

Cartography Corner - March 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](#)

February 2020 Review

E-Mini S&P 500 Futures

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

- M4 3605.50
- M1 3421.00
- PMH 3337.50
- M2 3224.00 **�**
- Close 3180.97
- M3 3180.97
- PML 3180.97 **�**
- MTrend 3180.97

- February 20th: The small reversal referred to earlier stopped right in front of PMH: 3337.50, *then acting as support*.
- February 21st: PMH: 3337.50 again offered support, with the market price settling at 3339.25.
- February 24th: The market had an opening gap lower, with the early price action occurring in front of M2: 3292.50, *then acting as support*; Once that level gave way, the market price declined to and settled just above *our isolated pivot for February at M3: 3217.00*.
- February 25th: Clustered support levels at M3: 3217.00 / PML: 3181.00 / MTrend: 3180.97 gave way, *suggesting the market price was going to test the Monthly Downside Exhaustion at M5: 3108.00*; The low for the session was 3117.25.
- February 26th: The trading range for the session was essentially bound by MTrend: 3180.97 and PML: 3181.00, *then acting as resistance*, and M5: 3108.00, acting as support; The market price settled the session at 3110.25, with an intra-session low of 3091.00.

Our clients know that the emphasis we place on our levels increases with the length of the time period; Quarterly levels, with Quarterly Trend specifically, being the most important; Coming into the trading session of the 27th, the market had already achieved our isolated Monthly Downside Exhaustion, so what were we to do? *Our focus turned immediately to the quarterly support levels.*

- February 27th: Support at M5: 3108.00 gave way and the market price achieved, and exceeded, Quarterly Trend at QTrend: 2974.00; The market price settled at 2957.00, in between QTrend: 2974.00 and our next support level at Q2: 2934.25.
- February 28th: *The purpose of every trading session is to surpass the high or low of the previous trading session?* The trading range was essentially bound by QTrend: 2974.00, *then acting as resistance*, and the previous quarter low at PQL: 2855.00, acting as support; The low trade for February occurred at the price of 2853.25; *purpose fulfilled in both the monthly and quarterly time periods.*

Our analysis, yet again, proved its worth to the discerning market participant; For both long-term investors managing risk and traders actively speculating, our analysis provided a map to profitability; Subscriptions and referrals are appreciated.

Bitcoin Futures

We continue with a review of Bitcoin Futures (BTH0) during February 2020; In our February 2020 edition of *The Cartography Corner*, we wrote the following: In isolation, monthly support and resistance levels for February are:

- M4 13,070
- M3 11,670
- M1 11,520
- PMH 9,745
- Close
- MTrend 7,982

- M2 7,300
- PML 6,860
- 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. Figure 2 below displays the daily price action for February 2020 in a candlestick chart, with support and resistance levels isolated by our methodology represented as dashed lines. On the third trading session of February, bitcoin settled above our isolated pivot level at PMH: 9,745. The following six trading sessions saw the market price rise to a high price of 10,670 on February 13th, with the high settlement price for the month being achieved at 10,525 the session before. Over the following four trading sessions, the market price descended to and settled back below our isolated pivot level at PMH: 9,475, then acting as support. The final six trading sessions of the month saw the market price declining towards Monthly Trend at MTrend: 7,982. **Conservatively, active traders following our analysis had the opportunity to monetize a 10.7% profit.**

Figure 2:



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Gold Futures

For the month of March, we focus on Gold Futures (?Gold?). We provide a monthly time-period analysis of GCJ0. The same analysis can be completed for any time-period or in aggregate. Trends:

- Daily
Trend 1627.51
�
- Weekly Trend
1604.79
- Current Settle
1566.70
�
- Monthly Trend � �
1560.26
�
- Quarterly Trend � �
1449.56

As can be seen in the quarterly chart below, Gold has been ?Trend Up? for five quarters. Stepping down one time-period, the monthly chart shows that Gold has been ?Trend Up? for three months. Stepping down to the weekly time-period, the chart shows that Gold is in ?Consolidation?, after having been ?Trend Up? for eleven weeks. *If not for the agenda of a motivated seller on Friday, February 28th, Gold would have settled above Weekly Trend again.* However, as a technician, my primary job is to recognize the beginning of a new trend, the reversal of an existing trend, or a consolidation area, regardless of qualitative factors. Adhering to that job, Gold has begun to consolidate in the weekly time-period and is only 6.43 points away from consolidating in monthly time-period. ***This deserves attention, as Gold has had quite a rally over the past five quarters.*** Support/Resistance: In isolation, monthly support and resistance levels for March are:

