



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 3rd August 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

## 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 **BEAR** Euro

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

### Stocks

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

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

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

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

### Bonds

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

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

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

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

### Commodities

- + Oil
- + Gold

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

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

Short-term FLAT  
Short-term FLAT

## IMPLIED ASSET ALLOCATION

More



## Currencies: Dollar Euro

### CURRENCIES:

We were excited last week, there were dramatic possibilities in the Dollar Euro, but none came to fruition. So, it's as you were, watching and waiting. The same for the Dollar Sterling. The Yen is clearer but still pausing: the likelihood of a much weaker Yen is still there but we need a short-term trigger for certainty.

### 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 Euro monthly cash chart

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

1. As a result, the market has broken the DIAGONAL strengthening Dollar trend from 2008.
2. But there is no weakening Dollar trend in place **until a break up through THE HORIZONTAL RESISTANCES UP TO 1.24.**

More



## Summary

### Currencies

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

### Stocks

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

### Bonds

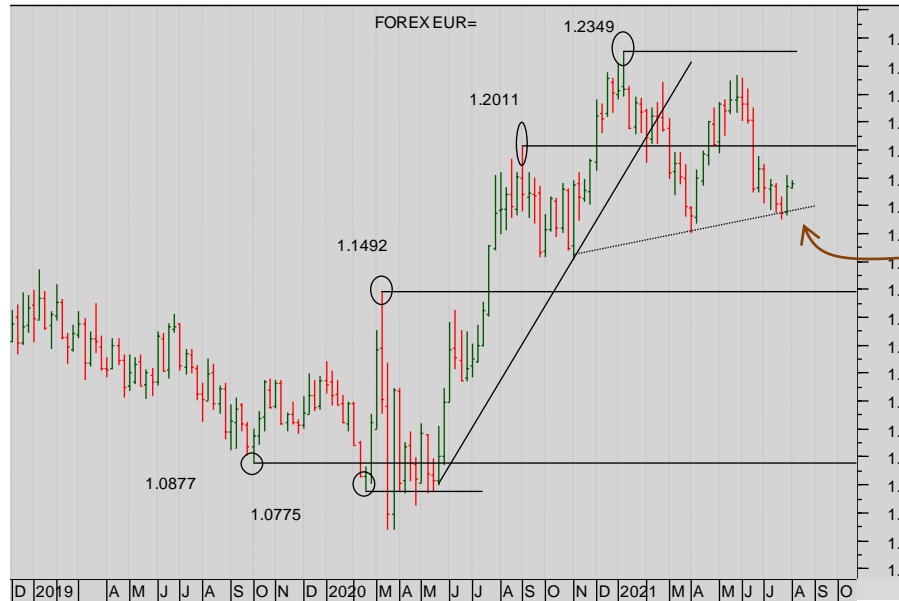
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

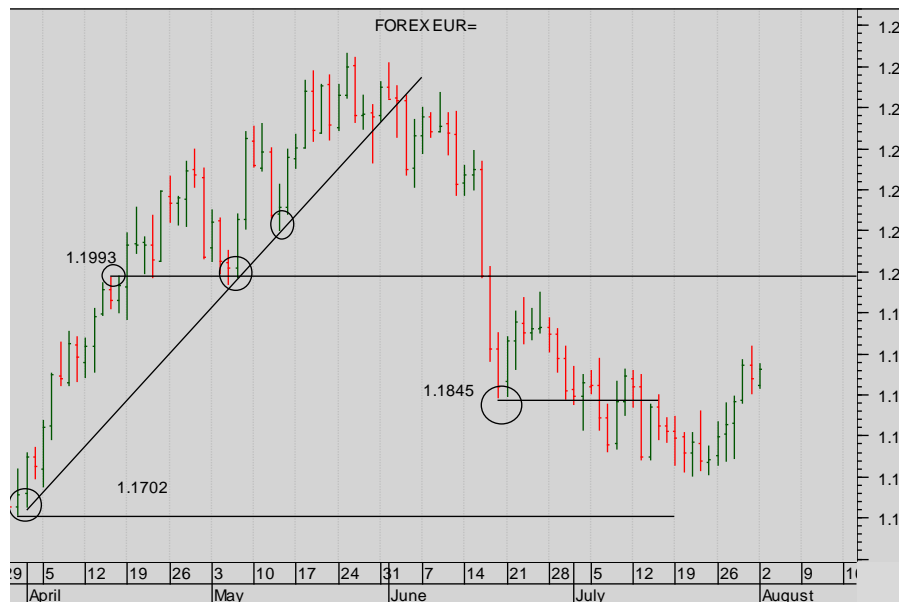
### IMPLIED ASSET ALLOCATION

## Currencies: Dollar Euro



### Dollar Euro weekly spot cash chart

Medium-term, the market can drive down through this POSSIBLE neckline  
 ... THEN THERE WILL BE A PUSH FURTHER DOWN look for a weekly close below 1.18



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

No clear structure: Stand aside.



## Currencies: Dollar Sterling

### Summary

### Currencies

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

### Stocks

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

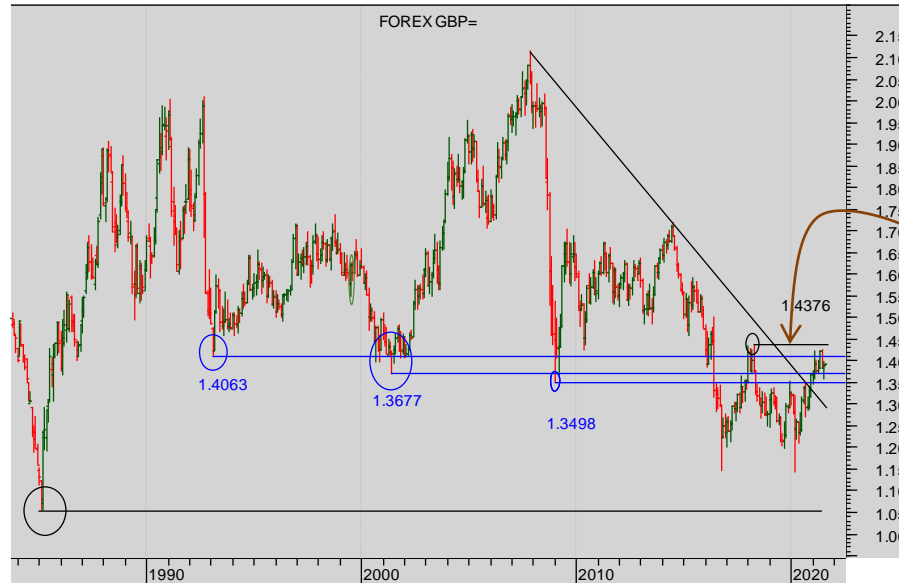
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

