



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 9th November 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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Long-term BEAR Euro	Medium-term BEAR Euro	Short-term BEAR Euro
Long-term BEAR Sterling	Medium-term BEAR Sterling	Short-term FLAT Sterling
Long-term BEAR Yen	Medium-term BEAR Yen	Short-term BEAR Yen
Long-term FLAT Euro	Medium-term FLAT Euro	Short-term FLAT Euro

Stocks

- + S&P 500
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Long-term BULL	Medium-term BULL	Short-term BULL
Long-term BULL	Medium-term BULL	Short-term BULL
Long-term FLAT	Medium-term BULL	Short-term BULL
Long-term BULL	Medium-term BULL	Short-term FLAT

Bonds

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

Long-term FLAT	Medium-term BULL	Short-term FLAT
Long-term FLAT	Medium-term FLAT	Short-term BULL
Long-term BULL	Medium-term BULL	Short-term BULL

Commodities

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Long-term BULL	Medium-term BULL	Short-term BULL
Long-term FLAT	Medium-term FLAT	Short-term BULL

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More



Currencies: Dollar Euro

CURRENCIES:

We remain hot for the Dollar against all other currencies. Watch closely our trigger levels for a further weakening of Sterling. The Yen is pausing short-term, but remains liable to further weakness in the medium and longer term.

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Dollar Euro monthly spot cash chart

These powerful horizontal resistances have repelled the Euro bulls

1. There can be no convincing weakening Dollar trend in place until there's a break up through 1.24.
2. On the contrary the market has formed a small top...look closer

More



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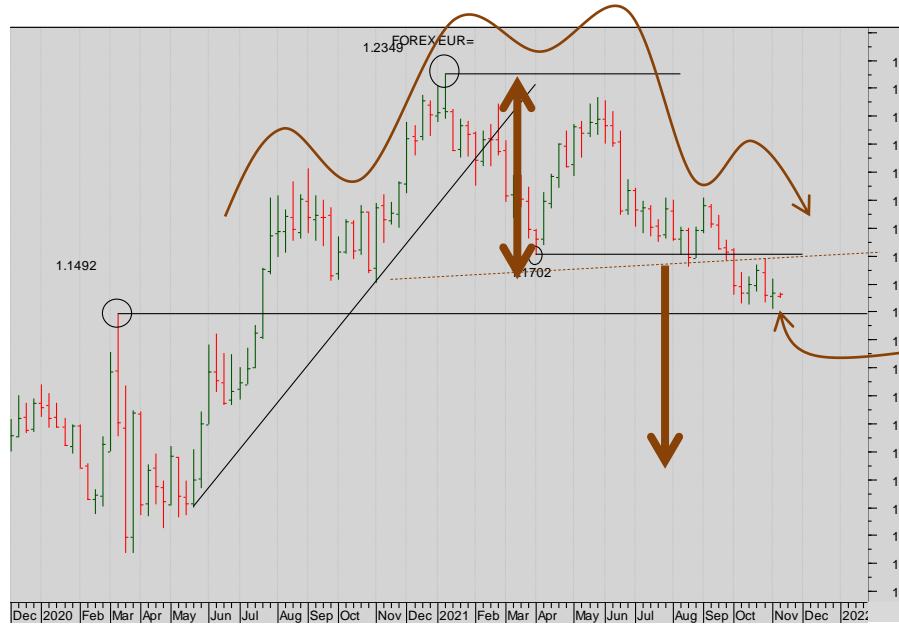
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Currencies: Dollar Euro



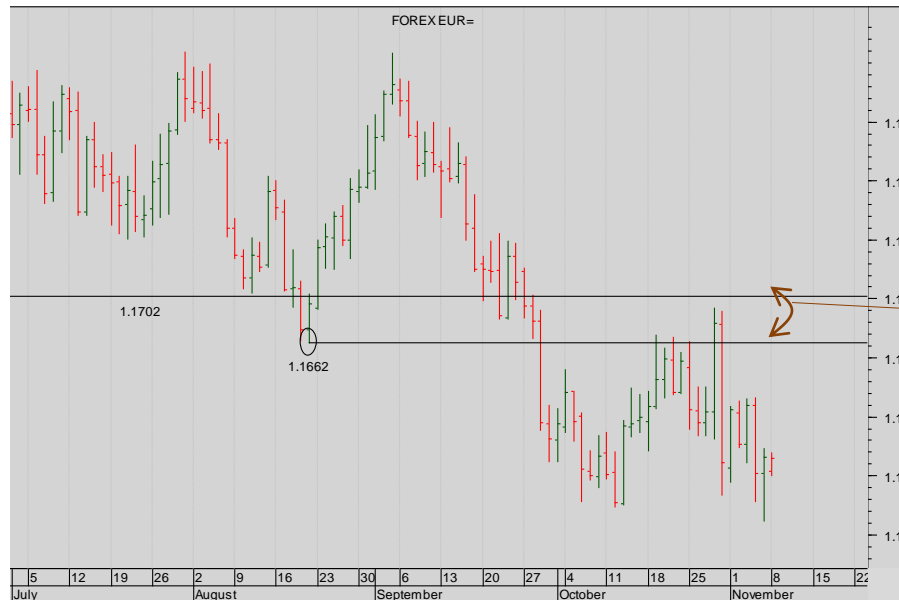
Dollar Euro weekly spot cash chart

Medium-term, this looks like a **COMPLETED Bear Double Top** (or a completed H&S Top)

A confirmed push down beneath 1.1492 is required for the bears to be confident.

Minimum move? **Down to 1.10 or so.**

The Dollar bulls are in charge.



