



# Technical overview

## G7 & BRICS

Interest Rates, Fx, Equity Indices & Commodities

1 September 2024

**The charts never lie. You just have to be willing to accept their truth.**

Charts are a trading tool, not a means for price forecasting; they should be used for timing transactions, not for formulating fundamental opinions.

# “The Dominate Theme”

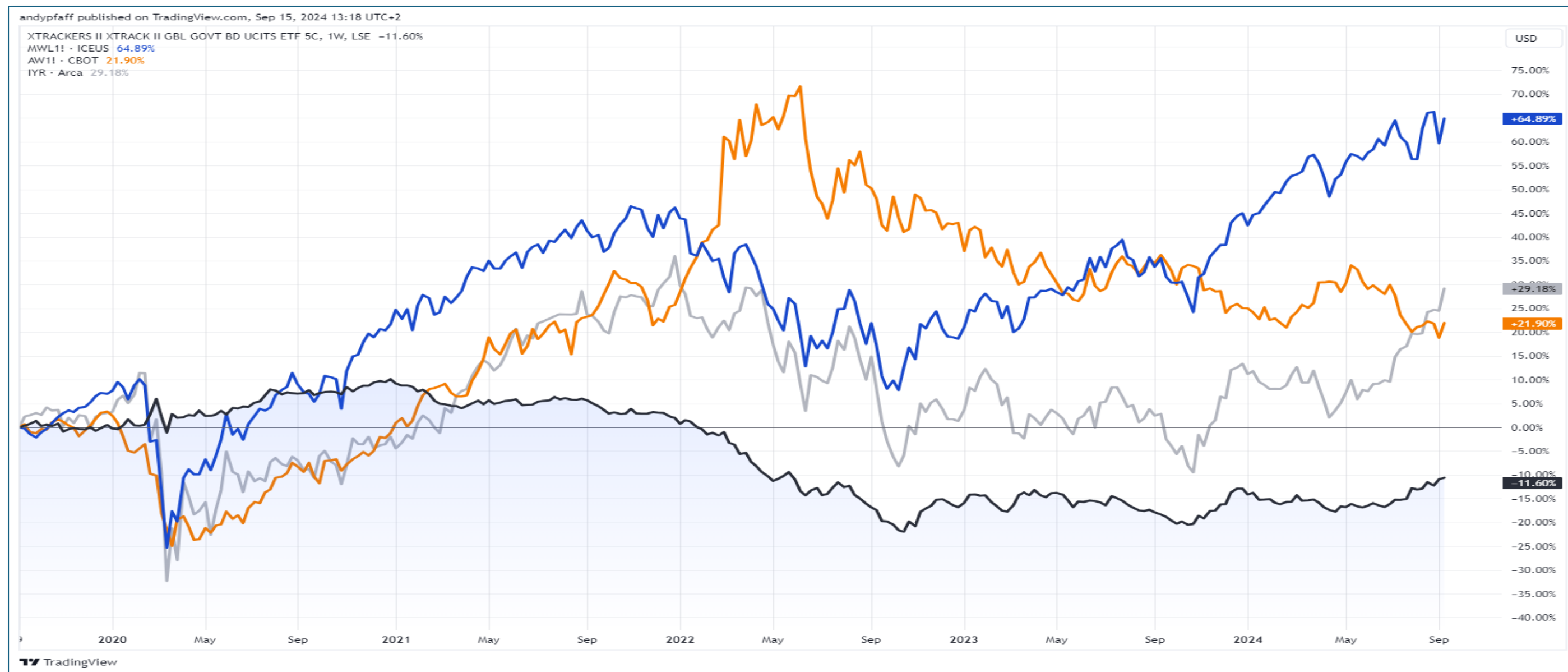
The cure for low prices is low prices:

- Egypt, often the world’s largest wheat importer, announces a buying tender for wheat 20 times larger than usual in order to hedge against geopolitical risks.
- “My colleagues (at the government) are seizing this opportunity to buy what we need amid the current situation in the global market”

*Egyptian Finance Minister Ahmed Kouchouk 2024/ 08/ 09*

# Market cycle

- Global Asset classes
  - All aboard ?