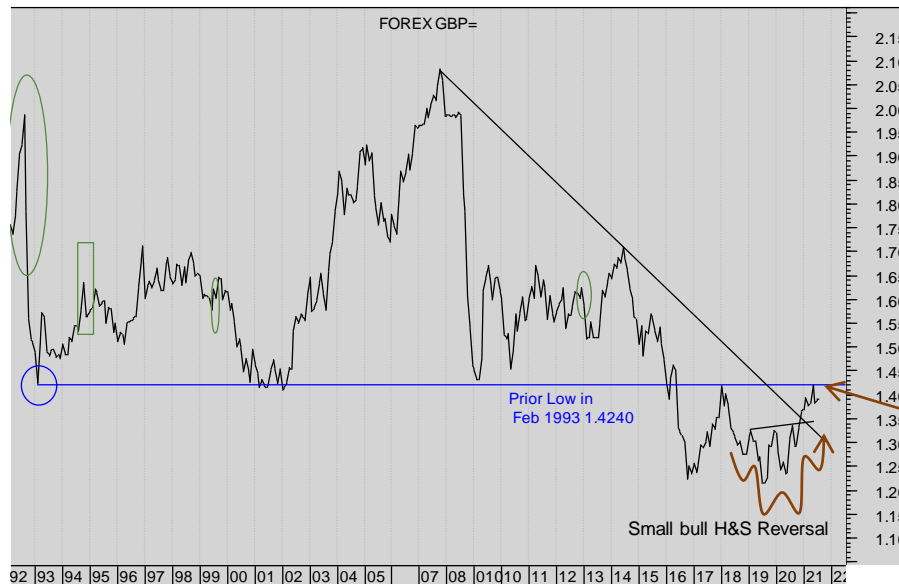


### Dollar Sterling Monthly spot cash chart

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 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**.

More



## Summary

### Currencies

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

### Stocks

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

### Bonds

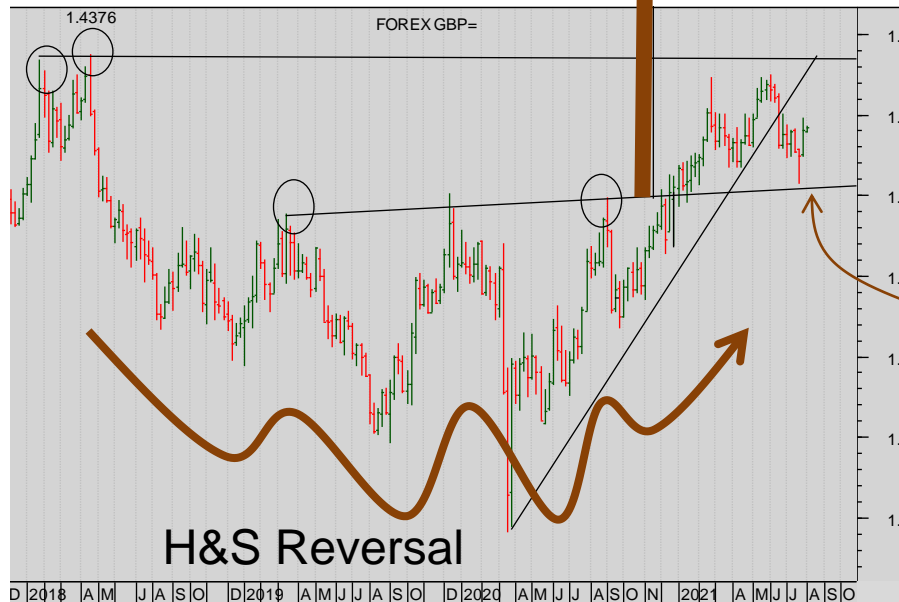
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

## 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

Watch the range - IT'S STILL INTACT.



## Summary

### Currencies

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

### Stocks

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

### Bonds

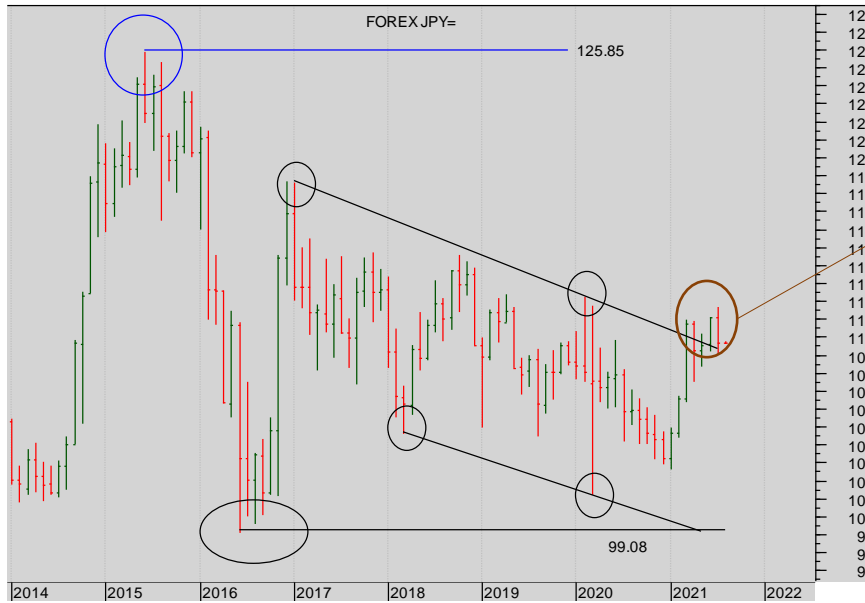
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION

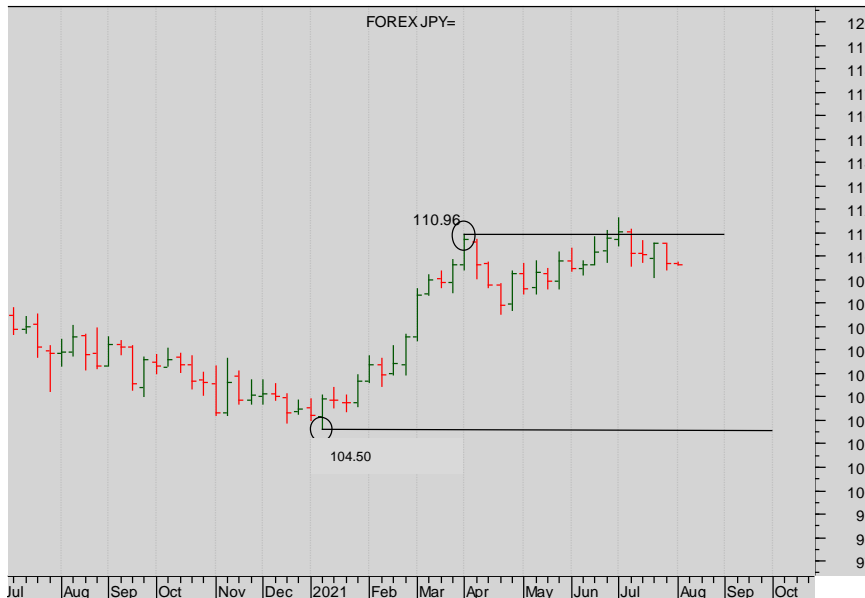
## Currencies: Dollar Yen



### Dollar Yen monthly spot cash chart

The bull falling wedge COMPLETED?

