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RESEARCH PRODUCTS

03/11/2015

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



Technical Analysis

EUR/USD uncertain ahead of ADP employment



"There's more room for euro depreciation against the yen than the dollar."
- Societe Generale (based on Bloomberg)



Pair's Outlook

EUR/USD showed no signs of volatile development on Monday, being that market participants are waiting for major fundamental impetus to come through in course of the second part of this week. The Euro is underpinned by the weekly pivot point at 1.0998, while one of the most important resistances is represented by the 7-month uptrend line at 1.1067. The bearish scenario seems more likely for the moment. Supported by daily technical studies, bears are targeting the 1.09 mark (Oct 28-29 lows) and a success here will expose the next demand area at 1.08.

Traders' Sentiment

Now the majority of open positions in SWFX market is held by bears (51%). Moreover, the number of long orders in 100-pip range from the spot continued to drop, down from 44% to 39% on a daily basis.


Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-2%	6%	0%	-1%
Orders (±50 pips)	-26%	0%	-6%	-1%
Orders (±100 pips)	-22%	-12%	-10%	-7%

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

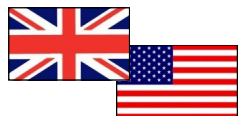
EUR/USD Daily Chart Current price: 1.1018



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.1131			
1.1100			
1.1067			
1.0998			
1.0901			
1.0818			
1.0653			
1.0477			
1.0300			

	Level	Rationale
Resistance 3	1.1131/54	Monthly PP; up-trend; 20 and 100-day SMAs
Resistance 2	1.1100/07	Weekly R1; 200-day SMA
Resistance 1	1.1067	Up-trend
Support 1	1.0998	Weekly PP
Support 2	1.0901	Weekly S1
Support 3	1.0818/1.0799	May and July lows; weekly S2

GBP/USD takes another shot at 100-day SMA



"People have come to the realization that the Fed is kind of hell-bent on getting to a liftoff."
- Societe Generale (based on Reuters)

Pair's Outlook

The better-than-expected UK Manufacturing PMI was insufficient for the Cable to maintain trade near the 1.55 level yesterday. The pair encountered a rather strong supply at that point, but the exchange rate managed to hold above the 1.54 mark. Although technical indicators retain their bullish signals today, the 100-day SMA is still likely to prevent the Sterling of edging higher, whereas the cluster around 1.5360 keeps providing solid support. Nonetheless, the outlook remains positive, as the 20-day SMA is on the verge of crossing the 55-day one to the upside, suggesting a rally is to occur.

Traders' Sentiment

There are now only 52% of traders holding long positions (previously 55%), while the portion of buy orders dropped 11% points to 53%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	4%	10%	6%	7%
Orders (±50 pips)	-20%	20%	10%	-6%
Orders (±100 pips)	6%	28%	0%	-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)	Buy	Sell	Sell
Alligator (13; 8; 5)	Neutral	Neutral	Sell
SAR (0.02; 0.2)	Buy	Sell	Sell

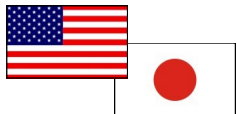
GBP/USD Daily Chart Current price: 1.5426



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.5568	1.56	1.58	1.59
1.5509			
1.5480			
1.5378	1.54	1.54	1.54
1.5289			
1.5233			
	1.51	1.51	1.51

	Level	Rationale
Resistance 3	1.5568/1.5604	38.20% Fibo; monthly R1; weekly R2
Resistance 2	1.5509/15	Bollinger band; weekly R1
Resistance 1	1.5480	100-day SMA
Support 1	1.5378/39	Monthly and weekly PPs; 20, 55 and 200-day SMAs
Support 2	1.5289	Weekly S1
Support 3	1.5233	Bollinger band

USD/JPY stuck between 20 and 200-day SMAs



"This payrolls number and the payrolls number next month will be really important in determining the outlook for the dollar."

- Commonwealth Foreign Exchange (based on MarketWatch)

Pair's Outlook

The 55-day SMA failed to hold the USD/JPY from a corrective rally yesterday. Nevertheless, the ten-week consolidation trend remains intact, implying that the pair could climb higher towards the 100-day SMA in the medium term. However, the immediate resistance, namely the 200-day SMA, might trigger a Greenback sell-off earlier, causing a slump towards 120.00 major level. A strong impetus is required for the USD to pierce the cluster around this area, which the employment data or Fed Chair's speech might cause this week.

Traders' Sentiment

The gap between the bulls and the bears widened from 32 to 42% points, with bears in the majority. There are now also more orders to sell the Buck, taking up 51% of the market (previously 39%).

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-42%	-32%	-2%	1%
Orders (±50 pips)	-18%	20%	8%	7%
Orders (±100 pips)	-2%	22%	28%	21%

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: 120.67



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
			128
		127	
		125	125
	125		
	123		123
	122.04	122	
	121.39		
	121.05	121	
	120.71		
	120.30		
	119.23		

	Level	Rationale
Resistance 3	122.04/18	Monthly R1; weekly R2
Resistance 2	121.39/79	Weekly R1; Bollinger band; 100-day SMA
Resistance 1	121.05	200-day SMA
Support 1	120.71	Weekly PP
Support 2	120.30/119.91	20 and 55-day SMAs; monthly PP; weekly S1
Support 3	119.23	Weekly S2

Gold violates 55/100-day SMAs, sets eye on 1,117

Tuesday, November 03, 2015

08:30 GMT



"We remain negative on the overall precious group over the short-term ... The combination of a stronger dollar, soaring U.S. equity markets, ETF liquidation, a jittery Fed, along with a worsening technical picture will all combine to keep the complex on the defensive for a little while longer."
- INTL FCStone (based on WBP Online)



■ Pair's Outlook

As it was expected, the second attempt to penetrate both 55 and 100-day SMAs used to be quite successful. A decline was prolonged down to 1,133 by Monday evening, even though gold has somewhat bounced back on Tuesday. In case bears hold the price below 1,137 through the next 24 hours, we are going to confirm our bearish expectations for the bullion. Main focus is going to switch to the three-month uptrend at 1,117. In the meantime, on the way down both weekly S1 and lower Bollinger band will have to be breached at 1,126 and 1,122, respectively.

■ Traders' Sentiment

Yesterday seven percent of all SWFX open positions changed hands from bulls to bears. The portion of longs has therefore dipped from 54% to 47%.


Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-6%	8%	4%	4%

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

XAU/USD Daily Chart Current price: **1137.97**



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
		1244	
	1233		1225
1151	1150	1148	1150
1145			
1137			
1126			
1121			
1117	1105		
		1083	
			1062

	Level	Rationale
Resistance 3	1,151/54	20-day SMA; weekly PP
Resistance 2	1,145	Monthly PP
Resistance 1	1,137/40	55 and 100-day SMAs
Support 1	1,126	Weekly S1
Support 2	1,121	Bollinger band
Support 3	1,117	Up-trend

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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