

AFRAID to TRADE

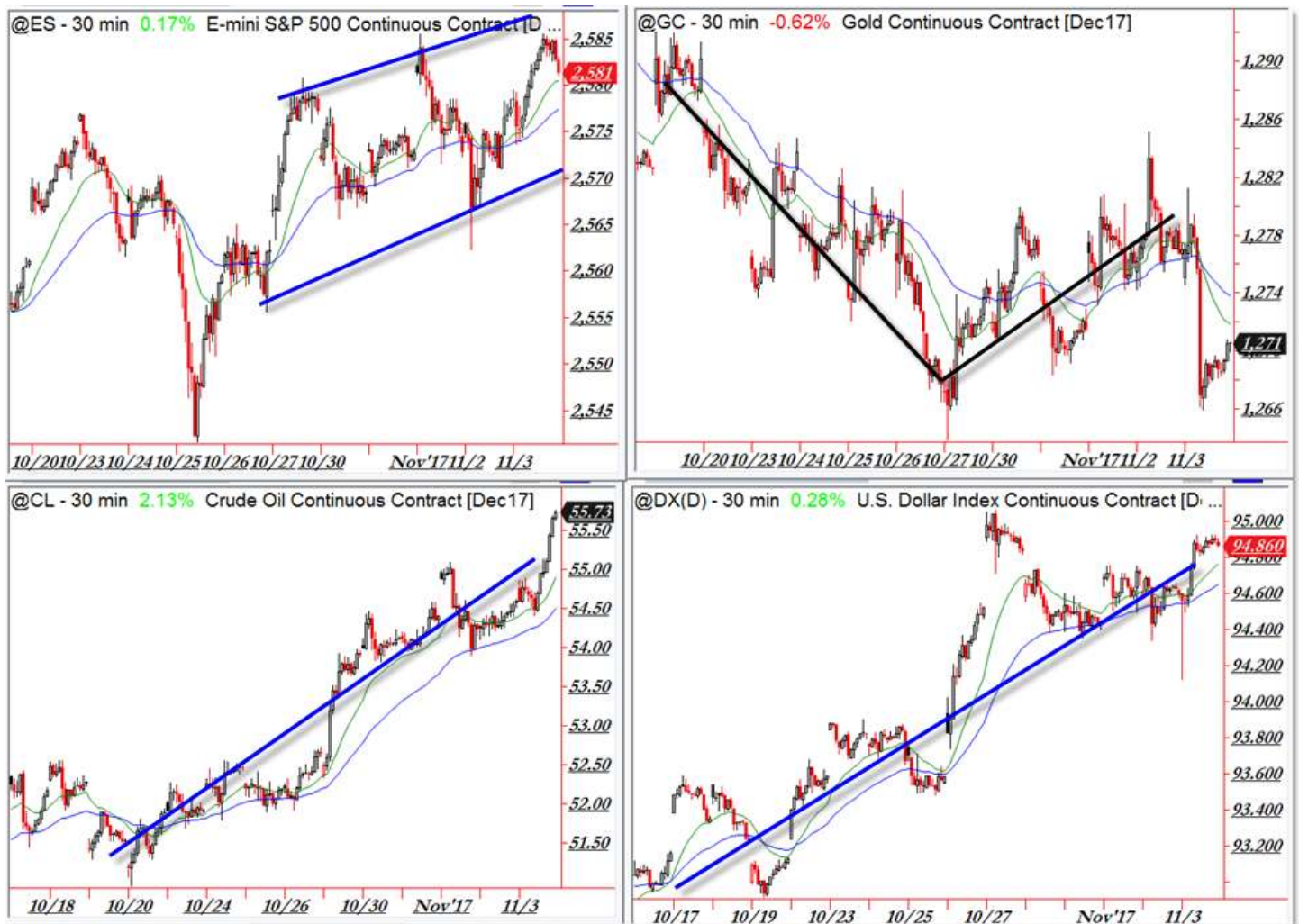
overcoming stock market fears *with* Corey Rosenbloom

Weekly Inter-market Technical Report

Summary Chart

| | TREND STRUCTURE | | | | | | |
|--------------|-------------------|--------------|------------|------------|--------------------------|----------|-----------|
| | Primary | Intermediate | Short-Term | Money Flow | | | |
| 10-Year Note | UP | UP | UP | IN | | | |
| 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 | 125.05 | 130 | 122 | 127 | 131 | 122 | 124 |
| SP500 | 2581 | Unlimited | 2,400 | 2,455 | Unlimited | 2400 | 2400 |
| Gold | 1274 | 1,400 | 1320 | 1200 | 1400 | 1300 | 1300 |
| Crude Oil | 55.73 | 55 | 40 | 45 | 60 | 40 | 50 |
| US Dollar | 94.83 | 105 | 90 | 92.5 | 105 | 90 | 92.5 |

Intraday Intermarket



We're finally seeing a return to volatility!

