

Weekly FX Charts Newsletter

October 1, 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 1, 2018



Trade Ideas

- Majors: Long USDJPY *while above* the 5-day exponential moving average
- Commodity dollars: Short USDCAD *while below* the 5-day exponential moving average
- Crosses: Long GBPJPY *while above* the 5-day exponential moving average
- Asia: Long USDINR *while above* its 5-day exponential moving average
- Latam: Short USDMXN *while below* its 5-day exponential moving average
- Eastern Europe: Short USDRUR *while below* the 5-day exponential moving average
- Cryptocurrency: Long bitcoin *while above* 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	S	26-Sep	slightly bearish	slightly bearish	S	26-Sep	slightly bearish	slightly bearish
	GBP/USD	L	1-Oct	sideways	neutral	L	1-Oct	slightly bearish	slightly bullish
	AUD/USD	S	1-Oct	slightly bearish	slightly bearish	S	26-Sep	bearish	slightly bearish
	NZD/USD	S	27-Sep	slightly bearish	slightly bearish	S	26-Sep	bearish	slightly bearish
	USD/JPY	L	27-Sep	bullish	bullish	L	7-Sep	bullish	bullish
	USD/CHF	L	24-Sep	slightly bullish	bullish	S	13-Sep	slightly bullish	slightly bullish
	USD/CAD	S	28-Sep	bearish	bearish	S	13-Sep	bearish	bearish
Crosses	EUR/JPY	L	1-Oct	slightly bullish	slightly bullish	L	13-Sep	slightly bullish	slightly bullish
	EUR/GBP	S	1-Oct	slightly bearish	slightly bearish	S	26-Sep	sideways	neutral
	EUR/CHF	L	24-Sep	slightly bullish	slightly bullish	L	17-Sep	slightly bearish	slightly bullish
	GBP/JPY	L	1-Oct	bullish	bullish	L	24-Aug	bullish	bullish

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	26-Sep	slightly bearish	slightly bearish	S	14-Sep	slightly bearish	slightly bearish
	USD/BRL	S	1-Oct	slightly bearish	neutral	S	17-Sep	bullish	slightly bullish
	USD/CLP	S	25-Sep	bearish	slightly bearish	S	21-Sep	slightly bullish	slightly bearish
	USD/COP	L	1-Oct	slightly bearish	slightly bullish	L	1-Oct	slightly bullish	slightly bullish
<i>Asia</i>	USD/CNH	L	1-Oct	slightly bullish	slightly bullish	L	26-Sep	bullish	slightly bullish
	USD/INR	L	1-Oct	bullish	bullish	L	30-Jul	bullish	bullish
	USD/TWD	L	1-Oct	slightly bearish	slightly bullish	S	14-Sep	slightly bullish	slightly bearish
	USD/KRW	S	25-Sep	slightly bearish	slightly bearish	S	14-Sep	slightly bullish	slightly bearish
	USD/MYR	L	1-Oct	bullish	slightly bullish	L	17-Sep	bullish	slightly bullish
	USD/SGD	L	1-Oct	slightly bullish	slightly bullish	L	1-Oct	bullish	slightly bullish
<i>Eastern Europe</i>	USD/RUB	L	1-Oct	bearish	bearish	S	13-Sep	bullish	slightly bearish
	USD/PLN	L	27-Sep	slightly bullish	slightly bullish	L	27-Sep	slightly bullish	slightly bullish
	USD/CZK	L	26-Sep	slightly bullish	slightly bullish	L	26-Sep	slightly bullish	slightly bullish
	USD/RON	L	26-Sep	slightly bullish	slightly bullish	L	26-Sep	slightly bullish	slightly bullish
	USD/HUF	L	26-Sep	slightly bullish	slightly bullish	L	26-Sep	slightly bullish	slightly bullish
	USD/TRY	S	1-Oct	slightly bearish	slightly bearish	S	27-Sep	bullish	slightly bearish
<i>Crypto</i>	Bitcoin	L	26-Sep	slightly bullish	slightly bullish	L	26-Sep	slightly bearish	slightly bullish

