

**S&P 500 - (M6) - Peaking ? (- 18.75 @ 2038.75)**

Still see the growing divergence between the USD/JPY and the S&P as the biggest threat to this rally. That is, of course if the S&P can not punch through 2089.50. Successfully clear this level and the door will be open for a march to the 2353.50 neighborhood. Fail to get above 2089.50 and the USD/JPY is likely to drag the S&P down with it. Look for a test of 1763.75 minimum in this case.

R2 = 2063.50
R1 = 2053.00
S1 = 2032.25
S2 = 2008.00

10 Yr Rate - Down ? (- 0.052 @ 1.727%)

No change. For Rates to have any shot at joining the equity advance one of our remaining support candidates must stop the slide. The .618 retracement cuts at 1.733. The .7862 retracement cuts at 1.660. If these levels can not repel Rates higher expect the 1.567 low to be broken. Note: should equities tank, I would not expect these levels to provide any kind of support.

R2 = 1.825
R1 = 1.785
S1 = 1.660
S2 = 1.565

EUR/USD - Up ? (@ 1.1384 last)

While the recent surge has lost a bit of momentum we have no reason to abandon the case for a push to the 1.1677-1.1783 ((A)=(C) from 1.0452) vicinity. At least not yet. At this time we will be viewing any pull back as corrective in anticipation of further upside. To force us out of long positions we would at the very least need to see the short term technicals roll over. That has not happened.

R2 = 1.1540
R1 = 1.1460
S1 = 1.1305
S1 = 1.1220

USD/JPY - Down (@ 110.323 last)

With the USD/JPY slipping beneath the prior low at 110.632 the door is officially open for a dump to the large cluster of objectives and ratio retracements at 106.654-106.649-106.136. Between here and there the only major level of contention we can identify is 108.038. Suspect we would need to see the BOJ step in and push the USD/JPY back over 112.977 to turn this train around.

R2 = 111.870
R1 = 110.850
S1 = 108.985
S2 = 108.040

Gold - (M6) - Neutral (+ 10.3 @ 1229.6)

Coming into the week we cited our hesitance to jump aboard the bearish bandwagon. The question now, after Tuesday's bounce do the bulls have a shot at fresh highs? I think they do. However, in order for us to reenter length we would need to see the 1287.8 high breached. Until the bulls can make that happen we are just as skeptical of the bullish case. Suggest the sidelines for now.

R2 = 1270.5
R1 = 1249.5
S1 = 1206.0
S2 = 1195.0

Copper - (K6) - Down ? (- 0.0025 @ 2.1380)

The .500 cuts at 2.1295. The .618 cuts at 2.0835. The .7862 cuts at 2.0185. If this retreat is corrective in nature one of these retracements should be able to provide support. And if these levels can not halt the slide we would be prepared for fresh lows. Yes Copper held 2.1295 Tuesday, but aside from the short term technicals being overextended there is no evidence to suggest bottoming action.

R2 = 2.2050
R1 = 2.1770
S1 = 2.1295
S2 = 2.0835

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