



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 22nd June 2021

**Mark Sturdy**

Authorised and regulated  
by the FCA



# 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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- + Dollar Euro
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Long-term **BEAR** Euro  
Long-term **BULL** Sterling  
Long-term **BEAR** Yen  
Long-term FLAT Euro

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

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

### Stocks

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

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

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

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

### Bonds

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

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

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

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

### Commodities

- + Oil
- + Gold

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

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

Short-term FLAT  
Short-term FLAT

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## Currencies: Dollar Euro

### CURRENCIES:

The Dollar is now pushing back against the currencies - but whether short-term or long it's not clear. Not well the possibilities against the Euro in particular. The Pound looks better supported. The Yen and Sterling Euro both look unclear for the moment.

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### Dollar Euro monthly spot cash chart

These powerful resistances above the market at 1.15 have been deeply penetrated

1. So the market has broken the strengthening Dollar trend from 2008.
2. But there is no weakening Dollar trend in place **until a break up through 1.24.**

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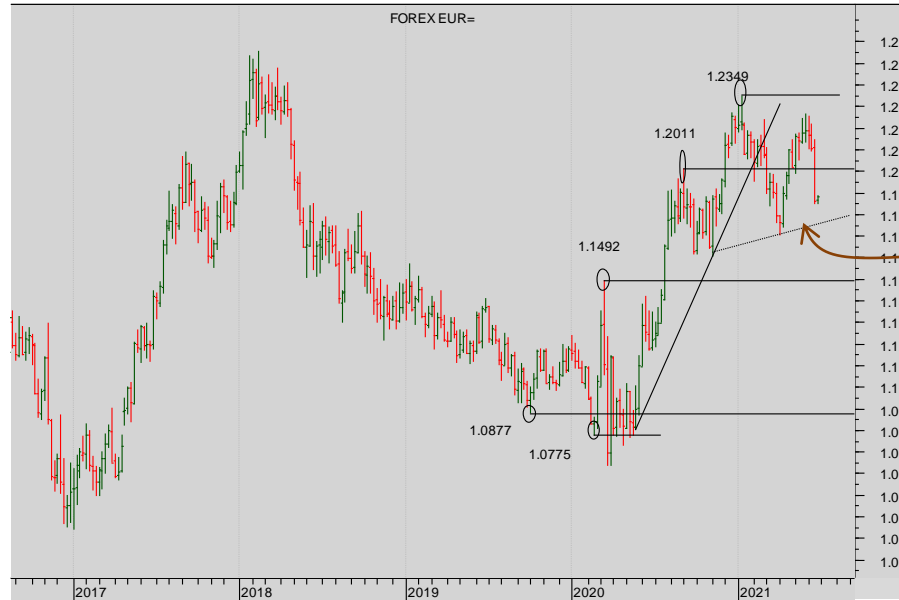
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- + Oil
- + Gold

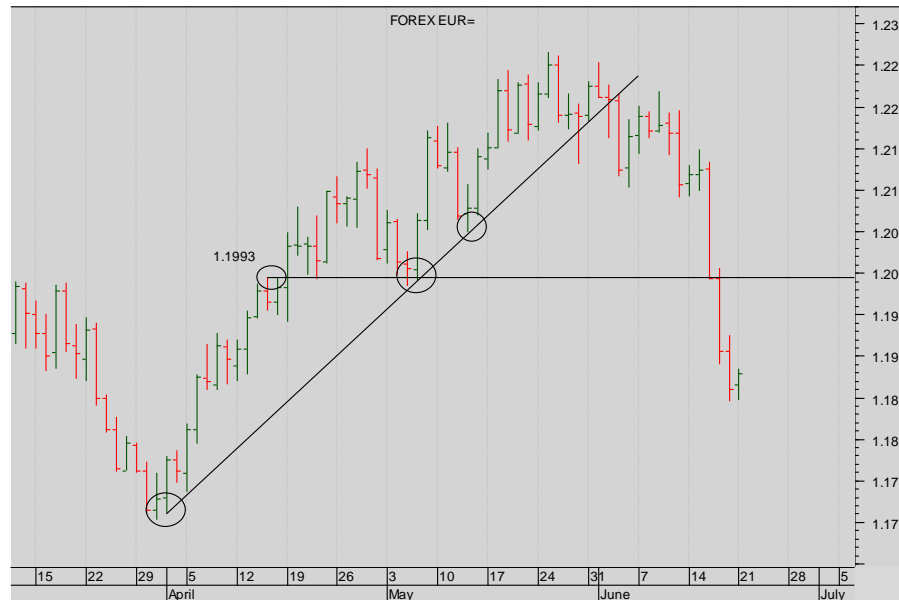
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## Currencies: Dollar Euro



### Dollar Euro weekly spot cash chart

Medium-term, there is a **lack of clarity** about the price action....unless the market can drive down through the **POSSIBLE neckline** ...



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

No clear structure: Stand aside.



## Currencies: Dollar Sterling

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- + UK Gilt

### Commodities

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### IMPLIED ASSET ALLOCATION



### Dollar Sterling Monthly spot cash chart

The sideways price action beneath 1.35 broke the diagonal Sterling downtrend resistance and forged ahead.

But note that the horizontal resistances the market ...have been penetrated but not yet been breached.

The Sterling bulls need a break above the Prior High @ 1.4376.



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

Note the simultaneous completion of a BULL H&S (double headed) reversal pattern and the breaking of the DIAGONAL downtrend resistance...

The minimum move suggested is up to the 1.4240 Prior Low and Horizontal resistance .

Now achieved. Note well that a break of 1.42 would complete a Double Bottom reversal and send the market higher still.

