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



# Technical Analysis

# EUR/USD to remain under bearish pressure



*"But we think they [ECB] will [add stimulus], which should take euro-dollar down to \$1.05 ahead of Dec. 3, and we picture ending the year at parity."*  
- Goldman Sachs (based on Bloomberg)

## Pair's Outlook

After penetrating the seven-month downtrend line, the EUR/USD currency pair is going to remain under bearish pressure, even though it showed some gains yesterday. A revival failed to send the cross above 1.10, where it should have met the monthly S1 at 1.1022 and the downtrend itself around 1.1060. Therefore, any further rallies are expected to remain tepid and unsustainable. In addition, a close below the 1.0870 support level (monthly S2/weekly S1) and next demand at 1.0819/08 is necessary, in order to confirm negative trend of EUR/USD. Weekly and daily indicators keep mixed views on the matter.

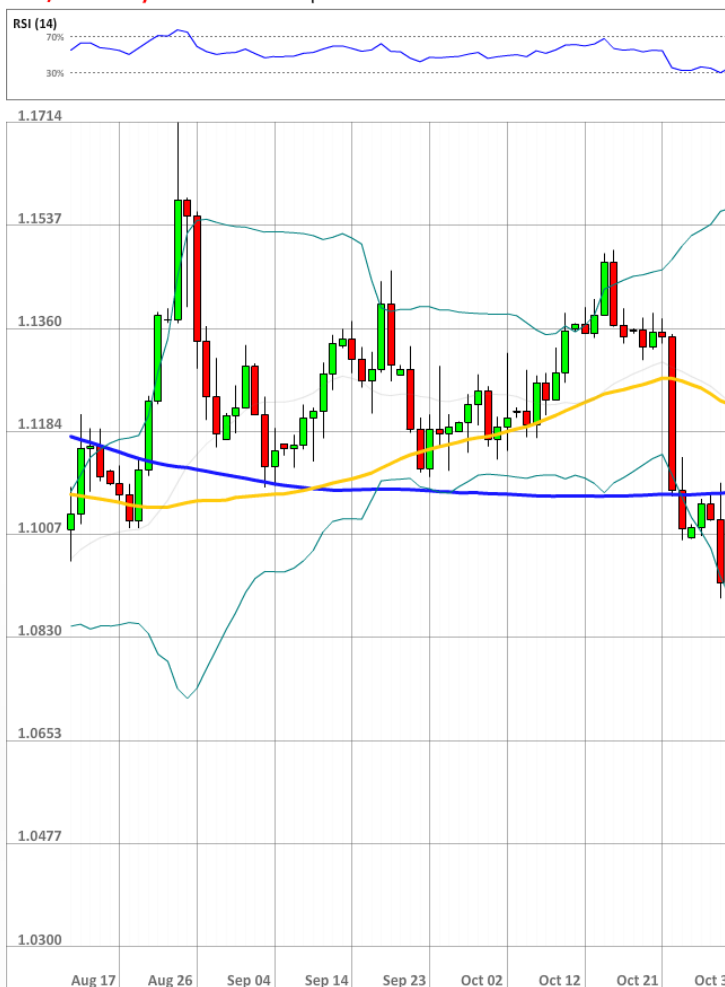
## Traders' Sentiment

Share of bullish open positions rose from 52% to 54% in the SWFX market, while 100-pip long pending orders now account for 52%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	2%	4%	0%	-3%
Orders (±50 pips)	14%	-30%	4%	2%
Orders (±100 pips)	4%	-20%	-16%	-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	Neutral	Sell
CCI (14)	Neutral	Buy	Neutral
AROON (14)	Sell	Buy	Sell
Alligator (13; 8; 5)	Neutral	Buy	Sell
SAR (0.02; 0.2)	Sell	Sell	Sell

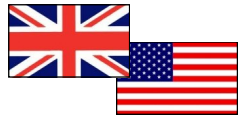
EUR/USD Daily Chart Current price: 1.0981



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.1159	1.13	1.11	1.12
1.1110			
1.1022	1.09	1.07	1.07
1.0879	1.06	1.05	1.03
1.0819			
1.0742			
1.0653			
1.0477			
1.0300			

	Level	Rationale
■ Resistance 3	1.1159	100 and 20-day SMAs
■ Resistance 2	1.1110/33	200-day SMA; weekly PP; up-trend
■ Resistance 1	1.1022/59	Monthly S1; up-trend
■ Support 1	1.0879/35	Weekly S1; monthly S2; Bollinger band
■ Support 2	1.0819/08	May low; Jul low
■ Support 3	1.0742	Weekly S2

# GBP/USD attempts to close the week above 1.53



*"This short term move higher will primarily be heading for the recently broken flag floor, which now should act as firm resistance at 1.5360."*

- SEB (based on PoundSterlingLive)

## Pair's Outlook

Poor US GDP data weighed on the Greenback yesterday, helping the Cable recover from Wednesday's losses. The 1.53 major level is now the immediate support, also bolstered by the monthly PP. If breached, the weekly S1 is likely to take action for the last time this week, holding the losses. Meanwhile, the 20 and 200-day SMAs are providing resistance around 1.5340; unless the US fundamentals disappoint again today, gains should be capped by this area. The 55-day SMA is the next target at 1.5380, reinforced by the weekly PP.