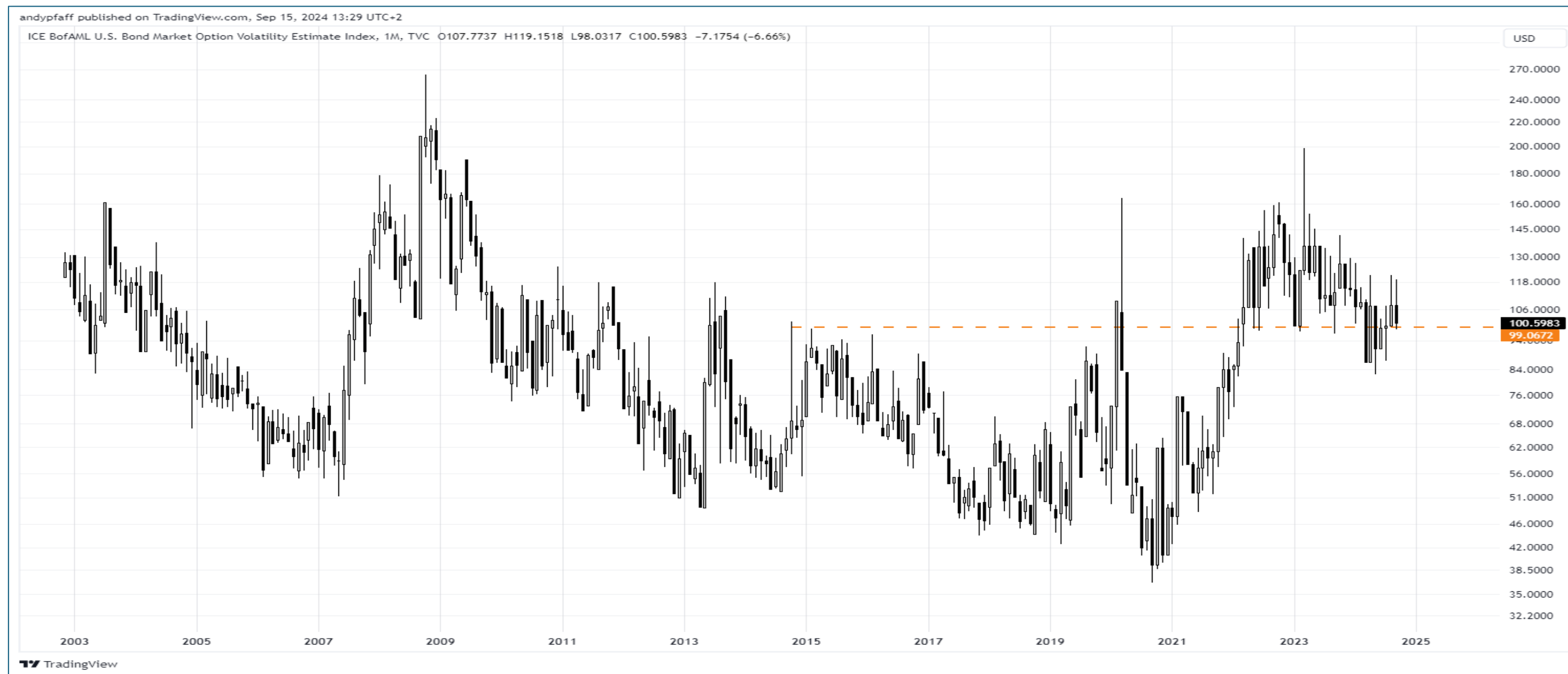


Asset class/ Sector	Tickers		Px_Settle	Trailing stop	Volatility (ATR)	Risk (ATR/price)	Setup		Entry			Model result	Distance from trigger	Trigger levels			Bullish/ Bearish breaks
	IB	TradingView					Trend score	KAMA1 fast	KAMA2 slow	KAMA3 x-over	Lower			Upper	Distance from trigger		
<b>1 Financials_Bonds</b>																	
1	iShares Core 1-5 USD Bnd	ISTB	48.7000	47.8200	0.33	0.7%	1.0	1.0	1.0	1.0	100%	3.7%	46.90	47.60	2.3%	broken higher	
2	iShares TreasBnd 7-10	IBTM-USD IEF	99.1400	95.2500	1.51	1.5%	1.0	1.0	1.0	1.0	100%	6.4%	92.80	96.49	2.7%	broken higher	
3	iShares 20+ TBond ETF	TLT TLT	101.3300	93.4200	3.03	3.0%	1.0	1.0	1.0	1.0	100%	7.1%	94.10	99.44	1.9%	broken higher	
4	R2035	R2035 ZA10Y	8.7950	9.6100	0.29	3.3%	(1.0)	(1.0)	(1.0)	(1.0)	100%	(9.2%)	9.60	10.00	(13.7%)	broken lower	
<b>2 Financials_Fx</b>																	
1	USD Index	DXY DX1!	100.3650	104.0600	1.45	1.4%	(1.0)	(1.0)	(1.0)	(1.0)		(0.1%)	100.49	101.80	(1.4%)	broken lower	
2	USD-ZAR	USDZAR USDZAR	17.6280	18.6700	0.40	2.3%	(1.0)	(1.0)	(1.0)	(1.0)	100%	(2.7%)	18.10	18.43	(4.5%)	broken lower	
3	GBP-ZAR	GBPZAR GBPZAR	23.2914	24.0400	0.43	1.8%	(1.0)	(1.0)	(1.0)	(1.0)	100%	1.4%	22.95	23.74	(1.9%)		
4	EURZAR	EURZAR EURZAR	19.6250	20.5000	0.37	1.9%	(1.0)	(1.0)	(1.0)	(1.0)	100%	0.5%	19.53	20.01	(2.0%)		
<b>3(a) Financials_Equity Indices_DM</b>																	
1	MSCI World	MXWO FMWO1! /MWL1!	11 519.00	10 634.00	370.00	3.2%	1.0	1.0	1.0	1.0	100%	4.1%	11 050.00	11 400.00	1.0%	broken higher	
2	iShares MSCI total Intl	IXUS IXUS	70.38	65.86	2.63	3.7%	1.0	1.0	1.0	0.0	67%	4.9%	66.92	70.25	0.2%	broken higher	
3	Nikkei 225	JAPAN NKD1! /NUI1!	36 620.00	42 576.00	3 069.00	8.4%	(1.0)	0.0	0.0	0.5		(1.1%)	37 030.00	38 775.00	(5.9%)	broken lower	
4	iShares EUROSTOXX 50	CSSX5E CSSX5E	178.74	189.45	6.93	3.9%	(0.5)	1.0	0.0	0.0		0.5%	177.86	186.60	(4.4%)		
5	FTSE 100 index	FTSE Z1! (future)	8 347.00	7 956.00	200.00	2.4%	1.0	1.0	1.0	1.0	100%	2.7%	8 124.00	8 406.00	(0.7%)		
6	DJIA	DOWJON DJI	41 622.00	38 397.00	1 319.00	3.2%	1.0	1.0	1.0	0.0	67%	9.3%	37 755.00	39 872.00	4.2%	broken higher	
7	S&P 500	SP500 MES1! (future)	5 708.00	5 296.00	232.00	4.1%	1.0	1.0	1.0	1.0	100%	5.1%	5 415.00	5 660.00	0.8%	broken higher	
8	iShares Russell 2000	IWM IWM	217.00	195.83	12.86	5.9%	1.0	1.0	1.0	1.0	100%	8.9%	197.60	210.12	3.2%	broken higher	
9	iShares Russell 1000 Val	IWD IWD	187.62	172.00	6.04	3.2%	1.0	1.0	1.0	0.0	67%	8.3%	172.00	180.00	4.1%	broken higher	
10	Nasdaq 100	NAS100 NDX/ NQ1!	19 423.00	18 545.00	1 059.00	5.5%	1.0	1.0	1.0	1.0	100%	5.0%	18 450.00	19 895.00	(2.4%)		
<b>3(b) Financials_Equity Indices_EM</b>																	
1	iShares Core MSCI EM ETF	IEMG IEMG/MME1!	54.11	51.49	1.97	3.6%	1.0	1.0	0.0	0.0	33%	3.9%	52.00	54.99	(1.6%)		
2	iShares EM Value \$	EMVL EMVL	49.94	47.92	2.26	4.5%	1.0	1.0	1.0	0.0	67%	2.6%	48.66	51.05	(2.2%)		
3	MSCI SA Equity index	FMZA1! FMZA1!	588.00	510.00	33.50	5.7%	1.0	1.0	1.0	1.0	100%	8.2%	540.00	585.00	0.5%	broken higher	
4	Satrix Capped ALSI	STXCAP STXCAP	4 173.00	3 883.00	154.00	3.7%	0.5	0.0	0.0	0.0	0%	6.5%	3 900.00	4 148.00	0.6%	broken higher	
5	JSE Top40	J200 J200	74 660.00	71 434.00	2 359.00	3.2%	0.5	1.0	1.0	0.0	33%	4.3%	71 434.00	74 013.00	0.9%	broken higher	
6	JSE MidCap	FNBMID	866.00	795.26	40.00	4.6%	1.0	1.0	0.0	0.0	33%	6.0%	814.00	860.00	0.7%	broken higher	
7	JSE Resi 10	J210 STXRES	5 845.00	6 548.00	385.00	6.6%	(0.5)	1.0	1.0	1.0		(3.1%)	6 026.00	6 450.00	(10.4%)	broken lower	
8	JSE Indi 25	J211 STXIND	11 071.00	10 460.00	425.00	3.8%	0.5	(1.0)	(1.0)	(1.0)		3.9%	10 635.00	11 048.00	0.2%	broken higher	
9	JSE Fini 15	J212 STXFIN	2 101.00	1 900.00	88.00	4.2%	1.0	1.0	0.0	0.0	33%	11.7%	1 856.00	1 950.00	7.2%	broken higher	
<b>4 Financials_Property</b>																	
1	iShares US Real Estate ETF	IYR IYR	103.61	92.62	3.97	3.8%	1.0	1.0	1.0	1.0	100%	10.2%	93.00	94.25	9.0%	broken higher	
2	INVEST SA Property	ETFSAP	4 066.00	3 597.00	187.00	4.6%	1.0	1.0	1.0	1.0	100%	12.9%	3 543.00	3 702.00	9.0%	broken higher	
<b>5 Commodities_BCOM Indices</b>																	
1	BCOM Index	- AW1!	96.75	100.62	2.79	2.9%	0.5	1.0	1.0	0.0	33%	2.1%	94.73	97.00	(0.3%)		
2	BCOM Agriculture	- FCAG1!	55.56	56.29	1.46	2.6%	(0.5)	1.0	1.0	1.0		2.0%	54.46	57.63	(3.7%)		
3	BCOM Livestock	- FCLI1!	23.53	23.96	0.52	2.2%	(0.5)	(1.0)	0.0	0.0		2.8%	22.88	24.07	(2.3%)		
4	BCOM Energy	- FCEN1!	27.33	30.71	1.48	5.4%	(1.0)	0.0	(1.0)	0.0		(10.0%)	30.07	33.14	(21.3%)	broken lower	
5	BCOM Industrial Metals	- FCIN1!	146.32	151.77	6.57	4.5%	0.5	1.0	0.0	(0.5)	8%	7.1%	135.89	149.93	(2.5%)		
6	BCOM Precious Metals	- FCPR1!	270.70	247.21	8.25	3.0%	1.0	1.0	1.0	1.0	100%	8.6%	247.35	264.75	2.2%	broken higher	

# Financials\_Bonds\_Volatility

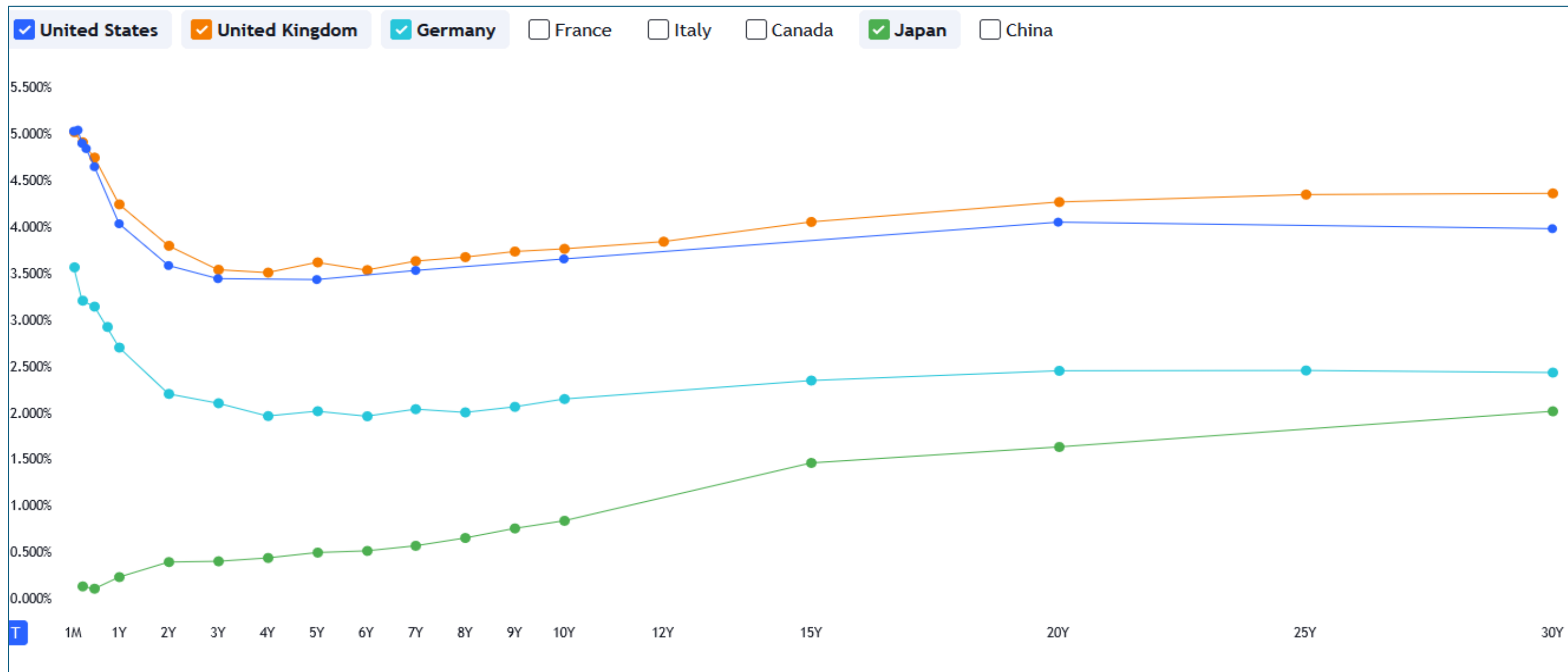
- Move index (monthly)
  - ""Do I stay, or do I go now ? ""

The Clash 1981



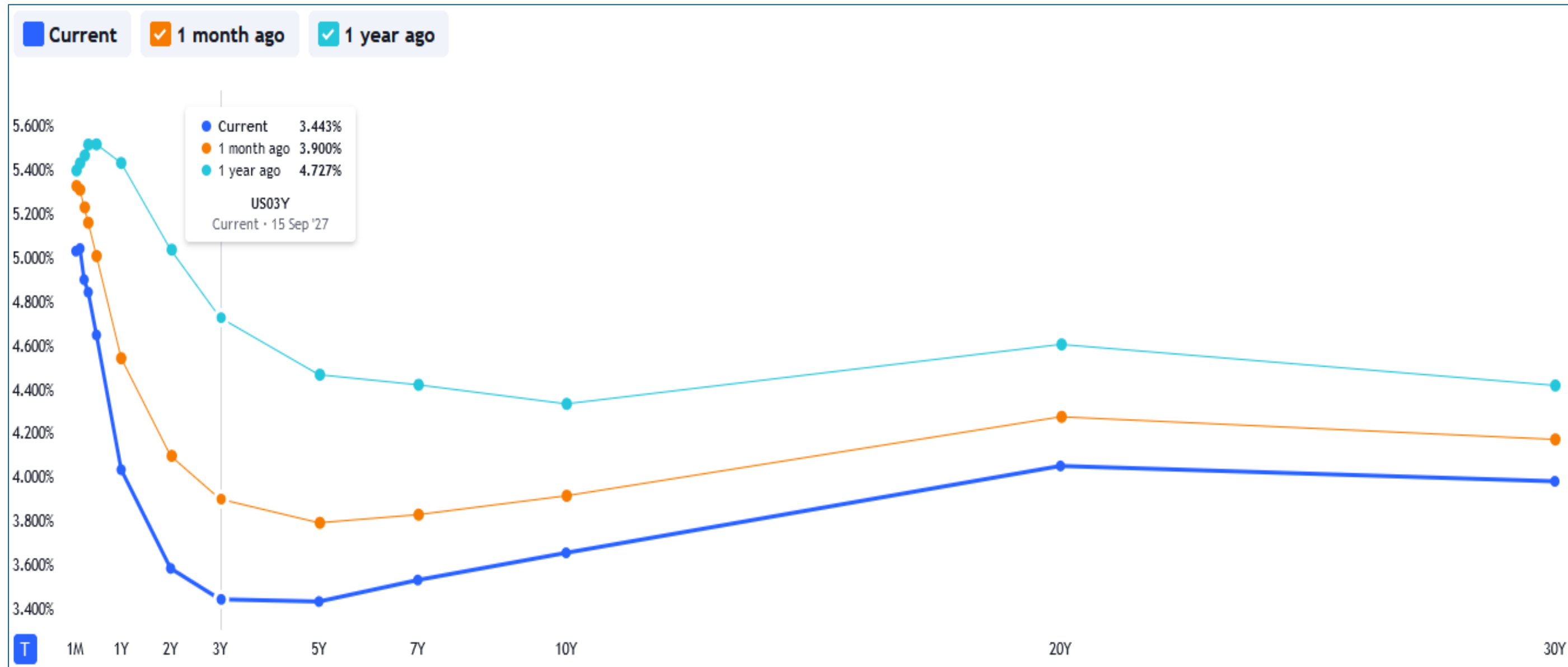
# Market cycle

- **Government Bond yield curves**
  - Jumbo cut by the Fed?



