

**United-ICAP**  
the technical advisory service

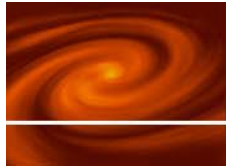
brian larose brian@united-icap.com

Peaking Action - An RSI Perspective  
Wednesday  
05 November 2014

# Peaking Action - an RSI Perspective

## Volume VI

The market commentary contained in this document represents the opinions of the author. Such opinions are subject to change without notice. Principals and employees of United-ICAP may or may not trade in the commodities discussed in this document, taking positions similar or opposite to the positions discussed herein. The information contained in this document is taken from sources we believe to be reliable, but it is not guaranteed by us as to the accuracy or completeness thereof and is sent to you for information purposes only. Commodity trading involves risk and is not for everyone. Any trade recommendations contained in this document are generated by Brian LaRose who is a registered futures broker with United-ICAP (ICAP Corporates LLC) and are intended to be a solicitation to enter into the recommended trades through United-ICAP (ICAP Corporates LLC) as futures broker.

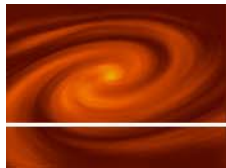


**United-ICAP**  
the technical advisory service

brian larose [brian@united-icap.com](mailto:brian@united-icap.com)