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### IMPLIED ASSET ALLOCATION

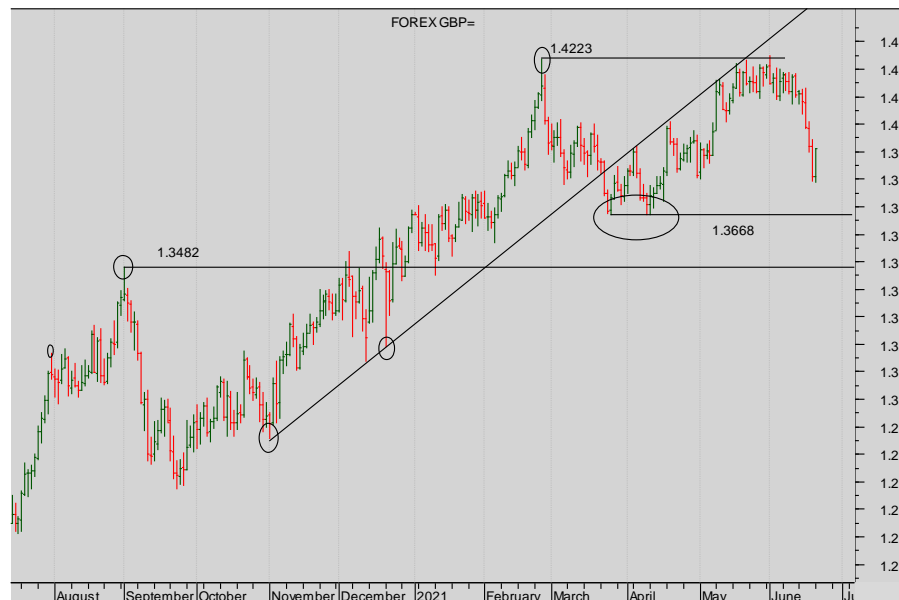
## Currencies: Dollar Sterling



### Dollar Sterling weekly spot cash chart

Here is the detail of the complex bull H&S reversal that is driving Sterling better. The Minimum move? About 1.50....

In the meantime the support is the Neckline at 1.36 or so...



### Dollar Sterling daily spot cash chart

The bull falling wedge completed ... and also an additional small complex H&S Reversal completed.

**Minimum move? About 1.4350.**

**But cautious bulls will wait for a break of the recent high at 1.4223.**



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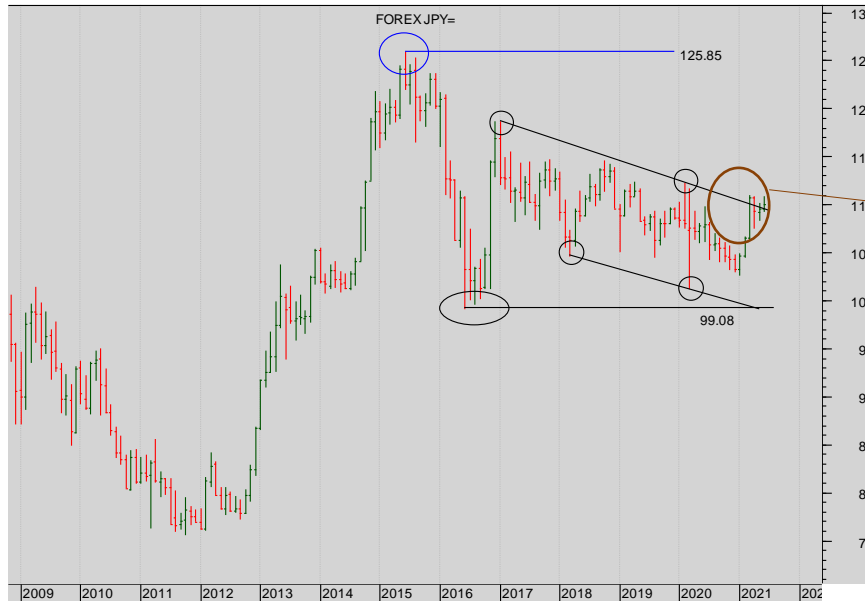
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### Commodities

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### IMPLIED ASSET ALLOCATION

## Currencies: Dollar Yen



### Dollar Yen monthly spot cash chart

The bull falling wedge close to completion DIDN'T COMPLETE.

The Dollar bulls need a completion of the wedge to gain momentum.



### Dollar Yen weekly spot cash chart

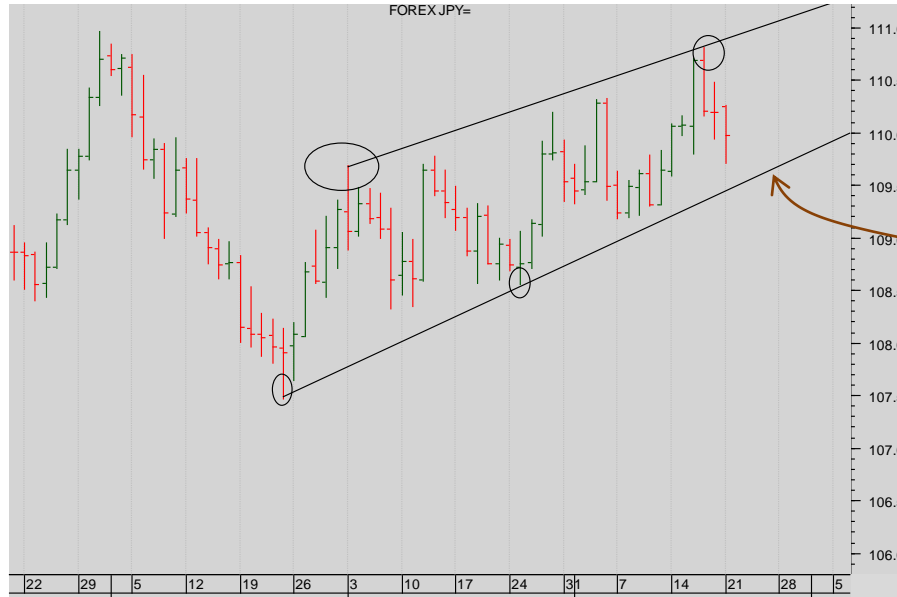
This shows the multiple diagonals at current levels.