# Market cycle

- US Government Bond yield curve
  - Jumbo cut by the Fed?



# Financials\_Bonds\_G7 bonds

- iShares 1-5 year USD Bond ETF (weekly)
  - Full bull





# Financials\_Bonds\_G7 bonds

- iShares 7-10 year Treasury Bond ETF (weekly)
  - Full bull



# Financials\_Bonds\_G7 bonds

- iShares 7-10 year Treasury Bond ETF (daily)
  - Full bull



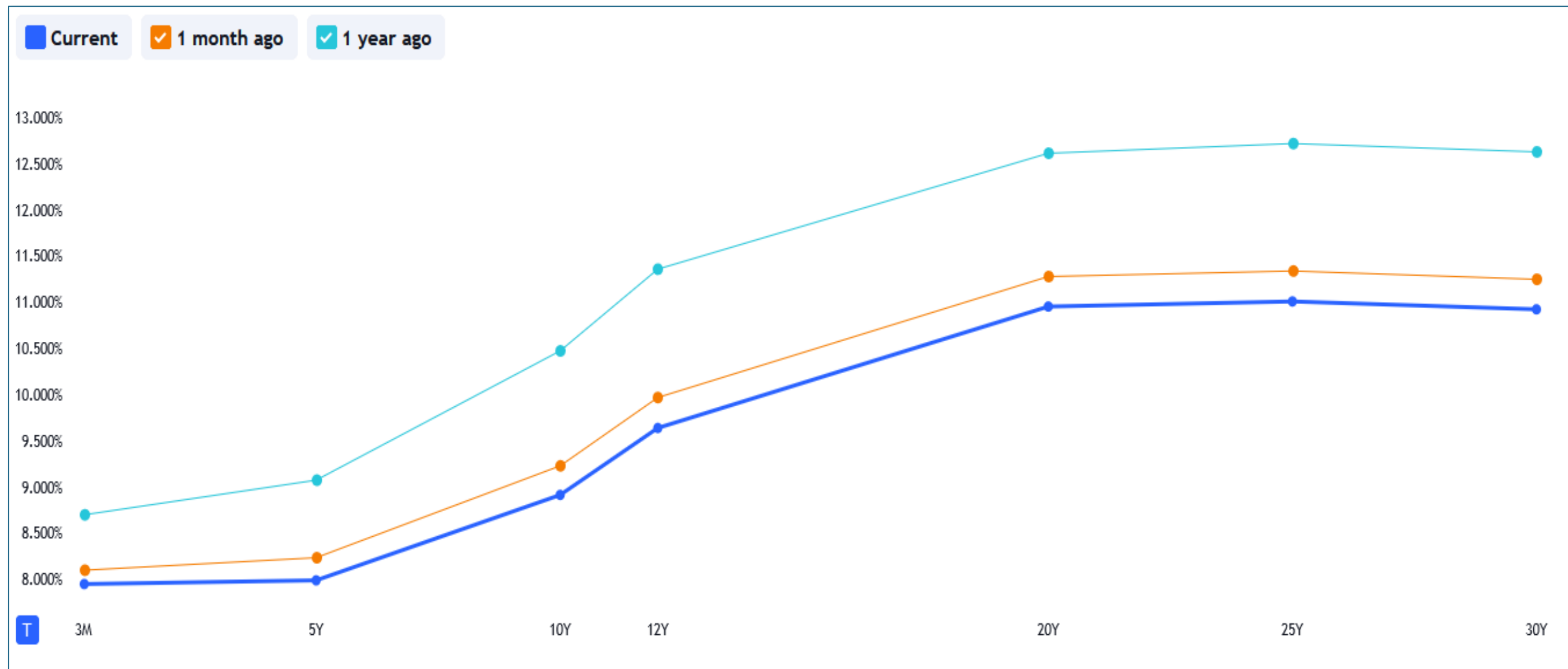
# Financials\_Bonds\_G7 bonds

- **iShares 20+ Year Treasury Bond ETF (TLT)** (daily)
  - Full bull



# Financials\_Bonds\_BRICS

- SA 10 Year Government Bond yield curve
  - SA yield curve looks more like Japan than USA



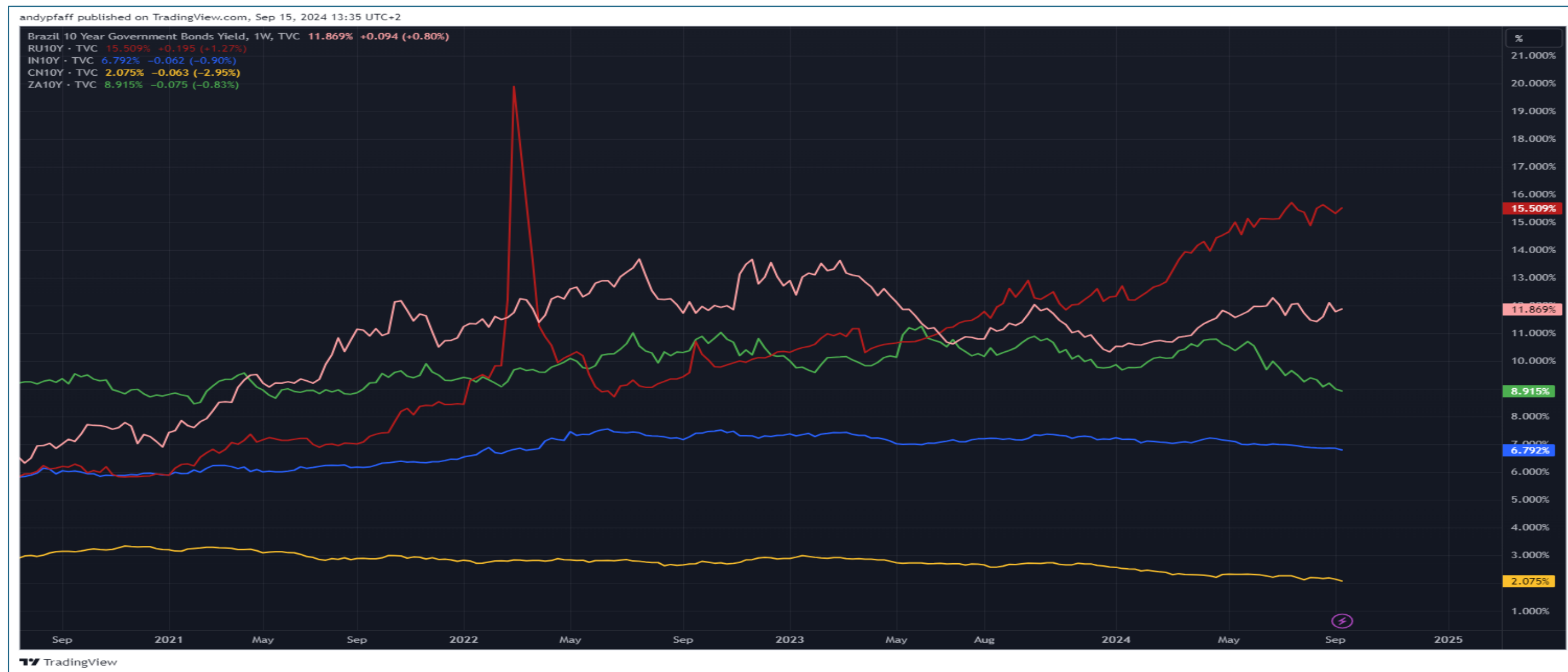
# Financials\_Bonds\_BRICS

- **SA 10 Year Government Bond** (yield) (ZAR)(daily)
  - Yields break bullish and follow through



# Financials\_Bonds\_BRICS

- **BRICS**\_Government bond 10yr yields (local currency)
  - (Peer group context)
  - GNU ZAR & SA bonds still outrunning the herd



# Financials\_Fx

- **US \$ index (DXY)** (weekly)
  - Through bearish support



# Financials\_Fx

- **US \$ JPY** (weekly)
  - “The only game in town”
  - JPY poised on bearish support: still a very long way to go to reach US\$ bullish target of ≈200-00





# Financials\_Fx

- EUR USD (monthly)
  - Mid-range



# Financials\_Fx\_BRICS

- **BRICS fx vs US \$ (5yr) (% change)(weekly)**
  - (Are SA moves are in sync with global peer group, or driven by SA-specific factors)
  - SA Yield curve?



