



DUKASCOPY
RESEARCH PRODUCTS

15/04/2016



Trade Pattern Ideas

GBP/AUD 4H Chart: Channel Down

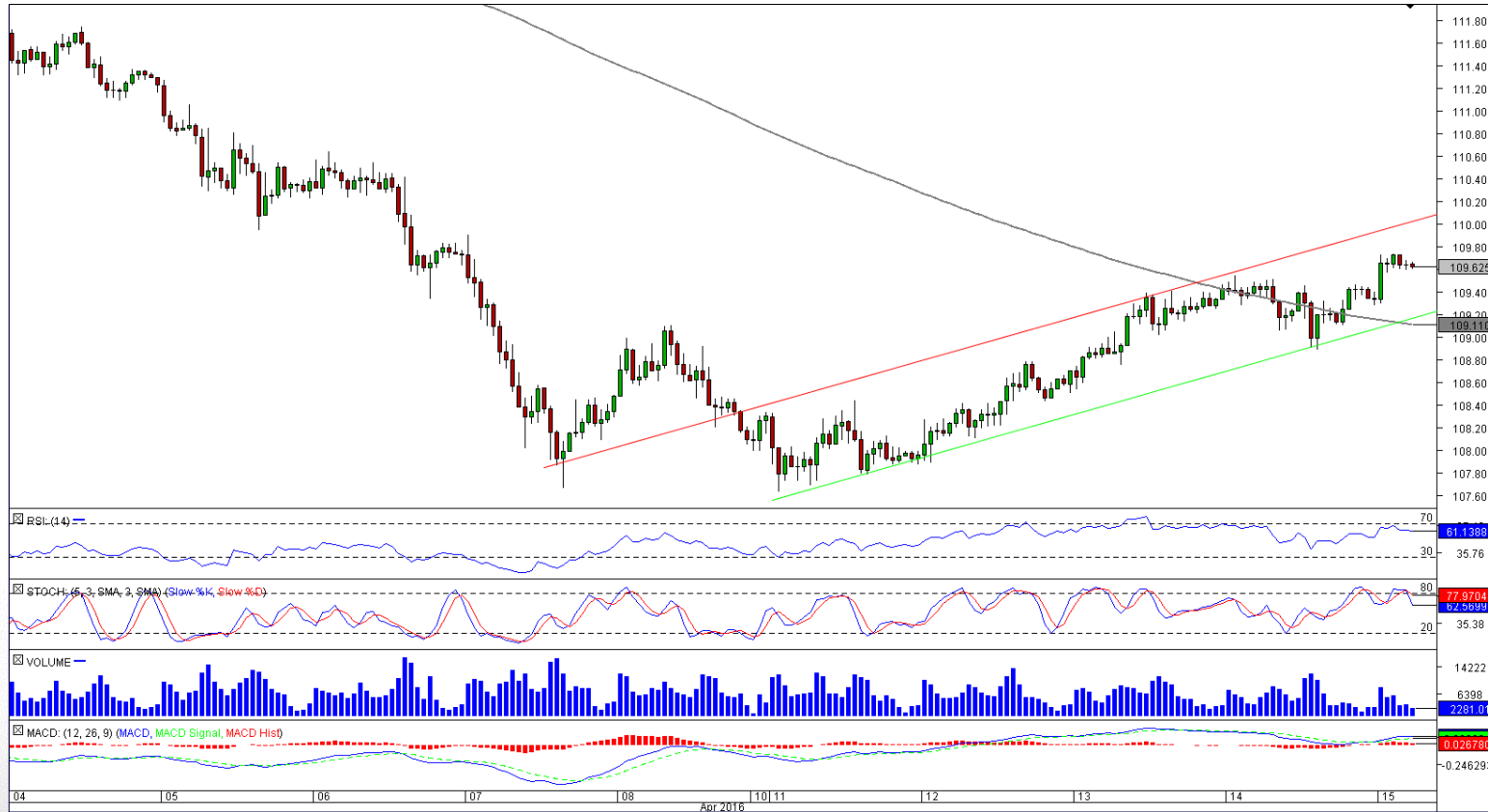


Comment: The near-term outlook on GBP/AUD is strongly positive after the Sterling followed the bearish scenario described on Tuesday. Although the pair has formed a high-quality descending channel, right now the price is testing the lower boundary of the pattern. As if it were not enough, this trend-line is reinforced by the monthly S1 and 2015 low. As a result, we are not only bullish in the short run, but also consider the medium-term outlook as mixed, being that after confirming support at 1.8350 GBP/AUD could potentially exit the pattern to the upside. However, the rally might have trouble passing through the 1.90-1.89 area, which, among others, consists of the 200-period SMA and monthly pivot point.

	Level	Rationale
R4	1.8900/1.8856	Weekly R1; 200-period SMA; Apr 11 high
R3	1.8800	Down-trend
R2	1.8704	Weekly PP
R1	1.8516	Weekly S1
S1	1.8365/23	Weekly S2; monthly S1; 2015 low; down-trend
S2	1.8135	Weekly S3
S3	1.7973	Monthly S2
S4	1.7859	Nov 2014 low

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





Comment: The currency pair is currently undergoing a correction phase within the bullish channel after plunging 4.5 yen since the beginning of the month. Accordingly, the bears should eventually retake control of the pair, but for the time being there is a good chance the rate will rise, especially considering that the hourly and four-hour technical indicators are mostly pointing north. In addition, there is a strong demand zone between 109.30 and 109.00, being that it is created by the lower boundary of the pattern together with the weekly pivot point and 200-hour SMA. The distribution between the bulls and bears, however, favours a sell-off, being that 72% of positions are already long and 28% are short.

	Level	Rationale
R4	110.71	Weekly R1
R3	110.33	Daily R3
R2	110.00/109.93	Daily R2; up-trend
R1	109.68	Daily R1
S1	109.29/19	Daily and weekly PP; up-trend
S2	109.11/03	Daily S1; 200-hour SMA
S3	108.89	Apr 14 low
S4	108.64	Daily S2

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



Newest releases and archive:

- Fundamental Analysis
- Technical Analysis
- Press Review
- Market Research
- Expert Commentary
- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

Additional information:

- Dukascopy Group Home Page
- Market News & Research
- FXSpider
- Live Webinars
- Dukascopy TV
- Daily Pivot Point Levels
- Economic Calendar
- Daily Highs/Lows
- SWFX Sentiment Index
- Movers & Shakers FX
- Forex Calculators
- Currency Converter
- Currency Index
- CoT Charts

Social networks:



Disclaimer

Everything in this article, including opinions and figures, is provided for informational purposes only and may not be interpreted as financial advice or solicitation of products. Dukascopy group assume no responsibility for the completeness or the accuracy of any data contained in this article. Financial figures indicated in this article have not been verified by the Dukascopy group. Views, opinions and analyses are those of the author of the article, and are not endorsed by the Dukascopy group.

Dukascopy group waive any and all warranties, express or implied, regarding, but without limitation to, warranties of the merchantability or the fitness for a particular purpose, with respect to all information in this article. Dukascopy group shall under no circumstances be responsible for any direct, indirect, consequential, contingent or any other damages sustained in connection with the use of this article.