

FX UPDATE

- EM to the RESCUE! This is creating some areas of stability and verses the USD still represents value.
- MANY USD-EM crosses now have SIZEABLE long-term tops formed. I think it is a combination of EM relief that the Turkey-Argentina situation is improving and the DXY losing momentum, more bias on the former for influence.
- ****CORE FX remains DULL in comparison to EM.****
- Positions :
- December 107.00 Puts for 35.0 ticks (Now 1.50/2.00).
- October 112.50 Puts for 17.0. (Now 0.00).
- **POSITION CLOSED SHORT DATED PUTS say EUR USD SEP 1.1400 Puts 21.0/22.0 Currently (116.0/118.0) Ref Sep future 1.1361, take 50% profit on the position.

EUR USD quarterly : This is a key chart to start with given the LOWER HIGHS since 2008. As the blocks highlight the MAJOR DROP periods and potentially on this quarterly, we have a lot of work to do to make it work but it remains a POSSIBILITY.



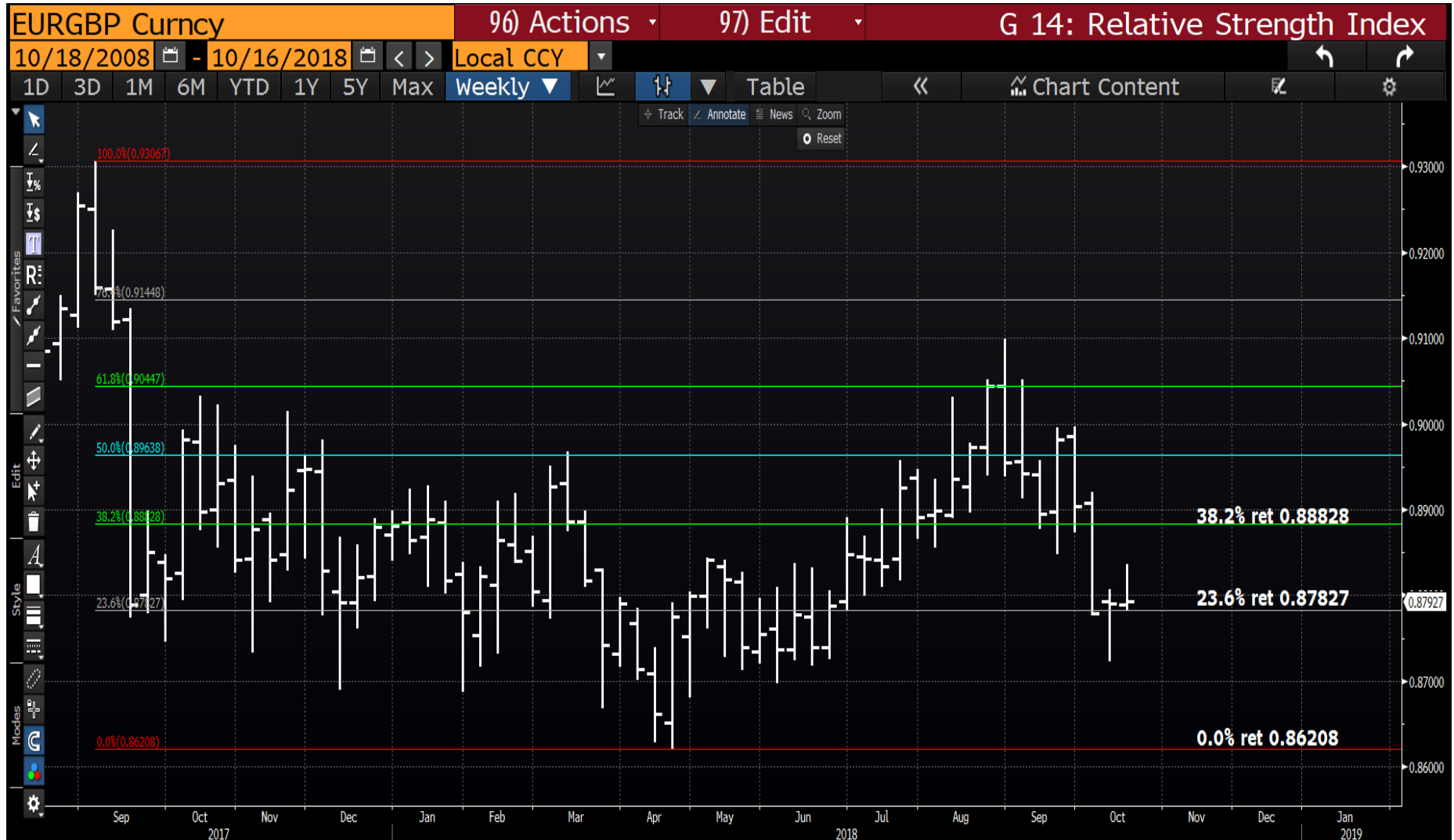
EUR USD daily : We have had PERIODS of sideways activity before the BIG DROP.
 We continue to reject all efforts to bounce and whilst sub the 1.1628 – 1.1597 23.6% ret
 the trend remains LOWER.



