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Trade Pattern Ideas

NZD/USD 4H Chart: Channel Down



Comment: NZD/USD's outlook is bearish. The pair is currently trading near the 19-month resistance trendline, which implies that any attempts of appreciation are to be prevented by 0.6690. At the same time, this suggests that the nearby support lines (at 0.6590 and at 0.64) should eventually be broken to the downside, even if they trigger some buying in the short term. Meanwhile, if the price somehow manages to close above 67 cents, the first target will be the monthly R1 and Feb 5 high at 0.6770/50, followed by a combination of the last year's Oct and Dec peaks at 0.6900/0.6880. As for the sentiment, the SWFX traders are divided regarding Kiwi's prospects: 55% are long and 45% are short.

	Level	Rationale
Resistance 4	0.6767/54	Monthly R1; Feb 5 high
Resistance 3	0.6728	Weekly R1
Resistance 2	0.6690	Down-trend
Resistance 1	0.6646	Weekly PP
Support 1	0.6590	Up-trend
Support 2	0.6562/45	Monthly PP; down-trend; 200-period SMA
Support 3	0.6469	Weekly S2
Support 4	0.6400	Up-trend

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)	Neutral	Buy	Sell
SAR (0.02; 0.2)	Buy	Buy	Sell

AUD/SGD 4H Chart: Channel Down



Comment: AUD/SGD is set for a decline both in the short and long terms. The currency pair has just met the upper bound of the descending channel and is thus expected to head towards the lower bound next, namely the 0.9650/00 area. The rallies are to be limited by 1.0100/1.0050 (down-trend, monthly PP, and Feb 17 high), but if the bulls keep pushing the price higher, 1.04 will become the new objective. There we have the highest levels since August and December of 2015. A good 'sell' opportunity is also implied by the positioning of market participants, as the Aussie is currently overbought to a significant extend—as many as 74% of open positions are long.

	Level	Rationale
Resistance 4	1.0176/75	Weekly R2; Feb 3 high
Resistance 3	1.0107/02	Monthly PP; Feb 17 high
Resistance 2	1.0075/60	Weekly R1; down-trend
Resistance 1	1.0017	200-period SMA
Support 1	0.9889	Weekly PP
Support 2	0.9832	Monthly S1
Support 3	0.9773	Weekly S1
Support 4	0.9720	Feb 11 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	Neutral
CCI (14)	Neutral	Neutral	Neutral
AROON (14)	Buy	Sell	Sell
Alligator (13; 8; 5)	Buy	Sell	Sell
SAR (0.02; 0.2)	Sell	Buy	Sell



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