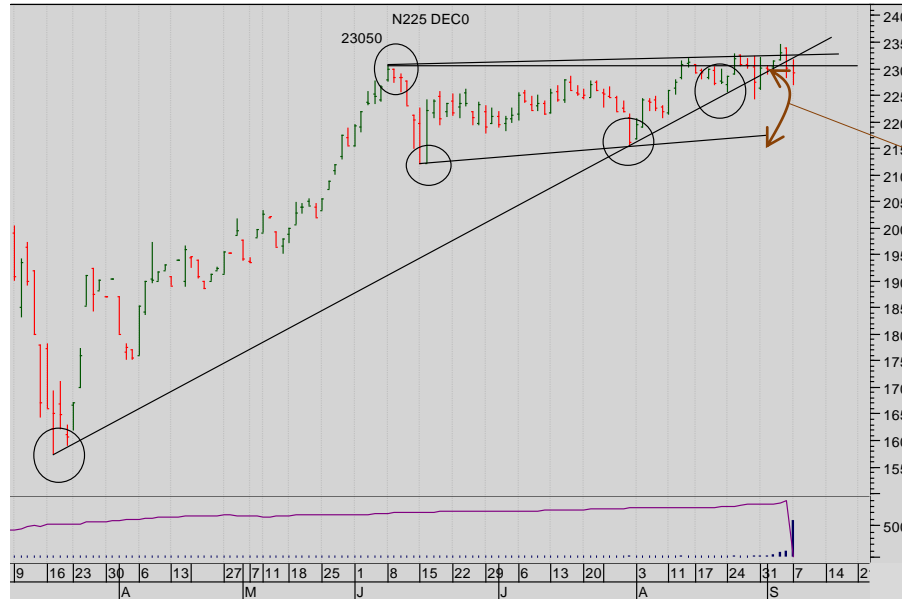
But medium-term note the completed bull triangle – minimum move above the 24000 Prior High.

IS that the catalyst for the bull breakout?

More



## Stocks: OSE Nikkei 225



Nikkei 225 chart Daily Sep 2020.

But this is bearish. **The bulls has failed to establish a break above from the Prior High.**

The market is vulnerable to a sell-off.

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IMPLIED ASSET ALLOCATION



## Bonds

### BONDS:

The bond markets have marked time, still in long an medium-term bullish trends. The Gilt the exception, but there is a lack of clarity for the time being there too.

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#### Bonds

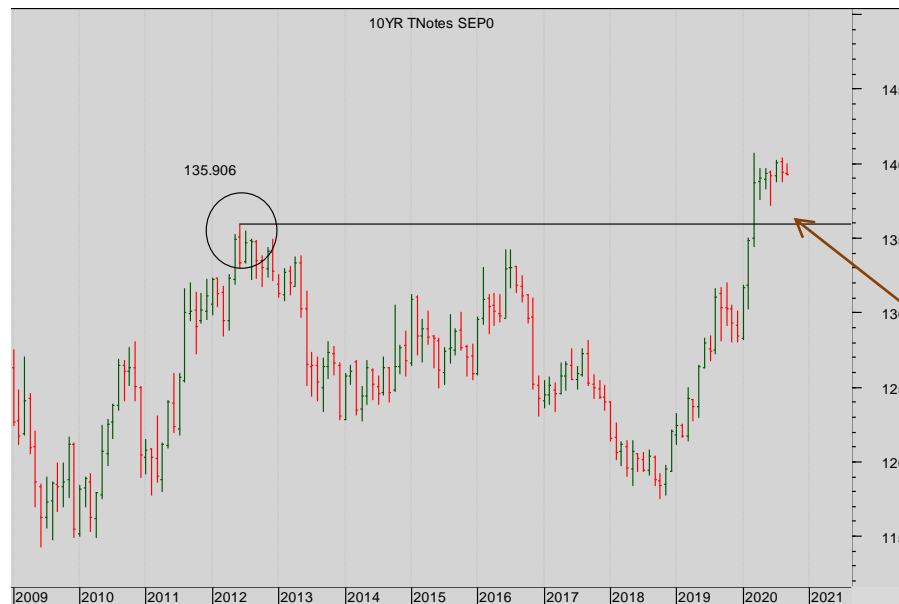
- + Ten Year US TNotes
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#### Commodities

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IMPLIED ASSET ALLOCATION

### Bonds: CBOT Ten Year Notes



### CBOT Ten Year Notes monthly futures continuation chart

The long-run rally:  
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.

