Financial intelligence
informa

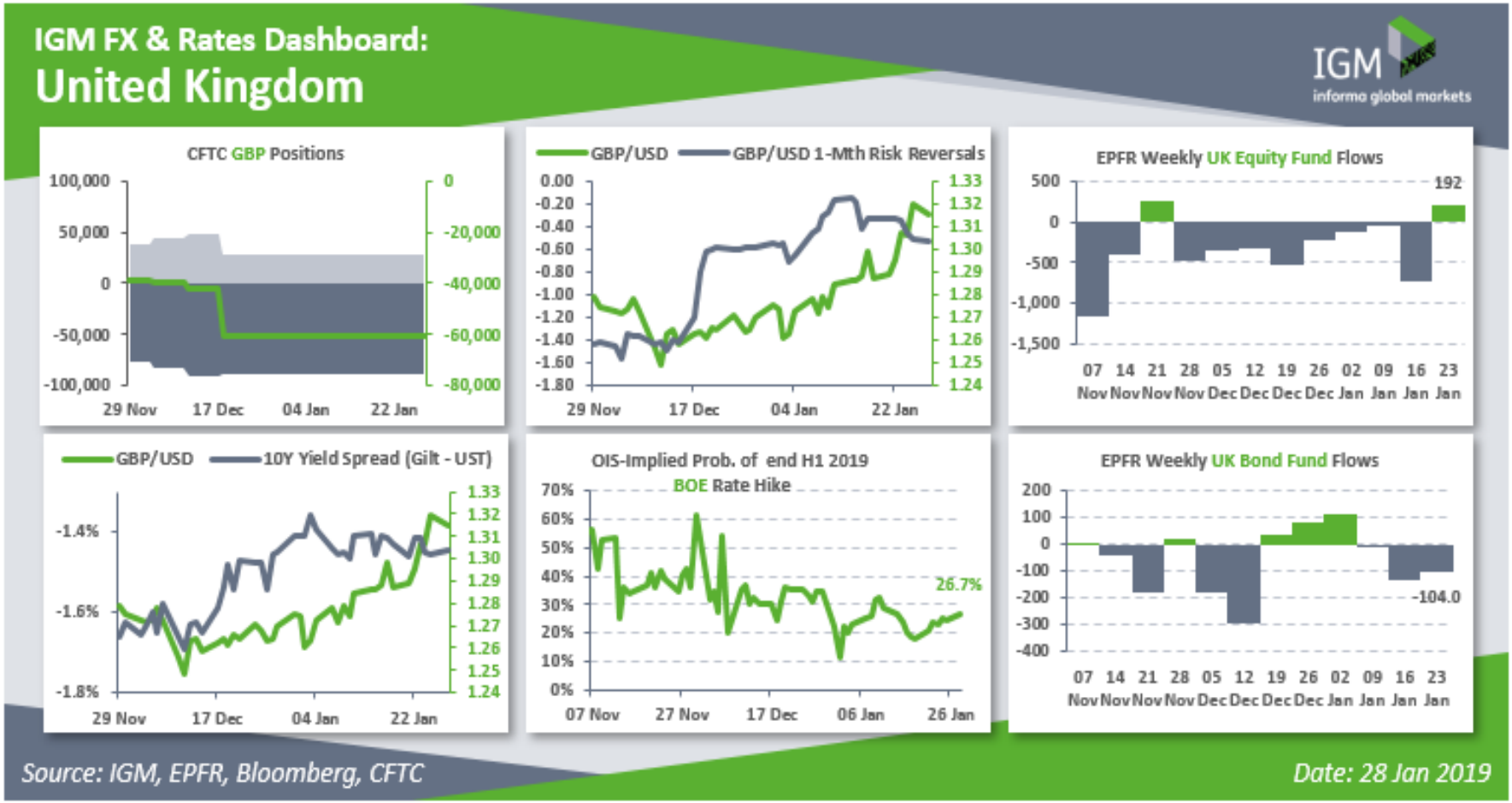
The Context

January 28th 2019

The Context
Inside this week's edition…

The GBP Week – Bias is Neutral to Bearish

By Mark Mitchell and Andrew Dowdell



continued page 4

The GBP Week – Bias is Neutral to Bearish cont'd

By Mark Mitchell and Andrew Dowdell

Back to Index Page

Expected Gbp/Usd trading range is 1.3000/1.3440.

It was certainly one of the best weeks for Sterling in a while last week, with Cable rebounding strongly from an initial dip to 1.2831 on Mon, to reach a three month high up at 1.3217 in the last minutes of trade on Fri.

The pair managed to rise above the 38.2% retracement level of the whole Apr (1.4377) to Dec (1.2441) sell-off, which came in at 1.3181.

The strong weekly performance certainly raised some eyebrows, with the 50 and 100 week m/a's nearby now at 1.3178 and 1.3226.

Market talk surrounds some big short hedges that are now really feeling the pressure and whether and when they start to cover their positions.

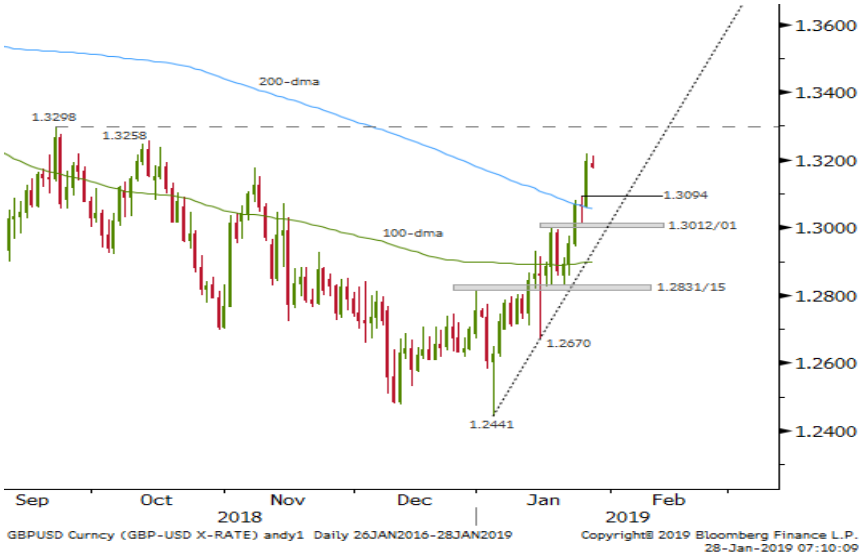
With 60 days to go until the UK is supposed to be leaving the EU, the uncertainty is greater than ever. Sometimes it is wise to look at the betting markets in these sorts of matters and there is now a groundswell of people putting their money where their mouth is, by now rating the likelihood that the UK will have left the EU now at 21%, down from 71% in Oct of last year. That is not to say that the UK will not be leaving the EU at all, but that even if PM May's "Plan B" is accepted, there is unlikely to be the time to amend legislation for the new post EU relationship. Meanwhile Betfair have a "no deal" down at just 15%. This is the main reason behind Sterling's rally last week, which was also helped by independent Usd and Eur weakness.

