



LINVEST RESEARCH

MARKET NEWSLETTER

Lininvest Chart Chat (140) Aug 26, 2016 Weekly Update

By Lin Yingjun

The price of SPY managed to close at its key support, which I have, in the meantime, marked at \$126. I also marked \$VIX's resistance at \$13.5, a decisive break from this level will indicate a bearish signal to the U.S. equity market.

The other bearish signal is visible when the breadth at top of the SPY charts turns downward and the line in CBOE Options Equity Put/Call Ratio chart (see: Chart 2, \$CPCE) turns upwards. In short, the market needs a decent correction to digest this overbought condition. Currently, I don't see major selling pressure yet.

The price of Gold price has been under selling pressure and remains **short-term bearish**. The prices of GLD will likely targeting \$124, \$122, and \$120.

The price of Crude Oil remains bullish in the short term and is looking at tentative price of \$51.5, which is the key resistance.

The price of Natural gas broke \$2.71 (which was its resistance and now is support point) with \$3.00 being its current key resistance. Its next resistance points will be \$3.30 and \$3.50. Seasonally-speaking, the price of natural gas tends to vary between flat and choppy until November.

The Bank of Canada is poised to lower its interest rate in order to boost Canadian exports, which will put downward pressure on the Canadian dollar (CAD). If the U.S. hikes its interest rate, the Canadian dollars (CAD) will likely experience 5% depreciation against the U.S. dollar (USD).

The Shanghai composite (\$SSEC) has been on an uptrend from its low of \$2650-ish and is currently meeting its resistance of \$3102 where its 200 dma is. A decisive move above this level will indicate that China's equity is moving into a long-term bullish period and is on its way to targeting a range of \$3300 to \$3680. If the price falls below its 200 dma, it would suggest there is more work to be done for a leg-up, with supports at \$2900, \$2800 and \$2650.

That's it for this week. Thanks for reading and good trading with your plan!



Chart 1

\$CPCE CBOE Options Equity Put/Call Ratio (EOD) INDX

@ StockCharts.com

25-Aug-2016

Open 0.75 High 0.75 Low 0.75 Close 0.75 Chg +0.07 (+10.29%)

