



Mad Day Trader

Medium Term View... Technical qtrly update Published 4/2/15

These are static levels that do not change!
Once generated, they never go away. They become static technical levels.

The outlook is to be used as a tool to keep you executing trades from the right side of the market at key technical areas.

Take the time to review the last qtrly update to see how accurate they are.

Equity Indices...

Spu's... This qtr we will be using 2095 as our macro closing pivot level. This is resistance and the closing upside pivot.

Closes below 2033 will be needed to generate further downside.

Nasd 100...4265 is support and the closing downside pivot.

Closes above 4430 are needed for a new Bull leg.

Mid Cap & Russell has been leading since the Oct 2014 low outperforming the S&P 500. Look for more of the same.

DAX...

Last qtr's outlook:

10,000 is last qtr's closing pivot. This qtr the # set moves slightly lower to 9860, still making 10,000 the closing hurdle for any new upside targets.

Dax perfectly held our technical levels for a couple of big swings before breaking out to new highs.

We remain bullish DAX & Europe.

2nd qtr 2015...

Dax remains firm above 11,800

Nikkei...19,000 will act as this qtr's pivot. I'd need to see a couple of closes below this level for profit taking.

ASX 200... Last qtr I need to see a couple of monthly closes over 5500 for a sustained upside.

This qtr closes over 5900 is needed for new upside momentum

Bonds...

30 Yr. Bonds ...the spread created by the new bond makes my usual levels moot. I'll be updating what I see in this instrument in my morning comments.

Ten Yr. Bonds...128.24 +- a few will be this qtr's pivot.

BUND...Use 159.30 for your short term trading bias. Good above/negative below.

Bunds have been stuck in a 100+ point range for a couple of weeks, needing close below 158.00 to show weakness.

With the ECB looking for Bonds to buy selling the breakdown could be problematic.

FX...

Last qtr....

Euro...118.75-120 has been the macro pain zone for traders for two decades. It was a Bull trap on the way to 160 and has been a Bear trap area since 2005, providing several 20 figure rallies.

Our qtrly pivot level is 124.30, however the yearly charts show low risk entry against 121.

The annual chart shows that it's finally ripe for a move through this level. Given the short-term condition of the market we are sellers of rallies into the foreseeable future.

2nd qtr 2015...

Euro has given us everything we were expecting this qtr, which was another 20-figure move.

We now see the Euro as an opportunistic 2-way range trade. Our work shows we need to see all new closing weakness under 106 for another swing down.

GBP/USD... Last qtr..156.30 this qtr's closing barometer. Sell rallies against this level.

Only closes above will lead to Pound strength.

AUD/USD...last qtr we used 82.40 as our macro pivot. This qtr we'll be using 76.60 for general market tone.

I'm looking to try Long AUD/Short Kiwi at parity

USD/JPY.... last qtr we used 118.60 (84.30 Futures) as our macro pivot

This qtr we'll be using 121.20 (82.50 Futures) as our macro pivot.

Yen is going nowhere fast. It's a slave on the crosses and caught in the middle of 2 number sets. It's been unable to breakout.

Trade it on the crosses or wait for a breakout.

GBP/USD is neutral on my work @ 148. Sterling has been a better trade on the crosses than a stand alone outright Dollar Long.

Commodities...

Last qtr..

Gold... needs to close over 1242 before I get excited about a rally.

It looks to be a big trading affair with 1265-75 another possible Bull trap.

The downside could take it closer to 1080.

Like Gold we look at it as an opportunistic 2-way trade.

2nd qtr 2015...

Gold remains firm above 1177 close.

I continue to look at it as an opportunistic 2-way trade.

Copper.. 2.95 will act as resistance and the closing upside pivot, Remaining below 2.95 could see an eventual 2.50 print.

We saw that move!

Copper needs closing strength over 2.80 for an attempt back to long-term resistance @ 2.95.

Last qtr's 2.42 low is support and the closing downside pivot.

There are better things to keep on your radar this qtr than Copper.

1st qtr 2015...

OIL...54.10 should be used for general market tone. Closes over 56.50 are needed for strength.

Prints into the downside target handles of 49 followed by 43 are levels
These are simply levels that you should not look to initiate trades from the short side the first time in.

Brent...60 will be pivotal. Closes over 61 are needed to confirm Upside.

2nd qtr 2015...

OIL...has become a big opportunistic 2-way trade to the major technical levels.

Closes under 44.50 are needed for a new down leg out of this \$10 range.

Brent...shows new weakness under 52.50.

Buy the puked and sell the rips.

Natgas...3.19 was last qtr's resistance and the closing upside pivot.

This qtr I'd need to see closes over 2.80 to get back to 3.00.

Grains... we're going to wait for this trade to set up again. As much as I want to be long it just keeps disappointing.

General Outlook...

Equities Indices...

Spu's... reached our 2120 swing count from last year.
I prefer the long Dax & Nikkei to short S&P 500 in the near term.

IBB...335 is near term support and the downside pivot. This has been a key driver of Nasdaq.

OIL...this qtr. as in the last; we look for an opportunistic 2-way trade using the technical levels for our bias.

Currencies...I am neutral the U.S. Dollar over the near term.

This qtr I'll be focused on individual names, rather than the Equity Indices.

This qtr will come down to tight risk management. Paying for your trades and taking the money will be key for success.

If you don't know/don't trade!

Europe...

SAP 75.20 will be pivotal. New closing strength over 77.20 will lead the DAX higher.

DB...Deutsche Bank looks good on a qtrly chart as long as it remains over 34.70.

VGK...gains upside momentum with a close over 55.60.

JAPAN...

SNE...is a name that comes back into vogue as long as it remains over 25.

The Fundamental story follows the technical s.

Being a pragmatic technician, using the correct levels to manage risk, allows the prudent investor to be right market direction with limited downside.

We'll update our outlook and tgt's as market pricing dictate.

For Glossary of terms and abbreviations [click here](#).