

Weekly FX Charts Newsletter

October 15, 2018

The Weekly FX Charts Newsletter provides Cornelius Luca's trade ideas, model signals, and absolute charts

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Luca Global Markets, LLC

Weekly Charting Newsletter October 15, 2018



Trade Ideas

- Majors: Long EURUSD *if/when above* its 21-day exponential moving average
- Commodity dollars: Long AUDUSD *only when/if above* the 5-day exponential moving average
- Crosses: Short EURJPY *while below* the 5-day exponential moving average
- Asia: Short USDINR *only while below* its 5-day exponential moving average
- Latam: Short USDBRL *while below* its 5-day exponential moving average
- Eastern Europe: Long USDRUR *only when/if above* the 21-day exponential moving average
- Cryptocurrency: Short Bitcoin *while below* the 21-day exponential moving average

G10 FX Models – Daily & Weekly

	FX	Daily Model	since	Daily Bias (> or < 21-day EMA)	Daily Risk	Weekly Model	since	Weekly Bias (> or < 21-week EMA)	Weekly Risk
Majors	EUR/USD	L	15-Oct	slightly bullish	slightly bullish	L	11-Oct	slightly bearish	slightly bullish
	GBP/USD	S	12-Oct	slightly bullish	slightly bullish	L	5-Oct	sideways	neutral
	AUD/USD	L	11-Oct	slightly bearish	slightly bullish	L	11-Oct	bearish	slightly bullish
	NZD/USD	L	11-Oct	slightly bearish	slightly bullish	L	11-Oct	bearish	slightly bullish
	USD/JPY	S	4-Oct	bearish	bearish	S	8-Oct	slightly bullish	slightly bearish
	USD/CHF	S	15-Oct	slightly bullish	slightly bearish	S	15-Oct	slightly bullish	slightly bearish
	USD/CAD	L	15-Oct	slightly bullish	slightly bullish	L	5-Oct	slightly bullish	slightly bullish
Crosses	EUR/JPY	S	12-Oct	slightly bearish	slightly bearish	S	5-Oct	sideways	neutral
	EUR/GBP	L	11-Oct	slightly bearish	slightly bullish	L	15-Oct	slightly bearish	slightly bullish
	EUR/CHF	S	15-Oct	slightly bullish	slightly bearish	S	15-Oct	slightly bearish	slightly bearish
	GBP/JPY	S	12-Oct	slightly bearish	slightly bearish	S	8-Oct	slightly bullish	slightly bearish

Source: Proprietary Luca Global Markets, LLC Model

FX Models – Daily & Weekly Emerging Markets

	FX	Daily Model	since	Daily Bias (> or < 21-day EMA)	Daily Risk	Weekly Model	since	Weekly Bias (> or < 21-week EMA)	Weekly Risk
<i>LatAm</i>	USD/MXN	S	11-Oct	slightly bearish	slightly bearish	S	15-Oct	slightly bearish	neutral
	USD/BRL	S	15-Oct	bearish	bearish	S	17-Sep	bearish	bearish
	USD/CLP	S	11-Oct	slightly bullish	slightly bearish	L	2-Oct	bullish	slightly bullish
	USD/COP	S	15-Oct	slightly bullish	slightly bearish	L	1-Oct	slightly bullish	slightly bullish
<i>Asia</i>	USD/CNH	L	12-Oct	slightly bullish	slightly bullish	L	26-Sep	bullish	bullish
	USD/INR	S	11-Oct	bullish	slightly bullish	L	30-Jul	bullish	bullish
	USD/TWD	S	11-Oct	slightly bullish	slightly bearish	L	1-Oct	bullish	bullish
	USD/KRW	S	11-Oct	slightly bullish	slightly bearish	L	1-Oct	bullish	bullish
	USD/MYR	S	12-Oct	bullish	slightly bearish	L	17-Sep	bullish	bullish
	USD/SGD	S	11-Oct	slightly bullish	slightly bearish	S	11-Oct	bullish	slightly bearish
<i>Eastern Europe</i>	USD/RUB	S	11-Oct	slightly bearish	slightly bearish	S	11-Oct	slightly bullish	slightly bearish
	USD/PLN	S	11-Oct	sideways	slightly bearish	S	11-Oct	slightly bullish	slightly bearish
	USD/CZK	S	11-Oct	slightly bullish	slightly bearish	L	26-Sep	bullish	bullish
	USD/RON	S	15-Oct	slightly bullish	slightly bearish	S	11-Oct	slightly bullish	slightly bearish
	USD/HUF	S	11-Oct	slightly bearish	slightly bearish	S	11-Oct	slightly bullish	slightly bearish
	USD/TRY	S	8-Oct	slightly bearish	slightly bearish	S	8-Oct	bullish	slightly bearish
<i>Crypto</i>	Bitcoin	S	10-Oct	bearish	bearish	S	4-Oct	bearish	slightly bearish