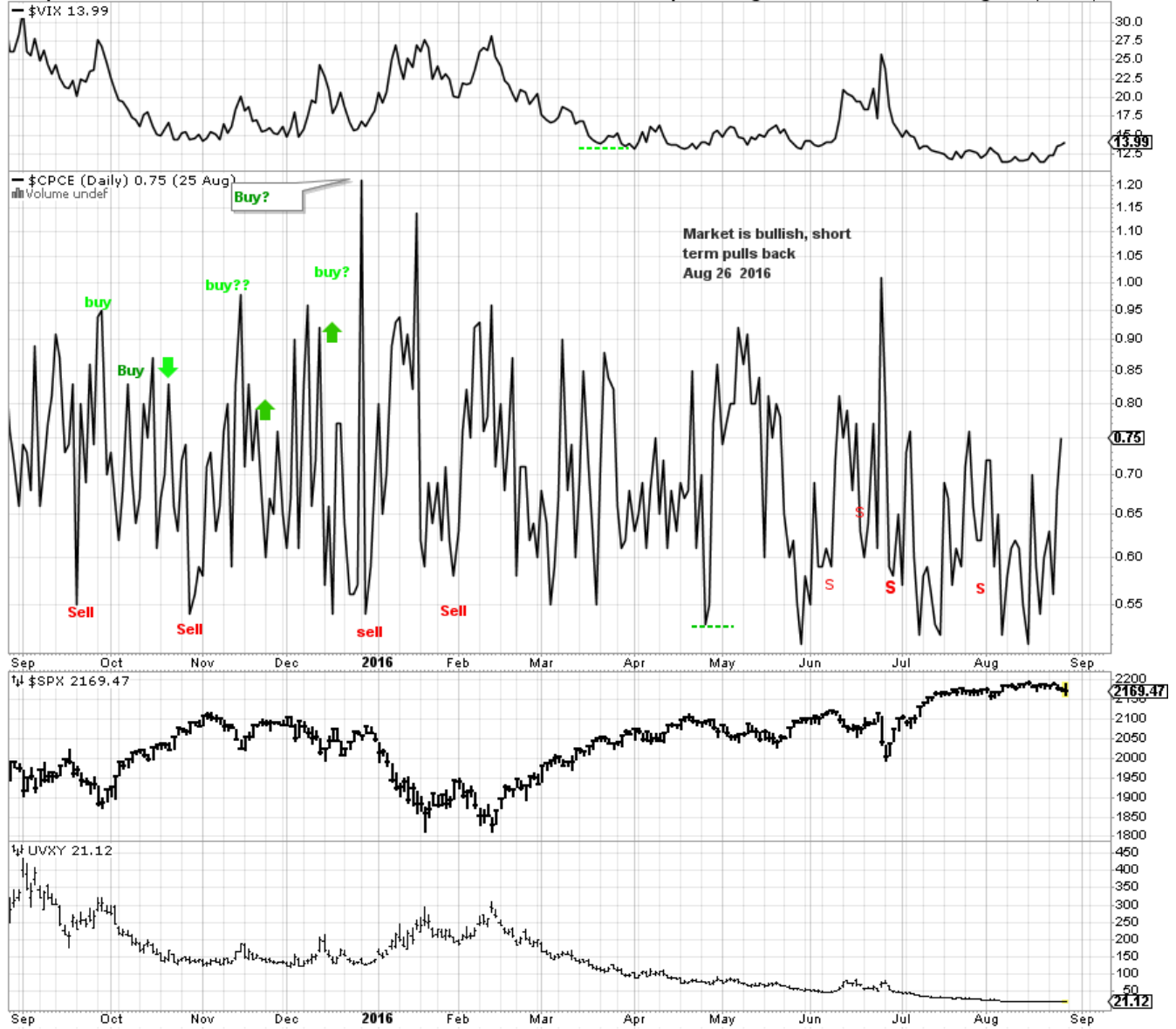


Chart 2

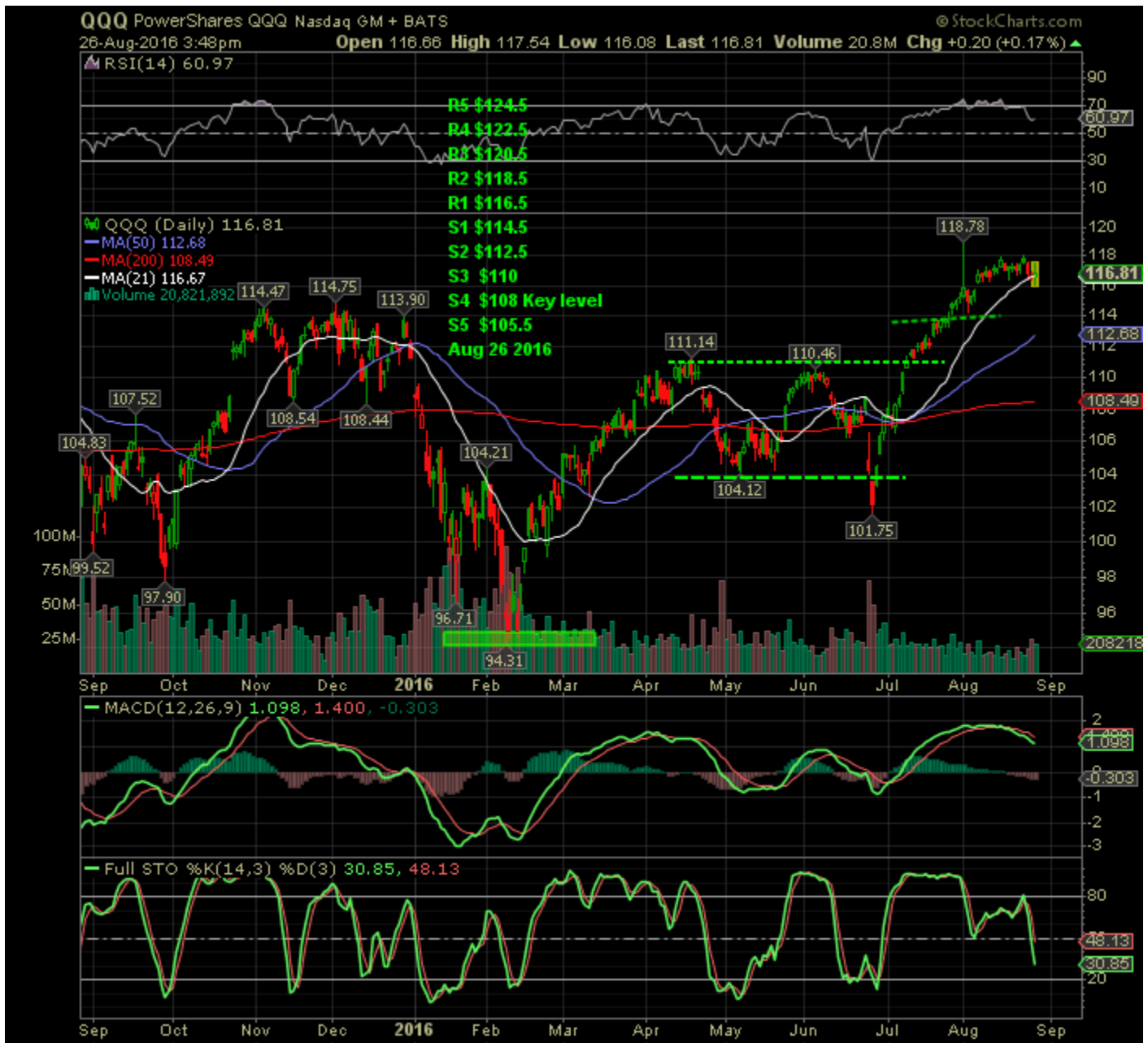


Chart 3

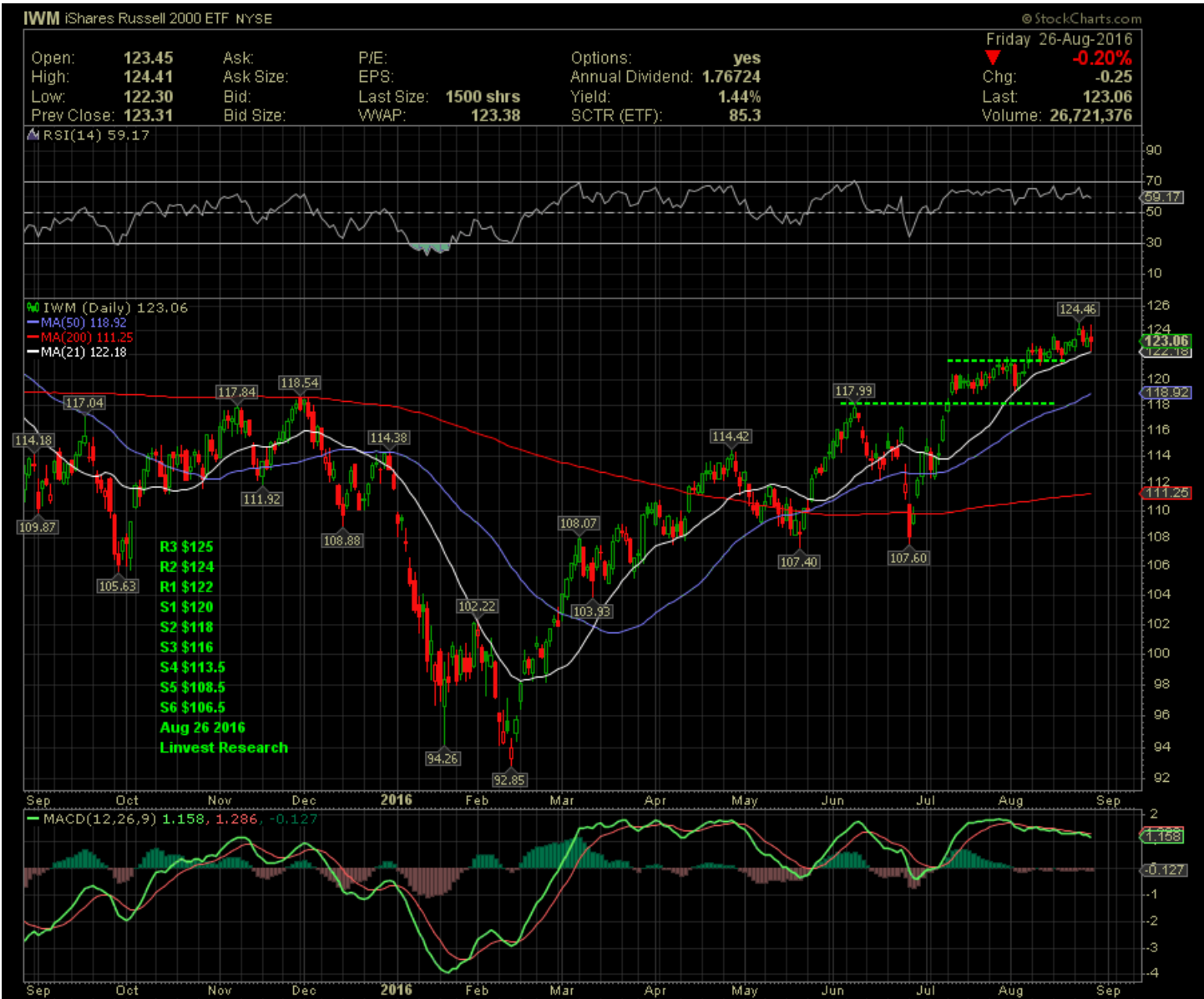


Chart 4

\$VIX Volatility Index - New Methodology INDX

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Friday 26-Aug-2016

Open:	13.54	Ask:	P/E:	Options:	no		▲ +0.15%
High:	14.93	Ask Size:	EPS:	Annual Dividend:	N/A		Chg: +0.02
Low:	12.13	Bid:	Last Size:	Yield:	N/A		Last: 13.65
Prev Close:	13.63	Bid Size:	WWAP:	SCTR:			Volume: 0

