

# Weekly Major Equity Indexes Charts Newsletter

October 15, 2018

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

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# Trade Ideas

- G7: Short S&P 500 *while below* the 21-day exponential moving average
- G7: Long Dax *only if above* the 5-day exponential moving average
- BRIC: Long Sensex *while above* the 5-day exponential moving average

# G7 Equity Indexes

## Model Signals - Daily & Weekly

| <i><b>G7 Index</b></i>      | <b>Daily Model</b> | <b>since</b> | <b>Daily Bias<br/>(&gt; or &lt;<br/>21-day<br/>EMA)</b> | <b>Daily Risk</b> | <b>Weekly Model</b> | <b>since</b> | <b>Weekly Bias<br/>(&gt; or &lt;<br/>21-week<br/>EMA)</b> | <b>Weekly Risk</b> |
|-----------------------------|--------------------|--------------|---|-------------------|---------------------|--------------|---|--------------------|
| <b>S&amp;P 500</b>          | <b>S</b>           | 15-Oct       | <b>bearish</b>  | slightly bearish  | <b>S</b>            | 8-Oct        | slightly bearish  | slightly bearish   |
| <b>Germany DAX</b>          | <b>L</b>           | 15-Oct       | <b>bearish</b>  | slightly bullish  | <b>S</b>            | 31-Jul       | <b>bearish</b>  | slightly bearish   |
| <b>UK FTSE</b>              | <b>L</b>           | 15-Oct       | <b>bearish</b>  | slightly bullish  | <b>S</b>            | 4-Oct        | <b>bearish</b>  | slightly bearish   |
| <b>France CAC</b>           | <b>S</b>           | 4-Oct        | <b>bearish</b>  | <b>bearish</b>    | <b>S</b>            | 4-Oct        | <b>bearish</b>  | slightly bearish   |
| <b>Italy Borsa Italiana</b> | <b>S</b>           | 10-Oct       | <b>bearish</b>  | <b>bearish</b>    | <b>S</b>            | 27-Sep       | <b>bearish</b>  | <b>bearish</b>     |

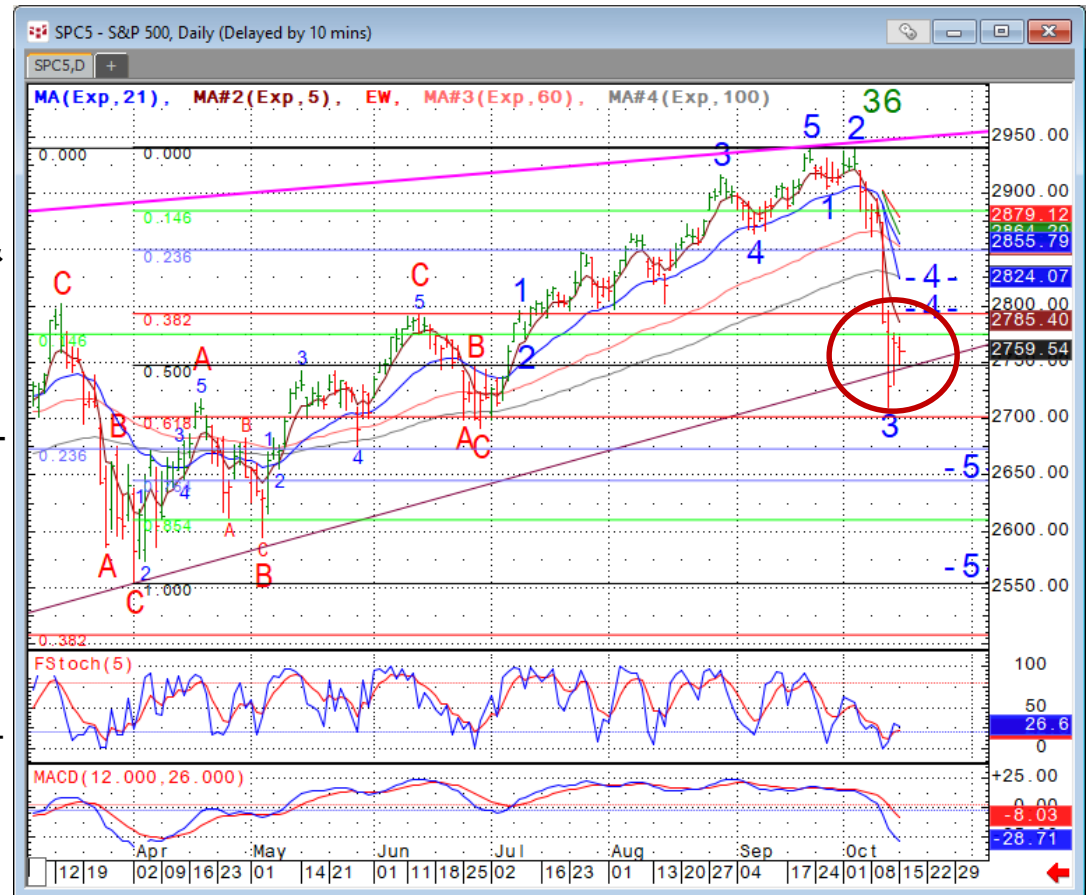
Source: Proprietary Luca Global Markets, LLC Model