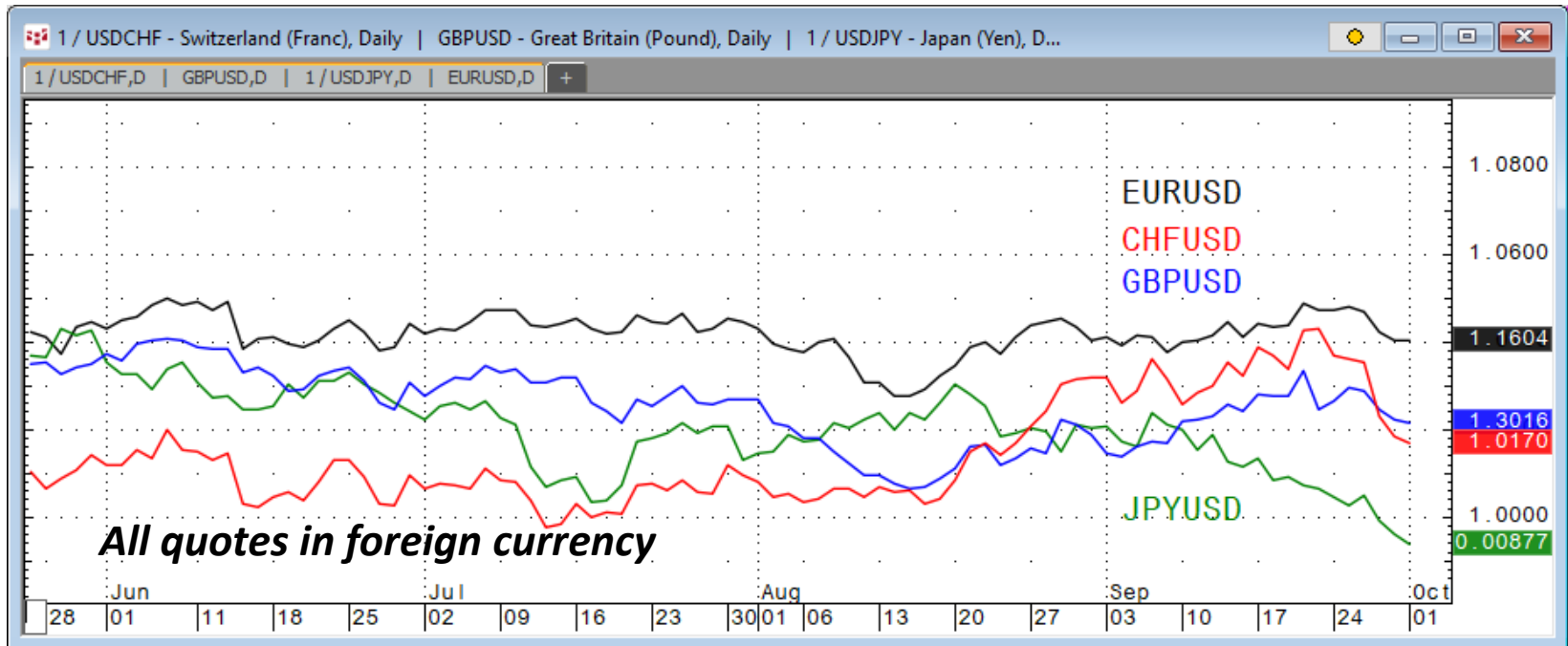
Source: Proprietary Luca Global Markets, LLC Model

FX Majors Trade Idea

Strongest: EURUSD

Weakest: JPYUSD

Trade idea: Long USDJPY while above its 5-day EMA



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FX Majors Trade Idea

Comment:

Long USDJPY while above its 5-day EMA

- USDJPY extended its uptrend to an 11-month high
- It traded above both its rising & divergent 5- & 21-day EMAs
- Initial resistance: 114.37
- Further resistance: 114.74, 115.11 & 114.71
- Immediate support: 113.40
- Further support: 112.33, 118.83 & 110.37
- Fast stochastics: bullish
- MACD: bullish



