



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)	1.1998	-0.0093/ -0.77%	→↑	↑	1.2091, 1.2018	-	long / long
GBPUSD - BP (Dec'17)	1.3608	+0.0261 / +2.80%	↑	↑	1.3461	1.3380, 1.3412	long / -
USDJPY - JY (Dec'17)	0.9057	-0.0261/ -2.80%	→↑	→↓	-	-	- / -
Crude WTI - CL (Nov'17)	50.44	+2.41/ +5.02%	→↑	→↓	-	-	- / -
S&P500 - ES (Dec'17)	2497.25	-11.50/ -0.47%	→↑	↑	2509	2517.75, 2531.75, 2538, 2571	long / -
Gold - GC (Dec'17)	1325.20	-26.00 / -1.92%	↑	↑	1383.50, 1392.60	-	long / -
30-year Bond - ZB (Dec'17)	155 1/32	-2 8/32/ -1.43%	↑	↑	157-15, 158-16	157-28	long / -

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

EURUSD: The Euro freight train is taking a breather after achieving most of our price targets but not on close (see Issue #100). Our model indicates that the currency is getting “heavy” and we should not be surprised to see lower prices. That said, all trends are strongly up so dips should be used as entry opportunities given the right risk-reward.

GBPUSD: Wow! From zero to hero in 3 weeks. This spectacular rally, for which we were rightly positioned, has taken Sterling to the highest level this year as well as achieved all of our price targets (in fact, ripped through them). Were’ now at a new crossroads: the 50% price level between the pre-referendum high (1.5160) and post referendum low (1.2150) on the December contract i.e. $(1.5160+1.2150)/2 = 1.3655$. What does this mean? It means that this level will either continue to serve as longer term resistance OR will be the next springboard. Time will tell.

USDJPY: Last week we wrote: *“It’s time to look at the long side again. Given the broader USD weakness, it seems all currencies are rallying against the USD.”* Massive reversal and that’s what stops are for. We’re stepping aside.

Crude WTI: We continue to maintain our “no position is a position” stance but can’t help noticing that the path of least resistance is developing on the long side.

S&P500: New highs and higher price targets.

Gold: This week’s sell-off in gold can be used as a long entry opportunity provided the right trade appears. The trends remain solidly up.

30-year bond: This week we gave up all the gains of the previous week. In spite of the beating, our quantitative model inputs still point to higher prices. Wednesday’s FOMC will hopefully give a better sense of direction to this market.

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