

S&P/ASX 200 – Technical Perspective

15th July 2017

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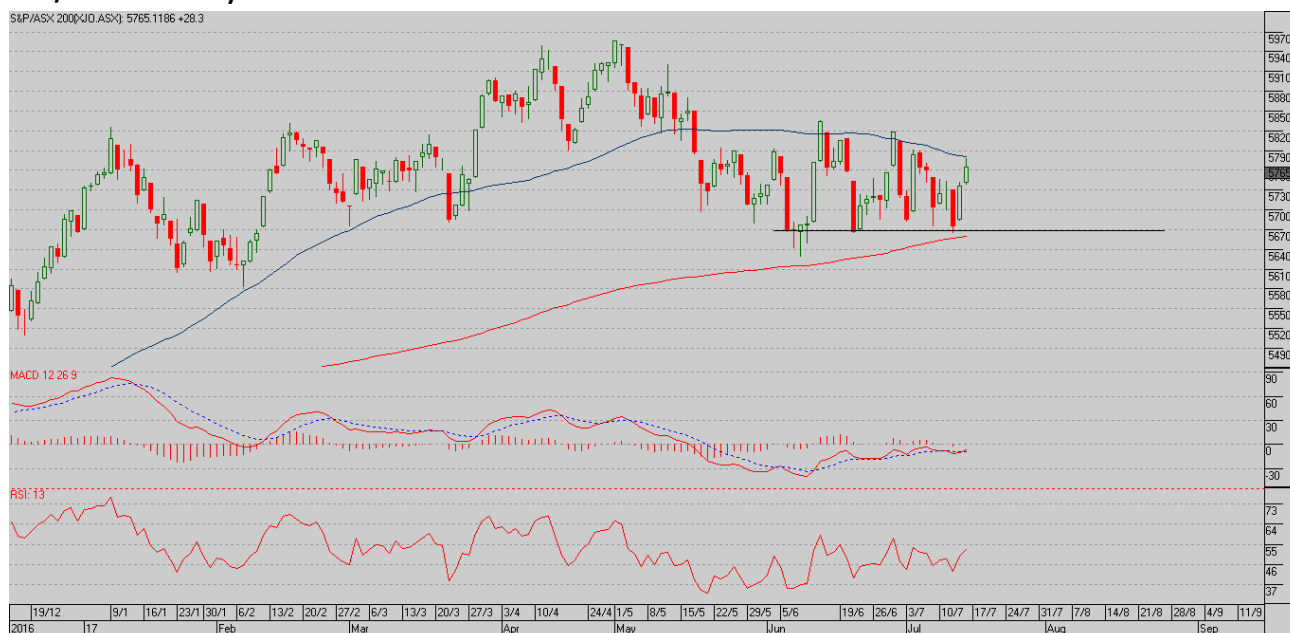
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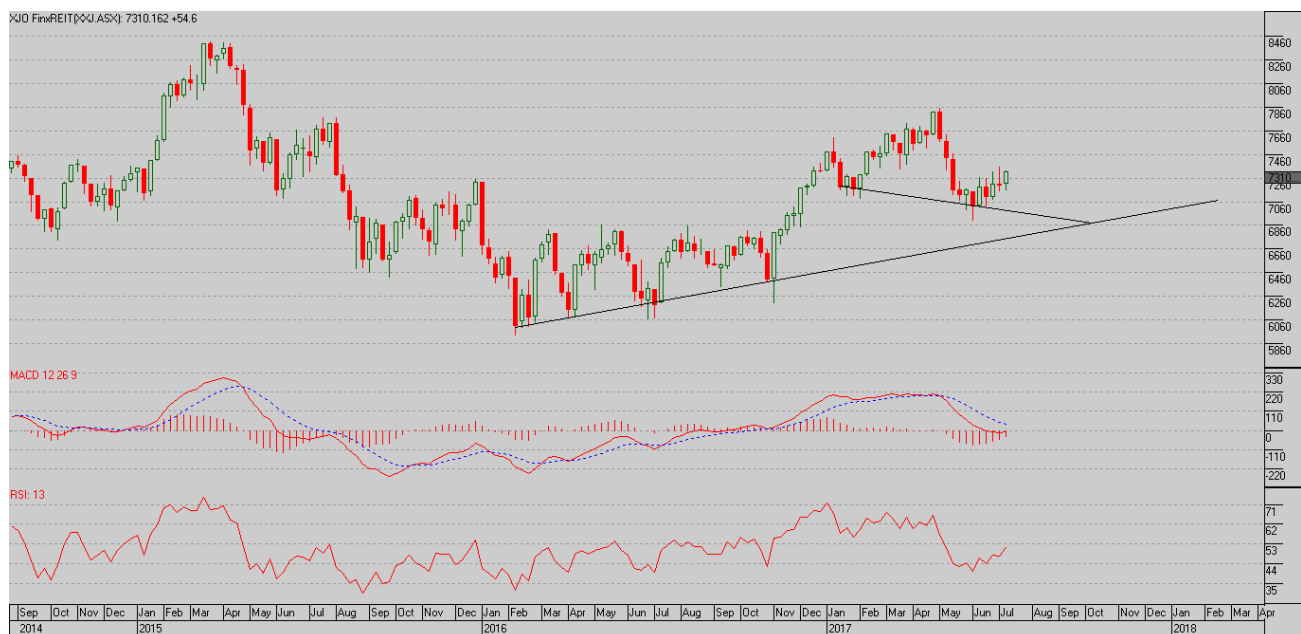
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Well I don't know about other investors out there but I am pretty much exhausted from the tug of war that is going on between the 60-day and 200 day moving average. Just when it seems we are going to get a breakout the opposing force comes roaring back the next day. With support on the daily around 5670 and US markets having decent gains overnight it seems that we will get our head above the 60-day moving average come Monday. However, I wouldn't be getting my hopes up just yet for a return to the medium-term uptrend as we did peak out over the 60-day moving average on the 14th and 29th June only to duck for cover. A lot will depend on our financial sector which is making a comeback albeit a counter trend in a medium term down trend as illustrated with a peak lower than the previous and Iron Ore prices and whether they can hold above the 55 to 60 mark. The financial sector could recover further but I doubt the sector will form a higher peak than the previous as the recent move down is too significant. This isn't great for our medium-term outlook as the financial sector is a large component of the market. I also doubt Iron Ore prices will remain where they are or go significantly higher for any length of time and the RBA wouldn't like the chart on our dollar versus the United States dollar so, the headwinds are likely to remain over the medium term with some possible short-term time in the sun.

S&P/ASX 200 – Daily



Financials Sector ex REIT's – Weekly



Australian Dollar Versus US Dollar - Daily

Australian Dollar vs United States Dollar Spot(AUDUSD,FX): 0.7828 +0



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