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19/04/2016

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



Technical Analysis

Tuesday, April 19, 2016
07:30 GMT

EUR/USD's advance contained by weekly PP



"The tide right now is flowing toward dollar weakness."
- Chapdelaine Foreign Exchange (based on Reuters)

Pair's Outlook

As expected, EUR/USD's development, prior to the ECB event later on Thursday, remained relatively calm on April 18. Yesterday the added value amounted to only 12 pips, while the similar situation being observed on early Tuesday morning. We see the weekly pivot as the first noticeable resistance at 1.1327 and in the short-term the pair is likely to terminate around here. We would allow for a medium-term slippage in the direction of 1.12, where the monthly pivot coincides with the 55-day SMA and weekly S1 for the moment.

Traders' Sentiment

42% of all SWFX positions are bullish in the morning on Tuesday, no change for a fifth day in a row. Alongside, only 38% of all 50-pip pending commands are positive, as the number increases to 41% for 100-pip orders.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-16%	-16%	-18%	-18%
Orders (±50 pips)	-24%	-6%	-4%	-10%
Orders (±100 pips)	-18%	-10%	-20%	-12%

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)	Buy	Neutral	Sell
SAR (0.02; 0.2)	Buy	Buy	Sell
Aggregate	→	↗	↘

EUR/USD Daily Chart Current price 1.1322

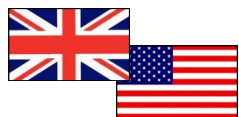


SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1.1463			
1.1420			
1.1327			
1.1294			
1.1204	1.12	1.12	1.12
1.1138			
	1.1		1.09
		1.08	
	1.07		
		1.06	
			1.05

	Level	Rationale
R3	1.1463	Bollinger band; trend-line
R2	1.1420	Weekly R1
R1	1.1327	Weekly PP
S1	1.1294	20-day SMA
S2	1.1204/1.1185	Monthly PP; weekly S1; 55-day SMA
S3	1.1138/1.1096	Bollinger band; weekly S2

Tuesday, April 19, 2016
07:30 GMT

GBP/USD attempts to climb over 1.43



"While the undertone for GBP is positive, the current price action suggests that this pair is still caught in a broad consolidation range."
- UOB (based on FXStreet)

Pair's Outlook

The Sterling surprisingly recovered on Monday, due to the European stock market rebound triggering demand for riskier assets. As a result, the Cable completely erased last week's gains, also breaking out of the falling wedge pattern earlier than anticipated. The bullish momentum is now likely to prevail, leading the exchange rate closer towards the resistance line at 1.45. The closest area to limit the gains is represented by the weekly R1 at 1.4339, but we should not rule out the possibility of the fundamentals pushing the GBP/USD pair back towards 1.42, as technical indicators retain their bearish signals in all timeframes.

Traders' Sentiment

Bulls lost some numbers, as 57% of traders hold long positions today, compared to 65% on Monday. Meanwhile, the portion of orders to sell the Pound edged higher, namely from 55 to 64%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	14%	30%	28%	28%
Orders (±50 pips)	-44%	-30%	14%	5%
Orders (±100 pips)	-28%	-10%	16%	9%

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

GBP/USD Daily Chart

Current price 1.4305

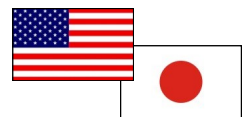


SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
			1.51
		1.49	
			1.47
	1.46	1.45	
1.4455			
1.4403			1.44
1.4339	1.43		
1.4260		1.42	
1.4222			
1.4081	1.4		

	Level	Rationale
R3	1.4455/73	100-day SMA; weekly R2
R2	1.4403	Bollinger band
R1	1.4339	Weekly R1
S1	1.4260	55-day SMA; monthly PP
S2	1.4222/15	20-day SMA; weekly PP
S3	1.4081	Weekly S1

Tuesday, April 19, 2016
07:30 GMT

USD/JPY takes another shot at surging over 109.50



"We see good opportunity now to hedge against U.S. dollar strength after the strong rally in Asian currencies in the first quarter."

- Credit Suisse (based on Bloomberg)

Pair's Outlook

Amid the return of risk-on sentiment, the US Dollar managed to strengthen against the Japanese Yen on Monday, even stabilising above the immediate resistance cluster. The weekly PP and the monthly S2 are now supporting the USD/JPY currency pair, but risks of another decline taking place persisting. In case demand around 108.70 is weak and the Greenback fails to climb over the 109.50 level, the pair will once again face the 18-monh low and the weekly S1 circa 107.65. On the other hand, if the bullish momentum prevails, the weekly R1 will be the first intraday target. Technical studies, however, are in favour of the bearish scenario.

Traders' Sentiment

Bullish market sentiment returned to its previous Tuesday's level of 70%, whereas the share of buy orders skyrocketed from 17 to 76%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	40%	46%	40%	45%
Orders (±50 pips)	10%	-74%	-2%	-18%
Orders (±100 pips)	52%	-66%	-16%	-7%

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)	Sell	Sell	Sell
Alligator (13; 8; 5)	Sell	Sell	Buy
SAR (0.02; 0.2)	Sell	Sell	Sell
Aggregate	↘	↘	↘

USD/JPY Daily Chart

Current price 109.06



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
			124
		121	
	120		119
		116	
	115		115
		113	
	112		
	111.86		
	110.52		
	109.76		
	108.70		
	107.66		
	106.74		

	Level	Rationale
R3	111.86	Weekly R3
R2	110.52/79	20-day SMA; monthly S1; weekly r2
R1	109.76	Weekly R1
S1	108.70/69	Monthly S2; weekly PP
S2	107.66/63	Weekly S1; 18-month low
S3	106.74/59	Monthly S3; Bollinger band; weekly S2

Gold erases gains, puts 55-day SMA at new risk



"Gold is looking weak at the moment as there is some risk-on sentiment in the market and equities have rebounded."
- a trader in Hong Kong (based on CNBC)

Pair's Outlook

Monday's intraday rally was extending through the weekly and monthly pivot points at 1,239/41. However, by the end of US session the bears managed to retake the lead and sent the bullion into red. Now the near-term cap is established at those pivots, which is set to renew attempts of testing the 55-day SMA, currently at 1,229.27. A slide below here is going to change the market focus and the bears will begin targeting the 1,201/1,198 zone guarded by the weekly S2 and monthly S1. Meanwhile, daily technicals suspect XAU/USD may have a chance to commence a revival.

Traders' Sentiment

Bearish advantage over the bulls is down to only ten percentage points by Tuesday morning. Yesterday the gap amounted to as many as 18 pp. This has been a fifth consecutive day of bullish gains in the SWFX market.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-10%	-18%	-34%	-18%

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)	Buy	Buy	Sell
Alligator (13; 8; 5)	Buy	Buy	Sell
SAR (0.02; 0.2)	Sell	Buy	Buy
Aggregate	↗	↑	→

XAU/USD Daily Chart

Current price 1232.58



SUPPORT & RESISTANCE	FORECASTS		
	Q2 16	Q3 16	Q4 16
1274			
1256			
1248			1250
1235			
1229		1232	
1217			
1211			1200
1175			
1160		1160	
1125			
1113		1113	
1100			1100

	Level	Rationale
R3	1,274/78	Monthly R1; weekly R2
R2	1,256/63	Weekly R1; Bollinger band; February high
R1	1,235/41	20-day SMA; weekly and monthly PPs
S1	1,229	55-day SMA
S2	1,217	Weekly S1
S3	1,211	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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