

Jan 3, 2018

Posted by
Darren Chu, CFA
Founder
Tradable Patterns



Wheat (ZW) Breaks 3 Month Downtrend Resistance

Wheat (ZW) rallied more than 1.5% in yesterday's opening trading day of 2018, and appears poised to continue its upside in this shortened week after having broken a 3 month downchannel resistance line (on the 4hr chart). Forming currently its 4th straight green weekly candle though suggests that ZW may begin tiring by next week, coinciding perhaps with what may become downchannel resistance (on the daily chart). Nevertheless, longer term bulls will be buying on dips now that the weekly MACD is about to positively cross. The weekly, daily and 4hr RSI, Stochastics and MACD are bottomish, rallying or consolidating recent gains. I am looking to enter long in the green zone (of the daily chart) and targeting the red zone for Thursday. 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 set my stops tighter).

Wheat (CME ZW Mar18) Weekly/Daily/4hr



Click [here](#) for today's technical analysis on Corn, GBPJPY

Tradable Patterns was launched to demonstrate that the patterns recurring in liquid futures, spot FX and cryptocurrency markets can be analyzed to enhance trading performance. *Tradable Patterns' daily newsletter* provides technical analysis on a subset of three CME/ICE/Eurex futures (commodities, equity indices, and interest rates), spot FX and cryptocurrency markets, which it considers worth monitoring for the day/week for trend reversal or continuation. For less experienced traders, *tutorials* and *workshops* are offered online and throughout Southeast Asia.