Dax Outlook Week 02

Market participants obviously decided to launch some firework at the first trading day of the year. The Dax gapped up to a high of 6179 that day and clearly broke out of the downtrend and through the moving averages for the moment. the rest of the week the Dax could not sustain these gains and closed around 6058.

Last week the Dax endet flat, starting the week at 5900 then dipping to a low of 5771 before recovering back to 5898 and closing there. All of that happening on lower end of year volumes.

The VDAX dropped from 28.59 to 26.45 on the back of this bullish news, RSI is not yet overbought and the MACD is positive.

For the second week of the year, in my favoured scenario, the Dax could fall back to 5977 before launching a second attempt to break 6200. Alternatively it could close the gap around 5900 first and then remaining between 5900 and 6000 for the rest of the week.

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