

JP Morgan to dish out \$20bn

Courtesy of Trump tax cuts

The US's biggest investment bank, JP Morgan Chase, said yesterday that money saved from the new tax regime passed recently by the government will be reinvested in its operations over the next five years. Wage rises of between \$15 and \$18 per hour will be given to 22,000 employees; new Chase branches will open in 400 locations and another 4,000 employees will be hired to cover small business lending. CEO Jamie Dimon said, "having a healthy, strong company allows us to make these long-term sustainable investments".

Former JP Morgan CEO and current head of Barclays bank in Davos yesterday told the audience that capital markets have very little capacity to deal with a move in real interest rates, Bloomberg reports. The global economy "seems like we're in a pretty good place right now. But we've got a monetary policy which still seems like it's in the remnants of the depression era".

**Nicole Elliott**



## DAX 30



IG Index chart

Matching October's record high weekly close and not as overbought on the RSI as it was then.

**SHORT TERM TRADER: Square.**

**POSITION TAKER: Square.**

SUPPORT	RESISTANCE
13500	13580
13400	13600
13270	13650
13240	13700



## FTSE 100



IG Index chart

Still struggling at the psychological 7700 and now momentum is no longer bullish.

**SHORT TERM TRADER: Square.**

**POSITION TAKER: Long at 7681; stop below 7645. Target 8000.**

SUPPORT	RESISTANCE
7700	7750
7675	7800
7645	7850
7600	7880



## S&P 500



IG Index chart

Overbought, as it has been all this year, with the usual suspects doing the heavy lifting.

**SHORT TERM TRADER: Square.**

**POSITION TAKER: Square.**

SUPPORT	RESISTANCE
2825	2845
2800	2850
2790	2875
2765	2885



## BRITISH POUND/US DOLLAR



IG Index chart

Increasing bullish momentum as we push on up through the psychological \$1.4000 level and the US dollar has its worst start to the year in decades.

**SHORT TERM TRADER:** Long at 1.3855; stop well below 1.3900. Target 1.4250.

**POSITION TAKER:** Long at 1.3730; stop below 1.3750. Holding out for my second target around 1.4600.

SUPPORT	RESISTANCE
1.3900	1.4050
1.3855	1.4100
1.3800	1.4150
1.3755	1.4200



## EURO/US DOLLAR



*IG Index chart*

Eking out tiny gains as the Japanese yen drops below the psychological 110 per US dollar.

**SHORT TERM TRADER:** Long at 1.2150; stop below 1.2140. Target 1.2575.

**POSITION TAKER:** Long at 1.2200; stop below 1.2100. First target 1.2600, then maybe 1.3000.

SUPPORT	RESISTANCE
1.2210	1.2335
1.2165	1.2400
1.2120	1.2440
1.2010	1.2500



## GOLD



IG Index chart

Breaking above long term trend line resistance because of US dollar weakness.

**SHORT TERM TRADER: Square.**

**POSITION TAKER: Short at 1317 and seriously reviewing the situation; stop above 1360.**

SUPPORT	RESISTANCE
1338	1347
1323	1357
1306	1360
1300	1365



Nicole Elliott is a long-standing Member of the Society of Technical Analysts and has taken over the IC's trading coverage. She is regularly interviewed and quoted by the financial media, is a conference speaker, and author of several books on charting.

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