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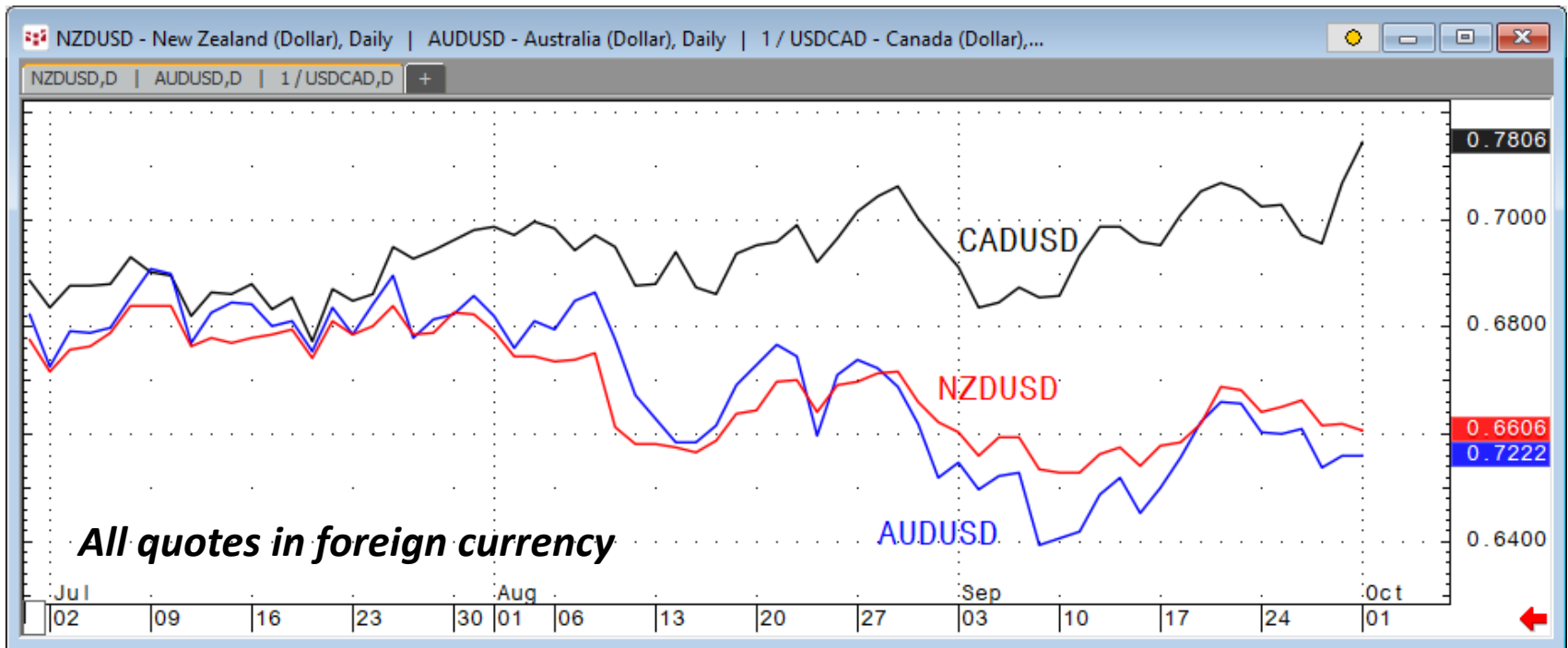
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FX Commodity Dollars Trade Idea

Strongest: CADUSD

Weakest: AUDUSD

Trade ideas: Short USDCAD while below the 5-day EMA



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FX Commodity Dollars Trade Idea

Comment:

Short USDCAD while below the 5-day EMA

- USDCAD sank to a 4 ½-month low following the post-Nafta treaty with Canada
- It's testing the bottom of its declining channel, while getting close to the bottom of its long-term rising channel
- It fell below both its declining 5- & 21-day EMAs
- Immediate support: 1.2729
- Further support: 1.2724, 1.2653 & 1.2527
- Initial resistance: 1.2885
- Further resistance: 1.2955 & 1.3080
- Fast stochastics: bearish
- MACD: bearish