The Dollar bulls had a completion of the wedge to gain momentum **but the market is dithering still.**



### Dollar Yen weekly spot cash chart

Not clear, stand back!

More



## Currencies: Dollar Yen



### Dollar Yen daily spot cash chart

The Dollar failed to get and stay above 110.96....

Stand aside.

### 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

### Currencies

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

### Stocks

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

### Bonds

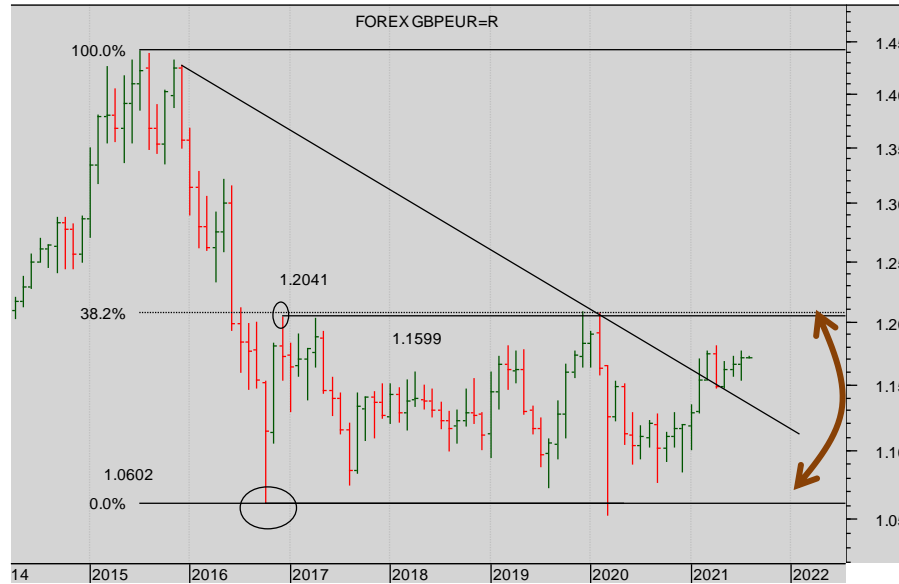
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

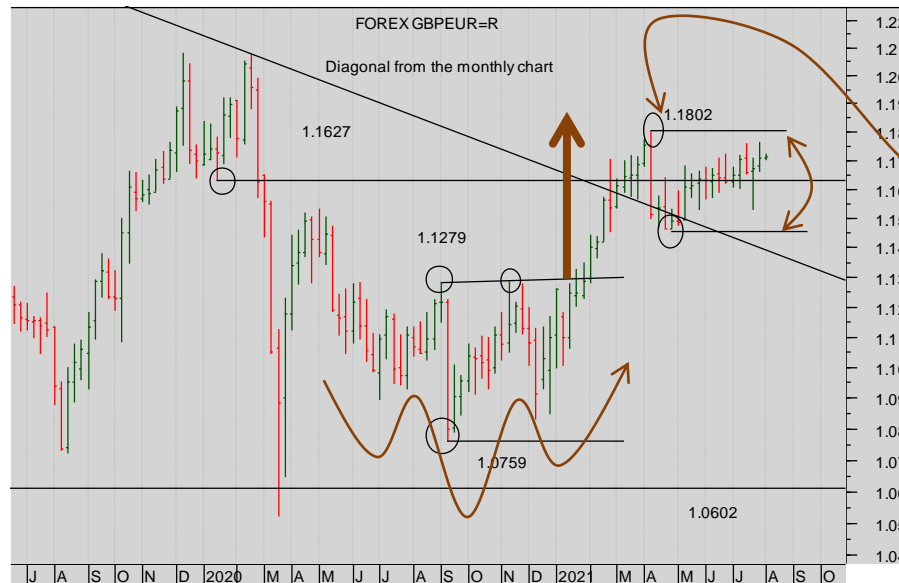
## IMPLIED ASSET ALLOCATION

## Currencies: Sterling Euro



### Sterling Euro monthly spot cash chart

The market remains in the broad trading range.



### Sterling Euro weekly spot cash chart

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

Stand aside. Wait for a break of the small range.

More



## Summary

### Currencies

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

### Stocks

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

### Bonds

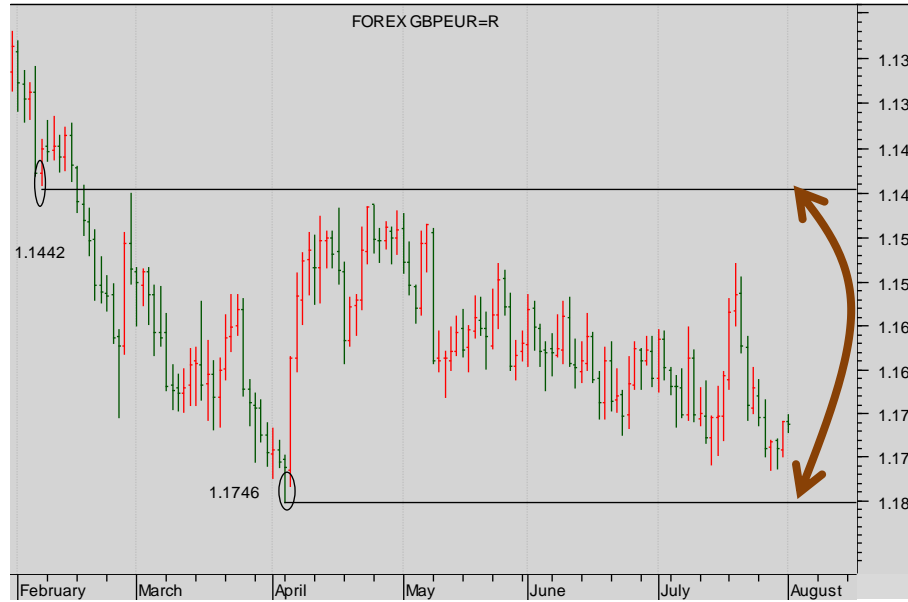
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

## Currencies: Sterling Euro



### 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:

These markets have shaken off the weakness of early July: they are all in good fettle – even the normally lacklustre FTSE has been short-term perky.

But remember the widely varying big pictures of a raging bull market in the S&P, the solid support in the DJ EuroStoxx, the huge long term bull pattern fuelling the Nikkei and the lowering overhead resistance cramping the FTSE.

