



DUKASCOPY
RESEARCH PRODUCTS

02/10/2015

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



Technical Analysis

EUR/USD is range bound slightly below 1.12



"The progress achieved over the past three years to stabilize and strengthen the euro area is real."

- Mario Draghi, ECB President (based on Bloomberg)

Pair's Outlook

EUR/USD failed to push itself below the 200-day SMA on Thursday, even though bears had attempted to dominate the market. It seems that the price is largely undecided with respect to the future development. Being located near the apex of the triangle pattern, the rate is also capped by strong resistance and support zones from above and below, respectively. Thus, our outlook will remain neutral, as long as EUR/USD is located below 1.1260 or above the 1.1140 mark.

Traders' Sentiment

The share of bulls fell from 51% to 49% by Friday morning. Alongside, the number of long pending orders in 100-pip range from the spot bounced back from the neutral level of 50%, to reach the 38% mark today.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-2%	2%	8%	4%
Orders (±50 pips)	-26%	-6%	-14%	-9%
Orders (±100 pips)	-24%	0%	-28%	-12%

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	Buy	Sell

EUR/USD Daily Chart Current price: 1.1178



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1.1313			
1.1242			
1.1209			
1.1167			
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	1.1313	Weekly R1
Resistance 2	1.1241/61	Monthly PP; 50% Fib
Resistance 1	1.1209/19	Weekly PP; 20-day SMA
Support 1	1.1167/40	61.8% Fib; 200, 100 and 55-day SMAs
Support 2	1.1088/77	Weekly S1; Bollinger band
Support 3	1.1022	Monthly S1

GBP/USD stuck between 1.51 and 23.60% Fibo



"While a downbeat reading [of the US Payrolls] may cause relatively-straightforward reaction of dollar selling, an upbeat figure won't necessarily lead to a higher dollar."
- Citigroup (based on Market Watch)

Pair's Outlook

The British Pound retested the 23.60% Fibo, but remained relatively unchanged over the day, having added only two pips. In spite of the Cable's attempts to edge higher today, the outlook remains bearish. The 23.60% Fibo keeps preventing the Sterling from climbing higher this week, thus, a chance of the GBP/USD reaching this area persist. The base case scenario, however, is a fall towards the 1.51 major level or the immediate support around 1.5025, namely the Bollinger band or the weekly S1. Moreover, technical indicators shifted from neutral to bearish, suggesting a decline is nigh.

Traders' Sentiment

Bullish market sentiment returned to its Wednesday's level of 63%, while the ratio of the buy and the sell orders is now equal to one.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	26%	22%	18%	18%
Orders (±50 pips)	-4%	10%	4%	-4%
Orders (±100 pips)	0%	10%	-6%	2%

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

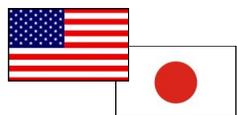
GBP/USD Daily Chart Current price: 1.5144



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1.5875			1.58
1.5748		1.57	
1.5621	1.56		1.55
1.5494			
1.5449	1.54	1.54	
1.5367			
1.5292			
1.5241	1.52		
1.5185			
1.5114		1.51	1.51
1.4987			
1.5037			
1.4936			
1.4860			

Level	Rationale
Resistance 3: 1.5449/61	Weekly R1; 55-day SMA
Resistance 2: 1.5292/1.5325	Weekly and monthly PPs; 20 and 200-day SMAs
Resistance 1: 1.5185	23.60% Fibo
Support 1: 1.5037/17	Bollinger band; weekly S1
Support 2: 1.4936	Monthly S1
Support 3: 1.4860	Weekly S2

USD/JPY keeps testing the weekly PP



"A very bullish report [of the Payrolls] would of course have a big impact. But the Fed may not make its rates decision on employment data alone."

