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11/03/2016



Trade Pattern Ideas

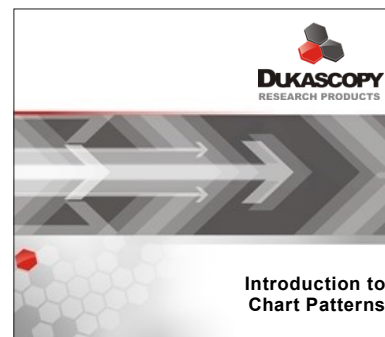
NZD/CAD 4H Chart: Broadening Falling Wedge



Comment: The New Zealand Dollar has been declining against its Canadian counterpart since the beginning of 2016, trading in a broadening falling wedge. The pair recently confirmed the wedge's support line and is now aiming to reach the upper boundary circa 0.93. However, daily technical studies suggest the exchange rate is to put the lower border to the test, but a breach is unlikely, as it is reinforced by the monthly S1. A strong resistance area is located around 0.9065 area, which can prevent the Kiwi from outperforming the Loonie. Nonetheless, the longer-term outlook is bullish, at least until price hits the 0.93 mark. Meanwhile, market sentiment is somewhat bearish, as 53% of traders currently hold short positions.

	Level	Rationale
R4	0.9071/0.9105	Monthly PP; 200-period SMA
R3	0.9020/36	Weekly PP; 100-period SMA
R2	0.8972	55-period SMA
R1	0.8919	Weekly S1
S1	0.8790	Down-trend
S2	0.8754/50	Weekly S2; monthly S1
S3	0.8654	Weekly S3
S4	0.8568	Monthly S2

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



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