#### Summary

#### Currencies

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

#### Stocks

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

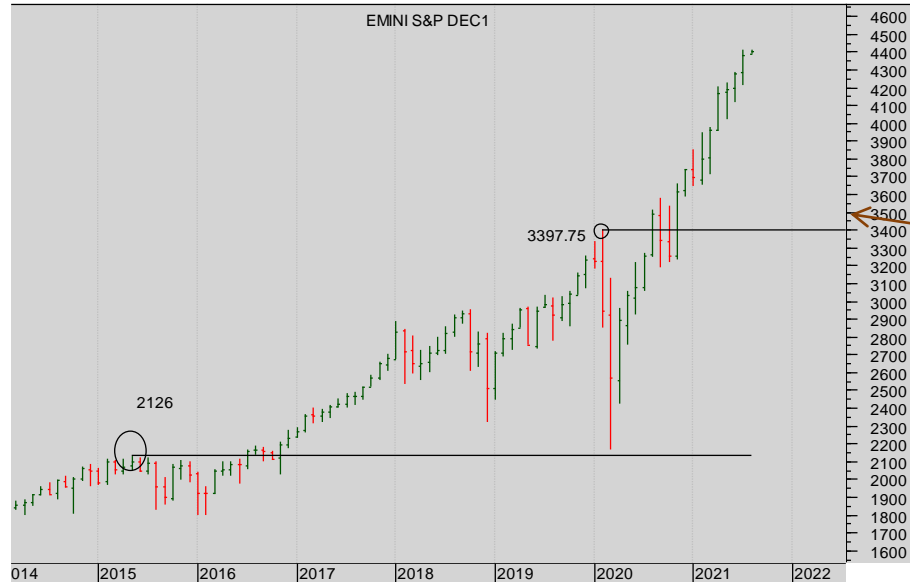
#### Bonds

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

#### Commodities

- + Oil
- + Gold

#### IMPLIED ASSET ALLOCATION



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

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

First support now at 3397.50

More



## Stocks: CME S&P 500

### Summary

### Currencies

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

### Stocks

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

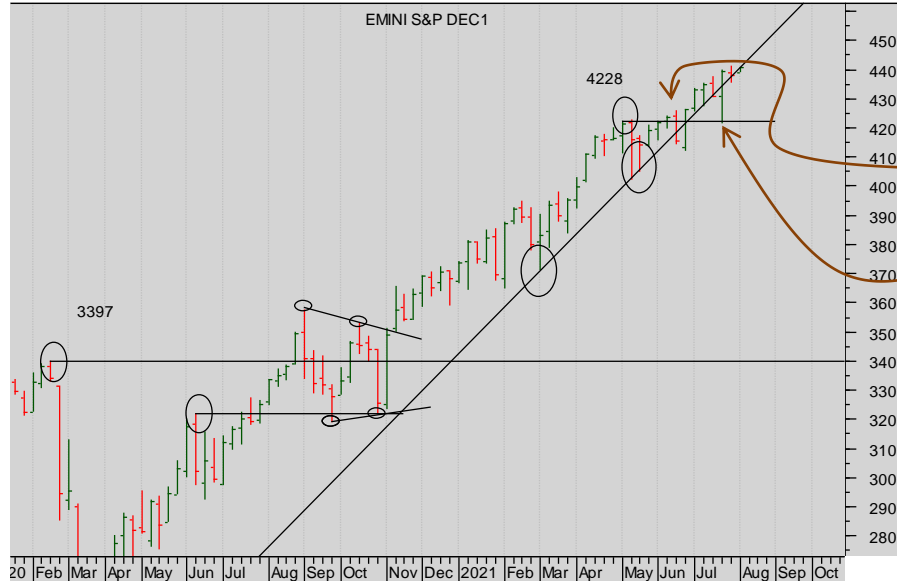
### Bonds

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

### Commodities

- + Oil
- + Gold

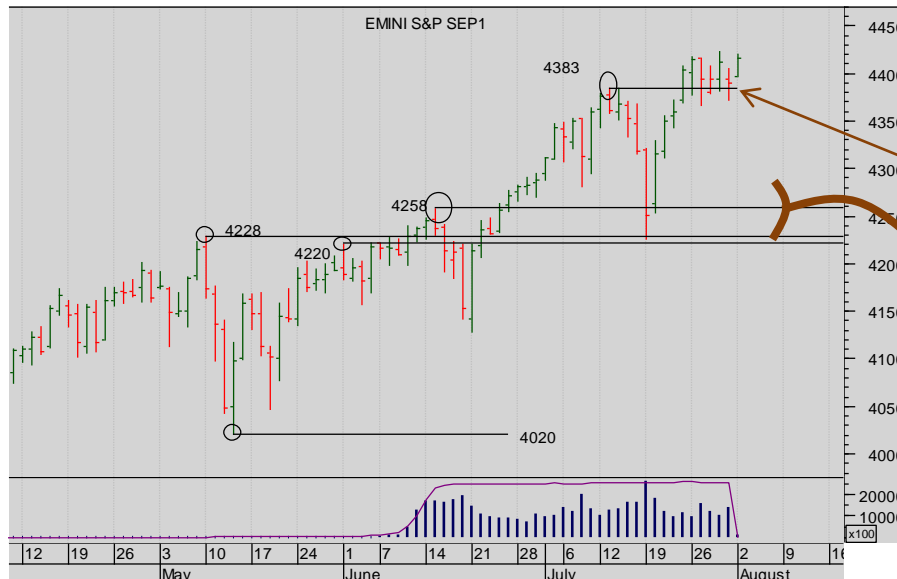
### IMPLIED ASSET ALLOCATION



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

The weekly Key Reversal was a **false signal**.

And note the recent bounce off the Prior High of 4228.



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

Note the very recent breakup through the Prior Highs which now **underpins the market**.

This bounce is very bullish.

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

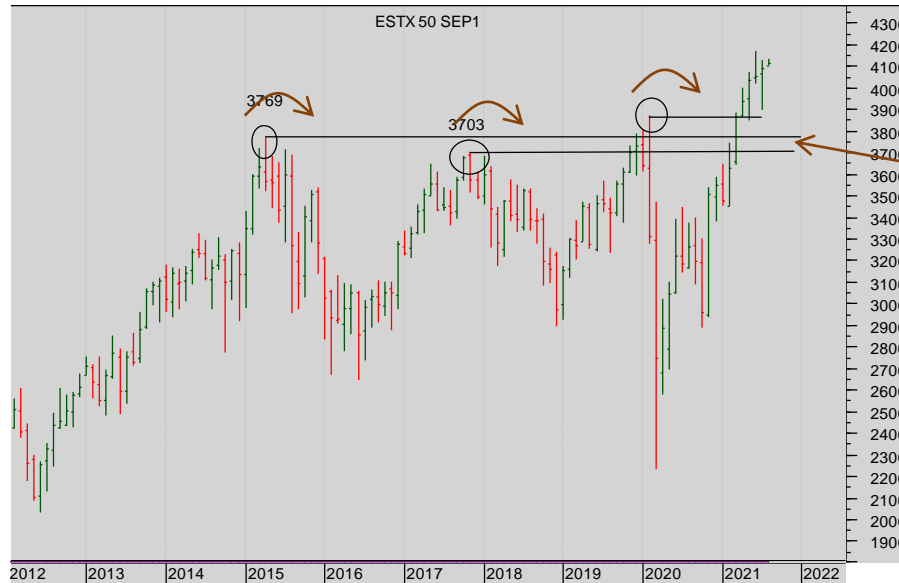
### Bonds

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

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Eurex EuroStoxx 50 monthly continuation futures chart

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

Prior Highs establish 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 had the support of a steep diagonal. No longer.