The testing of the diagonals is far from over.

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## Currencies: Dollar Yen



### Dollar Yen daily spot cash chart

Is this a potential bear rising wedge - wait for a break beneath the lower diagonal.

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## Currencies: Sterling Euro

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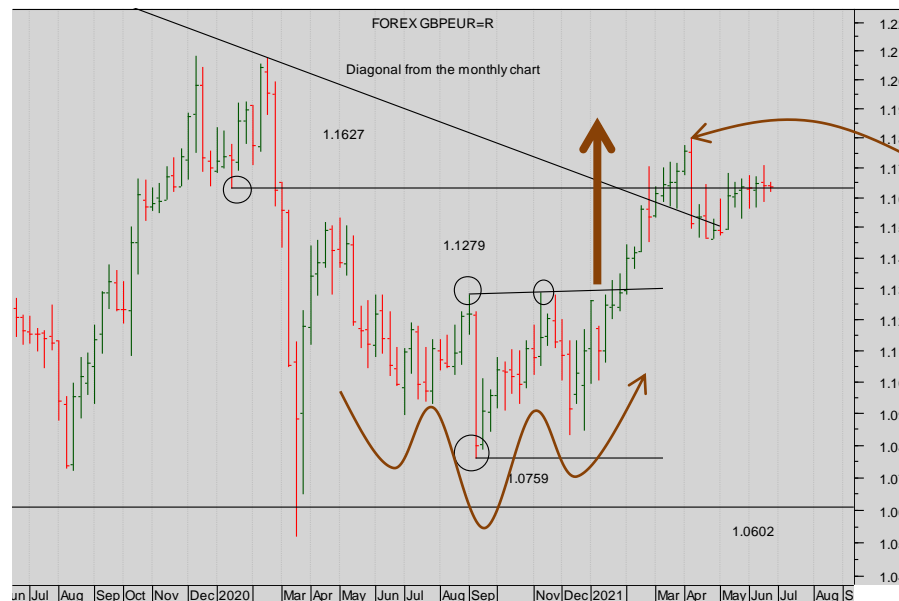
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### Sterling Euro monthly spot cash chart

The market remains in the broad trading range.

Note though, the push up through the falling diagonal.



### Sterling Euro weekly spot cash chart

We thought there was more to go for Sterling but the recent **Weekly Key reversal** is worrying for the bulls.

Stand aside.

More



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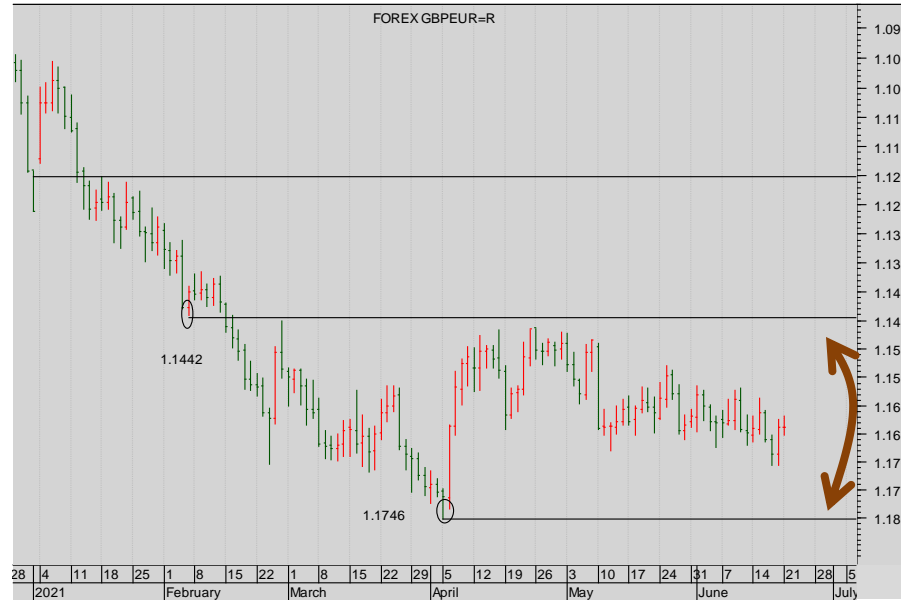
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### Commodities

- + Oil
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### Sterling Euro daily spot cash chart

The opportunity to break the small range was spurned.

Stand back and watch the range.



## Stocks: CME S&P

### STOCKS:

There are good reversal in the S&P and the FTSE. A bear surge looks likely lead by those two.

