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



Technical Analysis

EUR/USD comes back above monthly S1



"It seems that momentum is certainly on the side of being short the euro right now and long the dollar."
- Chapdelaine & Co (based on Bloomberg)

Pair's Outlook

A bounce back took place in the one-day chart for EUR/USD. The pair climbed above 1.1050 on Monday, pricing in worse than expected US housing statistics. Still, the probability of further gains remains tepid and rallies are expected to be contained by key resistance, namely 200-day SMA/weekly PP at 1.1117/33. Additional leg lower is likely to arrive in the nearest future. Short term losses should test the 1.10 psychological level, while a medium term decline will focus on May/July lows at 1.0819/08.

Traders' Sentiment

Distribution between bulls and bears in the SWFX market in neutral again on Tuesday. Meanwhile, the portion of bullish pending orders in 100-pip range from the spot declined from 50% to 45% in the past 24 hours of trading.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	0%	2%	-10%	-8%
Orders (±50 pips)	-6%	16%	4%	12%
Orders (±100 pips)	-10%	0%	-4%	4%

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

EUR/USD Daily Chart Current price: 1.1064



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1.1225	1.13		
1.1169			1.12
1.1117			
1.1022		1.11	
1.0879	1.09		
1.0819		1.07	1.07
	1.06		
		1.05	
			1.03

	Level	Rationale
Resistance 3	1.1225/44	55 and 20-day SMAs; monthly PP
Resistance 2	1.1169	100-day SMA
Resistance 1	1.1117/33	200-day SMA; weekly PP
Support 1	1.1022/1.0978	Bollinger band; monthly S1
Support 2	1.0879/68	Weekly S1; monthly S2
Support 3	1.0819/08	May low; Jul low

GBP/USD supported by monthly PP



"Whether cable is going up or down very much depends on whether expectations of UK or U.S. rates are blowing hot or cold. It's very data dependent."

- Rabobank (based on Reuters)

Pair's Outlook

The Cable did not extend the latest decline yesterday, as the market confirmed support at 1.53, represented by the monthly PP and 20-day SMA. However, the bias is negative, and any attempts of the Sterling to rally should be stopped at 1.55, where the monthly R1 merges with the 100-day SMA and this month's highs. Nevertheless, we expect the bears to be able to push the price beneath 1.53 in the nearest future, which in turn will imply a sell-off to the Oct 12 low and 23.6% Fib (07.2014-04.2015 down-move) at 1.52.

Traders' Sentiment

There is currently no significant difference between the longs (53%) and shorts (47%), nor there is any gap between the numbers of pending buy (50%) and sell (50%) orders.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	6%	6%	6%	9%
Orders (±50 pips)	10%	30%	8%	-17%
Orders (±100 pips)	0%	12%	6%	-18%

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)	Buy	Neutral	Sell
SAR (0.02; 0.2)	Sell	Sell	Sell

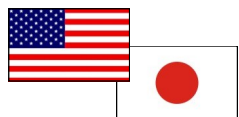
GBP/USD Daily Chart Current price: 1.5354



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			
1.5400	1.54	1.54	1.54
1.5374			
1.5332			
1.5297			
1.5241			
1.5105	1.51	1.51	1.51
1.4991			

	Level	Rationale
Resistance 3	1.5443	Weekly R1
Resistance 2	1.5400	55-day SMA
Resistance 1	1.5374	Weekly PP
Support 1	1.5332/22	20 and 200-day SMAs
Support 2	1.5297	Monthly PP
Support 3	1.5241	Weekly S1

USD/JPY retains bullish bias



"The arguments for a 2015 rate hike are fading. More specifically, while we are long-term dollar bulls, the 'trader' in us sees a greater chance of dollar weakness going into and after this week's FOMC meeting."
- BK Asset Management (based on CNBC)

Pair's Outlook

Although USD/JPY is currently negating recent gains, the outlook on the currency pair is bullish, as it is undergoing a correction. After consolidation, which should not extend far beyond the 55-day SMA, the price should rise up to 122, where it will come in contact with a tough resistance level represented by the 100-day SMA. Above this the potential targets will be the monthly R2 at 122.66 and the long-term rising trend-line at 123. The upside pressure will be alleviated once the rate dives under the monthly PP at 120.

Traders' Sentiment

The SWFX market participants remain undecided: 49% are long and 51% are short. In the meantime, among the orders placed 100 pips around the spot 64% are to buy the Dollar against the Yen.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-2%	2%	42%	35%
Orders (±50 pips)	8%	-18%	-18%	-5%
Orders (±100 pips)	28%	10%	0%	11%

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	Sell	Buy
CCI (14)	Sell	Neutral	Neutral
AROON (14)	Buy	Sell	Buy
Alligator (13; 8; 5)	Sell	Sell	Buy
SAR (0.02; 0.2)	Buy	Sell	Buy

USD/JPY Daily Chart Current price: 120.62



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
122.00			128
121.29		127	
121.00		125	
120.69	125	125	
120.02	123		123
118.76		122	
	121		

Level	Rationale
Resistance 3	122.00 100-day SMA
Resistance 2	121.29/27 Monthly R1; Bollinger band
Resistance 1	121.00 200-day SMA
Support 1	120.69/62 Weekly PP; 55-day SMA
Support 2	120.02/119.90 Weekly S1; monthly PP; 20-day SMA
Support 3	118.76 Bollinger band

Gold trends water before FOMC rate decision



“U.S. dollar interest and option strikes at \$1,150 should weigh upon gold over the next couple of days.”
- MKS Group (based on CNBC)

Pair's Outlook

Prices of the bullion have been largely unchanged in the past three trading days, even though the metal registered slight losses during each of those 24-hour periods. Short term projection remains neutral, as long as gold holds below 1,167/70 (weekly PP/Aug high) or above 1,158/55 (20-day SMA/weekly S1). On the other hand, US durable goods data may provide the positive impetus in case of disappointing numbers. Any extra volatility should be created tomorrow when the Fed will make an interest rate decision.

Traders' Sentiment

SWFX market sentiment with respect to the precious metal remained broadly unchanged for the past four weeks. Moreover, the share of bulls is completely flat at 52% already for five working days, meaning that their advantage still remains very negligible right now.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Positions	4%	4%	2%	3%

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)	Neutral	Sell	Buy
AROON (14)	Buy	Buy	Sell
Alligator (13; 8; 5)	Buy	Sell	Sell
SAR (0.02; 0.2)	Buy	Buy	Sell

XAU/USD Daily Chart Current price: 1164.83



SUPPORT & RESISTANCE	FORECASTS		
	Q4 15	Q1 16	Q2 16
1177			
1172			
1167			
1158	1150	1148	1150
1147			
1139			
	1105		
		1083	
			1062

	Level	Rationale
■ Resistance 3	1,177/81	Weekly R1; monthly R2
■ Resistance 2	1,172	200-day SMA
■ Resistance 1	1,167/70	Weekly PP; Aug high
■ Support 1	1,158/55	20-day SMA; weekly S1
■ Support 2	1,147/46	Monthly R1; weekly S2
■ Support 3	1,139/37	100 and 55-day SMAs

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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