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EUR/USD GBP/USD USD/JPY XAU/USD



Technical Analysis

EUR/USD sets eye on recent lows at 1.09



"If we get good numbers this week, and we get more hawkish comments, then I think the dollar will resume some of its strength."

- Mizuho Bank Ltd. (based on Bloomberg)

Pair's Outlook

EUR/USD pierced through the weekly PP at 1.0998 yesterday, thus reopening the next support zone for bears. They are going to focus on the 1.09 level, which is guarded by the weekly S1 and Oct 28-29 lows. Success here will allow for a sell-off to extend down to the 1.08 area in the nearest future, where May/July lows coincide with the weekly S2. Alongside, rallies are still expected to be capped by the up-trend and 200-day SMA at 1.1070 and 1.11, respectively. On Wednesday EUR/USD's movements will highly depend on a bunch of US statistics including the ADP employment report.

Traders' Sentiment

Bulls regained the majority of open positions in the SWFX market, namely 51% of them, while commands to buy the Euro in 100-pip range from the spot climbed from 39% to 48%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	2%	-2%	2%	1%
Orders (±50 pips)	2%	-26%	-18%	-3%
Orders (±100 pips)	-4%	-22%	-20%	-9%

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

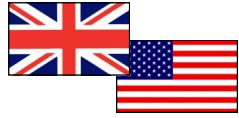
EUR/USD Daily Chart Current price: 1.0955



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.1100			
1.1070			
1.0998			
1.0901	1.13		
1.0818		1.11	
1.0768			1.12
	1.09		
		1.07	
	1.06		1.07
		1.05	
			1.03

	Level	Rationale
■ Resistance 3	1.1100/10	Weekly R1; 200 and 20-day SMAs
■ Resistance 2	1.1070	Up-trend
■ Resistance 1	1.0998	Weekly PP
■ Support 1	1.0901	Weekly S1
■ Support 2	1.0818/1.0799	May and July lows; weekly S2
■ Support 3	1.0768	Monthly S1

GBP/USD risks falling under 1.54



"But I think the market is focused on (the fact that) yields keep rising in the U.S., and that's leading to expectations for (nonfarm) payrolls on Friday and more expectations of the Fed and U.S. growth. And what we do see for U.S. growth is consumption remains quite strong."
- Citigroup (based on Reuters)

Pair's Outlook

Even though the Sterling appreciated against the US Dollar, the pair gained only four pips. The tough cluster around 1.5360 helped the Cable to recover from intraday losses and remain afloat. A breach of the given demand area is likely to trigger a sell-off all the way towards the up-trend (currently around 1.5210), in which the GBP/USD has been trading since April. Meanwhile, the 100-day SMA keeps providing immediate resistance around 1.5475, but is unlikely to be reached, as the 55-day SMA is on the edge of breaching the 200-day one, thus, triggering a sharp decline in the medium-term.

Traders' Sentiment

The distribution between bulls and bears is now equal to one, whereas the number of buy orders recovered, rising from 53 to 65%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	0%	4%	10%	6%
Orders (±50 pips)	30%	-20%	28%	1%
Orders (±100 pips)	30%	6%	22%	3%

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

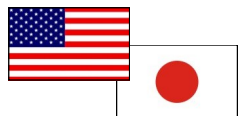
GBP/USD Daily Chart Current price: 1.5419



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.5900			1.59
1.5786		1.58	
1.5673			
1.5559	1.56		
1.5446			
1.5332	1.54	1.54	1.54
1.5218			
1.5105	1.51	1.51	1.51
1.4991			

	Level	Rationale
Resistance 3	1.5568/1.5604	38.20% Fib; monthly R1; weekly R2
Resistance 2	1.5514/15	Bollinger band; weekly R1
Resistance 1	1.5476	100-day SMA
Support 1	1.5378/41	Monthly and weekly PPs; 20, 55 and 200-day SMAs
Support 2	1.5289	Weekly S1
Support 3	1.5239/08	Bollinger band; up-trend

USD/JPY keeps testing the 200-day SMA



"The U.S. is the only one that is ready to hike. The rest of the world is either neutral or dovish. That supports the positive dollar view."

