

S&P/ASX 200 – Technical Perspective

17th March 2018

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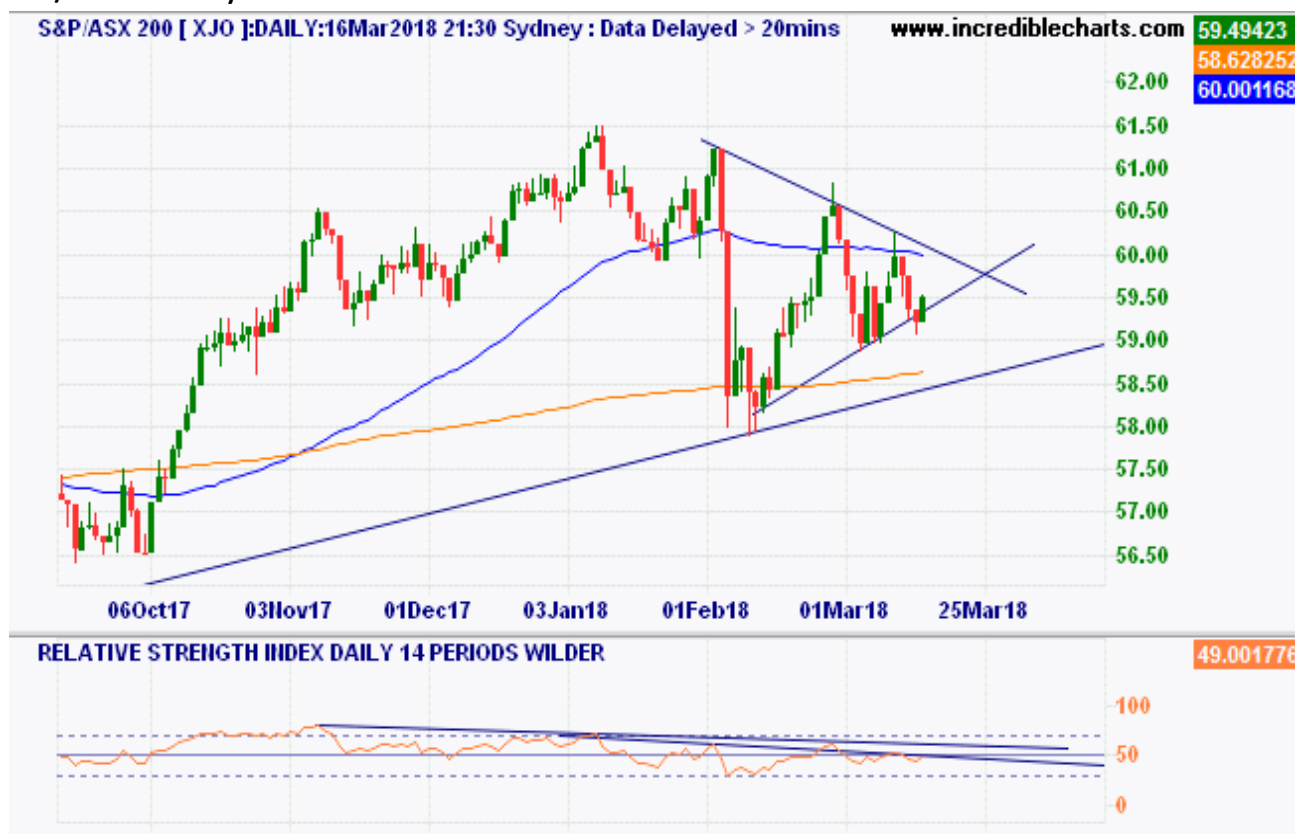
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Confusion reigns as our market is squeezing into a pennant pattern and stuck between the 60-day and 200-day moving average with support around the 200-day moving average being a positive. On the weekly chart we are teetering around the critical 2-year uptrend line with a break to the downside spelling possible further moves down around the 5800 level. The financials sector weekly low is hanging on by a thread with all the bad luck stories coming out of the royal commission. So far, the Aussie battler is getting the sympathy. Those who thought they could make a fortune by buying multiple properties in no good mining towns and gloat to their friends about how many investment properties they had like they were a property guru. If following this royal commission, the banks must consider a person's financial literacy when applying for a loan then the Bank sector is looking at guaranteed negative loan growth. Expect a lot more negative press in relation the Banks. The technical analysis in the financials sector is indicating weakness with resistance at the 60-day and 200-day moving average on the daily chart with the good news being support around 1% to the downside which could create further buying opportunities and support our overall market. The most important chart to look out for in the coming week and the biggest question is, has the 10 Year US Treasury Note bottomed out with its recent counter trend? The daily chart has formed a higher low in the recent minor trend and is in a descending short-term triangle pattern. It will be interesting to see which pattern wins out. My guess is on the higher low with further upside next week which could put the brakes on the equities markets recovery since the past shock. Even if the S&P 500 were to reach back to its high the bearish RSI divergence on the weekly chart would be significant and cannot be ignored. Perhaps locally our dollar dropping back will help. Will be an interesting week ahead with a US rate rise on the cards and the chaotic West Wing. Enjoy your week!