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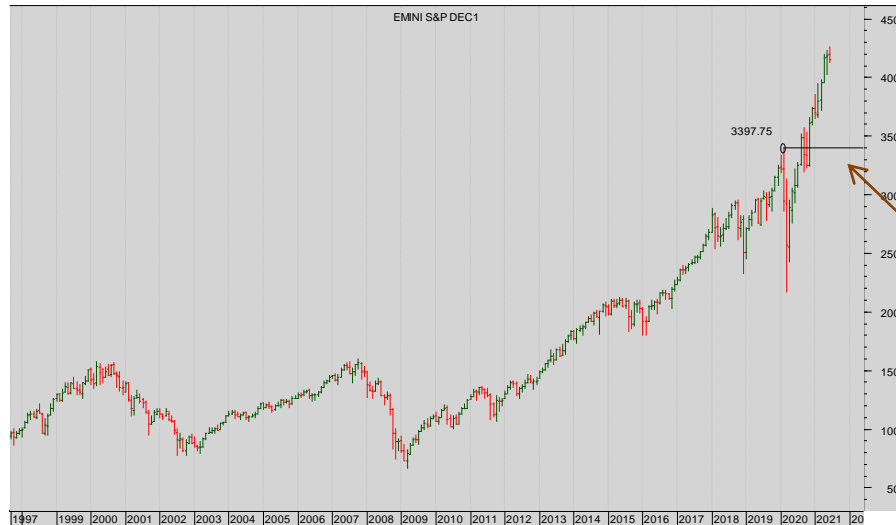
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#### Commodities

- + Oil
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### CME S&P 500 monthly cont. futures chart

The market has driven above the Old high of 3397 – so the the next bull leg has begun.

First support now at 3397.50

More



## Stocks: CME S&P 500

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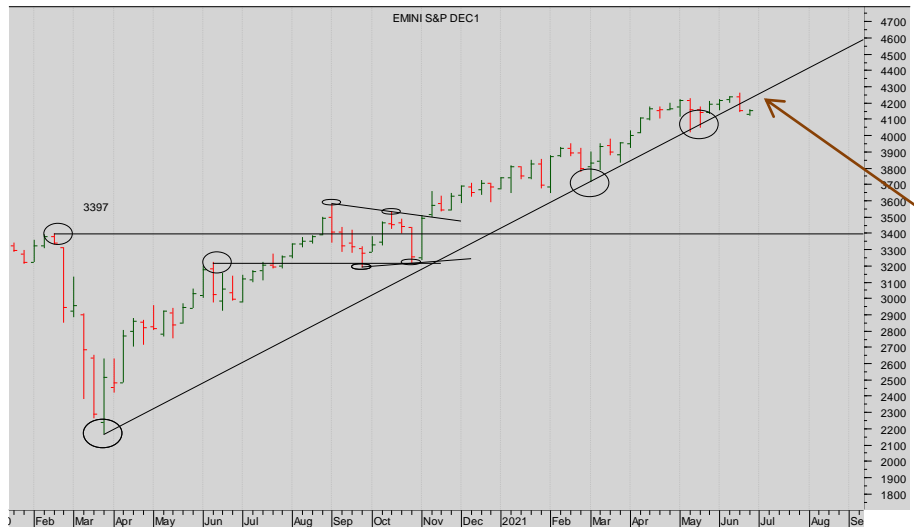
### Bonds

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### Commodities

- + Oil
- + Gold

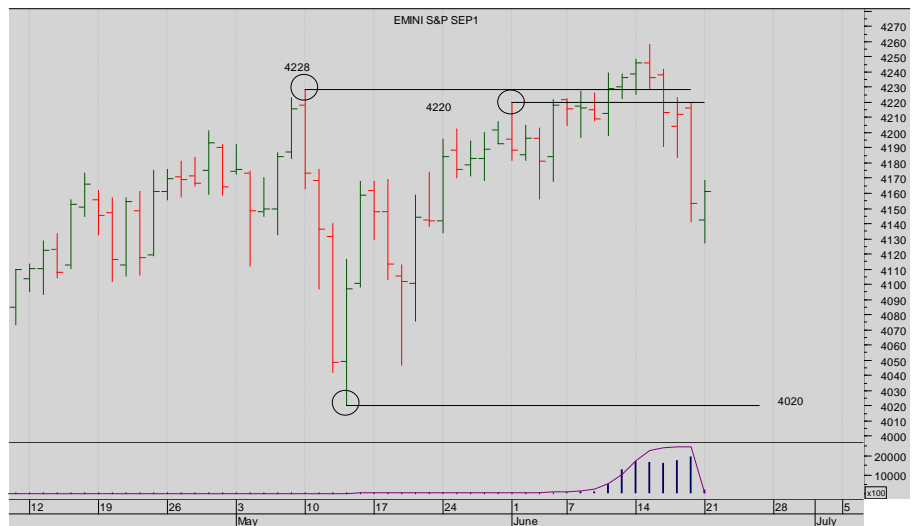
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### CME S&P 500 cont. weekly cont. chart

The medium-term rising diagonal has been broken and at the same time a weekly Key Reversal has been established.

We are bearish.



### CME S&P 500 daily Sep 2021 chart

Note the breakdown through the Prior Highs.

The market is in a wide trading range.