The vote on the amendments is scheduled for tomorrow, with the one on everyone's lips, if selected, being the Benn-Cooper plan, that would allow the govt time for a bid to delay the Brexit date by nine months, if a deal is not reached in Parliament by the end of Feb.

This threat of the delay is seen as helping to convert some of the MPs to May's plan, but the thorny issue of the Irish backstop still remains.

So uncertainty and volatility is set to remain a major feature, but Nordea think that the swing to many more column inches devotes to the idea of a second referendum compared to a no deal outcome, tells them that it may be time to short the Pound again.

We have seen so many false dawns on the topic of a Brexit breakthrough, we are not going to start becoming optimistic for one now. So we would be, if pressed, a small seller up at these levels.



- Broke convincingly above the 200-dma (approx 1.3055) towards the end of last week
- Focus now turns to the Sep 1.3298 peak, above which would open 50% of Apr-Jan's 1.4377-1.2441 fall at 1.3409
- On dips, 1.3094/58 supports ahead of 1.3012/01 and a rising trendline drawn from the 3-15 Jan lows (approx 1.2930)

RISKS - Domestic data wise, we have to wait until Fri's UK manufacturing PMI, but a usual we would stress that next week's services reading is a much better gauge of the health of the UK economy.

Covered Bond Issuance Skyrockets

By James Neale and Tom Watson

Euro-denominated covered bond supply skyrocketed to **EUR16bn** from 18 deals during the w/e 25 January, an increase of 1180% from the previous week's total of EUR1.25bn. To provide some perspective, this is the second largest ever volume week, trailing only the week ending 9th Jan 2011 when EUR18.5bn from 15 tranches hit the tape. Additionally, this month is already the third largest on record with a four working days still to go, with the all-time record being January of 2011 at EUR43.44bn via 44 tranches. Year-to-date issuance stands at EUR34bn versus EUR26.025bn during the same period in 2018.

Monday got the ball rolling with three tranches bringing in EUR2bn of new paper:

- **SocGen SFH** priced a EUR1bn Jan-2027 OFH that drew in EUR3bn of demand
- After pulling a EUR500m 4yr senior preferred deal earlier this month, **Deutsche pbb** came back with a EUR500m Jan-2024 HP that landed with the equal largest cover ratio of the week at 3.2x. Click here for stats
- Offering some variety was **PKO Bank Hipoteczny** with a EUR500m Nov-2021 Polish covered which was the first of its kind since April 2018, the deal was 2x covered. Stats are available here
- For background and relative value analysis on Monday's deals, click here

Issuance accelerated on Tuesday when EUR6bn (largest single day) was raised by a flurry of issuers:

- **CM-CIC Home Loan SFH** offered the only dual-tranche deal of the week in the form of a EUR1bn Apr-2024 & a EUR1bn Jan-2029 OFH, the issuer's first since April 2018. For stats click here
- Also going for a 5yr maturity was **Royal Bank of Canada (RBC)** through a EUR1.75bn Jan-2024 Canadian-backed issue. Stats can be found here
- **RLB Noe-Wien's** EUR500m Jan-2029 Austrian covered tied the largest cover ratio of the week at 3.2x covered
- Bringing the first Swedish covered deal of 2019 was **LF Hypotek** with a EUR500m Jan-2026 issue that accrued EUR1.5bn in demand. Stats can be found here
- In another first, **NAB** provided the inaugural Australian covered issue of the year via a EUR1.25bn Jan-2026 issue, that landed with a NIC of 4.5bp, the largest of the week. Stats on NAB's distribution is here
- For deeper analysis and background of these deals, click here

On Wednesday another EUR5bn hit the tape via no less than six issuers:

- Testing new waters was **Sparebank1 Boligkreditt** with a EUR1.25bn Jan-2029 Norwegian covered issue, which marked the longest outstanding for the jurisdiction, for two days at least (see Eika below)
- **Monte Paschi** pulled the trigger on a EUR1bn Jan-2024 CPT OGB that went on to be 2.3x covered as it capitalised on the improved sentiment toward Italian banks. Stats are here
- **De Volksbank** issued a EUR500m Jan-2026 Dutch covered deal that drummed up an orderbook of EUR1.5bn. For stats, click here
- Following in the footsteps of peer RBC, **FCDQ** launched a EUR750m Jan-2024 Canadian issue, the fifth from the jurisdiction this year. Distribution stats for this deal are here
- Also making an appearance was **DZ HYP** with a EUR750m Jan-2029 HP that pulled in EUR2.1bn of demand. Stats are available here

continued page 6

Covered Bond Issuance Skyrockets cont'd

Back to Index Page

- Finally, **La Banque Postale H/L SFH** came out with an opportunistic EUR750m Jan-2026 OFH that landed with a NIC of 1.5bp. Distribution stats are here
- Click here for relative value analysis and further background on these deals

Thursday saw supply slow with just a single deal, however, it was the largest of the week as **Rabobank's** pulled the trigger on a EUR2bn Feb-2029 Dutch covered issue that attracted a huge orderbook of EUR6bn. Further background and relative value analysis on this deal can be found here and stats here

