AFRAID to TRADE
overcoming stock market fears with Corey Rosenbloom

Weekly Inter-market Technical Report

Summary Chart

	TREND STRUCTURE			
	Primary	Intermediate	Short-Term	Money Flow
10-Year Note	UP	UP	DOWN	OUT
SP500	UP	UP	UP	IN
Gold	DOWN	UP	UP	IN
Crude Oil	DOWN	DOWN	UP	IN
US Dollar	UP	DOWN	DOWN	OUT

		SHORT-TERM TARGET			INTERMEDIATE-TERM TARGET		
	LAST*	UPSIDE	DOWNSIDE	KEY LEVEL	UPSIDE	DOWNSIDE	KEY LEVEL
10-Year Note	120.14	125	120	121	131	120	121
SP500	2747	Unlimited	2,400	2,700	Unlimited	2400	2700
Gold	1330	1,400	1320	1300	1400	1300	1300
Crude Oil	63.57	55	40	65	60	40	65
US Dollar	89.08	105	90	92.5	105	90	92.5

Intraday Intermarket

We saw price continue the "retracement" plays after the earlier volatility.

Stocks rallied and closed at resistance highs along with Oil while the Dollar bounced up toward 90.00 (as expected) and Gold continued trading "down away from" our $1,360 level.

Keep these levels in mind as you adjust open positions or put on new ones.

10-Year Treasury Notes ($UST – Price)

Monthly

As the Fed continues a Rate-Hiking campaign, we'll be cautious and even bearish on Bonds long-term especially beneath 122 and 121 should that occur. Watch support here for a bounce or breakout event though odds continue to favor more downside future action.

Ultimately the 120 level is the critical MAKE or BREAK pivot for the near-term future.

Weekly

Bonds FELL at weekly support recently as expected, crushing lower THROUGH 122 and the 121.50 target. Compare the monthly 50 EMA with the breakdown and collapse toward the prior support on the weekly chart from 2015.

With price now JUST BENEATH our 121 pivot level into 120's target as we look to play a bullish BOUNCE/RALLY or retracement higher toward the 123 weekly pivot target (pullback).

If that does not happen and price falls further - and yields spike higher - we could see even more selling pressure take the price of bonds AND stocks lower (alternate thesis for now).

Daily

As mentioned on the WEEKLY chart, bonds are in a short-term DOWNTREND into a key weekly chart SUPPORT pivot at 122.00 (here) then 121.50 **and when those levels failed, we turn to 120.**

Here's another quote from last week : *Otherwise, look to short (or avoid) bonds beneath 123 which opens a rapid sell-swing pathway and continues the downtrend toward 122 then 120.*

Price traded all the way down through support toward 120 where we begin next week at a critical round number in an overextended sell-swing/collapse lower. Be ready for a bounce.

US S&P 500 ($SPX)

Monthly

At the moment, the February monthly candle (bar) above is a powerfully violent single candle, one of the largest down-month bars (so far) since the reversal in 2009. The non-stop multi-month up-rally was grossly overextended and was unlikely to end without a collapse bar at a minimum - and here it is.

Note the lower frame levels and monitor the immediate departure from the critical levels - both the Weekly and Daily long-term pivots have been achieved.

