

Bund & Bobl

Daily Technical Analysis: 3rd April 2000

☒ Bund Chart: © Futuresource



☒ Trend:

Bullish above
105.22, target 106.50.

☒ Levels:

R5	106.50
R4	106.25
R3	106.00
R2	105.70
R1	105.57
S1	105.22-24
S2	105.05
S3	104.96
S4	104.79
S5	104.50

☒ Comment:

Friday :

The market did gap higher on the open, at 105.37. The gap fill to the downside was very well protected all day by good sized bids, and the low came in at 105.24 on a couple of occasions over the early afternoon. The early high set at 105.57 was tested again in late trading with a trade up to 105.55, and the market closed at 105.41.

Today :

Very predictable price behaviour ensued in the Bund on Friday, with the gap fill taking on the most significance to the downside. This gap was not filled, though. It was 1 tick away !! This keeps 105.22-24 as a support. Bonds are slightly firmer over the weekend, but it looks like the Bund will, again this morning, struggle to break out of a 105.22-57 range.



Bund comment (cont'd)

A look at the 10 minute chart shows that the market used 105.35 as a level on Friday, either as support or resistance, and this could be a level worth watching again Today on an intra-day basis.

The market is still **Bullish**, and 105.22 would still appear the best candidate for the dip to buy, as a filling of the gap would be a **Bullish** signal, and would allow the strength to continue and take out resistances above.

Let's finish off with the key supports first, though. What's below 105.22 ? The first thing would be stops !! These could quickly see the market down to 105.03-05, the old filled gap that was the focus of much attention last week. If this were to break, along with the psychological 105.00 level, then an old strong intra-day level at 104.96, then things would start looking wobbly, and a test the bottom of the channel would become the focus. This is Today at 104.79, and would be a key level in deciding future price direction. All in all, to the downside, a break of 105.22 would have the Bull market looking tired and Neutral, and a sustained break, especially on a closing basis, of 104.79, would be the Bear trigger, with only 104.50 strong support in the way of a deeper set-back.

Resistance ? The initial level to watch on the upside will be Friday's 2X high trade area of 105.55-57. This is the only protection in the way of a trade up to test the 105.70 high set on March 23rd. Above here the next resistance is psychological, at 106.00, then the 106.25 channel top, with the main level, and target on this move, at 106.50, the high print in the June contract from Mid December 1999.

Bobl Trend:

Bullish above 103.45.
Friday was a "long legged DOJI", signaling market indecision...

Bobl Levels:

R4	104.11
R3	104.00
R2	103.88
R1	103.78
S1	103.59
S2	103.50
S3	103.45
R4	103.32

Bobl Chart: © Futuresource



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