Stocks continued their bullish creep to new highs while Gold plunged to end the week.

Crude Oil continued our expected upward pathway along with the Dollar.

Note these short-term trending movements and position/manage risk with respect to our higher frame levels and game planning.

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

Monthly



Bonds remain in a **longer-term uptrend** 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 especially since the beginning of 2017.

Focus on the WEEKLY CHART and the critical EMA target overlap area just here at 125 as price dips just beneath this critical make-or-break support pivot. Note the Dom/Alt Thesis levels.

Weekly



We saw stocks continued to rally strongly through the end of Q3 and now the beginning of Q4 on a reversal bounce up away from the 124 pivot.

Despite stocks closing at all-time highs, bonds continue to rally up away from the reversal pivot at 124.

We hit the weekly target of the 20/50 EMA crossover - this will form the foundation for the trading tactics next week. While we could see a pause here, any firm breakout above 125 is the dominant thesis that keeps the bull market in bonds going toward 128 or higher.

Daily



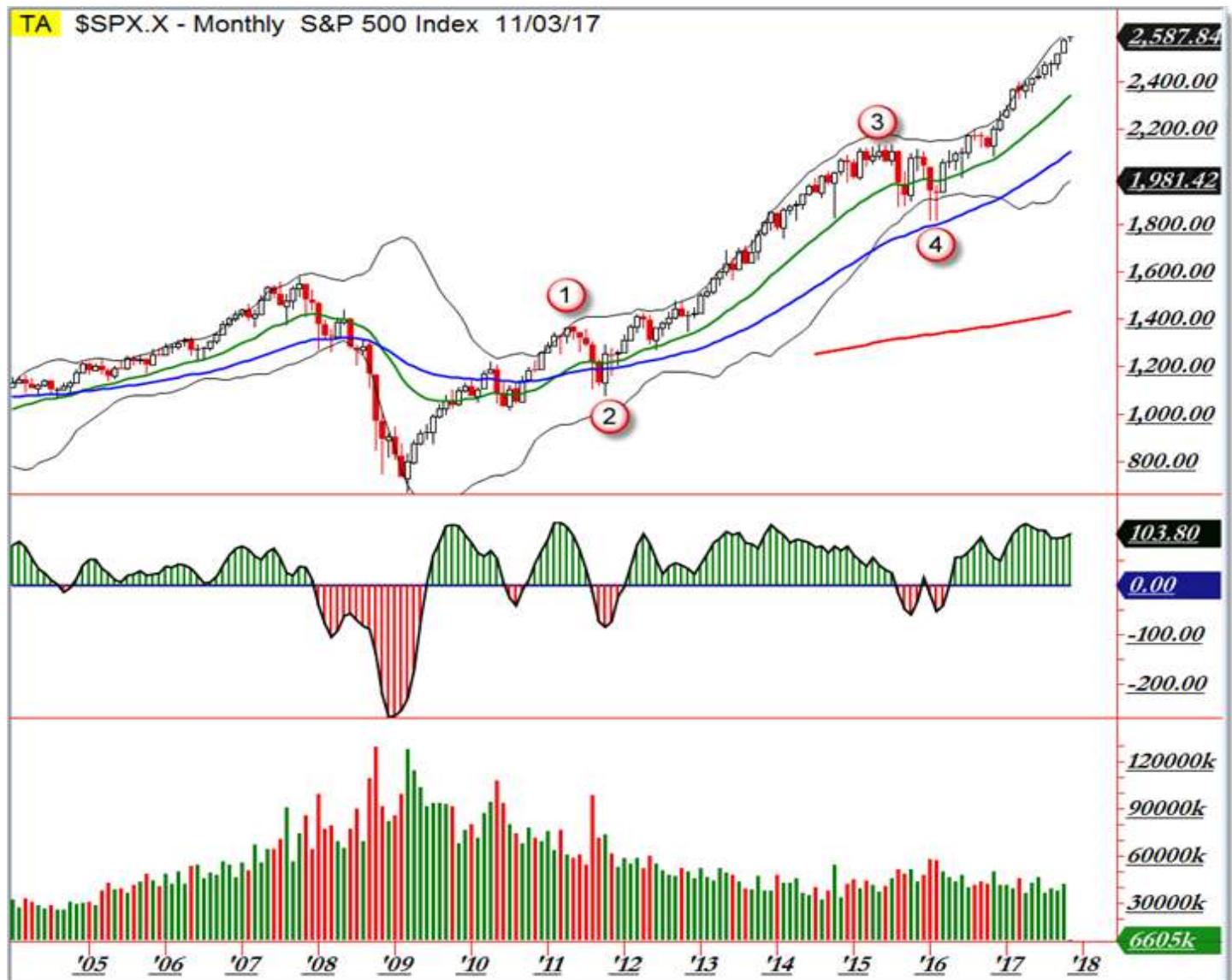
Target achieved! Our short-term target from last week - the 125 pivot level - was achieved Friday as price formed a reversal candle from the 125 target.

