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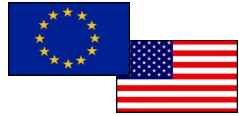
26/02/2016

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



Technical Analysis

EUR/USD lunges at 200-day SMA



"The contagion of a 'Brexit' is spilling over to a full blown existential crisis for the eurozone: if Britain can renegotiate its status, why not anyone else?"

- Christopher Vecchio, DailyFX (based on MarketWatch)

Pair's Outlook

The Euro rebounded after it touched upon the formidable 1.0970/50 demand area. However, the 200-day SMA remains intact, and it still might not let the rate to exit this week's range. In case of a close above 1.1050, the rally will have a good chance of extending up to 1.1115, namely the monthly R2 level. In the longer-term perspective, EUR/USD is expected to recover to 1.14 dollars, which is the current level of the upper bound of the ascending channel.

Traders' Sentiment

The difference between the amounts of long and short positions is negligible—merely 2 percentage points, meaning the sentiment is neutral. As for the orders, the portion of commands to sell the single currency inched higher from 54 to 62%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	2%	4%	-10%	-4%
Orders (±50 pips)	-8%	-6%	-4%	-6%
Orders (±100 pips)	-14%	-8%	-6%	-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)	Sell	Neutral	Sell
CCI (14)	Neutral	Neutral	Neutral
AROON (14)	Sell	Buy	Sell
Alligator (13; 8; 5)	Buy	Sell	Sell
SAR (0.02; 0.2)	Sell	Buy	Sell

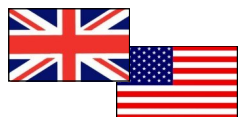
EUR/USD Daily Chart Current price: 1.1062



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1148			
1.1115			
1.1071			
1.0972			1.1
1.0863	1.08	1.08	
1.0709			
	1.05	1.05	1.05
	1.03		
		1.01	
			1.02

	Level	Rationale
■ Resistance 3	1.1148	Weekly PP
■ Resistance 2	1.1115	Monthly R2
■ Resistance 1	1.1071/46	Weekly S1; 20 and 200-day SMAs
■ Support 1	1.0972/46	Weekly S2; monthly R1; 55 and 100-day SMA; up-trend
■ Support 2	1.0863/37	Weekly S3; monthly PP; Bollinger band
■ Support 3	1.0709/1.0689	Monthly S1; Jan low

GBP/USD in limbo ahead of US GDP



"The biggest move for the week is sterling on Brexit worries and it will stay in the spotlight for the first half of the year leading up to the referendum."

- State Street (based on CNBC)

Pair's Outlook

The Cable's volatility was contained by the 1.39 level from the downside and the 1.40 level from the upside, as the pair reacted on fundamental data. The Sterling managed to climb over the immediate resistance, which is now providing rather strong support around 1.3930. Although we could see a rally beyond 1.4050, with the closest resistance located at 1.4091, risks of falling back and under the 1.39 mark persist. Near-term technical studies are unable to give any clear sense of direction, but the weekly and the monthly ones retain their bearish signals.

Traders' Sentiment

Today 63% of traders hold long positions (previously 65%). Meanwhile, the number of buy orders takes up 55% of the market.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	26%	30%	22%	25%
Orders (±50 pips)	36%	34%	46%	32%
Orders (±100 pips)	10%	14%	26%	16%

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

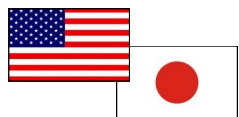
GBP/USD Daily Chart Current price: 1.3986



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.56	1.56	1.56	
1.55	1.51	1.52	
1.51	1.51	1.47	
1.49	1.48	1.47	
1.4340			
1.4247			
1.4091			
1.3946			
1.3645			
1.3505			

Level	Rationale
Resistance 3 (1.4340/91)	20-day SMA; monthly and weekly PPs
Resistance 2 (1.4247)	Weekly S1
Resistance 1 (1.4091)	Weekly S2
Support 1 (1.3946/19)	Weekly S3; monthly S1; Bollinger band
Support 2 (1.3645)	Monthly S2
Support 3 (1.3505)	2009 low

USD/JPY in tight range between 112.00 and 113.00



“Overall, a constructive message from the G20 could support an already ongoing recovery in risk sentiment, but ultimately the ability of global growth data to improve will be more important.”

- BNP Paribas (based on Reuters)

Pair's Outlook

The American Dollar succeeded in outperforming the Yen yesterday, amid strong readings of US fundamental data. Even though the day ended with a USD/JPY rally, none significant level was breached. Through all of the week the pair maintained trade between the cluster at 117.70 providing support and the weekly PP at 113.24 acting as a resistance. With technical studies retaining distinctly bearish signals, the Greenback is expected to decline and remain within the borders of the mentioned levels. However, a positive surprise in fundamentals could trigger a rally towards 114.00.

Traders' Sentiment

Market sentiment is strongly bullish, as 73% of all open positions are long. The portion of buy orders remains unchanged at 51%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	46%	42%	42%	37%
Orders (±50 pips)	34%	-22%	-14%	-3%
Orders (±100 pips)	2%	2%	-38%	-16%

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

USD/JPY Daily Chart Current price: 112.83



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
			128
	127	127	
	125	125	125
		123	
	122		122

	Level	Rationale
■ Resistance 3	115.81	Weekly R2
■ Resistance 2	113.88/114.68	Monthly S2; weekly R1; 20-day SMA
■ Resistance 1	113.24	Weekly PP
■ Support 1	111.78/61	Monthly S3; weekly S1
■ Support 2	110.67	Weekly S2
■ Support 3	109.62/04	Bollinger band; weekly S3

Gold to stay above 1,220



"The general economic situation is giving support to the gold market."

- a bullion trader in Hong Kong (based on CNBC)

Pair's Outlook

Gold is gaining more and more ground. Although two days ago the commodity failed to gain a foothold above 1,250 dollars, the outlook remains bullish, even though the monthly indicators are mostly giving 'sell' signals. The near-term sell-offs should be limited by the recently established up-trend and the weekly pivot point at 1,220/19, while the February maximum is the closest significant resistance. Beyond 1,264, the price should set its eyes on 1,307, the highest trading point of 2015.

Traders' Sentiment

A little less than three fourths of the SWFX market participants are pessimistic with respect to the precious metal. At the moment, 73% of open positions are short, which is 1 pp lower than the reading recorded 24 hours ago.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Positions	-46%	-48%	-36%	-39%

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

XAU/USD Daily Chart Current price: 1236.74



	Level	Rationale
■ Resistance 3	1,296	Weekly R3
■ Resistance 2	1,270/64	Weekly R2; Bollinger band; Feb high
■ Resistance 1	1,246	Weekly R1
■ Support 1	1,220/19	Weekly PP; up-trend
■ Support 2	1,210	Monthly R3
■ Support 3	1,199/98	Weekly S1; 20-day SMA

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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