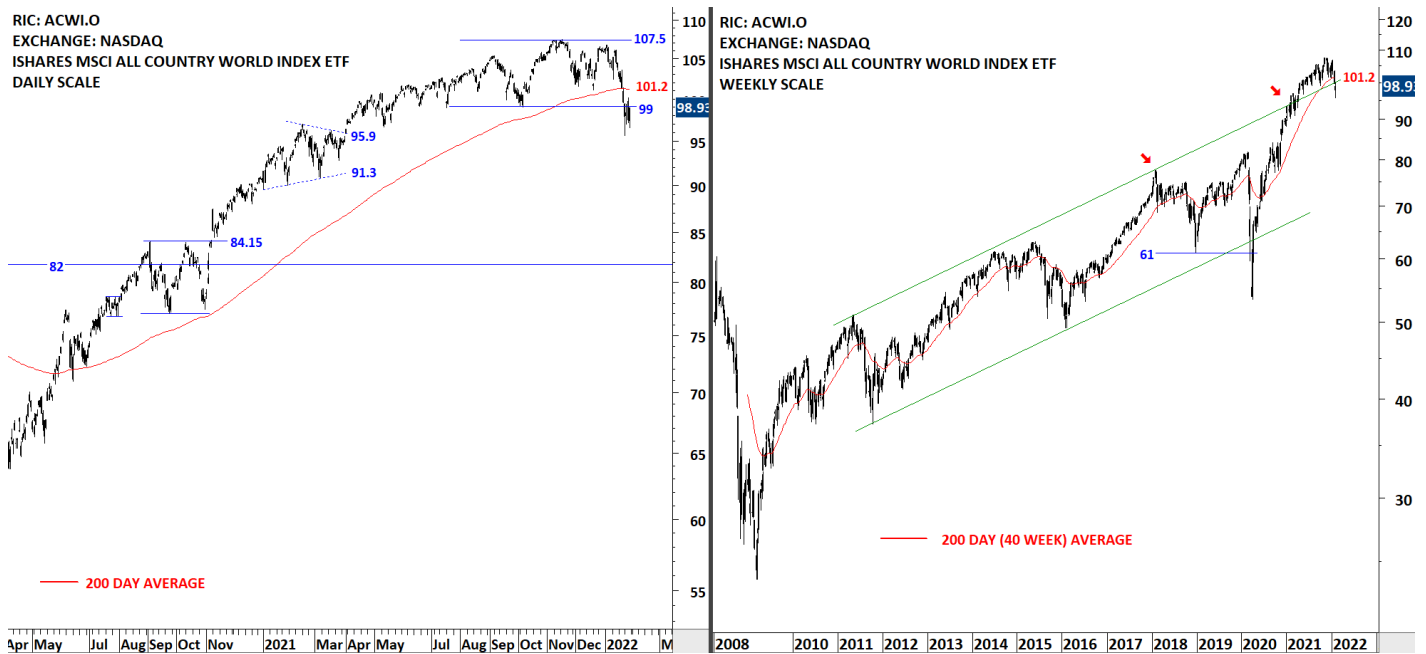


REVIEW

The benchmark for the Global equity markets performance, the iShares MSCI All Country World Index ETF (ACWI.O) not only breached the 200-day average but also broke down the horizontal support at 99 levels. Latest price action changed my positive view on this ETF. 99-101.2 area becomes the resistance. Unless we see a quick recovery above this resistance area, I will expect lower prices in the coming weeks.



Note: We have received many requests for the possibility to have the report in PDF format. Going forward I will attach a PDF version of the report for our members who would like to read on paper and also offline. Due to large size (given that I like to keep charts in large format) this is the best layout I could put the report. I hope this will be useful.



GLOBAL EQUITY MARKETS - JANUARY 29, 2022 - PART I

GLOBAL EQUITY MARKETS - JANUARY 29, 2022 - PART II



TECH CHARTS WATCHLIST - SUMMARY OF RICS & PATTERNS IN FOCUS

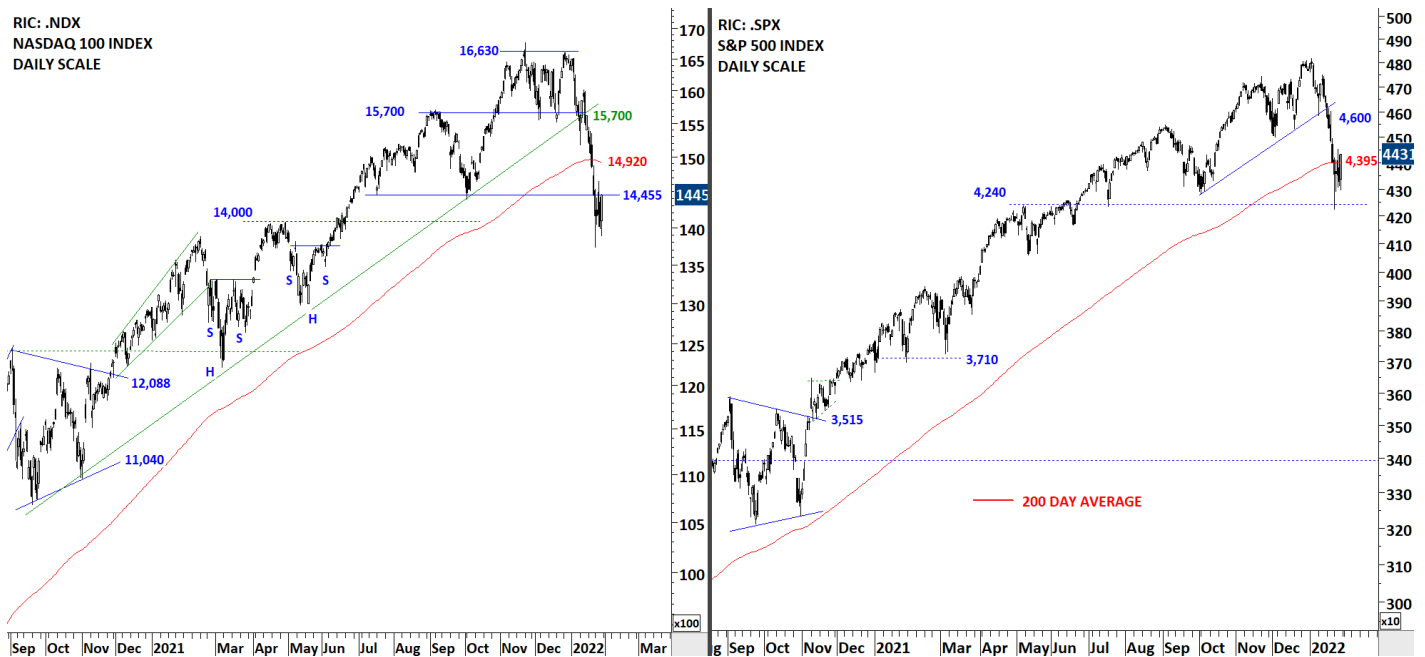
The benchmark for the Emerging Markets performance, the iShares MSCI Emerging Markets Index ETF (EEM) is trading below the 200-day average. The ETF has been recording lower lows and lower highs confirming the downtrend in Emerging Markets. The ETF is once again testing the lower boundary of the downward sloping channel. Strong resistance area remains between 50.7 and 51.7. The longer price remains below the 200-day average, the higher the chances of an established downtrend. There is no bottom reversal chart pattern on daily scale. Breakout above resistance area between 50.7 and 51.7 can reverse the past one year's downtrend. Breakdown below the lower boundary of the trend channel can accelerate the downtrend.



The benchmark for the Frontier equity markets performance, the iShares MSCI Frontier 100 ETF, possibly completed the right shoulder of the H&S top. The 200-day (40 week) average is forming support at 33.3 levels. Support area remains between 33.3 and 33.5 levels. Breakdown below support at 33.3 levels can target 31 levels. Frontier Markets ETF is one of the last (between ACWI, EEM and FM) that is still holding above its year-long average.



