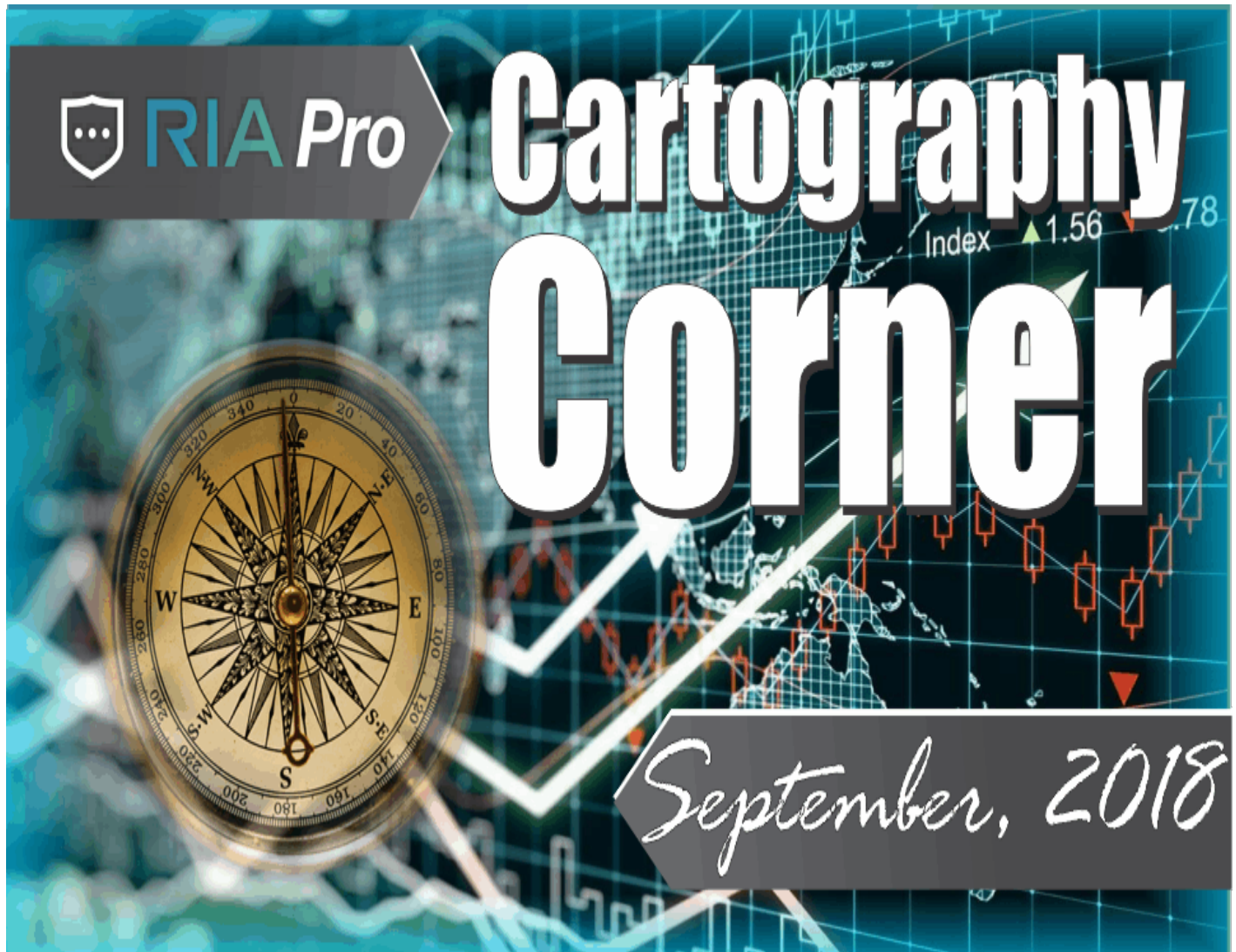


## Cartography Corner - September 2018



**RIA Pro is pleased to introduce J. Brett Freeze, CFA and his firm Global Technical Analysis (GTA).**

*GTA will be providing RIA Pro subscribers his unique brand of technical analysis 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. Going forward, we will present his 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](#)

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# The Cartography Corner

By J. Brett Freeze The monthly analysis always starts with a review of the prior month's analysis. After the review, a new asset(s) is analyzed and trading strategies discussed. Please enjoy the August edition of The Cartography Corner.

