

Max McKegg

36th Year as a FX Professional

Disciplined application of well-defined Chart structures is the essence of my trading approach

My Weekly Report - Monday, August 30th

Today's Coverage:

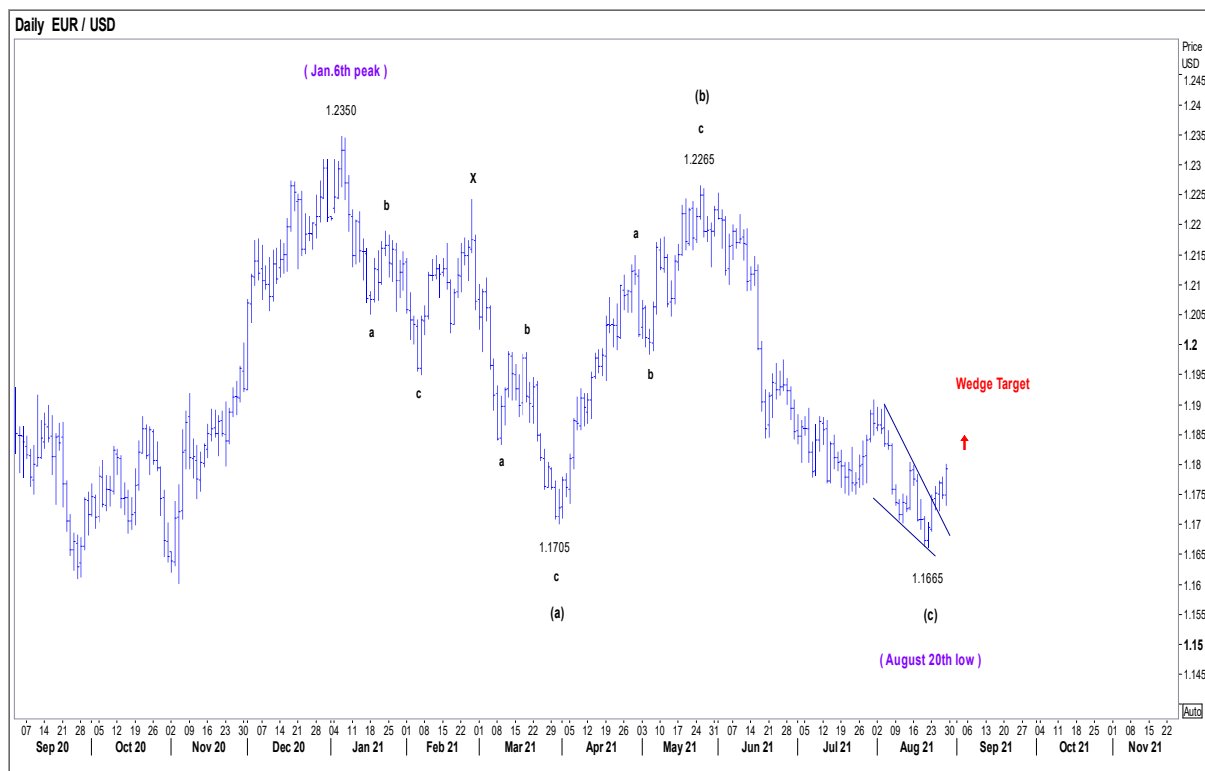
EUR/USD, USD/JPY, GBP/USD, AUD/USD, NZD/USD

US Stock market, Gold, Bitcoin & Ethereum

EUR/USD - Market Update

From an Elliott Wave perspective, it is possible to interpret Euro's complex corrective decline (from this year's early January peak of 1.2350) as completed on the August 20th low of 1.1665 (see my Daily Chart below), with Waves (a) and (c) approximately equal to each other; a typical inter-wave relationship.

In the short term, support now lies at 1.1780/1.1750, to enable rally toward the Key 1.1900/1915 resistance area over coming days.



A weekly candlestick price chart for the EUR/USD currency pair. The x-axis shows time from October 2018 to May 2022, with labels every month and year ticks every quarter. The y-axis shows price levels from 1.03 to 1.29 in increments of 0.01. Key features include:

