

**S&P 500 - (M6) - Up ? / Peaking ? ( - 3.75 @ 2051.50 )**

Despite the S&P's resilience the technicals continue to deteriorate. And that is a huge red flag. Unless the bulls can change the technical situation there is little hope of the S&P getting through the critical 2089.50 level. As I stated previously we will not fight the tape, but will be prepared to exit length the moment the technicals instruct us to do so.

**R2 = 2089.50**  
**R1 = 2064.50**  
**S1 = 2026.25**  
**S2 = 2002.75**

**10 Yr Rate - Down ? ( - 0.044 @ 1.786% )**

Rates are down. Equities are up. And that is big concern. Not for Rates but for equities. As for Rates, we will be watching intently to see if our remaining candidates for support can halt the slide. See 1.801-1.784-1.774 ideal support for an ABC correction off the 2.002 high. Below that we have the .618 retracement at 1.733. Expect the 1.576 low to be challenged if these levels can not provide support.

**R2 = 1.870**  
**R1 = 1.835**  
**S1 = 1.735**  
**S2 = 1.660**

**EUR/USD - Up ? ( @ 1.1380 last )**

With the EUR/USD edging above the previous high at 1.1376 the door is now open for a further advance to the 1.1677-1.1783 neighborhood. This target represents (A)=(C) up from the 1.0452 low. Between here and there the only two levels of contention we can identify are the .7862 at 1.1459 and the .852 at 1.1537. Expect the Draghi rhetoric to intensify the higher the EUR/USD goes from here.

**R2 = 1.1540**  
**R1 = 1.1460**  
**S1 = 1.1280**  
**S1 = 1.1200**

**USD/JPY - Neutral ( @ 112.530 last )**

No change. With the EUR/USD looking poised to work higher the recent USD/JPY advance could be in trouble. But before we jump back aboard the short train bears still need a break beneath 110.632 to restore the down trend. Crack this low and a dump to 106.654-106.649-106.136 will be back on the table. As long as the USD/JPY holds 110.632 bottoming action remains possible.

**R2 = 113.415**  
**R1 = 112.675**  
**S1 = 110.630**  
**S2 = 108.040**

**Gold - (M6) - Neutral ( + 7.00 @ 1235.6 )**

No change. While Gold has managed a bounce off 1212.1-1210.1 support the technical damage that has been done will require further upside to be repaired. In fact, I suspect the 1278.8 high will need to be bettered to restore the up trend technically. Until and unless the bulls can make that happen we would be prepared for a deeper retracement of the 1045.4 to 1287.5 advance near term.

**R2 = 1270.5**  
**R1 = 1245.0**  
**S1 = 1206.0**  
**S2 = 1195.0**

**Copper - (K6) - Down ? ( - 0.0070 @ 2.1830 )**

No change. All eyes on 2.1610. This level represents the lowest level consistent with any wave 4 correction in a continuing five wave advance off the 1.9355 low. If 2.1610 can not repel the price of copper higher we will have no choice but to assume 1) a retracement of the 1.9355 to 2.3225 advance is in progress or 2) the down trend has resumed. Energy traders take note of what copper does here

**R2 = 2.2445**  
**R1 = 2.2030**  
**S1 = 2.1610**  
**S2 = 2.1295**

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