## A Review Of August

### Amazon.com, Inc.

We will begin with a review of Amazon.com, Inc. (AMZN) during August 2018. In our August 2018 edition of *The Cartography Corner*, we wrote the following, with emphasis given to green-shaded excerpts: **In isolation, monthly support and resistance levels for August are:**

- M4 2125.01
- M1 1997.00
- PMH 1880.05
- M3 1855.08
- Close 1777.44
- M2 1693.80
- MTrend 1693.80
- PML 1678.06
- M5 1593.02

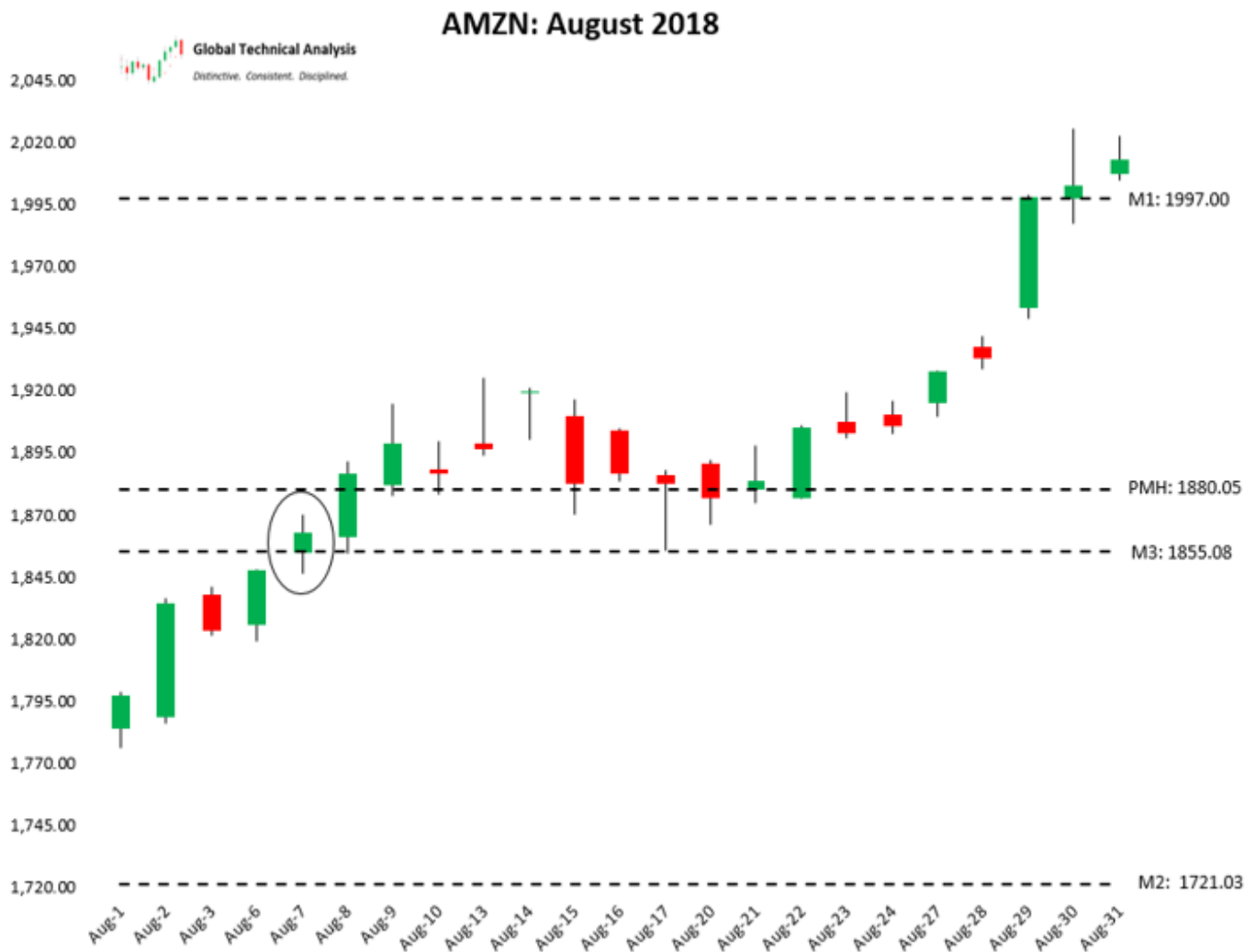
Active traders can use 1855.08 as the upside pivot, whereby they maintain a long position above that level. Active traders can use 1721.03 as the downside pivot, whereby they maintain a flat or short position below it.