Peaking Action - An RSI Perspective  
Wednesday  
05 November 2014

# Dow Jones Industrial Average

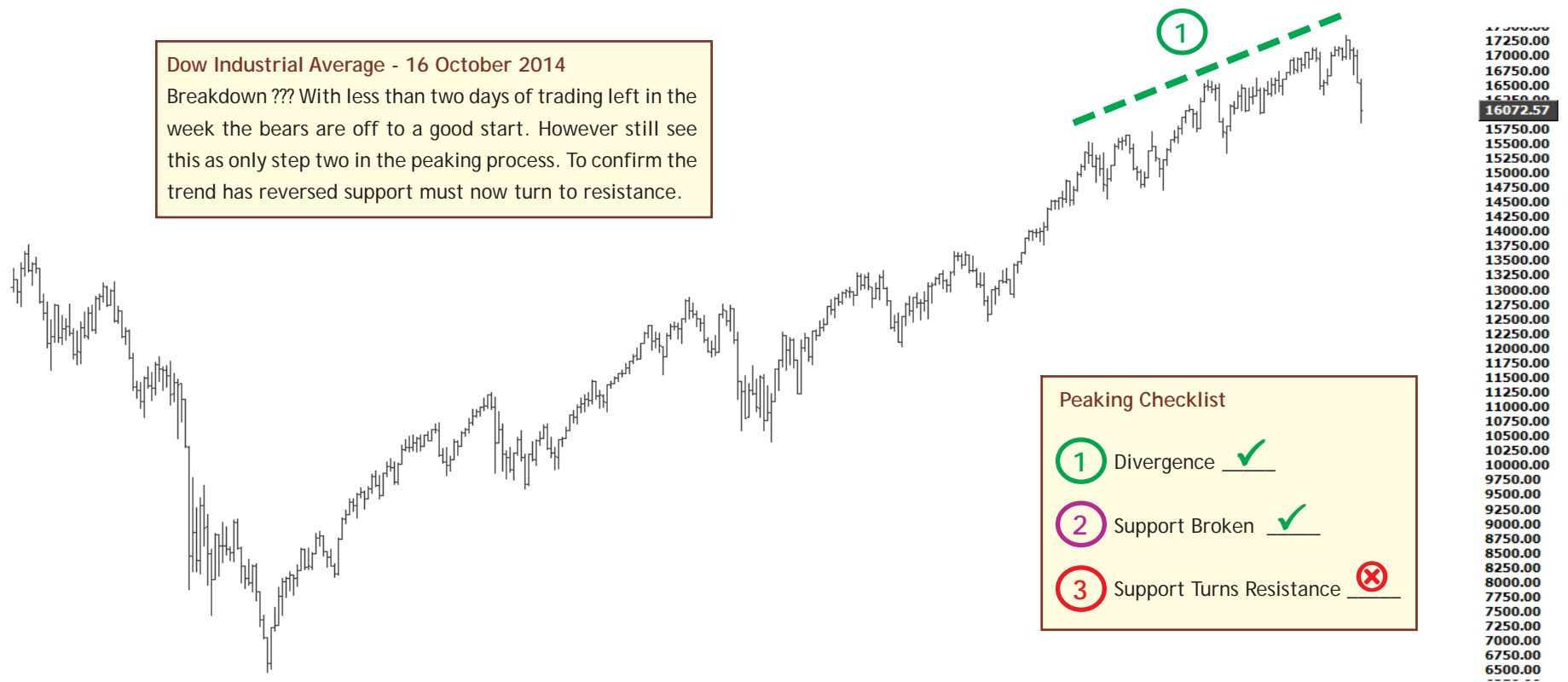


**United-ICAP**  
 the technical advisory service  
 brian larose brian@united-icap.com

**REPRINT**

Peaking Action - An RSI Perspective  
 Thursday  
 16 October 2014

Dow Industrial Average - 16 October 2014  
 Breakdown ??? With less than two days of trading left in the week the bears are off to a good start. However still see this as only step two in the peaking process. To confirm the trend has reversed support must now turn to resistance.