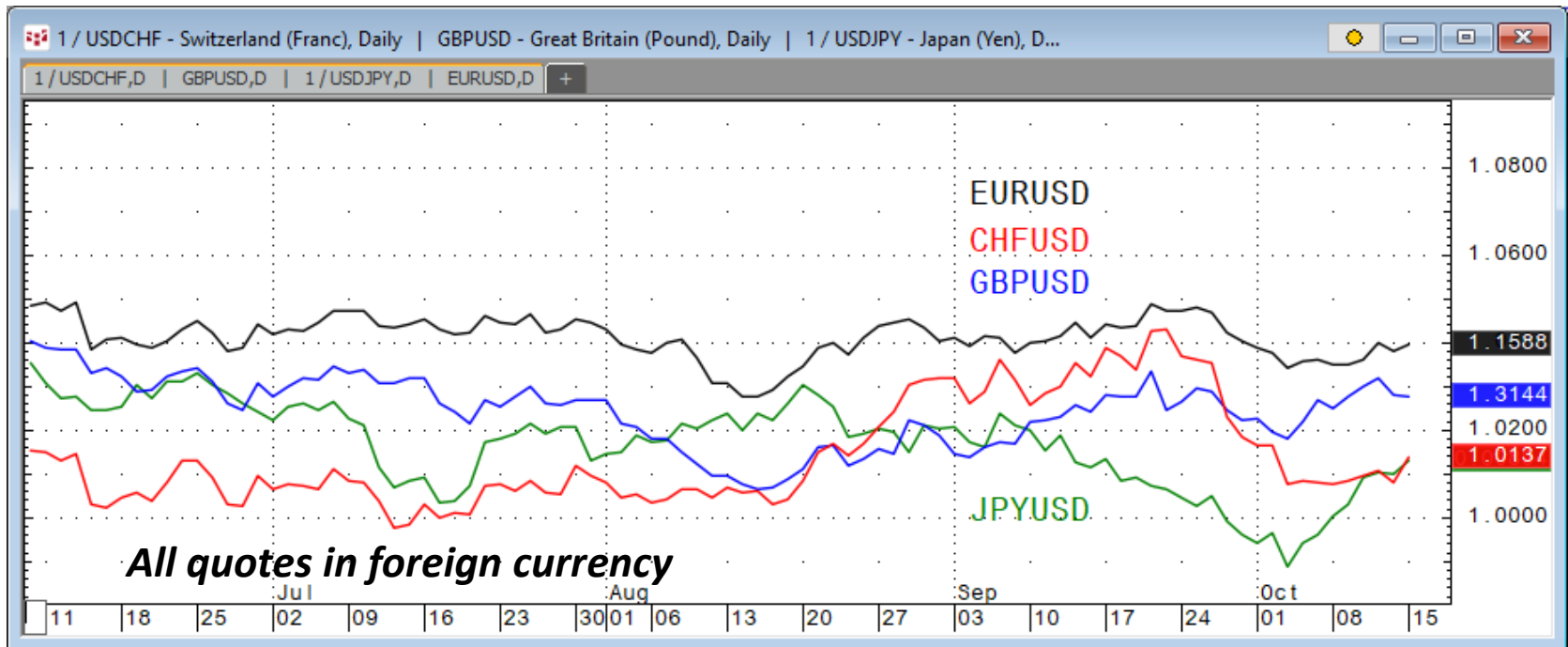
Source: Proprietary Luca Global Markets, LLC Model