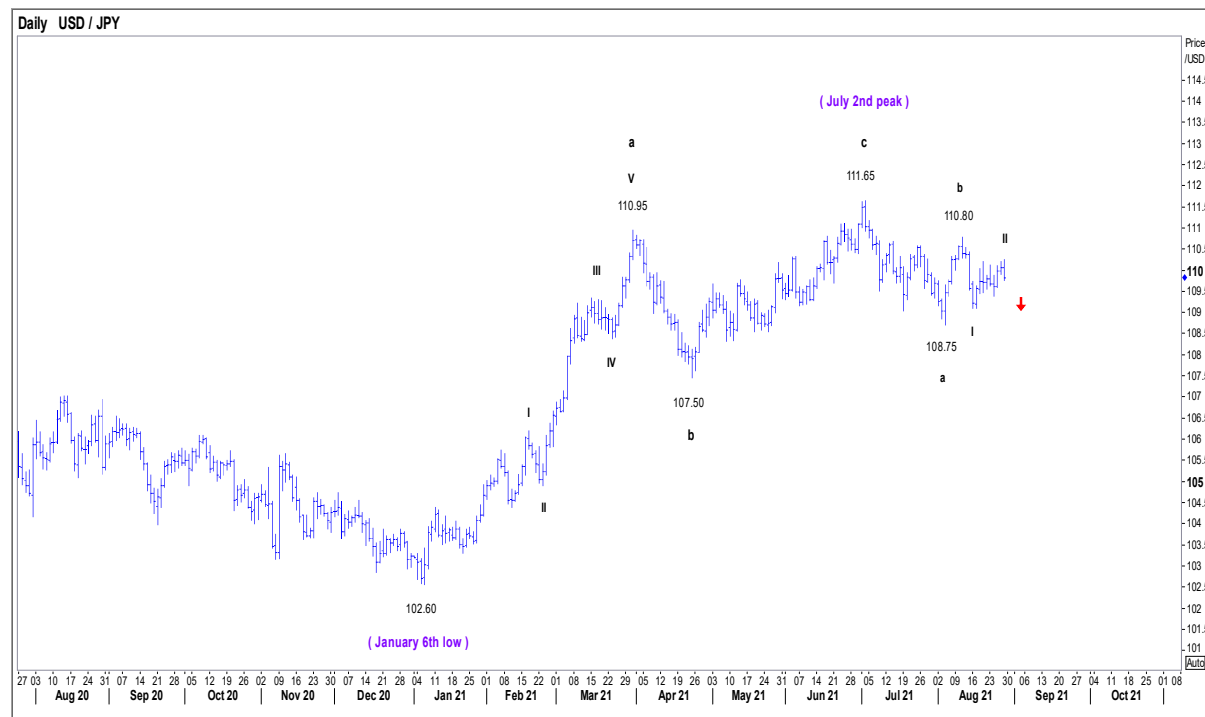
- A purple label "(March 2020 "Covid low")" at approximately 1.0640.
- A purple label "(January 2021 peak)" at approximately 1.2350.
- A red arrow pointing up near September 2021, labeled "(approximate 38% Retracement)".
- Technical analysis points labeled A, B, 1/, 2/, 3/, 4/, 5/, a, b, c.

The chart illustrates a major uptrend starting in early 2020, peaking in late December 2021, followed by a retracement and subsequent volatility through mid-2022.

USD/JPY - Market Update

From an Elliott Wave perspective, the Dollar has already completed a corrective 3-Wave structure from this year's 102.60 early January low to the 111.65 peak of July 2nd (see my Daily Chart below).

In the short term, whilst resistance at 110.00/110.25 contains, risks sell-off back toward supports at 109.15 and Key 108.75.



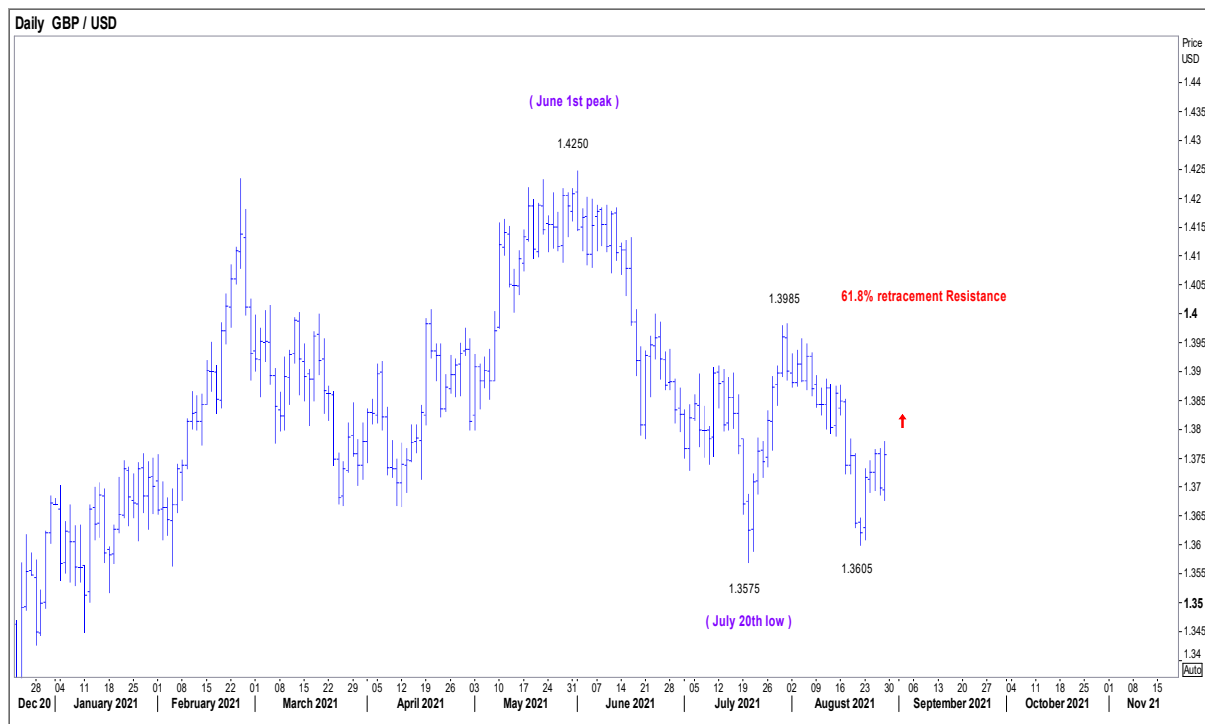
Longer Term Outlook – The Dollar opened this year recording a Bullish “Outside Reversal Week” which enabled a strong advance to occur. This recovery is still seen within the context of broad, contracting 118.65 – 99.60 multi-year Triangle consolidation (see my Weekly Chart below).



