

Jan 26, 2021

Posted by
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Tradable Patterns



VIX (VX) Weekly MACD Trying to Positively Cross

The VIX (VX) rebounded yesterday from just above downchannel support (on the daily chart), and is poised to retest the same downchannel's resistance in the next day or so. Significantly, the VX has been trying to bounce off downtrend support (on the weekly chart), continuing efforts at forming a major bottom. Any daily close this week above the daily chart downchannel resistance will likely be followed in the days after by a retest of the December high and the 61.8% Fib retrace of the slide since early November. **Congratulations to premium subscribers who benefited from the March 17th warning of the pending slide in the VX, one day before its record high on the front month contract and from the analysis June 9th highlighting the looming completion of the descending wedge. Premium subscribers were also alerted Aug 28th, Sep 2nd and Oct 20th of the growing probability of a rebound in the VIX.** The weekly, daily and 4hr RSI, Stochastics and MACD are bottomish, rallying or consolidating recent gains. I am long at 26 as of yesterday, although if I were flat, I'd look at entering long in the green zone (of the daily chart), targeting the red zone for Monday. The amber/yellow zone is where I might place a stop if I was a swing trader (although in my personal account with which I seldom hold overnight I sometimes set my stops tighter).

VIX (VX) Weekly/Daily/4hr



Join the world's largest asset manager and 2 of the world's 5 largest (and 5 of the 10 largest) hedge funds by AUM as daily readers of Tradable Patterns' technical analysis. As seen on Bloomberg, Refinitiv, Factset and Interactive Brokers, readers include global top 10 investment banks. If you represent an institutional investor or potential distribution partner, write to info@tradablepatterns.com to request Bloomberg, Refinitiv and Factset readership reports.

As seen on



S&P500 (ES) Weekly/Daily/4hr

The S&P500 (ES) is tiring near its record high as seen by the weekly Doji trying to form. Significantly, although ES remains within an upchannel (on the daily chart), the odds of a test of upchannel support and a subsequent break is increasing the more overextended the upchannel becomes. Before bears get excited, they'll want to first see a break of the 4hr upchannel support, followed by a daily close below the daily chart upchannel support. More bearish would be any weekly close below the weekly chart's ascending wedge support, which would pave the way for a retest of the psychologically key 3500 whole figure level in the week or so after. **Congratulations to paying subscribers who benefited from the February 18th analysis one day before the record high in the ES, warning of the pending slide in the S&P500, and from the June 9th report highlighting the looming completion of the ascending wedge on the S&P500.** Except for the weekly MACD which still slopes up, the weekly and daily RSI, Stochastics and MACD are tiring. I am looking at entering short in the red zone of the daily chart, targeting the green zone for Monday. The amber/yellow zone (in the is where I might place a stop if I was a swing trader (although in my personal account with which I seldom hold overnight I sometimes set my stops tighter).



SINGAPOREFINTECH



Natural Gas (NG) Weekly/Daily/4hr

Natural Gas (NG) soared a massive 6% yesterday, breaking above downchannel resistance (on the 4hr chart) and downtrend resistance (on the daily chart). Significantly, NG has halted a near 2 week slide, and has all but formed a higher January low versus the December low. For bulls to get excited again, NG will have to close on a weekly basis above the weekly chart downchannel resistance.

Congratulations to Premium Members who benefited from the opportunities highlighted April 1st, April 17th and reiterated Aug 3rd before the day's historic gains. The weekly, daily and 4hr RSI and Stochastics are bottomish, rallying or consolidating recent gains. I am looking at entering long in the green zone (of the daily chart), targeting the red zone for Monday. The amber/yellow zone is where I might place a stop if I was a swing trader (although in my personal account with which I seldom hold overnight I sometimes set my stops tighter).



Looking to get funded USD 100k-7 figures to prop trade? Feel free to write to info@tradablepatterns.com if you have a strong PnL track record and are looking for backing.