EUR GBP quarterly : The 3 upside pierces of late are VERY BEARISH and will be vindicated by a close sub the 0.88567 bollinger average. Hopefully this STILL hints at a weaker EURO going forward.

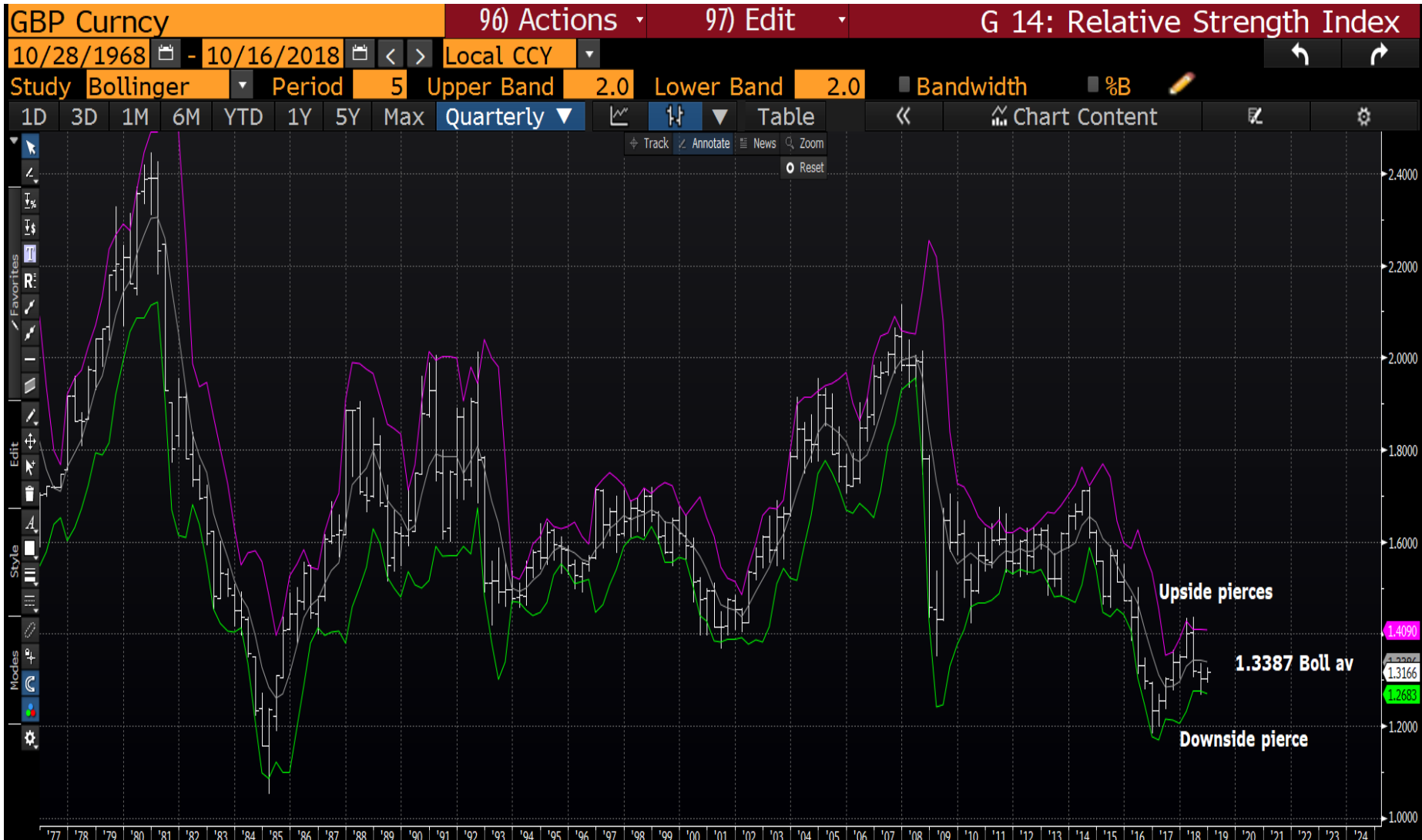


EUR GBP weekly : We need to start heading lower from here and minimally close sub the 23.6% ret 0.87827.



16/10/2018

Cable Quarterly : We have opposing pierces highlighting indecision and need the quarterly close to DETERMINE the next move.



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Cable weekly : Further indecision as we remain AROUND the 50% ret 1.3109-100 day moving average.



DXY monthly : This has lost ALL momentum as we languish around the 50% ret 95.859 and 95.194 moving average.



16/10/2018

AUD USD monthly : New month, NEW LOW. This has been a great advocate of USD strength but the latest breach of the 61.8% ret 0.7187 has softened that relationship.



AUD USD monthly : We continue to grind lower aided by the VERY reliable 50 day moving average.



USD NZD daily : Another advocate of the 50 day moving average, we have held it and above the 138.2% ret 1.5243 will continue the bullish USD tone.



USD CAD weekly : Another cross that represented the USD strength well but has WANED recently. We continue to trade sideways above the 50 day moving average 1.2858.



USD EM

THIS IS WHERE THE MOVES SHOULD BE.

- Generally the USD looks like being the WEAKER leg against EM and ESPECIALLY on the following charts, MANY presenting cheap trade opportunities.
- USDMXN I have broken down as a trade to highlight the RSI failing to assist in the move.
- Some ideas are already working. Nice tops now in USD vs BRL, TRY, ZAR, RUB, MYR, INR, TWD and SGD!

USD MXN quarterly : This is one of those crosses at an “opportunity” location. As the chart highlights we have 2 major upside pierces, a breach of the 17.4503 previous low will confirm overall failure. The RSI is a bit WANTING so position size should reflect this.



USD MXN weekly : A pretty sideways performance of late but are we FORMING a HEAD AND SHOULDERS?



USD BRL weekly : A VERY WELL DEFINED top. This has formed a MAJOR STALL similar to the previous examples, sub the 23.6% ret 3.6078 will trigger significant stops.



USD BRL weekly : We need to capitalise on the latest break, closing sub the 50% ret 3.6447 will help a lot.