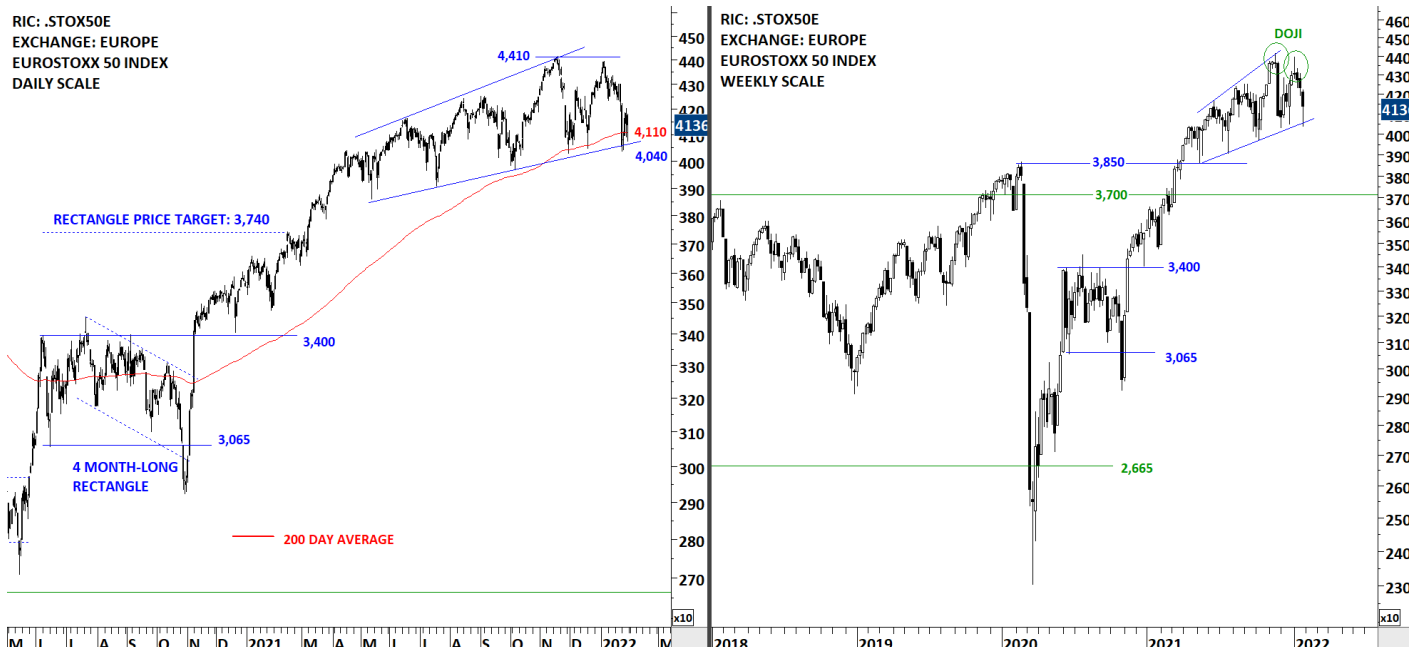
Both indices are trading below their respective 200-day averages (I want to see how S&P 500 performs next week as Friday's strength marginally pushed the index above 200-day average). 14,455-14,920 area becomes the new resistance for Nasdaq 100 index and 4,395 for S&P 500 Index. Failure to recover above the 200-day averages can establish downtrends on both indices.



After breaking down support at 2,100 levels the index trended towards the price target at 1,865 levels. In case of a larger scale correction this can be a conservative price target. Russell 2000 can target much lower levels. During any rebound 2,100 will act as resistance. The index is now clearly below the 200-day average.



Euro Stoxx 50 Index is in a trading range between 4,110 and 4,410 levels. As long as price remains above the 200-day average, I will treat this as a steady uptrend. Breakdown below the 200-day average and the minor low at 4,040 levels can reverse the uptrend and can result in a larger-scale correction.

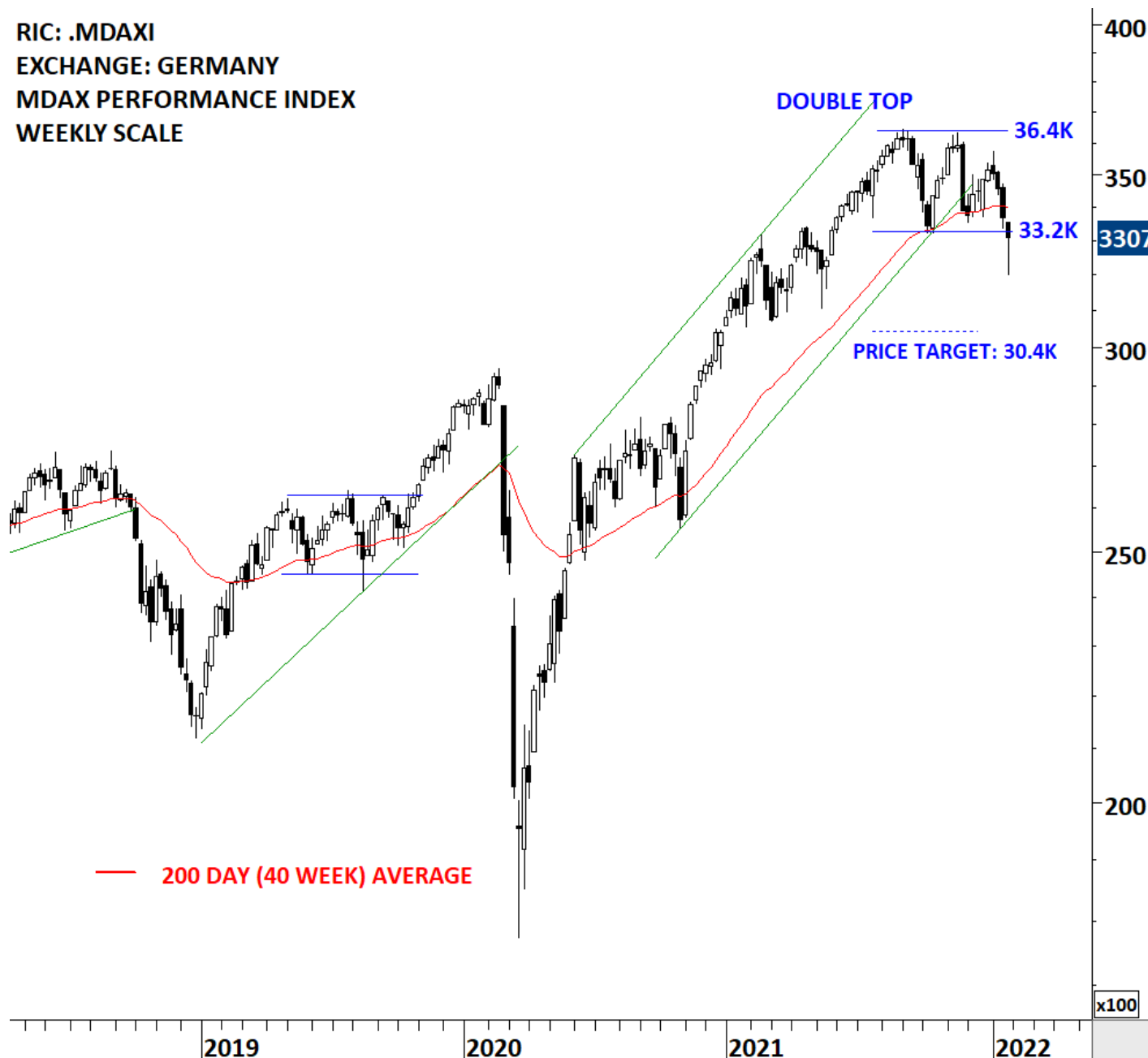


European Banking Index remains in an uptrend. Earlier the index reversed from 111 levels, a strong resistance. The index is in a wide trading range between 96.7 (the 200-day average), and the strong resistance at 111 levels.