Wrapping up a massive week for covered supply on Friday was **Eika Boligkreditt** who followed in Sparebank1's footsteps with a EUR500m Feb-2029 Norwegian, enjoying a 1.8x cover ratio from the lowest NIC of the week (~0.5bp). **Landesbank Hessen-Thueringen Girozentrale (Helaba)** joined Eika on Friday with a EUR500m Mar-2028 OP tap that drew over EUR900m in orders. Relative value analysis and background on both Eika and Helaba deals available here

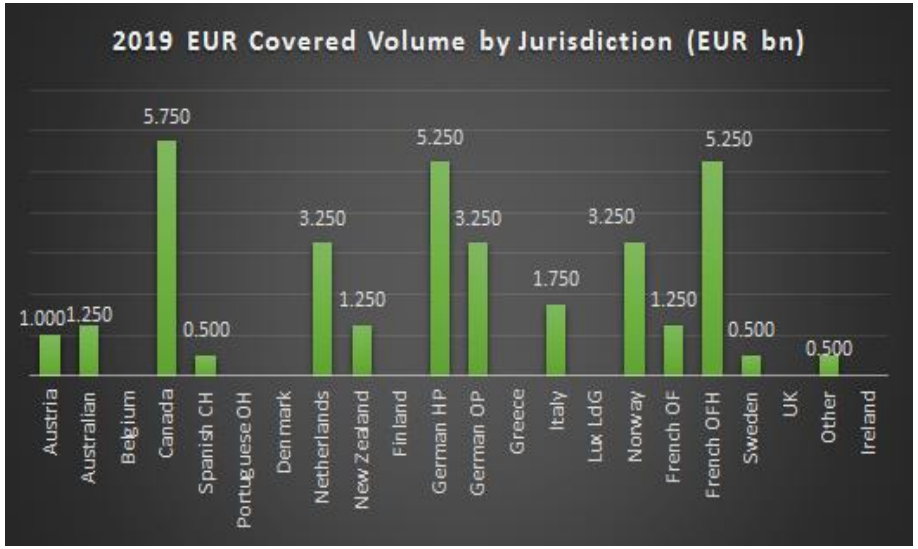
With reference to week-on-week aggregates, the average deal size increased to EUR888.9m from the previous week's EUR854.2m whilst average spread compression also increased to 3.24bp from 1.67bp. The average NIC decreased sharply to 2.25bp from 7.29bp the previous week, highlighting improved conditions for issuers, and finally, the average cover ratio rose to 2.32x from 1.42x.

In the pipeline is French borrower **Caisse Francaise de Financement Local (CAFFIL).** It is to commence a series of meetings across Europe from 4th February ahead of a potential EUR benchmark Social Public Sector Obligation Fonciere, expected with an intermediate tenor.

Away from the single currency, we also saw a handful of covered issuance:

- **DNB Boligkreditt** SEK3bn Jan-2034 Green Norwegian
- **Swedish Covered Bond Corp** SEK6bn Mar-2024 Green Swedish
- **Muenchener Hypothekenbank eG** CHF125m Feb-2024 Pfandbrief
- **PfZ der schweizerischen Kantonalbanken PfZ der schweizerischen Kantonalbanken** covered three-parter; CHF270m Jan-2027 Tap, CHF100m Jan-2031 and CHF120m Dec-2035 Tap

2019 EUR Covered Volume by Jurisdiction:

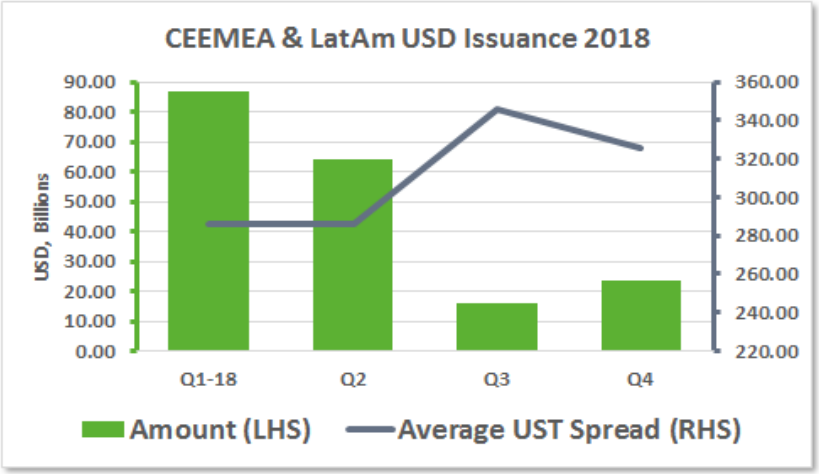


Global Backdrop And EM Specific Factors Prove Supportive For Issuance in Early 2019

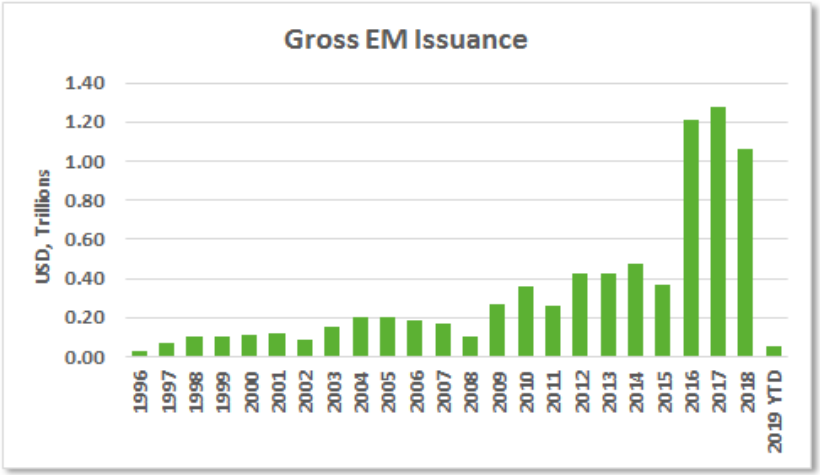
By Natalie Rivett, Senior EM Analyst

After a worryingly barren end to 2018, CEEMEA and LatAm bond markets have since started to show signs of life, with a relatively steady trickle of international debt issuance. There was, albeit, one standout day earlier this month when the floodgates opened in the CEEMEA region, alongside Europe, with almost 30 issuers – corporates, financials and sovereigns – keen to take advantage of the more benign environment since the turn of the year.

