Cartography Corner - June 2019

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.&#2013266080; 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

A Review of May

Euro FX Futures &#2013266080;

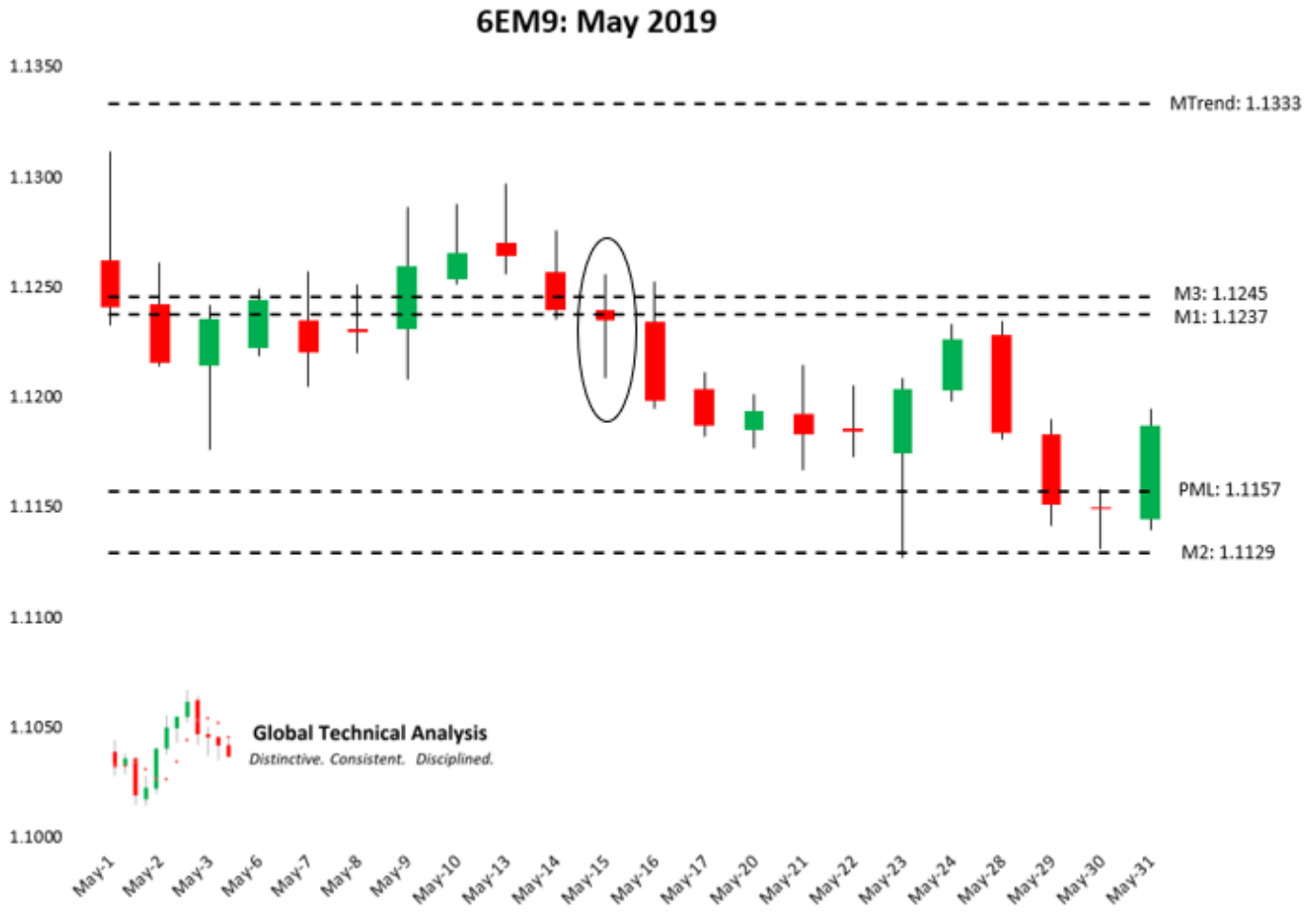
We begin with a review of Euro FX Futures during May 2019. In our May 2019 edition of *The Cartography Corner*, we wrote the following: In isolation, monthly support and resistance levels for May are:

- M4&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  1.1587
- PMH&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080
  1.1386
- MTrend&#2013266080;&#2013266080; 1.1333
- Close&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;1.1267
- M3&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  &#2013266080;&#2013266080;&#2013266080;1.1245
- M1&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;
- PML&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  1.1157
- M2&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20

