



Morning notes

Friday, November 15, 2019



INFO and LTF -> **DAX** closed on 13,180 with the -0.38% loss yesterday. US markets are also consolidating and finished the session almost unchanged. However, positive sentiment across the board started during Asian session, **DAX** made parabolic up move to 13,260 (chart in [this tweet](#)) – negating yesterday down day. Except Shanghai, all Asian markets are in the green territory, posting solid gains, “as investors digest US-China trade developments”. **Markets ranging and coiling, preparing a bigger move.** That can last for many days. Breakout from range on **DAX** could lead to ATH test, breakdown could lead to any of the LTF Supports, like 13,000 / 12,800 / 12,660 / 12,500. What we can notice is lack of serious sellers, overall low volume and boring PA, since large players are waiting for more decisive information, and that is environment like said in [Recap video](#) – for taking these smaller zone-2-zone trades and scalping.

Today, like every 3rd Friday in the month, is **OpEx**, meaning monthly options expiry. We could get yet another day of consolidation and a range. However, note that market is sensitive to news and any US-China trade related information.

Economic calendar: EU Final CPI y/y, Final Core CPI y/y and Trade Balance at 11:00; US Retail Sales m/m and Core Retail Sales m/m at 14:30; later more low impact US data and German Buba President Weidmann will speak in Frankfurt at 18:00. All times are CET, and all of this in this list is not that important – can't move markets.

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

Zone changes – Two changes only: Main Support adjusted, new zone 13,160-175. Some labels changed above 13,300. (Small ▲ symbol is on the zones that were updated/adjusted or new)

TRADING PLAN -> Main zones for today are: Main Support /13,140-155/ and Main Resistance /13,290-305/ with unfilled gap at 13,284. Reaction is expected on both Main zones. Bias in neutral inside 13,140-300 range, and will be changed on successful break.

*A bit challenging to make S zones now, after PA from yesterday. Basically everything between bottom edge of Main Support, at **13,140** up to prev. cash close at **13,180** is Support. All of that 40 points. I have just divided that area into two zones. Market went up through gap at 13,230 – but as all cash index gaps, it can't be filled in premarket session, only in Regular trading hours. So now we have gaps everywhere: 13,180 / 13,230 / 13,284 / 13,324... (check additional Cash Index chart)*

Market is poised to open AWAY from prev. cash close /13,180/ since it is at 13,265 at 7:40 am CET. Move DOWN FIRST toward 13,230 gap and S /13,210-225/ would be logical. It can also happen before open. Buyers could react there on the first test. There is also confluence with Fibonacci retracement from Y low to **current** premarket high /13,275/.

Lack of this sort of inventory correction, and moving higher without a retracement first, would signal strong market. Odds are high of market participants reacting on **better zones** and closer to the edges of the 13,110-310 range. Break of this range is coming, and we will monitor real time market tells, tempo and momentum, to not get surprised by it, WHEN it comes. As written before, pretty much all R zones above 13,300 up to ATH are minor / regular zones, not strong ones. Since it is Friday, and OpEx, false breaks are possible, and yet another day of ranging is dominant scenario for today. Like before: In case of REAL breaks of **Main zones** – GO WITH THEM, DO NOT fade minor / ordinary zones, use them as targets. In this range there is no zone that was not tested before, so be picky about your entry points. Daily ATR is still around 130 points.

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