



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
EURUSD spot	1.1650	-0.0123/ -1.04%	↓	→↑	-	-	-
GBPUSD spot	1.3296	-0.0176 / -1.30%	↓	→↑	-	-	-
Crude WTI - CL (Jul '18)	67.88	-3.49/ -4.89%	↑	↑	-	74.71, 78.29	long
Eurostoxx 50 cash	3515.36	-58.40 / -1.63%	↑	→↑	3621.71, 3666.50	-	long
S&P500 - ES (Jun '18)	2718.25	+5.25/ +0.19%	↑	→↑	-	-	long
Gold - GC (Aug '18)	1309	+12.4/ +0.96%	↓	→↑	1275.6	-	short
30-year Bond - ZB (Jun '18)	142 27/32	+2 16/32 / +1.78%	↓	↓	140-6, 139-03	139-24, 137-06, 135-31	short

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

EURUSD: The Euro has clearly “cracked”. We’ve been saying that it’s “oversold” for a while, yet we continue to make significantly lower lows. Anything can happen when a market gets into such a disequilibrium. We prefer to watch from the sidelines.

GBPUSD: Sterling has also “cracked”. It is now also at its 50% retracement level between the pre-referendum high and the post-referendum low. That said we have no view about its future direction. We typically use the EURGBP cross rate in such situations to gauge differently at potential outcomes. Sadly, we’re none the wiser even though the evidence on the crossrate is very slightly in favor of a stronger Sterling vs. the Euro. We advise to wait for further clarity. No position is a position.

Crude WTI: Last week we wrote: *“We keep heading higher and closer to our next price target of 74.71. Attempting to short oil at this stage will be ruinous to one’s financial health.”* Sitting this morning looking at this statement it is very tempting to feel like an idiot when the market sold off almost 5% during the week. However we’re not in the business of picking tops or bottoms as we trade with the trend, acknowledging the imperfections of our method and focusing on execution and risk management. The bull is certainly not dead. Long entries remain the order of the day.

Eurostoxx50: In our experience, when an uptrending market goes from overbought to oversold very quickly, like the Eurostoxx 50 did this week, then this is usually a market that is very strong. Looking at the longer term trend however, we’re at some very serious resistance levels and we continue to fail to make new all-time highs. The momentum remains with the bulls for now but we’d like to see new all-time highs very soon to get more confidence in the uptrend.

S&P500: This index remains weak and time is definitely not on its side as it continues to consolidate. The short-term and long-term trends according to our model point to a move higher in an otherwise “too-close-to-call” situation. We will go with the bulls for now.

Gold: We remain bearish on gold with our next price target at 1275.60.

30-year bond: A couple of weeks ago our first price target at 140-06 was hit, even though we failed to achieve it on close. Ever since we’ve experienced a strong rally. While the overall picture remains quite bearish, the price action of the last three days is hinting at a temporary bottom.

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