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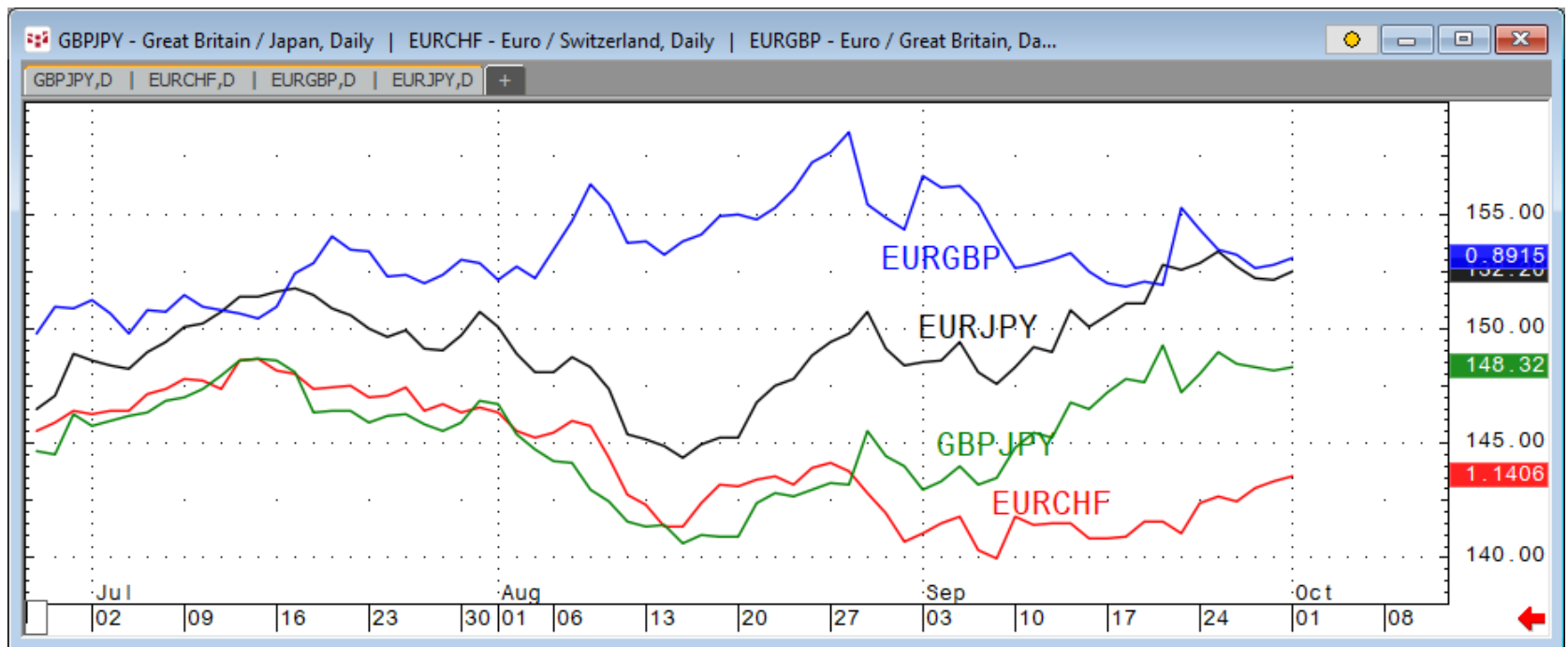
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FX Crosses Trade Idea

Strongest: EURGBP

Weakest: EURCHF (but rising)

Trade idea: Long GBPJPY while above the 5-day EMA



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FX Crosses Trade Idea

Comment:

Long GBPJPY while above the 5-day EMA

- GBPJPY remains strong near a 4-month high
- It also trades above both its rising & divergent 5- & 21-day EMAs, but the 5-day EMA is acting more like a magnet than a support
- Initial resistance: 149.76
- Further resistance: 150.57 & 151.83
- Immediate support: 147.50
- Further support: 146.60, 145.20, & 144.50
- Fast stochastics: bullish
- MACD: bullish



