

Cartography Corner - February 2020

J. Brett Freeze and his firm Global Technical Analysis (GTA) provides RIA Pro subscribers Cartography Corner on a monthly basis. Brett's analysis offers readers a truly unique brand of technical insight and risk framework. We personally rely on Brett's research to help better gauge market trends, their durability, and support and resistance price levels.

GTA presents their monthly analysis on a wide range of asset classes, indices, and securities. At times the analysis may agree with RIA Pro technical opinions, and other times it will run contrary to our thoughts. Our goal is not to push a single view or opinion, but provide research to help you better understand the markets. Please contact us with any questions or comments. If you are interested in learning more about GTA's services, please connect with them through the links provided in the article. The link below penned by GTA provides a user's guide and a sample of his analysis.

[GTA Users Guide](#)

January 2020 Review

E-Mini S&P 500 Futures

We begin with a review of E-Mini S&P 500 Futures (ESH0) during January 2020. In our January 2020 edition of *The Cartography Corner*, we wrote the following: In isolation, monthly support and resistance levels for January are:

- M4 3475.00
- M1 3353.00
- M3 3231.00
- PMH 3231.00
- Close 3231.00
- M2 3092.44
- MTrend 3092.44
- PML 3092.44

Japanese Yen Futures

We continue with a review of Japanese Yen Futures (6JH0) during January 2020. In our January 2020 edition of *The Cartography Corner*, we wrote the following: In isolation, monthly support and resistance levels for January are:

- M4 0.94068
- M3 0.93445
- PMH 0.92659
- Close 0.92455
- M1 0.92403
- MTrend 0.92330
- PML 0.91195
- M2 0.91140
- M5 0.89475

Active traders can use 0.92659 as the upside pivot, whereby they maintain a long position above that level. Active traders can use 0.92330 as the downside pivot, whereby they maintain a flat or short position below that level. As you read this, recall that we wrote in January that the annual correlation of daily returns between Japanese Yen Futures and E-Mini S&P 500 Futures is -0.53. *January's price action in those markets were mirror images of one another.* Figure 2 below displays the daily price action for January 2020 in a candlestick chart, with support and resistance levels isolated by our methodology represented as dashed lines. The first four trading sessions of January saw the market price exhibit 'choppiness', reflecting market participants' indecision as to directional bias. Early into the fifth trading session, January 8th, the geopolitical event emanating from Iran caused the market price to achieve its high price for the month at 0.93235. However, by the end of the day, the market price had recovered and *settled back below our isolated downside pivot at MTrend: 0.92330.* Over the following six trading sessions, the market price descended to and settled below, our clustered support levels at PML: 0.91195 and M2: 0.91140. On January 17th the low price for the month was realized at 0.90935. From January 18th through the end of the month, the market price action was dominated by market participants' reaction-to and anticipation-of the effects of the Wuhan Coronavirus. The market price rallied back to, and settled slightly above, our clustered support levels at MTrend: 0.92330 and M1: 0.92403, *now acting as resistance.* **Conservatively, active traders following our analysis had the opportunity to monetize a 0.81% profit. Figure 2:**

6JH0: January 2020

February 2020 Analysis

E-Mini S&P 500 Futures

We begin by providing a monthly time-period analysis of E-Mini S&P 500 Futures (ESH0). The same analysis can be completed for any time-period or in aggregate.

Trends:

- Weekly Trend
3285.17
2013266080;
- Daily
Trend
3265.61
- Current Settle
3224.00
2013266080;
- Monthly Trend
3180.97
2013266080;
- Quarterly
Trend
2974.00

In the quarterly time-period, the chart shows that E-Mini S&P 500 Futures have been ?Trend Up? for four quarters. Stepping down one time-period, the monthly chart shows that E-Mini S&P 500 Futures have been ?Trend Up? for eight months. Stepping down to the weekly time-period, the chart shows that E-Mini S&P 500 Futures are in ?Consolidation?, *after having been ?Trend Up? for sixteen weeks.* The relative positioning of the Trend Levels is beginning to lose its bullish posture. We wrote in January, ?The first indication of weakness will be a weekly settlement under Weekly Trend?. We now have that indication. **The next event that needs to occur to strengthen the case of a possible Trend Reversal is a monthly settlement under Monthly Trend. As noted above, Monthly Trend for February is at 3180.97.** Astute readers will notice that January?s low coincided with February?s Monthly Trend level. Hmmm?