FX Majors Trade Idea

Strongest: EURUSD

Weakest: JPYUSD & CHFUSD (but rising)

Trade idea: Long EURUSD if/when above its 21-day EMA



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FX Majors Trade Idea

Comment:

Long EURUSD if/when above its 21-day EMA

- EURUSD found support from the confluence of the 14.6% Fibo & 50% retracement and is attempting to swim above its 21-day EMA
- It's neutral right now
- The oversold 5-day EMA warned of this bounce last week
- EURUSD remains plagued by political issues, so only weak US indexes would support this upmove
- Initial resistance: 1.1620
- Further resistance: 1.1695 & 1.1817
- Immediate support: 1.1560
- Further support: 1.1450, 1.1375, 1.1300
- Fast stochastics: bullish
- MACD: slightly bearish

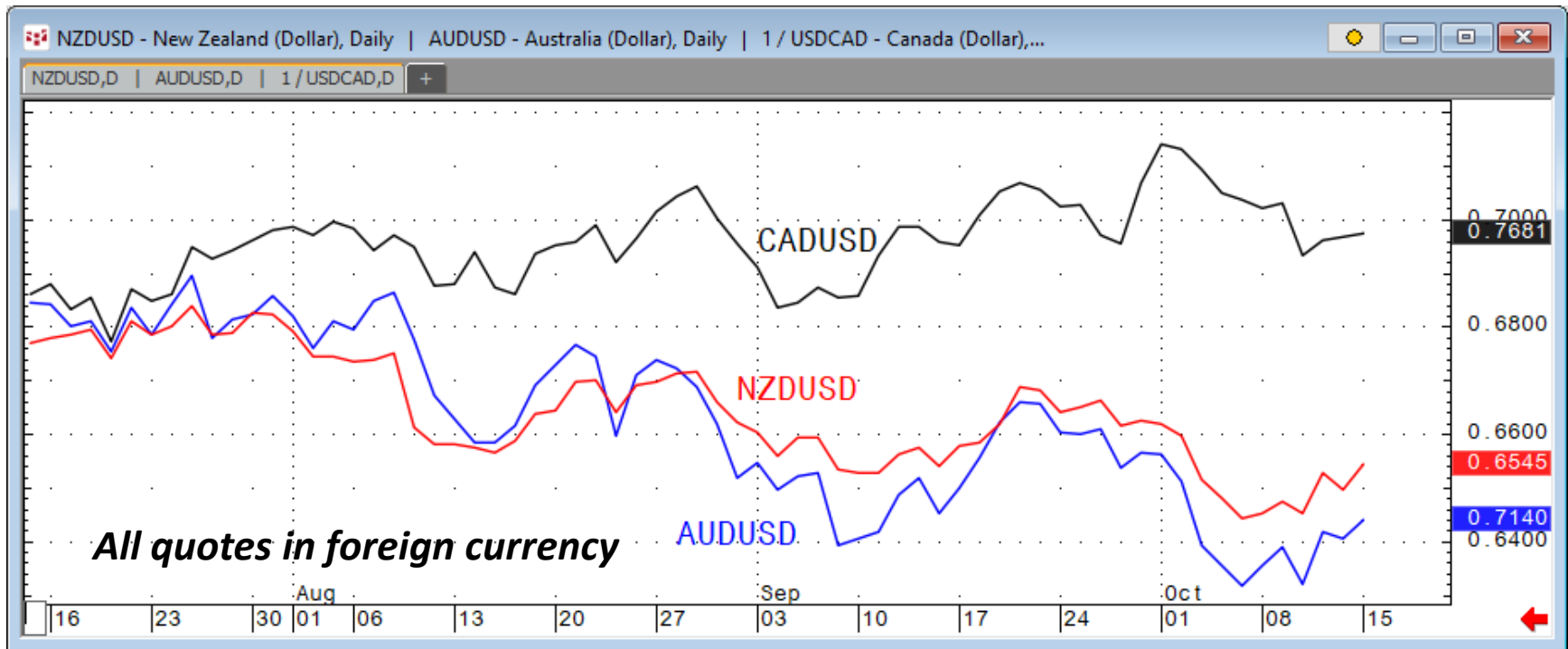


FX Commodity Dollars Trade Idea

Strongest: CADUSD

Weakest: AUDUSD (but rising)