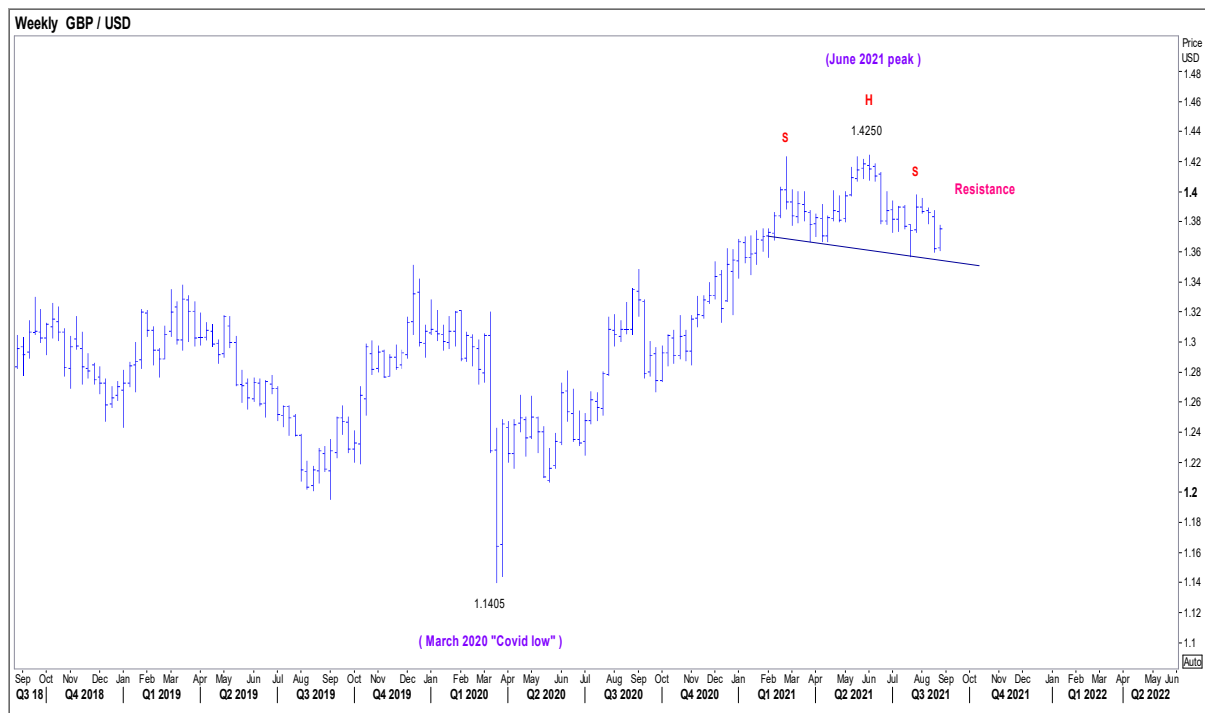
GBP/USD - Market Update

Last week saw Sterling hold well above Key Neckline support, averting the Bearish Head & Shoulders threat.

On Friday, Sterling recorded a Bullish Reversal Day and in the short term, support lies at 1.3740/1.3700 to yield rally toward mathematical resistance at 1.3820/3850. If able to clear this, enables rally to extend toward Key 1.3985 resistance (see my Daily Chart below).