More



## Bonds: CBOT Ten Year Notes

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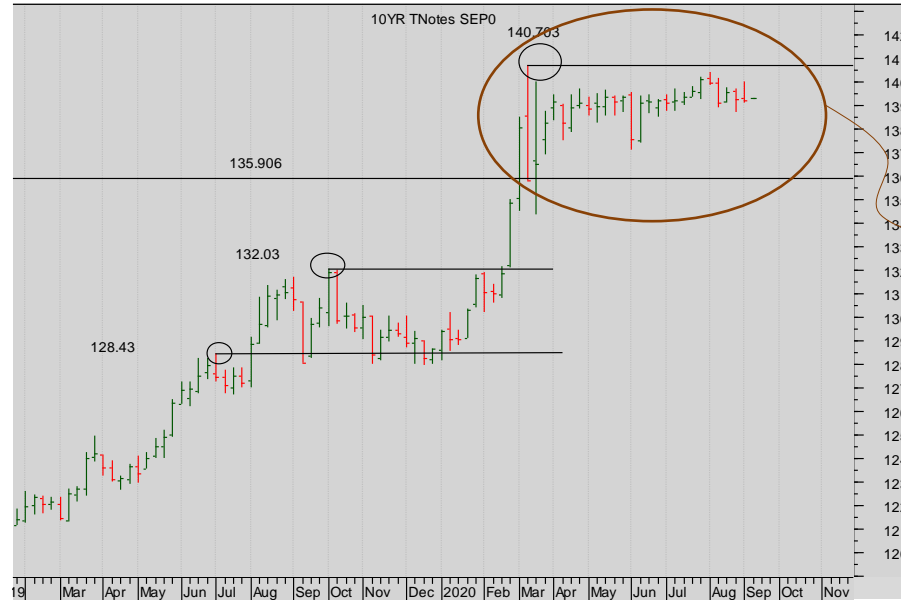
### Bonds

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### Commodities

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### IMPLIED ASSET ALLOCATION



### CBOT Ten Year Notes weekly futures continuation chart

But this is a rather different picture.

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



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

In detail, **watch the market carefully for any breakdown through the Lows at 138.76.**

More



# Bonds: Eurex Ten Year Bund

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## Bonds

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- + Gold

## IMPLIED ASSET ALLOCATION



## Eurex Ten Year Bund monthly futures continuation chart

The support at 168.86 is proving important (and so far has held) as the market re-approaches the 179.66 High again.

For the moment the bull trend remains intact.



## Eurex Ten Year Bund weekly cont. futures Chart

For the moment the range is intact

168.86 remains good support on the pull-back.





## Bonds: Eurex Ten Year Bund



## Eurex Ten Year Bund JUN 2020 Daily futures chart

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

Stand back and watch the short-term range.

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IMPLIED ASSET ALLOCATION



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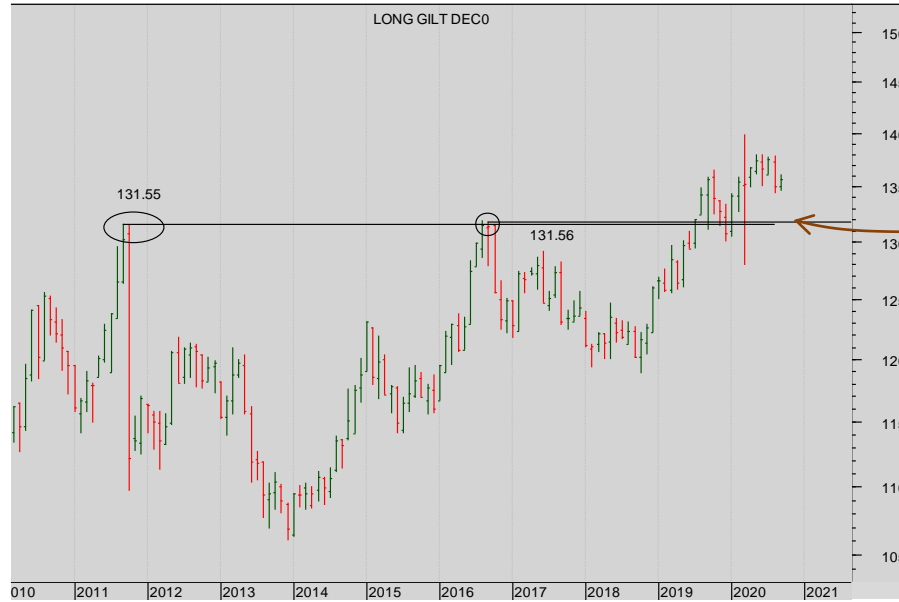
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### Commodities

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### 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 long-term endorsement of the bull trend.