# Financials\_Fx\_BRICS

- **BRICS fx\_ZAR/ US \$** (monthly)

- *"The dollar-rand exchange rate is not a mystery:*
- *The best prediction for tomorrow's exchange rate is today's rate, but with a high level of variance that increases with time."*

(Brian Kantor and David Holland)



# Financials\_Fx\_BRICS

- **BRICS fx\_ZAR/ US \$** (daily)
  - Bullish ZAR follows through



# Financials\_Fx\_BRICS

- BRICS fx\_ZAR/ GBP (weekly)
  - Mid-range



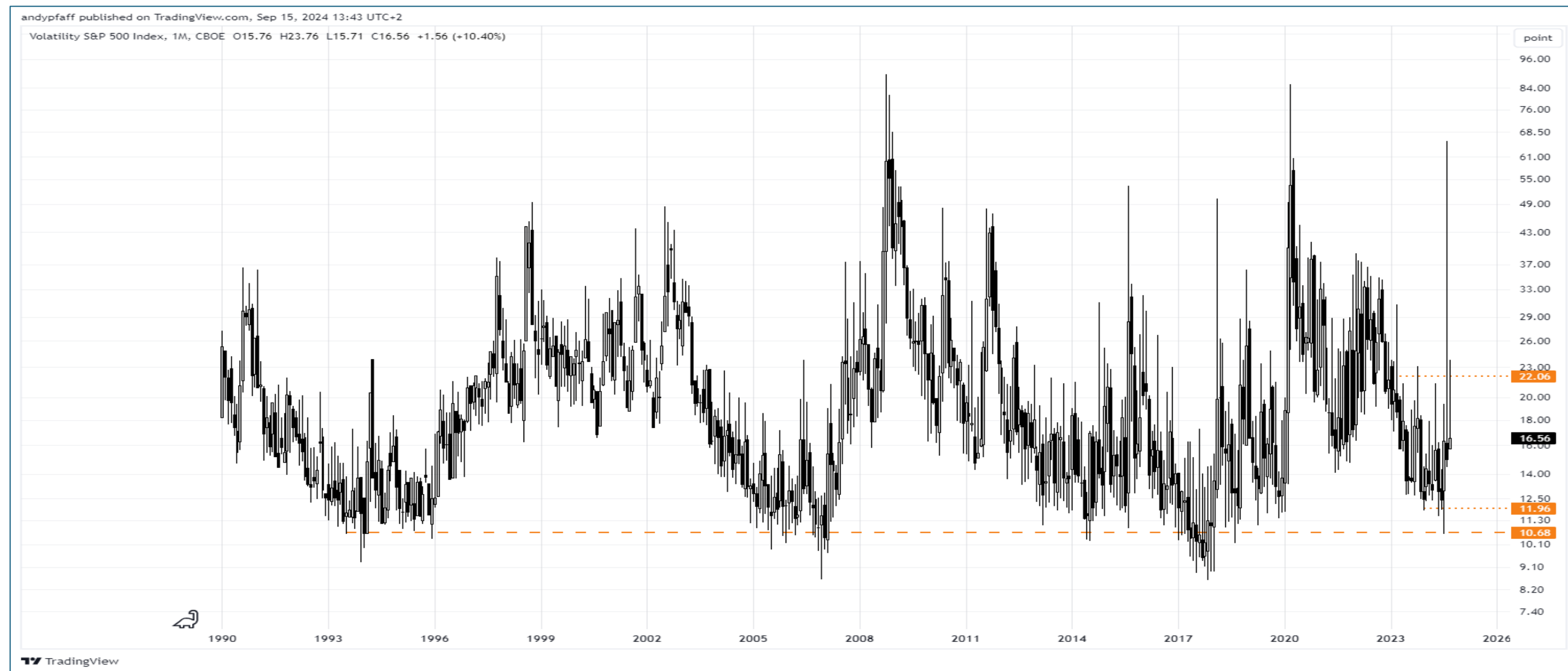
# Financials\_Fx\_BRICS

- **BRICS fx\_ZAR/ EUR** (weekly)
  - ZAR poised to break bullish



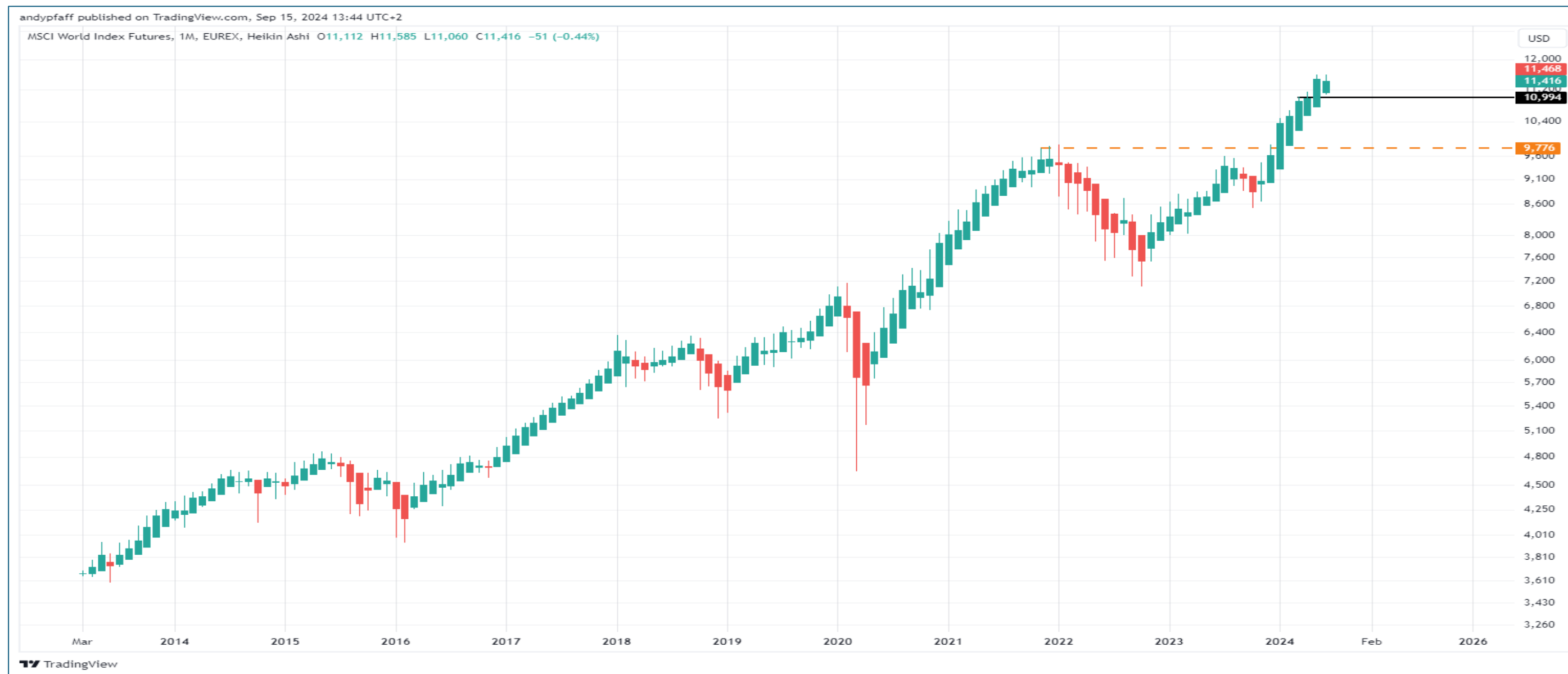
# Financials\_Equity Indices\_Vix (daily)

- **VIX** ... the Vix is right ... volatility always is 😊
  - Vix waking up again?



# Financials\_Equity Indices\_G7

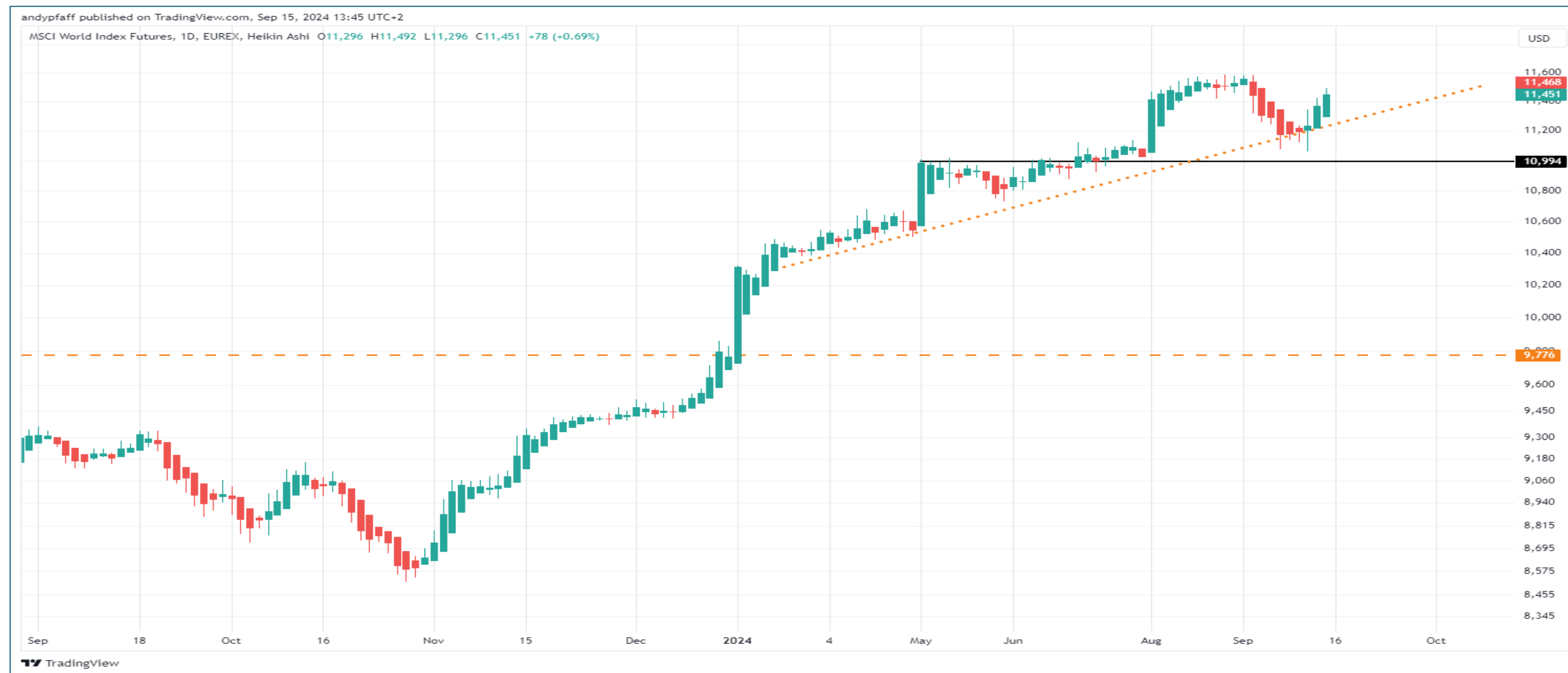
- **MSCI World** (Eurex futures)(DM; free-float weighted)(monthly)
  - All aboard?





# Financials\_Equity Indices\_G7

- **MSCI World** (Eurex futures)(DM; free-float weighted)(daily)
  - All aboard?