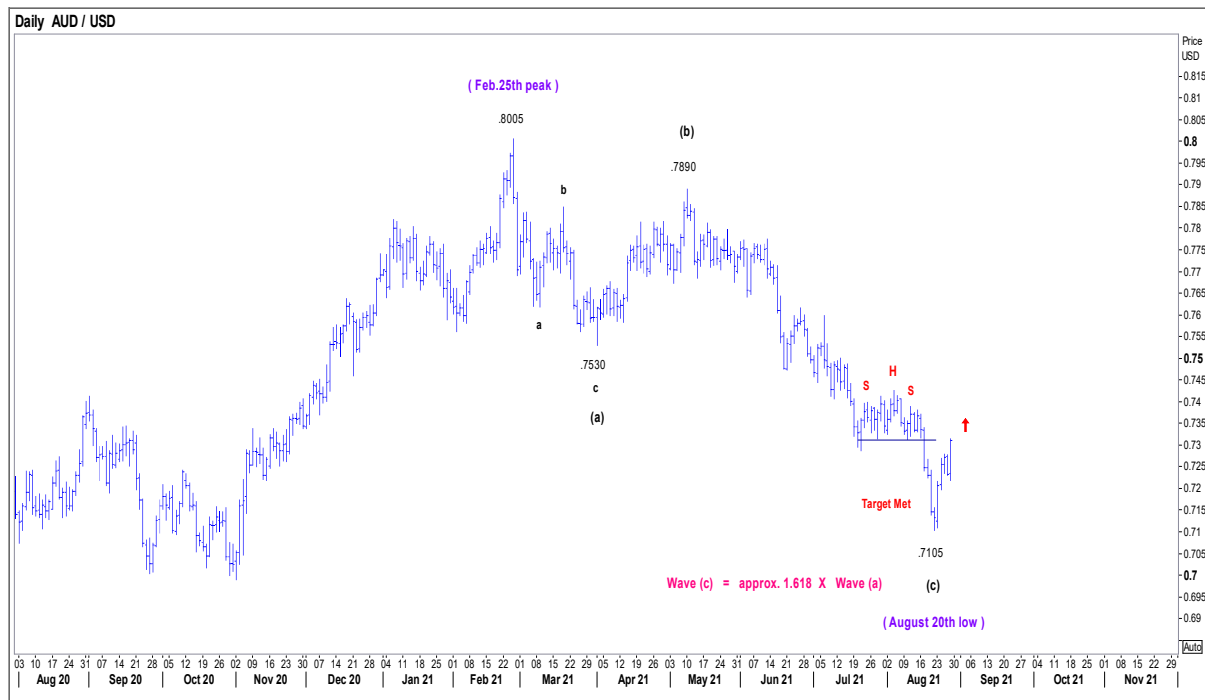
Longer Term Outlook – Sterling has been correcting its prior advance (from 1.1405 – 1.4250) and needs to sustain break above Key 1.3985 resistance (see my Weekly Chart below) to herald the resumption of Uptrend onto 1.4250, enroute to new highs for the year.



