



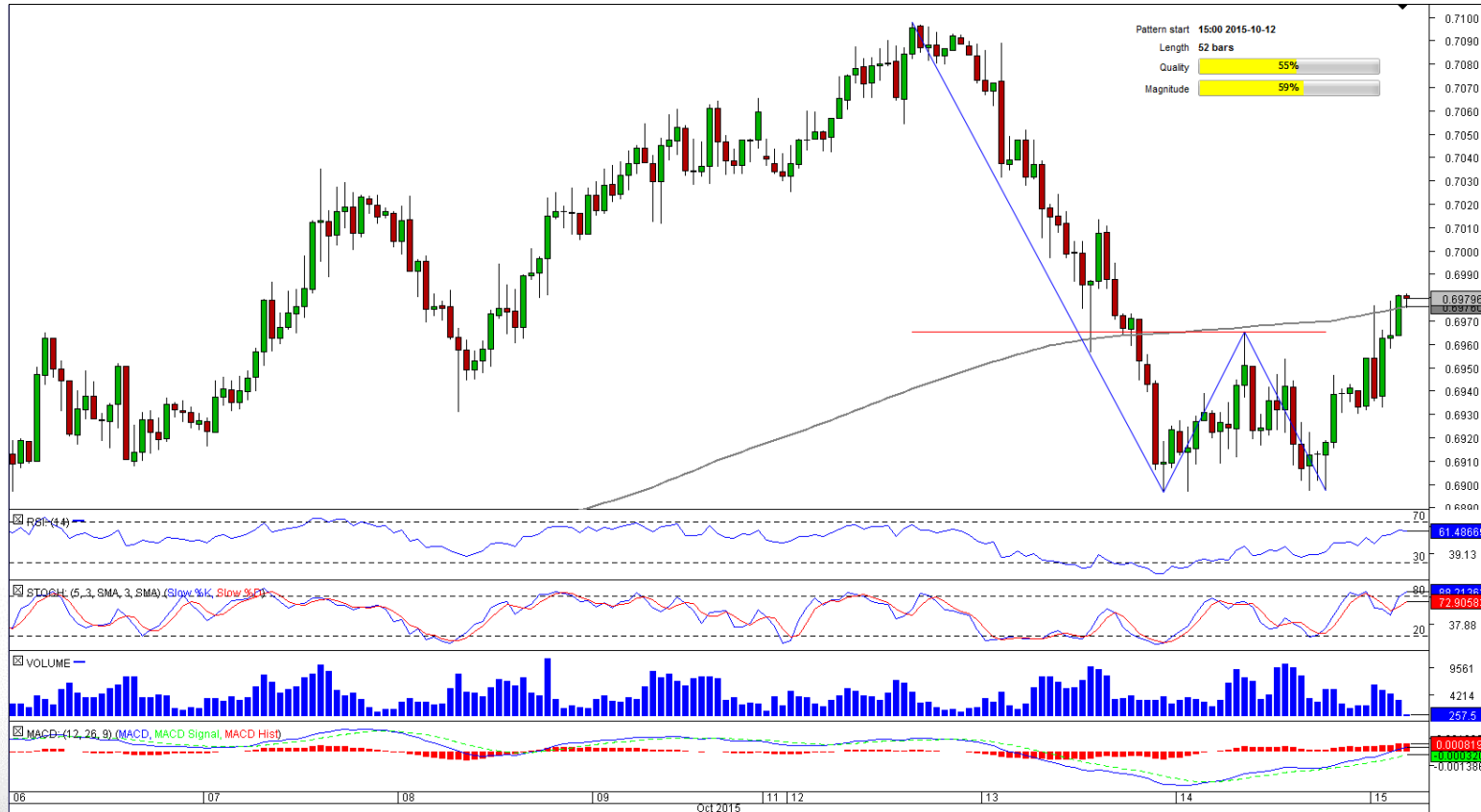
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Trade Pattern Ideas

AUD/CHF 1H Chart: Double Bottom



Comment: Our bias towards AUD/CHF for today is strongly bullish, even though the technical indicators at the moment are mixed. The currency pair has just broken through the neck-line of the double bottom, and by the end of Thursday the price of the Australian Dollar is likely to increase by 70 pips, which is the distance between the neck-line and the Oct 13 low. The target coincides with the daily R3 level, which is currently standing at 0.7039. In case the Aussie preserves bullish momentum after hitting the target, the next objective could be 0.7097, namely the October 12 high. Meanwhile, the sentiment among the SWFX market participants is distinctly positive: 74% of all open positions are long.

	Level	Rationale
Resistance 4	0.7097	Oct 12 high
Resistance 3	0.7039	Daily R3
Resistance 2	0.7002	Daily R2
Resistance 1	0.6989	Weekly PP
Support 1	0.6970	Daily R1; 200-hour SMA; neck-line
Support 2	0.6933	Daily PP
Support 3	0.6912	Weekly S1
Support 4	0.6900	Daily S1; Oct 12 low

Indicator/Period	1H	4H	Day
MACD (12; 26; 9)	Buy	Sell	Sell
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3)	Sell	Sell	Neutral
ADX (14)	Buy	Sell	Neutral
CCI (14)	Sell	Neutral	Neutral
AROON (14)	Buy	Sell	Buy
Alligator (13; 8; 5)	Neutral	Sell	Buy
SAR (0.02; 0.2)	Buy	Buy	Buy

CHF/JPY 4H Chart: Channel Up



Comment: In the lower time-frames (H1) going long in CHF/JPY might seem to be a good idea, but the H4 chart suggests a decline is more likely. The pair has just encountered an upper boundary of an emerging channel, which is also reinforced by the monthly R1 level. Accordingly, we expect a sell-off from here, especially considering the weekly technical studies. The immediate support is at 124.54, but a serious test of the bearish momentum will be at 123.70, where the monthly PP merges with the weekly S1 and 200-period SMA. Correction should start near the lower edge of the pattern, namely circa 122.70. At the same time, SWFX sentiment is negative: 74% of positions are shorts.

	Level	Rationale
Resistance 4	127.46	Monthly R2
Resistance 3	126.82	Weekly R2; up-trend
Resistance 2	125.94	Weekly R1
Resistance 1	125.40	Monthly R1; up-trend
Support 1	125.20	Up-trend
Support 2	124.54	Weekly PP
Support 3	123.70	Weekly S1; monthly PP; 200-period SMA
Support 4	122.70	Up-trend

Indicator/Period	4H	Day	Week
MACD (12; 26; 9)	Sell	Buy	Sell
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3)	Neutral	Neutral	Neutral
ADX (14)	Neutral	Neutral	Sell
CCI (14)	Sell	Sell	Neutral
AROON (14)	Buy	Buy	Sell
Alligator (13; 8; 5)	Buy	Neutral	Sell
SAR (0.02; 0.2)	Buy	Buy	Sell



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