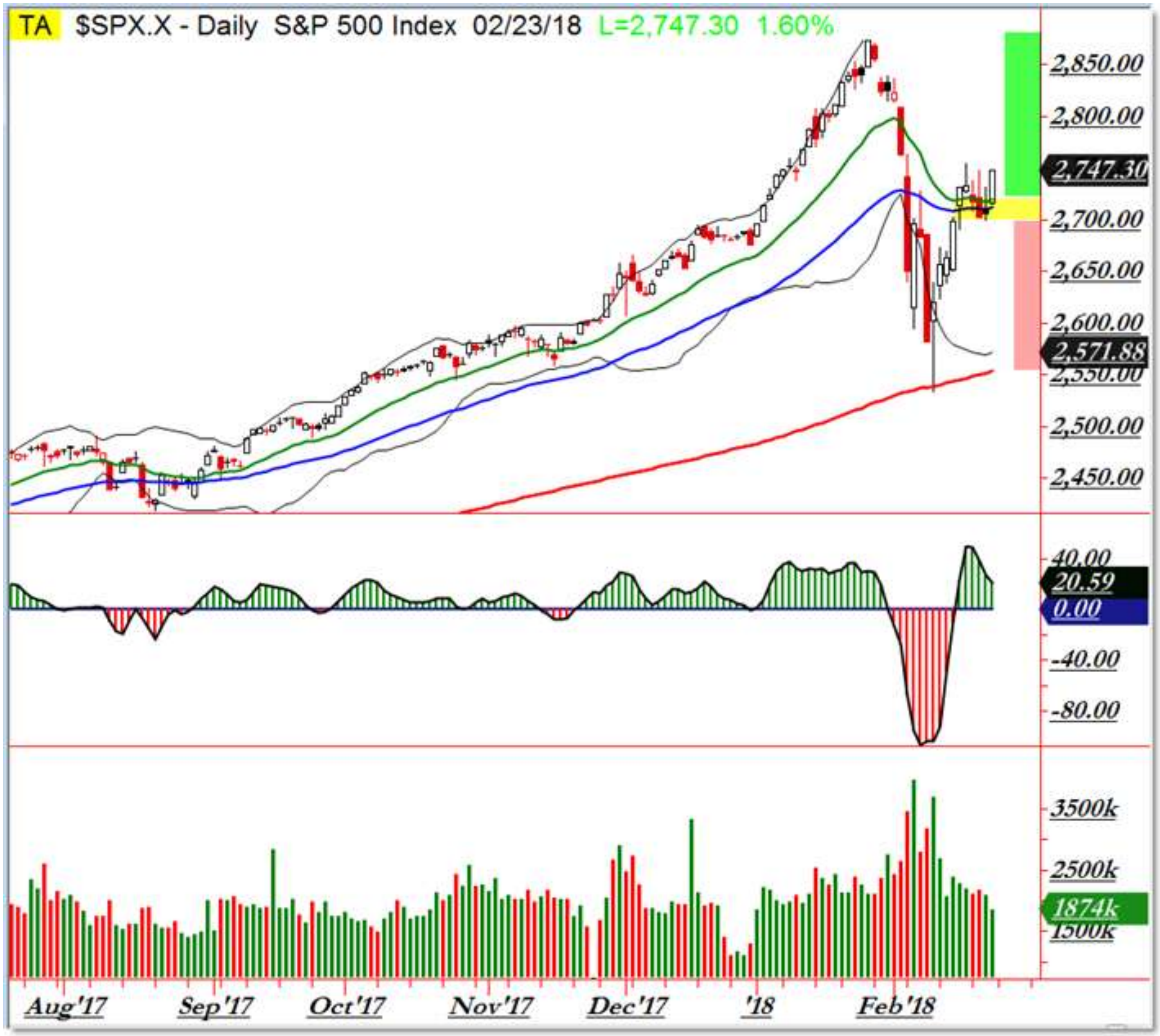
Weekly

Here's the key quote that I emphasized clearly last week: *It does increase the odds of a larger/violent snap-back in the future so please be careful however you are choosing to trade this overextended environment.*

Clearly, here is our "violent snap-back" that collapsed us from 2,900 toward 2,500.

Note the 50 week EMA and intraday reversal just beneath 2,550 which is also the 200 day SMA. **Look to trade a departure/bounce up away from this pivot if you're aggressive.** We're seeing our continuation bullish move or rally UP AWAY FROM the 2,550 pivot toward 2,800.

Daily:



January gave us an "impossible" bull market without pullback which simply increased the odds for a violent snap-back retracement which we're finally getting as we begin February.

Even with the volatility, trade the lowest timeframe possible. Rallies like we had don't tend to end nicely for bulls when the music stops (the price trend turns lower rapidly).

Like the weekly chart level, play the immediate departure/rally UP away from the surprisingly quickly achieved 200 day SMA target at 2,550. Our rally took us above our 2,700 target and now puts us in a "bullish above 2,750" environment or bearish beneath 2,700. If not already positioned, remain NEUTRAL between 2,700 and 2,750 and ready for a breakout.