&#2013266080;
&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
&#2013266080;

- M5&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
1.0779

Active traders can use 1.1386 as the upside pivot, whereby they maintain a long position above that level.&#2013266080; Active traders can use 1.1237 as the downside pivot, whereby they maintain a flat or short position below it. Figure 1 below displays the daily price action for May 2019 in a candlestick chart, with support and resistance levels isolated by our methodology represented as dashed lines.&#2013266080; The first ten trading sessions were spent with Euro FX Futures oscillating below and above our clustered support levels at M3: 1.1245 and M1: 1.1237 On the eleventh trading session, circled in the chart, the market price again closed below our isolated downside pivot at M1: 1.1237.&#2013266080; Euro FX futures proceeded to decline over the following six trading sessions to our isolated support level at M2: 1.1129.&#2013266080; *The low price for the month was realized on May 23rd at a price of 1.1127.&#2013266080; Astute observers will notice the decline halted exactly at the ?cliff?s edge?, as our analysis suggested a &#2013266080;-3.14% gap down to the Monthly Downside Exhaustion level at M5: 1.0779 existed below.* With market participants not liking what they saw over the ?cliff?s edge?, the market price saw a sharp rally over the remainder of the May 23 trading session and the May 24 trading session back to our isolated support levels at M1:1.1237 and M3: 1.1245, *now acting as resistance*. Over the following three trading sessions, the market price abruptly declined back to M2: 1.1129.&#2013266080; The low settlement price for the month was realized on May 30th at a price of 1.1150.&#2013266080; The final trading session of May saw Euro FX Futures rally slightly from the low.&#2013266080; In the month of June 2019, the ?cliff?s edge? resides at 1.1097, below which our analysis suggests a -2.10% gap lower exists. **Our analysis identified the relevant support and resistance levels, while capturing the entire month?s realized range.&#2013266080; &#2013266080;&#2013266080; *Figure 1:***



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E-Mini S&P 500 Futures

We continue with a review of E-Mini S&P 500 Futures during May 2019.&#2013266080; In our May 2019 edition of *The Cartography Corner*, we wrote the following: In isolation, monthly support and resistance levels for May are:

- M4&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  3186.50
- M3&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  3059.25
- M1&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;3047.00
- M2&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
- PMH&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;2956
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;
- Close&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;2948
- PML&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;
- MTrend&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;2828.81
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;
- M5&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  2823.00

Active traders can use 2962.50 as the pivot, whereby they maintain a long position above that level and a flat or short position below it. Figure 2 below displays the daily price action for May 2019 in a candlestick chart, with support and resistance levels isolated by our methodology represented as dashed lines.&#2013266080; The first trading session of May saw the market price test our isolated pivot level at M2: 2962.50 early in the session, with the high price being realized at 2961.25.&#2013266080; *Early strength was overcome by weakness and E-Mini S&P 500 Futures never regained their footing.* The following eight trading sessions were spent with the market price declining to, and through, our isolated Downside Exhaustion level at M5: 2823.00.&#2013266080; On May 14th, 15th, and 16th, the market price rallied back above our isolated support levels at M5: 2823.00, MTrend: 2828.81, and PML: 2844.50, *now acting as resistance*.&#2013266080; **That three-session period was essentially the only opportunity for market participants to ?sell strength?.**&#2013266080; The following ten trading sessions saw the market price decline again, with our Downside Exhaustion level at M5: 2823.00 being exceeded by 73.00 points. *May?s price action is a great example of the benefit of our multi-time frame approach to technical analysis.* &#2013266080; The red dashed lines included in Figure 2 are *quarterly* support levels isolated by our analysis.&#2013266080; Astute readers will notice the market paused its descent at Q1: 2787.25 before approaching Quarterly Trend at QTrend: 2718.86.