If we look back to H2 last year, CEEMEA and LatAm Eurobond issuance volumes were particularly lower than in the first six months of 2018. This was due to mounting worries over global growth and trade following Trump's decision to take a more protectionist stance, as well as concerns the Fed was pushing interest rates too high. This meant the market did not bounce back after the traditional summer lull, with a subsequently stronger Dollar making for much tougher and expensive borrowing conditions. There was a notable jump in the average spread over US Treasuries for CEEMEA & LatAm deals in Q3 and Q4 (see below).



At the same time, old vulnerabilities came back to haunt Emerging Markets, with those countries that failed to fix external imbalances since the taper tantrum of 2013 coming under the most pressure. The resulting volatility in bond, equity and commodity markets left many investors sitting on the sidelines and recall, Turkey was effectively shut out of the market between April and September, whilst US sanctions left Russia out in the cold in between March and October. Ultimately, EM issuance for the whole of 2018 fell short of 2017's record levels (see below).



continued page 8

Global Backdrop And EM Specific Factors Prove Supportive For Issuance In Early 2019 cont'd

Back to Index Page

Early 2019 characterised by improved risk sentiment

Fast forward, and EM markets are now enjoying some stabilisation thanks to a combination of global and region-specific factors, both have proved supportive for Eurobond issuance so far this month, amid an improvement in risk sentiment that is evident in both the EPFR fund flows data and reflected in the narrowing of credit spreads (see the following dashboard). The EMBI spread has tightened ca. 50bp since the start of the year, though is still some 100bp wider than January 2018.

Within the EM region, a number of central banks responded to currency weakness with rate hikes, whilst there has also been a reduction in trade war risk as both US and China have signalled that progress has been made in recent talks, even though these did not hail anything ground-breaking.

More crucially, expectations for further US rate hikes this year have diminished following a dovish turn from the Fed amid signs that the US economy is peaking, and as policymakers take more note of external risks. It would now appear the Fed wants to stop lifting interest rates, at least for a while.

This has all led to some opportunistic issuance in January. Colombia is the most recent of several high-profile EM sovereigns to tap the global market this year, raising USD2bn in its first test of investor appetite since congress blocked the government's tax raising plans last year. The 30-year was met with particularly strong demand, totalling more than eight times the USD500mn issue.

Colombia's sale follows the positive reception for USD18bn of debt already sold this year from Mexico, Saudi Arabia, Turkey, Israel, Uruguay and the Philippines.

Mexico raised USD2bn with 10- and 30-year bonds and on the back of demand that totalled almost four times the amount issued. The bond priced 185bp above similar maturity Treasuries, for a new issuance concession of 10bp. The spread was ca. 50bp wider than where Mexico's last 10-year USD-denominated debt priced in early 2018, though would have been wider still had it issued a couple of months earlier.

These placements demonstrate there is plenty of demand out there in the current environment, so long as the price is right – and after the 2018 sell-off, valuations are indeed more attractive.

Will EM sovereign issuance increase this year?

We recall one large US investment bank's prediction that EM sovereign hard-currency gross issuance would increase this year by 15% on 2018. This suggests we could be looking at a figure in the region of USD170bn based on our records of almost USD150bn worth of sovereign debt issuance last year, although this would still be below the record USD200bn in 2017 (please refer to the following dashboard). Other sovereigns expected to hit the markets soon include Kenya, Egypt and Ghana.

So far this month, at ca. USD20bn, EM sovereign issuance is some USD16bn up on the final month of 2018 and if we look across all industries (SSAs, financials and corporates) for total EM issuance, this is already more than double that for December, at ca. USD55bn according to our database. Additionally, this has been conducted across fewer deals as issuers have seemingly felt confident in their ability to raise larger amounts of cash.

However, when compared to last January it does look as though EM debt supply will fall notably short and it remains to be seen if this will be reflective of overall (gross) 2019 issuance, which should be set against still lingering headwinds (notably, a background of slowing global growth). More important is net issuance; we have seen a number of analyst forecasts for a reduction in net issuance this year amid increased debt redemptions, which could prove supportive for bond prices.

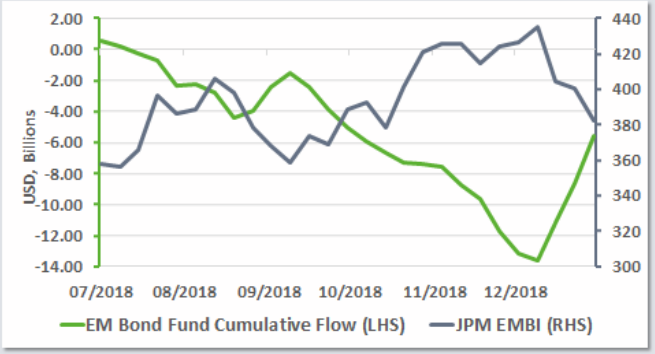
continued page 9

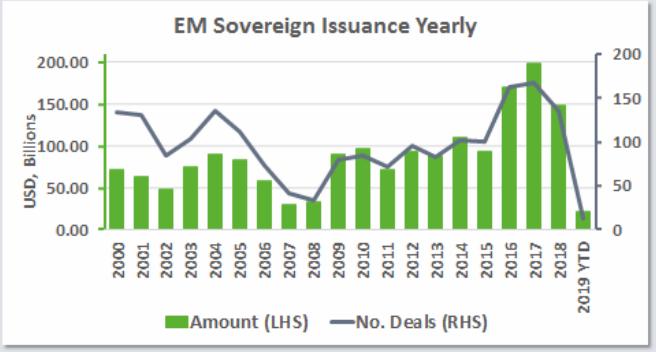
Global Backdrop And EM Specific Factors Prove Supportive For Issuance in Early 2019 cont'd