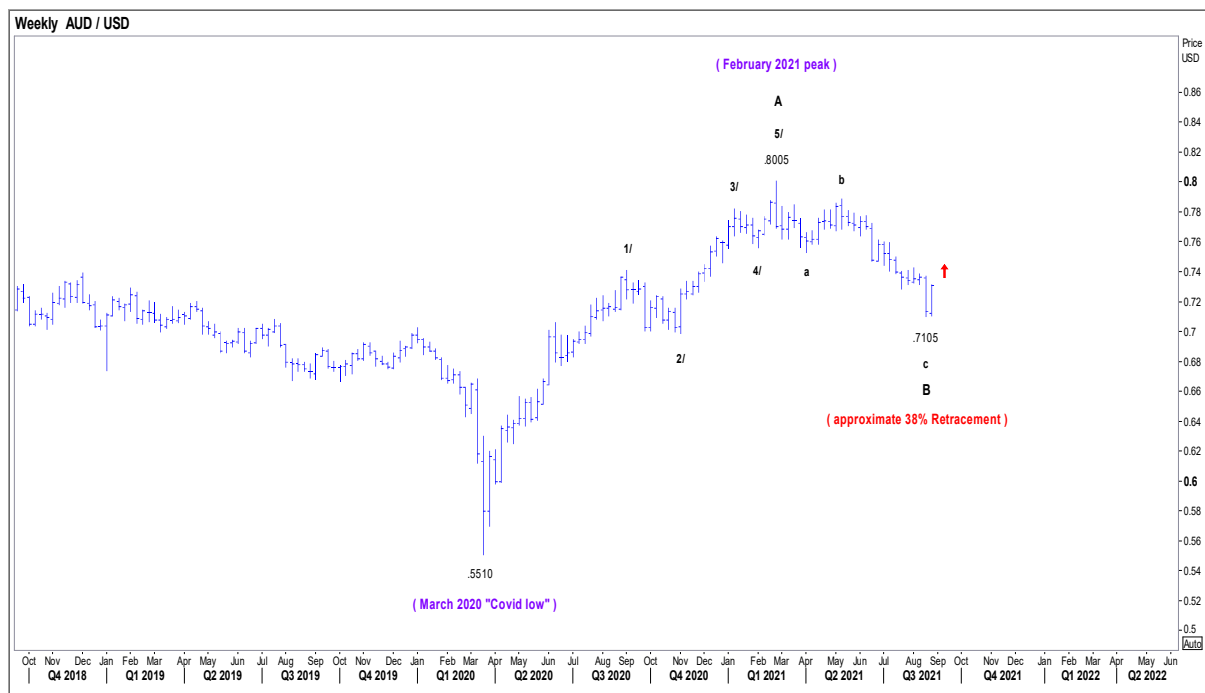
AUD/USD - Market Update

From an Elliott Wave perspective, it is possible to interpret Ozzy's complex corrective decline (from this year's late February peak of .8005) as completed on the August 20th low of .7105 (see my Daily Chart below), with Wave (c) approximately Fibonacci 1.618 X Wave (a); a typical inter-wave relationship.

In the short term, support now lies at .7300/.7285, (the mid .7200's max) to enable rally toward the .Key .7390/.7425 resistance area over coming days.



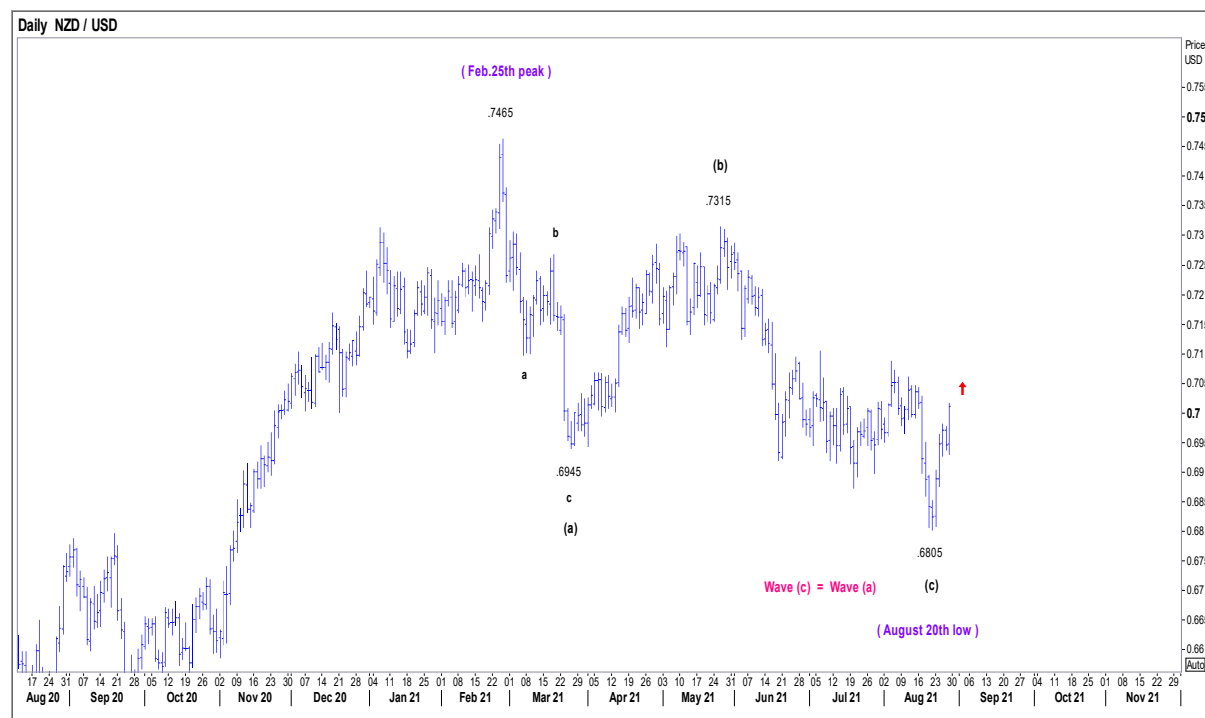
Longer Term Outlook – Since peaking at .8005 in late February, the Ozzy has been undergoing a complex Elliott Wave corrective decline which can be interpreted as completed on its August 20th low of .7105 (see my Weekly Chart below), retracing approximately Fibonacci 38% of its previous advance (.5510 - .8005), a typical B-Wave relationship.