Another bull leg is in prospect.



### Liffe UK Gilt weekly continuation futures Chart

In detail: the market lacks clarity.

The four failure above 138 suggest a test lower.

More



# Bonds: Liffe UK Gilt futures

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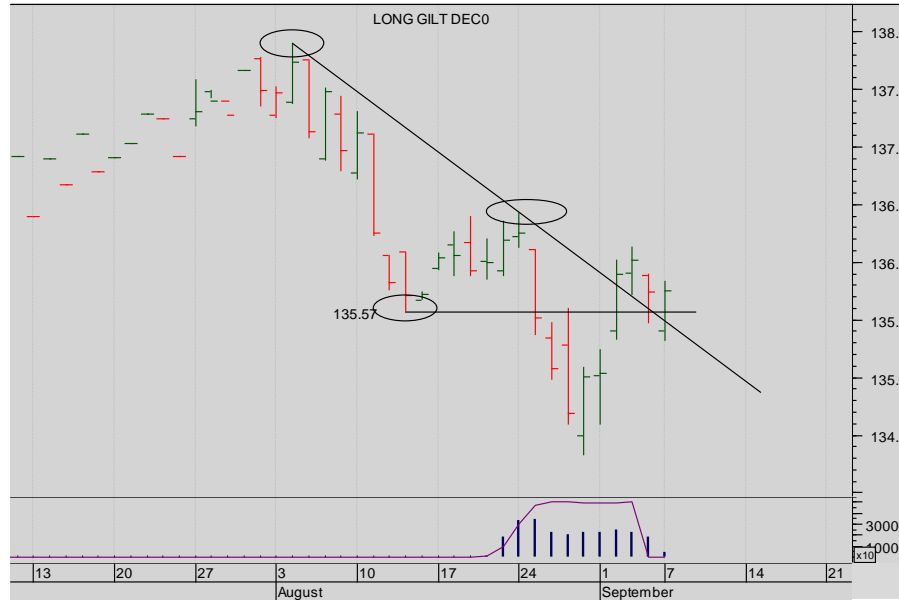
## Bonds

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## Commodities

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## IMPLIED ASSET ALLOCATION



## Long Gilt daily Dec 20 chart

The short bear trend has been weakened. There is a lack of clarity.

Stand back.





## Commodity

### COMMODITIES:

Oil has sold off quickly and abruptly and may have done enough in the short-term – but there may be more to come in the medium term. Gold is pausing still, on good long-term support. Watch the short-term chart there closely.

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IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



### Nymex oil monthly continuation

On the bounce, there is powerful resistance at the Neckline at \$43 or so.

More



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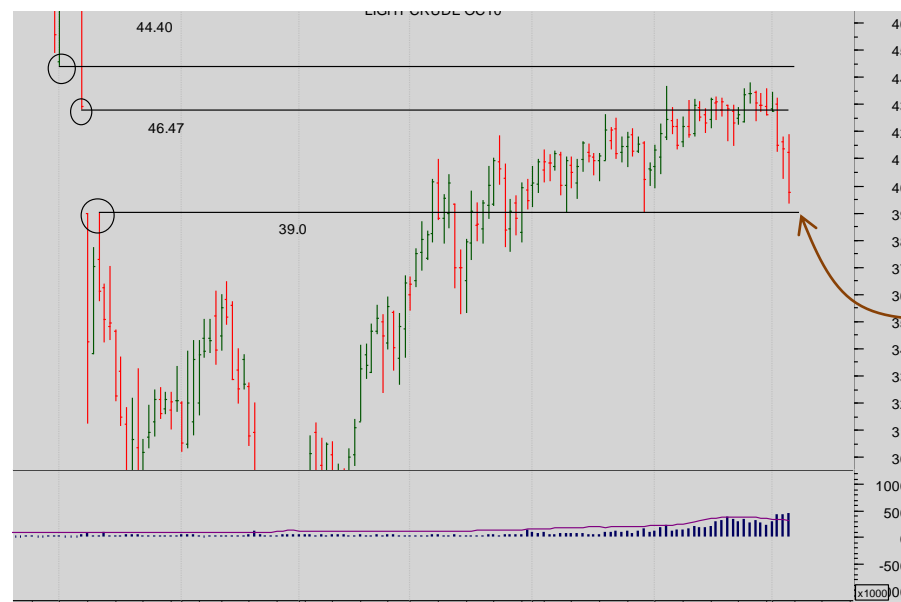
IMPLIED ASSET ALLOCATION