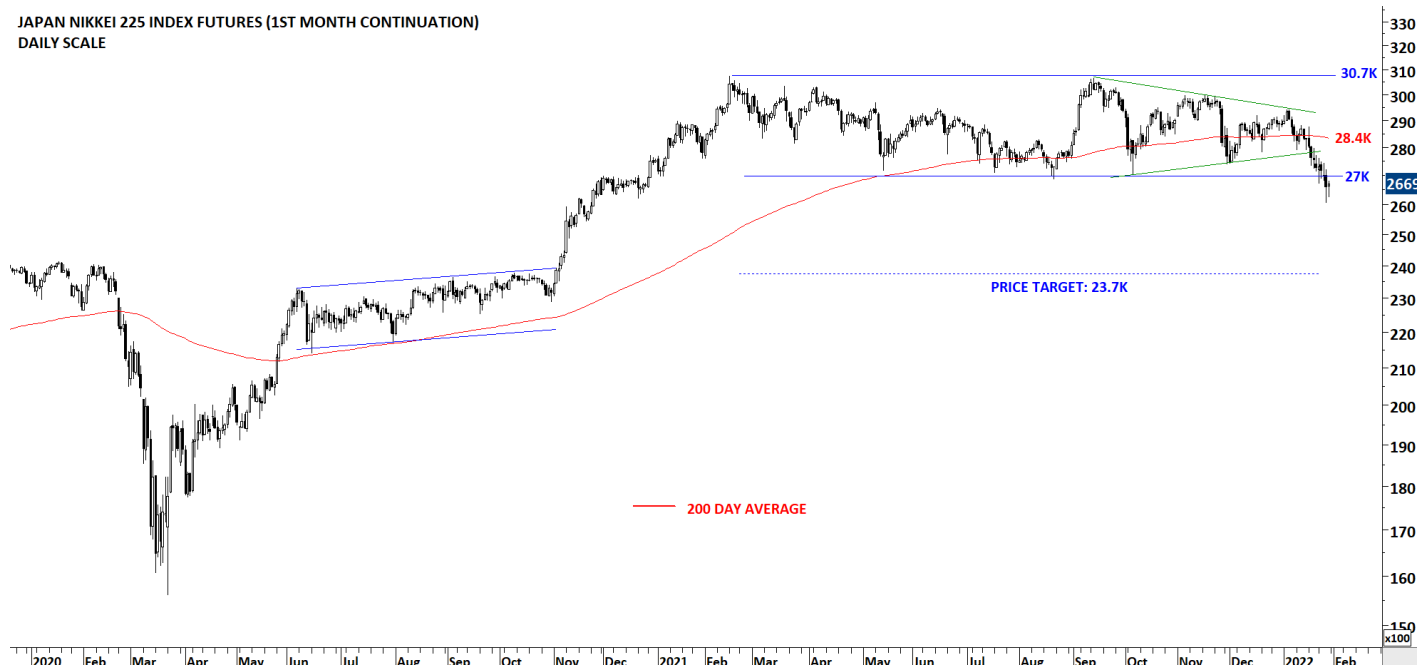
Germany's Midcap equity benchmark reversed from its previous high at 36.4K. As price tested the lower boundary at 33.2K, I started looking at two options; possibility to rebound and form a rectangle consolidation or possibility to breakdown and complete a double top with price objective of 30.4K. This week's price action confirmed the bearish reversal with the price objective of 30.4K. The 200-day average at 34K and the minor low at 33.2K will act as resistances.

RIC: .MDAXI
 EXCHANGE: GERMANY
 MDAX PERFORMANCE INDEX
 WEEKLY SCALE



Japan's NIKKEI 225 Index is possibly completing a multi-month long rectangle that is acting as a top reversal. Breakdown below the 200-day average resulted in a test of the lower boundary at 27K levels. With this week's weakness, the index breached the lower boundary at 27K. Rectangle acting as a reversal suggests a price target of 23.7K. 27K-28.4 area becomes the new resistance.

JAPAN NIKKEI 225 INDEX FUTURES (1ST MONTH CONTINUATION)
DAILY SCALE



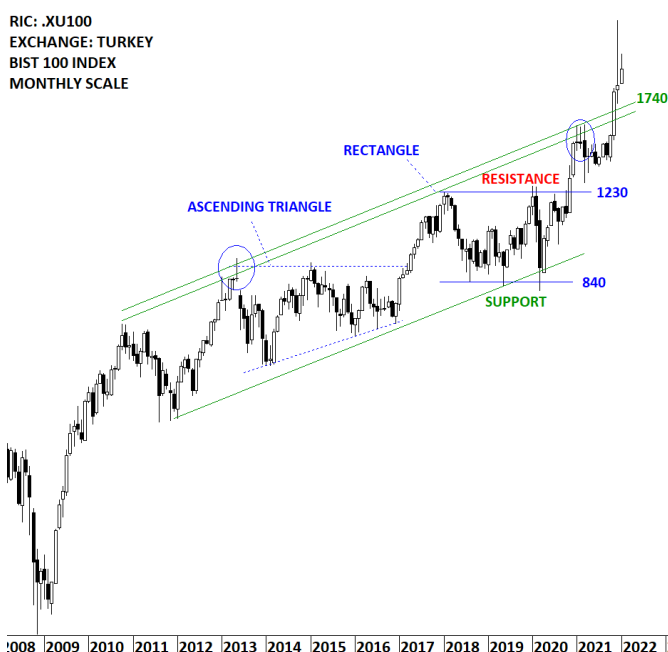
China SSE 50 Index failed to settle above the 200-day average. Last 3 months upward channel is possibly acting as a bearish continuation as the index failed to recover above the 200-day average at 3,315 levels. China SSE 50 Index continues to remain in a downtrend. I will monitor price action around the minor low for a possible rebound.

RIC: .SSE50
CHINA SSE 50 INDEX
MONTHLY SCALE



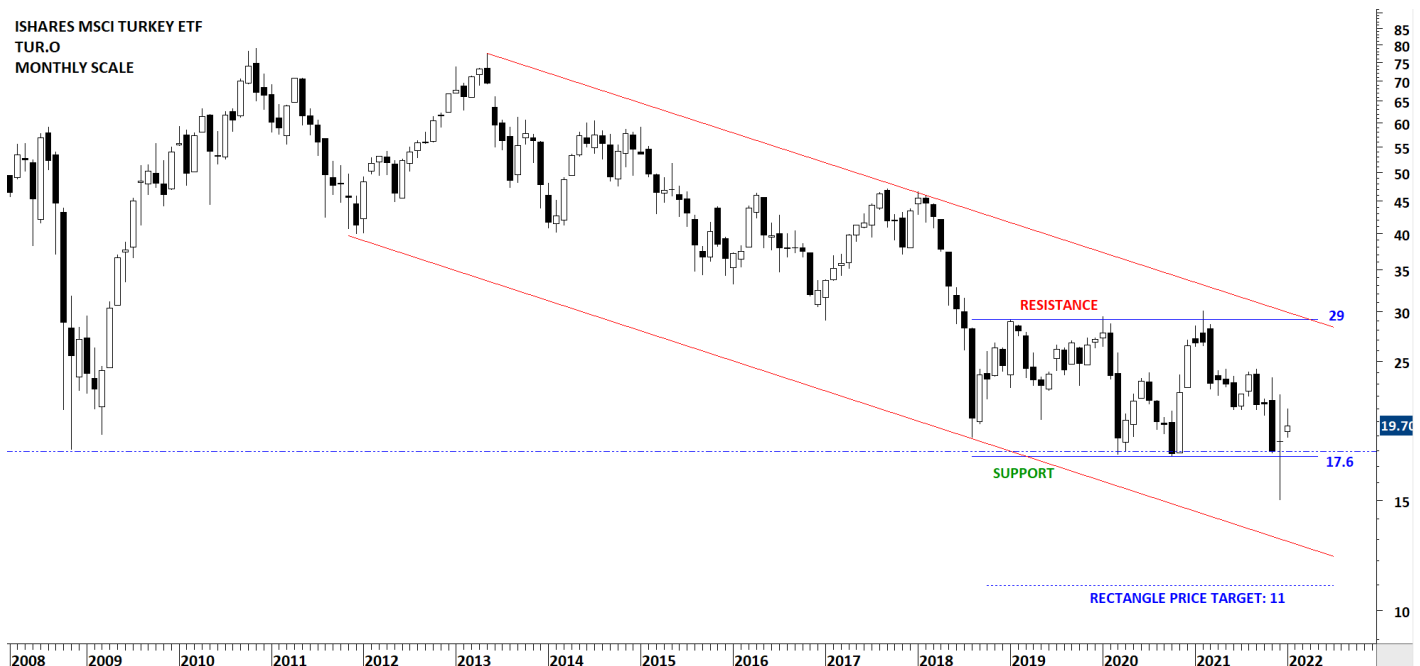
Turkey's BIST 100 equity benchmark cleared the resistance at 1,600 levels on weekly scale. Breakout above a rising trend channel (monthly scale) is usually followed by a runaway price action (strong rally). The monthly close for November and December were above the upper boundary of the trend channel. The upper boundary of the monthly scale price chart is at 1,740 levels that is expected to be support during pullbacks. The daily scale price chart shows a blow off top with the long upper shadow. I expect the index to consolidate and possibly pullback to the upper boundary of the rising trend channel.