Trade ideas: Long AUDUSD only when/if above the 5-day EMA



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FX Commodity Dollars Trade Idea

Comment:

Long AUDUSD only when/if above the 5-day EMA

- AUDUSD is still attempting to recover from a 2 2/3-year low; confirmation is needed
- It climbed above its 5-day EMA, but remains just below & 21-day EMA; there is significant upside room to fill
- Initial resistance: .7160
- Further resistance: .7200 & .7298
- Immediate support: .7040
- Further support: .7110, .6994 & .6940
- Fast stochastics: bullish
- MACD: neutral<0



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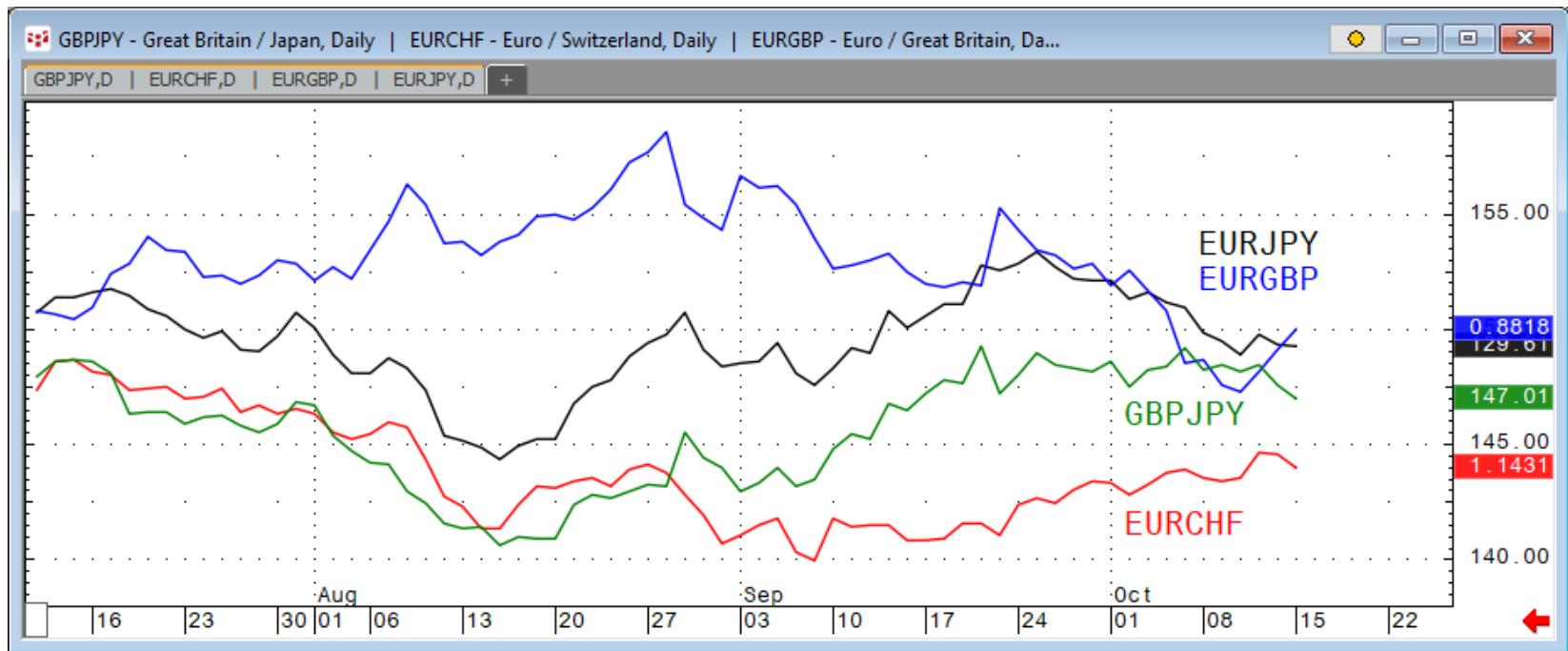
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FX Crosses Trade Idea

