

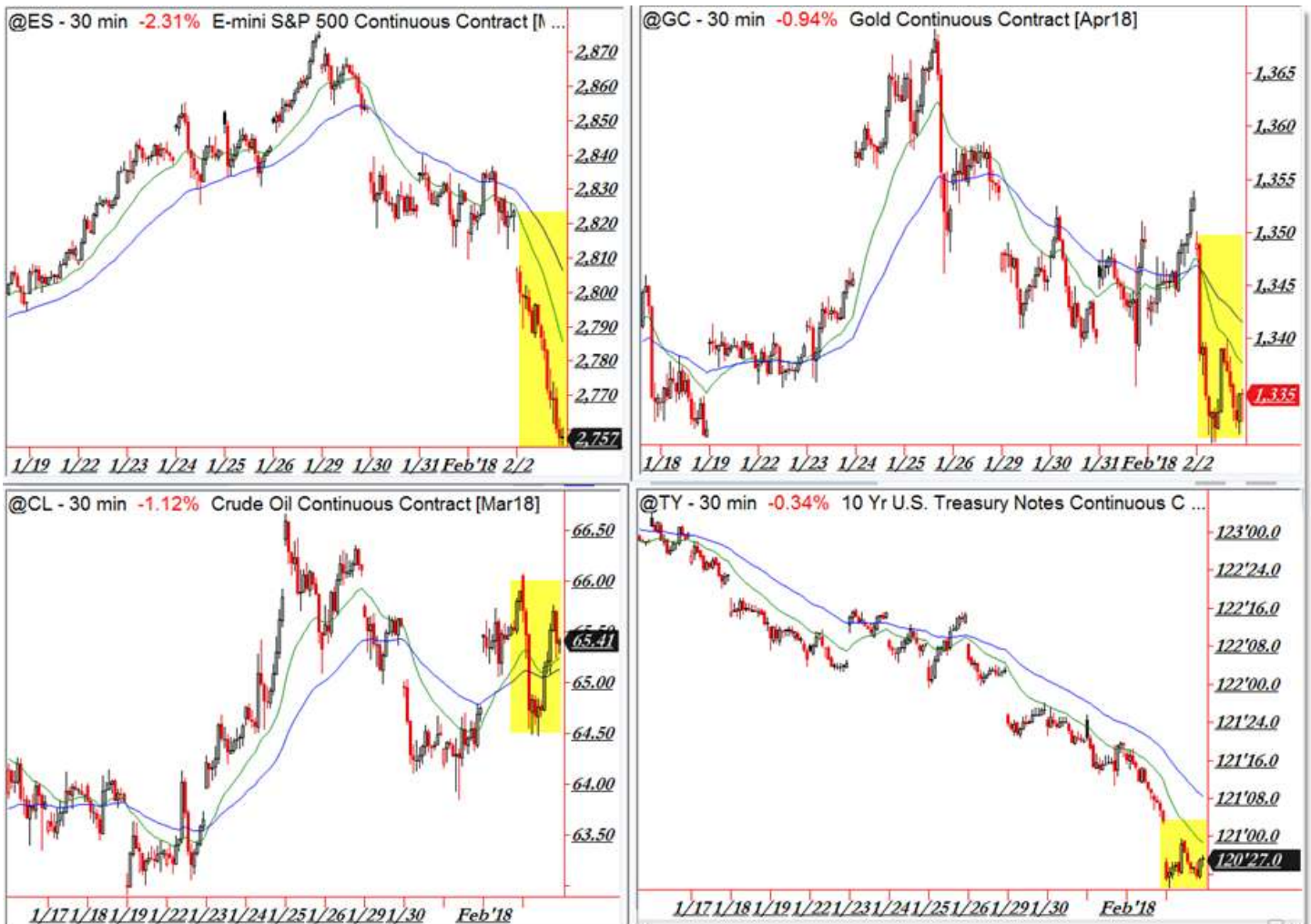


## Weekly Inter-market Technical Report

### 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 | 120.27          | 125               | 122        | 127        | 131                      | 122      | 124       |  |
| SP500        | 2757            | Unlimited         | 2,400      | 2,700      | Unlimited                | 2400     | 2700      |  |
| Gold         | 1335            | 1,400             | 1320       | 1200       | 1400                     | 1300     | 1300      |  |
| Crude Oil    | 65.41           | 55                | 40         | 45         | 60                       | 40       | 50        |  |
| US Dollar    | 89.03           | 105               | 90         | 92.5       | 105                      | 90       | 92.5      |  |

# Intraday Intermarket



Friday was quite the interesting day in the cross-market landscape!