RIC: .XU100
EXCHANGE: TURKEY
BIST 100 INDEX
MONTHLY SCALE

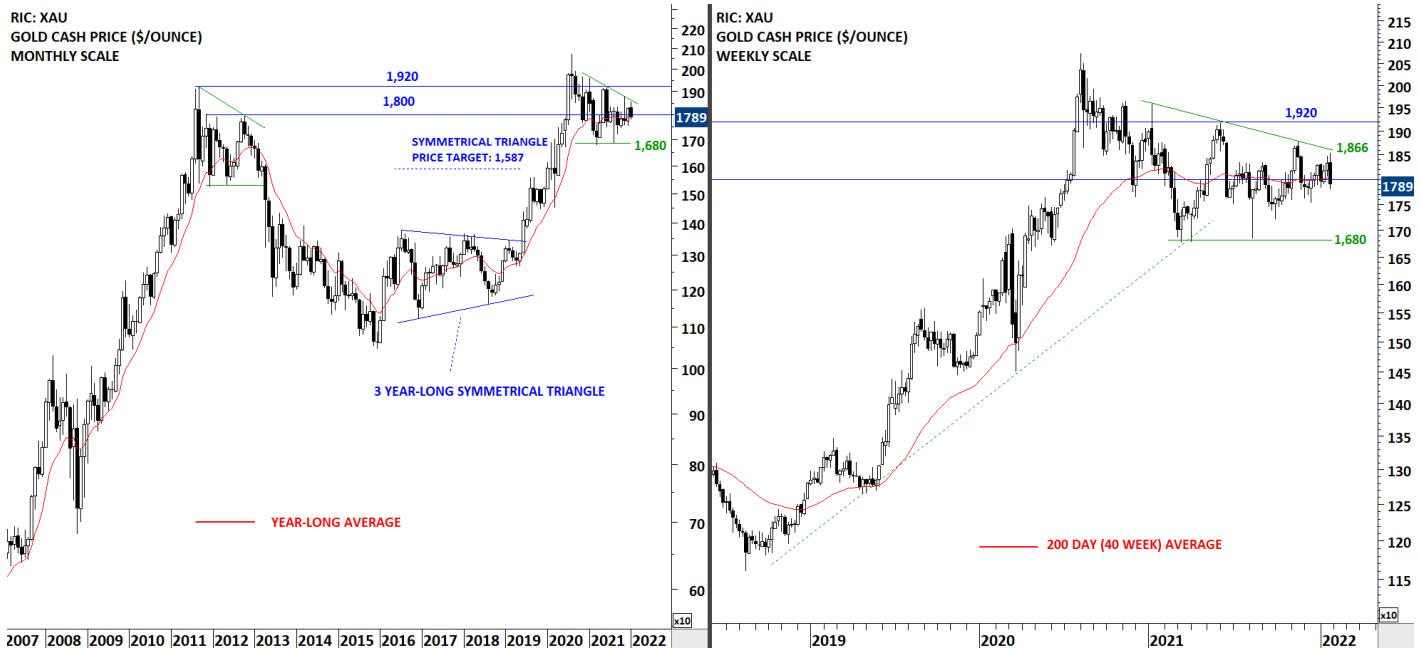


Volatility/weakness on Turkish Lira continues and the ETF is trying to hold above the lower boundary of its multi-year long consolidation at 17.6 levels. This is a monthly scale price chart and long-term consolidation is between 17.6 and 29 levels. Breakdown below 17.6 levels (consecutive daily closes) will suggest lower prices towards the chart pattern price target at 11. For now the trading range between 17.6 and 29 levels is intact.

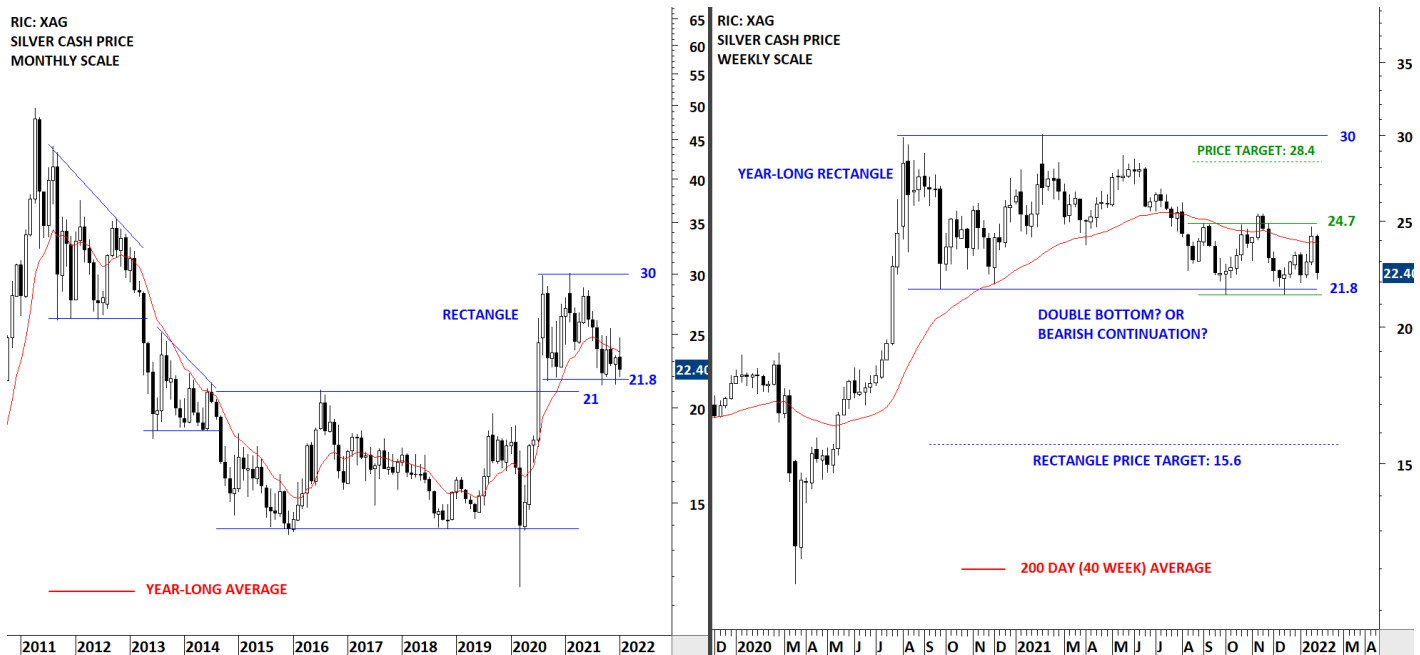
ISHARES MSCI TURKEY ETF
TUR.O
MONTHLY SCALE



Price chart of cash Gold price has been forming lower highs since the last quarter of 2020. Price is trading around the 200-day average at 1,800 levels. The chart pattern on monthly scale can become a descending triangle with the horizontal support at 1,680 levels. Another test of 1,680 levels can put the long-term uptrend in jeopardy. I've adjusted the upper boundary of the possible descending triangle. The resistance stands at 1,866 levels. Breakout above 1,866 levels will negate the descending triangle.