# Financials\_Equity Indices\_G7

- **iShares Core MSCI Total International Stock ETF (weekly)(excl. USA)**
  - Nearly away



# Financials\_Equity Indices\_G7

- **Japan/ Nikkei** (weekly)
  - Fails at overhead resistance



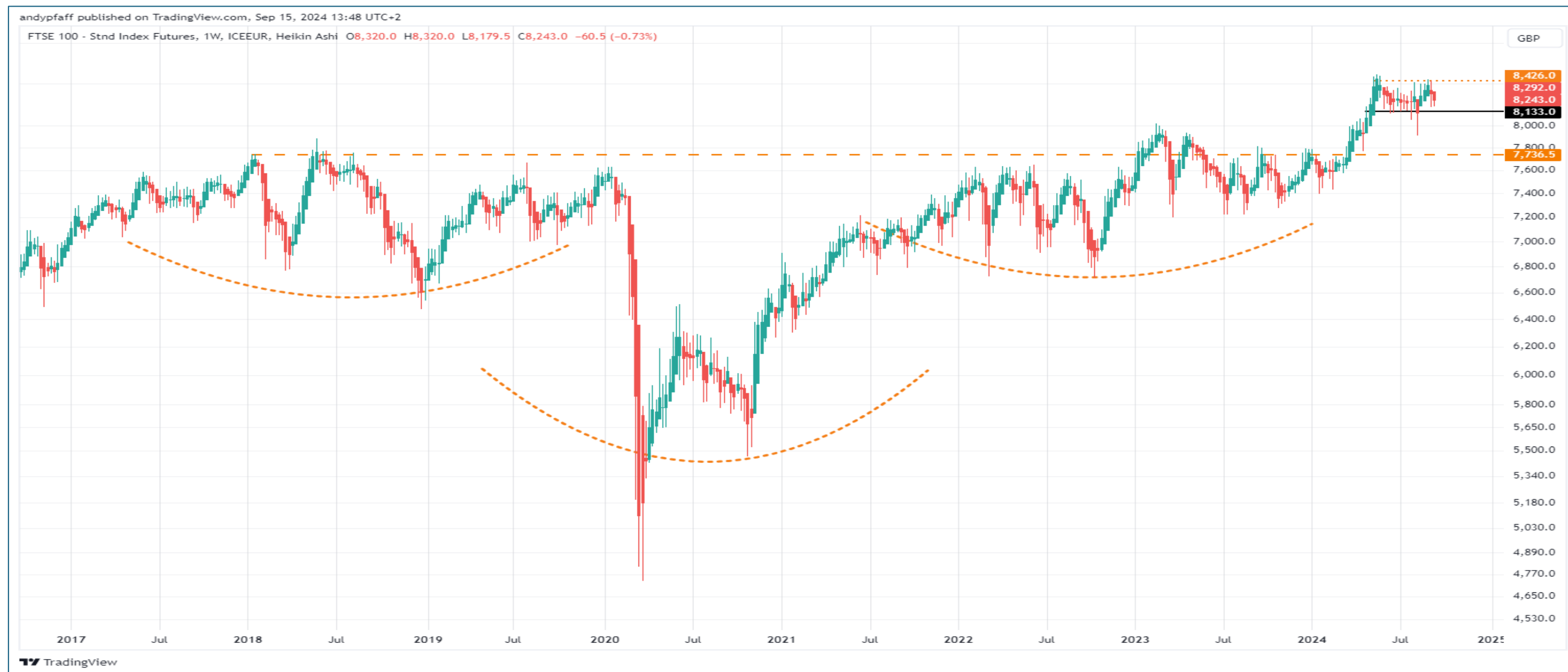
# Financials\_Equity Indices\_G7

- **EU/ Euro Stoxx 50 index futures** (daily)
  - Fails without making new highs



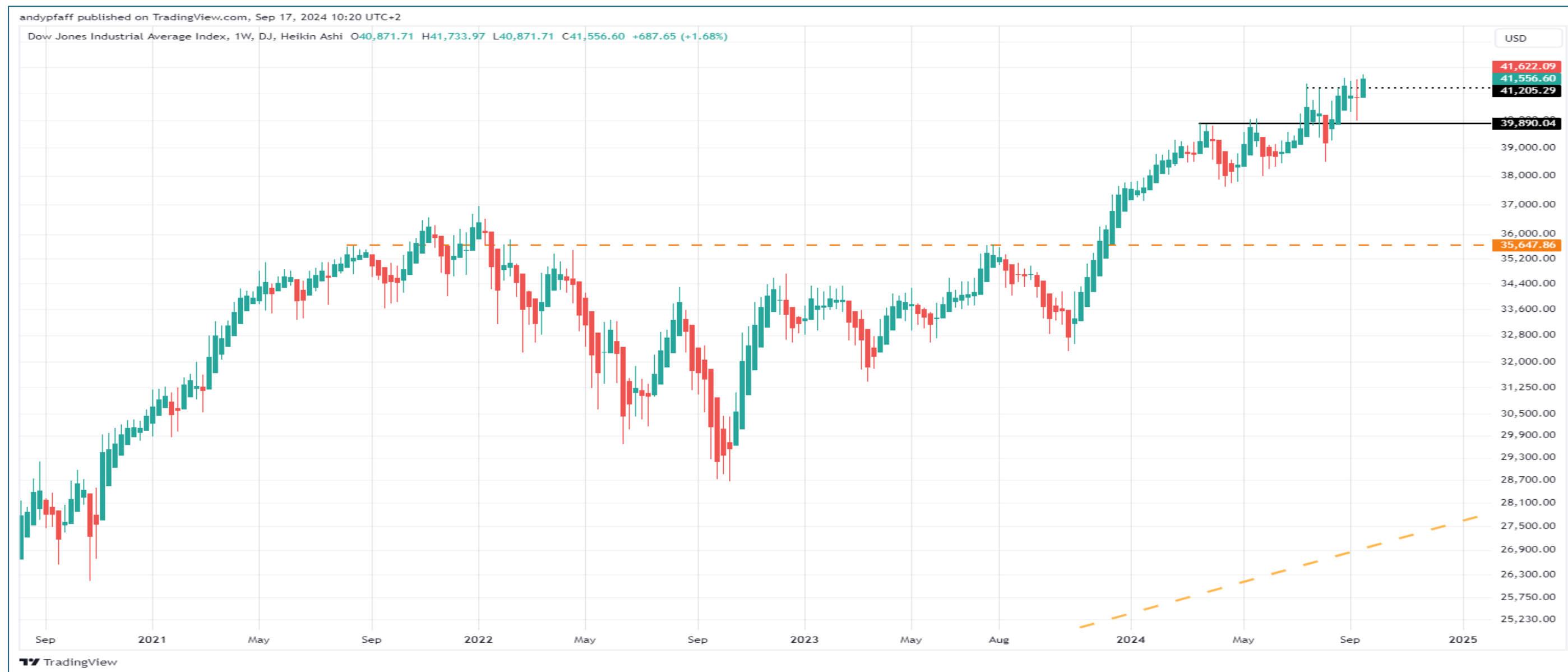
# Financials\_Equity Indices\_G7

- **UK/ FTSE 100** (weekly)
  - Bullish consolidation range still holding



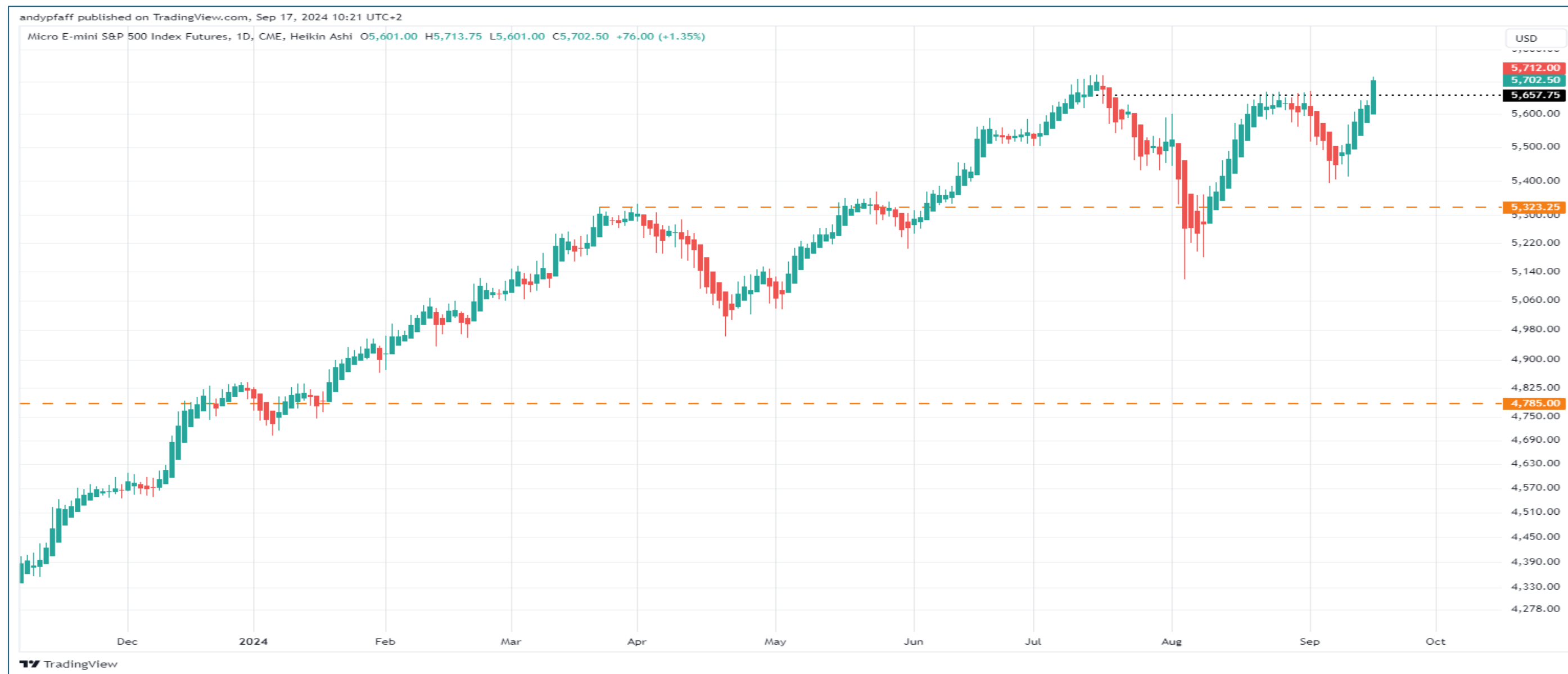
# Financials\_Equity Indices\_G7

- **USA/ Dow Jones Industrial Average index** (weekly)
  - Breaking bullish
  - Still  $\approx 7\%$  to technical target (Inv. H&S)



# Financials\_Equity Indices\_G7

- USA/ SP 500 index (daily)
  - Nosing through



# Financials\_Equity Indices\_G7

- **USA/ iShares Russell 2000 ETF (small cap) (daily)**
  - Consolidation area still holds





# Financials\_Equity Indices\_G7

- USA/ iShares Russell 1000 Value ETF (daily)
  - Broken bullish



# Financials\_Equity Indices\_G7

- **USA/ Nasdaq Composite index** (daily)
  - Not keeping up with the (Dow) Jones's