Dollar Euro spot cash chart daily chart...

That band 1.1702-1.1662 was crucial resistance on any bounce.

The Euro bears are in charge.



Currencies: Dollar Sterling

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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 marketremain intact

Look closer at the small top in place



Dollar Sterling Monthly spot cash LINE CHART based on closes

This shows even more clearly that the overhead resistance is clearly intact and the market is recoiling from it.

The market is testing the Neckline of the Double Headed H&S Reversal pattern beneath the market...

Look closer.

More



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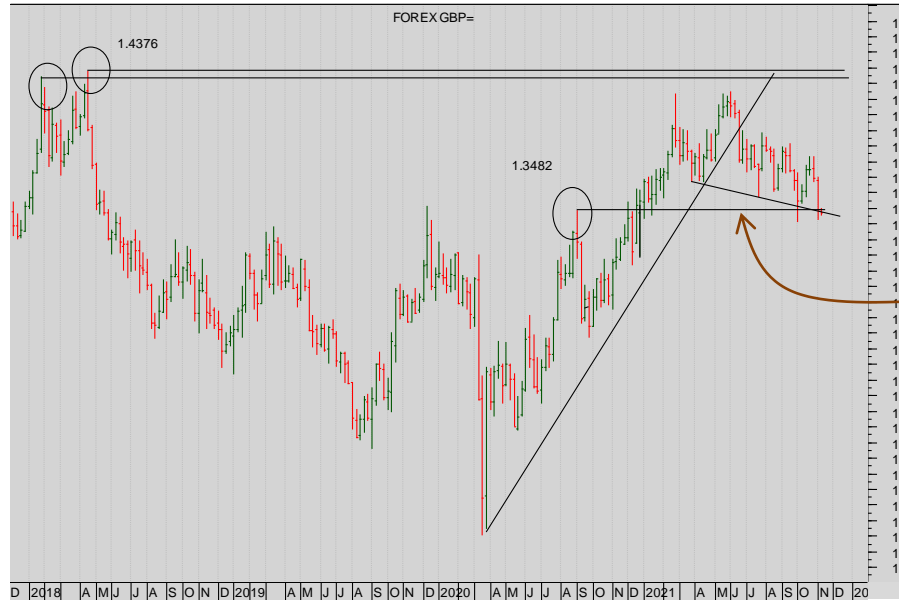
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Currencies: Dollar Sterling



Dollar Sterling weekly spot cash chart

A closer look:

Now note well the importance of the horizontal support at 1.3482 .

Only a break of that 1.3482 will send sterling down more sharply still.

Wait for the break.



Dollar Sterling daily spot cash chart

It's not clear.

Stand back short-term.

Watch for a break of the recent lows 1.3410.



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Currencies: Dollar Yen



Dollar Yen monthly spot cash chart

The bull falling wedge continuation pattern COMPLETED.

The Dollar bulls have a completion of the wedge to gain momentum – and now its clarified.

The Yen is going weaker.



Dollar Yen weekly spot cash chart

This push above the range (and additionally the completion of a bull rising wedge) is what has unambiguously confirmed the completed bull wedge above.

It's clear now.

More



Currencies: Dollar Yen

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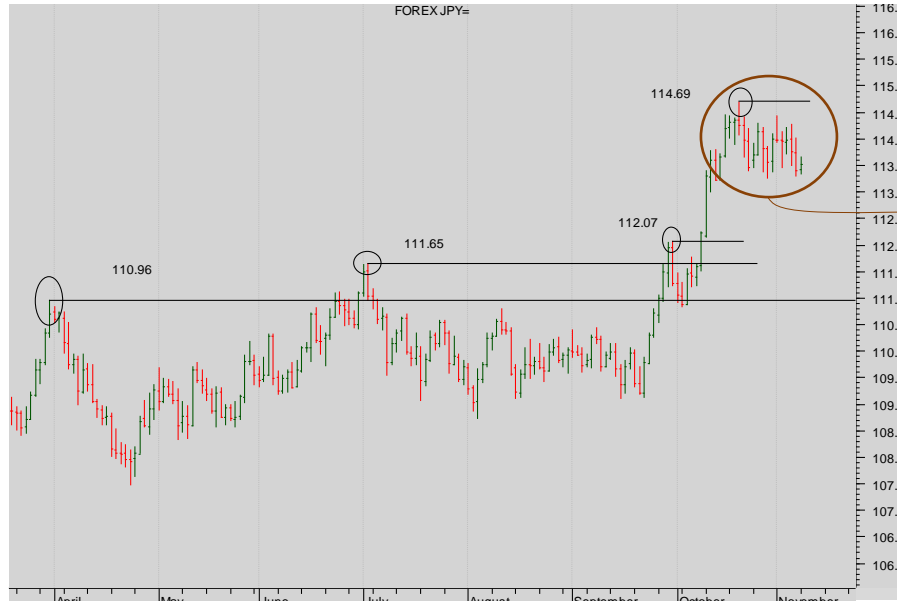
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Dollar Yen daily spot cash chart

Short term there's a trading range 113.40-114.69

Watch for a break

First support on a pull-back 112 and below.



