



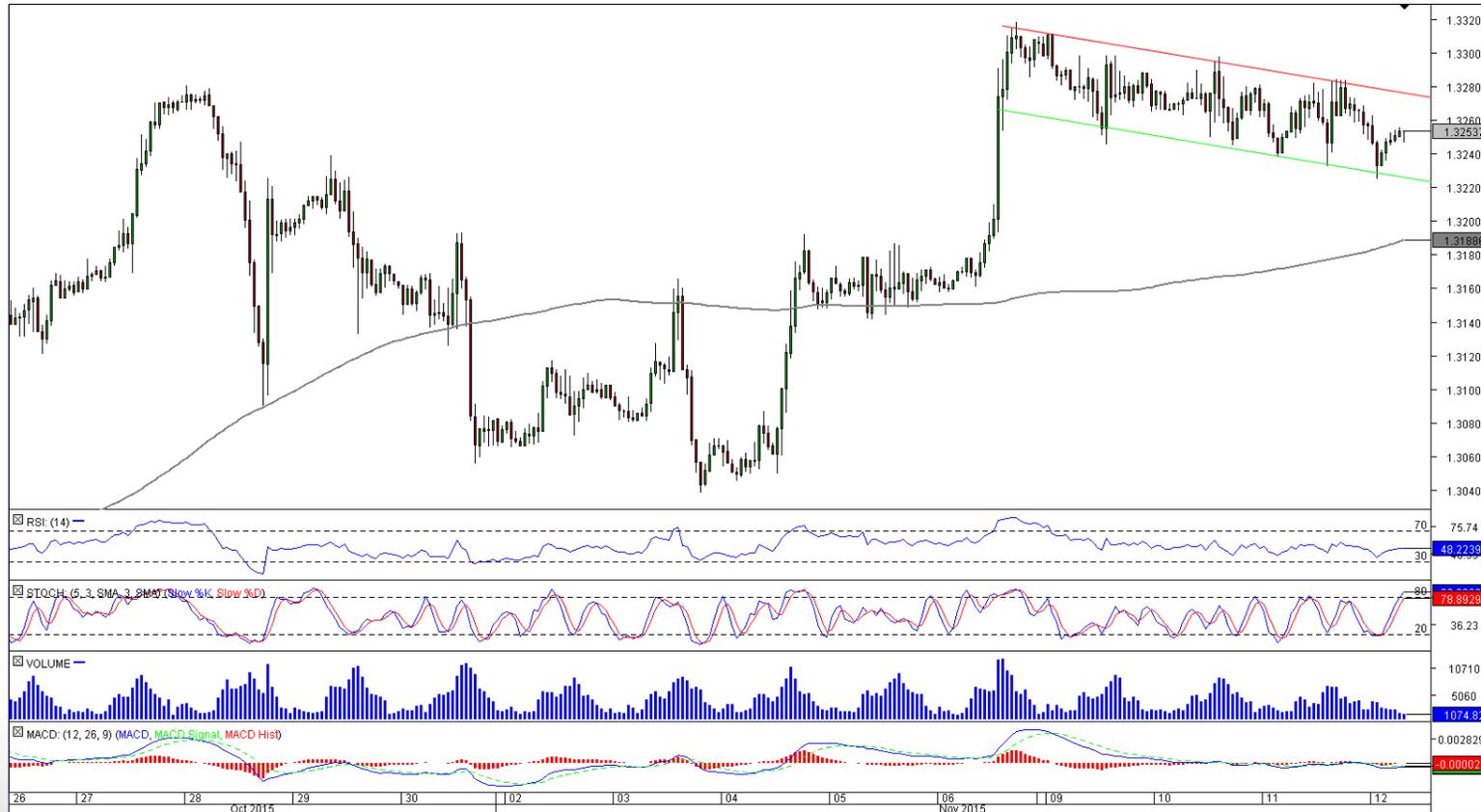
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Trade Pattern Ideas