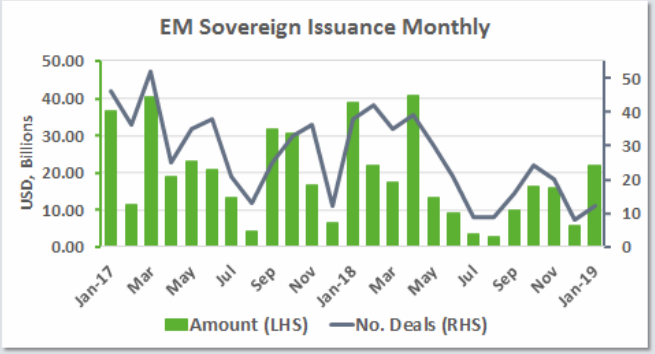
Back to Index Page

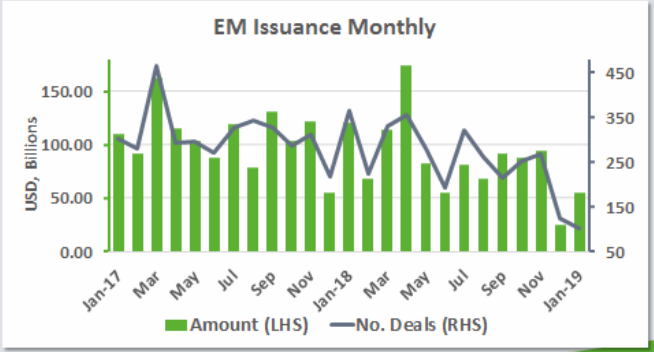
IGM Credit Dashboard:
2019 EM Issuance so far

IGM informa global markets









Source: *IGM, EPFR, Bloomberg*

January 2019

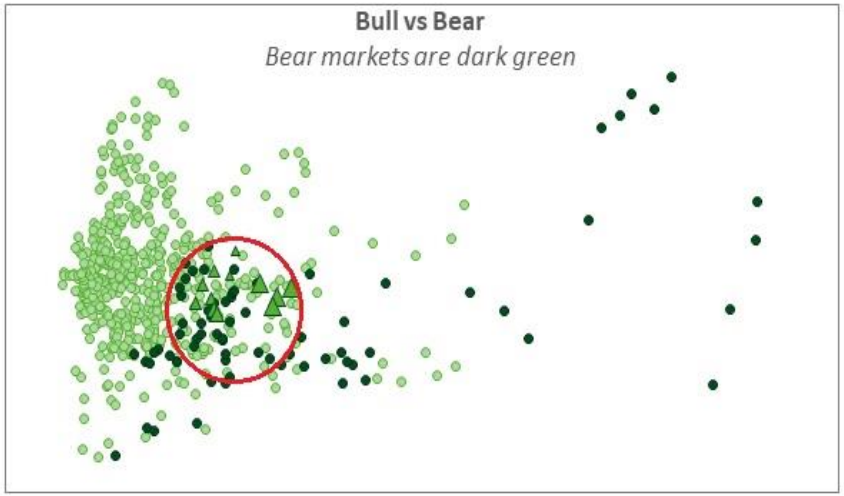
Know The Flows – Investors Give Investment-Grade Corporate Debt Another Look

By Cameron Brandt, Director, EPFR Research

Back to Index Page

EPFR-tracked US Short Term Corporate Bond Funds set a new weekly inflow record and their intermediate term counterparts posted their highest total since 1Q17 during the third week of January as investors revisited an asset class they'd pulled back from ahead of December's interest rate hike. With the market expectations for US rate hikes in 2019 down from three to between zero and one, Emerging Markets Equity and Bond Funds are also seeing renewed investor interest, as are Total Return and Mortgage Backed Bond Funds.

While these fund groups soaked up fresh money, the overall flow picture remained subdued – especially when compared to the record setting inflows enjoyed by many fund groups early last year – with flows into all EPFR-tracked Bond Funds coming in at a $5.2 billion while Equity Funds recorded a collective net outflow of $523 million. EPFR's 'Bear Detector' model, which tracks four data points derived from core data sets (those recorded as triangles are most recent), is now signaling a very high probability of a downturn.



Among the major regional fund groups, those dedicated to Europe continue to struggle as the UK remains on course to leave the EU in late March without a transition deal, lackluster macroeconomic data from the Eurozone and Italy's flirtation with a technical recession keep investors on edge. Europe Bond Funds posted outflows for the 21st time in the past 24 weeks and Europe Equity Funds for the 45th time in the past 46 weeks.

At the single country and asset class fund levels, redemptions from Italy Equity Funds climbed to a 35-week high and Mexico Equity Funds recorded their biggest outflow since late 1Q17 while Inflation Protected Bond Funds posted consecutive weekly inflows for the first time since early September and flows into Mortgage Backed Bond Funds hit levels last seen in 3Q14.

As a mixed corporate earnings season gathered steam in the US, six of the major Sector Fund groups posted inflows during the week ending January 23 and five recorded outflows. With global growth again being called into question by data from Europe, Japan and China and the IMF's latest forecast, investors pulled money out of Energy, Financial, Industrials, Utilities, Technology and Commodities Sector Funds not dedicated to gold.

Technology Sector Funds added to their longest run of outflows since 1Q16 ahead of earnings reports by sector bellwethers Intel, Apple and Amazon. Apple has already issued a profit warning tied to weaker sales in China, and Intel's guidance for the rest of the year was cautious. The sector also remains under pressure from tighter government scrutiny, with Google recently hit with a $55 million fine by French regulators for failing to meet data privacy requirements.

China Macro Insight: More Efforts Will be Made to Fight The Slowdown

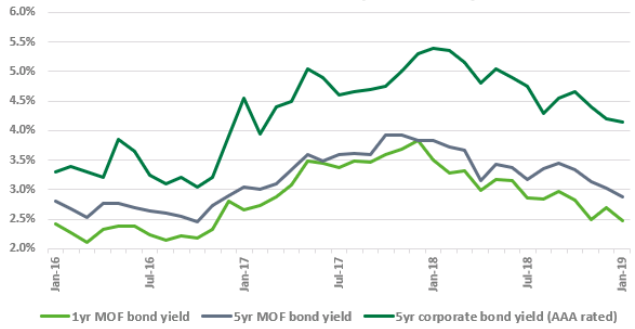
By Tim Cheung Head of China, Riki Zhang EM Analyst

Back to Index Page

China's annual GDP growth fell to 6.6% y/y in 2018, the lowest level since 1990. The quarterly growth eased to 6.4% y/y in Q4 from 6.5% y/y in Q3. The set of Q4 data confirmed the weakening trend of economic growth. Real growth data could continue to be under downward pressures, especially against stiffer headwinds from trade. Chinese policymakers have announced stimulus in various forms over the past several months, but we think more stimulus will be ultimately needed as both the internal and external environments will likely get worse before getting better.