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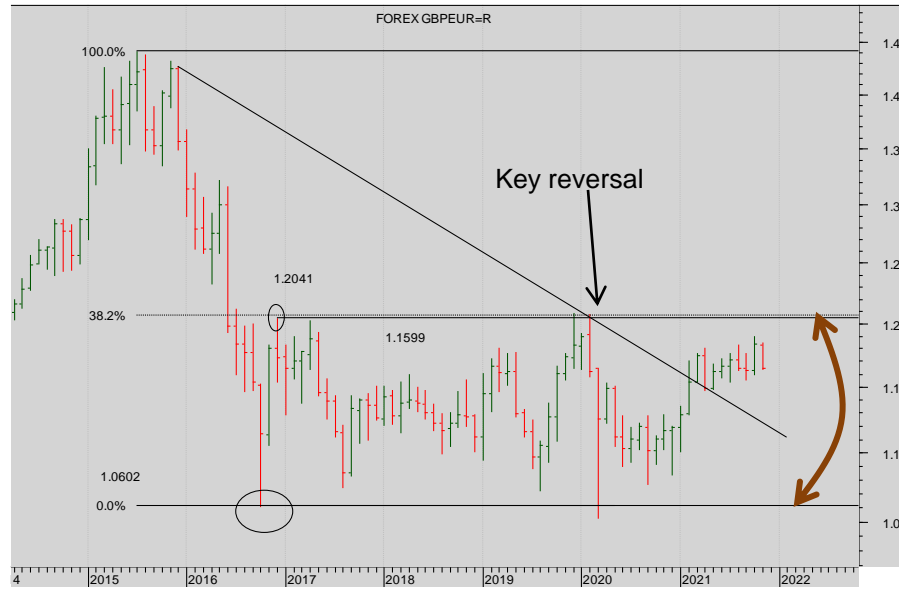
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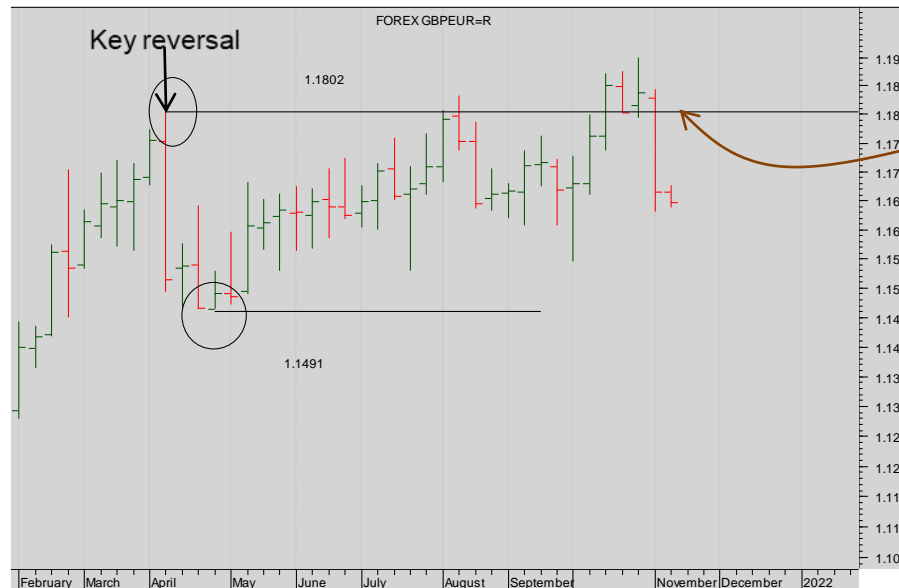
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Sterling Euro monthly spot cash chart

The market remains in the broad trading range.

Note the Key Reversal at the beginning of 2020 was unable to break the trading range (tho' it did drive the market to the other side of the range.)



Sterling Euro weekly spot cash chart

The near term range had a false break.

Stand back.

More



Currencies: Sterling Euro

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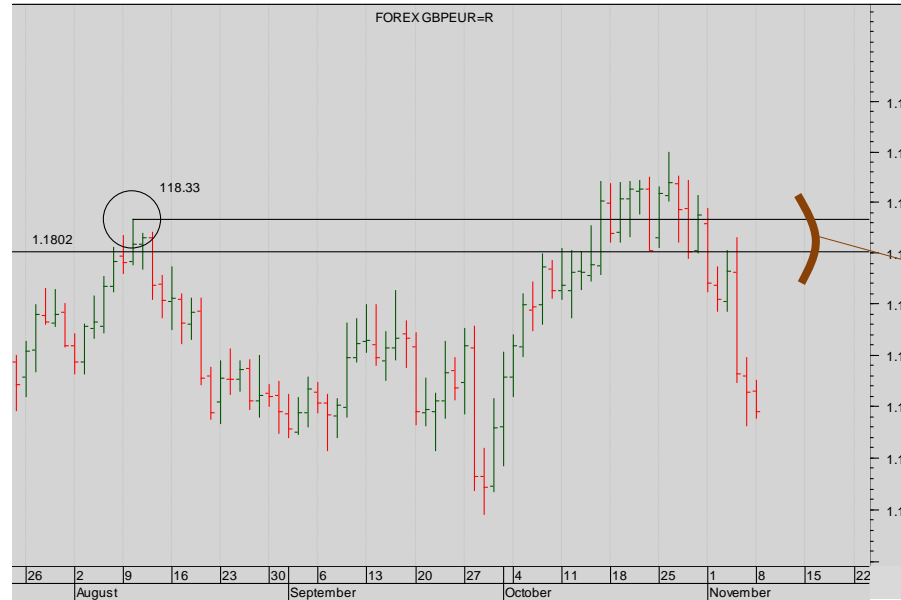
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Sterling Euro daily spot cash chart



Stocks: CME S&P

STOCKS: Still they rally - in all time frames. The laggard FTSE keeping pace, but lacking enthusiastic structures in the medium and long-term. Nikkei is hampered in the short term, but powerfully set up in the long term still.

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CME S&P 500 monthly cont. futures chart

The market drove above the Old high of 3397 – beginning the next bull leg.