Strongest: EURGBP

Weakest: EURCHF (but rising)

Trade idea: Short EURJPY while below the 5-day EMA



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FX Crosses Trade Idea

Comment:

Short EURJPY while below the 5-day EMA

- EURJPY remains under pressure after pulling off a 5-month peak
- It remains below both its 5- & 21-day EMAs, but the former is challenged
- Key support at 129.06 will give the next direction; there is upside risk
- Immediate support: 129.06
- Further support: 127.84, 126.83 & 124.88
- Initial resistance: 129.90
- Further resistance: 130.55, 131.34, 132.20 & 133.15
- Fast stochastics: slightly bullish
- MACD: slightly bearish



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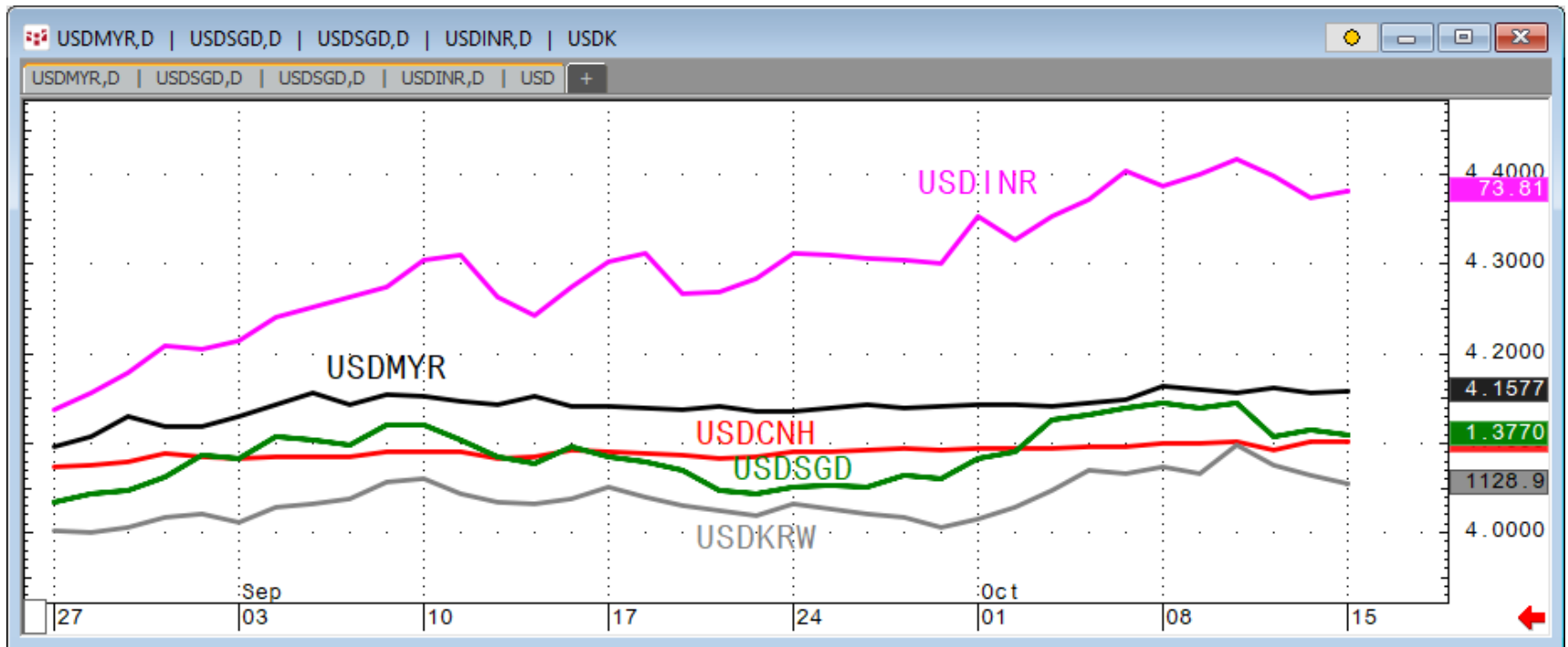
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FX Asia Trade Idea