- Barclays (based on Reuters)

Pair's Outlook

Despite experiencing some volatility on Thursday, the USD/JPY currency pair remained relatively unchanged. Ultimately, the Greenback closed trade in front of the monthly PP, but further efforts to appreciate might be prevented. The pair struggled to rise above the 120.00 major level, as it is bolstered by a resistance cluster, represented by the 20-day SMA, weekly and monthly PPS. Furthermore, technical indicators retain their bearish signals; however, the US Payrolls data could still stimulate a rally towards the 120.33 psychological level, the pinnacle of the resistance cluster.

Traders' Sentiment

There are now 71% of traders with a positive outlook towards the Buck, whereas the share of buy orders edged up from 40 to 56%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	42%	40%	22%	26%
Orders (±50 pips)	32%	-60%	0%	3%
Orders (±100 pips)	12%	-20%	4%	4%

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: 119.99



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
129			129
128			127
126			
125	125	125	125
124			
123			
121.27			
120.84			
119.93			
119.44			
118.53			
117.42			

Level	Rationale
Resistance 3: 121.27/44	Monthly and weekly R1s
Resistance 2: 120.84/87	Bollinger band; 200-day SMA
Resistance 1: 119.93/120.33	Monthly and weekly PPs; 20-day SMA
Support 1: 119.44/43	Bollinger band; weekly s1
Support 2: 118.53/32	Monthly S1; weekly S2
Support 3: 117.42/19	Weekly S3; monthly S2

Gold keeps trading in red, ready to test 1,105



"Our call for gold prices to touch \$1,050 at year-end is still very much intact on the grounds for a Fed fund rate hike before the year is up."

- OCBC (based on CNBC)

Pair's Outlook

On Thursday the yellow metal posted a minor decrease in price, but overall daily losses were extended to the fifth day in a row. The only bullish attempt to return back above the 23.6% retracement and 55-day SMA was strongly rejected. We expect to see the 1,105 level (weekly S2) being tested on Friday, and a lot will depend on the US jobs report later in the day. Positive numbers may trigger losses down to the 1,100 mark, which is guarded by the Sep low, lower Bollinger band and the long term downtrend line. Failure here would allow for a drop down to the monthly S1 at 1,089.

Traders' Sentiment

Distribution between bullish and bearish market participants at the SWFX market continued to improve in favour of the former. The total share of the longs jumped four percentage points yesterday, up from 52% to 56%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	12%	4%	6%	6%

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	Sell	Sell

XAU/USD Daily Chart Current price: 1111.96



SUPPORT & RESISTANCE	FORECASTS		
	Q3 15	Q4 15	Q1 16
1131			
1123			
1115			
1109		1173	1111
1105			
1098			
1090			
	1158		
	1221		1197
		1255	1250

	Level	Rationale
■ Resistance 3	1131/34	2014 low; 50% Fib
■ Resistance 2	1123/25	Monthly PP; weekly S1; 38.2% Fib
■ Resistance 1	1115/16	55-day SMA; 23.6% Fib
■ Support 1	1105	Weekly S2
■ Support 2	1098/97	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



Newest releases and archive:

- Fundamental Analysis
- Technical Analysis
- Press Review
- Market Research
- Expert Commentary
- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

Additional information:

- Dukascopy Group Home Page
- Market News & Research
- FXSpider
- Live Webinars
- Dukascopy TV
- Daily Pivot Point Levels
- Economic Calendar
- Daily Highs/Lows
- SWFX Sentiment Index
- Movers & Shakers FX
- Forex Calculators
- Currency Converter
- Currency Index
- CoT Charts

Social networks:



Disclaimer

Everything in this article, including opinions and figures, is provided for informational purposes only and may not be interpreted as financial advice or solicitation of products. Dukascopy group assume no responsibility for the completeness or the accuracy of any data contained in this article. Financial figures indicated in this article have not been verified by the Dukascopy group. Views, opinions and analyses are those of the author of the article, and are not endorsed by the Dukascopy group.

Dukascopy group waive any and all warranties, express or implied, regarding, but without limitation to, warranties of the merchantability or the fitness for a particular purpose, with respect to all information in this article. Dukascopy group shall under no circumstances be responsible for any direct, indirect, consequential, contingent or any other damages sustained in connection with the use of this article.