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



Technical Analysis

EUR/USD ready to violate 100/55-day SMAs



"When risk sentiment improves, the euro falls and the Australian dollar rises, it's a classic case of risk-based pattern."

- Mizuho Securities (based on Bloomberg)

Pair's Outlook

Yesterday EUR/USD failed at the 50% Fibonacci retracement of the Jul-Aug uptrend around 1.1260. The pair therefore slumped down to the 200-day SMA 1.1170, while a decline is continuing on Thursday. Penetration of both 100 and 55-day SMA can be expected, taking into consideration bearish daily technical indicators. Meanwhile, very soon we are going to observe all 55, 100 and 200-day SMA crossing each other. The 55-day SMA is already testing the 100-day SMA to the upside, which implies a change in sentiment towards more positive momentum in overall development of EUR/USD.

Traders' Sentiment

The share of bulls on the market decreased from 53% to 51%. In the meantime, pending orders in 100-pip range from the spot are still equally divided between bulls and bears.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	2%	6%	8%	3%
Orders (±50 pips)	-6%	10%	-20%	-3%
Orders (±100 pips)	0%	0%	-28%	-8%

Indicator/Period	Day	Week	Month
MACD (12; 26; 9)	Sell	Buy	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	Buy	Sell
Alligator (13; 8; 5)	Sell	Neutral	Sell
SAR (0.02; 0.2)	Sell	Sell	Sell

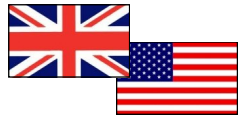
EUR/USD Daily Chart Current price: 1.1147



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1.1241			
1.1209			
1.1154			
1.1142			
1.1088			
1.1022	1.1	1.1	
	1.08		1.09
		1.07	
	1.05		1.05
		1.04	
			1.03

	Level	Rationale
■ Resistance 3	1.1241/61	Monthly PP; 50% Fib
■ Resistance 2	1.1209/19	Weekly PP; 20-day SMA
■ Resistance 1	1.1154/71	61.8% Fib; 200-day SMA
■ Support 1	1.1142	100 and 55-day SMAs
■ Support 2	1.1088/70	Weekly S1; Bollinger band
■ Support 3	1.1022	Monthly S1

GBP/USD remains under pressure



"The case for UK monetary policy to tighten regardless of the (Fed's) dithering is as clear as a bell. They won't rush."
- Societe Generale (based on Business Recorder)

Pair's Outlook

The Sterling struggled to appreciate against the US Dollar for another day, retesting the 23.60% Fibonacci retracement. The pair extended its decline for the fourth consecutive day, but remained rather far from the immediate support level. As no significant area was breached yesterday, the outlook remains bearish, despite other potential market movers being present. The 23.60% Fibo keeps providing resistance, while the Bollinger band is supporting the Pound from below, now bolstered by the weekly S1.

Traders' Sentiment

Bulls retreated today, as 61% of all positions are now long (previously 63%). At the same time, the number of orders to acquire the Sterling also declined, from 58 to 55%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	22%	26%	18%	17%
Orders (±50 pips)	10%	-8%	2%	-1%
Orders (±100 pips)	10%	16%	22%	3%

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

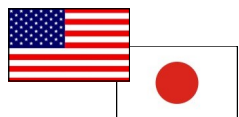
GBP/USD Daily Chart Current price: 1.5126



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1.58			
1.57			
1.56			
1.55			
1.54	1.54		
1.5326			
1.5292			
1.5185	1.52		
1.5041		1.51	1.51
1.4936			
1.4860			

Level	Rationale
Resistance 3: 1.5326	20 and 200-day SMAs
Resistance 2: 1.5292/97	Weekly PP
Resistance 1: 1.5185	23.60% Fibo
Support 1: 1.5041/17	Bollinger band; weekly S1
Support 2: 1.4936	Monthly S2
Support 3: 1.4860	Weekly S2

USD/JPY makes head against the tide



"While today's Tankan was not as bad as most had feared, it nonetheless corroborates other signs that Japan's economic recovery has ground to a halt."

- Capital Economics (based on WBP Online)

Pair's Outlook

The Greenback managed to rebound yesterday, with the upside volatility reaching the weekly PP at 120.33. Even though technical indicators retain their bearish signals, the US Dollar is likely to extend its gains today. However, with the beginning of the new month, the monthly PP shifted to the 119.93 mark, which is providing resistance quite close to the opening price. However, the USD/JPY has already pierced the two immediate resistances and is on the verge of piercing the third one and prolonging its rally, amid rising concerns of further easing from the BoJ.

Traders' Sentiment

More than two thirds (70%) of traders are now long the Buck, whereas the share of purchase orders declined from 44 to 40%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	40%	36%	18%	24%
Orders (±50 pips)	-60%	-28%	40%	1%
Orders (±100 pips)	-20%	-12%	14%	5%

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	Sell	Buy
CCI (14)	Neutral	Neutral	Neutral
AROON (14)	Sell	Sell	Buy
Alligator (13; 8; 5)	Sell	Neutral	Buy
SAR (0.02; 0.2)	Sell	Sell	Buy

USD/JPY Daily Chart Current price: 120.16



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
			129
		128	127
	126		
	125	125	125
		124	
	123		

Level	Rationale
Resistance 3	120.33 Weekly PP
Resistance 2	120.11 20-day SMA
Resistance 1	119.93 Monthly PP
Support 1	119.43 Weekly s1
Support 2	119.25 Bollinger band
Support 3	118.53 Monthly S1

Gold closes below 1,115 and shifts attention to 1,100



"Gold prices came under pressure with upbeat U.S. economic data."

- ANZ (based on CNBC)

Pair's Outlook

Gold continued to under-perform on Wednesday, while prolonging the period of daily losses to four consecutive working days. Moreover, the metal closed below both 55-day SMA and 23.6% Fibonacci retracement of the Aug-Sep downtrend, meaning that outlook is deteriorating. We expect the core bearish attention to be focused on the major 1,100 level, which is reinforced by the long term downtrend and lower Bollinger band. Intermediate support is represented by the weekly S2 at 1,105. Despite that, daily studies assume gold is oversold and a rebound is approaching.

Traders' Sentiment

Distribution between bullish and bearish market participants at the SWFX market has improved substantially in course of the previous trading session. At the moment the former are holding 52% of all open positions, up three percentage points on a daily basis.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	4%	-2%	6%	7%

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

XAU/USD Daily Chart Current price: 1113.53



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1255		1255	1250
1221			1197
1173		1173	
1158			1111
1131			
1123			
1115			
1109	1109		
1105			
1099			
1090		1091	

	Level	Rationale
■ Resistance 3	1131/34	2014 low; 50% Fib
■ Resistance 2	1123/25	Monthly PP; weekly S1; 38.2% Fib
■ Resistance 1	1115/17	55-day SMA; 23.6% Fib
■ Support 1	1105	Weekly S2
■ Support 2	1099/97	Bollinger band; Sep 11 low; downtrend
■ Support 3	1090/89	Weekly S3; monthly S1

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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