First powerful support now at 3397.50

More



Stocks: CME S&P 500

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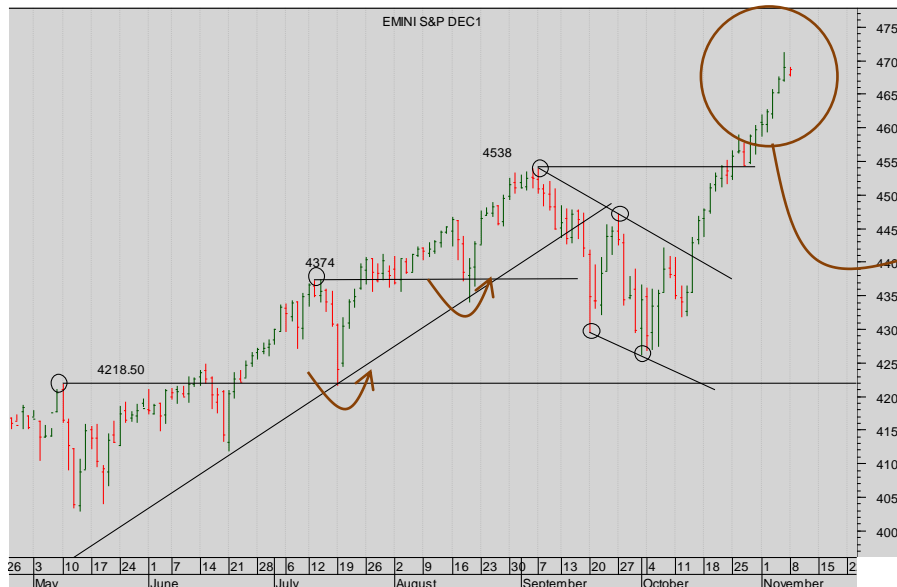


CME S&P 500 cont. weekly cont. chart

Note the recent bounce off the Prior High of 4228.

Now the Prior High pivot at 4538 has been surpassed.

The bulls are on the march!



CME S&P 500 daily Dec 2021 chart

The market bounced after the bull falling wedge completed.

Stand back and note the surge above the Prior High.

More



Stocks: Eurex EuroStoxx 50

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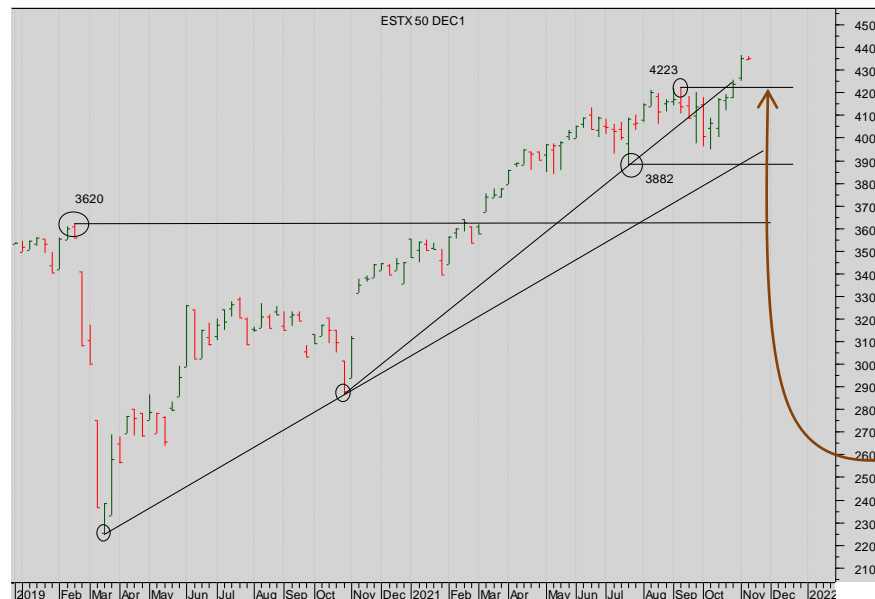
- + Oil
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Eurex EuroStoxx 50 monthly continuation futures chart

The market is establishing itself above the succession of Prior Highs, so a powerful platform of support has been built from which the market is trying to go higher.



Eurex EuroStoxx 50 weekly Dec 21 futures chart

The pause since July.

The push beneath the weekly established rising diagonal raised questions....but there was no appetite for selling.

Now note the break above the Prior High at 4223. A new bull leg is in prospect.

More



Stocks: Eurex EuroStoxx 50



Eurex EuroStoxx 50 daily Dec 21 futures chart

What is this? It's a good bull break out.

The band 4200-4223 is massively strong support now.

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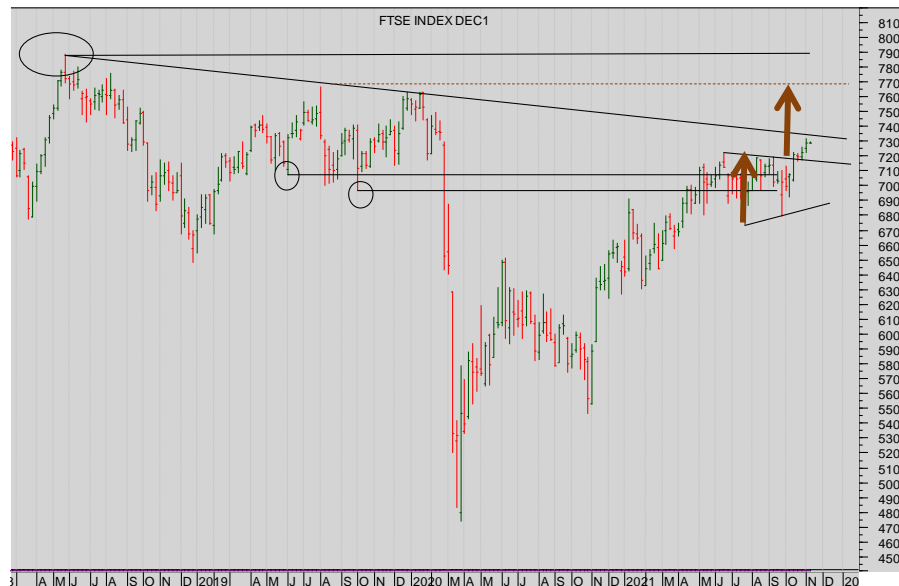
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Stocks: Liffe FTSE 100