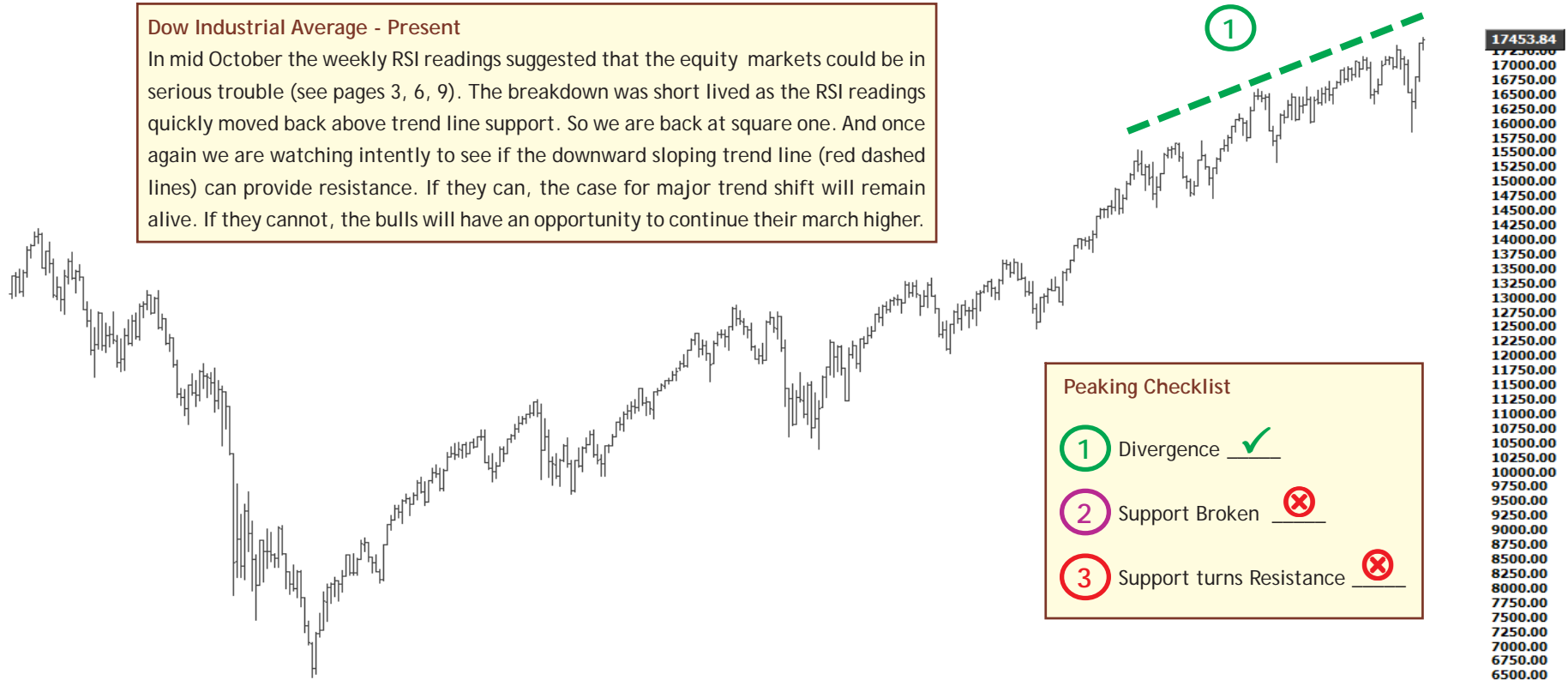
**Peaking Checklist**

- ① Divergence ✓
- ② Support Broken ✓
- ③ Support Turns Resistance ✗



**Dow Industrial Average - Present**

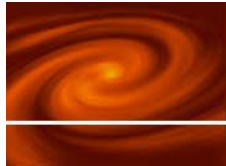
In mid October the weekly RSI readings suggested that the equity markets could be in serious trouble (see pages 3, 6, 9). The breakdown was short lived as the RSI readings quickly moved back above trend line support. So we are back at square one. And once again we are watching intently to see if the downward sloping trend line (red dashed lines) can provide resistance. If they can, the case for major trend shift will remain alive. If they cannot, the bulls will have an opportunity to continue their march higher.



**Peaking Checklist**

- ① Divergence
- ② Support Broken
- ③ Support turns Resistance



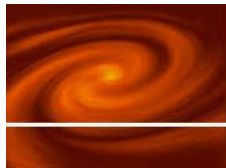


**United-ICAP**  
the technical advisory service

brian larose [brian@united-icap.com](mailto:brian@united-icap.com)