## Commodities: Nymex WTI Oil



**Nymex oil weekly continuation**

Sure enough, the market has failed there.



**Nymex oil daily Oct 2020 futures**

The market has closed the Gap resistance above the market, but found itself unable to close above the resistance – watch the sell-off to test the bottom of the Gap carefully.



## Commodities: Comex Gold

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### Stocks

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- + OSE Nikkei 225

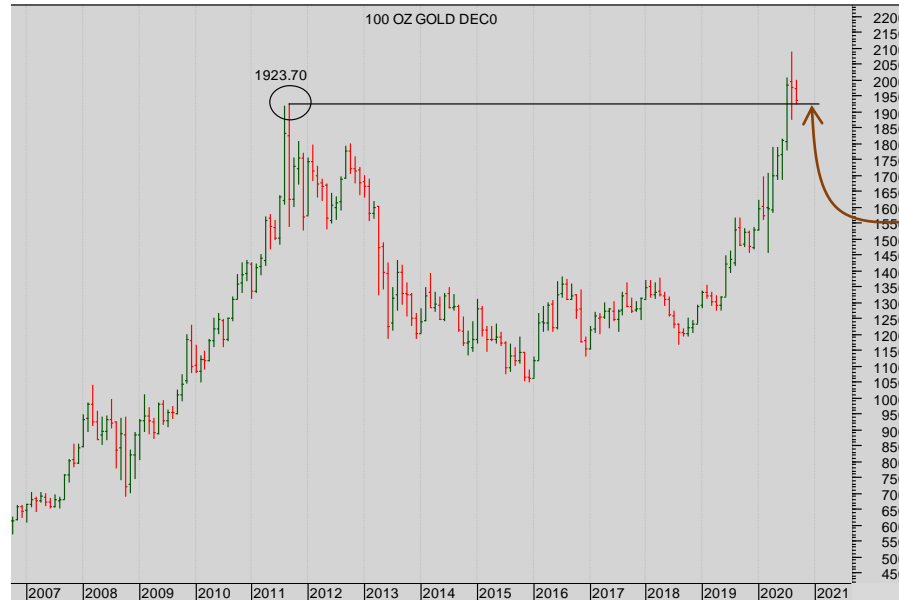
### Bonds

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### Commodities

- + Oil
- + Gold

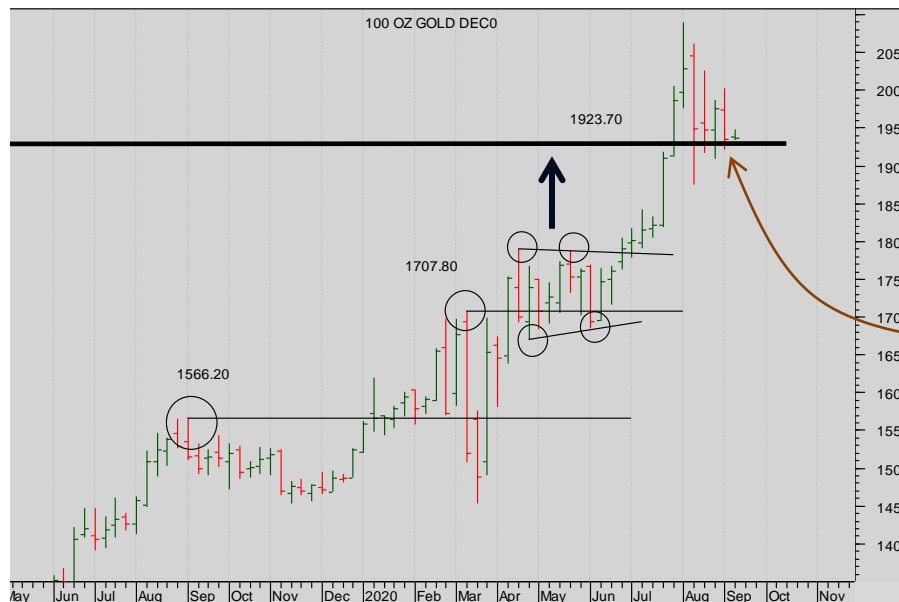
IMPLIED ASSET ALLOCATION



### Nymex Gold Monthly

The bulls are in charge.