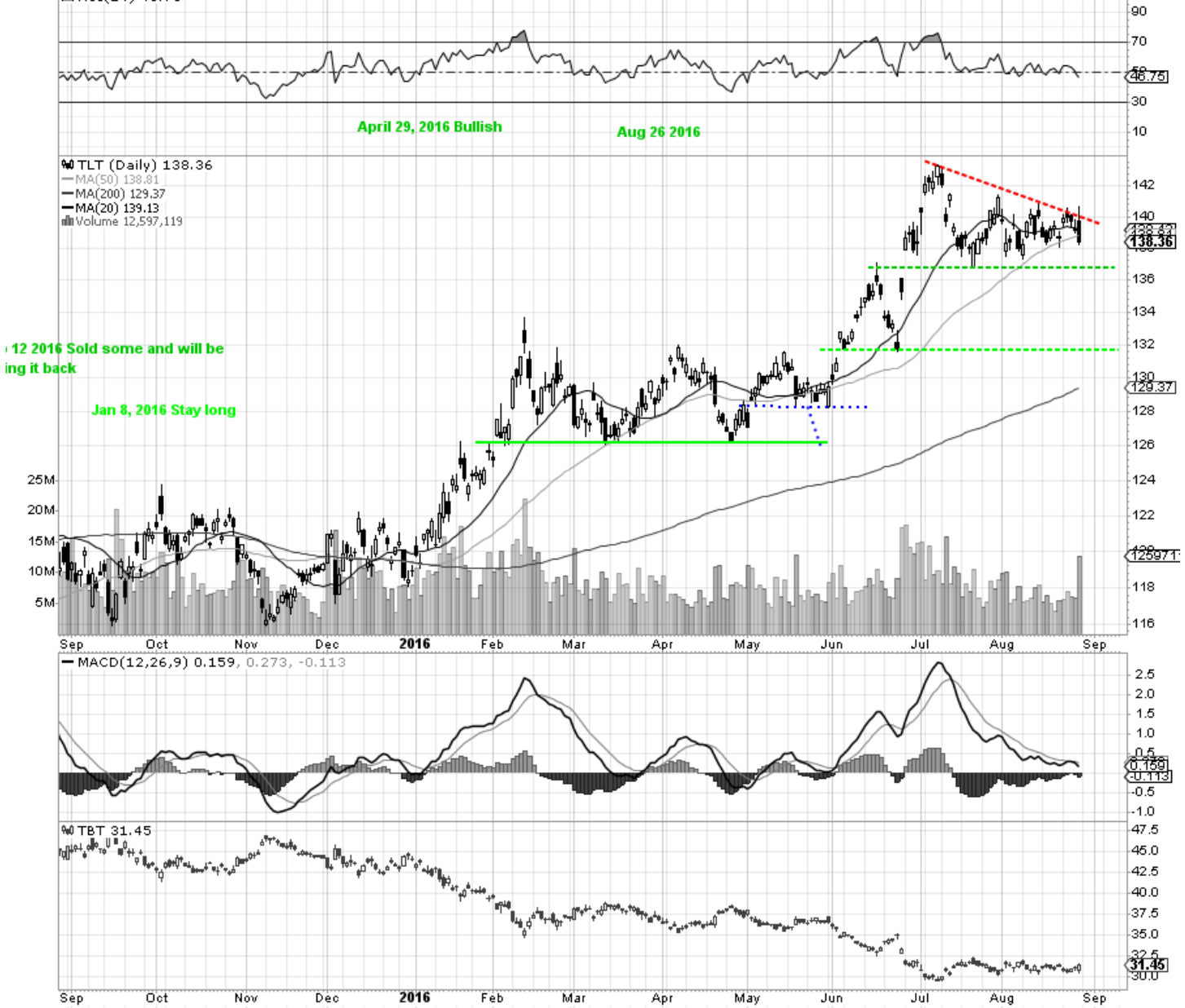


Chart 5

26-Aug-2016

Open 139.73 High 140.69 Low 138.22 Close 138.36 Volume 12.6M Chg -0.81 (-0.58%)

RSI(14) 46.75



12 2016 Sold some and will be ing it back

Jan 8, 2016 Stay long

Chart 6

GLD SPDR Gold Shares NYSE

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26-Aug-2016

Open 126.88 High 128.11 Low 125.82 Close 126.05 Volume 17.9M Chg -0.18 (-0.14%)

