



## Weekly Outlook for March 8 – 12, 2021

### SP500 index (E-mini, and SPY)

**LONG-TERM and INTERMEDIATE-TERM TREND DIRECTION: up**



SP500 emini (ES) managed to hold the price above the 20-wEMA line and push above the 3800 level for closing. It formed a doji weekly candle, which suggests the market could resume the rally again.

The overhead 3858-65 zone is a key zone for this week. Regaining control of this key zone could lead the index to go back up to 3910-25 again and maintain the intermediate-term outlook as bullish.

**SHORT-TERM TREND DIRECTION: up**

**Trade strategy: buy above 3700 level with proper stop loss**



SP500 e-mini (ES) tested this year's opening price on Thursday and Friday, but managed to hold the price above that level for closing, although the price dropped below it during intraday trading. ES regained control of 50-dEMA line on Friday with high volume, which gave a bullish signal for the short-term.

Daily slow STO is oversold, and is getting ready to turn up. A further bounce up to 3900 should be expected this week.

For downside movement, the 3865-3855 zone needs to hold the ES down to help sellers regain control of the 3800 level.

For upside movement, buyers need to defend 3800 in order to regain control of the 3865-3855 zone to push price higher.

**Weekly Option Trading**

	Strike price	Expiration Date
	3925.00	
<b>Meanline</b>	<b>3800.00</b>	<b>3/8/2021</b>
	3700.00	

## 2. Oil (\$WTIC, CL)

**LONG-TERM TREND is Down,  
INTERMEDIATE-TERM TREND DIRECTION: Up**



Oil remains bullish in both the short and intermediate term. Price action was bullish in recent days. Oil broke last year's high at the \$65.65 level and closed above it on a weekly basis.

The down-sloping line at \$62.25 was also broken last week. Even though the 50-wEMA line didn't cross above the 200-wEMA line, the 20-wEMA line *is* above the 50-wEMA line and gave a momentum buy signal for the intermediate term. This will encourage the buyers. Every dip could be bought by new buyers.

**SHORT-TERM TREND DIRECTION: Up**

**Trade strategy: scalping short under \$70 or buy at \$60.20 area with protective stop loss.**



Oil has broken its long-term resistance line and closed above it for the first time last week. The breakout looks decisive with high volume. However we need to see some follow-through price movement this week to confirm the break-out.

\$62-60.50 is a key zone for this week. This area need to hold oil up in order to help move the price to the next high destination around \$75. A pullback under that key zone will likely lead to a re-test of the 20-dEMA line at \$60.20.

### 3. GOLD (GC, GLD)

**LONG TERM and INTERMEDIATE-TERM TREND DIRECTION: down**



Gold has become a graveyard for the bulls. Last week the price remained inside the short-term and intermediate-term downtrend channel. Bulls not only lost control of the \$1725 line, the market also closed under the \$1700 line on a weekly basis for the first time in a year. All indicators point to the downside and are near their extremely oversold territory.

A minor bounce could be seen this week, but it will not change the downtrend direction.

**SHORT-TERM TREND DIRECTION: down**

**Trade strategy: Short any strong early bounce under \$1800 with proper stoploss**



The 50-dEMA line crossed below the 200-dEMA line on Friday and gave out a bear market signal. Since Gold lost a control of \$1760 – a key line controlling any hope of an upside movement – the price kept sliding down and closed under \$1700 last Friday. The short-term outlook remains bearish. However the extremely oversold condition could lead gold to have a minor bounce.

\$1760 was a broken support and could be a target to be tested if there is a bounce, but only if the buyers can regain the \$1725 line.

\$1640 is the full measurement downside target for the short-term correction. That area is also the lower boundary of the downtrend channel. A bounce from that area should be expected this week.

## WEEKLY ECONOMIC REPORT

### MONDAY, MARCH 8

10 am	Wholesale inventories	Jan.	--	0.3%
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### TUESDAY, MARCH 9

6 am	NFIB small-business index	Feb.	--	95.0
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### WEDNESDAY, MARCH 10

8:30 am	Consumer price index	Feb.	--	0.3%
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8:30 am	Core CPI	Feb.	--	0.0%
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2 pm	Federal budget	Feb.	--	-\$235 billion
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### THURSDAY, MARCH 11

8:30 am	Initial jobless claims (regular state program)	March 6	--	N/A
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8:30 am	Continuing jobless claims (regular state program)	Feb. 27	--	N/A
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10 am	Job openings	Jan.	--	6.6 million
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### FRIDAY, MARCH 12

8:30 am	Producer price index final demand	Feb.	--	1.3%
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10 am	UMich consumer sentiment index (preliminary)	March	--	76.8
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