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



Technical Analysis

EUR/USD ready to tackle weekly R1 at 1.1341



"That's the perfect central-bank statement -- no change, no reaction, so that is perfection from the Fed's point of view, well-choreographed."
- UBS Wealth Management (based on Bloomberg)

Pair's Outlook

Third consecutive session was finished with gains for the Euro, but somewhat hawkish Federal Reserve prevented a spike above the weekly R1 at 1.1341. Likelihood of another testing of this resistance is high, given that from below the EUR/USD pair is backed by the weekly pivot point and 20-day SMA. The rally should ultimately pave the way for additional purchases, as the cross will be bid until 1.14 (April 21 high) where it is going to face a stronger downside pressure. Meanwhile, indicators on a daily time frame are mixed today.

Traders' Sentiment

Only 42% of all market participants keep maintaining the bullish stance on the matter, down from 43% yesterday. Pending orders placed within 100 pips from the current market prices are almost equally distributed between the bulls (52%) and bears (48%) this morning.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-16%	-14%	-14%	-15%
Orders (±50 pips)	-6%	10%	-38%	-9%
Orders (±100 pips)	4%	4%	-24%	-6%

Indicator	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)	Neutral	Neutral	Neutral
AROON (14)	Sell	Buy	Sell
Alligator (13; 8; 5)	Neutral	Buy	Sell
SAR (0.02; 0.2)	Buy	Buy	Sell
Aggregate	→	↗	↘

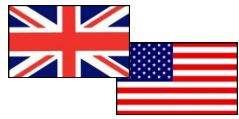
EUR/USD Daily Chart Current price 1.1333



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1.1459			
1.1404			
1.1341			
1.1299			
1.1204	1.12	1.12	1.12
1.1161			
1.1			
1.09			
1.08			
1.07			
1.06			
1.05			

Level	Rationale
R3	1.1459 Weekly R2
R2	1.1409 Bollinger band
R1	1.1341 Weekly R1
S1	1.1299/79 Weekly PP; 20-day SMA
S2	1.1204/1.1189 Monthly PP; 55-day SMA; Bollinger band
S3	1.1161 Weekly S1

GBP/USD attempts to prolong bullish trend



"Investors will start to shift back to the Fed being the main driver of currencies if FOMC officials start to signal a June hike in the next few weeks after yesterday's less dovish Fed meeting."

- Royal Bank of Scotland (based on Bloomberg)

Pair's Outlook

The GBP/USD currency pair underwent a small correction on Wednesday, being weakened by the FOMC statement. Nonetheless, the Cable remained above the immediate support area, namely the weekly R1, which keeps the pair elevated even today. The Sterling has the potential to erase yesterday's losses and climb over the 1.46 major level, with the nearest resistance being the Bollinger band, the monthly R1 and the weekly R2 around 1.4620. The medium-term trend has been bullish for almost four weeks now, with the Pound expected to continue edging higher until the resistance line around 1.49 is reached.

Traders' Sentiment

Traders' sentiment shifted to the bearish side today, as 52% of traders are now short the British Pound (previously 47%). The number of buy orders, however, edged up 15% points, having risen up to 60%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-4%	6%	14%	12%
Orders (±50 pips)	24%	-4%	-4%	-3%
Orders (±100 pips)	20%	-10%	14%	-3%

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

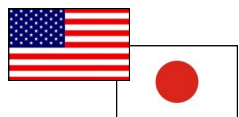
GBP/USD Daily Chart Current price 1.4551



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1.4939			1.51
1.4849		1.49	
1.4597			1.47
1.4529	1.46	1.45	
1.4413			1.44
1.4330	1.43		
		1.42	
	1.4		

Level	Rationale
R3	1.4939 Down-trend
R2	1.4849/85 Weekly R3; monthly R2; 200-day SMA
R1	1.4597/1.4651 Bollinger band; monthly R1; weekly R2
S1	1.4529 Weekly R1
S2	1.4413 100-day SMA
S3	1.4330/1.4298 Weekly PP; 20-day SMA

USD/JPY suffers from BoJ decision



"It was inevitable that the yen regained all the losses made on easing expectations. Sure, the market was disappointed, but that does not mean the yen will keep gaining."
- FPG (based on CNBC)

Pair's Outlook

The FOMC statement had no effect on the USD/JPY currency pair yesterday, as the exchange rate remained relatively flat for the second day in a row. The BoJ statement today, however, had a devastating effect on the pair, strengthening the Yen and causing the pair to drop to the 109.00 major level, where the weekly S1 coincides with the monthly S2. This cluster is the final frontier before the Greenback falls back towards the 18-month low of 107.63. A disappointing US GDP reading today could provide sufficient impetus for such a drop, while a good reading is likely to contribute to a recovery, pushing the Buck above the 110.00 mark.

Traders' Sentiment

Today 74% of traders long positions, compared to 72% on Wednesday. At the same time, the share of buy orders slid from 70 to 48%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	48%	44%	40%	44%
Orders (±50 pips)	6%	26%	4%	-2%
Orders (±100 pips)	-4%	40%	-10%	5%

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

USD/JPY Daily Chart Current price 108.92



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
124			124
121		121	
120	120		119
116		116	
115	115		115
113		113	
112	112		
110.63			
109.75			
107.63			

Level	Rationale
R3	114.43/99 Weekly R2; monthly R1; 100-day SMA
R2	113.09 Weekly R1
R1	111.83/112.59 55-day SMA; down-trend; monthly PP; Bollinger band
S1	110.63/46 Monthly S1; weekly PP
S2	109.75/108.70 20-day SMA; weekly S1; monthly S2
S3	107.63 18-month low

Gold continues to appreciate gradually



"The longer the Fed holds off on raising rates, the better for gold."
- HSBC (based on Reuters)

Pair's Outlook

The precious metal has finally dealt with the closest resistance cluster represented by the monthly and weekly pivot points at 1,241/43. Now the doors are open for extension of the rally up until the following supply at 1,258/63. There the bullion is going to face the weekly R1, which is backed by the upper Bollinger band and February high. In spite of strongly positive daily and weekly technical indicators, gold may turn bearish near that important zone and commence a correction lower. Nevertheless, deep sell-offs are not a part of the short-term scenario amid a formidable support sector around 1,243/36.

Traders' Sentiment

58% of all traders assume gold is going to be a subject to losses in the foreseeable future, as this is the percentage of short positions opened at the moment. The bulls are holding a deep minority (42%) of all transactions, no change over the past trading session.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-16%	-16%	-36%	-22%

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

XAU/USD Daily Chart Current price 1248.99



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1284			
1274			
1258			
1248			1250
1243		1232	
1237			1200
1217			
1175			
1160			
1125		1113	
1116.45			1100
1088.50			
1060.54			

Level	Rationale
R3	1,284/86 March high; weekly R2
R2	1,274 Monthly R1
R1	1,258/63 Weekly R1; Bollinger band; February high
S1	1,243/40 Monthly and weekly PPs; 20-day SMA
S2	1,237/36 55-day SMA; uptrend
S3	1,217/16 Weekly S1; Bollinger band

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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