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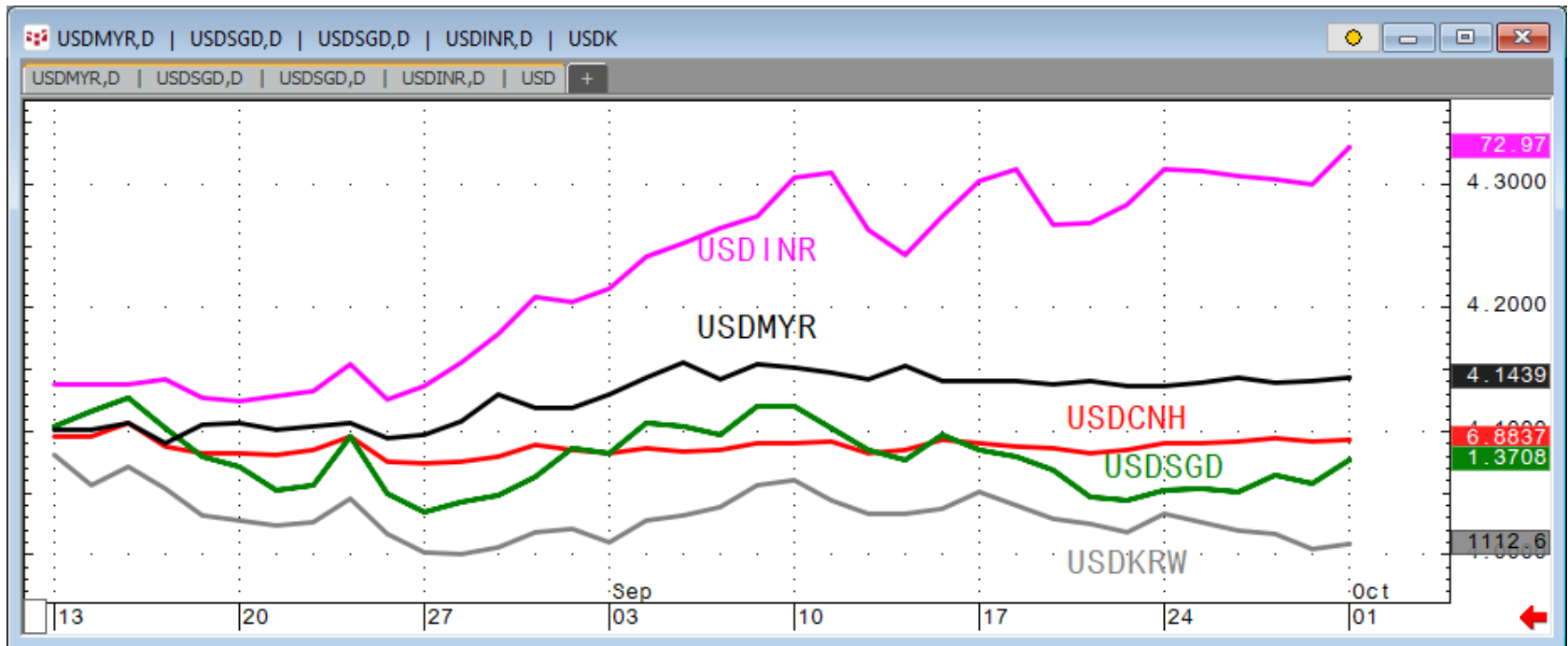
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FX Asia Trade Idea

Strongest: USDINR

Weakest: USDKRW

Trade idea: Long USDINR while above its 5-day EMA



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FX Asia Trade Idea

Comment:

Long USDINR while above its 5-day EMA

- USDINR remains strong near record highs
- Its 5-day EMA supports the bullish path, but it acts more like a magnet than a support
- Initial resistance: 73.00
- Further resistance: 73.90, 74.50 & 75.34
- Immediate support: 72.30
- Further support: 71.75, 70.71 & 69.69
- Fast stochastics: bullish
- MACD: slightly bearish >0