Silver remains range bound between 21.8 and 30 levels. There is also another short-term consolidation range between 21.8 and 24.7 levels. I'm weighing the possibility of a double bottom with the neckline standing at 24.7 levels. Failure to recover above the year-long average and target 24.7 levels can increase the likelihood of the latest consolidation becoming a bearish continuation. In that case I will closely monitor horizontal support at 21.8 levels.

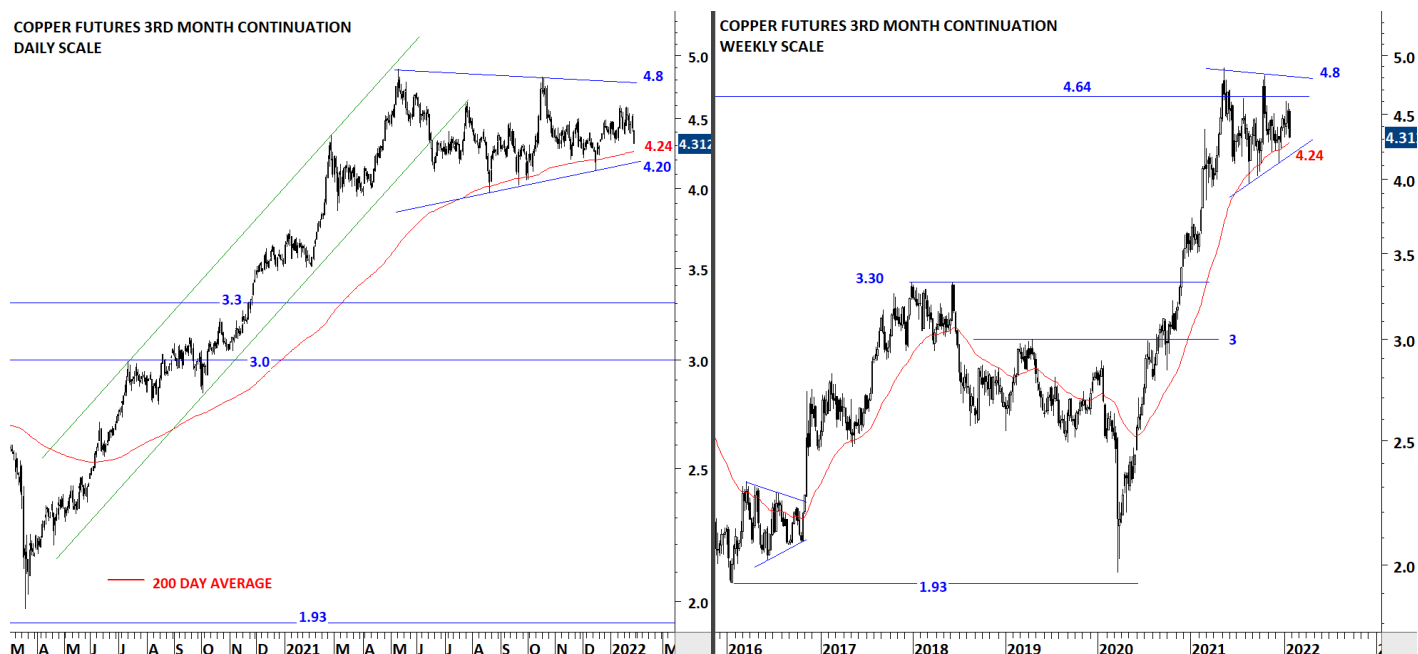


The daily scale price chart of Silver shows much better the price action between the boundaries. Once again price couldn't find the momentum to clear the resistance at 24.7 levels and we are now back to the strong support at 21.8 levels. Breakdown can accelerate the downward momentum with a possible price objective at 15.6 levels. If you are trading price action between boundaries, Silver is offering another opportunity close to the well-defined lower boundary.

RIC: XAG=
SILVER CASH (\$/ounce)



Copper continues to hold above the 200-day moving average. At this point I can conclude that price is in a trading range between 4.24 and 4.8 levels. I'm weighing the possibility of a symmetrical triangle forming between 4.2 and 4.8 levels. Breakdown below the 200-day average can result in a larger scale correction towards the next support at 3.3. As long as price remains above the 200-day average, I will treat this chart as an uptrend.



European Bund price is in a wide consolidation range between 169.3 and 179.7 levels. The trading range is possibly forming a 20 month-long rectangle. Bearish engulfing candlestick marked the minor high on the recent reversal. 167.6-169.3 area will act as support.

U.S. 10 YEAR T-NOTES 1ST MONTH CONTINUATION DAILY SCALE

Key price levels: 140.4, 137.2, 131.7, 128, 130.7, 130, 132.

Annotations: 5 MONTH-LONG RECTANGLE, 200 DAY AVERAGE, LOW, LONG-LOWER SHADOW.

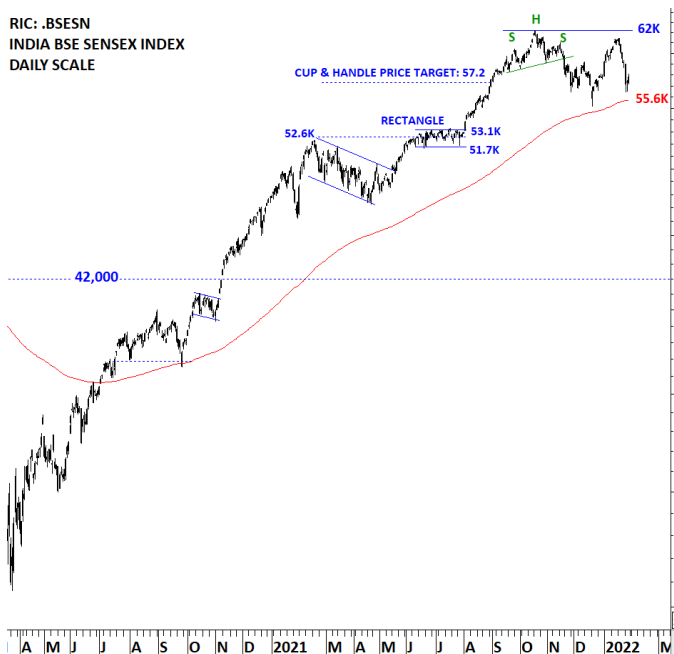
U.S. 10 YEAR T-NOTES 1ST MONTH CONTINUATION WEEKLY SCALE

Key price levels: 140.4, 137.2, 131.7, 128, 130.7, 132.

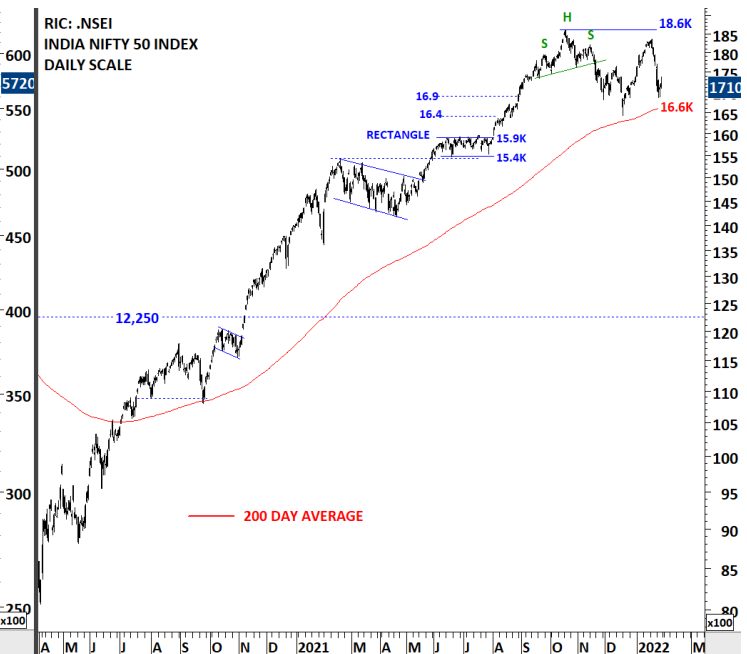
Annotations: 5 MONTH-LONG RECTANGLE, 200 DAY (40 WEEK) AVERAGE, LONG-LOWER SHADOW.