Is the pace of the bulls slackening?

First obvious support at 3633.

First important bull signal would be a break of 4153

More



## Stocks: Eurex EuroStoxx 50



### Eurex EuroStoxx 50 daily Sep 21 futures chart

The market didn't want to stay beneath the band of support from the Prior Highs 3982-4020, but the market lacks clarity.

Watch in the first place for a push up through 4111....

#### 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



## 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

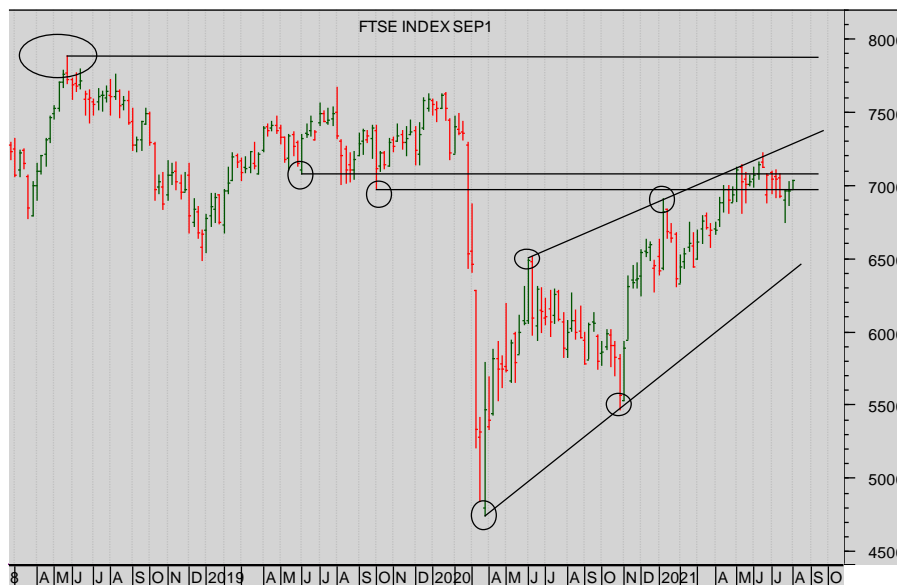
- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION



### Liffe FTSE 100 Monthly continuation futures chart

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 looks to be constrained both by the wedge and the horizontal band of resistance around 7000.

So the market looks vulnerable to further selling....

More



### Summary

### Currencies

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

### Stocks

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

### Bonds

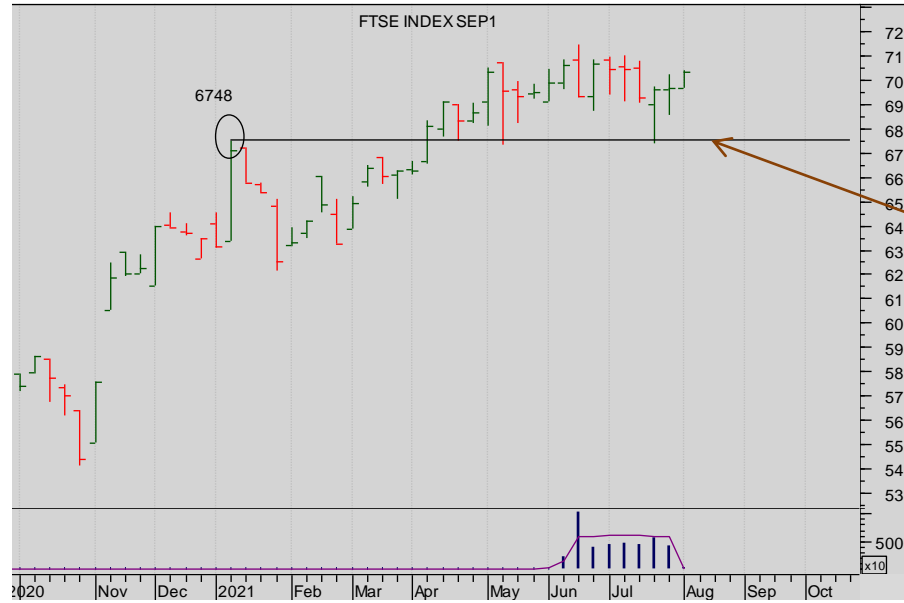
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

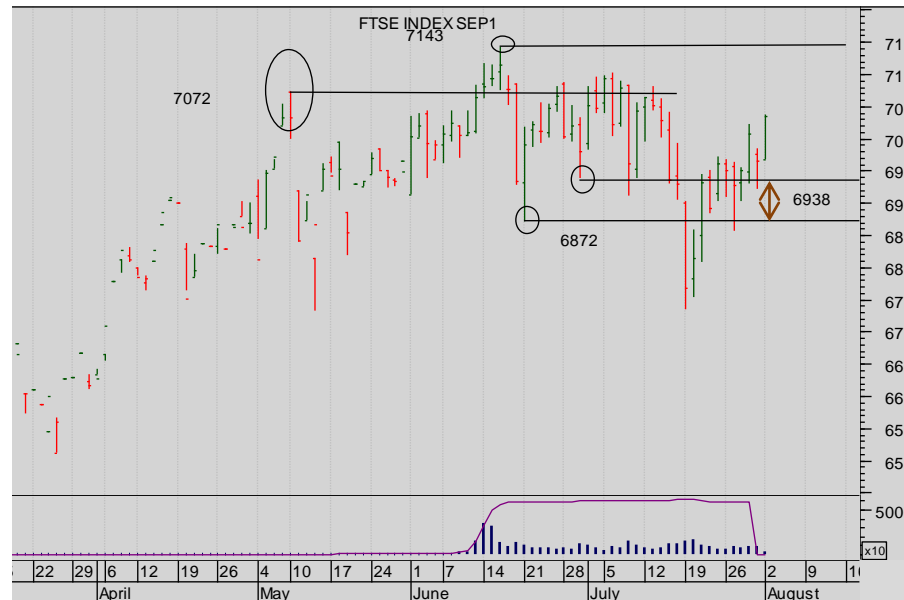
### IMPLIED ASSET ALLOCATION

## Stocks: Liffe FTSE 100



### Liffe FTSE 100 Sep 21 weekly futures chart

Yet, first it has to break the first important support at 6750, which confusingly, appears to be good support in the Sept contract weekly bar chart.



### Liffe FTSE 100 Sep 21 daily futures chart

Note that in this short-term day chart, the push beneath the Prior Lows was not sustained.

The bounce up through the band of resistance from those lows was impressive!