USD/CAD 1H Chart: Channel Down

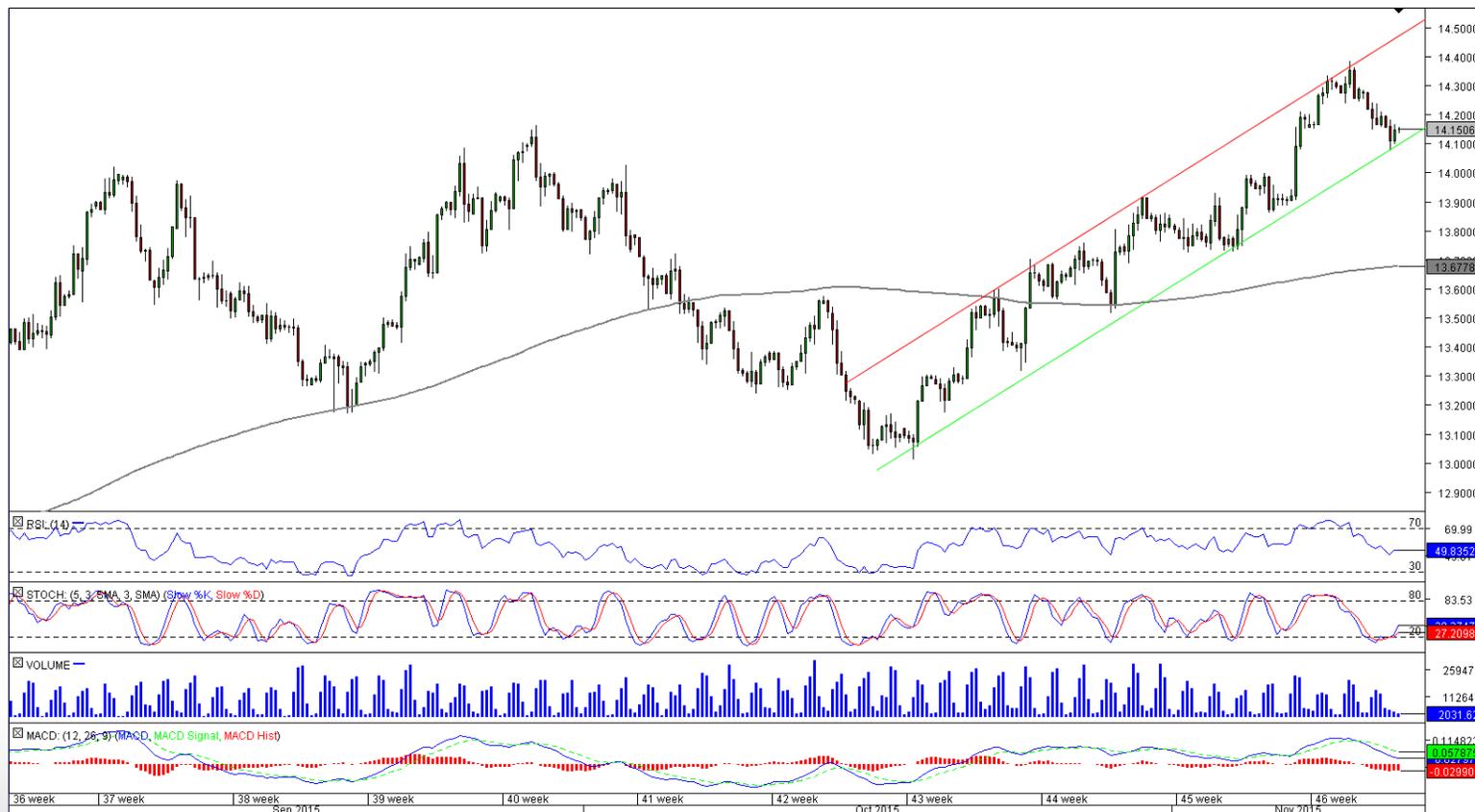


Comment: We hold a negative bias towards USD/CAD in the near term, being that the currency pair has formed a bearish channel. The pattern implies that the upside is limited by the resistance trend-line at 1.3275, while upward correction is to be expected near the lower boundary of the channel at 1.3225, which is also reinforced by the monthly PP and Nov 11 low. Once the latter level is out of the way, the 200-hour SMA at 1.3186 will become the next objective. On the other hand, if the price breaches 1.3275, the outlook will be changed to bullish, and the new target will be the Nov 6 high at 1.3315. Meanwhile, the SWFX market is somewhat oversold, as 57% of open positions are short.

	Level	Rationale
Resistance 4	1,3315	Daily R2; Nov 6 high
Resistance 3	1,3289	Daily R1
Resistance 2	1,3275	Down-trend
Resistance 1	1,3260	Daily PP
Support 1	1,3237	Daily S1
Support 2	1,3225	Weekly PP; Nov 11 low; down-trend
Support 3	1,3209	Daily S2
Support 4	1,3186	Daily S3; 200-hour SMA

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

USD/ZAR 4H Chart: Channel Up



Comment: There is a good chance the US Dollar will keep outperforming South African Rand in the future. The currency pair has formed a bullish channel, and most of the daily and weekly technical indicators are pointing north. USD/ZAR is expected to bottom out around 14.10 and start a new bullish wave that is to surpass the Nov 10 high.

Alternatively, in case the bears manage to push the price beneath the rising support line, the sell-off will likely extend down to the Nov 2 low and 200-period SMA at 13.70. Meanwhile, the SWFX market is overcrowded with bears, who take up three thirds of the market, and this is an additional argument in favour of a rally.

	Level	Rationale
Resistance 4	14,6300	Monthly R2
Resistance 3	14,5236	Weekly R2; up-trend
Resistance 2	14,3600	Weekly R1; Nov 10 high
Resistance 1	14,2414	Monthly R1
Support 1	14,1000	Up-trend
Support 2	14,0408	Weekly PP
Support 3	14,8721	Weekly S1
Support 4	13,7000	Nov 2 low; 200-period SMA

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



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