Liffe FTSE 100 Monthly continuation futures chart

The market bounced into the massive overhead resistance above the market at 6475 ...



Liffe FTSE 100 Weekly cont. futures chart

That's a bull triangle that has completed.

Minimum move 7650!
Which is the high from 2019....

It's bullish, though note the falling diagonal from the Prior Highs, a relatively minor consideration surely. .

More



Stocks: Liffe FTSE 100

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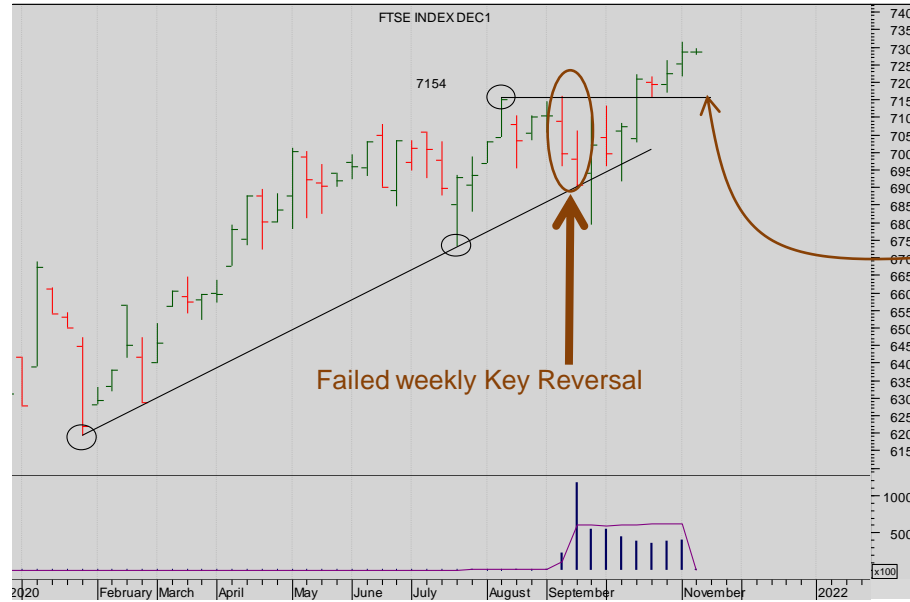
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Commodities

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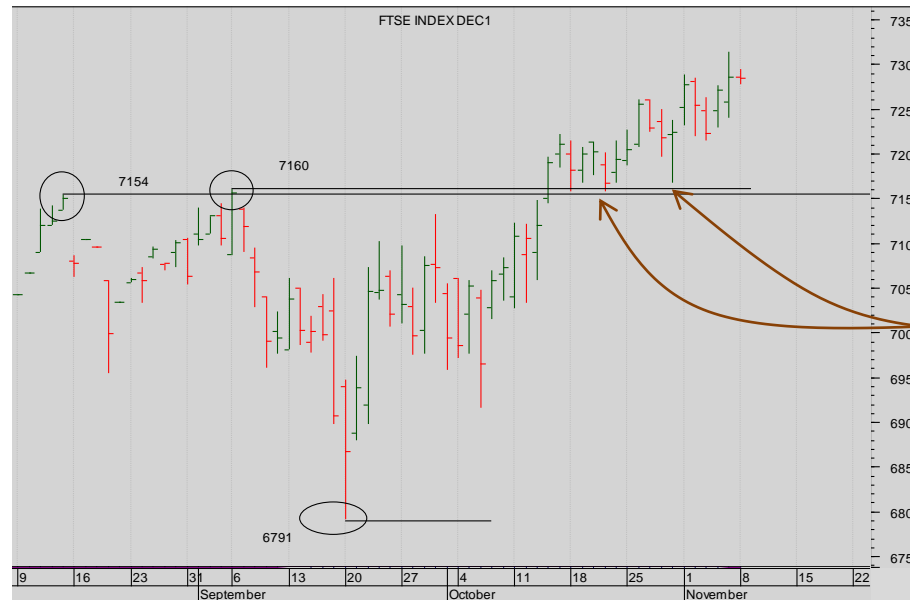
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Liffe FTSE 100 **DEC 21** weekly futures chart

An important bull break.

Support on any pull-back 7154_



Liffe FTSE 100 **Dec 21** daily futures chart

The market has smashed up through the Prior Highs.

It looks well set.

Look for support at the band 7154-60.

The market is working better and better. .