June 2019 Analysis

We begin by providing a monthly time-period analysis of E-Mini S&P 500 Futures.&#2013266080; The same analysis can be completed for any time-period or in aggregate. Trends:

- Monthly Trend&#2013266080;&#2013266080; &#2013266080;&#2013266080;&#2013266080;&#2013266080; 2849.28 &#2013266080;&#2013266080;&#2013266080;&#2013266080; **&#2013266080;**
- Weekly Trend&#2013266080;&#2013266080;&#2013266080; &#2013266080;&#2013266080;&#2013266080;&#2013266080; 2823.72
- Daily Trend&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#201326608 &#2013266080;&#2013266080;&#2013266080;&#2013266080; 2779.08 &#2013266080;&#2013266080;&#2013266080;&#2013266080; **&#2013266080;**

- Current Settle&#2013266080;&#2013266080;&#2013266080; &#2013266080;&#2013266080;&#2013266080;&#2013266080; 2752.50 &#2013266080;&#2013266080;&#2013266080;&#2013266080; **&#2013266080;**
- Quarterly Trend&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080; 2718.86

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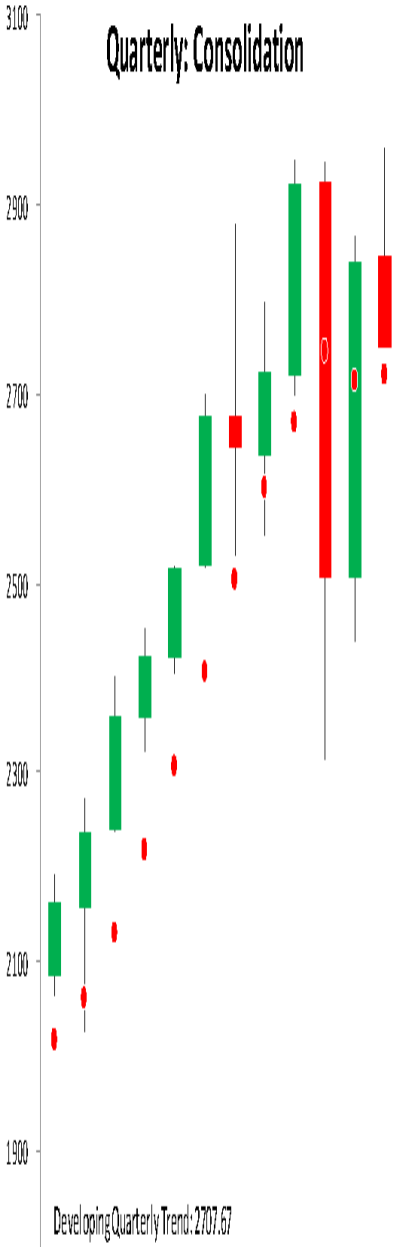
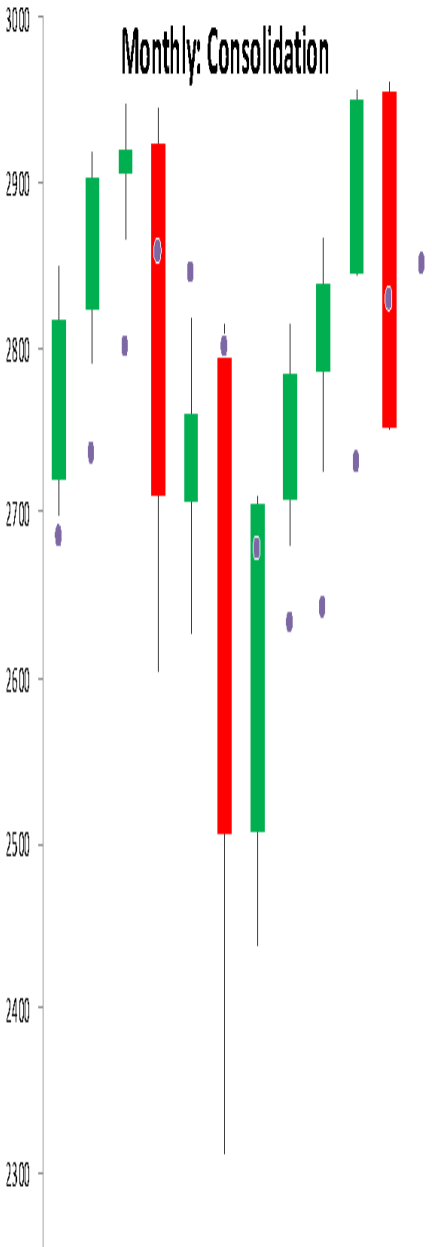
SP 500 Futures

June 3, 2019

ESM9	37.30
Q4	3419.00
Q3	3170.25
M4	3078.00
M1	2966.00
PMH	2961.25
W4	2876.75
PQH	2866.00
MTrend	2849.28
PWH	2841.25
WTrend	2823.72
W1	2806.00
D4	2805.50