# S&P 500

## Comment:

### Short S&P 500 while below the 21-day EMA

- The S&P 500 has been sliding for 8 consecutive days from record highs & it's not yet clear whether it bottomed on 10/11
- It trades below all its key EMAs but managed to claw back above its long-term rising trendline; remain careful
- There is ample room on the upside, but this would be sanctioned by a break above its 21-day EMA
- Immediate support: 2,711
- Further support: 2,673, 2,645 & 2,554
- Initial resistance: 2,790
- Further resistance: 2,830 & 2,940
- Fast stochastics: slightly bullish
- MACD: bearish



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# G7 Equity Index Trade Idea

## Comment:

### Long DAX *only if above its 5-day EMA*

- DAX is attempting to recover from a 1 3/4-year low
- It trades well below its declining & divergent the 5- & 21-day EMAs
- DAX is oversold
- Only a clear break above the former would sanction long positions
- Immediate support: 11,459
- Further support: 11,213
- Initial resistance: 11,690
- Further resistance: 12,121
- Fast stochastics: bearish



# BRIC Equity Indexes

## Model Signals - Daily & Weekly

| <i>BRIC Index</i> | Daily Model | since  | Daily Bias<br>(> or <<br>21-day<br>EMA) | Daily Risk       | Weekly Model | since  | Weekly Bias<br>(> or <<br>21-week<br>EMA) | Weekly Risk      |
|-------------------|-------------|--------|---|------------------|--------------|--------|---|------------------|
| Brazil            | L           | 15-Oct | bullish                                 | slightly bullish | L            | 21-Sep | bullish                                   | slightly bullish |
| Russia            | L           | 12-Oct | sideways                                | neutral          | S            | 4-Oct  | slightly bullish                          | slightly bearish |
| India             | L           | 12-Oct | bearish                                 | slightly bullish | L            | 15-Oct | bearish                                   | slightly bullish |
| China-Shanghai    | S           | 15-Oct | slightly bearish                        | slightly bearish | S            | 8-Oct  | slightly bearish                          | slightly bearish |

Source: Proprietary Luca Global Markets, LLC Model

# BRIC Equity Index Trade Idea

## Comment:

### Long Sensex while above the 5-day EMA

- The Sensex is struggling to move up from a 6-month low with support from the 76.4% Fib
- It climbed just above both its 5-day EMA, but remains well below its declining 21-day EMA
- Initial resistance: 35,913
- Further resistance: 36,317
- Immediate support: 33,724
- Further support: 32,484
- Fast stochastics: bullish



# 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-day 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