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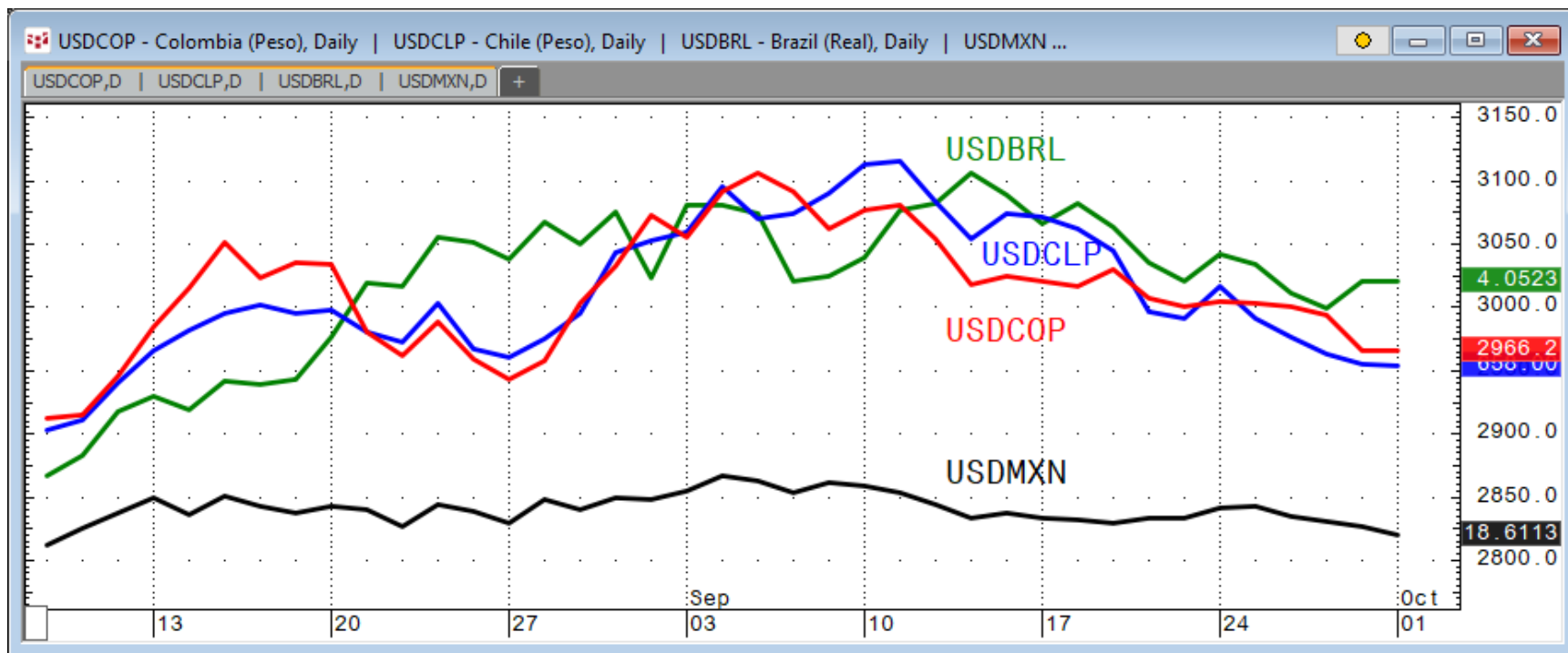
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FX Latam Trade Idea