We would like to bring your attention to two important points with respect to the Trend Levels.&#2013266080; First, the relative positioning of the trend levels are beginning to align in a very bearish manner.&#2013266080; Daily is below Weekly.&#2013266080; Weekly is below Monthly.&#2013266080; *The final alignment that would increase our concern further is to have Quarterly at the top of the order.*&#2013266080; The second point is that June Monthly Trend rose relative to May Monthly Trend.&#2013266080; *The significance of this is that it informs us that there remain many ?trapped? longs at prices 3.5% higher than the current settlement price.&#2013266080; May?s weakness introduced significant pressure on them.* In the quarterly time-period, the chart shows that E-Mini S&P 500 Futures are in ?Consolidation?.&#2013266080; Stepping down one level in time-period, the monthly chart shows that E-Mini S&P 500 Futures are in ?Consolidation?, after having been ?Trend Up? for four months.&#2013266080; Stepping down to the weekly time-period, the chart shows that E-Mini S&P 500 Futures have also been ?Trend Down? for four weeks. Within the context of the market price relative to the trend levels and the relative positioning of the trend levels to one another, technical analysis of E-Mini S&P 500 Futures is bearish.&#2013266080; Having said that, *there is one bullish technical factor to be cognizant of* .&#2013266080; The condition was met in May 2019 that makes us anticipate a two-month high within the next four to six months.&#2013266080; That would be achieved this month with any trade above 2961.25.&#2013266080; Our judgment is that it will occur in the latter part of the time window and at lower levels. We espoused the following in our May 2019 edition and remain convicted of this view today.&#2013266080; ?*Despite the bullish technical condition mentioned above, we continue to view this time window and price area as the last and best opportunity to sell longs (get short), anticipating an extended decline in both time and price.&#2013266080; Based upon historical occurrences, we are willing to remain patient until late May / early June before re-assessing our anticipation of a reversal.?* **The reversal arrived on schedule. &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;**
Support/Resistance: In isolation, monthly support and resistance levels for June are:

- M4&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;3078.00
- M1&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
- PMH
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
- MTrend&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;2849.28
- Close&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;&#2013266080; **&#2013266080;**
- PML&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
- M2&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;&#2013266080; **&#2013266080;**
- M3&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080; **&#2013266080;**
- M5&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;2543.50

Active traders can use 2750.00 as the pivot, whereby they maintain a long position above that level and a flat or short position below it.

U.S. Dollar Index Futures

For the month of June, we focus on U.S. Dollar Index Futures.&#2013266080; We provide a monthly time-period analysis of DXM9.&#2013266080; The same analysis can be completed for any time-period or in aggregate. Trends:

- Daily Trend&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#201326608 &#2013266080;&#2013266080;&#2013266080; 97.946 &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2 **&#2013266080;**
- Weekly Trend &#2013266080;&#2013266080; &#2013266080;&#2013266080;&#2013266080;&#2013266080;97.675
- Current Settle &#2013266080;&#2013266080; &#2013266080;&#2013266080;&#2013266080;&#2013266080;97.666 &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2 **&#2013266080;**
- Monthly Trend&#2013266080;&#2013266080; &#2013266080;&#2013266080;&#2013266080; 97.119 &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2 **&#2013266080;**
- Quarterly Trend&#2013266080;&#2013266080; &#2013266080;&#2013266080;95.784

