

TURNING POINTS:

First One Way, And Then The Other

Part 3



October 29, 2013

CURRENCIES

Concluding this report are the **1-year charts** of the **US Dollar Index Bullish Fund**, the **FXE (Euro ETF)**, and the **FXY (Yen ETF)**, respectively. In each case, the MACD appears above the price chart, while the slow stochastic appears below it.

October 6, 2013

"According to my analysis, the USD is suffering from an expanding triangle, which is a less common and more dangerous technical chart formation."

The only change in my targets from 23 days ago is a slightly lower expectation for a countertrend bounce to no higher than 21.8 (as opposed to 22), before this particular move's trend-concluding smash (point-7).



October 6, 2013

"Note too that this bounce to ~22 may closely coincide time-wise with a rally in the Dow, while the Dollar smash could coincide with something more bearishly serious in stocks."

Concerning the euro on the following page, despite 132 not being achieved (correct directionality, however), the comments following the FXE chart may be described by, "so far so good."



October 6, 2013

"For the euro (above), this could mean a decline to 132, which would be followed by a rally back to the 136 level, or even marginal new highs."

Again, the euro didn't get all the way to 132, though the analysis was correct, justifying that report's conclusion, which included a recommendation to ride my currency wave, as I called it.

Currencies were easily and by far my hottest market for the preceding 12 months, providing huge gains, in identifying cyclical extremes in the major currencies.

Please scroll down to next page for Yen chart.



October 6, 2013

"The Yen (below), like the Dollar, appears to have an obvious pattern to read, I believe. Specifically, it seems to be concluding an a-b-c-d-e contracting triangle.

"This would be entirely consistent with the Dollar interpretation and lead to a **retest of the lows around 95, dead ahead.**

"The point-7 smash in the Dollar would likely coincide with a nasty whipsaw for traders, who get killed as **the Yen would subsequently rally to 105.**"

I suspect that there is a chance that the forecast above may not have been wrong, so much as merely delayed by a lack of volatility in the Yen; that volatility "migrated" to other currencies, including the euro.

Sid Klein

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