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



# Technical Analysis

## EUR/USD faces monthly R1



*"The ECB is saying 'we're not putting a limit on QE, we're not stopping until we achieve our objective.' If they don't do anything, the balance sheet still expands."*

- Standard & Poor's (based on Bloomberg)

### Pair's Outlook

The immediate resistance is at 1.14, represented by the upper Bollinger band and monthly R1. The base scenario is EUR/USD bouncing off this level, but we should not rule out a possibility of a rally to the September high, especially considering that the weekly technical indicators continue to give more 'buy' signals than 'sell' ones. Meanwhile, most of the monthly studies are bearish, meaning in the long run we are likely to see a re-test of the major rising support line, which currently is at 1.11 dollars.

### Traders' Sentiment

The gap between the bulls and bears widens. The difference in favour of the latter increased up to eight percentage points. On the other hand, the share of buy orders rose from 58 to 61%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-8%	-6%	0%	-1%
Orders (±50 pips)	24%	30%	-6%	3%
Orders (±100 pips)	22%	16%	-14%	0%

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

EUR/USD Daily Chart Current price: 1.1381

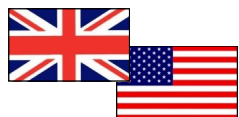


SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1.1520			
1.1461			
1.1400			
1.1305			
1.1253			
1.1186			
	1.1	1.1	
	1.08		1.09
		1.07	
	1.05		1.05
		1.04	
			1.03

	Level	Rationale
Resistance 3	1.1520	Weekly R2
Resistance 2	1.1461/38	Weekly R1; Sep high
Resistance 1	1.1400/1.1395	Monthly R1; Bollinger band
Support 1	1.1305	Weekly PP
Support 2	1.1253/23	Weekly S1; monthly PP; 20-day SMA
Support 3	1.1186	55-day SMA



## GBP/USD attempts to break away from 1.53



*"The economy remains on a satisfactory track and ... I see a (rate) liftoff decision later this year at the October or December FOMC meetings as likely appropriate."*

- Dennis Lockhart, Federal Reserve (based on WBP Online)

### Pair's Outlook

Upon reaching the immediate resistance in face of the weekly R3 on Friday, the GBP/USD was pushed back, leading to a fall towards the 1.53 major level. Dips were limited by the anticipated target, remaining a strong support area today, represented by the 20-day SMA, weekly and monthly PPs. However, the 200-day SMA around 1.5319 could limit the Cable's attempts to appreciate today, while the second resistance area is located out of reach. Nevertheless, the Sterling also risks falling deeper towards the weekly PP at 1.5274.

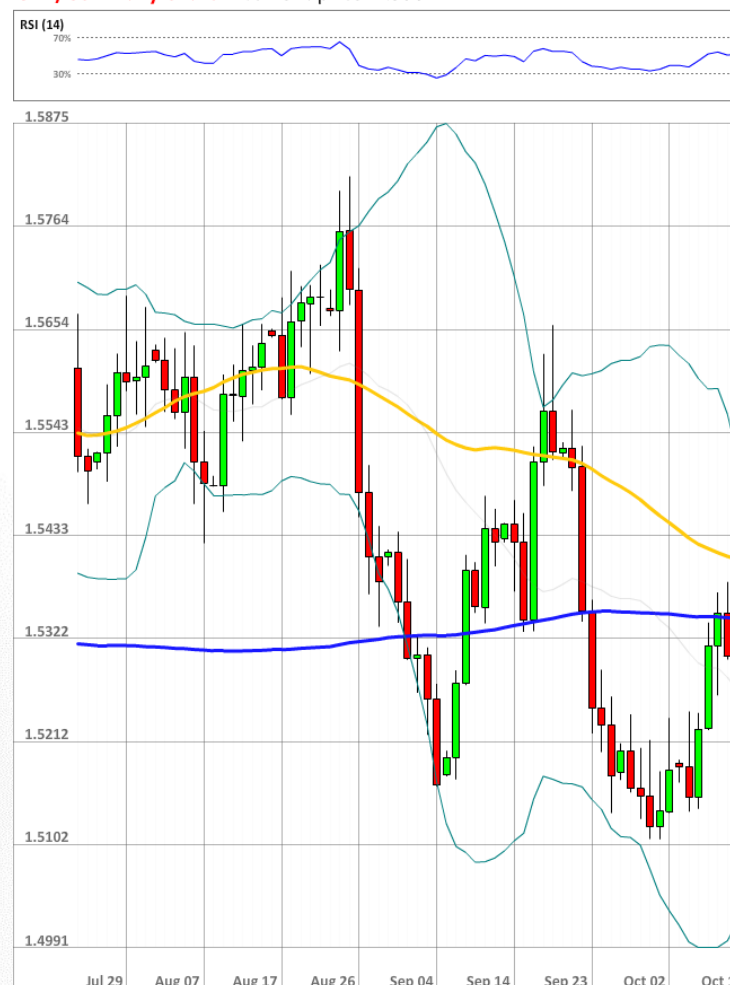
### Traders' Sentiment

Bullish market sentiment returned to its Thursday's level of 62%, compared to 57% on Friday. There are more orders to purchase the British Pound today, namely 60% (previously 49%).

