

Chart Book Market Update

November 8, 2018



S&P500 ES daily chart

October 18th 2018



BigPictureTrading
macro . technicals . options

Week in Review – October 20th, 2018

So, do we buy the dip?

The challenge we have is that the market is behaving very poorly. The entire bounce higher was not even a 50% retracement of the drop and more importantly, every rally attempt has been used to sell into. The entire consolidation looks like a wedge consolidation, that if broken to the downside, could still usher in another round of selling. It is the same technical levels as last week at the **2720-2750 levels. A break below could send us to 2600-2650 for a final washout. If the bulls hold the line throughout the week, we will begin to explore new buy the dip opportunities for a year-end rally back toward the highs.**



S&P500 ES daily chart

November 8th, 2018

Week in Review – October 27th 2018

We are at an important crossroad of this sell cycle. The markets main challenge is that the price action continues to behave very poorly as every rally is met with a fresh new wave of heavy selling. **While we have been targeting the 2600-2650 level**, there is an argument to be made that traders are targeting the February/April lows at 2550. Yes, the market can still go lower, but **from our methodology, it is a very poor risk/reward to keep shorting this market.**

This market is finished its measured moves to the downside and all it needs is a spark to ignite a sentiment shift from fear to greed and we can see a fast mean reverting rally that can last deep into November. **The key to watch – at some point the bulls will drive a 50-70 point rally back toward the 2720 range. Will the sellers hammer the advance with new selling or will it spark advance back above 2800?** We will call the play by play next week.



S&P500 ES daily chart

November 8th, 2018

Week in Review – November 4th, 2018

The levels to watch – a **breakdown below 2670-2680** would demonstrate that the bear selling has not finished and that the risk to the downside might be greater than my short-term bullishness. Inversely, if the bulls **contain all selling above that 2670-2680 level, we will look for advances to retest the 2800-2850 zone above.**



BigPictureTrading
macro . technicals . options

S&P500 ES daily chart

November 8th, 2018

Projecting past scenarios onto today's market for a road map.
(This is not a forecast)



Gold Bullion daily chart

November 8th, 2018



Gold and Gold Miners Options Bootcamp (LIVE)

Friday Nov. 9th 2018: 9:00amET - noon

You missed it live? That's ok, [get access to the recording immediately.](#)

[Click to learn more](#)

Just interested in a 7 day free trial? Visit:

<http://bigpicturetrading.com>

Questions? Or email us at contact@bigpicturetrading.com