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Figure 1 below displays the daily price action for August 2018 in a candlestick chart, with support and resistance levels isolated by our methodology represented as dashed lines. August opened by spending the first five trading sessions ascending to our first resistance level at M3: 1855.08. The buy signal for active traders was given, as the close on the fifth trading session was \$1862.48. That session is circled on the graph. The following five sessions were spent with the price ascending towards, and surpassing, the Previous Month High level at PMH: 1880.05. Over the next four sessions, the price rotated back down to PMH and

M3 which were now acting as support. As can be seen in the graph, although briefly testing M3 intra-day on August 17<sup>th</sup>, the price did not settle below that level. Over the next nine sessions, the price ascended to, and slightly through, our next isolated resistance level at M1: 1997.00. By following our analysis, active traders were able to realize a gain of 8.1% on a close-to-close basis, measured from the day the buy signal was given versus the last session of August.

**Figure 1:**



## E-Mini S&P 500 Futures

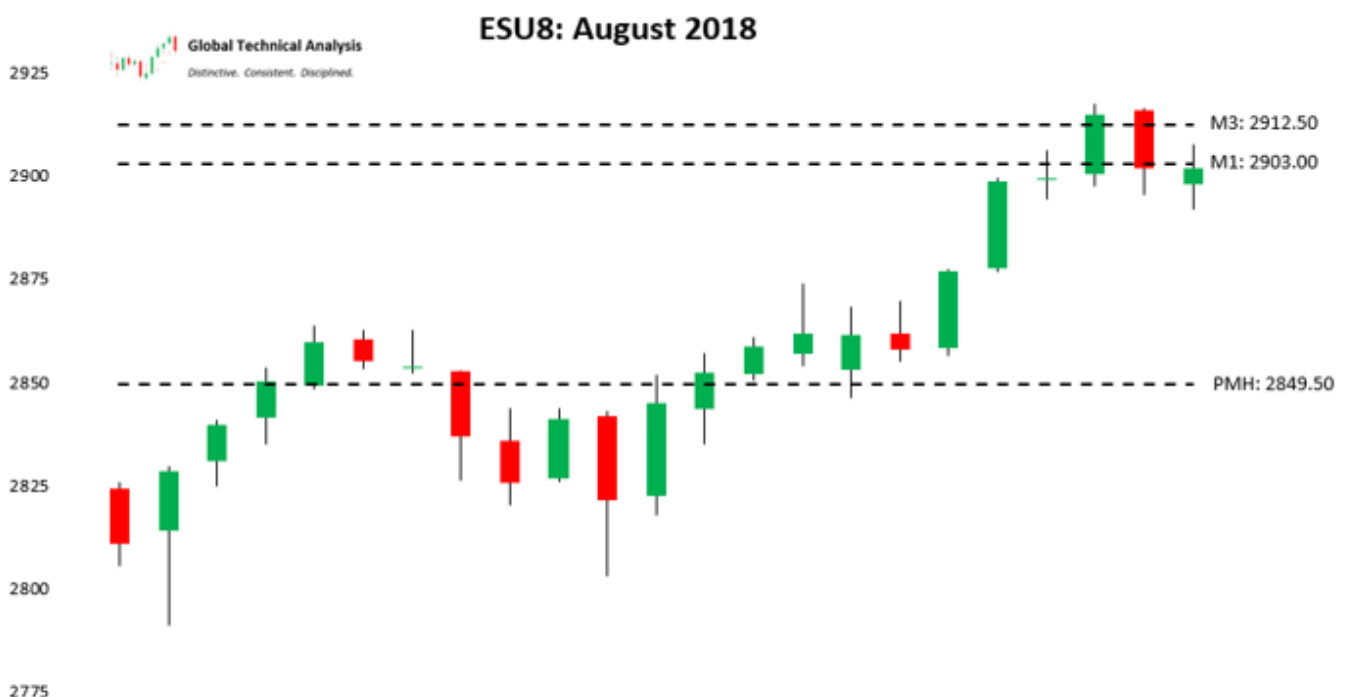
We continue with a review of E-Mini S&P 500 Futures (ESU8) during August 2018. In our August 2018 edition of *The Cartography Corner*, we wrote the following, with emphasis given to green-shaded excerpts: **In isolation, monthly support and resistance levels for August are:**