Gold

Monthly

Gold broke out of our sideways trend recently, allowing aggressive traders to play the breakout swing UP AWAY FROM the $1,300 known resistance target. Price then played up toward our $1,370 target and we used it as our departure point to play the bearish DEPARTURE (retracement) from this level. At this point, a SIDEWAYS trading range (triangle) has developed with price still trading DOWN away from our $1,360 pivot (see Weekly Chart).

Weekly

We've been playing BEARISHLY for our ongoing departure/sell-swing DOWN AWAY FROM the $1,350 level, playing for $1,300's price overlap as price closed the week just above our midpoint target.

We got an initial bearish play down away from $1,370 but then a violent rally the prior week up off support - as planned - back into our pivot. Price traded DOWN AWAY FROM it again last week giving us a support target of the 20 day week EMA near $1,330 and resistance at $1,360.

Daily

We'll repeat last week's quote as it's identical to this week (though closer to our targets):

Like stocks, it's LATE in the game to get long/bullish here but again we don't want to fight/fade (trade against) the bullish upside strong price action. Play the departure from $1,340.

Note the Daily Chart EMAs and be ready for a possible bounce off $1,320 which is exactly what occurred last week.

The Daily Chart places price BETWEEN the 20 and 50 day EMA making a BREAKOUT play the most logical approach if you're not already positioned.

WTI Crude Oil ($WTIC)

Monthly

As always, start with the Weekly Chart and note key levels and plans - including targets for the retracement toward weekly and daily target support. Oil remains in a longer-term sideways trend with bullish overtones and bullish short-term trends.

However, we're seeing selling pressure take price down away from $66.00 as is expected while stocks fall.

Weekly

Here's again a quote from last week that catches us up to speed:

The market is trading at the highs but diverging/weakening on the Daily Chart so note the pullback play toward $60 on the weekly chart should we get a breakdown beneath $64 (daily).

Here we are! Like stocks, oil trades into a weekly pivot target at $60.00 which is the rising 20 week EMA.

We're in a bullish bounce - like stocks - on the departure UP AWAY FROM $60.00 as planned.

That sentiment continued last week with a bounce and continues into $65.00.

Daily

As was logical given the divergences - and the sell signal in stocks - Oil collapsed DOWN AWAY from our $66.00 and $65.00 level toward our weekly pivot at $60.00.

While that's simple and complete, note any "departure" play or bounce up away from this level as would be the expectation in stocks.

That was the correct strategy last week as stocks rallied higher with reversal candles at pivot support all last week. Note the target achieved into $62.50 (with stocks) and treat Oil in a similar game plan as you do stocks at similar bounce-after-falling levels.

US Dollar Index ($USD)

Monthly

Targets have been achieved on all timeframes so update your positions here in the Dollar with respect to our Wide Neutral Range and bull/bear pathways.

Price fell once again beneath our critical pivot near $91.00, collapsing in a violent breakdown as seen best on the Weekly Chart. Note the Fibonacci Level (61.8%) in play at the 88.50 level and the bounce that occurred last week.

Weekly

The short-term downtrend continues with price trading back down - then breaking strongly beneath (on high volume) - the 90.00 **low toward our 61.8% pivot target of 89.00.**

Here's the active quote from last week that holds sway this week too:

The Dollar collapses while the US Stock Market surges as the strong inverse relationship continues but should stocks continue fall, we would expect the Dollar to BOUNCE from here.

Right on cue and off our target, the Dollar bounces - potentially toward $92.00.

Daily

Again, let's start with last week's quote as we update this week:

However, the Dollar trades into the 61.8% Fibonacci retracement on a small positive divergence with reversal candles, suggesting odds favor a BOUNCE up away from 89.

With the Dollar into $90.00, look to play cautiously here as our short-term goal is achieved with a violent - yet expected - rally. Cautious is key here. The same strategy that we used last week - departing from 89.00 - is again at play in the week ahead for us.

At this point, play the DEPARTURE from $90.00.

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