Stocks collapsed as Treasury prices continued their collapse lower (as yields spiked higher, a catalyst for the equity sell-off).

Still, Gold simply traded down from our resistance high target near \$1,370 as Crude Oil rallied once again up away from its daily EMA target.

Watch all these levels and a possible support-bounce for the Dollar.

# 10-Year Treasury Notes (\$UST – Price)

## Monthly



Bonds remain in a **longer-term uptrend** - that is at risk of reversing - until proven otherwise beneath the 121.50 level. We've had plenty of pullbacks on the Monthly Chart, all of which served as valid pro-trend retracement (buy) opportunities. Yields continue to rise.

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.

## Weekly



Bonds FELL at weekly support last week, 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.

As stated last week, any future breakdown beneath 123 likely triggers our BEARISH PATHWAY toward 121 or even lower into the future. That quote from last week is true for this week as we certainly had a collapse lower toward 120 - which is a longer-term target.

## Daily



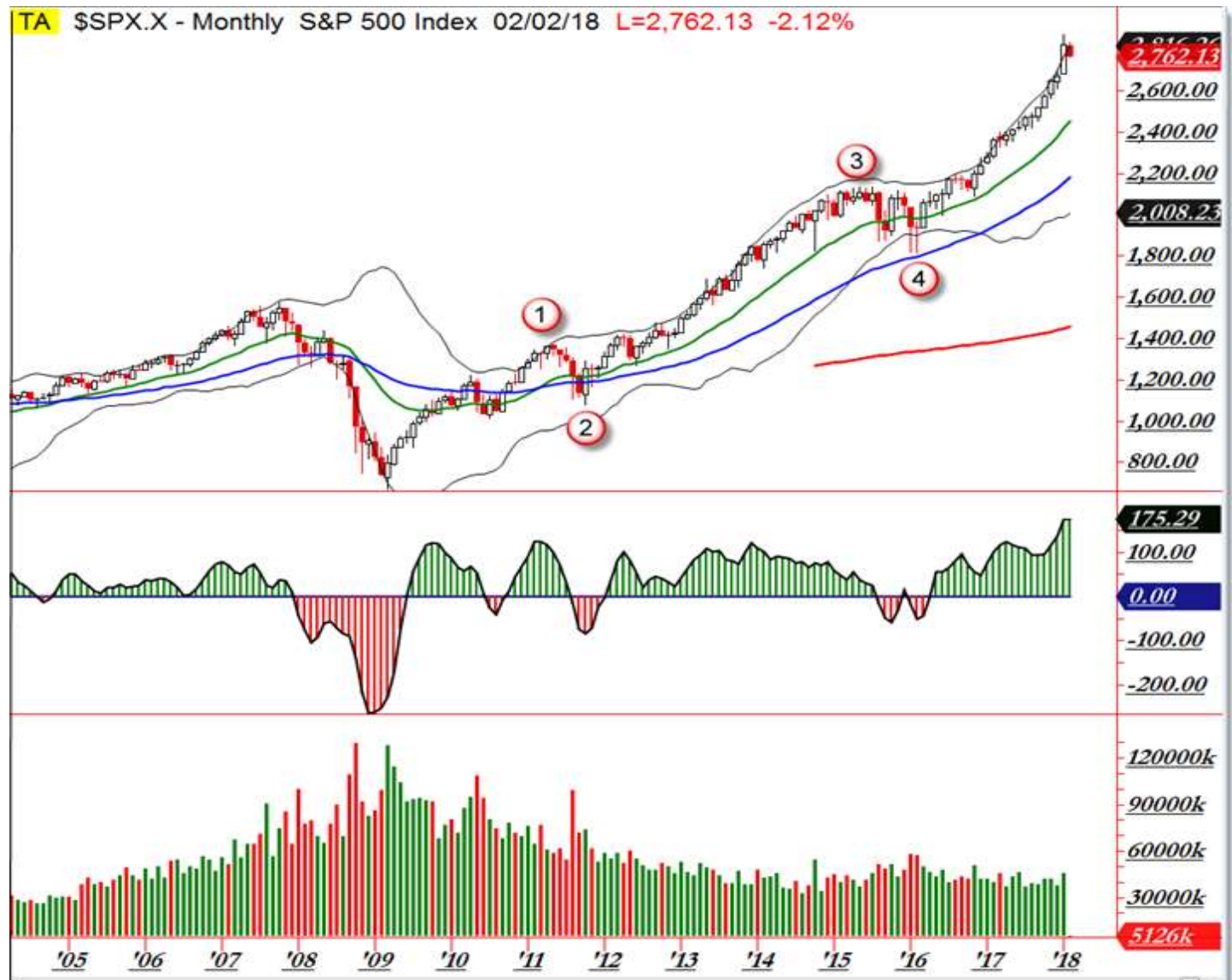
As mentioned on the WEEKLY chart, bonds are in a short-term DOWNTREND into a key weekly chart SUPPORT pivot at 122.00 (here) then 121.50 and when those levels failed, we turn to 120.

