



November 18th 2008

## FTSE 100 (Daily)

The FTSE 100 index has continued its downslide since the August 5649 high.

With only a minor pullback to 4639 the index had not managed to break above 4657 suggesting further weakness.

At present the index will need to get above 4350 to retest the recent high and a break below 4037 could indicate the FTSE may trade to lower prices if it does not hold the 4037 level. The next support target comes in at 3873 followed by a significant lower move towards 3400.

Momentum indicators are still bearish adding weight to lower prices in store.



## Dow Jones (Daily)

The Dow Jones appears to be in a weaker stance as it failed to get above 9874.

The recent move lower highlights the fact that a clear break of 8291 is now suggesting that there is a strong likelihood of seeing 7632 and even lower prices towards 6800 – 6400 levels.

The larger degree trends in both the Monthly and Weekly charts are looking bearish and with momentum studies in negative territory the index is likely to see lower prices but also seeking a ground to start the next leg up which is now over due.



## Nymex Crude Oil (Weekly)

Crude oil has declined -63% from the July highs.

So far the commodity has not seen a significant pullback and now breaking below the January 2007 low Oil looks very bearish.

It is possible that at current levels Oil could see a correction to the upside but a break above \$71.80 is required for this scenario to take place.

Otherwise the longer term price objectives are coming in at \$37 - \$32 which could be possible by 2009.

No technical indications have occurred for a turn higher just yet.



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# *The Week Ahead Report*



ODL Markets

## **COMMENTS:**

There has been no sign of a recovery in the markets just yet. Typically one would expect the month of November to be bullish but this year this has not yet transpired.

The key factor is we still need to see a significant low followed by a strong rally. Recently we saw the start of a move up but this has been held back by resistance levels. Until we can see strong moves take place in dual timeframes such as weekly and dailies then clearly the trend is still down.

However, there are some subtle signs now showing that if we can stabilise at current levels then a low may soon be at hand. Not to get overly optimistic here there are also some key time frames that need observation.

The week of November 28<sup>th</sup> and December 15<sup>th</sup> may provide a turning point if the markets head lower into these time windows.

Support levels are scattered at lower levels and once we see a start of a higher high and higher low series then it could signal the start of an intermediate term uptrend.

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**Sandy Jadeja provides the weekly market reports and also heads our Technical Analysis classes at our in-house seminars. For further details see our main website or contact [sjadeja@odlmarkets.co.uk](mailto:sjadeja@odlmarkets.co.uk) or call 020 7903 6234.**

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