RSI(14) 41.96

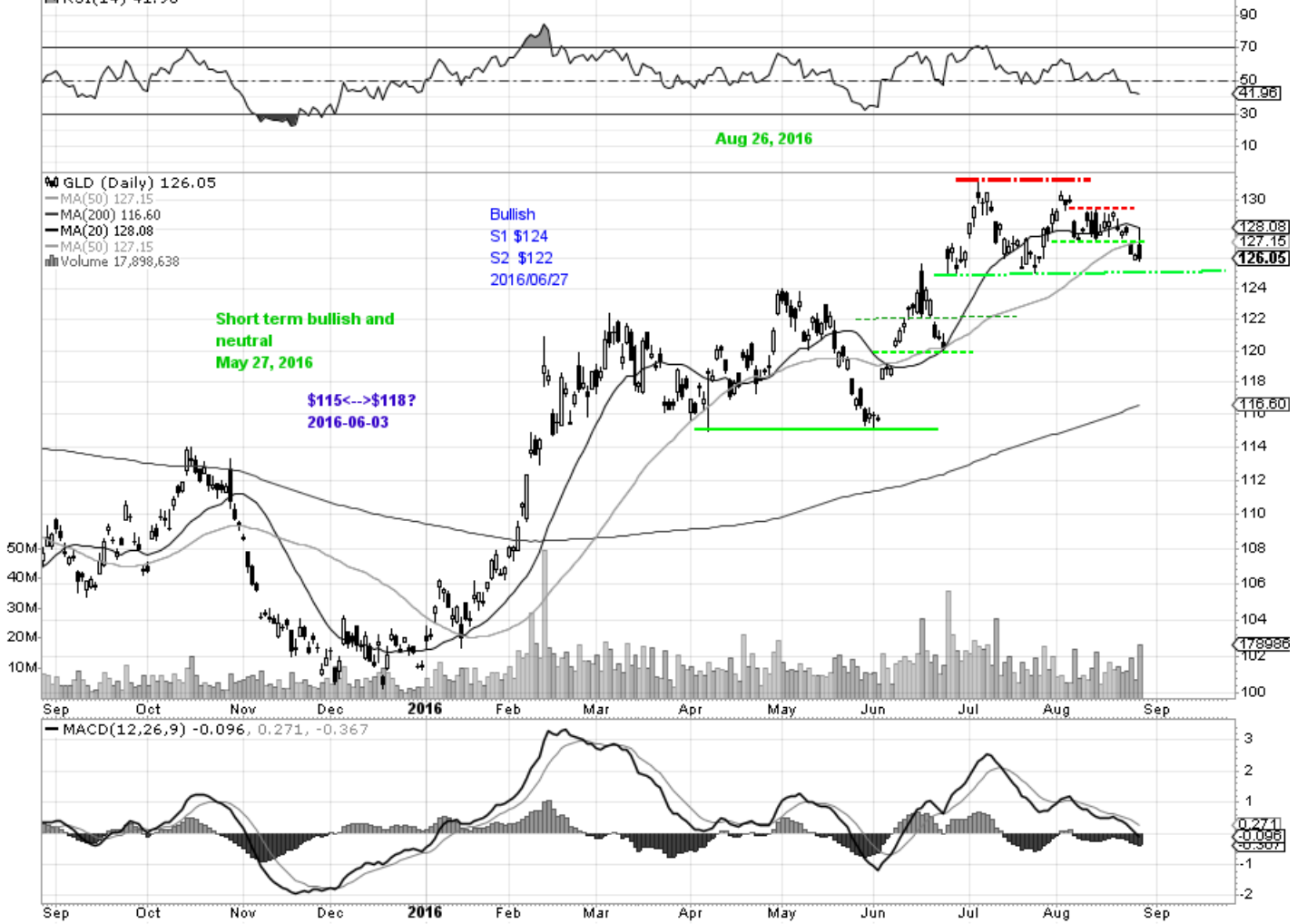


Chart 7

\$USDCAD US Dollar to Canadian Dollar (EOD) INDX

26-Aug-2016

© StockCharts.com

Open 1.291 High 1.301 Low 1.283 Close 1.300 Chg +0.008 (+0.62%) ▲



Chart 8



Chart 9



Chart 9-1

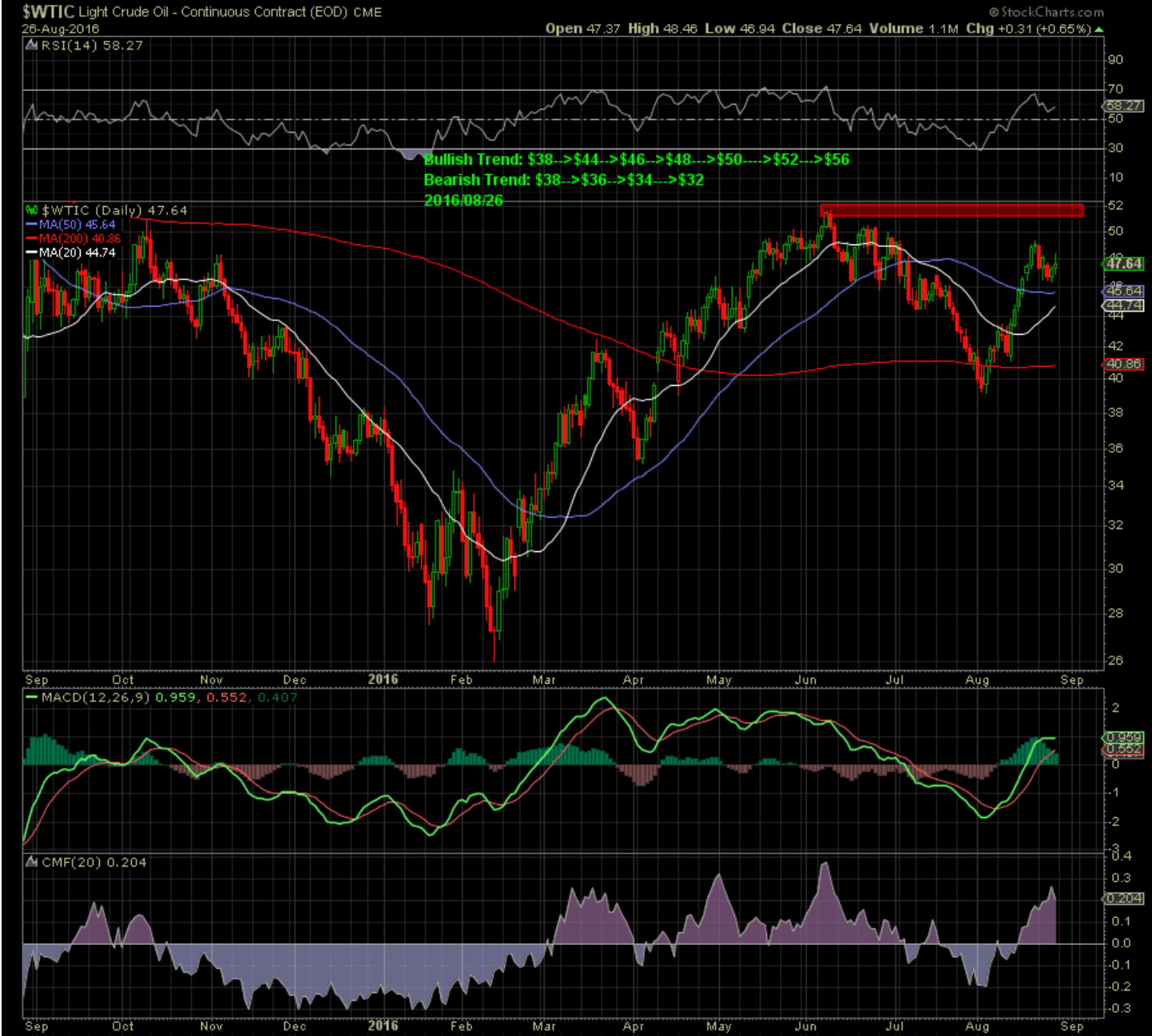


Chart 10



Chart 11

More intermediate-term trading ideas watch list (Long and short):

Leader stocks: AAPL ,GOOG, CMG, AMZN, ISRG,NFLX, PCLN, CF, FB,TWTR,TSLA,
Bio, health and Pharmaceutical: ACAD, AMPE,ADXS, ACHN, BIIB, ONVO, CRIS, CERS, INSM,TROV , PRTA, RMTI,RTPT, RGLS, NVTA
China Stock: BABA, VIPS, DL, EJ, FENG, JRJC , KNDI, WB, BIDU, XRS,DANG, XNET, YINN, YANG
Commodites: UNG, NGS, JO, SGG, USO, GDX,GDXJ, SLV, CORN, JNUG ,JDST
Energy and service sector: XLE, PDS, CLF, PBR, SWN, ALA.TO, SU, ECA, BTE, DO, UCO, XLE, SCO, DWTI
Solar Stocks: TAN, CSIQ, CSUN, TSL , SCTY, FSLR, JASO, SPWR
Precious metal,and mining companies: X, SMF.TO, GLD, EGO , CG.TO, IMG.TO, EDR.TO, SLW, NEM, SA ,
Prime : AKAM, BA, BX, CVU, MOS, LVS, KEM, HLF,WAG,WDAY, WHR,HSY, ED,
Airline, Cruise , hotel, restaurant: UAL, DAL, ALK, WJA.TO, AC.TO CCL, NCLH, RCL, EAT, MGM, LVS
Currency pair: EUR/USD: EUO, FXE; USD/CAD, CAD/USD, FXC

Green: stocks with long position.

Orange: stocks with long positions (small).

Red: stocks with short position.

Black: candidate stocks.

(**Note:** Some positions are not in the above list.)

Notable companies to report earnings and report this week include:

- Monday: CRM
- Tuesday: ANF AVAV
- Wednesday: FIVE CHS
- Thursday: AMBA PAY
- Friday:

US Change in Crude Oil Inventories 11:00 AM ET

Weekly Natural gas storage 10:30 AM ET

*Report date unconfirmed

Members, please feel free to send me a note or call if you would like to discuss any of the above (or other) stocks you are interested in. Please **pre-order Earning Trades** at least 2 days prior to stock earning report being issued. Thanks and good trading!

“The wise man hath his thoughts in his head; the fool, on his tongue.”

Linvest Research

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