For next week, we'll expect a likely pullback down away from 125 but will instead play aggressively breakout bullish beyond 125.25 for a rally toward 127 or higher.

Note the red/green price pathways and targets to play for on the departure from 125.15.

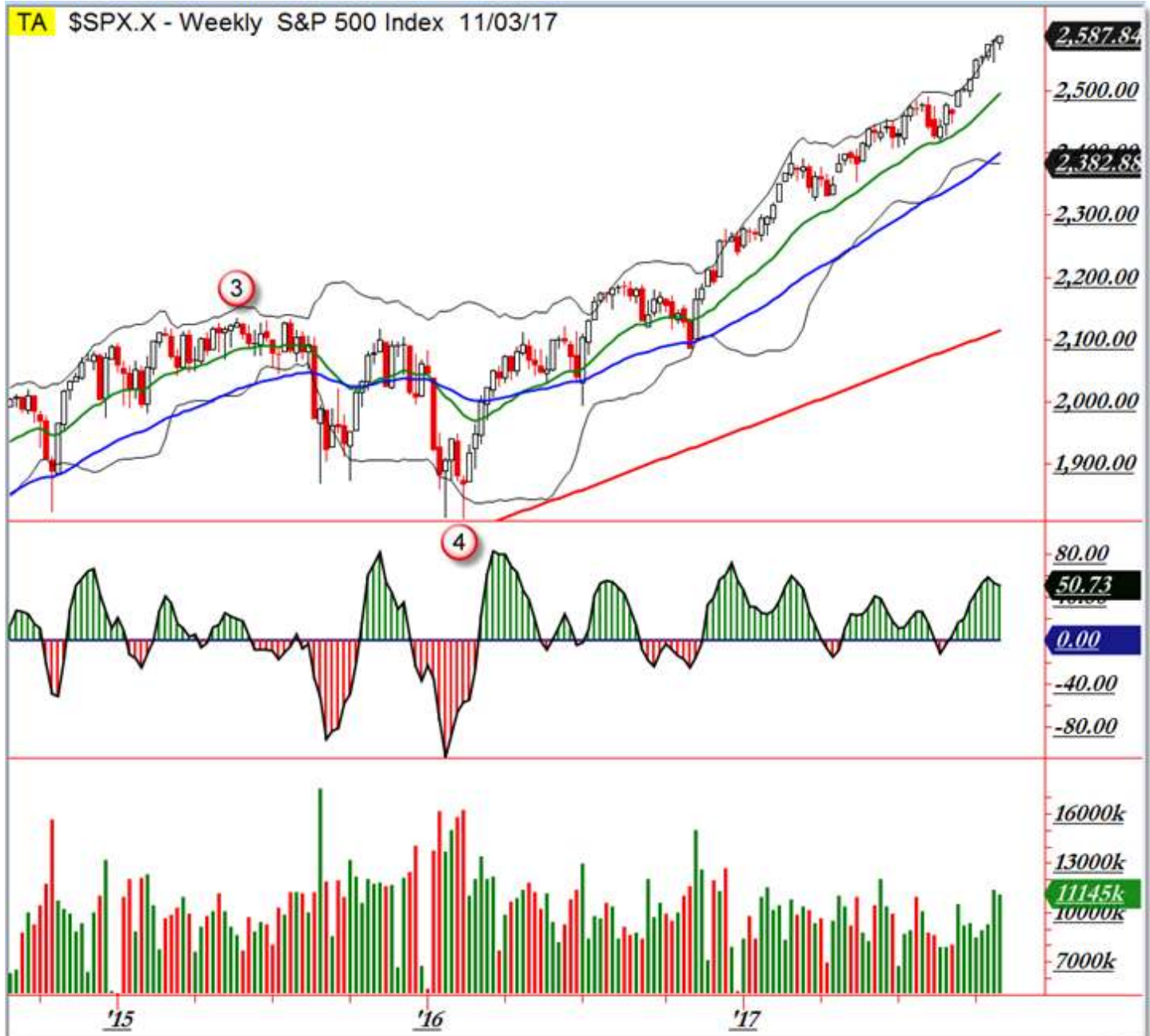
US S&P 500 (\$SPX)