# Stocks: OSE Nikkei 225

## Summary

## Currencies

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

## Stocks

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

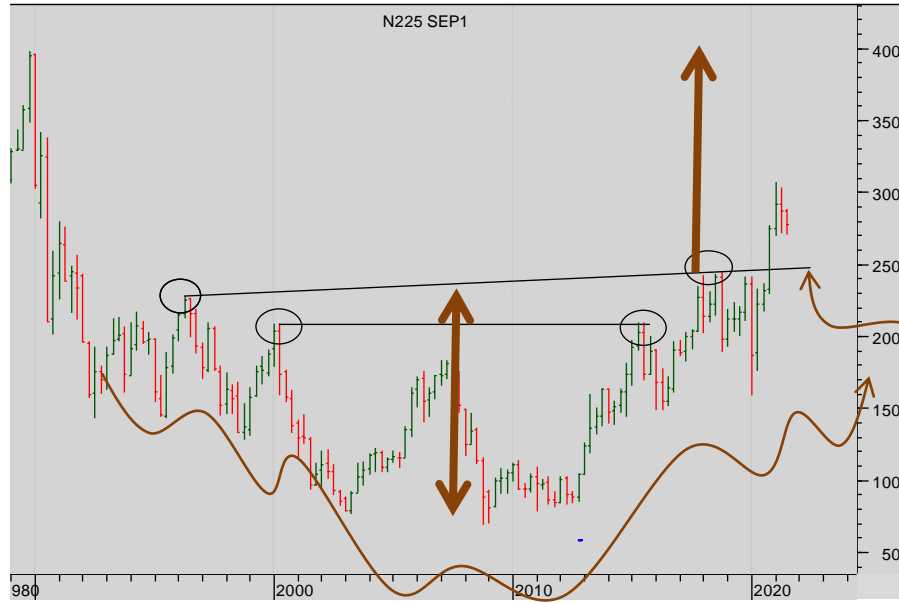
## Bonds

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

## Commodities

- + Oil
- + Gold

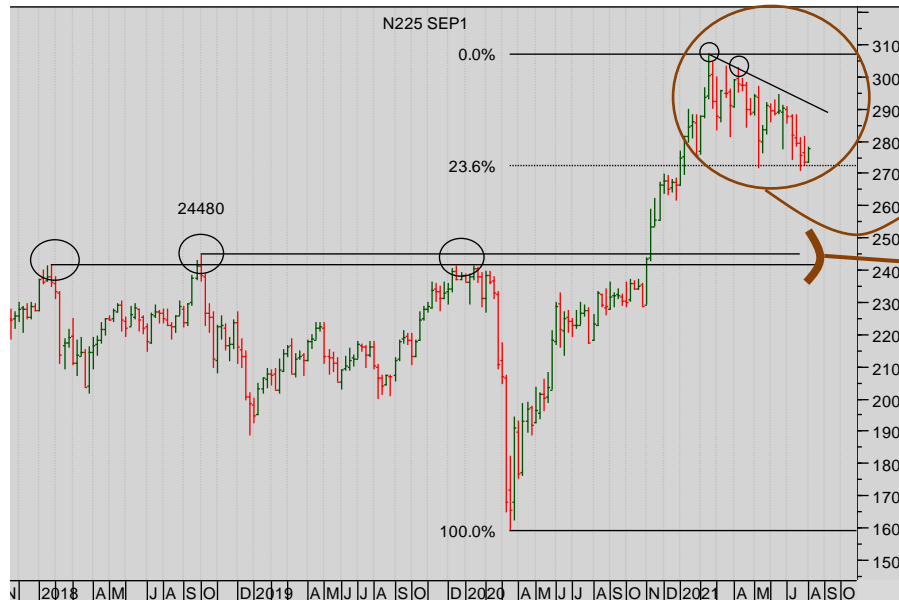
## IMPLIED ASSET ALLOCATION



**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.)

On any pull back the support lies beneath at the Neckline.



**Nikkei 225 chart (WEEKLY)**

The pause since the beginning of the year is marked but does not reveal a clear reversal. Note the support at the Fibonacci support.

First important support at 24500

Look closer.





## 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

## Stocks: OSE Nikkei 225



## Nikkei 225 chart Daily Sep 2021.

It's not clear.

Wait for a break of the range.



## Bonds

### BONDS:

The bond markets still show signs of remarkable strength. Half the RISE in yields since the beginning of the has been taken out of the markets. The Bund is rallying hardest. The FTSE is rallying the least. It not at all clear how the markets will go from here.

### Summary

#### Currencies

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

#### Stocks

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

#### Bonds

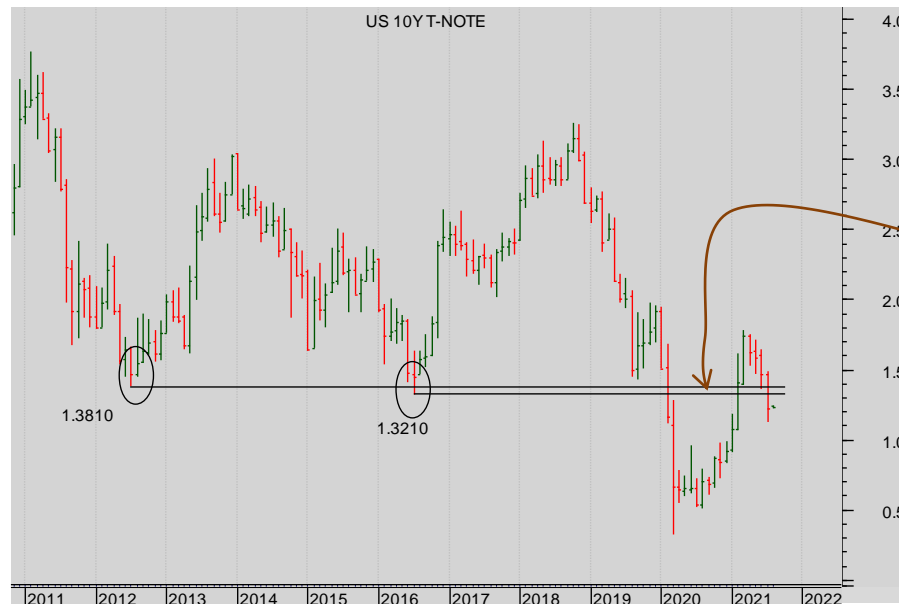
- + Ten Year US TNotes
- + Ten Year German Bund
- + UK Gilt

#### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

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



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

The market drove back up THROUGH that powerful resistance above the market at 1.32/8.