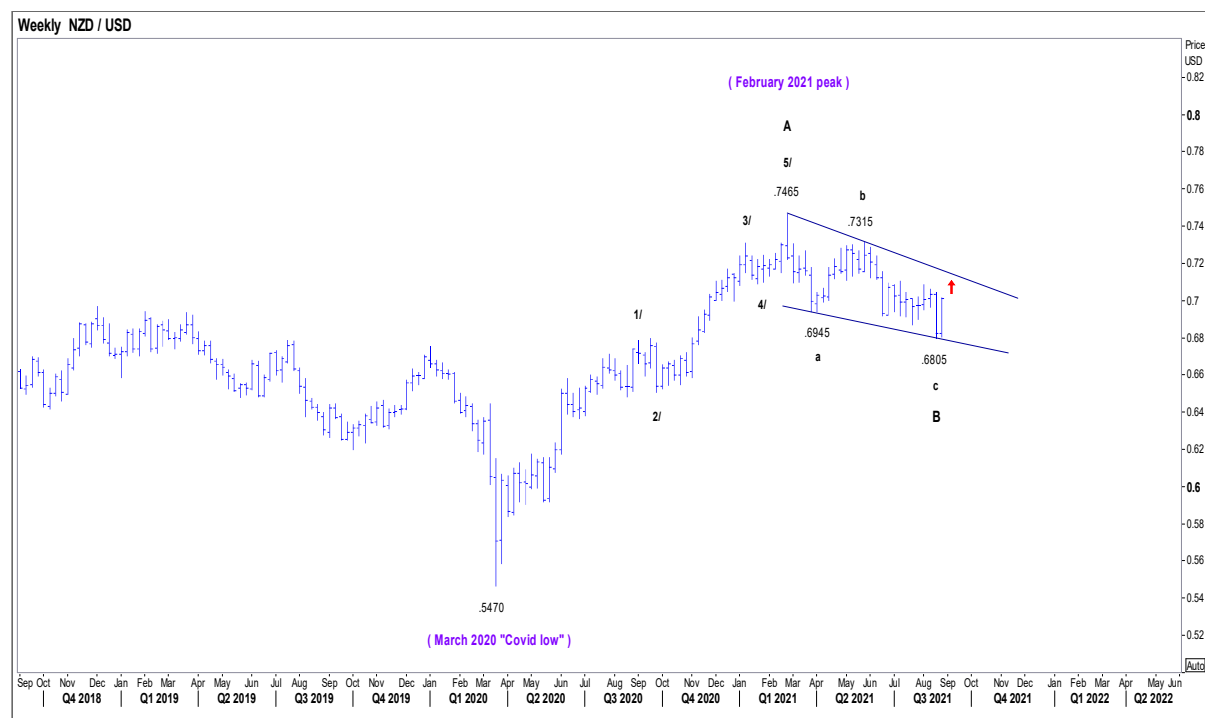
NZD/USD - Market Update

From an Elliott Wave perspective, it is possible to interpret Kiwi's complex corrective decline (from this year's late February peak of .8005) as completed on the August 20th low of .7105 (see my Daily Chart below), with Waves (a) and (c) equal to each other; a typical inter-wave relationship.

In the short term, support now lies at .6990/.6975 (the mid .6900's max) to enable rally toward the .Key .7090/.7105 resistance area over coming days.



Longer Term Outlook – Since peaking at .7465 in late February, the Kiwi has been undergoing a complex Elliott Wave corrective decline which can be interpreted as completed on its August 20th low of .6805 (see my Weekly Chart below), retracing approximately Fibonacci 38% of its previous advance (.5470 - .7465), a typical B-Wave relationship.