Peaking Action - An RSI Perspective  
Wednesday  
05 November 2014

**S&P 500**

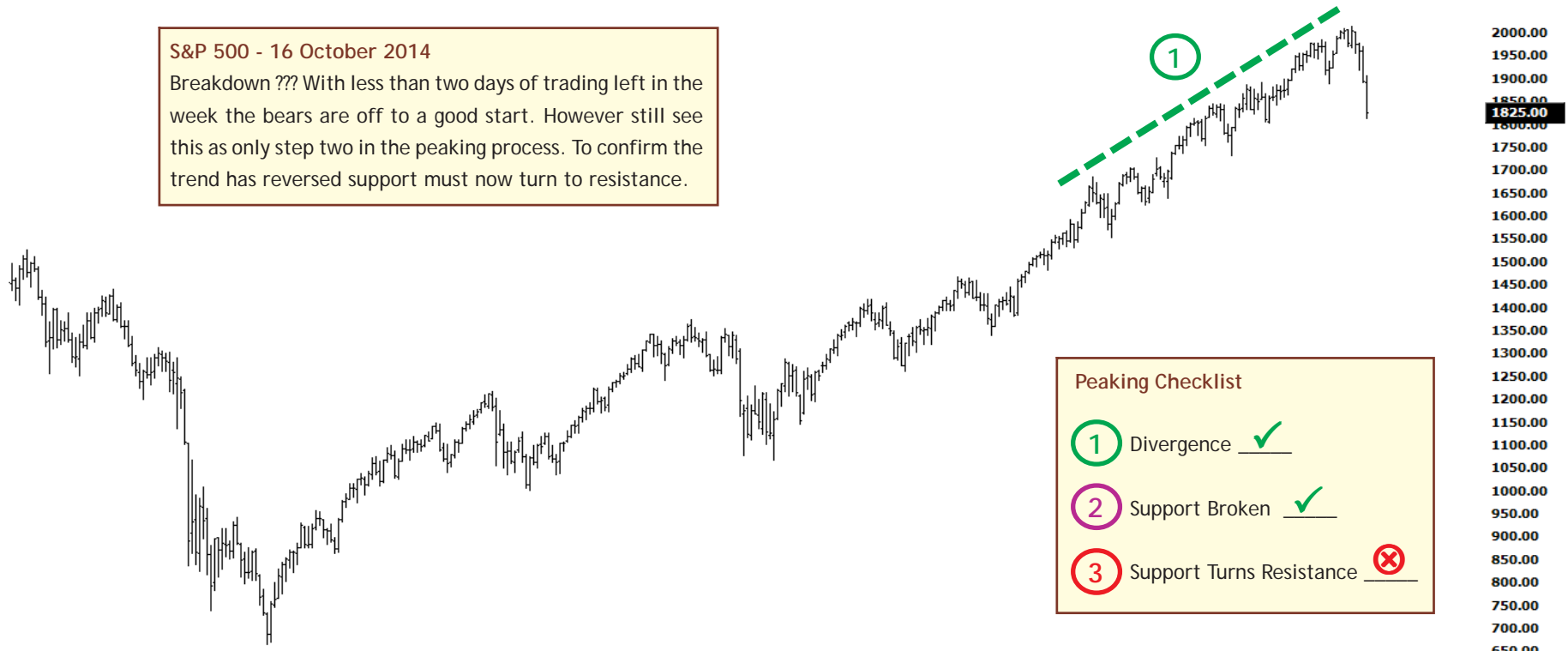


**United-ICAP**  
 the technical advisory service  
 brian larose brian@united-icap.com

**REPRINT**

Peaking Action - An RSI Perspective  
 Thursday  
 16 October 2014

**S&P 500 - 16 October 2014**  
 Breakdown ??? With less than two days of trading left in the week the bears are off to a good start. However still see this as only step two in the peaking process. To confirm the trend has reversed support must now turn to resistance.



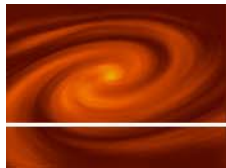
**Peaking Checklist**

- 1 Divergence ✓
- 2 Support Broken ✓
- 3 Support Turns Resistance ✗



2000.00  
 1950.00  
 1900.00  
 1850.00  
**1825.00**  
 1800.00  
 1750.00  
 1700.00  
 1650.00  
 1600.00  
 1550.00  
 1500.00  
 1450.00  
 1400.00  
 1350.00  
 1300.00  
 1250.00  
 1200.00  
 1150.00  
 1100.00  
 1050.00  
 1000.00  
 950.00  
 900.00  
 850.00  
 800.00  
 750.00  
 700.00  
 650.00  
 60.00  
 80.00  
**75.00**  
 70.00  
 65.00  
 60.00  
 55.00  
 50.00  
 45.00  
**35.93**  
 30.00  
 25.00  
 20.00  
 15.00