Strongest: USDINR

Weakest: USDKRW

Trade idea: Short USDINR only while below its 5-day EMA



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FX Asia Trade Idea

Comment:

Short USDINR only while below its 5-day EMA

- USDINR remains strong near record highs, but there are incipient signs of peaking
- Its 5-day EMA gave way, but only a break below the rising 21-day EMA would trigger long liquidation
- Initial resistance: 74.49
- Further resistance: 75.34
- Immediate support: 73.00
- Further support: 72.30, 71.75 & 70.71

- Fast stochastics: bearish
- MACD: slightly bearish

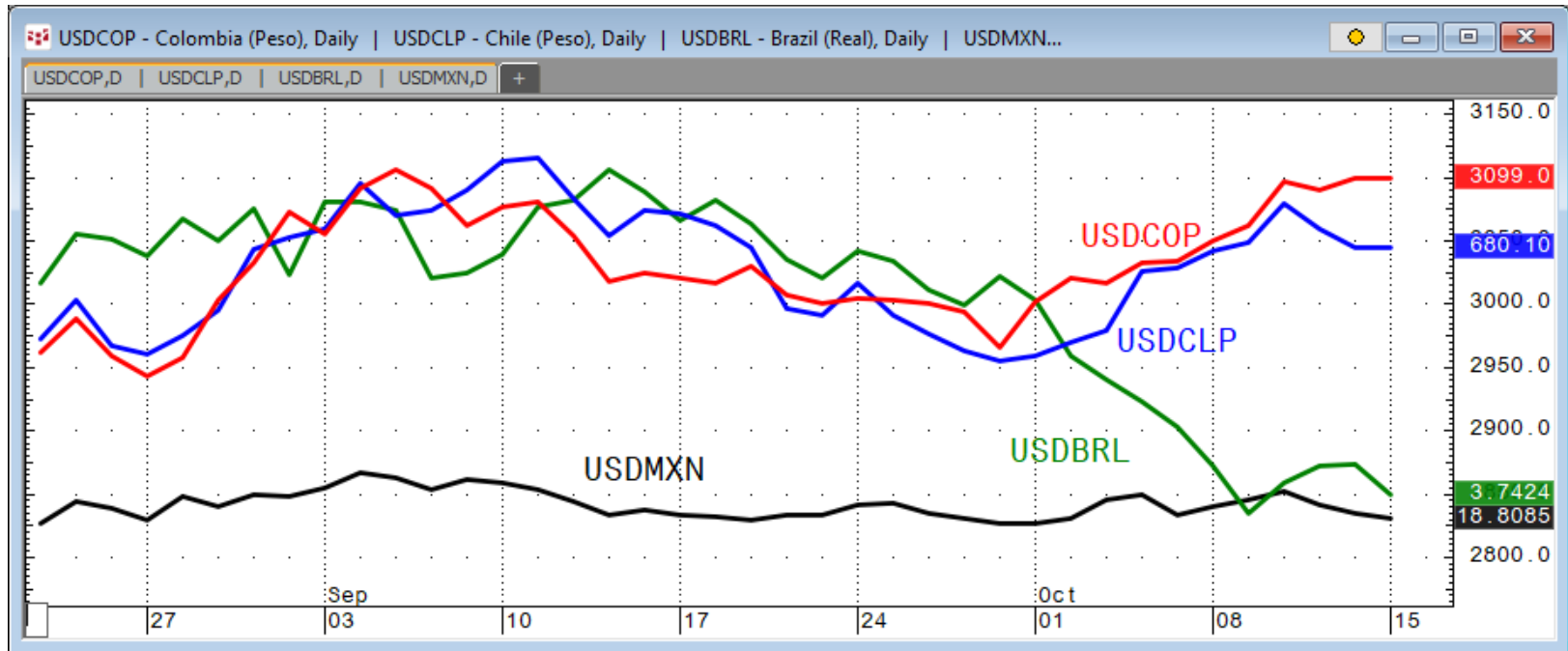


FX Latam Trade Idea

Strongest: USDCOP

Weakest: USDBRL & USDMXN

Trade idea: Short USDBRL while below its 5-day EMA