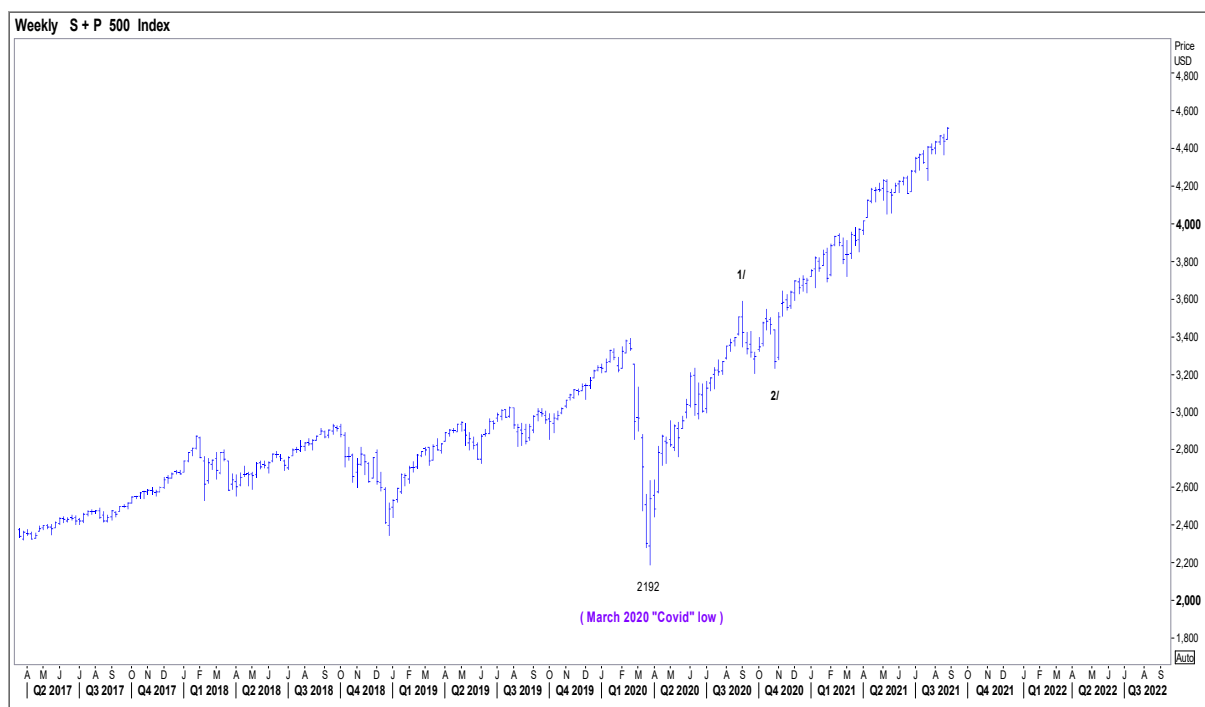
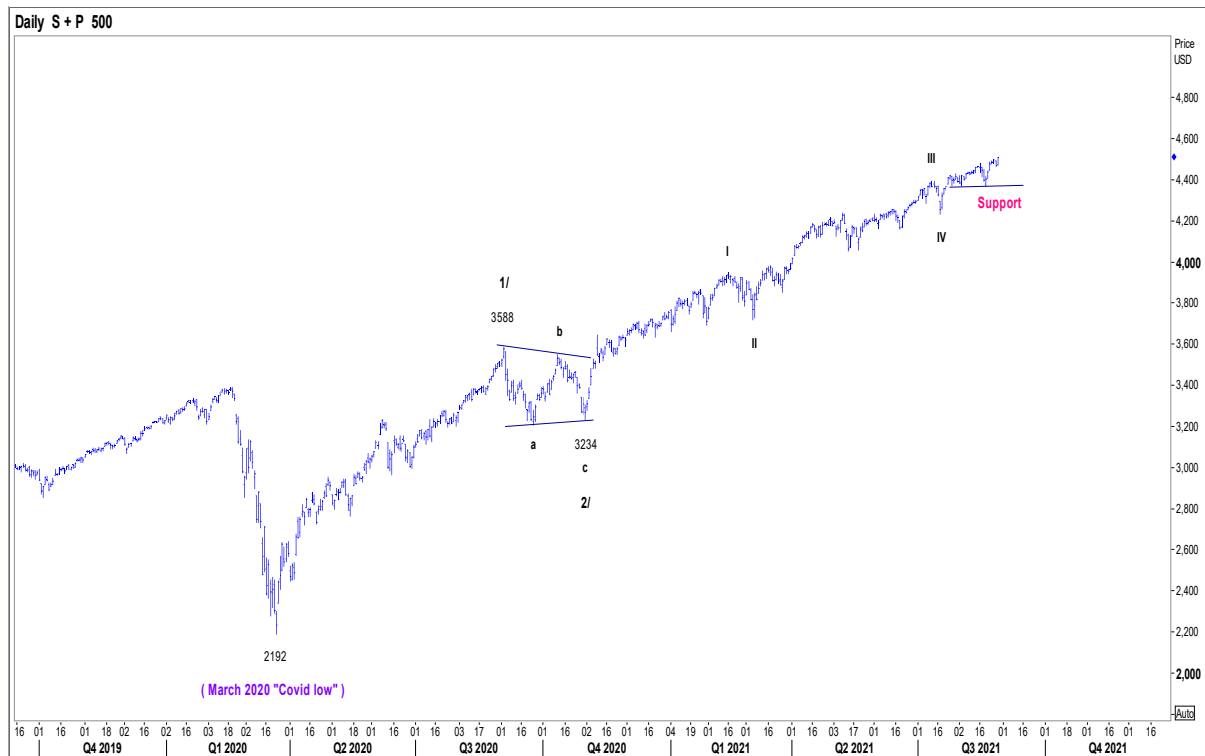


US Stock market (S+P 500) - Market Update

I am still interpreting the S+P 500 to be advancing within its final Wave V of the larger Wave 3/ (refer Daily Chart below). Only once this advance is completed will strength give-way to a 4th Wave correction.

