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



# Technical Analysis

## EUR/USD fails to cross 7-month trend-line



*"A little caution on the bullish U.S. dollar story is understandable into a week which includes non-farm payrolls and lots of Fed commentary."*

- Westpac Banking Corp. (based on Bloomberg)




### Pair's Outlook

The March-October uptrend stays strong for the time being, while being able to keep EUR/USD under bearish pressure. As long as trading continues below 1.1060, where the trend-line currently finds its location, we are going to hold a bearish stance with respect to the pair. Any rally is going to face substantial resistances in the 1.1100/60 area, which can easily resume a sell-off in the medium term. Key support is placed around 1.08 for the moment, where weekly S2 and lower Bollinger band merge with May and July lows.

### Traders' Sentiment

SWFX market sentiment went up from 51% to 53% over the weekend. At the same time, the number of pending orders to acquire the Euro in 100-pip range from the spot price dipped down to 44% (52% on Friday).


Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	6%	2%	2%	-1%
Orders (±50 pips)	0%	14%	16%	2%
Orders (±100 pips)	-12%	4%	0%	-6%

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

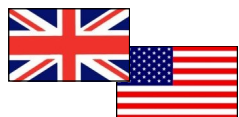
EUR/USD Daily Chart Current price: 1.1026



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.1131			
1.1100			
1.1060			
1.0998			
1.0901			
1.0818			
1.13			
1.11			
1.12			
1.09			
1.07			
1.06			
1.05			
1.03			

	Level	Rationale
Resistance 3	1.1131/57	Monthly PP; up-trend; 20 and 100-day SMAs
Resistance 2	1.1100/09	Weekly R1; 200-day SMA
Resistance 1	1.1060	Up-trend
Support 1	1.0998	Weekly PP
Support 2	1.0901	Weekly S1
Support 3	1.0818/1.0799	May low; Bollinger band; Jul low; weekly S2

## GBP/USD sets eye on 1.55



*"Given the rise in market forecasts regarding the likelihood of more ECB easing by year end, the BoE may be more likely to delay its first rate hike in order to prevent too much monetary tightening being transmitted via the exchange rate."*  
- Rabobank (based on FXStreet)

### Pair's Outlook

Last Friday the Cable managed to erase all week's losses and even stabilise above 1.54, amid poor US fundamentals. Today the GBP/USD is expected to extend its rally, with the nearest resistance located around 1.5480, namely the 100-day SMA, which prevented the Sterling from climbing higher for three weeks in a row. In case of a breach, another solid supply is located at 1.5515. However, there is still room for the pair to edge back below 1.54, but a tough cluster, represented by the weekly and monthly PPs, the 20, 55 and 200-day SMAs, is likely to limit the losses circa 1.5360.

### Traders' Sentiment

Bulls and bears broke out of equilibrium, with 55% of all positions now long. The share of purchase orders increased from 26 to 64%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	10%	0%	6%	7%
Orders (±50 pips)	20%	-52%	30%	-3%
Orders (±100 pips)	28%	-48%	12%	-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

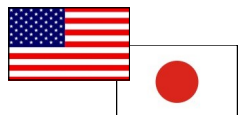
GBP/USD Daily Chart Current price: 1.5427



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.5568	1.56	1.58	1.59
1.5513			
1.5482			
1.5378	1.54	1.54	1.54
1.5289			
1.5211	1.51	1.51	1.51

	Level	Rationale
Resistance 3	1.5568/1.5604	38.20% Fibo; monthly R1; weekly R2
Resistance 2	1.5513/15	Bollinger band; weekly R1
Resistance 1	1.5482	100-day SMA
Support 1	1.5378/38	Monthly and weekly PPs; 20, 55 and 200-day SMAs
Support 2	1.5289	Weekly S1
Support 3	1.5211/1.5185	Bollinger band; weekly S1; 23.60% Fibo

# USD/JPY sets off with quiet trade



*"There was some disappointment about the BOJ last week. Everybody is in wait-and-see mode, for the U.S. employment figures."*

- Global-info Co (based on Reuters)


## Pair's Outlook

Although the Greenback remained strong through most of Friday, the excessive pressure from the weak fundamental data pushed the USD/JPY towards 120.60. Despite bullish technical indicators, the US Dollar still risks falling deeper towards the 120.00 major level, as there has still been no rather gradual sell-off after the 55-day SMA pierced the 200-day one. Moreover, the 55-day SMA is now the immediate resistance, just on top of the opening price, while a cluster around 120.00 should limit intraday downside volatility.

## Traders' Sentiment

Both net positions and net orders worsened in the beginning of the week. There are now only 34% of traders holding long positions, whereas 61% of all commands are to buy the Buck, down from 78%.


Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-32%	-24%	2%	9%
Orders (±50 pips)	20%	66%	-18%	7%
Orders (±100 pips)	22%	56%	10%	22%

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: 120.34



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
			128
		127	
		125	125
	125		
	123		123
		122	
	121		

	Level	Rationale
Resistance 3	121.03	200-day SMA
Resistance 2	120.71	Weekly PP
Resistance 1	120.36	55-day SMA
Support 1	120.16/119.92	20-day SMA; monthly PP; weekly S1
Support 2	119.23	Weekly S2
Support 3	118.76/44	Bollinger band; monthly S1; weekly S3



## Gold to take another shot at 55/100-day SMAs

*"If we do see a disappointing set of US data this week, the market's current 50% probability for a December rate hike is likely to come down dramatically. This does set the stage for a range of currencies and gold to potentially see a strong rally this week."*

- IG Securities (based on WBP Online)



### ■ Pair's Outlook

On Friday the bullion decided to continue trading with somewhat bearish bias, but no decisive attempts to breach 55 and 100-day moving averages took place. In the morning on Monday, however, gold slumped down to 1,134 (Oct 6 low), but has recovered since then. We are waiting for additional attempts to violate this important support at 1,140/38. A success here would expose the lower Bollinger band and weekly S1 (1,126) first, which are followed by the Jul-Oct uptrend at 1,116. The latter level seems to be sustainable enough, in order to provide XAU/USD with another mid-term bullish momentum.

### ■ Traders' Sentiment

On Friday the share of SWFX bulls went up from 52% to 54%. However, market sentiment was once again completely unchanged in the past 72 hours.

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

Indicator/Period	Day	Week	Month
MACD (12; 26; 9)	Sell	Buy	Buy
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3; 3)	Neutral	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: 1141.03



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1170		1244	
1153	1233		
1145			
1140			
1126			
1116			
1105			
1083			
1062			

	Level	Rationale
Resistance 3	1,170	200-day SMA; weekly R1; Aug high
Resistance 2	1,153/54	20-day SMA; weekly PP
Resistance 1	1,145	Monthly PP
Support 1	1,140/38	55 and 100-day SMAs
Support 2	1,126	Bollinger band; weekly S1
Support 3	1,116	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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