'08 Jul '09 Jul '10 Jul '11 Jul '12 Jul '13 Jul '14 Jul '15 Weekly

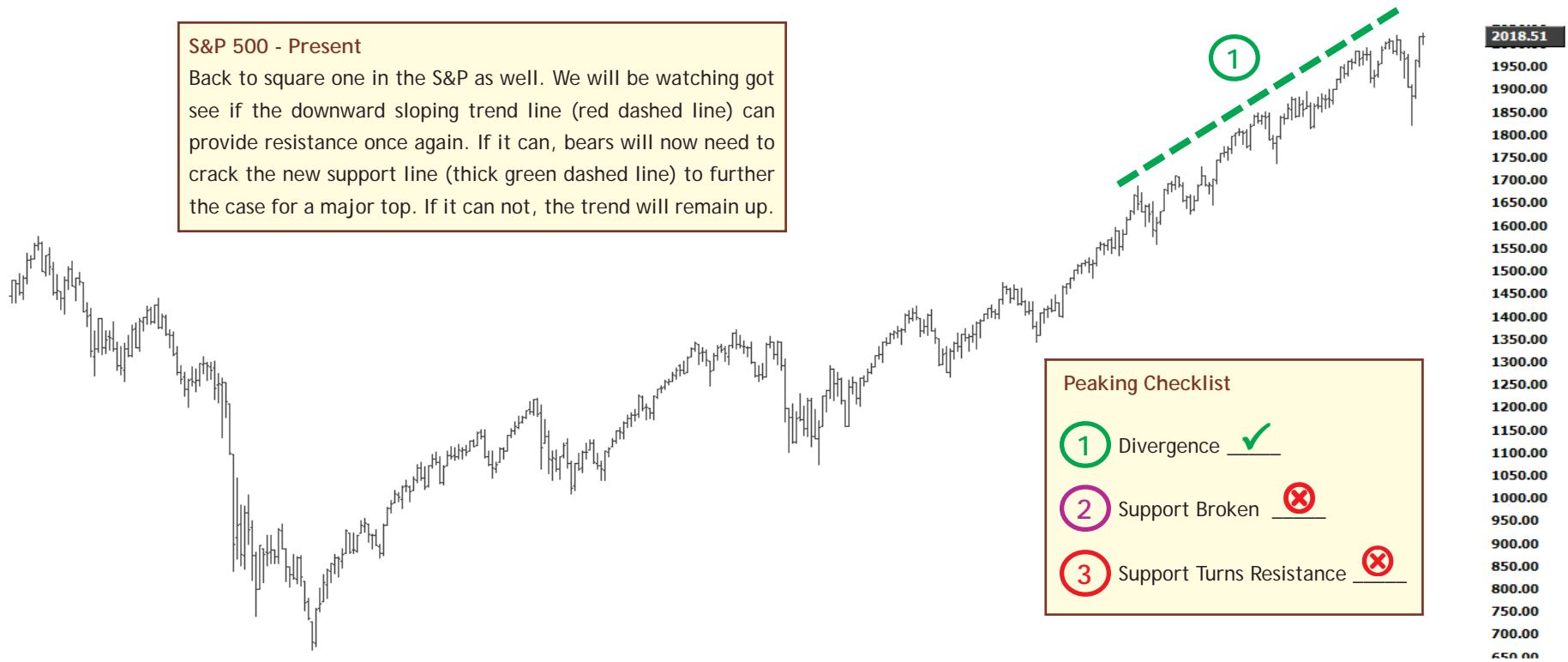


**United-ICAP**  
 the technical advisory service  
 brian larose brian@united-icap.com

**UPDATE**

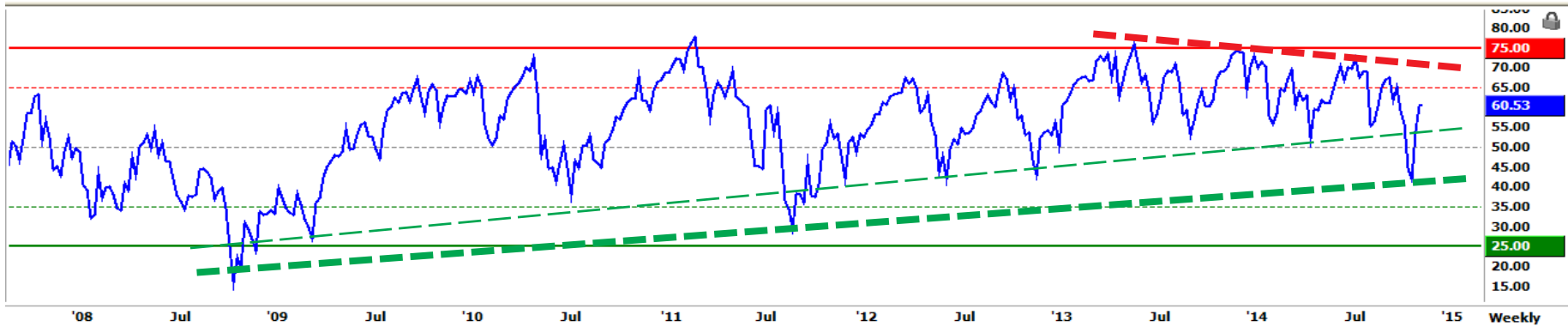
Peaking Action - An RSI Perspective  
 Wednesday  
 05 November 2014

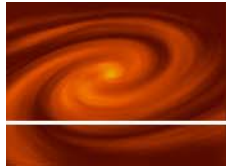
**S&P 500 - Present**  
 Back to square one in the S&P as well. We will be watching to see if the downward sloping trend line (red dashed line) can provide resistance once again. If it can, bears will now need to crack the new support line (thick green dashed line) to further the case for a major top. If it can not, the trend will remain up.



