DUKASCOPY
RESEARCH PRODUCTS

Trade Pattern Ideas

GBP/USD 4H Chart: Broadening Falling Wedge

Pattern start   18:00 2015-12-11
Length   420 bars
Quality   70%
Magnitude   93%

Comment: The overall outlook for the GBP/USD pair is bullish, even though technical studies in the long-term are unable to confirm this. The pair formed a falling wedge pattern since the beginning of 2016, which mostly implies a breakout to the upside. However, because the wedge is broadening, there is still room for a decline, just as technical indicators suggest. The first target is the March 16 low at 1.4051, which is somewhat reinforced by the monthly S1. A breach of this area is likely to set the pair on a bearish path towards the monthly S2, closer to the wedge's support line, after which a recovery towards the pattern's resistance line is to take place. The Sterling is somewhat overbought, as 67% of all open positions are long.

	Level	Rationale
R4	1.4667	Feb high
R3	1.4609/15	Weekly R2; monthly R1
R2	1.4421/55	Weekly R1; down-trend
R1	1.4271/74	Weekly PP; 100-period SMA
S1	1.4260/45	Monthly PP; 55-period SMA
S2	1.4195	200-period SMA
S3	1.4082	Weekly S2
S4	1.4051/05	March 16 low; monthly S1

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

# 📈 CAD/CHF 1H Chart: Channel Down

Comment: The Canadian Dollar has been declining against the Swiss Franc since the middle of the previous month within the borders of the descending channel. Furthermore, ever since the channel's upper border was confirmed on the 31st of March, the CAD/CHF has been rather rapidly moving towards the lower border, putting it to the test last Friday. Impetus received there was insufficient to jump back up towards 0.7440, namely the channel's resistance line; therefore, we expect another retest of the lower boundary by the end of the day, unless demand at 0.7308 (the weekly S1) triggers a buying spree. Meanwhile, technical studies are in favour of the bearish outcome, while 74% of all open positions are short.

Pattern start 08:00 2016-03-17
Length 270 bars
Quality 65%
Magnitude 73%

	Level	Rationale
R4	0.7396	Daily R2
R3	0.7381/86	100 and 200-hour SMAs; weekly PP
R2	0.7365	Daily R1
R1	0.7347/51	Daily PP; 55-hour SMA
S1	0.7316/08	Daily and weekly S1s
S2	0.7298/93	Daily S2; down-trend
S3	0.7267	Daily S3
S4	0.7224	Weekly S2

Indicator	1H	4H	Day
MACD (12; 26; 9)	Buy	Sell	Sell
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3)	Neutral	Buy	Buy
ADX (14)	Neutral	Sell	Neutral
CCI (14)	Neutral	Buy	Buy
AROON (14)	Sell	Sell	Sell
Alligator (13; 8; 5)	Sell	Sell	Buy
SAR (0.02; 0.2)	Sell	Sell	Sell
Aggregate	↘	↘	→
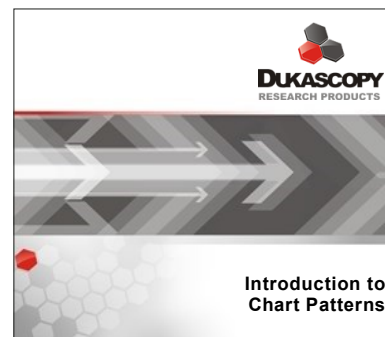
DUKASCOPY
Swiss Forex Bank & Marketplace

Fundamental Analysis	Technical Analysis	Press Review	Market Research
Expert Commentary	Dukascopy Bank Sentiment Index	Trade Pattern Ideas	Global Stock Market Review
Commodity Overview	Economic Research	Dukascopy Aggregate Technical Indicator	Introduction to Chart Patterns

Dukascopy Bank SA, Route de Pre-Bois 20, International Center Cointrin, Entrance H, 1215 Geneva 15, Switzerland tel: +41 (0) 22 799 4888, fax: +41 (0) 22 799 4880   research@dukascopy.com