Both Nifty 50 and Sensex has been in a strong and steady uptrend. For Sensex, short-term resistance stands at 62K and for Nifty it is at 18.6K. Wide trading range is between the 200-day averages and the minor highs. There is no clear top reversal chart pattern on both indices. As long as price remains above the 200-day average, I will treat both charts as in an uptrend.

RIC: .BSESN
INDIA BSE SENSEX INDEX
DAILY SCALE

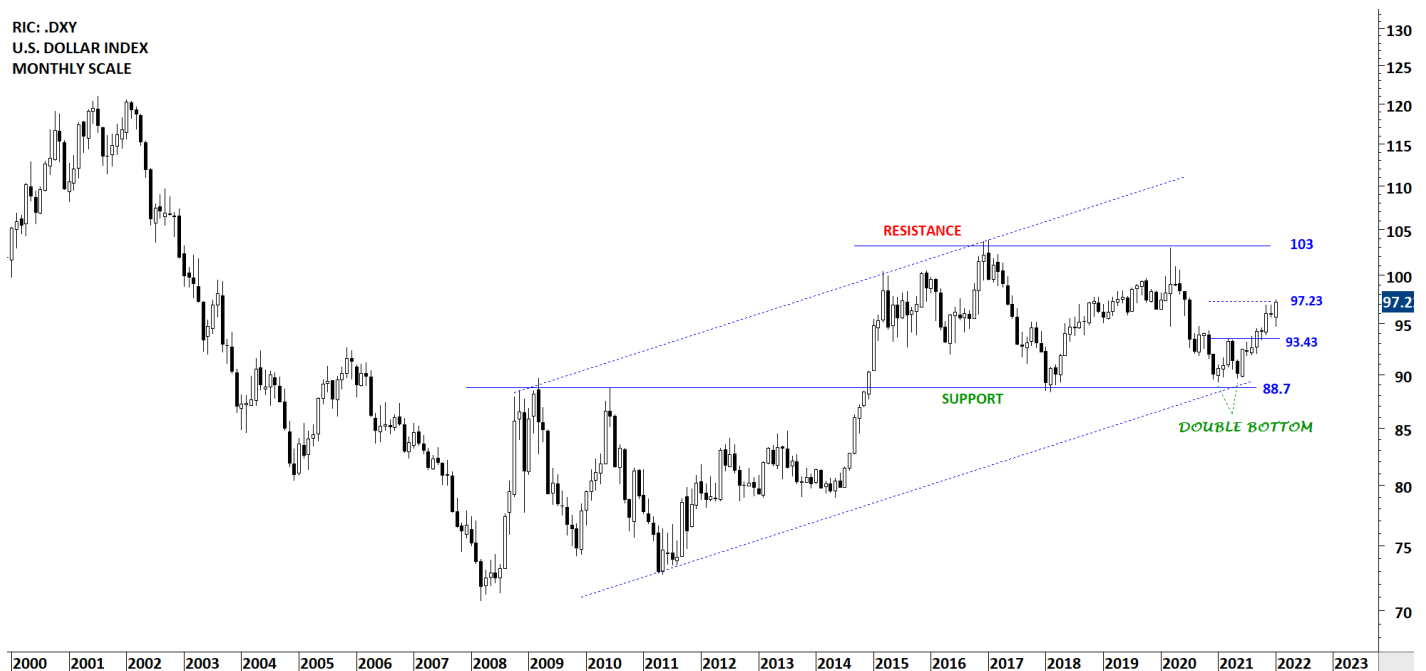


RIC: .NSEI
INDIA NIFTY 50 INDEX
DAILY SCALE



The Dollar Index is gaining strength after forming a double bottom on the monthly scale price chart. Breakout above 93.43 was followed by a steady uptrend towards the price target at 97.23 levels. Previous resistance at 93.43 levels becomes the new support. Long-term price chart shows a wide range between 88.7 and 103 levels.

RIC: .DXY
U.S. DOLLAR INDEX
MONTHLY SCALE



I've discussed USDJPY in the previous updates. I think the chart has completed the long-awaited breakout. Strong USD against Japanese Yen can target 125 levels in a short period of time. The pair is going through historical low volatility condition and the possible breakout can be followed by strong price action (back to back monthly long white candles). For the breakout to succeed, price needs to accelerate on the upside.

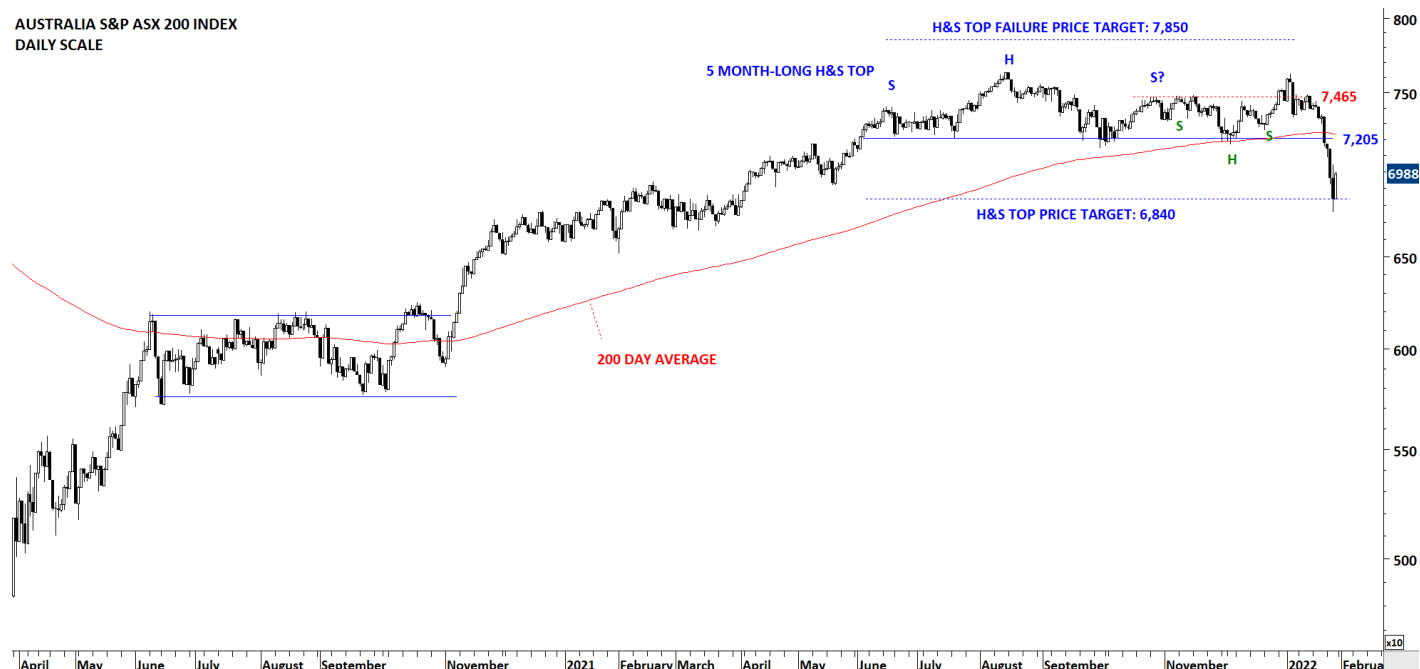


The chart below is the 10 Year U.S. Treasury Yield Index. Yields possibly completed a multi-month long cup & handle continuation with the horizontal boundary that was acting as resistance at 17 levels. I am now monitoring this chart as a completed cup & handle with the price target of 23 levels. 16.9 becomes the new support.