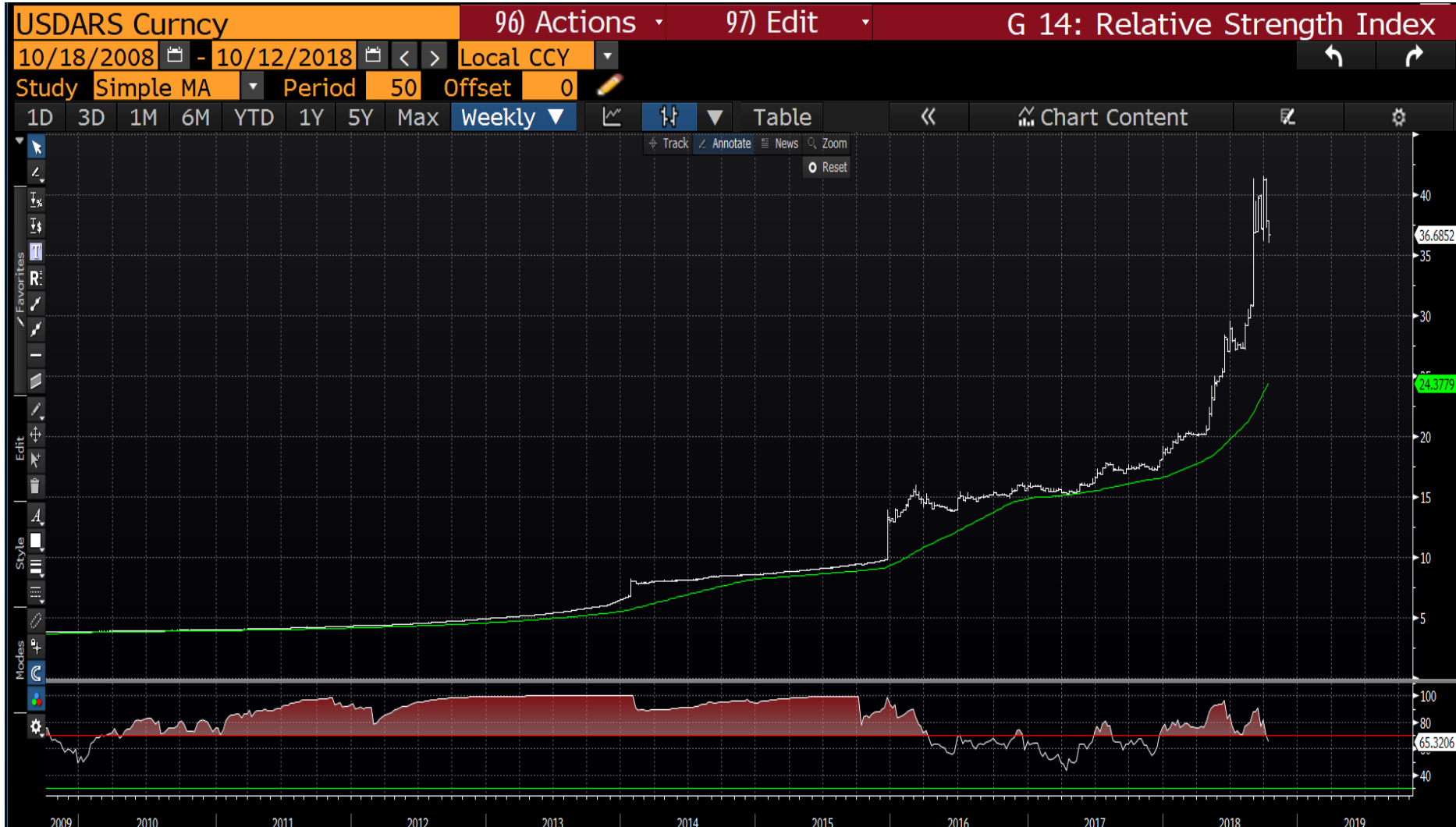
GTBRL10Y weekly : Brazilian YIELDS continue to grind lower since the major STALL created at the 38.2% ret 12.240. Sub the 10.652 moving average yields should head a lot lower.



USD TRY monthly : This now seems to be on the move having breached the 5.9625 previous low. The RSI highlights there is plenty of room for this cross to head lower.



USD ARS weekly : Even USD ARS looks like topping?



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USD ZAR monthly : We have failed nicely and a breach of the 100% ret 13.8401 will endorse the TOP and lower prices.



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USD RUB monthly : Another nice failure on the month, hopefully we can breach the 38.2% ret 61.9293 and 60.9161 moving average.



USD CNH weekly : This has performed well of late but a TOP seems to be forming. The RSI is a big bonus and preference would be a small short here, stop above 6.9665 and ADD significantly below the 100% ret 6.7850.



USD MYR weekly : The RSI speaks volumes and would try a SMALL short USD MYR and ADD on a break of the 23.6% ret 4.1325. Stop just shy of 4.200.



USD INR weekly : The RSI is as HIGH as September 2013 and we are in between NUMEROUS predicted retracement levels. We either fail here at the 138.2% ret 72.8598 OR stall at the 150% ret 74.100, but stall it will so be ready.



USD SGD weekly : A nice rejection of the MULTI YEAR 50% ret 1.3787 and so should head lower.



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