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



# Technical Analysis

# EUR/USD hits 6-month peak amid rally



*"If indeed the aim was to push down the euro, clearly it has not worked at all for over a year now."*  
- Societe Generale (based on Bloomberg)

## Pair's Outlook

By appreciating for a fourth successive day on Thursday, EUR/USD tested the 1.14 mark for the first time since October. By session-end, however, gains were contained by the last weekly resistance at 1.1390. Friday is going to be very data-dependent. We would allow for a correction down to 1.1337 (weekly R2), in case US labour market data surprises to the upside. This view is still disagreed by the daily technical indicators, as they are indicating to the upside. A spike beyond the 1.14 level risks exposing the October 2015 peak at 1.1495.

## Traders' Sentiment

The bears continue keeping 58% of all positions on Friday, thus leaving the bulls with only the 42% share of the market. Meanwhile, 100-pip long commands have seen an abrupt drop. Now they are taking up only a third of all orders, down from 45% yesterday.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-16%	-16%	-12%	-13%
Orders (±50 pips)	-16%	-14%	10%	4%
Orders (±100 pips)	-34%	-10%	6%	1%

Indicator	Day	Week	Month
MACD (12; 26; 9)	Buy	Buy	Buy
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3; 3)	Sell	Sell	Neutral
ADX (14)	Neutral	Neutral	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
Aggregate	↗	→	↘

EUR/USD Daily Chart Current price 1.1383

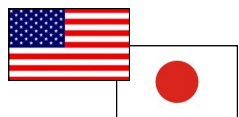


SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1586			
1.1495			
1.1390			
1.1337			
1.1250			
1.1213			
			1.1
	1.08	1.08	
	1.05	1.05	1.05
	1.03		1.02
		1.01	

	Level	Rationale
R3	1.1586	Monthly R1
R2	1.1495	October 2015 high
R1	1.1390/1.1436	Weekly R3; Bollinger band
S1	1.1337	Weekly R2
S2	1.1250	Weekly R1
S3	1.1213/1.1197	20-day SMA; monthly and weekly PPs



# USD/JPY takes another shot at breaching 112.00



*“The Fed looks to be far more Dow-dependent than it is data-dependent. Delivering, say, two rate rises when the market is priced for one is only going to occur if it can be done in a way that isn't going to be upsetting for global risk sentiment.”*  
- National Australia Bank Ltd. (based on Bloomberg)

## Pair's Outlook

The US Dollar remained relatively unchanged against the Japanese Yen on Thursday, amid mixed fundamental data. Today the Greenback is pressured by the monthly PP and the 20-day SMA just above the opening price, while the weekly PP is providing immediate support at 112.53. In case the resistance cluster is breached, gains are then likely to be limited by the descending channel's upper border at 113.23. On the other hand, if bears push the USD/JPY currency pair lower, the second target will be the cluster around 111.55. The bearish scenario is more probable, as technical studies are in favour of this outcome.

## Traders' Sentiment

There are now 73% of traders holding long positions, compared to 70% on Thursday. Meanwhile, the portion of orders to sell the Buck edged nine percentage points lower, now taking up 64% of the market.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	46%	40%	46%	45%
Orders (±50 pips)	-16%	-48%	-54%	-11%
Orders (±100 pips)	-28%	-46%	14%	-14%

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

USD/JPY Daily Chart Current price 112.21



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

Level	Rationale
R3 113.85/114.06	Weekly R1; Bollinger band
R2 113.23	Down-trend
R1 112.59/73	Monthly PP; 20-day SMA
S1 112.53	Weekly PP
S2 111.75/40	Weekly S1; Bollinger band
S3 110.63/43	Monthly S1; down-trend; weekly S2

# Gold maintains sideways outlook



*“If we start to see macro readings out of the United States pick up a head of steam (with a strong jobs number helping) this could prompt a change in the current thinking that the Fed will remain dovish for a long while.”*  
- INTL FCStone (based on CNBC)

## Pair's Outlook

Gold prices attempted to skyrocket again on Thursday; however, by the end of American market session the bears managed to push the bullion down to 1,232 and below the 20-day SMA. Intraday peaks were in turn reaching the 1,240 area. The metal's mid-term intentions are still unclear, because it seems to be fully ignoring the technical cluster between 1,227 and 1,233. Only a plunge under the 1,215 level (March 23/28 lows) will renew talks about more losses down to 1,199/98 where a new monthly S1 is resting now. Daily technical indicators have also moved a bit more into negative territory.

## Traders' Sentiment

The distribution between the SWFX's bulls and bears is more or less frozen at 41% vs 59%, respectively. The gap has tightened by only two percentage points over the past 24 hours.

XAU/USD Daily Chart Current price 1233.40



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1247			1250
1241			
1233			
1229			
1206	1206	1200	1125
1201			1125
1193			
1100	1100		
1071			
		1048	
			1037

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-18%	-20%	-16%	-21%

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

	Level	Rationale
R3	1,247	Weekly R1
R2	1,241	Monthly PP
R1	1,233	20-day SMA
S1	1,229/27	Weekly PP; 23.6% Fib
S2	1,201/98	55-day SMA; weekly and monthly S1s; Bollinger band
S3	1,193	38.2% Fib



## 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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