Given the 100bp RRR cut announced at the beginning of January, with a further reduction to come, financial market interest rates will remain low in 2019. This is the fifth RRR cut after four in 2018. Taking a look at chart 1, we note that China onshore bond yields have been declining since the beginning of 2018, reflecting not only the expectations of an economic slowdown but also PBOC's growing bias to loosen its monetary stance. However, in contrast to bond yields, bank lending rates obviously are less responsive to the liquidity loosening.

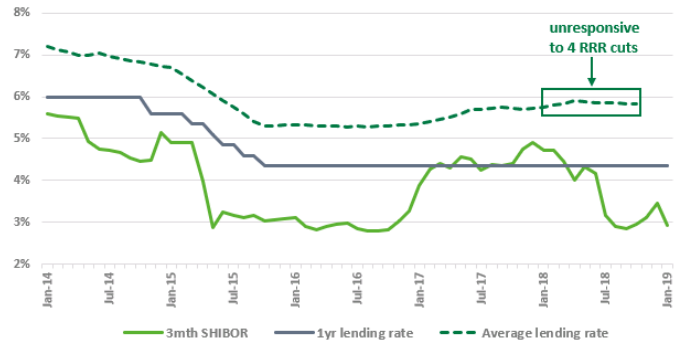
Chart 1
China onshore MOF and corporate bond yields



Data source: CEIC, JP Morgan

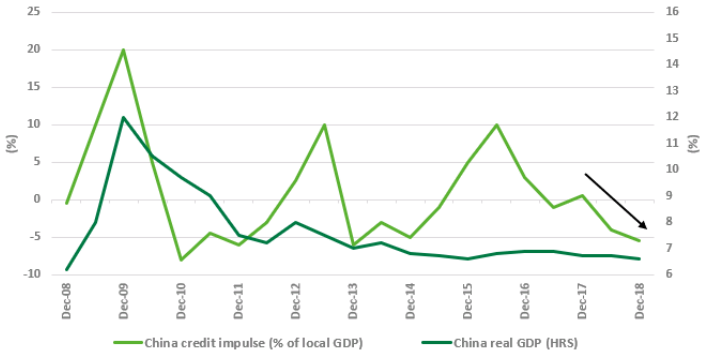
While PBOC has emphasized to foster a market-based interest rate transmission mechanism and de-emphasize the role of benchmark deposit and lending rates, bank's lending rates have not come down (chart 2). The divergence suggests that segmentation in interest rates is a problem in monetary policy transmission. That, in our view, is one of the main causes behind the sustained decline of credit impulse during 2017 regardless of four RRR cuts over the year (chart 3). Given PBOC's strong emphasis on fostering monetary policy transmission to lower lending rates, we think benchmark interest rate cuts are unlikely to happen during the year unless the growth picture worsens more severely than policymakers expect.

Chart 2
China's major interest rate benchmarks



Data source: PBOC, CEIC, Bloomberg

Chart 3
China's credit impulse saw a sustained decline in 2017 regardless of 4 RRR cuts in 2018



Data source: Citi, Bloomberg

China Credit Insight: Offshore AT1 Supply May Get Squeezed by Onshore Perpetuals

By Tim Cheung Head of China, Riki Zhang EM Analyst

Back to Index Page

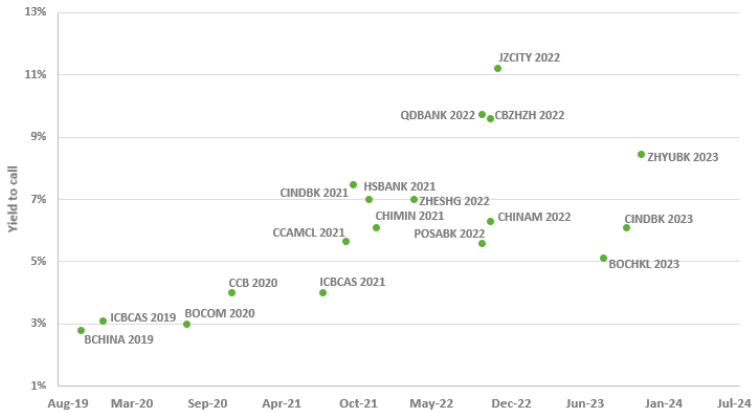
China's banking regulators in December allowed banks to issue perpetual bonds as a way to bolster their capital base. Bank of China on 17 Jan received the regulators' approval to issue CNY40bn perpetual bonds, which is the first ever batch of this kind of debt instrument from China's banking sector. These perpetual bonds count toward banks' (non-core) tier-1 capital.

In order to support the perpetual bond issuance by Bank of China, that was subsequently launched on 25 Jan, the regulators introduced two measures in the 24 Jan evening. First, PBOC announced the launch of the Central Bank Bills Swap (CBS), a tool that will allow primary dealers (46 banks and 2 brokers) to exchange qualified perpetual bonds they hold for PBOC bills, with a maximum exchange period of 3 years. The CBS is qualified as collateral for PBOC's open market operation. Second, PBOC also announced that perpetual bonds with issuer ratings at no lower than AA will be included as qualified collateral for Medium-term Lending Facility (MLF), Targeted Medium-term Lending Facility (TMLF), Standing Lending Facilities (SLF) and re-lending.

After the above-said two measures were announced, offshore Chinese AT1 papers rallied as much as 2-3 points in terms of cash price. Bullishness also spilled over into the European AT1 sector. In our view, over the rest of Q1, we will see: (1) an increase in demand for offshore Asian corporate perpetuals given their yield pick-up over Chinese onshore perpetuals; (2) further rallies of offshore AT1s from Chinese (chart 1) and some European FIs as many look more yield-attractive and potential new supply are limited, with many banks in earnings blackout period.