- M4 1863.70
- M1 1770.10
- PMH 1691.70
- M2 1582.50
- Close 1566.70
- MTrend 1560.26
- PML 1551.10
�

- M3 1545.50
- M5 1488.90

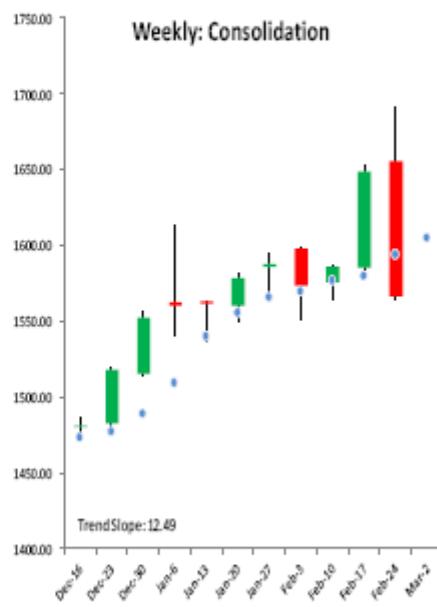
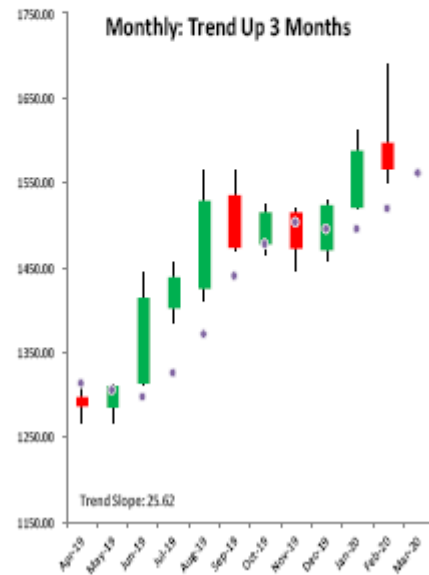
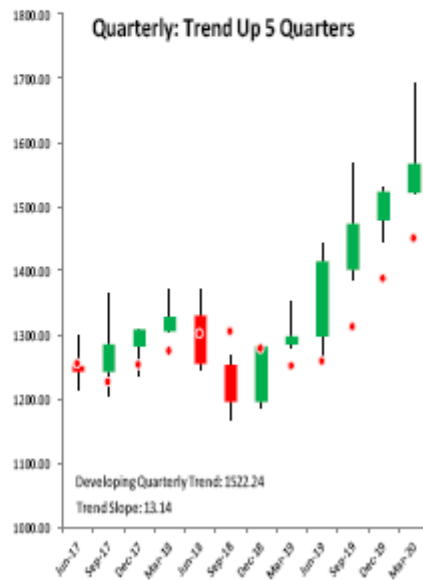
Active traders can use 1545.50 as the pivot, whereby they maintain a long position above that level and a flat or short position below it.



Global Technical Analysis
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Gold Futures March 2, 2020

| | |
|--------|---------|
| GCJ0 | 23.22 |
| M4 | 1863.70 |
| W4 | 1801.60 |
| M1 | 1770.10 |
| W1 | 1731.30 |
| PWH | 1691.70 |
| PMH | 1691.70 |
| Q4 | 1673.30 |
| D4 | 1661.80 |
| PDH | 1651.00 |
| D1 | 1645.60 |
| DTrend | 1627.51 |
| WTrend | 1604.79 |
| M2 | 1582.50 |
| Q3 | 1573.30 |
| Close | 1566.70 |
| PWL | 1564.00 |
| PDL | 1564.00 |
| MTrend | 1560.26 |
| PML | 1551.10 |
| W2 | 1546.20 |
| M3 | 1545.50 |
| PQH | 1529.00 |
| Q2 | 1507.70 |
| Q1 | 1491.80 |
| D3 | 1490.90 |
| M5 | 1488.90 |
| D2 | 1487.80 |
| W3 | 1484.60 |
| W5 | 1475.90 |
| D5 | 1471.60 |
| QTrend | 1449.56 |
| PQL | 1446.20 |
| Q5 | 1326.20 |



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.