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FX Latam Trade Idea

Comment:

Short USDBRL while below its 5-day EMA

- USDBRL remains heavy following its drop from the double top & failure to recover
- It trades below both its declining & diverging 5- & 21-day EMAs
- USDBRL is massively oversold, but only a break above the 5-day EMA would signal a reversal
- Immediate support: 3.6889
- Further support: 3.6160 & 3.5395
- Initial resistance: 3.7980
- Further resistance: 3.8905, 3.9020 & 3.9580
- Fast stochastics: bearish
- MACD: bearish



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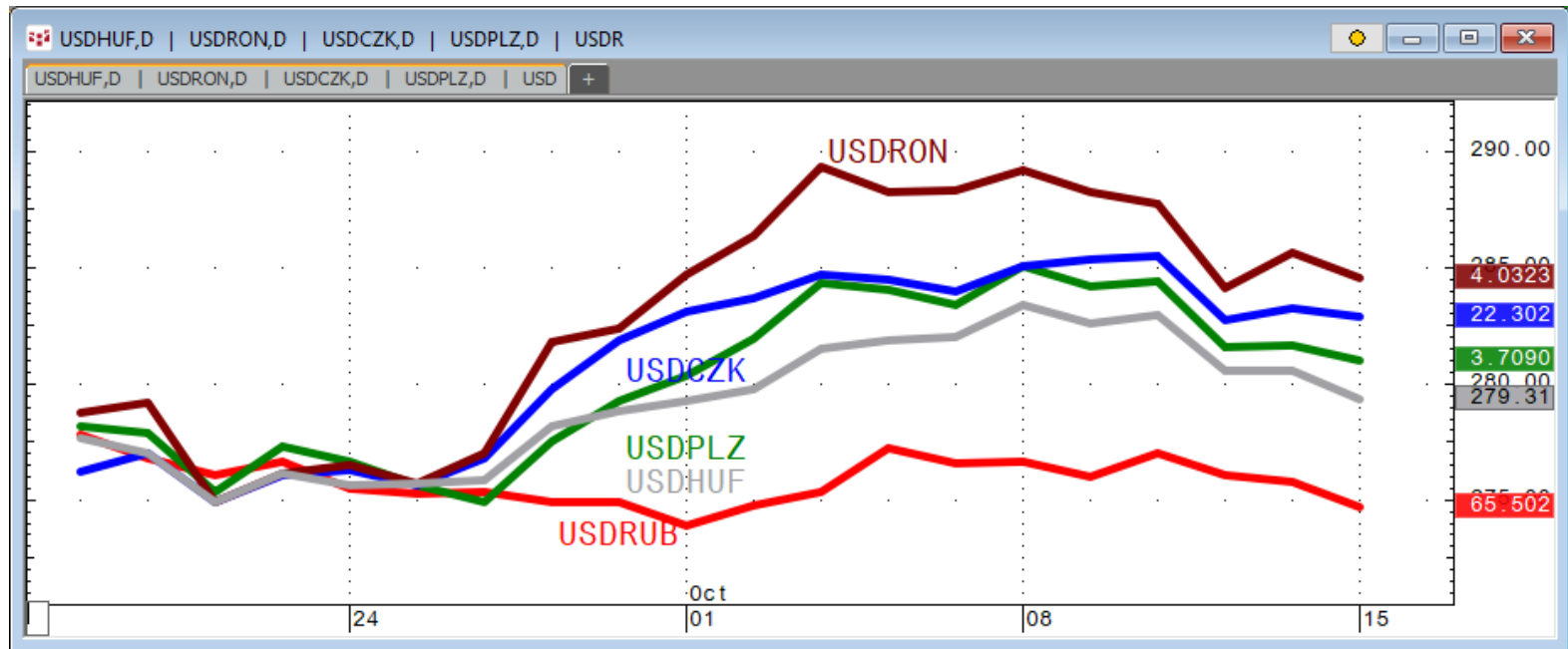
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FX Eastern Europe Trade Idea