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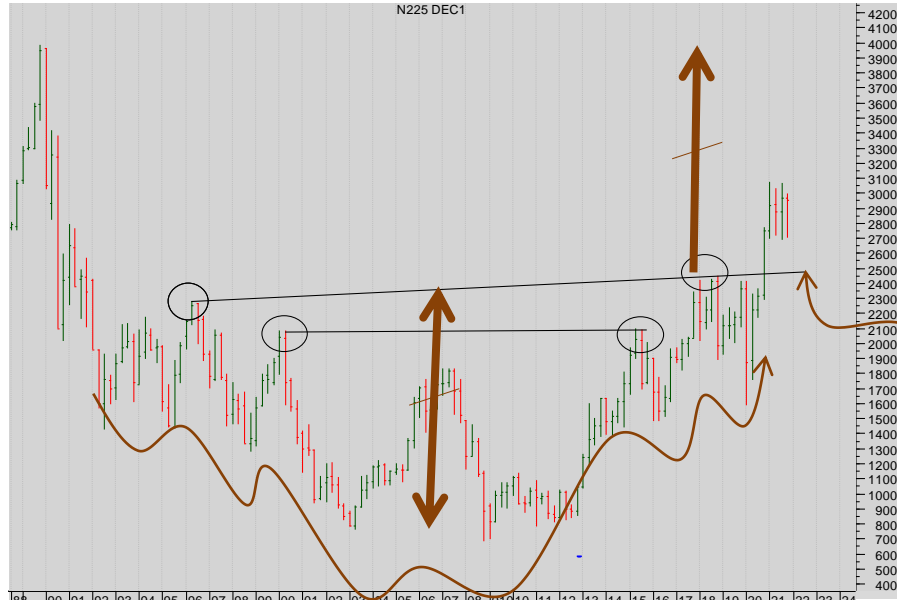
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Commodities

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IMPLIED ASSET ALLOCATION

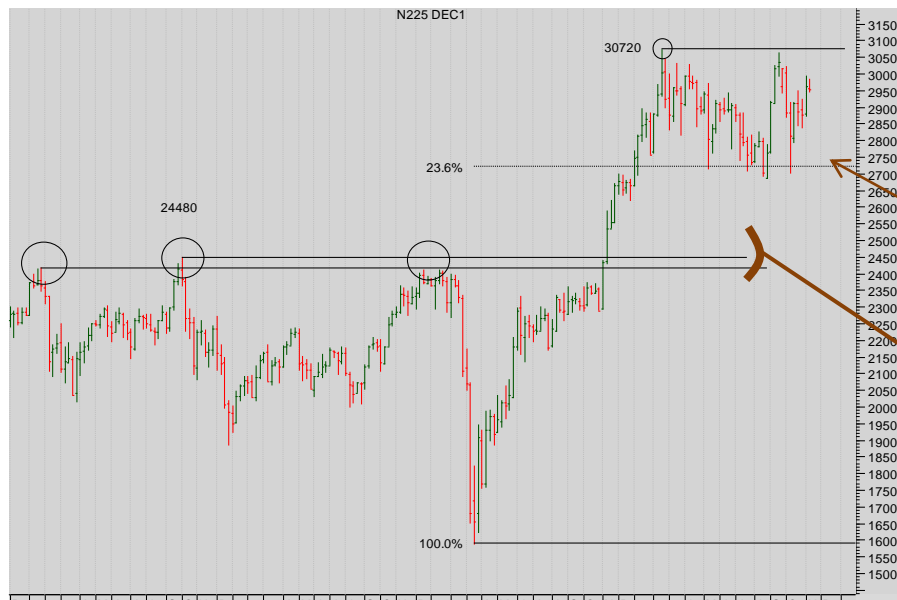
Stocks: OSE Nikkei 225



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.)

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



Nikkei 225 chart (WEEKLY continuation)

The fierce retracement was disappointing for the bulls but **didn't break the range.**

First important support at 24480

More



Stocks: OSE Nikkei 225



**Nikkei 225 chart Daily
Dec 2021.**

That push through 30000
was not confirmed.

Watch the range.

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IMPLIED ASSET ALLOCATION



Bonds

BONDS:

Still close but no completion yet: the US bond has yet to complete a powerful reversal signal. The Gilts have, and the yield weakness of last week is retesting that pattern. Bunds too have retraced sharply, watch our Fibonacci levels closely: they are the nearest and clearest short-term levels of significance.

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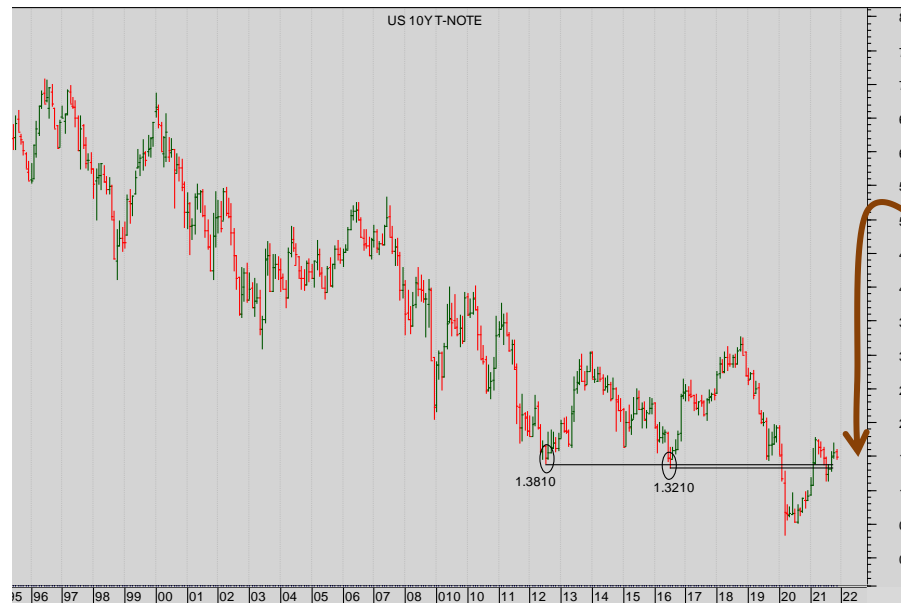
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Bonds: US Ten Year Notes (Yield)