More



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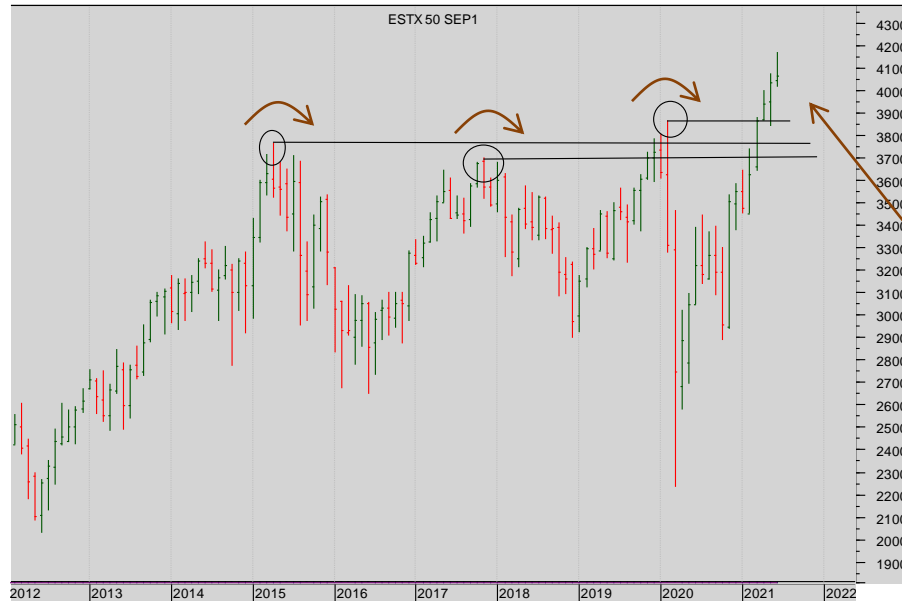
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## Commodities

- + Oil
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## Stocks: Eurex EuroStoxx 50



## Eurex EuroStoxx 50 monthly continuation futures chart

The market has now broken out  
**Note the monthly close above 3868.**

The break of 3868 establishes very powerful support beneath the market and so sets up **the next bull leg.**

**This is a very bullish pattern.**



## Eurex EuroStoxx 50 weekly Sep 21 futures chart

The market has the support of a steep diagonal.

Is that a weekly Key Reversal?

Not quite.... But close.

More



## Stocks: Eurex EuroStoxx 50

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### Commodities

- + Oil
- + Gold

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### Eurex EuroStoxx 50 daily Sep 21 futures chart

The market has bounced sharply off the support from the prior High at 4020.

Note the proximity of the support from the rising diagonal.

Wait or both to break before selling.



## Stocks: Liffe FTSE 100

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

### Bonds

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- + Ten Year German Bund
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### Commodities

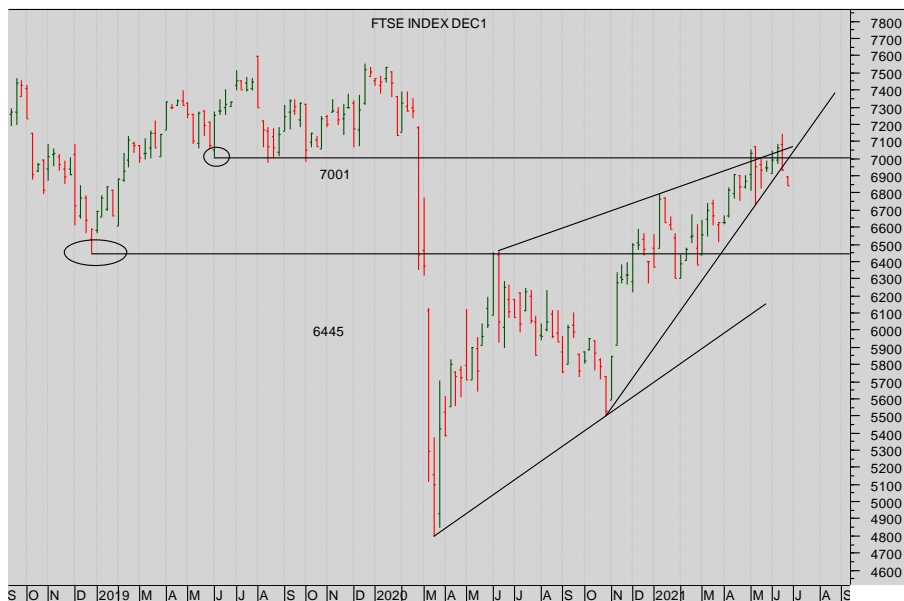
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Monthly continuation futures chart

The market bounced into the massive overhead resistance above the market at 6475 but so far has been unable to break up through those levels.



### Liffe FTSE 100 Weekly cont. futures chart

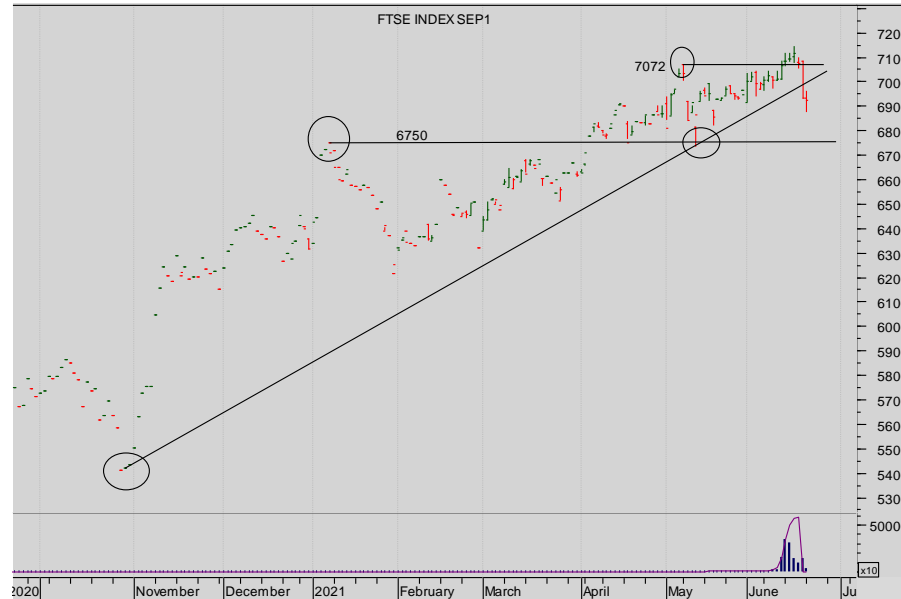
The market has a weekly Key Reversal in place, which is also a failure at the resistance at 7001. And a failure of the rising diagonal support ...

