

# S&P/ASX 200 – Technical Perspective

9<sup>th</sup> December 2017

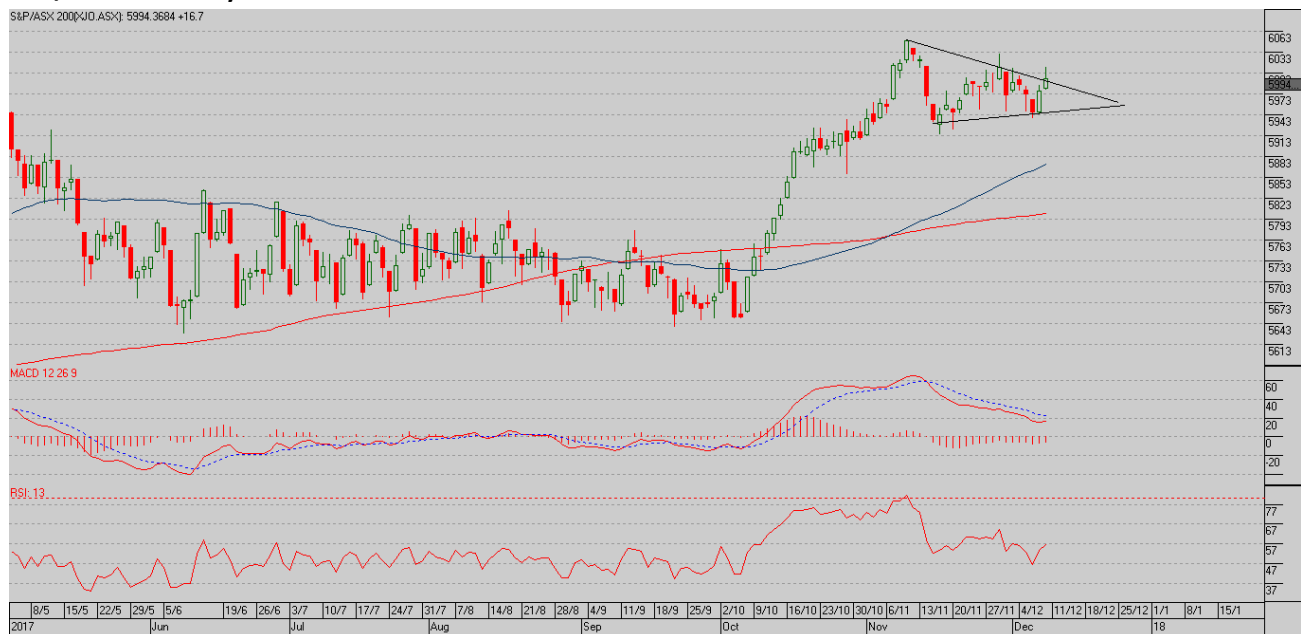
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MOAT CAPITAL

And off we go again, how far no one knows. On the daily chart we have a pennant pattern and the ASX 200 is trying to breakout to make a new high. If we do see a breakout we are likely to get back up around the 6070 level. If you look at the weekly chart it is weakening when looking at the RSI bearish divergence that is forming but I would have to say it is not that clear so, you would go with the recent trend which is up. Geopolitical risks aside the S&P 500 has taken off again after a small counter trend which is a sign of a strong uptrend. One scary chart is the monthly S&P 500 and the RSI indicator is as high as it's ever been. Same if you were to look at the RSI on the weekly chart. We are entering new technical ground which if you were a Dow Theorist and a behavioral investor then you would be running for the hills. I sense the US 10 Year Bond Rate is getting ready to pounce out of its consolidation pattern which could mean some downside in equities however it could place further pressure on our dollar which has been helping our market along of late. Overall it is risk on for equities with the downturn in Gold confirming investors are happy to continue the equities parade. I would be looking at Gold around the long-term uptrend line for possible risk off.

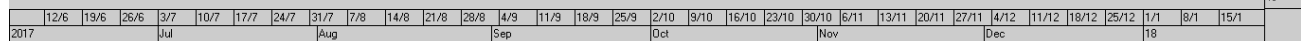
## S&P/ASX 200 – Daily



## S&P/ASX 200 – Weekly



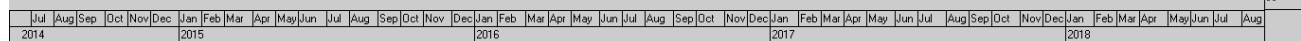
S&P 500 Index(SP500.ID): 2636.98 +7.7



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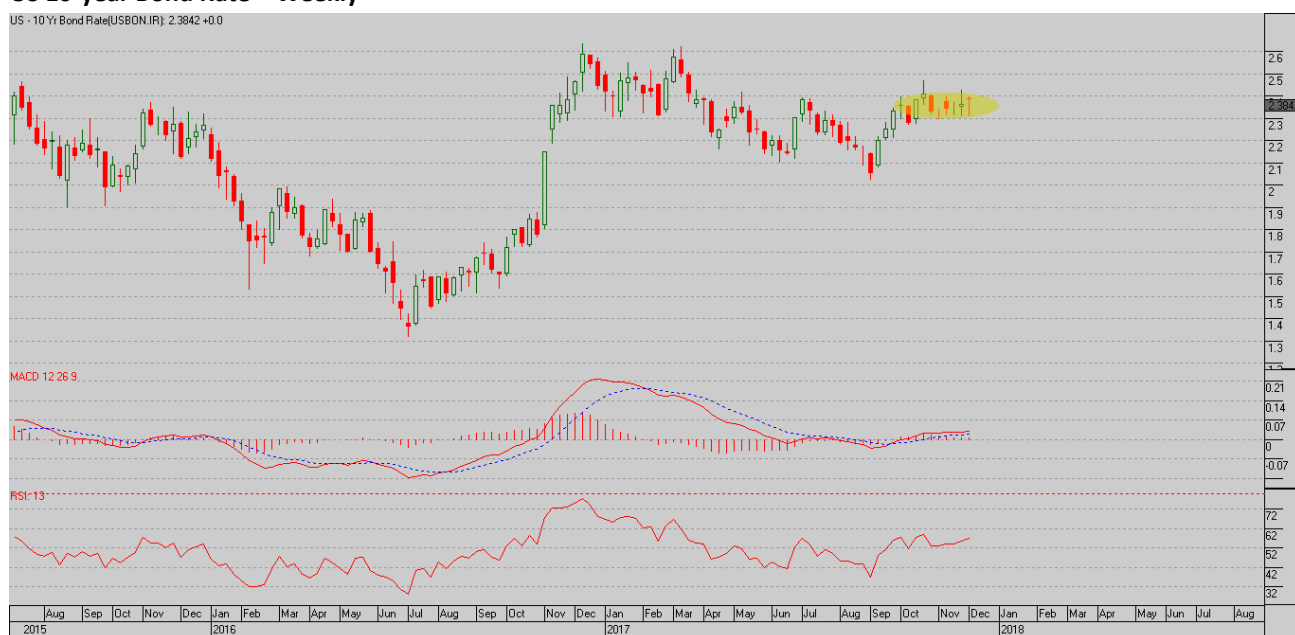


## SPOT GOLD (USD)(SPTGLD.IF): 1247.34 +0.4



## US 10-year Bond Rate – Weekly

US - 10 Yr Bond Rate(USBON1R): 2.3842 +0.0



Source: Bourse Data

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