US Ten Year Notes (Yield) monthly chart

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

More



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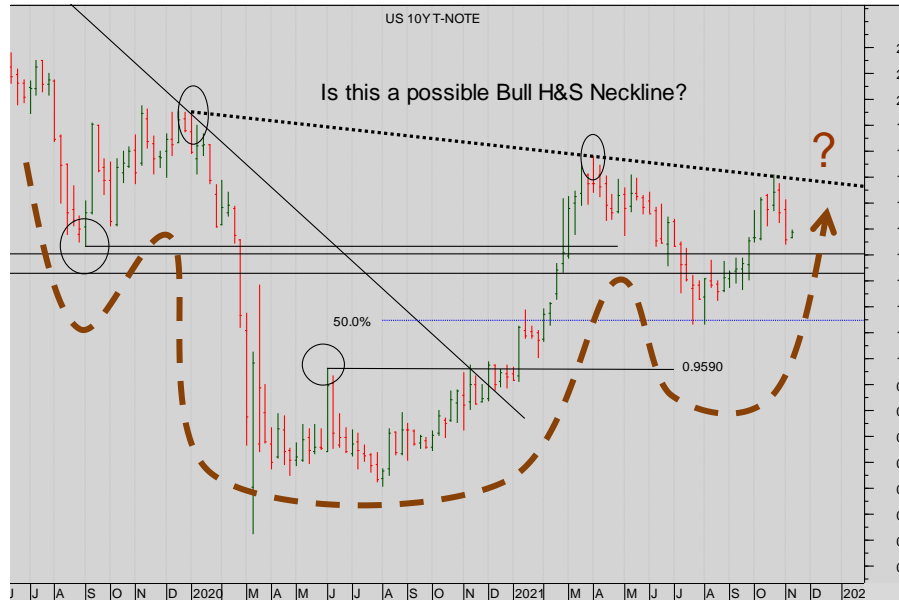
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Bonds: US Ten Year Notes (Yield)



US Ten Year Notes (Yield) weekly chart

Note the retracement was to a Fibonacci 50% support from which the market has bounced.

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

Wait for a break of the Neckline?



US Ten Year Notes Dec 2021 Futures price daily chart

Short term, there is clear bear market in bonds, the 132.57 Prior High **NOW SMASHED** looked to be important support ...now it is resistance/

The bears remain in charge despite the rally of last week...

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Bonds: German Bund yield chart



Bund monthly yield chart

There is a **break of resistance** at 0.204 - that level was broken and closed above last month.

Watch now for the close of this month to see if the break is sustained.



Bund weekly yield chart

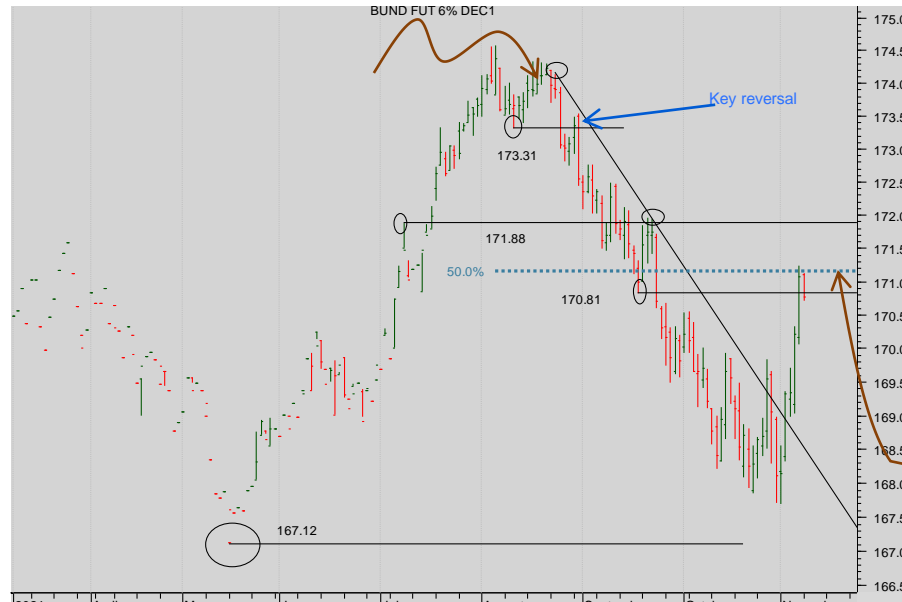
Watch the pivotal band of Highs - only a break up through -0.074 will **get the yield bulls going**.

NB The failure of last week was a notable Key Reversal – so there may be more on the downside to come...

More



Bonds: German Bund yield chart



Bund daily Sep 21 futures price chart

Note the Key Reversal that confirmed the final completion of the Double Top.

The Bund price has developed a strong daily bear trend – but the 50% retracement was sharp and explosive.

The Fibonacci may be good resistance now.

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IMPLIED ASSET ALLOCATION

Bonds: UK Gilt yield chart



Gilt monthly yield chart

The market long-term bear trend.

The market has clearly broken the diagonal downtrend resistance.



Gilt weekly yield chart

This is a very exciting: the market has completed a **bull H&S Reversal** coincidentally **breaking the downtrend resistance**.

Minimum target 1.8% yield

The retracement needs careful watching – threatening the support for the Neckline.

A brief single weekly penetration is ok so long as the market closes above subsequently...

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Bonds: UK Gilt yield chart

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Gilt daily Futures Dec 21 chart

This gives the bond bears hope: last weeks retracement stopped at the Fibonacci retracement resistance.