We are bearish.

More



## Stocks: Liffe FTSE 100



### Liffe FTSE 100 Jun 21 daily futures chart

This break and close beneath the Prior High and of the rising diagonal support is bearish.

Next support at 6750.

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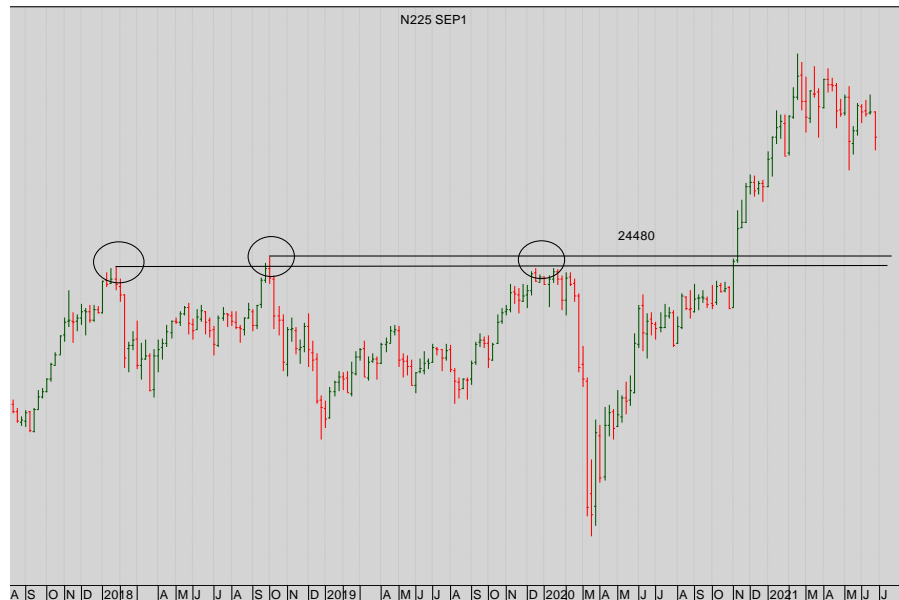
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## Stocks: OSE Nikkei 225



## Nikkei 225 chart (Quarterly)

The market has completed a complex but identifiable Double Headed Head and Shoulders Reversal - a very large one - with a minimum move up to 40000 or so (measured on a linear chart.)



## Nikkei 225 chart (WEEKLY)

The pause since the beginning of the year is marked.

Look closer.

More



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IMPLIED ASSET ALLOCATION

## Stocks: OSE Nikkei 225



Nikkei 225 chart Daily Jun 2021.

It's not clear.

Wait for a break of the range.



## Bonds

### BONDS:

Bond markets look dull for the moment. But there are wider boundaries and levels that need to be watch closely. Watch especially the UK Gilt as the canary in the mine!

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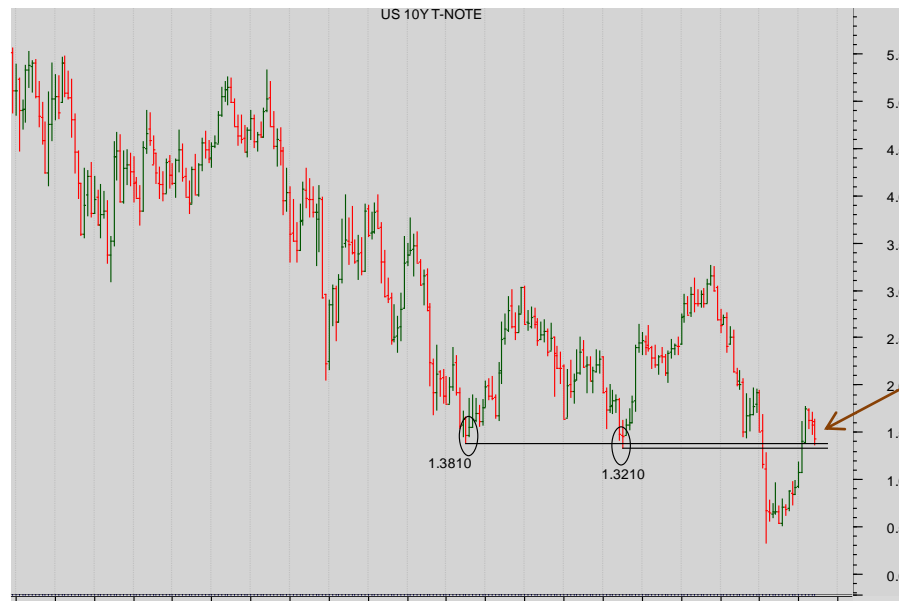
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#### Commodities

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IMPLIED ASSET ALLOCATION

### Bonds: US Ten Year Notes (Yield)



### US Ten Year Notes (Yield) monthly chart

Now the market has bounced back THROUGH that powerful resistance above the market at 1.32/8.

The two monthly closes convince that the resistance has been breached.

Yields look bullish now in the long-term.