- M4 3005.75
- M3 2912.50
- M1 2903.00
- PMH 2849.50

- Close 2817.50; MTrend 2734.92; M2 2703.75; PML 2849.50; M5 2601.00

Active traders can use 2849.50 as the upside pivot, whereby they maintain a long position above that level. Active traders can use 2734.92 as the downside pivot, whereby they maintain a flat or short position below it. Figure 2 below displays the daily price action for August 2018 in a candlestick chart, with support and resistance levels isolated by our methodology represented as dashed lines. August opened by continuing the weakness realized in the last-few trading sessions in July. The low settlement price was achieved on the first session of August and the low intra-day price was achieved during the second trading session. The following four sessions were spent with the price ascending to, and through, our first resistance level isolated at PMH: 2849.50. However, over the next five sessions, the market price descended back below PMH, completing the swing lower on August 15<sup>th</sup> at a price of 2803.00. Over the next two sessions, the price ascended to and settled above our first resistance level at PMH: 2849.50, *never looking back again*. The final ten trading sessions were spent with the price ascending to and slightly through our clustered-resistance levels at M1: 2903.00 and M3: 2912.50. Active traders following our analysis completed two trades during the month. The first trade was *scratched* for zero profit, after having a maximum of 10.25 points profit. The second trade realized a profit of 2.11%, or 60.25 points.

**Figure 2:**

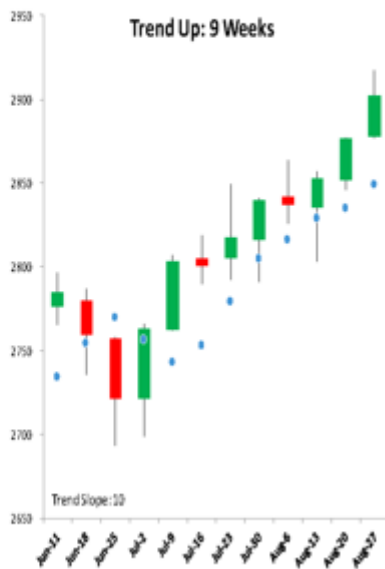




ESU8	22
M4	3136.50
Q4	3063.00
W4	2988.75
M3	2987.00
M1	2985.50
W1	2957.75
W3	2927.25
D4	2919.50
PWH	2917.50
PMH	2917.50
PDH	2907.50
W2	2907.25
DTrend	2904.97
Close	2902.00
D3	2902.00
D1	2898.75
PDL	2891.75
D2	2888.00
M2	2883.50
PWL	2876.75
W5	2876.25
WTrend	2867.64
D5	2867.25
Q3	2800.00
MTrend	2798.47
PQH	2796.00
PML	2791.00
M5	2732.50
Q1	2713.50
QTrend	2667.92
Q2	2575.00
PQL	2552.00
Q5	2225.50



or in aggregate.