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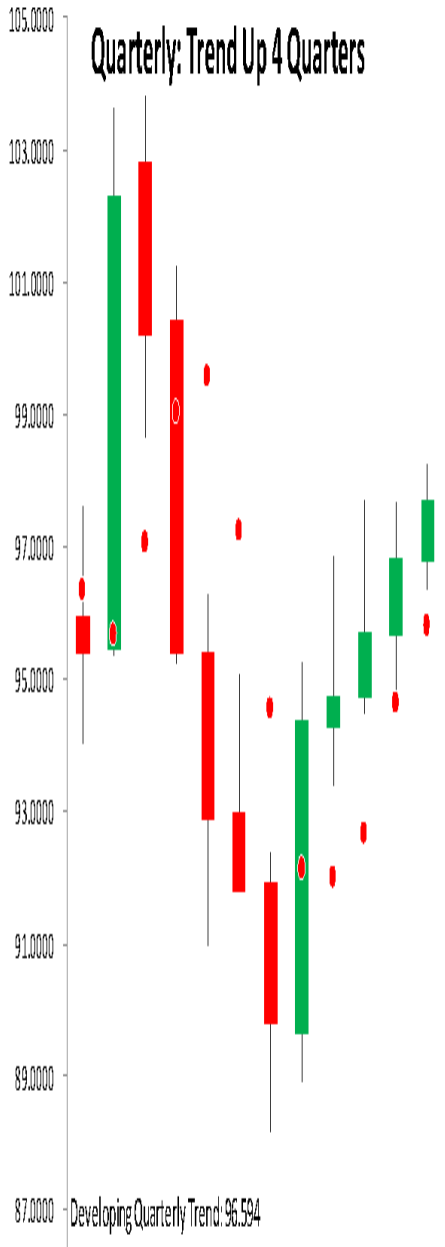
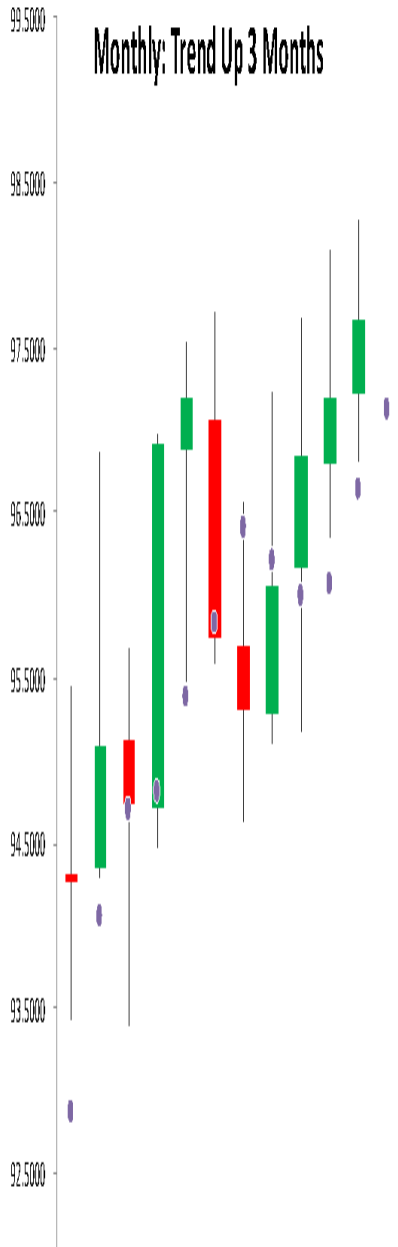
U.S. Dollar Index Futures

June 3, 2019

DXM9	0.379
Q4	100.860
M4	100.155
W4	98.980
M1	98.435
PMH	98.260
PWH	98.195
D4	98.170
M3	98.131
W1	98.130
PDH	98.085
D1	97.975
Q2	97.055





As can be seen in the quarterly chart above, U.S. Dollar Index Futures have been ?Trend Up? for four quarters.&#2013266080; Stepping down one time-period, the monthly chart shows that U.S. Dollar Index Futures have been ?Trend Up? for three months.&#2013266080; Stepping down to the weekly time-period, the chart shows that U.S. Dollar Index Futures have been ?Trend Up? for three weeks. **Technical analysis of U.S. Dollar Index Futures is unequivocally bullish.** *&#2013266080;* Having said that, *there is one bearish technical factor to be cognizant of* .&#2013266080; The condition was met in 2Q2018 that makes us anticipate a two-quarter low by the end of 4Q2019.&#2013266080; That would be achieved this quarter with any trade below 94.470. Support/Resistance: In isolation, monthly support and resistance levels for June are:

- M4&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  100.155
- M1&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  98.435
- PMH&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;98.260
- M3&#2013266080;&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;98.1
- Close&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#201326608
  97.666
- M2&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;
- MTrend&#2013266080; 97.119
- PML&#2013266080;&#2013266080;&#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;96.8
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;
  &#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#20
  &#2013266080;
- M5&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&
  95.535

Active traders can use 98.260 as the upside pivot, whereby they maintain a long position above that level.&#2013266080; Active traders can use 97.119 as the downside pivot, whereby they maintain a flat or short position below it.

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.&#2013266080; Our methodology applies a consistent framework that identifies key measures of trend, distinct levels of support and resistance, and identification of potential trading ranges.&#2013266080; Our methodology can be applied to any security or index, across markets, for which we can attain a reliable price history.&#2013266080; We look forward to bringing you our unique brand of technical analysis and insight into many different markets.&#2013266080; If you are a professional market participant and are open to discovering more, please connect with us.&#2013266080; We are not asking for a subscription, *we are asking you to listen.*