

Morning Commentary for January 21, 2025

Good morning,

Yesterday's trading day was dominated by Trump's inauguration, with US stock markets closed for the holiday, meaning that Europe had to find its own impetus for trading. And so the markets were very subdued until the early afternoon, when a report in the Wall Street Journal stating that Trump would not implement any new tariffs on the day of his inauguration catapulted the indices upwards once again and brought a little more movement to the stock markets. According to experts, the lack of new tariffs on Trump's first day in office does not mean that he will not still do so, but the article, according to Reuters, fueled hopes that Trump's tariff policy will ultimately be more pragmatic than his verbal statements suggested.



FDAX March contract daily chart

This morning, the future (FDAX) another all-time high at 21,192 points, but then initially fell to the previous daily low of 20,987 points before consolidating just above the 21,000 point level. According to some of the traders surveyed, the number of market players who see the probability of a reaction to the recent gains increasing significantly is growing. The reasons given are the high exaggeration in the price movement, especially last Friday, and from a technical point of view, the argument is that the market is overheated. In this context, we adjust the calculated correction potentials (reaction targets) as follows:

Minimum correction:	20.848 / 20.796
Normal correction:	20.671
Maximum correction:	20.546 / 20.504

The minimum correction is seen as a potential first reaction target, although it should be noted that the true extent of the expected reaction will provide an indication of the currently prevailing momentum.

Possible technical support on the basis of the daily chart can only be derived from 20,729 points and lower, so that the first calculated reaction target also dominates from this perspective. We define analytically thinner marks, which can be derived from the 60-minute chart, in the areas around 21,050 points as the upper limit of the interim consolidation valid until the report of the US press, a level around 20,980, which was confirmed this morning in its analytical meaningfulness, below which only again from 20,830 and lower, which also brings the calculated minimum correction into focus as the dominant possible target level.

I wish us all a successful trading day! Uwe Wagner

For those interested in short-term trading:



Future-Sniper: Das Handbuch für kurzfristig orientierten Future-Handel
von Uwe Wagner | 1. Juni 2024

Kindle
0,00 € Kindle Unlimited
Kostenlos mit Kindle Unlimited-Mitgliedschaft [Erfahre mehr](#)
Sofort lieferbar
oder für 29,90 € kaufen

Taschenbuch
43,00 €
 **prime**
GRATIS Lieferung Di., 29. Okt.