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**Trade Pattern Ideas**

# NZD/USD 4H Chart: Channel Up



**Comment:** In the short run the Kiwi is bearish, as it has just bounced off of resistance line, but in the longer-term perspective we consider the outlook to be positive. NZD/USD is expected to end the current downward correction near 0.67 and then resume the rally the pair started in mid-November. After surpassing the December 15 high the next potential target could be 0.69, namely the October high. On the other hand, in case of a dip through 0.67 the bulls will still have a good opportunity to recuperate around 0.66, being that this support is created by the weekly S1, monthly PP and the long-term moving average. At the same time, the New Zealand Dollar is oversold—62% of open positions are short.

	Level	Rationale
Resistance 4	0.6900	Weekly R2; Oct high
Resistance 3	0.6850	Up-trend
Resistance 2	0.6826/10	Weekly R1; Dec 15 high
Resistance 1	0.6771	Monthly R1
Support 1	0.6700/0.6994	Weekly PP; down-trend
Support 2	0.6614/00	Weekly S1; monthly PP; 200-period SMA
Support 3	0.6509/0.6490	Weekly S2; support level
Support 4	0.6430/00	Weekly S3; monthly S1; Nov low

Indicator/Period	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)	Buy	Buy	Buy
Alligator (13; 8; 5)	Buy	Buy	Sell
SAR (0.02; 0.2)	Buy	Buy	Buy

# EUR/JPY 1H Chart: Channel Down



**Comment:** The bearish pattern we have spotted at the end of the previous week continues to develop. Since last Friday EUR/JPY has managed to confirm both trend-lines forming the channel. Consequently, we expect the price to top out at 133.50 and give way for a new bearish wave that could potentially extend down to 132 yen. Alternatively, if the indicators turn out to be true and the rate jumps above the falling trend-line and the 200-hour SMA, the bulls will likely push the pair up to the level of 134 yen, where resistance is represented by the weekly R1 and some of the recent highs. Meanwhile, the SWFX sentiment is slightly bearish—57% of positions are short.

	Level	Rationale
Resistance 4	134.30	Daily R3
Resistance 3	134.13	Resistance level
Resistance 2	133.95/91	Daily R2; weekly R1
Resistance 1	133.53/47	Daily R1; Dec 15 high; down-trend; 200-hour SMA
Support 1	133.29	Weekly PP
Support 2	133.08	Daily PP
Support 3	132.64	Daily S1
Support 4	132.44/36	Weekly S1; Dec 14 low

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





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