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	24%	14%	28%	24%
Orders (±50 pips)	16%	22%	40%	8%
Orders (±100 pips)	20%	-2%	30%	10%

Indicator/Period	Day	Week	Month
MACD (12; 26; 9)	Buy	Sell	Sell
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3; 3)	Sell	Neutral	Neutral
ADX (14)	Buy	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

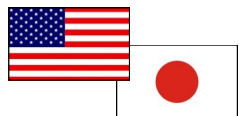
GBP/USD Daily Chart Current price: 1.5362



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1.5875			
1.5764			1.58
1.5654		1.57	
1.5543	1.56		
1.5433	1.54	1.54	1.55
1.5322	1.52		
1.5212		1.51	1.51
1.5102			
1.4991			

	Level	Rationale
Resistance 3	1.5483/88	100-day SMA; monthly R1
Resistance 2	1.5412/32	Weekly R1; 55-day SMA
Resistance 1	1.5319	200-day SMA
Support 1	1.5297/74	Weekly and monthly PPs; 20-day SMA
Support 2	1.5185/66	23.60% Fibo; weekly S1
Support 3	1.5028/17	Weekly S2; Bollinger band

## USD/JPY in limbo amid bank holidays



*"We note that the distance between the upper and lower Bollinger Bands is the narrowest it has been for almost two decades. It suggests that even if the triangle pattern is not longer valid, the dollar is coiling against the yen. It warns that a large move may be on the horizon."*  
- BBH (based on FXStreet)

### ■ Pair's Outlook

The US currency behaved in accordance with expectations on Friday. The USD/JPY managed to rebound, but with the upside volatility was slowed down by the 20-day SMA, causing the pair to stabilise at 120.25. The Greenback opened just above 120.14, where the weekly pivot point coincides with the 20-day SMA, forming a rather strong support. Consequently, a decline is unlikely to occur, and with the absence of fundamental market movers, the Buck should edge higher against the Yen, but fail to reach the immediate resistance.

### ■ Traders' Sentiment

Bulls remain strong, as 71% of traders hold long positions today (previously 70%). The number of buy commands, on the other hand, was not so lucky and suffered a decline from 61 to 59%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	42%	40%	48%	40%
Orders (±50 pips)	32%	-10%	-6%	0%
Orders (±100 pips)	18%	22%	20%	11%

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

USD/JPY Daily Chart Current price: 120.19



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

	Level	Rationale
■ Resistance 3	121.08/27	Weekly R2; monthly R1
■ Resistance 2	120.88	200-day SMA
■ Resistance 1	120.63/66	Bollinger band; weekly R1
■ Support 1	120.14	Weekly PP; 20-day SMA
■ Support 2	119.93/64	Monthly PP; weekly S1; Bollinger band
■ Support 3	119.20	Weekly S2



## Gold closes in on August high



*"There are people looking...and thinking as long as uncertainty is in the global economy and China, the Fed are going to have to hold off."*

- Marex Spectron (based on MarketWatch)

### ■ Pair's Outlook

Gold is about to touch August's high, which is strengthened by the weekly R1 and the Bollinger band. A close above this level will not imply a bullish outlook, mainly because of the supply zone around 1,180 dollars, where the weekly R2 joins forces with the monthly R2 and 200-day SMA. If the precious metal gains a foothold above this area, however, the next target may well be 1,230, namely the May high and the falling resistance from the weekly chart. In case of a strong sell-off in the nearest future the losses should be limited by 1,120 (monthly PP, 55-day SMA and up-trend), but we can also expect a small rebound from the 100-day SMA at 1,140.

### ■ Traders' Sentiment

The SWFX market remains divided. At the moment 51% of open positions are long and 49% are short.

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

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

XAU/USD Daily Chart Current price: 1164.59



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
		1255	1250
		1221	
	1195		1197
	1181		
	1170	1173	
	1148	1158	
	1141		
	1123	1109	1111
		1091	

	Level	Rationale
■ Resistance 3	1,195	Weekly R3
■ Resistance 2	1,181/76	Weekly and monthly R2; 200-day SMA
■ Resistance 1	1,170/66	Weekly R1; Bollinger band; Aug high
■ Support 1	1,148/47	Weekly PP; monthly R1
■ Support 2	1,141/36	Weekly S1; 20 and 100-day SMA
■ Support 3	1,123/18	Weekly S2; monthly PP; 55-day SMA; 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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