Then a climactic 5th Wave advance is expected to carry the S+P 500 to new all-time highs and eventually lay the platform for a Major market peak to form (completing the Uptrend from last year's 2,192 March low).

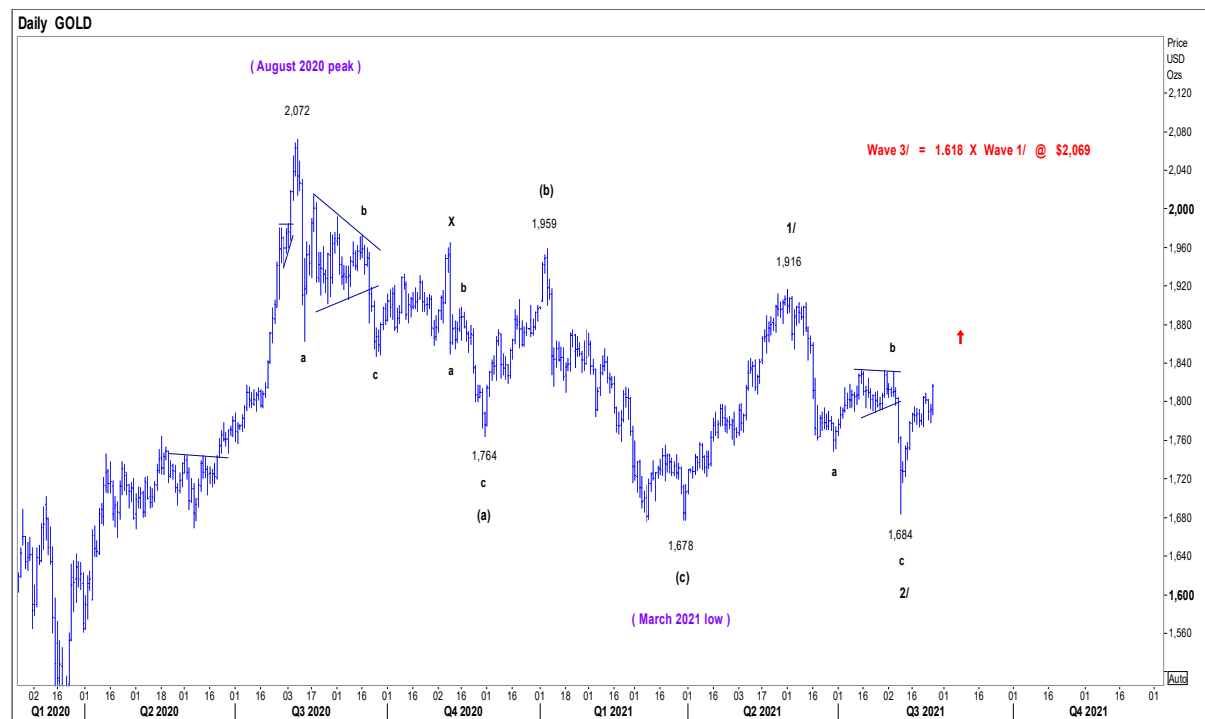
In the short term, support lies at 4,415/4,367 (see Daily Chart) and only a break of this support would argue the start of Corrective Wave 4/.



Gold - Market Update

From an Elliott Wave perspective, Gold's sell-off from \$1,916 - \$1,684 is still interpreted as a deep Wave 2/ correction, with Gold in the early stages of a broad Wave 3/ advance onto new all-time highs ahead (see my Daily & Weekly Chart below).

The next Key resistance lies at \$1,880/\$1,916 and once this is cleared, Gold will be able to extend its advance toward \$2,069 and \$2,157.



Bitcoin & Ethereum - Market Update

Having already completed its Bullish 10-week Rectangle consolidation pattern (with a successful retest of Rectangle break-out), Bitcoin now has support at \$47,800/\$46,400 to extend advance onto \$51,030 resistance (61.8% retracement of the prior \$64,895 - \$28,600 decline), enroute to \$55,000 Rectangle Target (see my Daily Chart below).

Ethereum's advance persists. In the short term, support now lies at \$3,150/\$3,050 to enable Uptrend to extend beyond \$3,383 - toward Mathematical resistances at \$3,712 and then \$3,954.



Disclaimer: Max McKegg accepts no liability whatsoever for any loss or damage that may result, directly or indirectly, from any forecast or opinion, information or omission, whether negligent or otherwise, within this report.