But the retracement back through that same level robs the chart of clarity

More



# Bonds: US Ten Year Notes (Yield)

## Summary

## Currencies

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

## Stocks

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

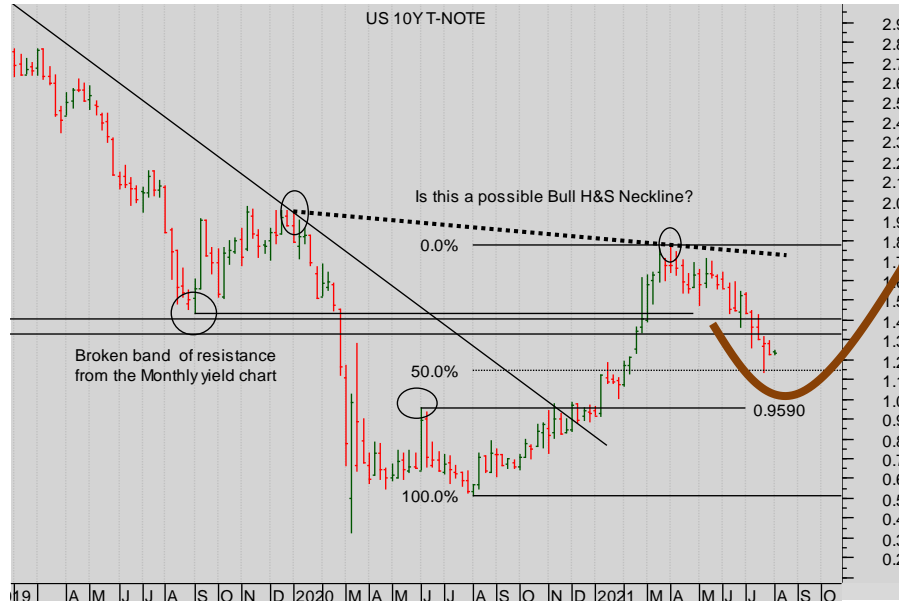
## Bonds

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

## Commodities

- + Oil
- + Gold

## IMPLIED ASSET ALLOCATION



## US Ten Year Notes (Yield) weekly chart

? Note the retracement is to a Fibonacci 50%

Might that be the support that builds a second shoulder of a H&S bull pattern? We'll see.



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

But **short term**, there is still a **bull market in bonds**, **Prior Highs** are acting as good **support** and **ratcheting** the market **higher and higher!**





## 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: German Bund yield chart



## Bund monthly yield chart

This was **a major penetration but there was no monthly close to establish a break of resistance** at 0.204

## Bund weekly yield chart

We had a confirmed **weekly** break of that resistance.

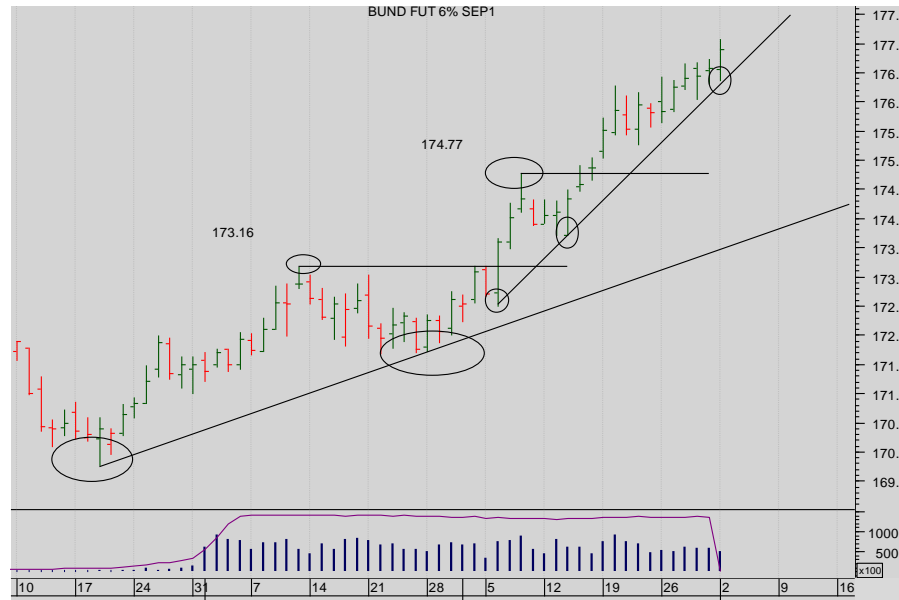
Note too that a Triple Bottom was completed. So we were yield bulls.

But now looks closely at the pull back – **through Prior High support, back into a parallel trading range.**

More



## Bonds: German Bund yield chart



## Bund daily Sep 21 futures chart

The price has developed a strong rally.

No weakness discernible there!

### 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

### 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: UK Gilt yield chart



### Gilt monthly yield chart

The market long-term bear trend.

We attacked the diagonal downtrend resistance but so far without convincing success.



### 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

A short-term rally has developed, but be sure - rather less convincing than the TNote and the Bund.

#### 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





## Commodity

### COMMODITIES:

Oil looks poised and excitingly bullish. There are tremendous medium-term support from here, and vital trigger levels above the market for the bulls to add to longs. Gold is dull; stand aside.

#### Summary

#### Currencies

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

#### Stocks

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

#### Bonds

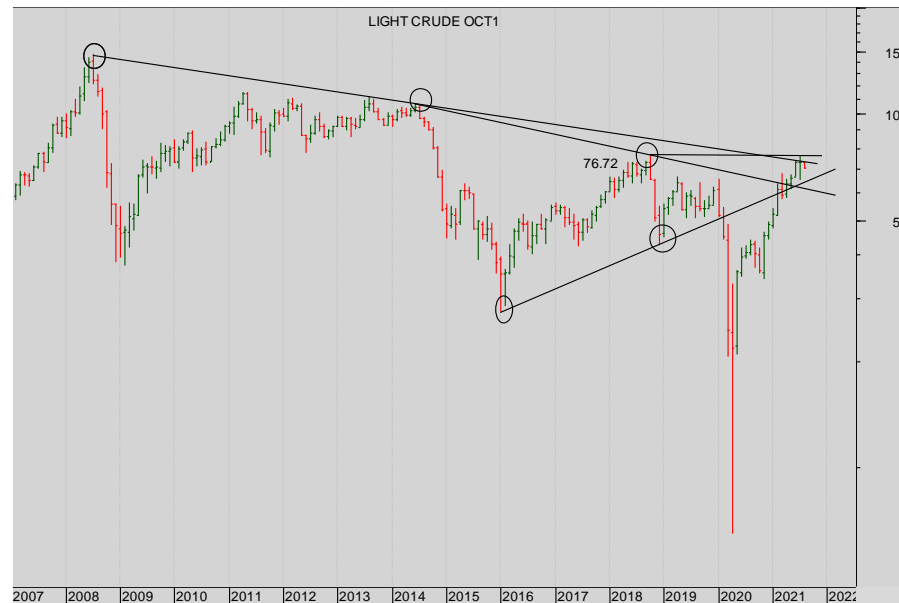
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

#### Commodities

- + Oil
- + Gold

IMPLIED ASSET ALLOCATION

### Commodities: Nymex WTI Oil



#### Nymex oil quarterly continuation

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

The market has paused there.