Monthly



Stocks pushed and closed at new all-time highs near 2,590 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. With the recent similar price action, there's no change. We remain in a strong impulse with minimal pullbacks, underscoring the strength of the current Wave 3 unfolding of 5 (meaning the market has higher to run).

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, play the DEPARTURE from 2,575 as we've done at recent similar levels. Clearly 2,600 is in play and it's becoming more likely.

We keep playing this extended bull market while it lasts, knowing it won't last forever. 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 /divergent situation.

Daily:



After a quick snap-back pullback to the rising 20 day EMA target, buyers intervened again and overpowered sellers (bears) to close the week at yet another new all-time high in this ongoing bull market.

Again this situation - an extended low volatility 'creep' higher - will end but UNTIL it ends, assume it will continue toward 2,600 or higher. Don't short this market while we're above the rising moving averages, particularly the 50 day EMA near 2,450. We always assume trends will continue and that core principle has repeatedly kept us on the right side of this unusual move.

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. We expected - and played - the bullish departure UP AWAY FROM our weekly and daily targets as noted as gold retraced last week.

Weekly



Price broke OUT OF our range with a \$50+ point (so far) surge away from \$1,300 pivot, officially reversing the intermediate trend back to UP/BULLISH. That's an important thing to note because the next thing that occurred was a steep four-week pullback toward support.

Note that Gold continues to trade with bonds and - at times - against (inverse) the stock market's rally. Keep that theme in mind as gold challenges a key support/buy level toward the \$1,265 pivot (not yet fully achieved). Gold and Bonds have been trading together as RISK-OFF markets and with price at the midpoint, note the daily chart targets and price pathways.

Daily



With stocks surprising to the upside, Gold fell toward new swing lows and played "bearishly" beneath the \$1,300 pivot to the retest spot and 61.8% Fibonacci Retracement (our pivot).

Here's a quote (successful!) from last week: *"We're in motion toward the \$1,265 pivot which is the price low and the overlap of the lower Bollinger Band with rising 200 day SMA."*

Here we are! At support. Play the immediate departure from \$1,265 noting the green and red price pathways as price compresses between key daily moving averages and remains - for now - above the 200 day SMA.

WTI Crude Oil (\$WTIC)