- Credit Suisse (based on Bloomberg)

Pair's Outlook

Although the USD/JPY managed to climb above the 121.00 major level, the 200-day SMA limited the Greenback's gains yesterday. According to short-term indicators, the Buck is poised for another surge, despite having retreated to the opening price (pushed back by the weekly R1) today. The 200-day SMA is still acting as a rather strong resistance, and along with a number of fundamentals, might cause a decline towards the 120.00 cluster. A fresh two-month high is yet to be established, with the next supply target around 121.75, namely the 100-day SMA.

Traders' Sentiment

Bears keep taking up 71% of the market, while the portion of orders to acquire the USD gained seven percentage points to 56%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-42%	-42%	-8%	-8%
Orders (±50 pips)	-4%	-18%	0%	7%
Orders (±100 pips)	12%	-2%	22%	23%

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

USD/JPY Daily Chart Current price: 121.09



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
128			128
127			127
125		125	125
123	123		123
121		122	
121.77			
121.39			
121.07			
120.70			
120.28			
119.23			

	Level	Rationale
Resistance 3	121.77/79	100-day SMA; Bollinger band
Resistance 2	121.39	Weekly R1
Resistance 1	121.07	200-day SMA
Support 1	120.70	Weekly PP
Support 2	120.28/119.91	20 and 55-day SMAs; monthly PP; weekly S1
Support 3	119.23	Weekly S2

Gold slumped to reach 4-month trend-line



"After breaking through trend line support around \$1,119 overnight, the next downside target for gold currently sits around \$1,105."

- MKS Group (based on CNBC)

Pair's Outlook

Bears spent the Tuesday's trading session by actively selling the yellow metal, just before the bunch of US statistics is published later on Wednesday. A perfect trade pushed XAU/USD down to the four-month major trend-line, where the daily closing level was touched at 1,117. Optimistic US fundamentals may result in breaching of this crucial support, which will then expose the Oct low at 1,104 and Sep low at 1,098. In case of a rebound, bulls should target the yesterday's open at 1,133 and keep in mind 100/55-day SMAs at 1,137/39.

Traders' Sentiment

Sentiment with respect to US Dollar worsened in the past 24 hours of trading, while the share of long open positions on gold rose by three percentage points. At the moment both bulls and bears are keeping the equal number of current trades in the SWFX market.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	0%	-6%	4%	3%

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

XAU/USD Daily Chart Current price: 1121.18



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1244		1244	
1233			1225
1150	1150	1148	1150
1145			
1137			
1126			
1117			
1110	1105		
1104			
		1083	
			1062

	Level	Rationale
Resistance 3	1,145/47	Monthly PP; 20-day SMA
Resistance 2	1,137/39	55 and 100-day SMAs
Resistance 1	1,126	Weekly S1
Support 1	1,117	Up-trend
Support 2	1,110/09	Weekly S2; Bollinger band
Support 3	1,104	Oct 5 low

EXPLANATIONS

Signals

- **Buy** – the pair shows a clear uptrend
- **Sell** – the pair shows a clear downtrend
- **Neutral** – no specific trend for the pair

Chart

- **SMA (55)** – Simple Moving Average of 55 periods
- **SMA (200)** – Simple Moving Average of 200 periods

Indicators

- **MACD** – Moving average convergence divergence – momentum indicator
- **RSI** – Relative strength index – compares the magnitude of recent gains to recent losses in attempt to determine ‘overbought’ and ‘oversold’ conditions of the asset
- **Stochastic** – technical momentum indicator that compares a currency pair’s closing price to its price range over a given time period
- **ADX** – Average directional index – trend strength indicators
- **CCI** – oscillator used in technical analysis to help determine when a currency has been overbought or oversold
- **SAR** – trending indicator – shows the direction of a trend
- **AROON** – measures strength of a trend and likelihood that it will continue
- **Alligator** – trending indicator demonstrates presence of a trend and its direction

Forecasts

Third Quartile – separates 25% of the highest forecasts



Second Quartile – the median price based on the projections of the industry

First Quartile – separates 25% of the lowest forecasts



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