



Market - Ticker (Futures contract month)	Weekly Closing Price	Price / % change from last week	Short-term trend	Long-term trend	Short-term price target	Long-term price target	Position Bias Aggressive/ Passive
EURUSD - EC (Dec'17)	1.2090	+0.0157/ +1.32%	→↑	↑	<b>1.2118,</b> <i>1.2151,</i> <i>1.2223</i>	-	long / long
GBPUSD - BP (Dec'17)	1.3240	+0.0242 / +1.86%	↑	↑	1.3461	1.3380, 1.3412	long / -
USDJPY - JY (Dec'17)	0.9318	+0.0203/ 2.22%	→↑	→↓	-	-	long / -
Crude WTI - CL (Oct'17)	47.48	+0.19/ +0.40%	→↑	→↓	-	-	- / -
S&P500 - ES (Dec'17)	2461	-11.50/ -0.47%	→↑	↑	-	-	- / -
Gold - GC (Dec'17)	1351.20	+20.80 / +1.56%	↑	↑	-	-	long / -
30-year Bond - ZB (Dec'17)	157 9/32	+2 3/32/ +1.35%	↑	↑	-	<b>157-28</b>	long / -

**Bold:** Price target achieved on close  
*Italic:* Price target hit but not on close

**EURUSD:** We turned mildly bullish on the Euro back in mid-March in issue #75 and officially bullish in issue #81, end of April, with the Euro circa at 1.09 versus the USD. In issue #84, we officially kissed parity goodbye and pointed out that 1.20 was in sight. We've now achieved all of our price targets in the 1.20 area. Do not step in front of this freight train.

**GBPUSD:** Very impressive action by Sterling having literally looked at the abyss a couple of weeks back. It clearly didn't like what it saw. Let's see how it turns out this time. Manage risk carefully.

**USDJPY:** It's time to look at the long side again. Given the broader USD weakness, it seems all currencies are rallying against the USD.

**Crude WTI:** It remains impossible for us to make anything of the oil picture. No position is a position.

**S&P500:** Last week we wrote among other: *"We're at price and momentum levels where it is absolutely perfect to pause and sell-off. If this doesn't happen by Thursday, then expect a powerful rally. Stay tuned."* It is still super-tricky to pick sides in our view. We're toning down our mild bearishness and we'll stay with our default position which is preservation of capital. A few things to bear in mind for the bullish case: a) our model has turned fully bullish b) we have price targets pointing quite higher c) this market keeps digesting incredibly ugly news with great comfort; and a few things to bear in mind for the bearish side: a) seasonality, September is the weakest month b) very long-term overbought c) price gap down following Labor Day. This week should be interesting as it's options expiration and so-called "quadruple witching".

**Gold:** The trend remains up. We're up \$50+ from our long recommendation in the last issue. Price weakness should be used to add to the long position.

**30-year bond:** Last week we achieved our 155-19 price target on close. This week we achieved our 157-28 piece target but did not manage to close the week at that price or higher. This is typically a sign that we're getting over-extended. Also note the disconnect between bonds and stocks: the rally in the bonds has not translated into an equity sell-off. This is quite suspect. Let's see how it plays out. Could the bonds be telling something?

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