

The Day So Far

Risk-off has reared it's ugly head once again this morning following poor Japanese data overnight and the fall in crude oil below the \$45 mark. The catalyst for the sharp fall in crude was the Department of Energy's inventories release, which showed that US output actually rose for the first time in months, demonstrating the resilience of US shale producers even though at current prices many of these wells are unprofitable. Initially, the market responded positively to the headlines drawdown in supply, briefly popping above the \$47 handle before collapsing \$2 to close the session below \$45. So far this morning crude has traded below \$45, but good support lies at \$44. The implications are clear for equities, as falling crude is being interpreted as a bearish signal for the global economy, rather than what it really is, which is a battle between OPEC and the private producers for market share. Crude oil demand has remained fairly steady in recent months but supply has failed to decline thus far.

The other thing rattling markets is the fallout from the VW scandal, with other European automakers now being drawn in as the likes of BMW come under the microscope.

The Afternoon View

We'll continue to look for risk-off this afternoon, just initial jobless claims and Durable Goods Orders on the agenda this afternoon and unlikely to hinder the bearish momentum we've been building this morning. Short S&P, short crude, dollar strength and safe haven flows into T notes. Janet Yellen will be attempting to justify her very dovish, cautious outlook at last week's FOMC when she delivers a lecture after markets close. Until then, look for bears to dominate.

Key Headlines

Market Sentiment: Bearish

- German IFO slightly better than expected
- VW scandal draws in other European automakers

Major Data Releases

Data	Expected	View
Initial Jobless Claims W/W	272k	inline
Durable Goods Orders (Aug)	-2.30%	Higher
Durable Goods Ex Transportation	0.10%	Higher

Strategy	Short
Entry	1945.25
1 st Target	1928.00
2 nd Target	1910.50
Stop	1948.75

Key Levels	Comments
1959.25	R2
1948.75	Support of 21 st
1945.25	R1
1928.00	Pivot
1914.00	S1
1910.50	Low of 22 nd

THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information

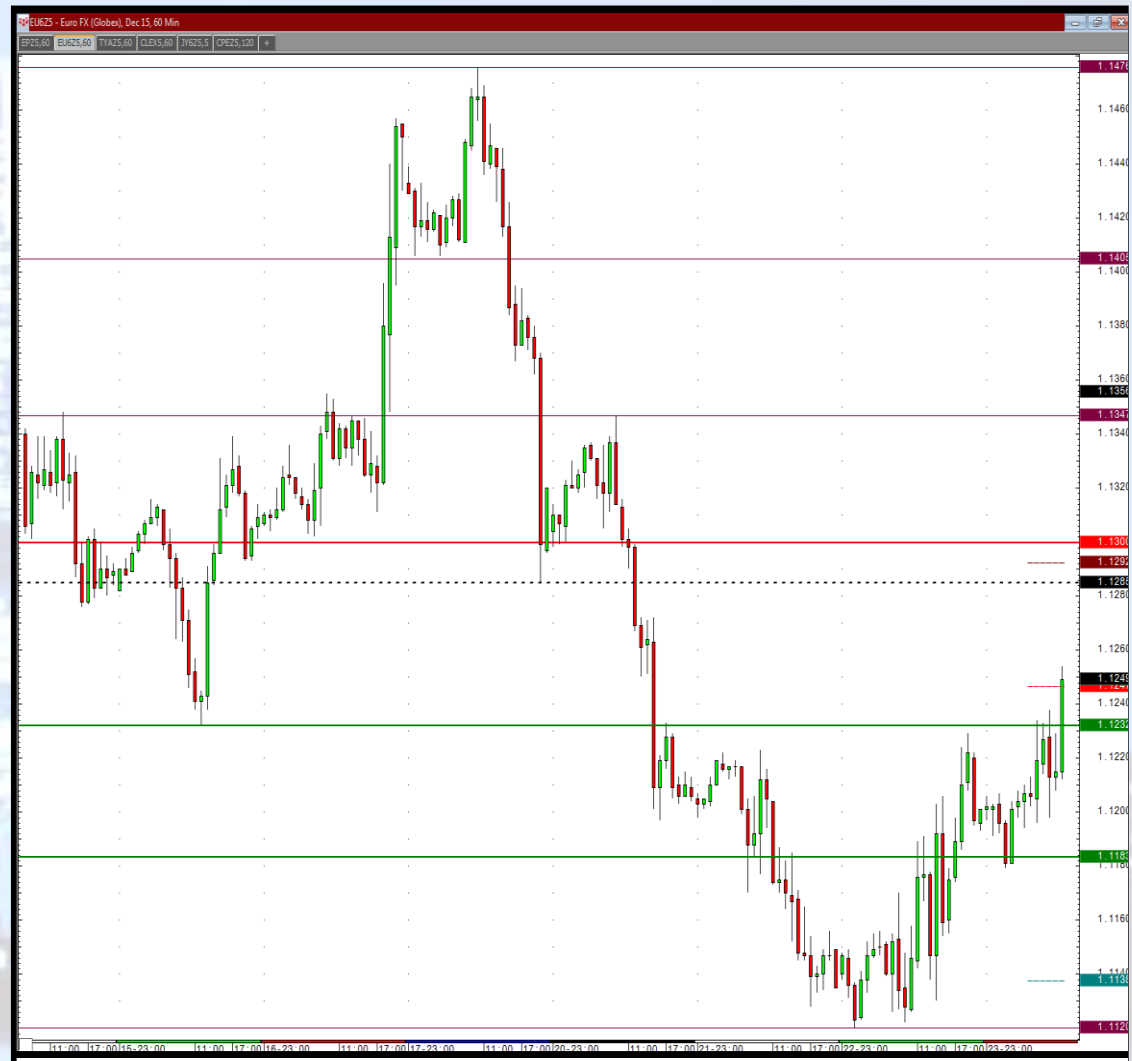


Strategy	Short
Entry	1.1285
1st Target	1.1232
2nd Target	1.1183
Stop	1.1300

Key Levels	Comments
1.1300	Handle Resistance
1.1292	R2
1.1285	Low of 18 th
1.1247	R1
1.1232	Low of 16 th
1.1183	Pivot
1.1138	S1

THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information



Strategy	Long
Entry	127.215
1 st Target	128.005
2nd Target	128.110
Stop	127.175

Key Levels	Comments
128.110	High of 22 nd
128.075	R1
128.005	Pivot & High of 18 th
127.215	S1
127.175	Support on 14 th
127.140	S2

THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information



Strategy	Short
Entry	45.39
1st Target	44.59
2nd Target	44.00
Stop	45.58

Key Levels	Comments
47.15	Yesterday's High
46.36	S1
45.58	Support on 21 st
45.39	Pivot
44.59	Low of 18 th
44.00	Handle Support
43.62	S1

THERE IS SUBSTANTIAL RISK IN TRADING. A LOSS INCURRED IN CONNECTION WITH FUTURES TRADING CAN BE SIGNIFICANT. AMPLIFY TRADING MAKES NO CLAIMS WHATSOEVER REGARDING PAST OR FUTURE PERFORMANCE. ANY STRATEGY IS FOR EDUCATIONAL PURPOSES ONLY

Please see page 5 for more information



Disclaimer

Vasilis Ntiskos

Senior Analyst

Email: vasilis.ntiskos@amplifytrading.com

Bill Norman

Senior Analyst

Email: bill.norman@amplifytrading.com

Amplify Trading is a Limited company registered in England and Wales. Registered number:6798566. Registered address: 18 St. Swithin's Lane, Ground Floor, City of London, EC4N 8AD. Information or opinions provided by Amplify Trading or the individuals listed above should not be used for investment advice and do not constitute an offer to sell or solicitation of an offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. This research does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Supporting documentation will be supplied upon request.

No part of this material may be (i) copied, photocopied or duplicated in any form by any means or (ii) redistributed without the prior written consent of Amplify Trading Ltd.