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RESEARCH PRODUCTS

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**Trade Pattern Ideas**

# NZD/USD 4H Chart: Channel Up



**Comment:** NZD/USD has managed to rebound from 0.66, thus keeping the bullish channel intact. However, the currency pair is now facing a tough resistance area at 0.6770/40, which consists of the weekly and monthly R1s in addition to the latest highs. Still, considering that the four-hour and daily indicators are pointing north, the price should eventually climb higher. If this is the case, the next target will be the upper edge of the pattern. At the same time, a close beneath 66 cents will imply continuation of the sell-off, potentially down to 0.6350, namely the January low. Meanwhile, the sentiment is on the verge of becoming bullish, as 55% of traders are long and 45% are short the Kiwi.

	Level	Rationale
Resistance 4	0.7077/46	Weekly R3; monthly R2
Resistance 3	0.6916/0.6883	Weekly R2; Oct and Dec highs
Resistance 2	0.6840	Up-trend
Resistance 1	0.6772/41	Weekly and monthly R1s; Feb 5 and 11 highs
Support 1	0.6611/0.6586	Weekly PP; up-trend; 200-period SMA; Feb 11 low
Support 2	0.6557	Monthly PP
Support 3	0.6468	Weekly S1
Support 4	0.6348	Jan low

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

# EUR/NZD 1H Chart: Channel Up



**Comment:** Although the New Zealand Dollar is set to appreciate against the Greenback, it seems the currency will underperform the Euro. The pair has just confirmed the lower trend-line of the channel, meaning we are highly likely to see a rally towards 1.7275, where the upper boundary of the pattern is reinforced by the January high. Alternatively, if the bears manage to push the price under the green trend-line, the February 11 low, the 200-hour SMA, and the weekly PP, the outlook will be changed to bearish with the new objective at 1.0515, which is the February 3 low. As for the sentiment, a majority of market participants prefer to hold long positions, namely 61% of them.

	Level	Rationale
Resistance 4	1.7276	Jan high; up-trend
Resistance 3	1.7167/34	Daily R1; weekly R2
Resistance 2	1.1012	Weekly R1
Resistance 1	1.6960	Daily PP
Support 1	1.6820/1.6793	Feb 11 low; up-trend; 200-hour SMA
Support 2	1.6763	Weekly PP
Support 3	1.6693	Daily S1
Support 4	1.6608	Daily S3

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



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