Strongest: USDBRL

Weakest: USDMXN

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



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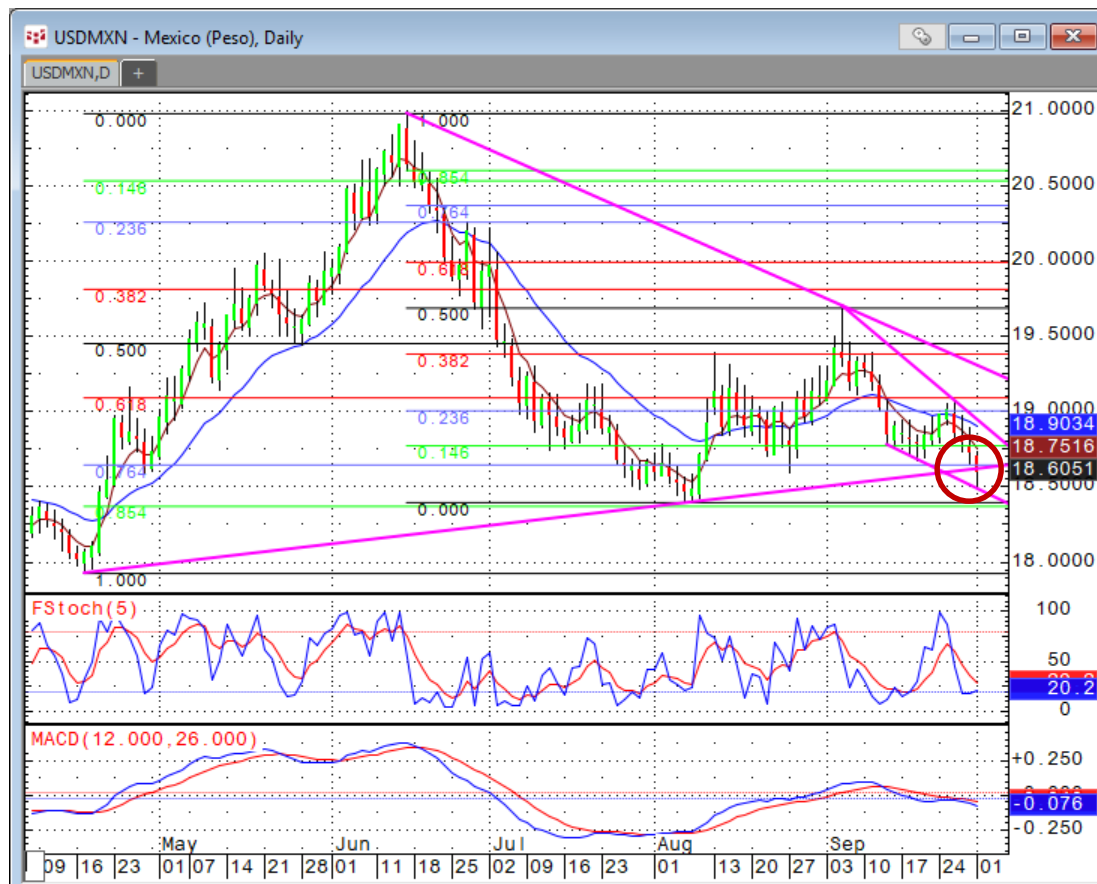
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FX Latam Trade Idea

Comment:

Short USDMXN while below its 5-day EMA

- USDMXN is heavy at a near 2-month low because of the optimism surrounding the post-Nafta era
- It pierced the trendline rising since 4/17
- USDMXN trades below both its declining 5- & 21-day EMAs
- Immediate support: 18.3900
- Further support: 17.9250
- Initial resistance: 18.7720
- Further resistance: 19.0040, 19.0720 & 19.3810
- Fast stochastics: bearish
- MACD: slightly bearish