What impact will the perpetual bond issuance by Bank of China have on the future offshore AT1 supply from Chinese banks? We had initially expected that Big 5 and non-Big 5 Chinese banks would issue USD14.5bn and USD5.7bn AT1s in 2019, respectively. However, with perpetual bonds being allowed to be issued to replenish tier-1 capital from now on, Chinese banks may choose to issue less AT1s in 2019. As such, we wouldn't be surprised if the actual supply of AT1s from Chinese banks in the year eventually falls short of our expectation by 15-25%.

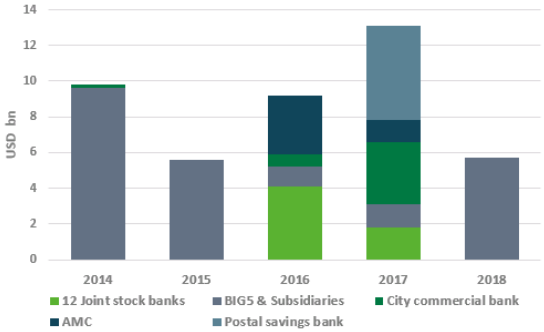
Chart 1
Price map of offshore Chinese AT1 bonds



Data source: Bloomberg

Besides this, we have also to bear in mind that many offshore Chinese AT1s will get called this year. As far as we know, Chinese banks reported Basel III capital ratios in 2013 and then 2014 was the first year for the Big 5 to issue their USD AT1s (chart 2). *continued page 13*

Chart 2
Offshore Chinese USD AT1 bond issuance



Data source: BAML, Bloomberg

China Credit Insight: Offshore AT1 Supply May Get Squeezed by Onshore Perpetuals cont'd

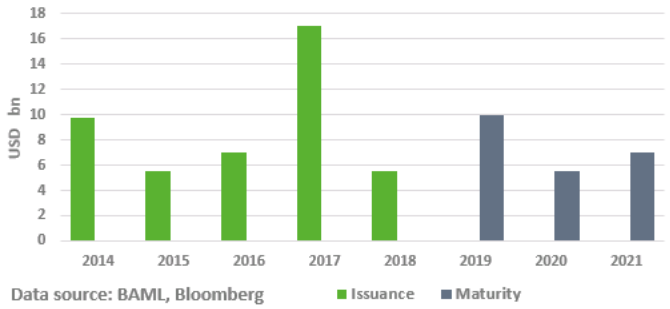
Back to Index Page

With most of the AT1s being embedded with a 5-yr call, this year (i.e. 2019) will see up to USD10bn of AT1s issued by Chinese banks being called. Subsequently, there will be USD5.5bn and USD7bn that face being called in 2020 and 2021 respectively (chart 3).

If the issuers finally decide to have some of their refinancings done via onshore perpetual bond issuance when their outstanding offshore AT1s are being called, then we will see a shrinkage of the outstanding amount of Chinese AT1s. In short, the supply of offshore AT1s from China's banking sector will likely see more downside than upside risk in the foreseeable future after PBOC introduced two measures to encourage demand (supply too, of course) for onshore perpetual bonds.

Chart 3

Offshore Chinese USD AT1 issuance and maturity profile



Data source: BAML, Bloomberg

As a conclusion, we expect AT1s, especially those from Chinese banks, will take the lead in the recovery of the Asia USD bond market. And in our view, many investors are already starting to pour money into this sector now, before it is too late.

The following pages are dedicated to Technical Analysis.

IGM's global team of Technical Analysts constantly look for interesting patterns in prevailing price action of a broad range of currency pairs, fixed income and commodity products.

We will highlight the most compelling on these pages.

For information on the full spectrum covered, please contact your Account Manager.

London
+44 20 7017 5402

New York
+1 212 907 5802

Tokyo
+81 3 6273 4273

Hong Kong
+852 2234 2000

Singapore
+65 6411 7788

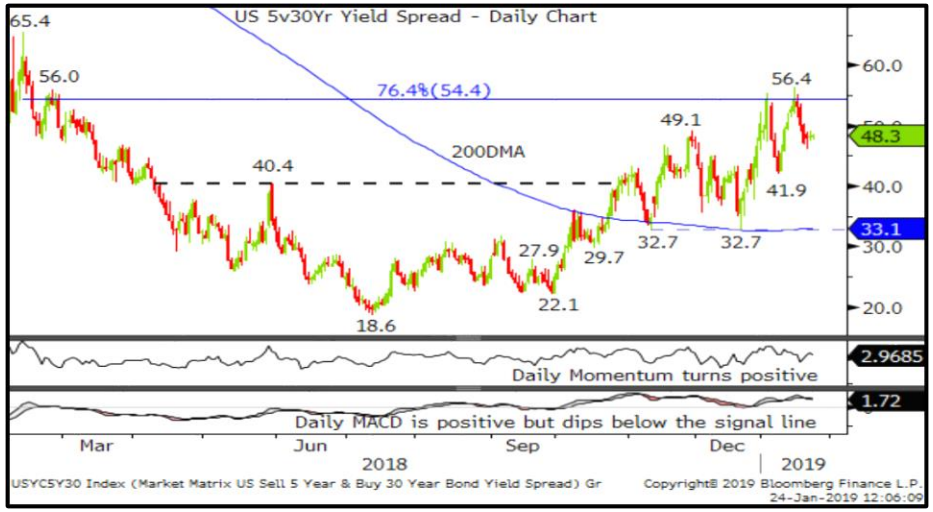
Shanghai
+8621 2326 3766

US 5v30YR SPREAD – 56.4/65.4 Targeted While Narrowing Holds 41.9

Technical Analysis by Ed Blake

Back to Index Page

- Widened from 18.6 (2018 low - 12 Jul) to 56.4 (15 Jan, 11mth high), ahead of the current corrective narrowing
- Studies remain constructive and while dips hold 41.9 (8 Jan higher low), renewed widening is favoured
- Above 56.4 would target the 2018 peak at 65.4 (posted 9 Feb), perhaps lower highs from Nov 2017 at 73.3/83.3
- Only under 41.9 would further delay and signal broader consolidation over 32.7 (9 Nov/20 Dec lows, nr 200DMA)