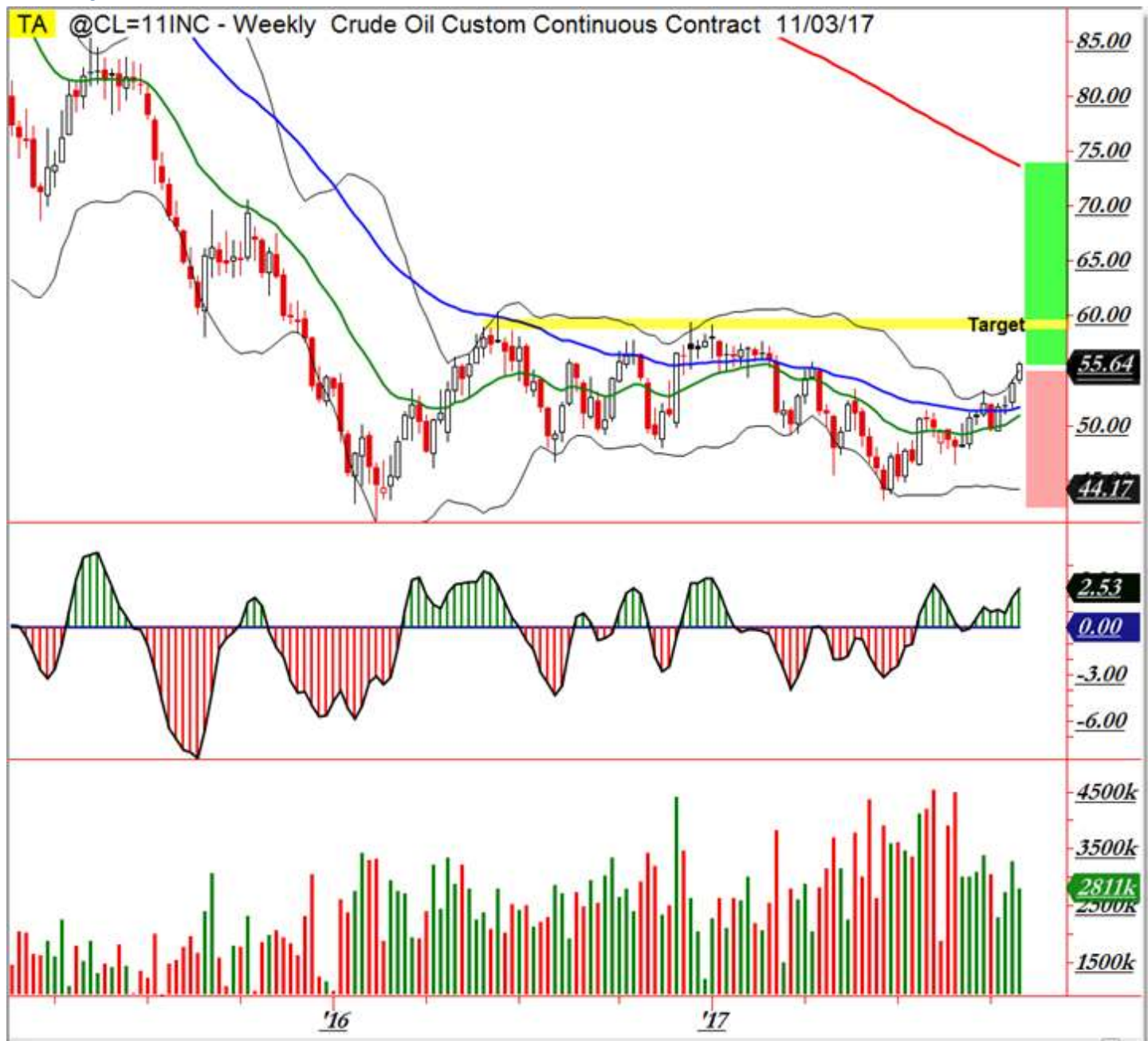
Monthly



Negative divergences set the stage for the logical sell-swing down away from the \$54.00 level which was our key overhead resistance (successfully achieved) upside target.

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 as we challenge a resistance target high currently.

Weekly



Use both the Weekly and Daily charts to form your targets and trades as price moves **ABOVE THE HIGH of this weekly range** with pivot target near \$60.00. Note that the current \$55.00 level is the newly achieved (correct analysis!) swing high target.

Follow your DAILY CHART with price pushing AWAY FROM the \$55.00 target on schedule/as expected. We won't become breakout bullish until we get a clean break that holds above \$54.00 or even the \$55.00 prior high. Until then, look to \$53.00 as your target pivot.

Note the upside target extends just beneath \$60 and the pullback target takes us to \$45.00.

Daily



In the context of a wider trading range (see weekly and monthly charts), Oil recently traded up toward the resistance target near \$55.00 (on negative divergences) toward the overlapping Daily and Weekly EMA target levels at the \$49.00 pivot. It did hit the rising 20 day EMA target at \$51.00 which is where we'll focus our attention next week as price travels higher.

Do be prepared to trade a retracement down away from the \$55.00 target if it occurs as equally you should be ready to trade a firm bullish breakout beyond \$54.00. Either way, frame your trade(s) in terms of the departure from our \$55.50 target at the prior high.

US Dollar Index (\$USD)

Monthly



FINALLY after a sustained multi-month sell swing (while stocks rallied without stopping), the Dollar found support just beneath the 92.00 pivot and is (so far) rallying UP AWAY FROM this target.

Weekly



We're finally seeing the expected (overdue) upward action toward - and now ABOVE - our falling 20 week EMA. Here's a quote from last week that applies to the week ahead still:

Right now the Dollar plays up toward the 96.00 level or the falling 50 week EMA target.

Focus on your Daily Chart within the context of either a new bullish reversal phase... or just a strong oversold snap-back rally taking place. The Dollar is emerging into a new short-term bullish swing phase.

Daily



The Dollar strengthened as expected with a rally off the 90.00 pivot in early September.

From there the index broke above the daily EMAs near 93.00 and then reversed down from the prior high at the 94.00 pivot - also as was our plan. We're seeing bullish momentum and price action on a journey UP AWAY FROM this target toward and perhaps above \$95.00.

The odds favor a continued rally up toward the 96.00/96.50 pivot as a short-term target.

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