Trading With Intermarket Analysis

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Stockcharts.com
Current Intermarket Relationships

- Ratio Analysis Show Stocks Outperforming Bonds
- Stocks Outperform Commodities
- U.S. Stocks are Global Leaders
- Implications of Stronger Dollar
S&P 500 Started New Secular Uptrend During 2013
Stock/Bond Ratio Broke Major Resistance Line During 2013

S&P 500/Treasury bond ratio

Stock/Bond ratio in major uptrend
Stock/Commodity Ratio Also Turned up During 2013
Firmer Dollar Supports Rising Dow/Gold Ratio
2011 Upturn in Rates Contributed to Gold Peak: 9/10
International Implications of a Rising Dollar

- Favors U.S. over Foreign Stocks
- EAFE and EEM iShares Are Testing Major Resistance
- Euro weakness Hurts stock ETFs
Rising Dollar Favors U.S. Over Foreign Stocks
EAFE iShares Are Testing 2007 Peak
Emerging Markets iShares Test
2007/2011 Resistance Line

EEM Tests Major Resistance Line

EEM:EFA ratio rising
German DAX Outpaces Germany iShares: 9/5

[$DAX$ German DAX Composite (EOD) DEUT
5-Sep-2014
Open 9714.24 High 9774.65 Low 9691.44 Close 9747.02 Chg +22.76 (+0.23%)]

German DAX

Germany iShares (EWG)
Plunging Euro Hurts Performance of Germany iShares
Interest Rate Implications

- Falling German Bond Yields Have Contributed to Lower U.S. Rates
- Two-Year U.S. Yield Hits 3-year High
- Using an ETF to Hedge Negative Effect of Falling Yen
Falling German and U.S. Bond Yields Are Linked: 9/12
Rising U.S. Short-Term Rates Support Dollar Rise: 9/10
Falling Commodities Hurt Canadian and Aussie Dollars: 9/12
The Wisdom Tree ETF Hedges Out the Negative Effect of a Falling Yen
ETFs Revolutionize Intermarket Trading
WHAT INTERMARKET ANALYSIS DOES

- Bridges Gap Between Fundamental, Economic, and Technical Analysis
- Combines All Global Markets into a Unified and Coherent Whole
- Adds a New Dimension to Traditional Technical Analysis