

Dax Outlook Week 47

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In week 46 the Dax covered a range of about 300 points, starting at 6097 and probably washing out a lot short speculators before moving down to 5800 by the end of the week. Combining the highs on 28.10.11 and 14.11.11 we arrive at the orange dashed line showing the resistance to the upside. The pink dashed line shows the support which more or less still holds since 18.10.11. These two form a bearish triangle which would set a target of 5058 (blue boxes) as soon as the support is broken.

The VDAX still shows readings above 30. Whilst the MACD still points downwards, the RSI has taken a little step up.

For the coming week 47, I could expect the Dax not to trade above 6000 and to break the support and fall at least to 5121.

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