**Peaking Checklist**

- ① Divergence
- ② Support Broken
- ③ Support Turns Resistance





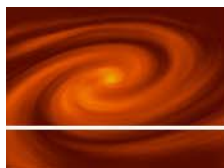
**United-ICAP**  
the technical advisory service

brian larose [brian@united-icap.com](mailto:brian@united-icap.com)

Peaking Action - An RSI Perspective  
Wednesday  
05 November 2014

# Nasdaq Composite





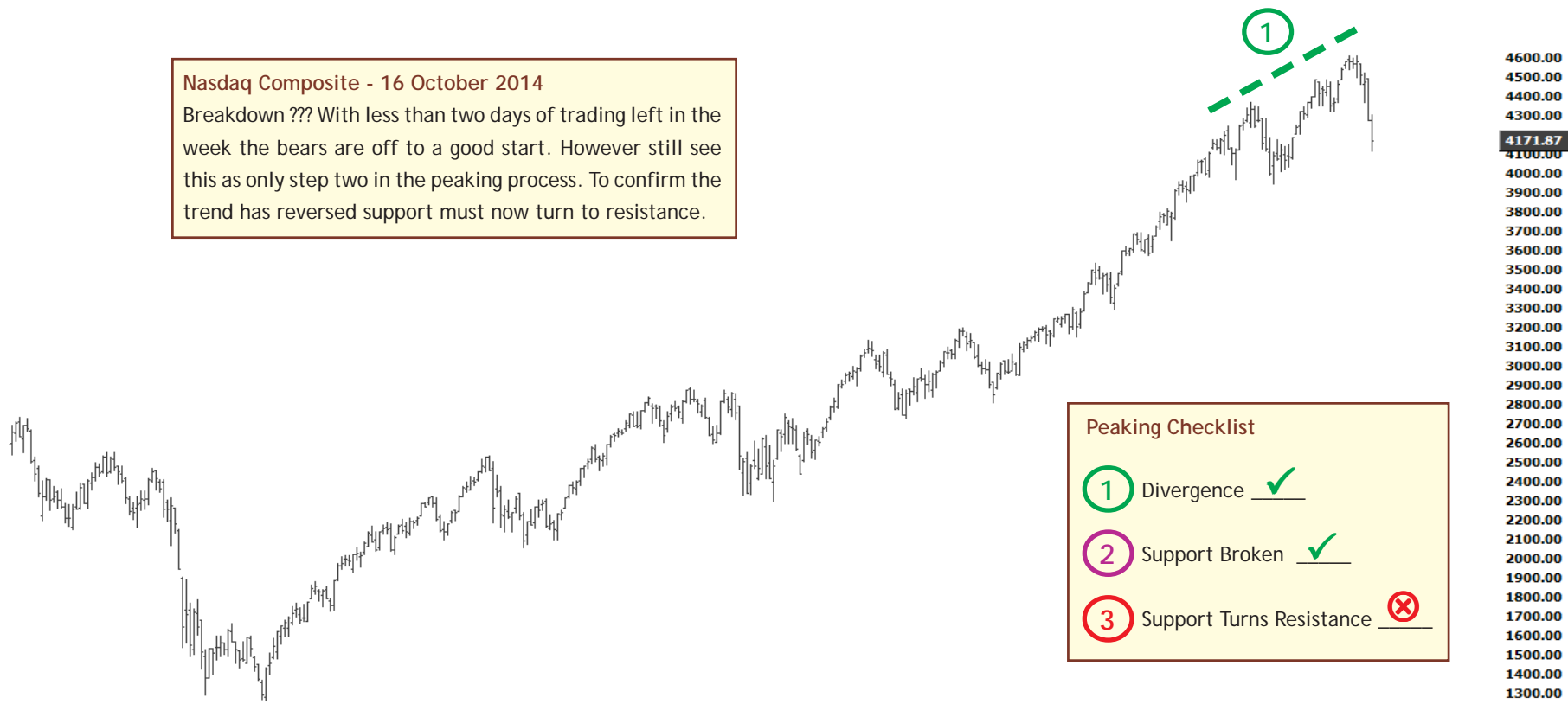
**United-ICAP**  
the technical advisory service