Watch the Prior High of 2011 that has been overcome and should now act as good support.



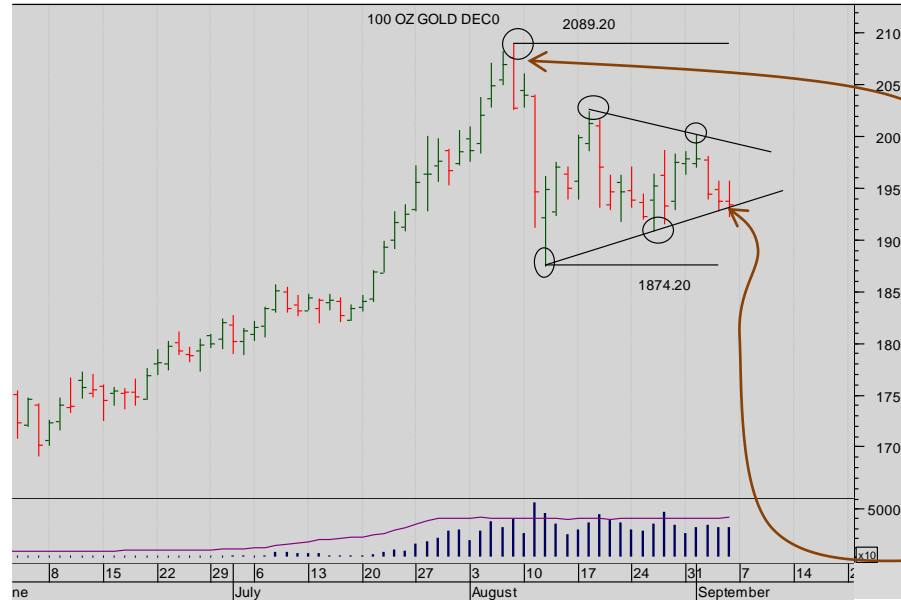
### Nymex Gold weekly

The completion of the continuation Triangle – provided the momentum to break the Long Term Prior High.

**The market is sustaining itself above the Prior High - note the support there on the recent pull-back.**



## Commodities: Comex Gold



### Nymex Gold August 2020 2020 Daily

The short-term daily chart had a Key Reversal – which impacted the market in a sharp pull-back

Since then the market has stabilised above the 1923 horizontal support, and in so doing it has created a possible bear continuation triangle.

Watch for signs of a bear completion of the possible Triangle.

#### 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



# Summary

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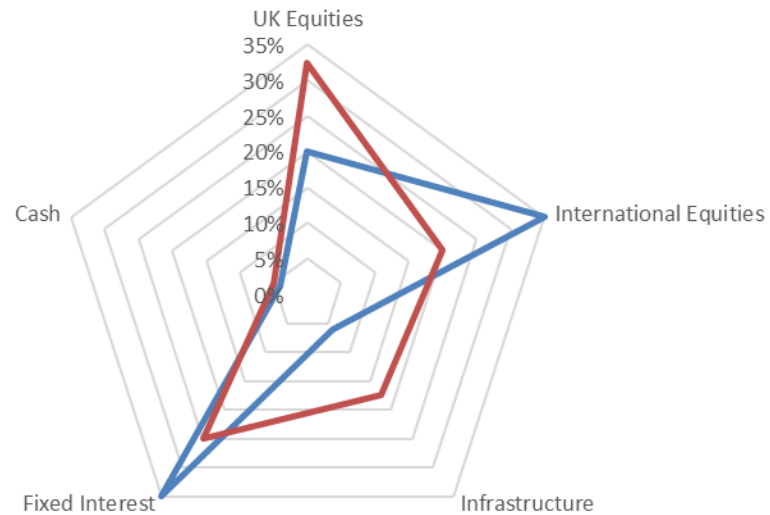
### Commodities

- + 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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