Trends:

- Daily

Trend 2904.97  
2902.00

- Current Settle

2902.00

- Weekly Trend

2867.64



- Monthly Trend 2798.47
- Quarterly Trend 2667.92

As can be seen in the quarterly chart above, E-Mini S&P 500 Futures have been trading higher in price since the fourth quarter of 2015 and have been ?Trend Up? for eleven straight quarters. Stepping down one level in time-period, the monthly chart shows that E-Mini S&P 500 Futures have been ?Trend Up? for four months and above Monthly Trend for ten of the past twelve months. The futures contract settled the month of August above Monthly Trend, *and at an all-time high*. Stepping down to the weekly time-period, the chart shows that E-Mini S&P Futures have been ?Trend Up? for nine weeks. We have written about two potentially-bearish aspects in previous commentaries, the descending triangle and the inside-month range. We also commented on our annual support level in E-Mini S&P 500 Futures in our July commentary, stating: ?Although we do not regularly-publish our Annual support and resistance levels, it is worth bringing to your attention two important levels from them. Annual support is isolated by our methodology at A2: 2676.50, below which is a gap lower to our annual downside exhaustion at A5: 2206.00. *To emphasize the critical nature of where the market is, we have clustered-support at Monthly Trend: 2685.19, Annual Support: 2676.50, and Quarterly Trend: 2667.92.*? The price action and monthly settlement in August effectively negated the potentially-bearish aspects of the descending triangle and the inside-month range. The combination of Annual Support and Quarterly Trend acted effectively as a ?launching-pad? to new all-time-highs. **Given the fact that Annual Support held, it is now important to highlight where Annual Resistance resides. First Annual Resistance is isolated by our methodology (and clustered) at A3: 3115.75 and A:1 3123.50, above which is a gap higher to our annual upside exhaustion at A4: 3594.00.** *We hold facts in the highest regard yet, remain alert to the principle that facts can and do change. The key phrase is **flexibility of thinking**, which is the opposite of stubbornness.* As our primary methodology demonstrates, we are always prepared for price action in both directions. Support/Resistance: In isolation, monthly support and resistance levels for September are:

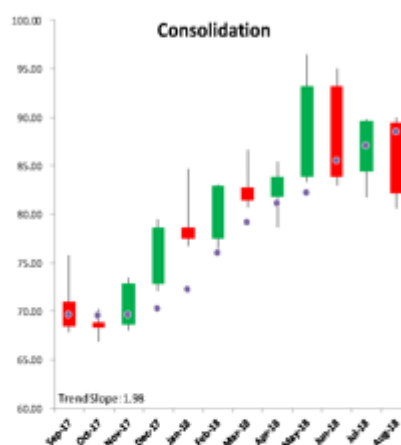
- M4 3136.50
- M3 2987.00
- M1 2985.50
- PMH 2917.50
- Close 2902.00
- M2 2798.47
- MTrend 2798.47
- PML 2667.92

- M5&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&#2013266080;&  
&#2013266080;&#2013266080;2732.50



**Global Technical Analysis**  
Distinctive. Consistent. Disciplined.

- Not-commodity
- Futures
- Sold or in aggregate.



Trends:

- [illegible]

- Weekly Trend 82.65
- Weekly Trend 82.44
- **82.22**
- Current Settle 82.22
- **82.22**
- Quarterly Trend 80.93

As can be seen in the quarterly chart above, Cotton (#2) Futures have been trading higher in price since the fourth quarter of 2017 and have been 'Trend Up' for three quarters. **82.22** Stepping down one level in time-period, the monthly chart shows that Cotton (#2) Futures have been consolidating for three months, after a seven-month uptrend. Stepping down to the weekly time-period, the chart shows that Cotton (#2) Futures have been 'Trend Down' for four weeks. *Technical analysis of the Cotton (#2) Futures market price suggests to us that perhaps the intermediate trend is in the early stage of turning to lower prices.* Support/Resistance: In isolation, monthly support and resistance levels for September are:

- M4 98.21
- M1 90.14
- PMH 89.98
- MTrend 86.20
- Close 82.22
- **82.22**
- PML
- M2
- **82.22**
- M3 74.85
- **82.22**
- M5 71.38

Active traders can use 86.20 as the upside pivot, whereby they maintain a long position above that level. Active traders can use 79.45 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. 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 to 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*.