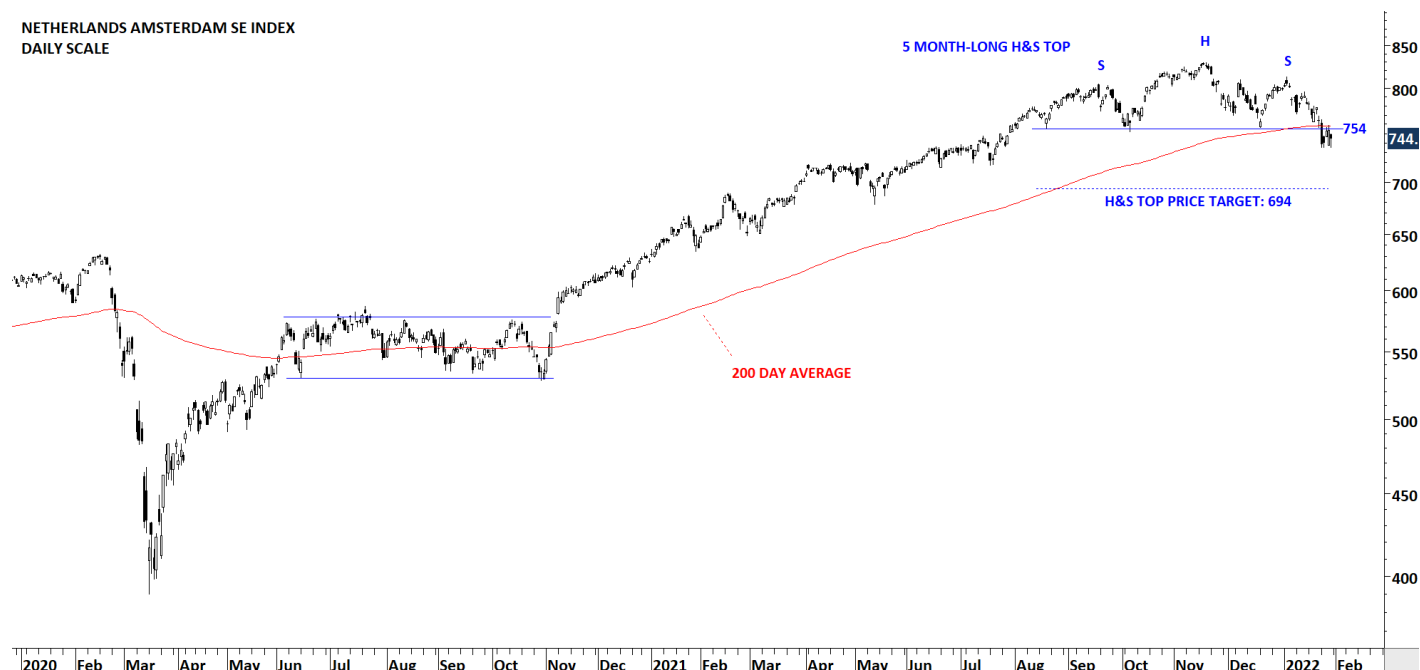
Australia S&P ASX 200 Index completed the 5 month-long H&S top and reached its price target. The index is now below the long-term average and in a downtrend.

AUSTRALIA S&P ASX 200 INDEX
DAILY SCALE



Another clean H&S top reversal can be identified on Netherlands AEX Index. 5 month-long H&S top has a neckline at 754 levels. This week's price action breached the neckline and the 200-day average. Price target stands at 694 levels. Both the 200-day average and neckline will act as resistance.

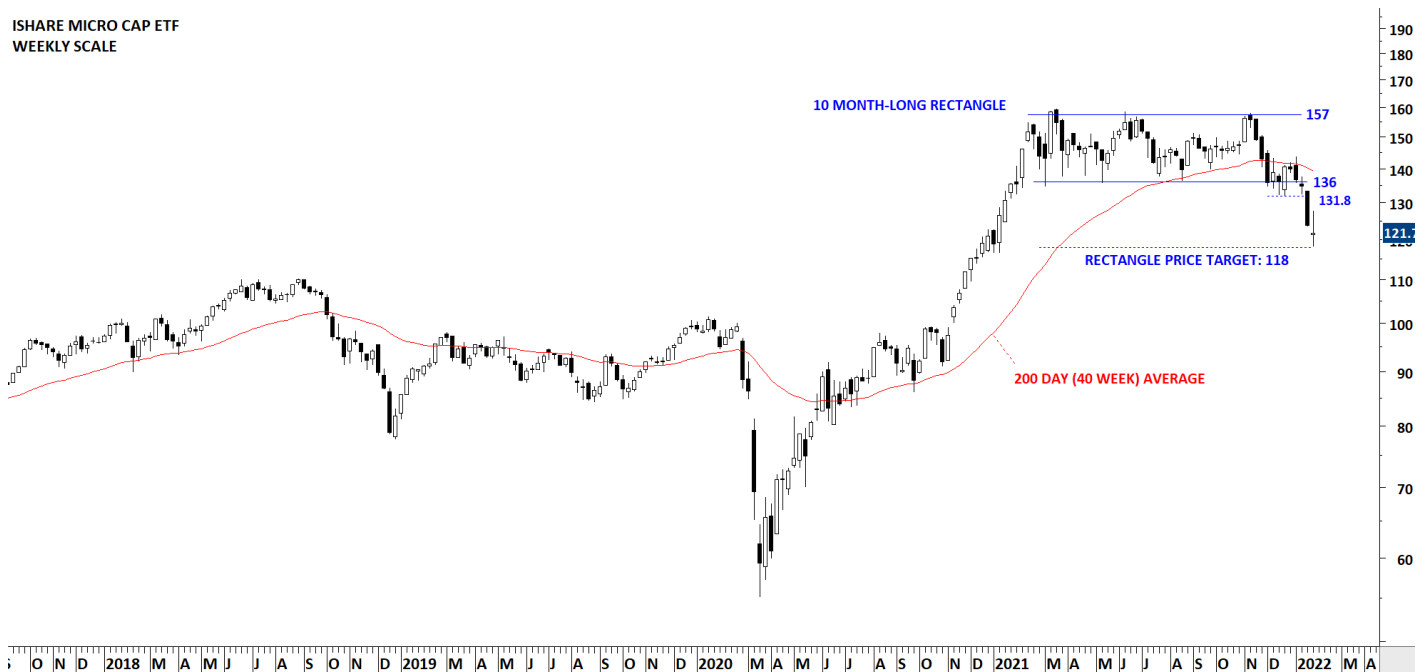
NETHERLANDS AMSTERDAM SE INDEX
DAILY SCALE



Charts below review several ETFs that have similar technical outlook. If you like to trade range-bound price actions between well-defined boundaries, those setups are valuable for you. If you like to trade breakouts/breakdowns, any weakness in the following week can become a short signal. Rectangles can act as top reversals and reverse uptrends. Until that happens those well-defined ranges are offering trading opportunity between horizontal boundaries.

ISHARE MICRO CAP ETF (IWC) formed a 10 month-long rectangle. Breakdown below 136 levels confirmed the rectangle as a top reversal with possible price target of 118 levels. Breakdown below 131.8 acted as the short signal for this ETF. Price target was met during the week.