brian larose brian@united-icap.com

**REPRINT**

Peaking Action - An RSI Perspective  
Thursday  
16 October 2014

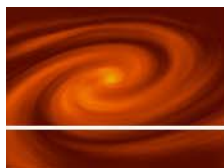
Nasdaq Composite - 16 October 2014  
Breakdown ??? With less than two days of trading left in the week the bears are off to a good start. However still see this as only step two in the peaking process. To confirm the trend has reversed support must now turn to resistance.



**Peaking Checklist**

- 1 Divergence ✓
- 2 Support Broken ✓
- 3 Support Turns Resistance ✗





**United-ICAP**  
the technical advisory service

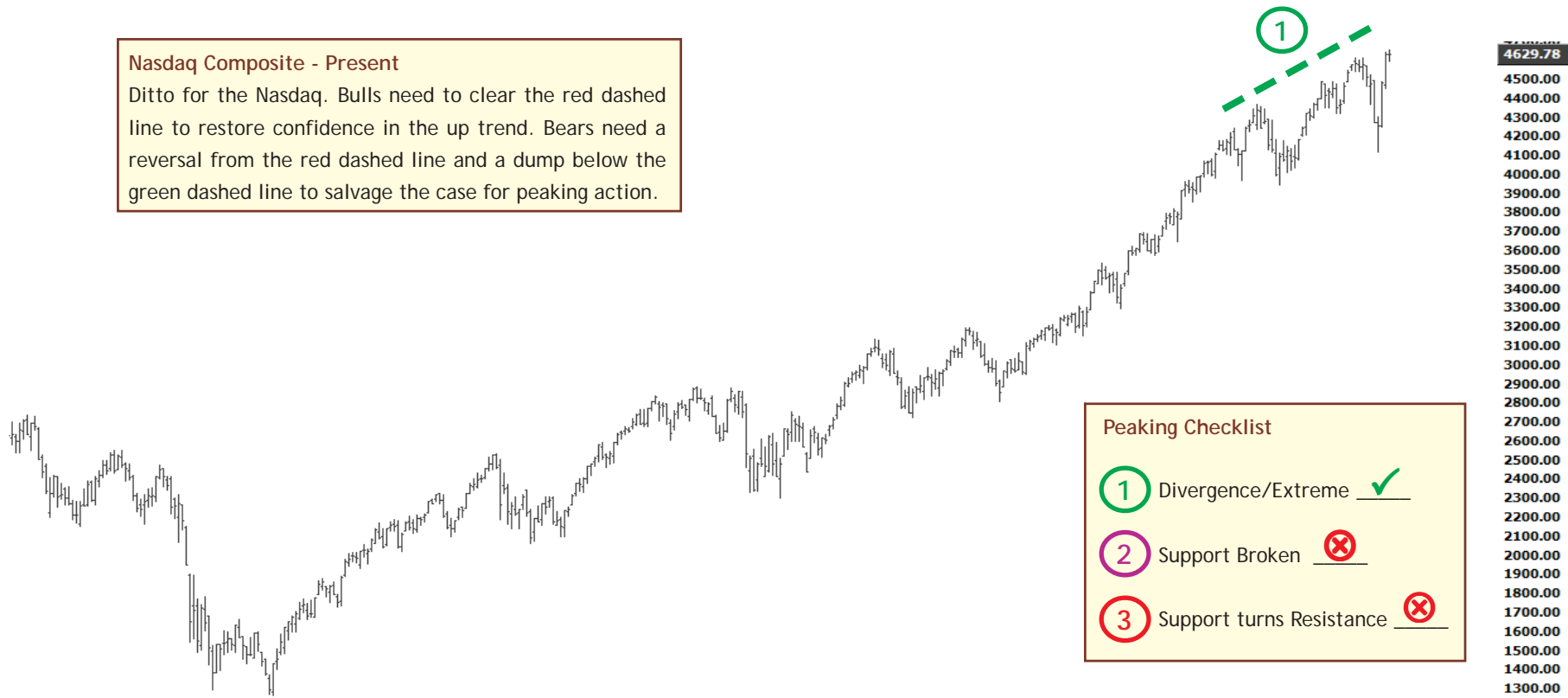
brian larose brian@united-icap.com

**UPDATE**

Peaking Action - An RSI Perspective  
Wednesday  
05 November 2014

**Nasdaq Composite - Present**

Ditto for the Nasdaq. Bulls need to clear the red dashed line to restore confidence in the up trend. Bears need a reversal from the red dashed line and a dump below the green dashed line to salvage the case for peaking action.



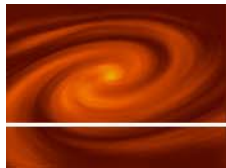
|         |
|---------|
| 4629.78 |
| 4500.00 |
| 4400.00 |
| 4300.00 |
| 4200.00 |
| 4100.00 |
| 4000.00 |
| 3900.00 |
| 3800.00 |
| 3700.00 |
| 3600.00 |
| 3500.00 |
| 3400.00 |
| 3300.00 |
| 3200.00 |
| 3100.00 |
| 3000.00 |
| 2900.00 |
| 2800.00 |
| 2700.00 |
| 2600.00 |
| 2500.00 |
| 2400.00 |
| 2300.00 |
| 2200.00 |
| 2100.00 |
| 2000.00 |
| 1900.00 |
| 1800.00 |
| 1700.00 |
| 1600.00 |
| 1500.00 |
| 1400.00 |
| 1300.00 |
| -----   |

**Peaking Checklist**

- ① Divergence/Extreme ✓