# Financials\_Equity Indices\_EM

- **Ishares Core MSCI EM ETF (\$)**(weekly)
  - Still no escape velocity



# Financials\_Equity Indices\_EM

- **Ishares MSCI EM Value ETF (\$)**(weekly)
  - Triple top
  - Gnawing at make/break line



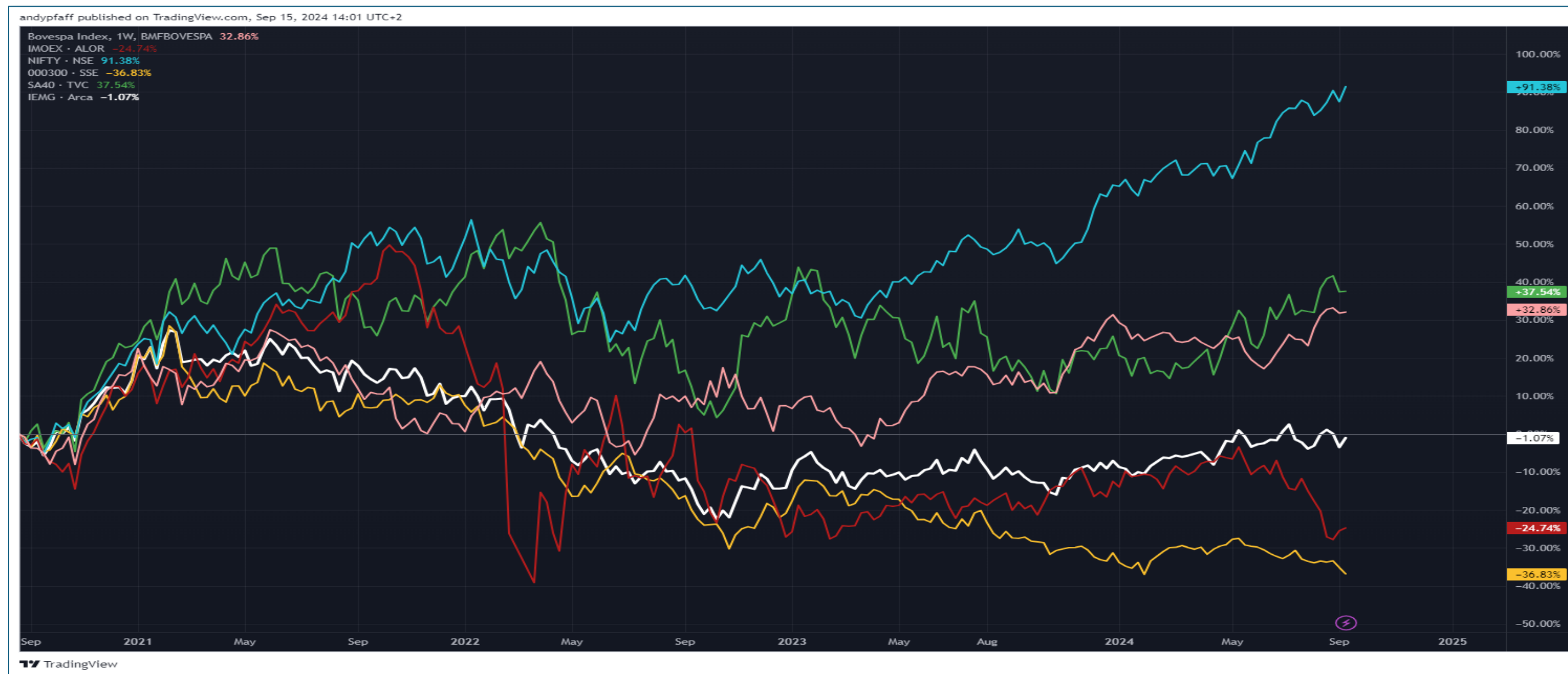
# Financials\_Equity Indices\_BRICS (local crncy)(weekly 5 yrs)

- iShares MSCI EM ETF in white



# Financials\_Equity Indices\_BRICS (US \$) (weekly 5 yrs)

- iShares MSCI EM ETF in white



# Financials\_Equity Indices\_BRICS (weekly) (US \$)

- South Africa\_MSCI SA Index

- Escape velocity ?



# Financials\_Equity Indices\_BRICS (daily) (local currency)

- South Africa\_Satrix Capped All Share (Swix)
  - Escape velocity ?





# Financials\_Equity Indices\_BRICS (daily) (local currency)

- South Africa\_Top 40
  - Holding the bullish break



# Financials\_Equity Indices\_BRICS (daily)

- South Africa\_JSE FNB MidCap
  - A week can be a long time in the market



# Financials\_Equity Indices\_BRICS (weekly)

- South Africa\_JSE Resi 10

- Precarious



# Financials\_Equity Indices\_BRICS (daily)

- South Africa\_JSE Resi 10
  - PSG fights back?



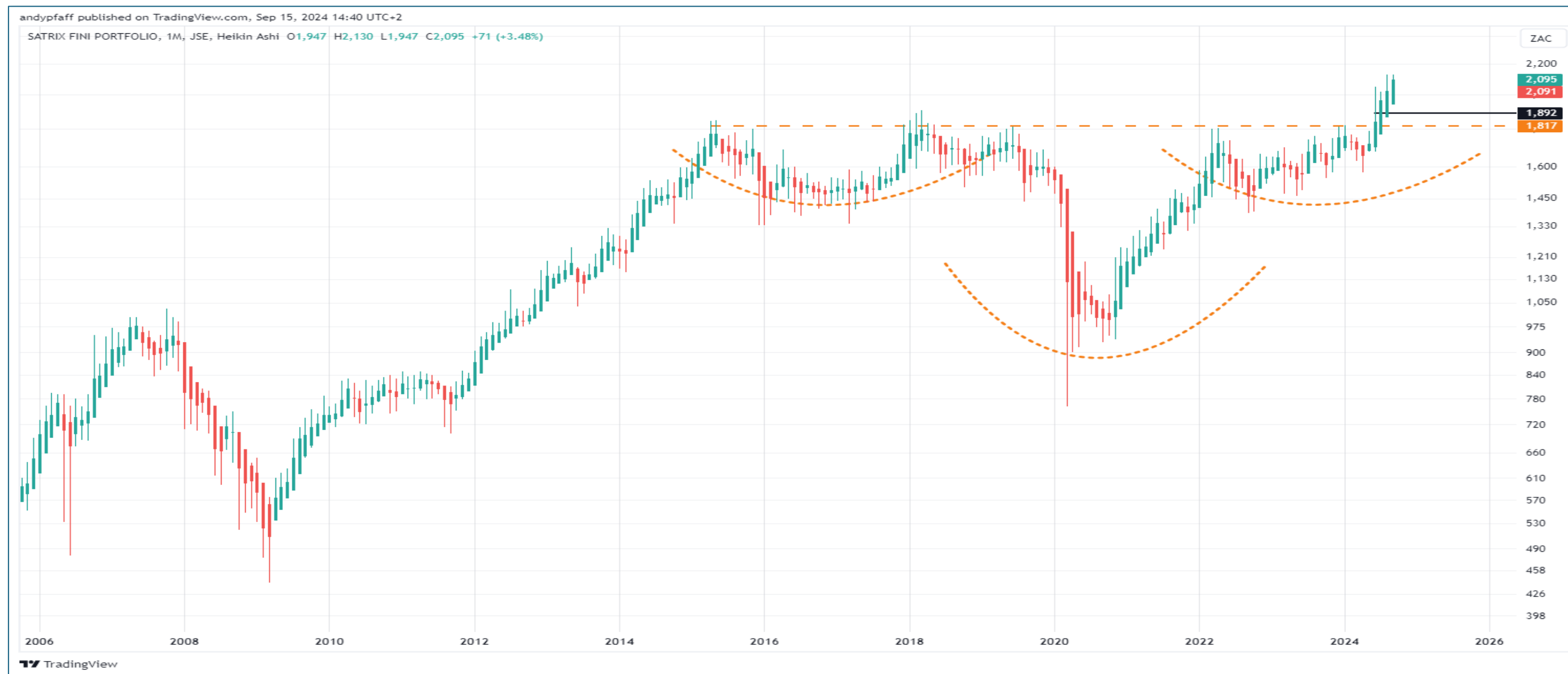
# Financials\_Equity Indices\_BRICS (weekly)

- South Africa\_JSE Indi 25
  - Support holds and new ATH established



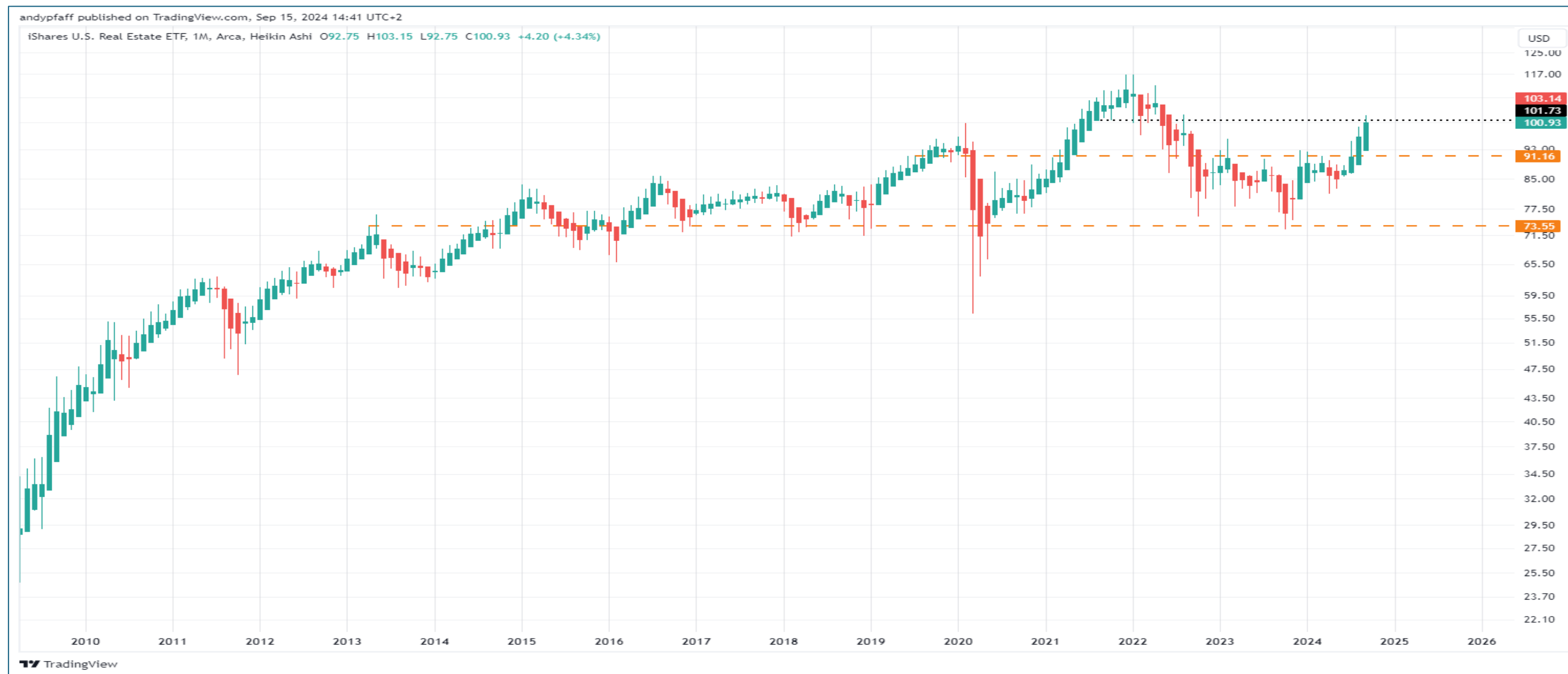
# Financials\_Equity Indices\_BRICS (monthly)

- South Africa\_JSE Fini 15
  - Big inverse H&S bullish break



# Financials\_Property

- **iShares U.S. Real Estate ETF** (weekly)
  - Interest rate sensitive assets still benefitting



# Financials\_Property

- **SATRIX Property ETF (SA)**<sub>(weekly)</sub>
  - Interest rate sensitive assets still benefitting





# Commodities\_BCOM index \$ (weekly)

- Approaching overhead resistance
  - Finding support ?