More



### Summary

### Currencies

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

### Stocks

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

### Bonds

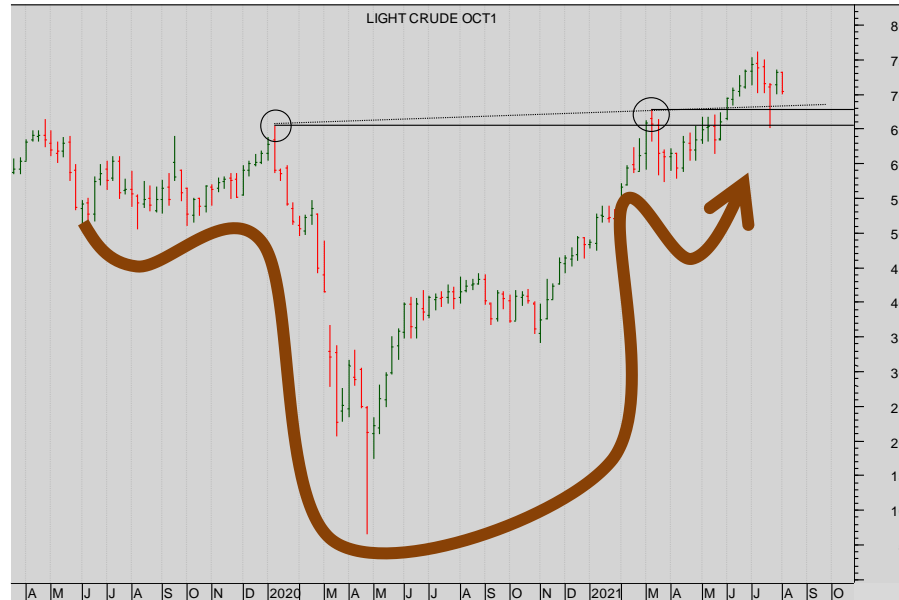
- + Ten Year US TNote
- + Ten Year German Bund
- + UK Gilt

### Commodities

- + Oil
- + Gold

### IMPLIED ASSET ALLOCATION

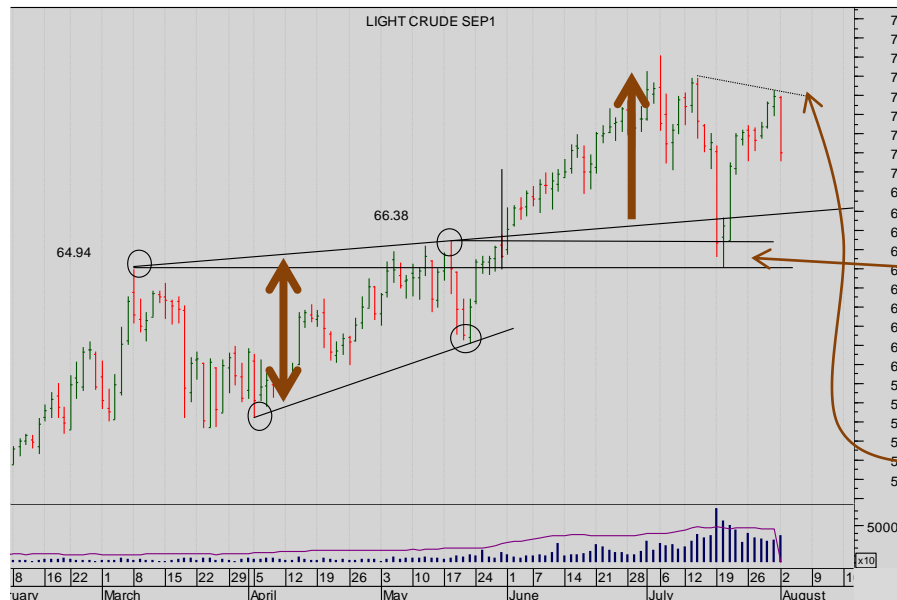
## Commodities: Nymex WTI Oil



### Nymex oil weekly continuation

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

And is the recent retracement a pull back to important Neckline support?



### Nymex oil daily Sep 2021 futures

This bull continuation triangle completed. Then there was a retracement.

Note that the horizontal supports drove a bounce that thrilled the bulls...

Now watch the price action closely - might that be a continuation H&S in the making?

Watch the possible dashed Neckline.



## Summary

## Currencies

- + Dollar Euro
- + 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

## Commodities: Comex Gold



## Nymex Gold Monthly

The dither at the Prior High was entirely predicatable.

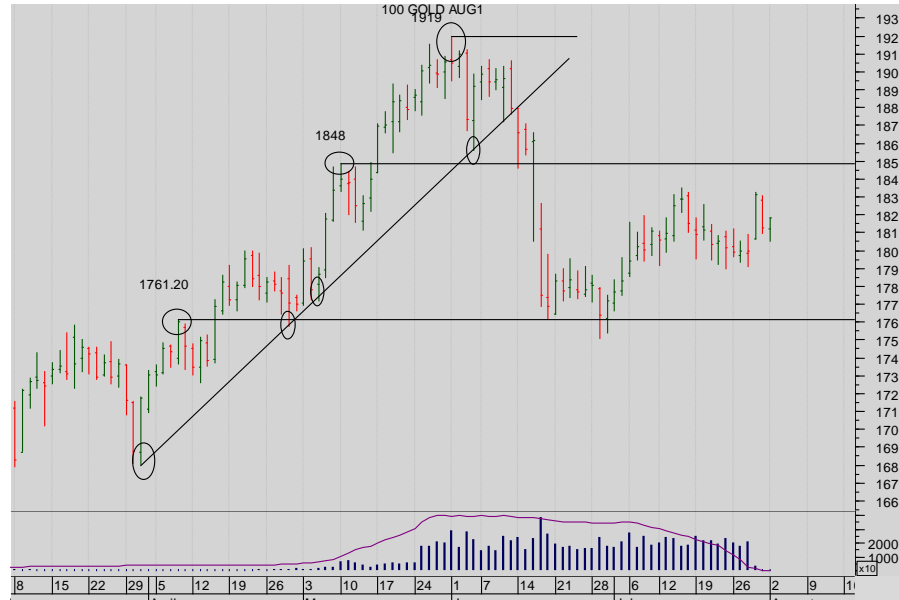


## Nymex Gold Oct 21 weekly

It's not clear.



## Commodities: Comex Gold



## Nymex Gold Aug 2021 Daily

It's not clear.

**Stand back.**

### 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

## 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

v

### MSCI Balanced Risk Asset Allocation



More



*the technical analyst*

AWARDS 2012

FINALIST BEST INDEPENDENT RESEARCH HOUSE

The material and information set out in this research is not intended to be a quote of an offer to buy or sell any financial products. Any expression of opinion is based on sources believed to be reasonably reliable but is not guaranteed as to accuracy or completeness.

The material and information herein is general and for informational purposes only. Although Seven Days Ahead endeavours to provide useful information they make no guarantee as to the accuracy or reliability of the research.

The derivative market comprises volatility and considerable risks. To the maximum extent permitted by law no responsibility or liability can be accepted by Seven Days Ahead, any company or employee within its group for any action taken as a result of the information contained in this presentation. You are requested not to rely on any representation in this research and to seek specific advice from your accountant, legal adviser or financial services adviser when dealing with specific circumstances.

**Seven Days Ahead is regulated by the UK Financial Conduct Authority.**

[Back to main menu](#)