STRATEGY SUMMARY

Buy into near-term dips in anticipation of renewed widening through 56.4 targeting 65.4, perhaps 73.3. Stop under the 41.9 higher low

Resistance Levels		
R5	90.6	27 October 2017 lower high
R4	83.3	10 November 2017 lower high
R3	73.3	29 November 2017 minor lower high
R2	65.4	2018 peak – 9 February
R1	56.4	2019 peak - 15 January, just over 76.4% retrace of the 65.4/18.6 fall
Support Levels		
S1	41.9	2019 low - 8 January
S2	32.7	9 November/20 December 2018 lows, just below the 200DMA at 30.1
S3	27.9	19 September 2018 former high, just below 17 October 2018 low at 29.7
S4	22.1	27/28 September 2018 lows
S5	18.6	2018 base – 12 July

AUD/USD – False Breakout Leaves Multi-Year Double Bottom In Place

Technical Analysis by Andrew Dowdell

Back to Index Page

- Briefly probed below .6827 this month before rebounding sharply off .6741 to form a long-legged hammer candle

- A potential multi-year double bottom is now in place, and the weekly MACD indicator is starting to turn higher

STRATEGY SUMMARY

Scope is seen for a stronger recovery towards .7484. Below .6930 threatens bullish failure.

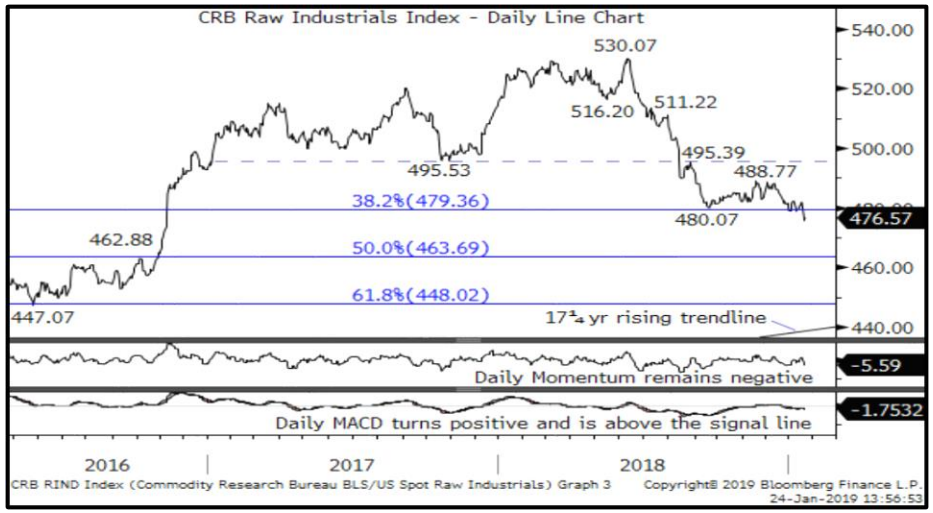
Resistance Levels		
R5	.7813	20 April 2018 high
R4	.7677	6 June 2018 high
R3	.7484	9-10 July 2018 highs, near the 200-Week MA (currently approx. .7495)
R2	.7394	4 December 2018 high
R1	.7235	11 January 2019 high
Support Levels		
S1	.7046	38.2% of .6741-.7235 rally
S2	.6930	61.8% of .6741-.7235 rally
S3	.6827	15 January 2016 low
S4	.6741	3 January 2019 low
S5	.6264	76.4% of 0.4776-1.1081 (April 2001-July 2011) rally

CRB Raw Industrials Index – Downtrend Resuming For 462.88/463.69 Zone

Technical Analysis by Ed Blake

Back to Index Page

- Extends the decline from 530.07 (12 June, 4½ year peak) to post new 26-month lows under 480.07 (20 September 2018 low)
- Deteriorating daily-monthly studies suggest an initial downtrend extension to the 462.88/463.69 cluster
- Sustained easing would expose the 447.07/448.02 cluster, which lies just above a 17¼ year rising trendline at 438.73
- Any near-term corrective gains are unlikely to clear the 488.77-495.53 zone (November/August 2018 highs and October 2017 low)



STRATEGY SUMMARY

Sell into any near-term rallies in anticipation of a downtrend extension targeting 462.88/463.69. Place a stop above the 488.77 lower high

Resistance Levels		
R5	530.07	2018 peak – 12 June
R4	516.20	15 May 2018 former low
R3	511.22	31 July 2018 lower high
R2	495.53	20 October 2017 low (19-month top trigger), near 28 August 2018 lower high at 495.39
R1	488.77	19 November 2018 lower low, near 4/13 December 2018 highs at 488.70/488.21
Support Levels		
S1	462.88	5 October 2016 high, nr 50% of 397.31-530.07 (463.69) & 495.53-530.07 top target (460.99)
S2	447.07	25 May 2016 higher low, near 61.8% retrace of the 397.31-530.07 rally at 448.02
S3	438.85	7 April 2016 minor higher low, near a 17-year rising trendline at 438.73
S4	428.64	76.4% retrace of the 397.31-530.07 rally
S5	420.66	16 February 2016 low

IFI: who we are and how to contact us

Informa Financial Intelligence (IFI), a unit of Informa plc (LSE: INF), provides fund flows, asset allocation, FX, credit issuance and banking data, quantitative products, research and analysis to financial institutions – both public and private -- around the world. Our market moving data services include daily, weekly, and monthly equity and fixed income fund flows and monthly fund allocations by country, sector and industry.

IFI encompasses products providing data, analysis and solutions to the mutual fund, banking, wealth management, investment advisory and public sectors: EPFR Global, Informa Global Markets (IGM), Informa Investment Solutions (IIS), iMoneyNet, TrimTabs, WealthManagement.com, PlacementTracker, Informa Research Services, eBenchmarkers, Mapa Research and BankTrends.

To find out more, please visit: https://financialintelligence.informa.com

To contact us, please email: sales.financial@informa.com