Use that (and the coincident 126.84 horizontal resistance) as critical resistance now.



Commodity

COMMODITIES:

The last week's sharp pull-back in oil prices now leaves the market on powerful and crucial support. For the moment we remain very bullish. Gold is looking very interesting for the bulls: watch our levels closely.

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Commodities: Nymex WTI Oil



Nymex oil monthly continuation

Note the break through the falling diagonal above the market.

And then the break above the horizontal resistance from the Prior Lows that reversed the last big rally in 2018.

More



Commodities: Nymex WTI Oil

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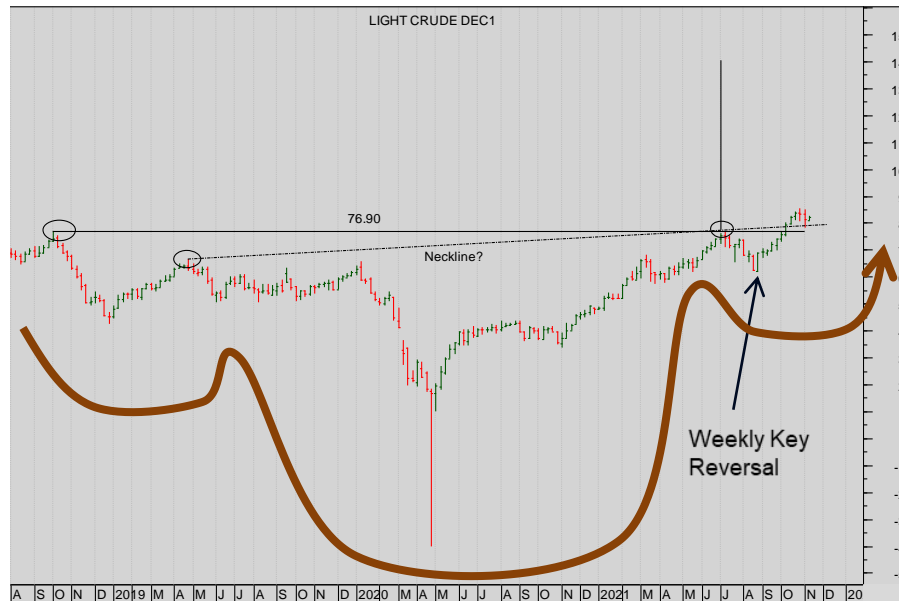
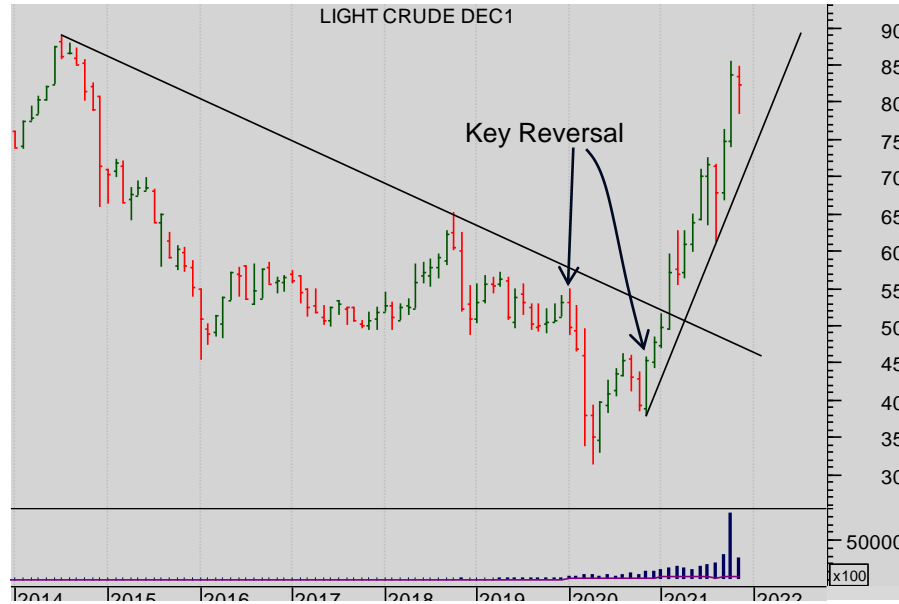
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Nymex oil monthly Dec 2021 future

It's a steep rally from the lows of the pandemic

Nymex oil weekly Dec 2021 futures

The last bit of the bounce fuelled by another Key Reversal has pushed through the Prior High at 76.90.

Which is also the completion of a H&S Reversal? If so minimum target of \$140.

Bullish!



Commodities: Nymex WTI Oil



Nymex oil daily Dec 2021 futures

1. The sharp bounce paused last week
2. The successive prior Highs that have ratcheted the market higher have soon themselves to be good support.
3. Taking into account the strength of the neckline in the weekly chart, the bulls will be relaxed thus far.

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Commodities: Comex Gold



Nymex Gold Monthly

The dither at the Prior High was entirely predictable.



Nymex Gold DEC 21 weekly

The support from the Prior High is impressive AND LOOKS TO HAVE UNDERPINNED THE MARKET

This is bullish.

Note the break of the falling diagonal that would complete a bull falling Triangle (or bull falling wedge)



Commodities: Comex Gold

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Nymex Gold Dec 2021 Daily

In the short-term there is the completion of a bull falling wedge.

But nonetheless, stand back unless the market can break 1836/9.



Nymex Gold Dec 2021 Daily

In the short-term bulls may wish to wait for a break of the Prior highs at 1836-1839..

Note the push up through the Prior High at 1815.



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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

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