More



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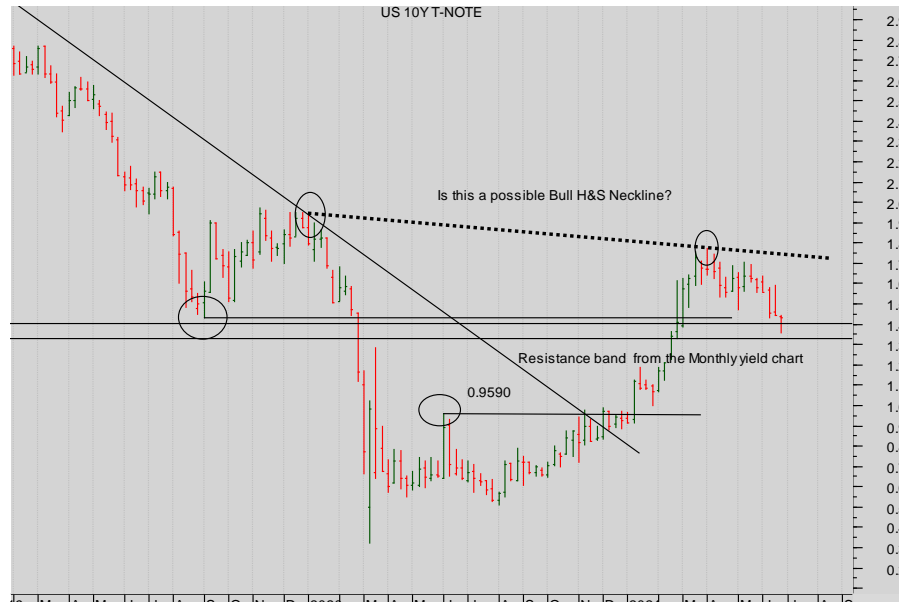
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## IMPLIED ASSET ALLOCATION

## Bonds: US Ten Year Notes (Yield)



## US Ten Year Notes (Yield) weekly chart

Notice the small consolidation over the last four months. **Might that be the second shoulder of a H&S bull pattern? We'll see.**



## US Ten Year Notes Sept 2021 Futures price daily chart

The bull trend of three months remains in place while the diagonal support beneath remains intact.

More



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IMPLIED ASSET ALLOCATION

## Bonds: German Bund yield chart



### Bund monthly yield chart

This is **a major breakthrough** – the penetration of the resistance at -0.204



### Bund weekly yield chart

Now we have a confirmed break of that resistance.

Note too that a Triple Bottom has been completed.

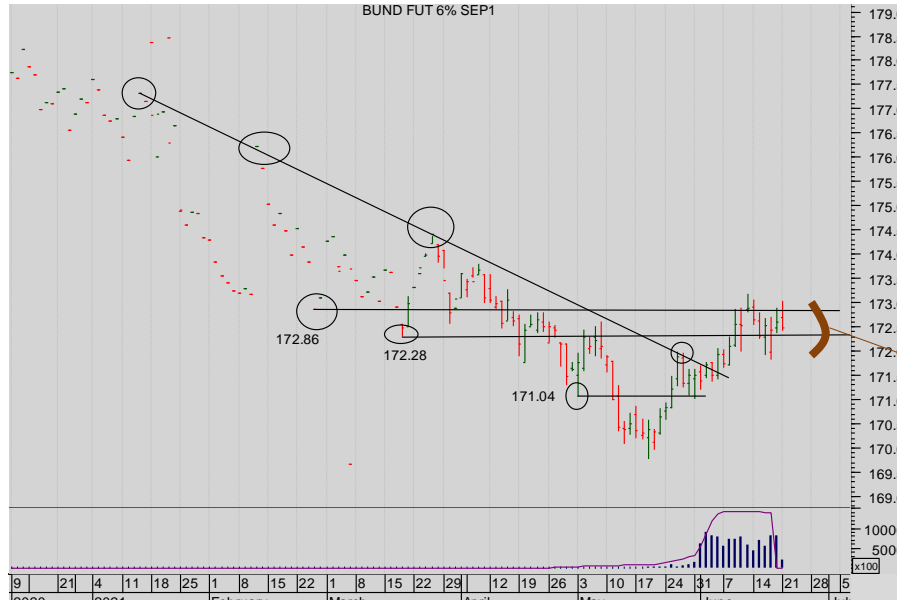
We are yield bulls.

But now looks closely at the pull back – **through Prior High support.**

More



## Bonds: German Bund yield chart



### Bund daily futures chart

The rally has broken the resistance from Prior Lows that is clear: but on the other hand there is no clear bottom formation in place to encourage the price bulls...

Stand aside.

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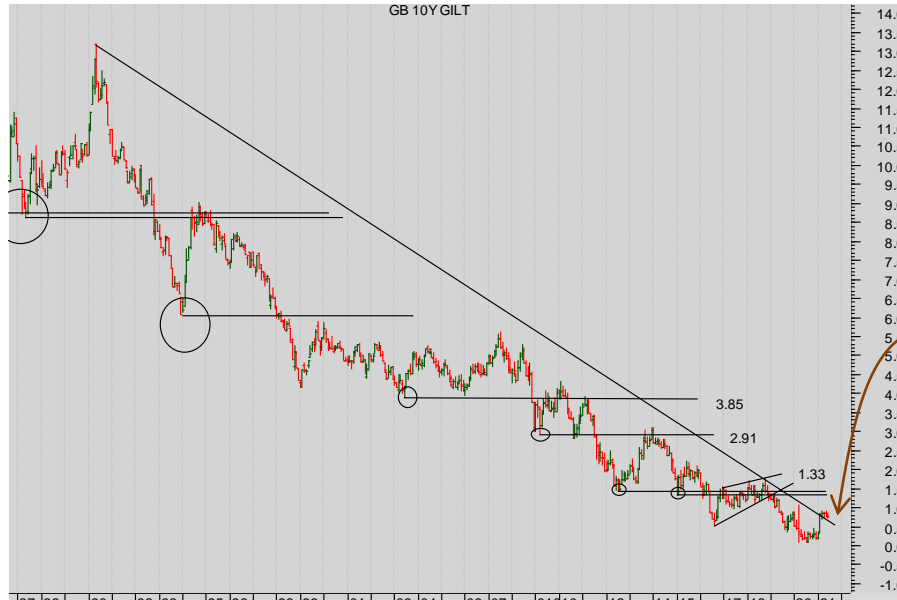
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## Commodities

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## IMPLIED ASSET ALLOCATION

## Bonds: UK Gilt yield chart



## Gilt monthly yield chart

The market long-term bear trend.