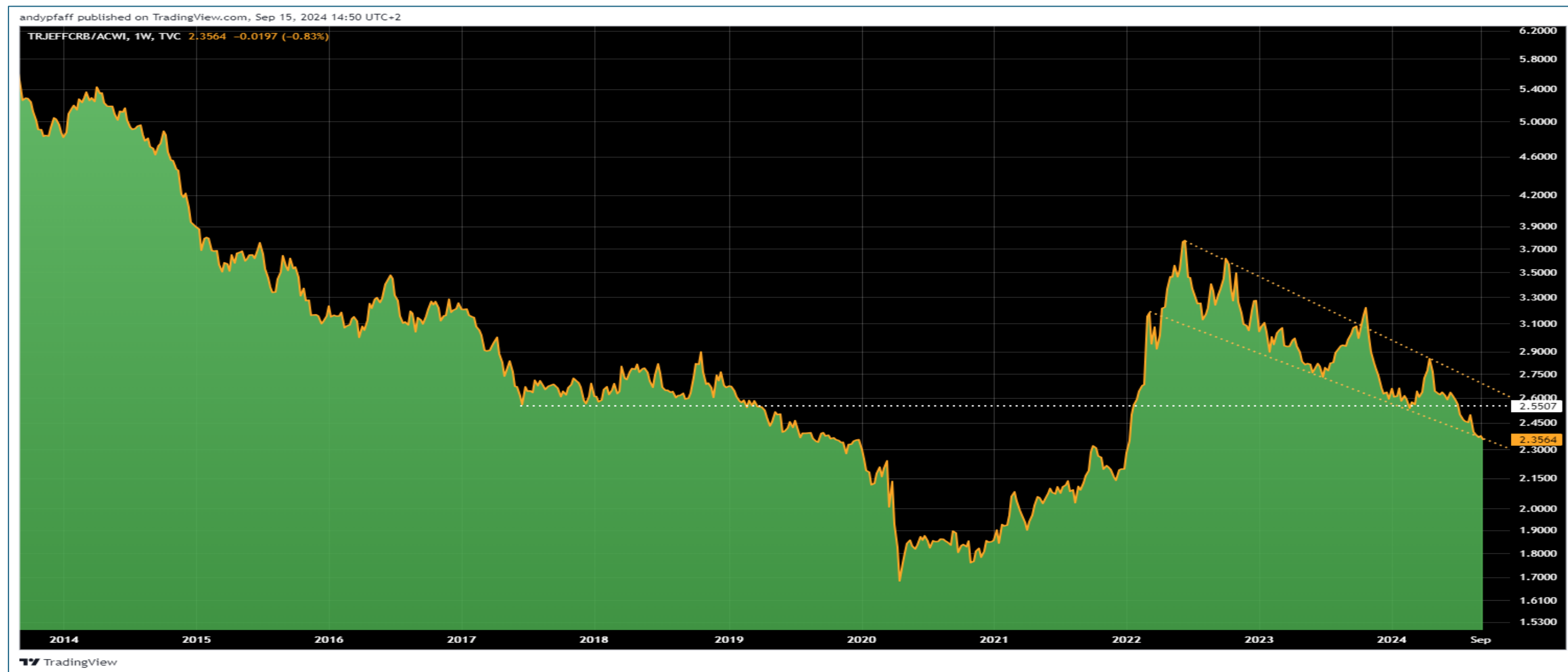
# Commodities\_BCOM index \$ (daily)

- Approaching overhead resistance
  - Fishing for support



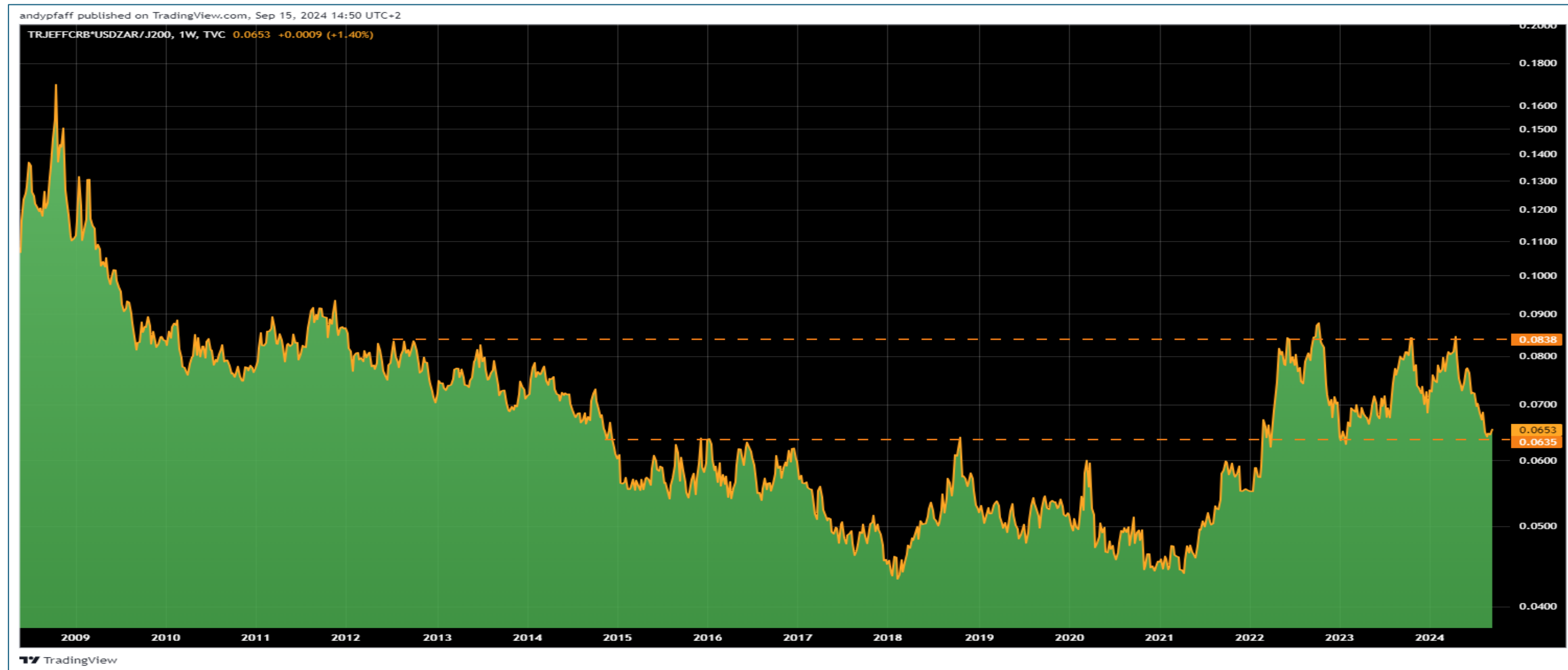
# Commodities indices\_\$

- **CRB / ACWI** (2010 - 2024)(commodity index/equity index ratio)(weekly)
  - \$ Commodity prices can't keep up with this equity market



# Commodities indices\_\$

- **CRB (zar) / JSE Top40 Equity Index** (2014 - 2022)(commodity index/equity index ratio)
  - (more data than BCOM index)
  - Nor can ZAR commodity prices keep up with this equity market



# Commodities\_\$

- **BCom\_Agriculture** sub-index (daily)
  - Record speculative shorts likely to result in exaggerated bounce when it arrives
  - “My colleagues (at the government) are seizing this opportunity to buy what we need amid the current situation in the global market,” Kouchouk said.



# Commodities\_\$

- **BCom\_Agriculture** sub-index (daily)
  - Record speculative shorts likely to result in exaggerated bounce when it arrives
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# Commodities\_\$

- **BCom\_Energy** sub-index\_Brent (monthly)
  - "Oil Net Short For First Time in History"
  - S&D blurry: "Bullish fundamentals continue to play second fiddle to weakening sentiment, with the oil market unable to shake off its recent bearish tendencies,"