S&P/ASX 200 – Daily



S&P/ASX 200 – Weekly

S&P/ASX 200 [XJO]:WEEKLY:16Mar2018 21:30 Sydney : Data Delayed > 20mins www.incrediblecharts.com 59.49423



RELATIVE STRENGTH INDEX DAILY 14 PERIODS WILDER



49.001776

Financials Sector ex REIT's – Daily

ASX 200 FINANCIALS EX-A REITS INDEX [\$XXJ]:DAILY:17Mar2018 07:08 Syd.. www.incrediblecharts.com 7,037.848



RELATIVE STRENGTH INDEX DAILY 14 PERIODS WILDER



41.794999

Financials Sector ex REIT's – Weekly

ASX 200 FINANCIALS EX-A REITS INDEX [\$XXJ]:WEEKLY:17Mar2018 07:08 Syd.. www.incrediblecharts.com 7,037.848



RELATIVE STRENGTH INDEX DAILY 14 PERIODS WILDER

41.794999



S&P 500 – Weekly

S&P 500 INDEX [\$SPX]:WEEKLY:16Mar2018 19:01 New York : Data Delayed > 5... www.incrediblecharts.com 2,752.01



RELATIVE STRENGTH INDEX DAILY 14 PERIODS WILDER

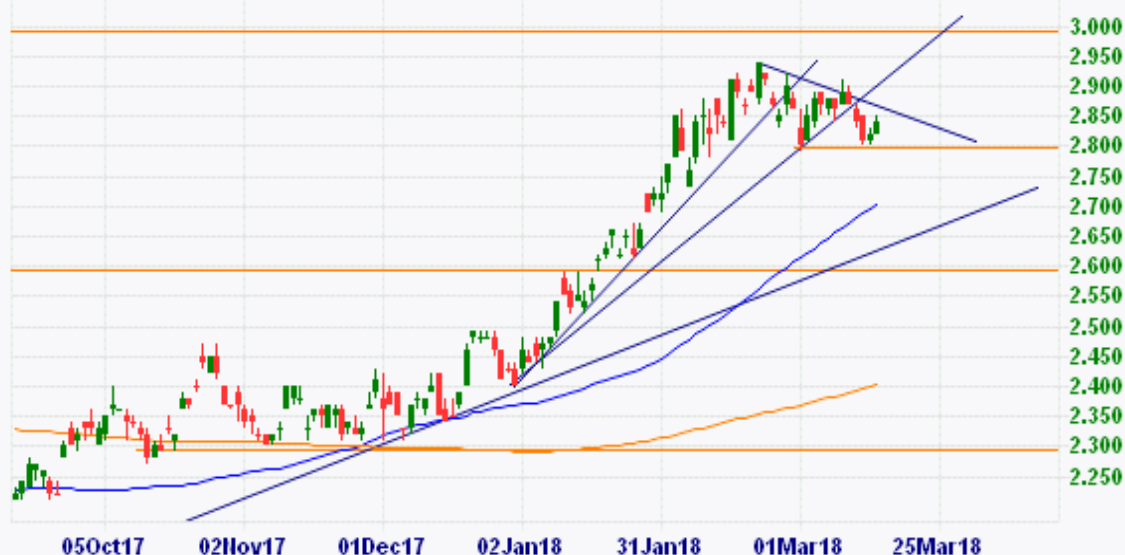
52.889852



US 10-Year Treasury Note – Daily

10-YEAR TREASURY NOTE [\$T1X]:DAILY:16Mar2018 18:28 New York : Data Del.. www.incrediblecharts.com

2.84
2.40245
2.704



RELATIVE STRENGTH INDEX DAILY 14 PERIODS WILDER

51.818903



Australian Dollar Versus US Dollar - Weekly

AUSTRALIAN DOLLAR/U.S. DOLLAR [AUDUSD]:WEEKLY:16Mar2018 15:59 Chica.. www.incrediblecharts.com

0.77111



RELATIVE STRENGTH INDEX DAILY 14 PERIODS WILDER

37.54798



Source: Incrediblecharts

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