We are attacking the diagonal downtrend resistance.



## Gilt weekly yield chart

The recent sideways drift and retracement opens the possibility of the creation of a second shoulder in a large bull H&S pattern....

But there's nothing there at the moment.

More



## Bonds: UK Gilt yield chart



## Gilt daily Futures Sep 21 chart

Watch the range.

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## Commodity

### COMMODITIES:

Oil is fascinating. Though vulnerable to selling, it remains supported by some short and medium term structures, resilient to the drift in stocks. The bull structures in Gold having failed spectacularly, leave it to one side.

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### Commodities: Nymex WTI Oil



#### Nymex oil quarterly continuation

Watch the approach to the falling diagonal above the market closely.

It's likely the market will pause there.

Note the impetus imparted by the Key Reversal here.

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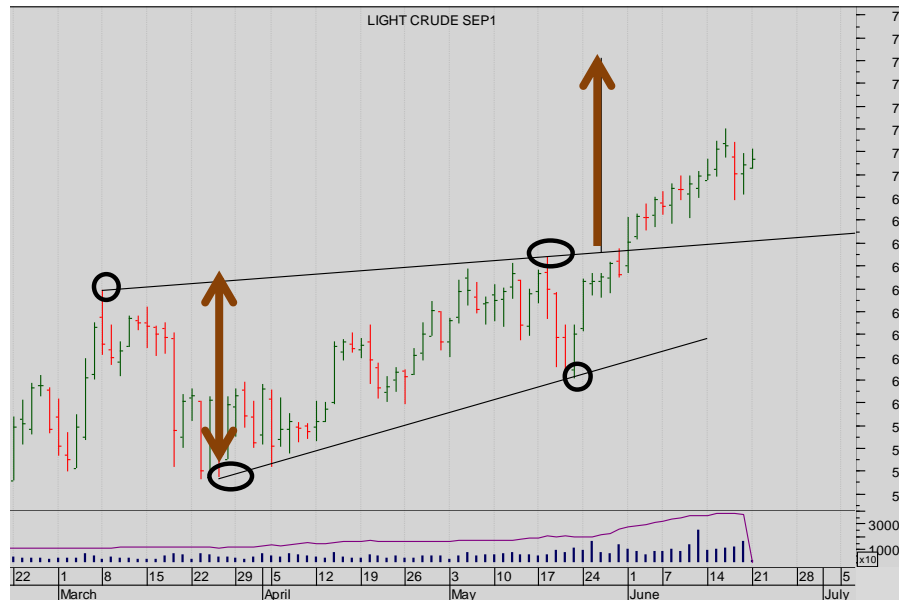
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## Commodities: Nymex WTI Oil



## Nymex oil weekly continuation

Is this a major bull H&S pattern that has just completed?



## Nymex oil daily Sep 2021 futures

This continuation triangle has completed and suggests moves up as far as 76 minimum.



## Commodities: Comex Gold

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## Nymex Gold Monthly

The bull Flag failed spectacularly. And is that a Monthly Key Reversal?

Not quite, but very close....

## Nymex Gold August 21 weekly

The failure of the Flag in more detail.



## Commodities: Comex Gold

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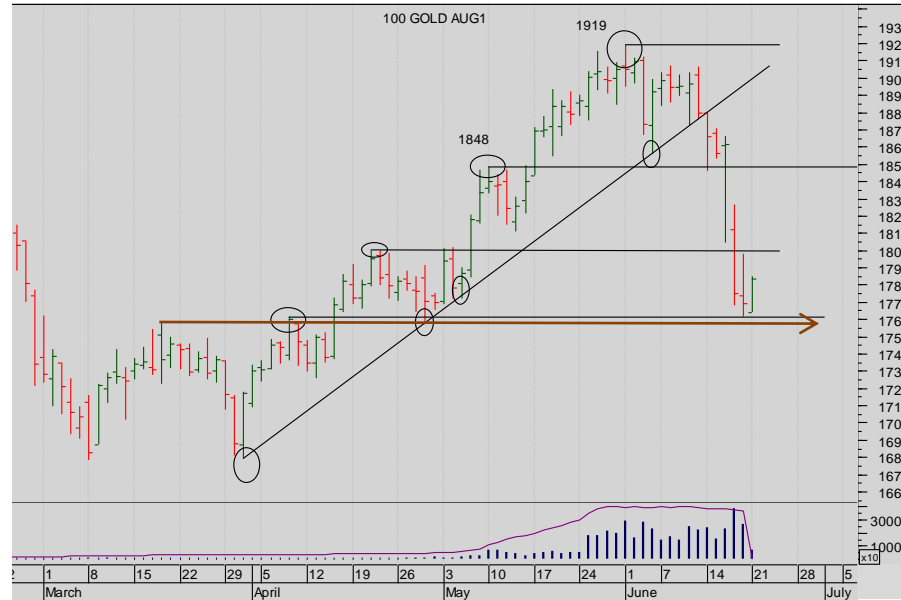
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IMPLIED ASSET ALLOCATION



## Nymex Gold Aug 2021 Daily

The drift should find support from the Prior High at 1748.

**We remain bulls**



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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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[Back to main menu](#)