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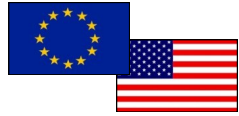
02/05/2016

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



# Technical Analysis

# EUR/USD to tackle April high amid rally



*"Markets are not expecting the Fed to do much ... so that's putting some downward pressure on the dollar."*  
- Mizuho Corporate Bank (based on Reuters)

## Pair's Outlook

Advance of the Euro against the Greenback was stretched over the American session on Friday, as the market allowed for a spike up until the 1.1450 mark. Although the pair fell short of reaching the April high at 1.1465, we foresee such a scenario later in the new week. However, at 1.1468 the bulls will face another resistance represented by various 2015-2016 peaks in this area. The second supply for this week is placed at 1.1538 (weekly and monthly R1). In the meantime, dips lower are still expected to be shallow and the weekly/monthly pivot points are expected to act decisively at 1.1376.

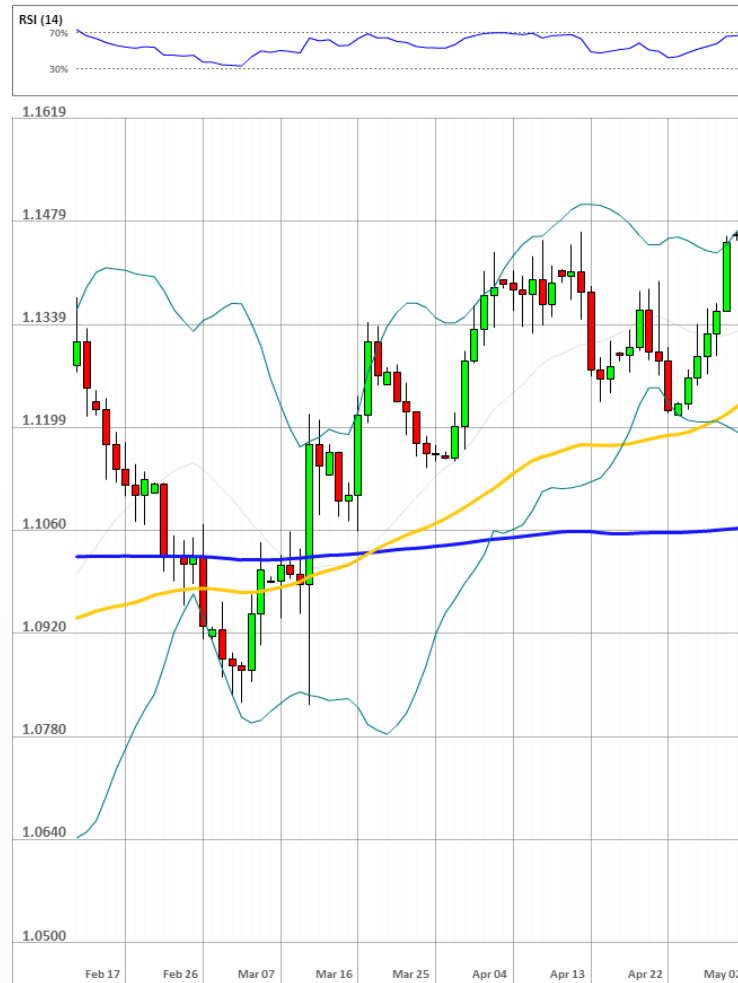
## Traders' Sentiment

SWFX traders remain 60% short with respect to the Euro. Pending orders are divided equally between the bulls and bears in a 50-pip range from the spot price, while 100-pip commands are 55% long.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-20%	-20%	-12%	-16%
Orders (±50 pips)	0%	0%	8%	-7%
Orders (±100 pips)	10%	10%	10%	-2%

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

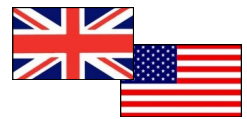
EUR/USD Daily Chart Current price 1.1466



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1.1619			
1.1534			
1.1465			
1.1376			
1.1328			
1.1288			
	1.12	1.12	1.12
	1.1		
		1.08	1.09
	1.07		
		1.06	
			1.05

Level	Rationale
R3	1.1619/26 Weekly and monthly R2s
R2	1.1534/38 Weekly and monthly R1s
R1	1.1465/95 Multi-month highs; October high
S1	1.1376 Weekly and monthly PPs
S2	1.1328 20-day SMA
S3	1.1288 Weekly and monthly S1s

# GBP/USD attempts to climb over 1.46



*"If the U.S. data continues to disappoint, things may look different for the dollar."*  
- Credit Agricole SA (based on Bloomberg)

## Pair's Outlook

The GBP/USD currency pair remained relatively unchanged on Friday, with the pair edging only 5 pips higher over that day. The Cable is expected to continue climbing higher today, with the nearest resistance located only around 1.4710. However, there is insufficient impetus for a rally that high today, with price likely to close near the 1.4650 mark. Technical indicators are giving bullish signals, bolstering the possibility of the positive outcome. On the other hand, the Sterling also risks remaining below the 1.46 major level, with the closest area to limit the losses being the weekly PP at 1.4563.

## Traders' Sentiment

Today 52% of all open positions are short, compared to 54% on Friday. Meanwhile, the portion of orders to sell the Pound edged lower, namely from 65 to 56%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-4%	-8%	10%	5%
Orders (±50 pips)	-56%	-22%	-2%	-10%
Orders (±100 pips)	-12%	-30%	-18%	-7%

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

GBP/USD Daily Chart Current price 1.4611



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1.4929			1.51
1.4830		1.49	
1.4697			1.47
1.4563	1.46	1.45	
1.4455			1.44
1.4337	1.43	1.42	
	1.4		

Level	Rationale
R3	1.4929 Down-trend
R2	1.4830/76 Weekly R2; monthly R1; 200-day SMA
R1	1.4697/1.4722 Bollinger band; weekly R1
S1	1.4563 Weekly PP
S2	1.4455/02 Weekly S1; monthly PP; 100-day SMA
S3	1.4337 20-day SMA



# Gold at 15-month peak as haven demand surges



*"With the majority of Asia out today and London on holiday tonight we are expecting a range-bound session. However as gold trades towards \$1,300, days of thin liquidity can throw up surprises."*

- MKS Group (based on CNBC)

## Pair's Outlook

On Friday gold prices were a subject to the sharpest rally since mid-March. Daily increase, which amounted to more than 2%, brought the spot to the 1,292.10 mark by session-end, up from 1,232.66 last Monday. Considering continuous weakness of the Greenback, climbing haven demand and bullish technical indicators, we are not ruling out a testing of the 1,300 major psychological mark, followed by the 2015 high at 1,307.06. The fresh monthly pivot is expected to contain any short-term loss at 1,265.92. Volatility will likely remain uplifted for some period of time.

## Traders' Sentiment

Sentiment of the SWFX market tanked over the weekend, as various bullish transactions were forced to close amid large-scaled profit-taking. There are only 33% of long open positions on Monday morning, down from 36% before the weekend.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-34%	-28%	-28%	-24%

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

XAU/USD Daily Chart Current price 1293.99



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1322			
1315			
1307			
1287			
1272			
1265			
1248			1250
		1232	
			1200
1175			
		1160	
1125			
		1113	
			1100

	Level	Rationale
■ R3	1,322	Monthly R1
■ R2	1,315	Weekly R1
■ R1	1,307	2015 high
■ S1	1,287	Bollinger band
■ S2	1,272	Weekly PP
■ S3	1,265	Monthly PP



## 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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