Strongest: USDRON (but falling)

Weakest: USDRUB

Trade idea: Long USDRUR only when/if above the 21-day EMA



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FX Eastern Europe Trade Idea

Comment:

Long USDRUR only when/if above the 21-day EMA

- USDRUR's recovery attempt was capped by the 23.6% Fibo
- It slipped below both its 5- & 21-day EMAs, but the bottom of its rising medium-term channel supports
- Initial resistance: 66.500
- Further resistance: 67.118, 68.446 & 70.679
- Immediate support: 65.254
- Further support: 64.817, 63.826 & 63.030
- Fast stochastics: bearish
- MACD: neutral <0



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Bitcoin Trade Idea

Comment:

Short Bitcoin while below the 21-day EMA

- Bitcoin remains deadly quiet despite meek media attempts to create interest
- Bitcoin remains in a symmetrical triangle within a massive declining triangle
- It's been making slightly higher lows since bottoming on 6/18
- It rests quietly mostly below its 21-day EMA
- Immediate support: 6,003
- Further support: 5,846
- Initial resistance: 6,470
- Further resistance: 6,690 & 7.362
- Fast stochastics: bearish
- MACD: bearish



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How to Use the Heat Map

Bias: If the Candle > 21-period EMA = bullish
 If the Candle < 21-period EMA = bearish
 If the Candle around 21-period EMA = sideways

Long or Short

Since when

Risk: Bullish or Bearish
 Candle as of Monday am EST

	Commodities	Daily Model	since	Daily Bias (> or < 21-day EMA)	Daily Risk	Weekly Model	since	Weekly Bias (> or < 21-week EMA)	Weekly Risk
Energy	Crude (CLc1)	S	27-Apr	bullish	slightly bullish	L	23-Mar	slightly bearish	slightly bullish
	Brent (LCOc1)	L	21-Apr	slightly bullish	slightly bullish	L	6-Apr	slightly bearish	slightly bullish
	Natural gas (NGc1)	S	23-Apr	bearish	bearish	S	20-Apr	bearish	slightly bearish
	Palm oil (FCPOc1)	L	24-Apr	sideways	neutral	S	20-Apr	slightly bearish	slightly bearish
Metals	Gold (GCc1)	S	24-Apr	bearish	bearish	S	20-Mar	slightly bearish	slightly bearish
	Silver (SIc1)	S	22-Apr	bearish	bearish	S	24-Apr	bearish	bearish
	Platinum (PLc1)	S	20-Apr	bearish	bearish	S	20-Mar	bearish	slightly bullish
	Copper (HGc1)	L	24-Apr	slightly bearish	slightly bullish	S	24-Apr	slightly bearish	slightly bearish
Softs	Coffee (KCN5)	L	24-Apr	sideways	neutral	L	24-Apr	slightly bullish	slightly bullish
	Cocoa (LCCN5)	L	23-Apr	bullish	bullish	L	13-Apr	bullish	bullish
	Soy meal (SMN5)	S	24-Apr	bearish	slightly bearish	S	24-Apr	bearish	slightly bearish
	Wheat (WN5)	S	24-Apr	bearish	slightly bearish	S	24-Apr	bearish	bearish
	Corn (CN5)	S	20-Apr	bearish	bearish	S	6-Apr	bearish	bearish

Source: Proprietary Luca Global Markets, LLC Model

L = long
 S = short