



Morning notes

Thursday, September 12, 2019

INFO and LTF -> Futures session on **DAX** started with the gap up, based on information of US delaying some of the tariffs to China. [Chart posted in the tweet](#). Price hit the LTF resistance in premarket session, and note the bottom of this gap on futures is around Yesterday high. Old gap from July 29th at 12,417 is NOT filled, since cash index gaps can be filled only in RTH session.



DAX closed at 12,359 with the +0.74% gain, US markets had good gains, and what was ugly duckling before, turned out to be biggest winner – RUT, which had a +2.12% day. Asian markets are all up except Hang Seng, which is slightly down atm. ECB event is approaching – *I have sent you an prep email yesterday, if you didn't get it by any chance, contact me to update your email address*. Scenarios what CAN happen on this days are different, since it can be a non-event, meaning nothing much that particular day, but maybe start of the good directional move, then rollercoaster type – move on Statement, opposite move on Press Conference, and trend day. Staying near or at better S/R area is common, as well as making false breaks of lesser S/R zones and generally slower, choppy PA in front of the news release. In Economic calendar for today we have *German Final CPI m/m at 08:00; OPEC-JMMC Meetings; EU Main Refinancing Rate and Monetary Policy Statement at 13:45; ECB Press Conference at 14:30 and US news - CPI m/m and Core CPI m/m also on 14:30. All times are CET.*

DAX Zones - For trading futures, adjust zones for CFD/futures difference.

Zone changes – Five zones are adjusted between 12,190 and 12,400; level 12,315 is a zone now. Some labels changed. (Small ▲ symbol is on the zones that were updated/adjusted or new)

TRADING PLAN -> Main zones for today are LTF zones away from the price. Main Support is LTF S /12,190-210/ and Main Resistance is LTF R /12,630-660/ with the unfilled gap at 11,676. Reaction is expected on both Main zones. **Small time-frame Bias is neutral, intermediate bias is neutral-bullish.**

Day will likely be divided in two parts. First part is up to 13:45 – 14:30 CET, and second part is AFTER the Press conference. Sometimes we will get a good trading opportunities for continuation type trades later, for entries on a pullback. If you feel uncomfortable trading this day, wait for the dust to settle.

Note the gaps around, and trading channel – how the market is going to react on it, and on the first zones around the price upon the open. Check additional charts. **LTF Resistance zone /12,445-475/** is resistance until broken. (Label 445-465 yesterday was wrong, top of the zone is on **475**). Market could fill the 11,417 gap early, and maybe fill the gap to prev. cash close in the first part. Y high /12,390-400/ zone is now Aggressive zone of Support. Better zone is lower, on /12,345-360/, with the prev. cash close on 12,359 – a place where buyers can react on a first test. High odds for zones False breaks and chop in the first part of session. There could be a liquidation break also, for profit taking in front of news release. Moves up to 100 points before the news would take DAX to 12,300 / 12,500 area approximately. Dips likely to be bought. Below 12,345 we have support zones /12,315-330/ and /12,290-300/, but better support is **/12,240-260/** with the unfilled gap at 12,269. Below that is **Main S – LTF S /12,190-210/**.

Break above 12,475 – can be false or real. False break could end near 12,500 and swiftly turning back trough the zone and going below it is confirmation on false break. Real break could lead to **Main R – LTF R zone /12,630-660/**.

Moves above 12,660 OR below 12,190 would require trend up or trend down day, meaning strong and SUSTAINED momentum. Such days can be 300-400 pts, and going with the move, fades only on exhaustion on best zones.

Choose your entry points carefully, and plot premarket low/high reference lines after the open.