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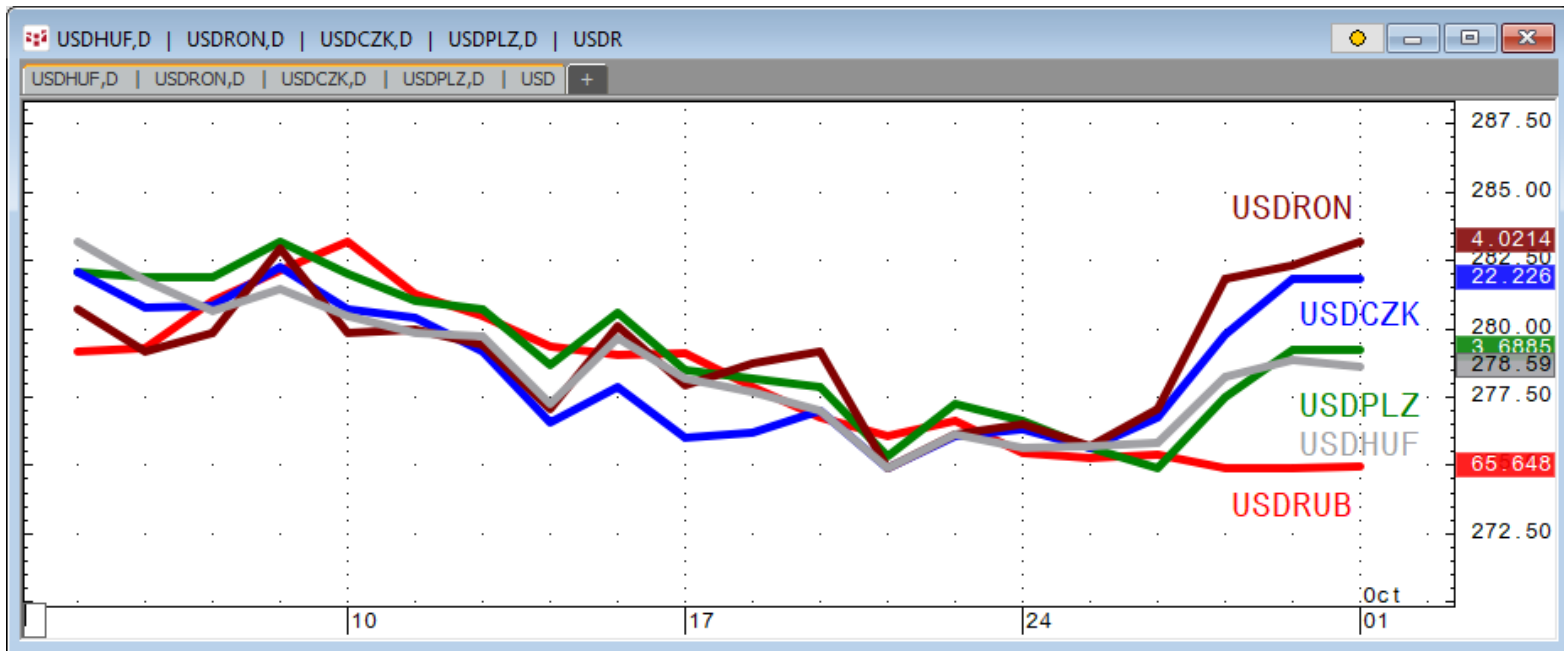
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FX Eastern Europe Trade Idea

Strongest: USDRON

Weakest: USDRUB

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



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FX Eastern Europe Trade Idea

Comment:

Short USDRUR while below the 5-day EMA

- USDRUR reversed from a 2 ½ - year high to a near 2-month low
- It trades below both its declining & diverging 5- & 21-day EMAs
- USDRUR is also challenging the support of its rising medium-term channel
- Immediate support: 64.836
- Further support: 63.826 & 63.030
- Initial resistance: 66.127
- Further resistance: 67.069 & 68.446
- Fast stochastics: slightly bullish
- MACD: bearish



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Bitcoin Trade Idea

Comment:

Long Bitcoin while above the 21-day EMA

- Bitcoin remains in a symmetrical triangle within a massive declining triangle
- However, it's been making slightly higher lows since bottoming on 6/18
- Moreover, it managed to claw its way just above its 21-day EMA
- The lack of factors continues to hurt Bitcoin
- Initial resistance: 6,710
- Further resistance: 7,362, 7,800 & 8,205
- Immediate support: 6,236
- Further support: 6,003, 5,846 & 5,240
- Fast stochastics: bullish (overbought)
- MACD: bearish



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	Commodities	Since when		Risk: Bullish or Bearish Candle as of Monday am EST					
		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