Understanding the negative correlation

One of the most traded asset correlations is between the U.S. dollar and gold -- a negative correlation that generally sees gold rise when the dollar falls and vice versa.

Bitcoin (BTC/USD) and the ICE USDX[®] have an evolving relationship. A historically strong positive correlation of these markets appears to have reversed: on January 15, the correlation was near its most negative level in the previous five years. Like a gold hedge, Bakkt[®] Bitcoin futures can be used as a hedge against the inflation of the dollar. ICE is the only place you can trade both physically settled bitcoin futures and USDX futures on the same platform.

Has the relationship between BTC/USD and the ICE USDX evolved to the point where this correlation will remain largely negative? The 5-year weekly correlation chart illustrates dips in 2017 and 2018 to similarly negative values, though these correlation values recovered within a year from their oversold levels to strongly positive figures near 0.8.

Weekly Correlation BTC Index vs. ICE USDX Index[®] (20 period)



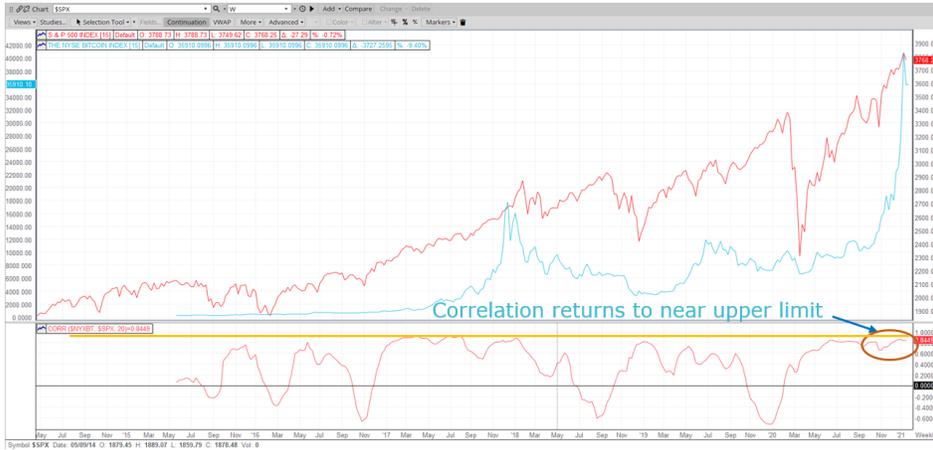
For questions on accessing these markets, feel free to contact [Laura Edelman \(sales@bakkt.com\)](mailto:sales@bakkt.com).

Bitcoin (BTCUSD) Continues Consolidating Near 35k

The correlation between BTCUSD and the S&P500 has returned to historically high levels. Get the [latest Bitcoin biweekly commentary](#) (published Jan 19)

with  ICE Futures Singapore

Bitcoin Commentary is a technical and fundamental analysis newsletter published biweekly on ICE Bitcoin futures.



Looking to minimize slippage on larger sized trades? Feel free to write to info@tradablepatterns.com if you're looking to learn more about trading OTC.

Tradable Patterns publishes 4 newsletters: **Today's Top 3 Trades, Equities & ETFs, Coffee Daily** and **Crypto Weekly Outlook**.

Today's Top 3 Trades

Free Subscribers have access to content like Sep 1, 2020's report's preview

Today's Top 3 Trades offers technical analysis on a subset of 3 CME/ICE commodity/index futures or spot FX markets (with coverage for 2 markets from a designated asset class(es) for each weekday as seen in the Watchlist), plus the top trade idea for the day from any asset class. All 3 markets covered are selected based on their likelihood to exhibit trend reversal or continuation during the week that begins on the day of coverage, based on technical analysis and news flow. For instance, Monday coverage is on 2 Agris (and potentially 1 Index), while Tuesdays are devoted to 2 Indices (and potentially 1 Soft).

