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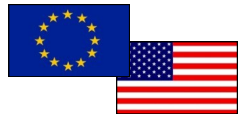
12/04/2016

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



Technical Analysis

EUR/USD steady for eight consecutive day



*"The dollar is seeking its direction now."
- Mitsubishi UFJ Trust and Banking (based on MarketWatch)*

Pair's Outlook

Since the first day of April the EUR/USD pair has been ending all trading sessions with no material change in its value, while the volume has been in a decline too. On Tuesday morning the conditions are similar, even though the cross is now hovering above 1.14. Thus, we keep our reasonably bullish bias and the mid-term caps should be found at 1.15 (October high). Daily technical indicators are positive as well. Any intraday losses, although they are less likely, will initially have to tackle the weekly pivot point at 1.1391.

Traders' Sentiment

For the first time in six working days the total percentage of bullish transactions went up above 40%. As for pending orders, 52% of them in the 50-pip range around the spot are going short with respect to the 19-nation currency, while the 100-pip orders are 60% bearish.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-18%	-22%	-20%	-19%
Orders (±50 pips)	-4%	-8%	-4%	-5%
Orders (±100 pips)	-20%	-22%	-14%	-11%

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

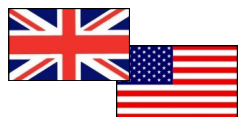
EUR/USD Daily Chart Current price 1.1408



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1519			
1.1482			
1.1457			
1.1391			
1.1329			
1.1294			
			1.1
	1.08	1.08	
	1.05	1.05	1.05
	1.03		1.02
		1.01	

Level	Rationale
R3	1.1519 Weekly R2
R2	1.1482/95 Bollinger band; October 2015 high
R1	1.1457 Weekly R1; uptrend
S1	1.1391 Weekly PP
S2	1.1329/05 Weekly S1; 20-day SMA
S3	1.1264 Weekly S2

GBP/USD risks falling back under 1.42



"We're definitely near the end for the dollar bull run if we have not already seen the peak. We're clearly in this topping-out process."
- Standish Mellon Asset Management Co. (based on Bloomberg)

Pair's Outlook

The Sterling set off with a 125-pip rally against the Buck yesterday, unable to climb over the second tough resistance area. Technically, we should see the Cable bounce back under the 1.42 major level, with the weekly PP now acting as the nearest support at 1.4151. However, today's UK inflation data could provide sufficient impetus for the GBP/USD currency pair to at least partially pierce the immediate resistance, as the four-week down-trend at 1.4290 is expected to hold. Daily technical indicators are still unable to provide any clear sense of direction, whereas the longer timeframe ones still suggest the bearish momentum is to prevail.

Traders' Sentiment

Traders remain long the Pound, namely 64% of them (previously 66%). Meanwhile, the share of buy orders dropped from 65 to 58%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	28%	32%	38%	24%
Orders (±50 pips)	14%	40%	14%	6%
Orders (±100 pips)	16%	30%	6%	10%

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

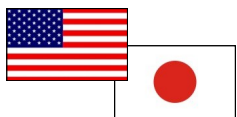
GBP/USD Daily Chart Current price 1.4238



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.55		1.56	1.56
1.51		1.51	1.52
1.49			1.47
1.4588			
1.4467			
1.4252			
1.4151			
1.4013			
1.3834			

Level	Rationale
R3 1.4588/1.4615	Down-trend; weekly R3; monthly R1
R2 1.4467/98	Weekly R2; Bollinger band; 100-day SMA
R1 1.4252/96	20 and 55-day SMAs; monthly PP; down-trend; weekly R1
S1 1.4151	Weekly PP
S2 1.4013/1.3979	Bollinger band; monthly and weekly S1s
S3 1.3834	Weekly S2

USD/JPY to begin climbing up



"Today we saw people taking profits on their bets for now. But the dollar remains weak and looks likely to fall further in the near future."

- a trader at a major Japanese bank (based on Reuters)

Pair's Outlook

After more than a week of declines the USD/JPY remained almost completely unchanged on Monday, indicating a possible trend reversal. The 18-month low, which is now bolstered by the Bollinger band, appears to have provided sufficient support for a rebound. The Greenback is now likely to edge higher, but with the monthly S2 and the weekly PP still forming a rather strong resistance area around the 109.00 psychological level. Technical studies, on the other hand, are giving mixed signals, implying that the given pair could remain relatively unchanged for the third consecutive time today.

Traders' Sentiment

There are 70% of traders being long the US Dollar, compared to 72% on Monday. At the same time, the number of orders to sell the American Dollar grew larger, taking up 58% of the market (previously 54%).

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	40%	44%	40%	44%
Orders (±50 pips)	-2%	-14%	-52%	-11%
Orders (±100 pips)	-16%	-8%	-26%	-16%

Indicator	Day	Week	Month
MACD (12; 26; 9)	Buy	Buy	Sell
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3; 3)	Buy	Neutral	Neutral
ADX (14)	Sell	Sell	Sell
CCI (14)	Buy	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 108.29



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

Level	Rationale
R3 112.59/85	Monthly PP; down-trend
R2 110.63/111.23	Monthly S1; weekly R1; 20-day SMA
R1 108.70/109.16	Monthly S2; weekly PP
S1 107.66/63	Bollinger band; 18-month low
S2 106.74/53	Monthly S3; weekly S1
S3 105.03	Weekly S2

Gold sets ground for continuous recovery



“There are a number of positive demand catalysts, including steady fundamental demand from China and India, systematic central bank purchases, and U.S. inflows into the physical gold ETFs.”

- RBC (based on Wall Street Journal)

Pair's Outlook

Monday trading was finished with sharp gains for gold, as the price closed above the first weekly resistance line at 1,257.50. However, the bulls failed to extend this rally up to the second supply area placed between 1,260 and 1,263. We expect it to happen this week, but we are not ruling out a correction lower on Tuesday after some traders fix profit. It will be more than enough to hold the price above yesterday's low/opening level of 1,239. Among additional bearish risks, the daily technical studies are still maintaining the "sell" view, but dense demand areas below 1,235 should prevent XAU/USD from deep collapses.

Traders' Sentiment

In the morning on Tuesday only a third of SWFX market participants have held long positions on the bullion. This is down from 37% we had seen 24 hours ago and 51% on Friday.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-34%	-26%	-8%	-14%

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

XAU/USD Daily Chart Current price 1253.25



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1278			
1274			
1260			
1249			1250
1241			
1236			
	1206	1200	
		1125	1125
	1100		
	1071		
		1048	
			1037

Level	Rationale
R3	1,278 Weekly R3
R2	1,274 Monthly R1
R1	1,260/67 Weekly R2; Bollinger band; February high
S1	1,249 Weekly R1
S2	1,241 Monthly PP
S3	1,236/32 20-day SMA; weekly PP

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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