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 121.*

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 on guard for a bounce.

# US S&P 500 (\$SPX)

## Monthly



Stocks pushed and closed at new all-time highs near 2,750 in a continued short-squeezed breakout in the ongoing late or ending THIRD WAVE of a likely final (long-term) primary fifth wave toward 2,600. We're overbought but extending multiple months higher in a **strong, multiple timeframe uptrend** - and we'll focus on lower timeframes for the week ahead as usual. Note how FAR extended price is from the 20 month EMA near 2,400 which only notes caution in an overbought market, not bearishness.

The beginning of February gave us a powerful pullback - monitor lower frame charts in this grossly overextended bull market.

## Weekly



The Weekly Chart reminds us that **we remain in a rising trend on ALL timeframes, making us bullish until proven otherwise**. For simple strategy planning, we're playing the DEPARTURE from 2,900 as we've done at recent similar "round number" levels (we're at 2,750 now!)

We keep playing this extended bull market while it lasts, knowing it won't last forever and last week may have been a temporary pause in the run-away bullishness (and a return to normal). It's a unique situation but the market does continue defying traditional wisdom by refusing to give even a small pullback. *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.*

## 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.

With price trending now beneath the 20 day EMA, look for a test of the 50 day EMA for a "full pullback" play which is near 2,725.

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).



# 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 rapidly rallying toward our upper target (see Weekly Chart).

## Weekly



We've been playing BULLISHLY for our ongoing departure/rally UP AWAY FROM the \$1,250 level, playing for \$1,300's price overlap as price closed the week at the trendline and weekly Bollinger Band. Now, we're nearing our official longer-term target of the \$1,350 level which is a key price pivot, triangle trendline, and upper Bollinger Band target. Watch this level closely.

Friday gave us an initial departure from this target - see the Daily Chart and the newly developing weekly SELL pathway lower away from \$1,370.

## Daily



Gold surged at the end of 2017 and continued surging higher with a minimal retracement.

Again, we're playing up toward the \$1,340/\$1,345 pivot which is just shy of the prior spike high of \$1,360. Price suddenly achieved then FELL from our prior high just above \$1,365 as it trades now into the support (target) of the 20 day EMA at \$1,340.

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, targeting \$1,320 then \$1,300 on a steeper pullback (trigger break) under \$1,335.

# 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 as we firmly and strongly (like stocks) break ABOVE a resistance target high at \$65 - where price currently trades above this level for now.

## Weekly



Use both the Weekly and Daily charts to form your targets and trades as price moves **ABOVE THE HIGH of this weekly range** (\$55) with pivot target near \$65.00.

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).

## Daily



Oil continues the BULLISH UPTREND (with stocks) and exceeded our \$60.00 target now above \$65. While stocks collapsed, Oil did not (it remains at the swing highs).

We even got our pullback last week toward support (rising 20 day EMA) and the expected/logical BULLISH uptrend action with yet another small bounce higher.

Use the \$66.50 level as your pivot, continuing any bullish trades into "open air" (no resistance/no target) above \$66.00 or (dominant thesis) cautious beneath \$65.00 toward \$63.50 then \$62.00 then \$60.00 (weekly).

# 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 right now.

## Weekly



The Dollar fell from our Monthly (20 EMA) and Weekly (50 EMA) pivot targets just shy of 95.00 and continued doing so last week; in fact, the Dollar continues to be the biggest moving (downside) market that we track.

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.

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.



## Daily



The "collapse" thesis continued (remember "we do NOT fight or fade trends in motion") and the Dollar did push beneath 89.00 to end the week just off new swing lows in a persistent downtrend (compare with the persistent uptrend in Stocks and downtrend in Treasuries).

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

Simply stated, if we DO NOT get that bounce, then look for a continued collapse lower.

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