## Traders' Sentiment

Positions are equally divided between the long and the short ones. At the same time, the number of purchase orders experienced a significant decline, from 74 to 26%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	0%	6%	2%	6%
Orders (±50 pips)	-52%	38%	-22%	-9%
Orders (±100 pips)	-48%	48%	-40%	-9%

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)	Sell	Sell	Sell

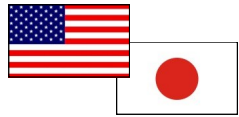
GBP/USD Daily Chart Current price: 1.5314



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.5900			1.59
1.5786		1.58	
1.5673			
1.5559	1.56		
1.5446			
1.5443	1.54	1.54	1.54
1.5374			
1.5336			
1.5297			
1.5241			
1.5185			
1.5105	1.51	1.51	1.51
1.4991			

	Level	Rationale
Resistance 3	1.5443	Weekly R1
Resistance 2	1.5374/80	55-day SMA; weekly PP
Resistance 1	1.5336/42	20 and 200-day SMAs
Support 1	1.5297	Monthly PP
Support 2	1.5241	Weekly S1
Support 3	1.5185/71	23.60% Fib, weekly S2, Bollinger band

## 200-day SMA keeps USD/JPY afloat



*"While the Bank of Japan refrained from announcing more stimulus at today's meeting, we think that the recent recovery in inflation will stall soon. The upshot is that further monetary easing is still likely to be required."*

- Capital Economics (based on WBP Online)

### Pair's Outlook

The BoJ leaving its monetary policy unchanged in spite of weak inflation data caused rather strong downside volatility in the USD/JPY this morning. However, a broadly stronger US Dollar remained unchanged against the Yen yesterday, when GDP figures disappointed, and it is not allowing the Japanese currency to maintain trade below the 121.00 level today. The worst case scenario is a drop to 120.20, the area between the 20 and 55-day SMAs, but technical studies suggest a rally. Gains are likely to be limited by the 100-day SMA and Aug 27 high around 121.80.

### Traders' Sentiment

More traders retain a negative outlook towards the Buck, namely 62%. The share of buy orders, however, increased from 74 to 78%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-24%	-18%	40%	17%
Orders (±50 pips)	66%	54%	-46%	5%
Orders (±100 pips)	56%	48%	34%	19%

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: 121.15



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
122.24			128
121.62		127	
121.27		125	125
121.02	125		
120.44	123		123
119.93		122	

	Level	Rationale
■ Resistance 3	122.24	Weekly R1
■ Resistance 2	121.62/84	Bollinger band; 100-day SMA
■ Resistance 1	121.27	Monthly R1
■ Support 1	121.02	200-day SMA
■ Support 2	120.44/19	20 and 55-day SMAs
■ Support 3	119.93/90	Monthly PP; weekly S1

# Gold leaves support eroded at 1,147



**"Gold bulls must be reeling."**  
- TD Securities (based on Wall Street Journal)

## Pair's Outlook

US Dollar continued to strengthen at the expense of gold prices on Thursday. XAU/USD slumped below 1,150 and erased the monthly R1/weekly S2 at 1,147/46. The bullion is required to consolidate below both of them and start testing 55/100-day SMAs at 1,140 in the nearest future, in order to underpin medium term bearish expectations. On the other hand, 55-day SMA has just crossed 100-day moving average to the upside, meaning market sentiment is now shifting in favour of bulls. Moreover, weekly studies are sharing bullish views with respect to gold.

## Traders' Sentiment

After seven consecutive days of stagnating SWFX market sentiment, bulls have eventually managed to push their share up to 54% on Thursday.

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

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: 1148.59



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1177		1244	
1167			
1155			
1150	1150	1148	1150
1147			
1140			
1133			
1105			
		1083	
			1062

	Level	Rationale
■ Resistance 3	1,177/81	Weekly R1; monthly R2
■ Resistance 2	1,167/70	Weekly PP; Aug high; 200-day SMA
■ Resistance 1	1,155/56	20-day SMA; weekly S1
■ Support 1	1,147/46	Monthly R1; weekly S2
■ Support 2	1,140/38	100 and 55-day SMAs
■ Support 3	1,133	Weekly S3



## 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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