Support/Resistance: In isolation, monthly support and resistance levels for February are:

- M4
3605.50
- M1
3421.00
- PMH
3337.50
- M2
- Close
3224.00 **2013266080;**
- M3

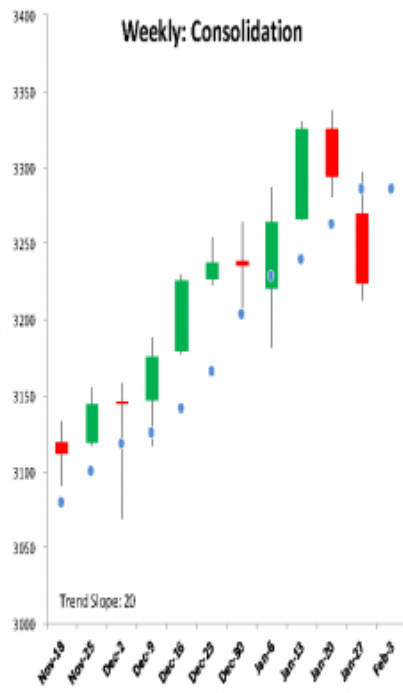


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SP 500 Futures February 3, 2020

ESHO	33.66
Q4	3732.25
M4	3605.50
Q3	3483.50
Q1	3478.50
M1	3421.00
D4	3355.25
PMH	3337.50
W4	3314.50
D1	3303.00
PWH	3297.50
PDH	3297.50
M2	3292.50
WTrend	3285.17
DTrend	3265.61
W1	3257.50
PQH	3254.00
Close	3224.00
M3	3217.00
PWL	3212.75
PDL	3212.75
D2	3185.75
PML	3181.00
MTrend	3180.97
D3	3158.25
W3	3154.50
W2	3145.00
D5	3133.50
M5	3108.00
W5	3088.00
QTrend	2974.00
Q2	2934.25
PQL	2855.00
Q5	2680.50



Bitcoin Futures

For the month of February, we focus on Bitcoin Futures. We provide a monthly time-period analysis of BTG0. The same analysis can be completed for any time-period or in aggregate. Trends:

- Daily
Trend
9,489
2013266080;
- Current Settle
9,440
- Quarterly Trend
9,239
2013266080;
- Weekly Trend
8,830
2013266080;
- Monthly Trend
7,982

As can be seen in the quarterly chart below, Bitcoin is in ?Consolidation?. Stepping down one time-period, the monthly chart shows that Bitcoin is in ?Consolidation?, *after having been ?Trend Down? for five months.* Stepping down to the weekly time-period, the chart shows that Bitcoin has been ?Trend Up? for five weeks. *With the weekly, monthly, and quarterly trend levels having quietly slipped beneath the market price, it is worth considering that the rally in Bitcoin that began five weeks ago may be just the beginning of a substantial move higher in price.* Support/Resistance: In isolation, monthly support and resistance levels for February are:

- M4
13,070
- M3
11,670
- M1
11,520
- PMH
9,745
- Close
9,440
- MTrend
7,982
- M2
7,300 **2013266080;**
- PML
6,860 **2013266080;**
- M5
5,750

Active traders can use 9,745 as the pivot, whereby they maintain a long position above that level

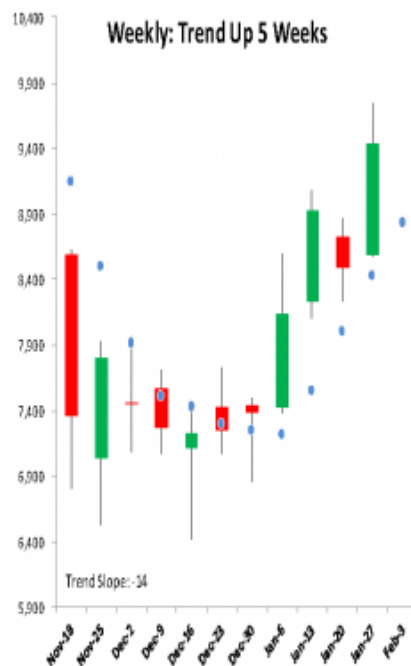
and a flat or short position below it.



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Bitcoin Futures
February 3, 2020

BTGO	415
M4	13,070
Q4	12,430
M3	11,670
M1	11,520
W4	11,255
W1	10,625
W3	10,385
D4	10,198
PQH	10,115
D1	9,792
PDH	9,745
PWH	9,745
PMH	9,745
DTrend	9,489
Close	9,440
D2	9,378
PDL	9,335
QTrend	9,239
D3	9,185
D5	8,972
W2	8,925
WTrend	8,830
PWL	8,580
W5	8,295
MTrend	7,982
M2	7,300
PML	6,860
Q1	6,750
PQL	6,420
Q3	6,015
M5	5,750
Q2	5,040
Q5	(640)



Summary

The power of technical analysis is in its ability to reduce multi-dimensional markets into a filtered two-dimensional space of price and time. Our methodology applies a consistent framework that identifies key measures of trend, distinct levels of support and resistance, and identification of potential trading ranges. Our methodology can be applied to any security or index, across markets, for which we can attain a reliable price history. We look forward to bringing you our unique brand of technical analysis and insight into many different markets. If you are a professional market participant and are open to discovering more, please [connect](#) with us. We are not asking for a subscription; we are asking you to listen.