- ② Support Broken ✗
- ③ Support turns Resistance ✗



|       |
|-------|
| 80.00 |
| 75.00 |
| 70.00 |
| 65.00 |
| 62.66 |
| 60.00 |
| 55.00 |
| 50.00 |
| 45.00 |
| 40.00 |
| 35.00 |
| 30.00 |
| 25.00 |
| 20.00 |



# iShares MSCI EAFE ETF (EFA)

## Investment Objective

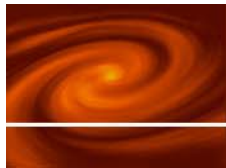
The iShares MSCI EAFE ETF (EFA) seeks to track the investment results of an index composed of large- and mid-capitalization developed market equities, excluding the U.S. and Canada.

[www.ishares.com/us/products/239623/ishares-msci-eafe-etf](http://www.ishares.com/us/products/239623/ishares-msci-eafe-etf)

## Geographic Exposure\*

|                |        |
|----------------|--------|
| Japan          | 20.87% |
| United Kingdom | 17.53% |
| Switzerland    | 9.67%  |
| France         | 9.57%  |
| Germany        | 8.58%  |
| Australia      | 8.06%  |
| Netherlands    | 4.75%  |
| Spain          | 3.55%  |
| Sweden         | 2.97%  |
| Hong Kong      | 2.83%  |
| Italy          | 2.31%  |
| Denmark        | 1.55%  |
| Singapore      | 1.46%  |
| Belgium        | 1.25%  |
| Other          | 4.45%  |

\*As of 06 October 2014



Peaking Checklist

- 1 Divergence ✓
- 2 Support Broken ✓
- 3 Support turns Resistance ✗

ishares MSCI EAFE ETF (EFA) - A Warning Signal ???

In Vol. IV of this series we noted that from a global perspective, a breakdown in the five year up trend was establishing itself. Failure into prior support (green dashed line) would confirm that is in fact the case. US equity bulls take note.