ISHARE MICRO CAP ETF
WEEKLY SCALE



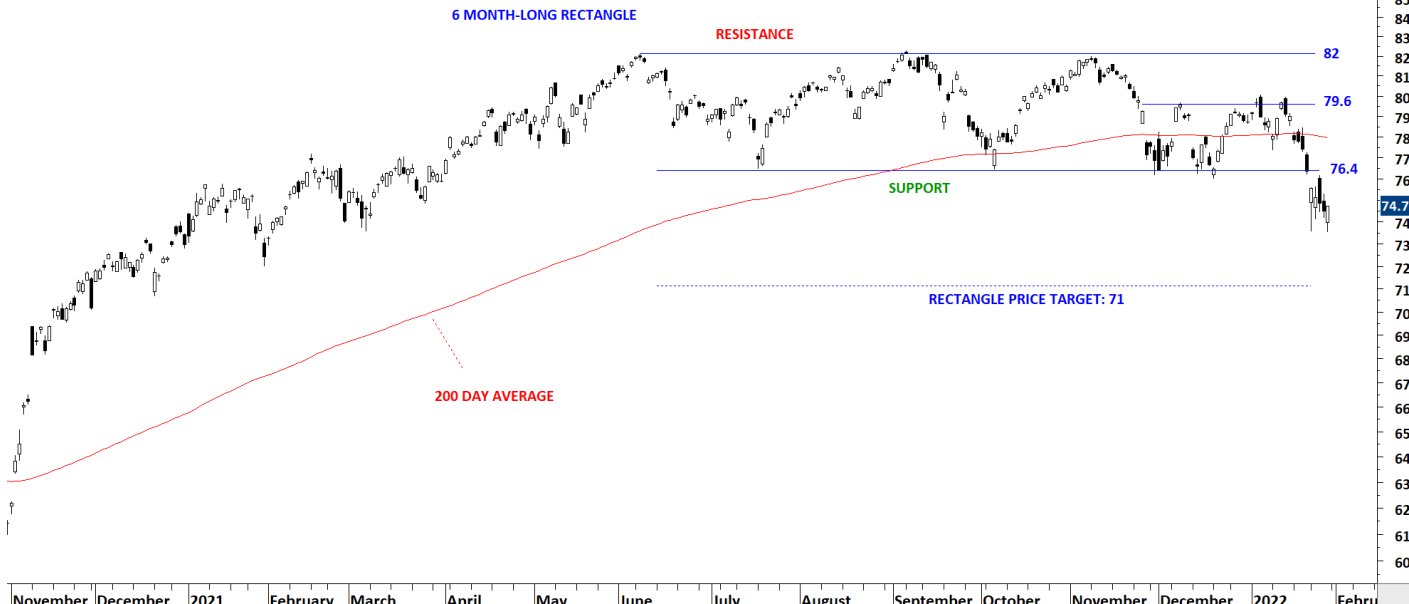
ISHARE EUROPE ETF (IEV) formed a 6 month-long rectangle with the lower boundary acting as support at 51.5 and the upper boundary as resistance at 55.7 levels. Breakdown below the well-defined lower boundary can push the index towards the price target at 47.8 levels.

ISHARE EUROPE ETF
DAILY SCALE



ISHARE MSCI EAFE ETF (EFA) formed a 6 month-long rectangle with the upper boundary acting as resistance at 82 and the lower boundary as support at 76.4 levels. Breakdown below the horizontal support resulted in a top reversal with the price target at 71 levels. Price is below the 200-day average.

ISHARE MSCI EAFE ETF
DAILY SCALE



ISHARES 0-5 YR TIPS BOND ETF (STIP.K) formed a 6 month-long rectangle with the lower boundary acting as support at 105.4 and the upper boundary as resistance at 107.1 levels. Price recovered back above the lower boundary on a closing basis. I was monitoring this ETF to see more evidence of strength with price stabilizing above the 200-day average. It seems like rebound got rejected at the long-term average. Breakdown below horizontal support took place with gap opening. Rectangle can act as a top reversal with price target of 103.8 levels.

ISHARE 0-5 YR TIPS BOND ETF
DAILY SCALE



Invesco Dynamic Oil & Gas Services ETF formed an 8 month-long rectangle with the lower boundary acting as support at 2.98 and the upper boundary as resistance at 4.27 levels. The ETF rebounded from the well-defined horizontal support. Short-term double bottom completed with the breakout above neckline at 3.3 levels. Breakout above the minor high at 3.3 levels cleared the 200-day average and met price target at 3.65 levels.



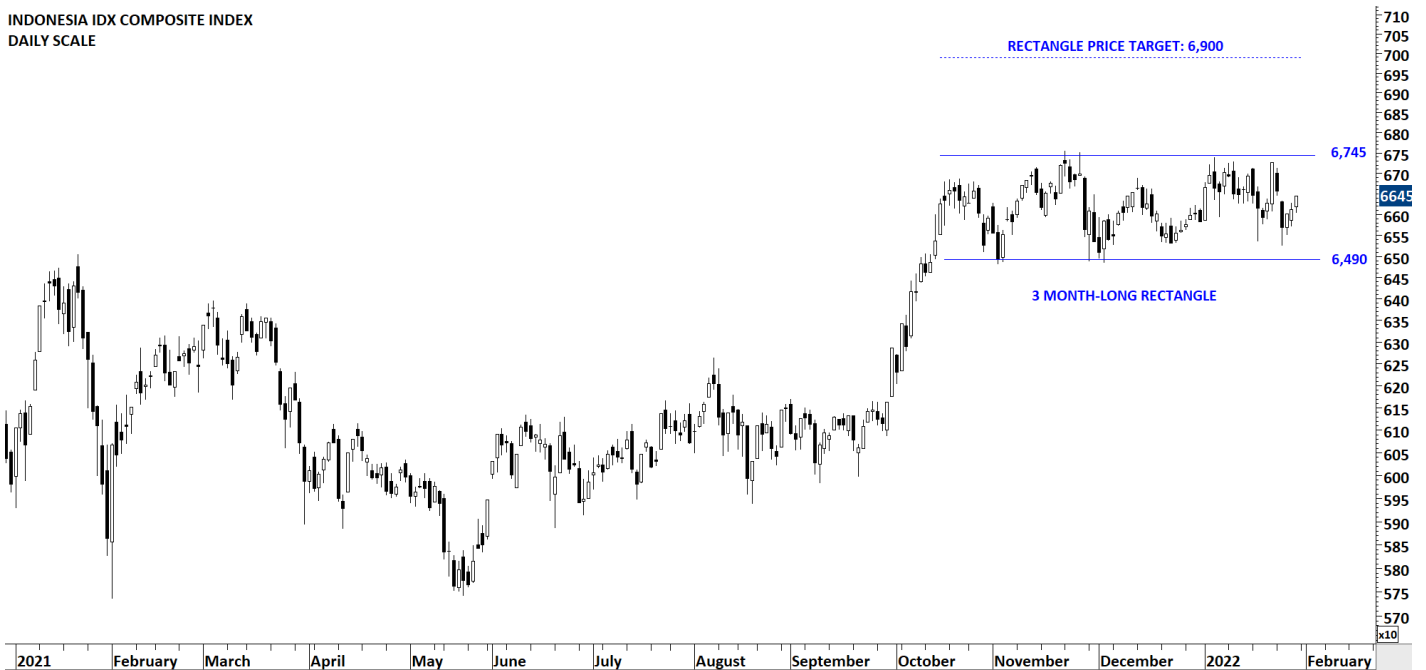
Below are some interesting bullish setups in Asia equities.

I've covered Singapore Strait Times Index in previous updates. The index has been consolidating in a well-defined range. After rebounding from the lower boundary, the index cleared the upper boundary at 3,230 levels. Breakout above 3,230 completed the 7 month-long rectangle with the price target of 3,420 levels.



Another text-book rectangle is developing on Indonesia IDX composite index. Though this one is on daily scale and slightly shorter-term than the rectangle on Singapore Index. The upper boundary of the rectangle is forming resistance at 6,745 levels. Breakout can target 6,900 levels.

INDONESIA IDX COMPOSITE INDEX
DAILY SCALE



China SSE Composite Index (larger universe) might be forming a rectangle chart pattern above the 200-day average. The upper boundary is acting as resistance at 3,720 levels. Price is now close to the lower boundary at 3,335 levels. Breakdown can target 3,000 levels.

CHINA SSE COMPOSITE INDEX
WEEKLY SCALE

