

Bund & Bobl

Daily Technical Analysis: 5th April 2000

☒ Bund Chart: © Futuresource



☒ Trend:

Bullish above
104.99, target 106.44-50.

☒ Levels:

R5	106.44
R4	106.32
R3	106.15
R2	106.00
R1	105.87
S1	105.53
S2	105.46
S3	105.15
S4	104.99
S5	104.52

☒ Comment:

Yesterday :

The market opened at 105.76 and traded up to 105.87 in the first hour. This proved to be the high for much of the session, with the low coming in at 105.53. A severe drop in the NASDAQ and "flight to quality" buying of Bonds saw a BIG jump up to 106.32 into the close, which was at 106.30.

Today :

The big jump in the T-Bonds ran out of steam just after the Bunds closed, and promptly reversed back almost to the levels it was at before the NASDAQ freefall.

I did say in Yesterday's comment that resistances above 105.80 were not strong until we hit the channel top at 106.35, but, in all honesty, I didn't expect a move like that seen in the last hour of trading Yesterday !!!



Bund comment (cont'd)

I guess looking at the late move from a purely technical point of view, one could say that it was a reaction to the break of 105.87, the high set in the first hour Yesterday !! An open below here this morning will see this level being used as resistance once more. Then 106.00 will again be psychological as well as being a Fibonacci Retracement of Yesterday's range.

The channel top comes in Today at 106.44, very close to the 106.50 target that I have been citing for about 2 weeks now. The uptrend channel is very well established, and the high spike Yesterday just serves to back this up. The market remains Bullish and the target looks likely to be met, even under "sensible" market conditions, in the coming days.

The bottom of the channel, where the Bullish view would change, is at 104.99, so a long way off from being tested. Before that there are a few supports worth watching out for !!

The market constantly found a base Yesterday between 105.52 and 105.55, and this could be supportive again, my "Buy dips" level of 105.46 was never quite reached, and is less important Today. Below here 105.15, the low from Monday, could again be supportive before the channel bottom comes into focus.

A range of 105.50-90 should not be ruled out for this morning once things settle down, and the market could once again wait for events in the States for a cue.

Bobl Trend:

Bullish above
103.50.

Bobl Chart: © Futuresource

Bobl Levels:

R4	104.25
R3	104.19
R2	104.17
R1	104.00
S1	103.80
S2	103.69
S3	103.55-57
R4	103.32



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