VIX (VX) RETESTING 50% FIB RETRACE OF MARCH SURGE

[A-] [A+] VIX (CBOE VX SEP20) WEEKLY/DAILY/4HR

The VIX (VX) surged yesterday as part of its week plus bounce off downchannel support (on the daily chart), consolidating gains above downchannel resistance (on the 4hr chart). Significantly, the VX is suddenly retesting the 50% Fib retrace of the March surge, with the VX nearing downchannel resistance (on the daily chart). Congratulations to premium readers who profited from the March 17th warning of the pending slide in the VX, one day before its record high on the front month contract and from the analysis June 9th highlighting the looming completion of the descending wedge. Except for the weekly MACD which still slopes down, the weekly, daily and 4hr RSI, Stochastics and MACD are bottomish, rallying or consolidating recent gains. I am long as of today at 27.9, although if I were flat I'd look to go long in the green zone (of the daily chart), targeting the red zone for Monday. The amber/yellow zone is where I might place a stop if I was a swing trader (although in my personal account with which I seldom hold overnight I sometimes set my stops tighter).



Equities & ETFs

Latest trades published for Premium Members Jan 19th.

Equity/ETF	Exchange	Symbol (Click for Details)	Entry Date	Entry Price *	Exit Date	Exit Price **	P&L (%)
Antero Resources	NYSE	AR	Apr 17	1.38	Jun 10	3.96	187
Boeing	NYSE	BA	Apr 17	154	Jun 10	211.17	37.1
BP	NYSE	BP	May 22	22.98	Jun 10	26.89	17.0
Avis Budget	NYSE	CAR	Apr 17	14.03	Jun 10	29.01	106.8
Carnival	NYSE	CCL	Apr 17	12.56	Jun 10	21.37	70.1
WTI Crude Oil ETF (Invesco, yield optimized)	NYSE	DBO	Apr 25	5.34	Jun 10	6.94	30
Entertainment Prop Trust	NYSE	EPR	Apr 17	24.58	Jun 10	42.15	71.5
Expedia	NYSE	EXPE	Apr 17	63.22	Jun 10	89.36	41.3
Gold Miners ETF	NYSE	GDX	Apr 17	29.94	Jun 10	33.49	11.9
Gilead Sciences	NYSE	GILD	Apr 17	83.99	Jun 10	77.8	(7.3)
Energy Company ETF	NYSE	IXC	Apr 17	18.24	Jun 10	22.84	25.2
Global Airlines ETF	NYSE	JETS	Apr 17	14.35	Jun 10	19.63	36.8
Kraft Heinz	NYSE	KHC	May 22	29.95	Jun 10	33.09	10.5
MGM Resorts	NYSE	MGM	Apr 17	14.08	Jun 10	22.46	59.5
Norwegian Cruise Line Holdings	NYSE	NCLH	Apr 17	12.38	Jun 10	22.71	83.4
Prudential Financial	NYSE	PRU	Apr 17	53.24	Jun 10	71	33.4
Royal Caribbean Cruises	NYSE	RCL	Apr 17	37.39	Jun 10	67.84	81.4
Royal Dutch Shell (Class A)	NYSE	RDS.A	Apr 17	35.48	Jun 10	36.87	3.9
Range Resources	NYSE	RRC	Apr 17	4.65	Jun 10	7.57	62.8
Simon Property Group	NYSE	SPG	Apr 17	56.12	Jun 10	87.56	56.0
Teva	NYSE	TEVA	Apr 17	10.27	Jun 10	12.64	23.1
Uranium Sector ETF	NYSE	URA	Apr 17	10.11	Jun 10	11.31	11.9
VEREIT	NYSE	VER	Apr 17	4.92	Jun 10	6.75	37.2
Wells Fargo	NYSE	WFC	May 9	25.43	Jun 10	32.3	27.0
Exxon Mobil	NYSE	XOM	Apr 17	43.22	Jun 10	53.5	23.8

