

Flash Technical Update



J. Brett Freeze of Global Technical Analysis believes the S&P 500 is presenting short term traders a low-risk entry point to short the S&P 500, anticipating a pullback into Friday's Federal Reserve SOMA portfolio maturity (\$11.4B liquidity drain). A confluence of six resistance levels lies between 2895.50 and 2912.50 as shown on the graph below (red box). Currently S&P futures are trading at 2901 and above three of the six resistance levels. **Traders can establish a short position below the highest resistance level of 2912.50 and limit risk with a stop loss order on a daily market close above 2912.50.** The potential downside for the S&P 500 is 2835.50 as circled in the graph. If the market closes above 2912.50 traders should then use that as a pivot point, whereas you are long the market above 2912.50 and short below that level.

The link below penned by GTA provides a user's guide to this analysis.

GTA Users Guide



Global Technical Analysis

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SP 500 Futures August 27, 2018

ESU8	23
Q4	3063.00
M4	3005.75
W4	2951.50
M3	2912.50
M1	2903.00
W3	2901.25
D4	2899.75
W1	2897.50
D3	2895.50
W2	2889.50
D1	2884.75
PDH	2877.25
PWH	2877.25
Close	2876.75
DTrend	2863.17
D2	2857.75
PDL	2856.25
PMH	2849.50
WTrend	2848.78
PWL	2846.25
D5	2842.75
W5	2835.50
Q3	2800.00
PQH	2796.00
MTrend	2734.92
Q1	2713.50
M2	2703.75
PML	2698.50
QTrend	2667.92
M5	2601.00
Q2	2575.00
PQL	2552.00
Q5	2225.50

