

Emini S&P meets strong resistance again at 4380/90. Shorts stop above 4400. A break higher is a buy signal targeting 4415 & strong resistance at 4435/45. Shorts stop above 4455.

Minor support at 4350/60 then strong support at 4325/20. Longs stop below 4310. A break lower is a sell signal targeting 4270/65 & 4235/25.

INTERPRETATION OF THE FIRST PARAGRAPH:

We try to sell at resistance & we try to buy at support.

So here we try to sell at 4380/90 with stop loss above 4400 (perhaps at 4402 or 4404).*

If the stop loss is activated this indicates the resistance level has been broken & therefore prices are expected to continue higher towards the next target of 4415 & perhaps as far as strong resistance at 4435/45. So we could then try to buy at 4390/80 if the price dips back & look to take some profit at 4415 & take the rest of the profit at maybe 4425/30 (in case the price does not quite reach the resistance at 4435/45.

If the price does reach the resistance at 4435/45 we could try a short position with stops above 4455 (say at 4457 or 4459)

FROM THE REPORT:

Minor support at 4350/60 then strong support at 4325/20. Longs stop below 4310. A break lower is a sell signal targeting 4270/65 & 4235/25.

INTERPRETATION:

*IF WE ARE SHORT AT 4380/90 WE CAN LOOK TO TAKE SOME PROFIT AT THE 4360/50 LEVEL.. WE CAN THEN BUY AT STRONG SUPPORT AT 4325/20 WITH STOPS BELOW 4310 (SAY AT 4308 OR 4306). IF THE STOP LOSS IS ACTIVATED THIS INDICATES THE PRICES ARE LIKELY TO CONTINUE LOWER. WE COULD TRY TO SELL AT 4320/25 IF THE PRICE RECOVERS A LITTLE. THE TARGETS FOR THE SHORT POSITION WILL THEN BE 4270/65 & 4235/25