Equities & ETFs has taken on a new format where it is now an Entries/Exits service inspired by technical analysis on a collection of equities and ETFs. The 25 equities and ETFs initially profiled for their beaten down, trend reversal potential, between April 17 to May 22, 2020, have mostly ran up tremendously since then, and are assumed to be closed trades as of June 10th using the day's opening price. Congratulations to all Premium Members who profited from these long equity/ETF ideas soon after they were initially profiled. I will look to explore new long/short trade ideas on Equities & ETFs with Premium Members with a target of 5 multi-week to multi-month swing trades each month. Premium Members also have access to monthly and weekly chart technical analysis for 5 Equity/ETF markets each Saturday.

Coffee Daily

Robusta Coffee (RC) Weekly/Daily/4hr
 Robusta Coffee (RC) surged another 2% plus yesterday, closing at uptrend resistance (on the 4hr chart). Significantly, RC has decisively broken above horizontal resistance (defined on the weekly chart by the October 2019 low), and is suddenly within a week or so of violating directional resistance (on the weekly chart). Nevertheless, after the powerful bounce in the past few weeks, RC has limited upside potential in the next few days as it bumps up against uptrend resistance (on the daily chart). Longer term bulls will accumulate on any notable dips the balance of this week with anticipation rising for a potential break (in the September contract) of the weekly chart downchannel resistance. Regardless of any profit-taking these next few days, RC has now formed a higher daily high versus the low high, with a higher July low (versus the June low) all but certain. The weekly, daily and 4hr RSI, Stochastics and MACD are rallying or consolidating recent gains. I am looking at going long in the green zone (of the daily chart in the ~1200-1300 range), targeting the red zone for Tuesday (in the ~1310-1330 range). The amber/yellow zone (in the ~1245-1265 range) is where I might place a stop if I was a swing trader (although in my personal account with which I seldom hold overnight I sometimes set my stop tighter).

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Arabica Coffee (AC) Weekly/Daily/4hr
 Arabica Coffee (AC) rebounded more than 2% yesterday, closing just shy of downtrend/wedge resistance (on the daily chart). Significantly, AC closed back above the psychologically key 1 whole figure level, and is now retesting the horizontal resistance (on the weekly chart) defined by the May 2019 low, and rebounded last August, October and February 2020. A weekly close above this horizontal resistance will coincide or be followed by the few days after with a reclamation of the July high and a reset of the weekly chart descending wedge resistance. Odds are suddenly rising for a reset of the 2020 high before year-end (although unlikely with the September contract). The weekly, daily and 4hr RSI, Stochastics and MACD are bottomish, rallying or consolidating recent gains. I am flat after profitably closing long yesterday and am looking at re-entering long in the green zone (of the daily chart in the ~1200-1300 range), targeting the red zone (of the daily chart in the ~1245-1265 range) for Tuesday. The amber/yellow zone (in the ~1210-1230 range) is where I might place a stop if I was a swing trader (although in my personal account with which I seldom hold overnight I sometimes set my stop tighter).

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Tradeable Patterns publishes 3 newsletters: **Tradeable Patterns**, **Tradeable Patterns & FTI** and **Tradeable Patterns & FTI and Cattle Weekly Outlook**.

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Coffee Daily is a technical analysis newsletter published weekdays on ICE Arabica & Robusta Coffee futures.

Get your coffee today? You can now enjoy your brew with **Coffee Daily - Tradable Patterns' Arabica and Robusta Coffee Futures technical analysis newsletter**, published Monday to Friday before the London open. Write to info@tradablepatterns.com for pricing details and sample reports as of the July 13 launch, illustrating how the massive moves since were hinted through pattern recognition.

For less experienced traders, *tutorials and workshops* are offered online and throughout Southeast Asia.

Tradable Patterns content does not constitute an advisory and does not make recommendations, but can supplement your own analysis. Please do your own due diligence ahead of any trades.