# Commodities\_\$

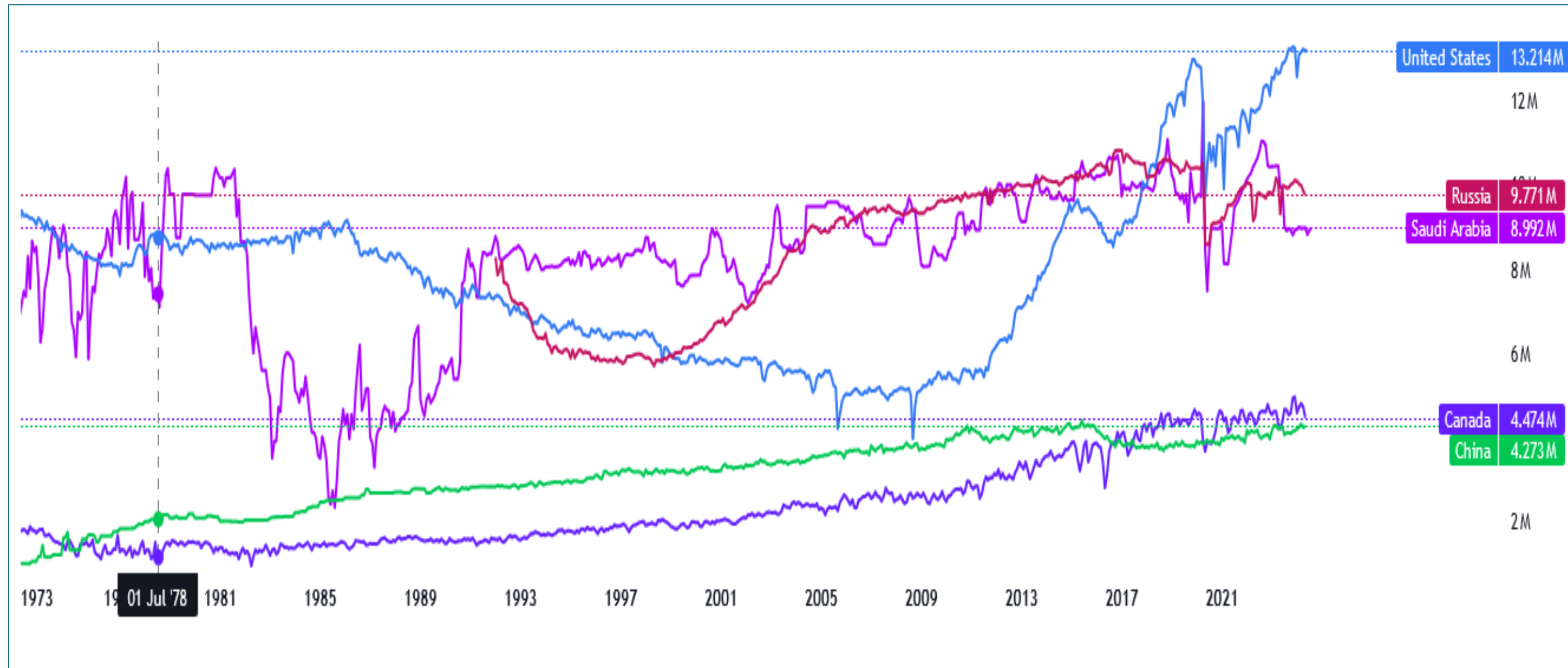
- **BCom\_Energy** sub-index\_Brent (daily)
  - S&D blurry:
    - "Oil Net Short For First Time in History"





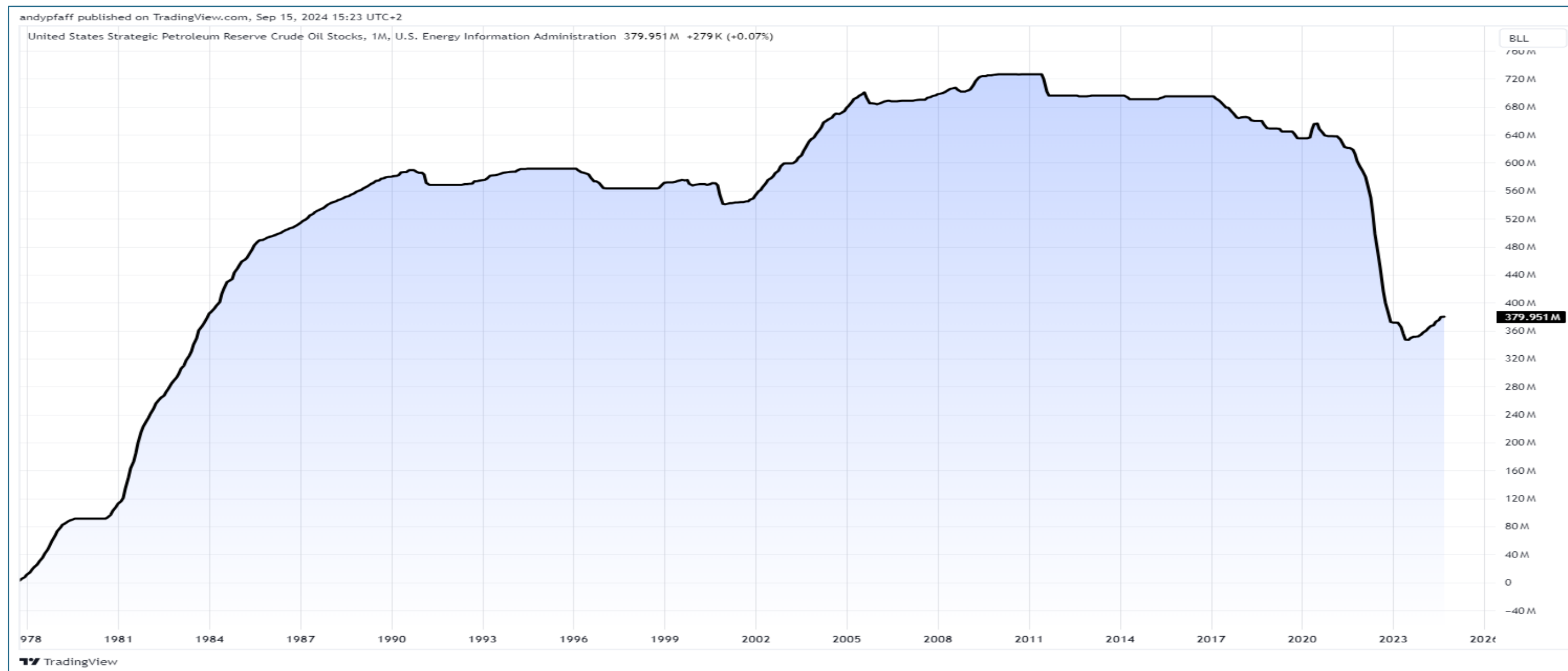
# Commodities\_\$

- **BCom\_Energy** Crude oil Supply
  - USA the big change when fracking comes online in 2010
  - US technology improves Russian production in late-1990's



# Commodities\_\$

- **BCom\_Energy** inventories
  - US SPR a political tool



# Commodities\_\$

- **BCom\_Industrial Metals sub-index** (weekly)
  - Assertive bounce after
    - pricing in weakness in China's property demand, and
    - Adjusting for US \$ weakness



# Commodities\_\$

- **BCom\_Industrial Metals sub-index\_Copper** (weekly)
  - Falling warehouse inventories, increasing premiums for spot deliveries = physical demand recovering



# Commodities\_\$

- **BCom\_Industrial Metals sub-index\_Copper** (daily)
  - Falling warehouse inventories, increasing premiums for spot deliveries = physical demand recovering



# Commodities\_\$

- **BCom\_Precious Metals sub-index\_Gold (\$)** (monthly)
  - Full bull
  - Trading ranges increase as broader market volatility rises



# Commodities\_\$

- **BCom\_Precious Metals sub-index\_Gold (\$)** (weekly)
  - Don't watch so closely!



# Crypto \$

- **Bitcoin** (weekly)
  - Hanging on by fingertips





# Crypto \$

- BITA Crypto 10 index (\$) (weekly)
  - Constituents & weightings

Instrument	Ticker	BITA Crypto 10 Index weight	ATR (%)	Setup			Entry			Model Result	1 Risk unit (nominal exp)	Target weight	Target re-weighted	Crypto portfolio			Result	Risk units	Deviation from Model	Deviation from B10	Trading Comment	
				Trend Rider	KAMA1 fast	KAMA2 slow	KAMA3 x-over	Current Weight	to Model					Today's trade								
1	Bitcoin	BTC1/ BTCUSD	26.560%	13.68%	0.5	1.0	1.0	1.0	50.0%	3.7%	1.8%	21.0%	21.01%	0.00%	-	(21.01%)	(26.6%)					
2	Ethereum	ETH	21.330%	12.78%	(1.0)	0.0	0.0	0.0	0.0%	2.7%	0.0%	0.0%	0.00%	0.00%	-	0.00%	(21.3%)					
3	Binance Coin	BNB	19.000%	14.68%	1.0	1.0	1.0	1.0	100.0%	3.4%	3.4%	39.2%	39.16%	0.00%	-	(39.16%)	(19.0%)					
4	Solana	SOL	18.270%	23.76%	0.5	1.0	1.0	0.5	43.8%	2.2%	1.0%	11.0%	11.05%	0.00%	-	(11.05%)	(18.3%)					
5	Dogecoin	DOGE	3.770%	11.14%	1.0	1.0	1.0	0.5	87.5%	2.4%	2.1%	23.8%	23.78%	0.00%	-	(23.78%)	(3.8%)					
6	Cardano	ADA	3.160%	19.60%	(0.5)	0.0	0.0	(0.5)	0.0%	2.6%	0.0%	0.0%	0.00%	0.00%	-	0.00%	(3.2%)					
7	Tron	TRX	2.940%	11.98%	0.5	(1.0)	(1.0)	(1.0)	0.0%	4.2%	0.0%	0.0%	0.00%	0.00%	-	0.00%	(2.9%)					
8	Avalanche	AVAX	2.130%	24.01%	(0.5)	1.0	1.0	1.0	0.0%	2.1%	0.0%	0.0%	0.00%	0.00%	-	0.00%	(2.1%)					
9	Polkadot	DOT	1.780%	20.97%	(1.0)	1.0	1.0	1.0	0.0%	2.4%	0.0%	0.0%	0.00%	0.00%	-	0.00%	(1.8%)					
10	Toncoin	TON	1.050%	23.57%	0.0	1.0	1.0	0.5	0.0%	2.1%	0.0%	0.0%	0.00%	0.00%	-	0.00%	(1.1%)					
Relative pairs																						
		100.0%			40.0%	35.0%	25.0%		28%	8%	95%	0.0%	95.0%	0.0%	0.0%	-	(95.0%)	(100.0%)				
Risk budgeting parameters										No. positions		-			-							
Max crypto exposure (excl. cash)												95.00%	Current crypto exp.		0.00%			0.00%				
MAR.Unit												1.00%	Cash		100.00%			100.00%				
Stops: Volatility x												200.00%	Total		100.00%			100.00%				

# Executive Overview:

- **Bonds 10yr**
  - **G7** jumbo cut ?
  - **BRICS** ZA bond yields continue bullish march
- **Fx**
  - **G7** DXY poised on NB support
  - **BRICS** ZAR continues recent advance
- **Equity indices**
  - **G7** Rotation from tech → S&P 493
  - **BRICS** China dragging; SA financials running hard
- **Property**
  - **Global** interest rate sensitives doing well
  - **SA** interest rate sensitives running hard
- **Commodities**
  - **Agri** green shoots?
  - **Energy** OPEC+ ability to manage team discipline in question
  - **Metal sub-indices**
    - Ind metal exchange warehouse inventories falling
    - PGM: testing support absent Chinese demand
    - Prec metal full bull; central banks take up the slack left by retail investors
- **Crypto**
  - Lower lows, lower highs

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