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RESEARCH PRODUCTS

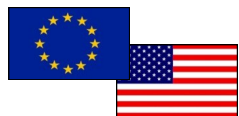
31/03/2016

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



Technical Analysis

EUR/USD at risk of sinking from weekly R2



"We're seeing many investors unwinding their long-dollar bets."
- IG Asia Pte (based on Bloomberg)

Pair's Outlook

With recovering volume of trading, the Euro continued to grow in value against the Greenback on Wednesday. Consolidation above the first downtrend line led to a spike above the second downtrend placed near 1.1325. The rally was capped by the weekly R2 at 1.1337, which is the last supply under the February high at 1.1377. We would allow for a short-term correction lower, but dips below 1.12 are unlikely today. Alongside, by eroding the upper Bollinger band at 1.14 the cross will set eye on the October 2015 high at 1.1495.

Traders' Sentiment

The bullish share was sent down to from 43% to 42% yesterday. Alongside, pending orders tanked much below 50% by Thursday morning, as 55% of all commands, placed in the 100-pip range from the spot, are now set to go short on the Euro zone's currency.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-16%	-14%	-12%	-14%
Orders (±50 pips)	-14%	18%	6%	6%
Orders (±100 pips)	-10%	16%	4%	5%

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	Neutral	Sell
CCI (14)	Sell	Neutral	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 1.1317



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1495			
1.1377			
1.1327			
1.1279			
1.1250			
1.1227			
			1.1
	1.08	1.08	
	1.05	1.05	1.05
	1.03		
			1.02
		1.01	

	Level	Rationale
R3	1.1495	October 2015 high
R2	1.1377/1.1402	February high; Bollinger band; weekly R3
R1	1.1327/37	Downtrend; weekly R2
S1	1.1279	Downtrend
S2	1.1250	Weekly R1
S3	1.1227/1.1189	Weekly PP; monthly R1; 20-day SMA

GBP/USD on the edge of falling under 1.43

"The USD sell-off is broadening, and risks are that it continues to disappoint bulls in the near term. But as we look ahead, we wonder about the sustainability of this trend. So we find ourselves in a position where the stronger USD cycle does not look complete, yet the near-term triggers of a resumption of this cycle are scarce."

- ANZ (based on Reuters)

■ Pair's Outlook

Upon putting the monthly R1 to the test, the GBP/USD currency pair failed to maintain gains and retreated, closing below the 1.44 level. The Supply, represented by the weekly R1, at 1.4393 proved to be sufficient to keep the Sterling from appreciating against the Buck, thus, another bearish development today is likely. The nearest support is located around 1.4250 in face of the weekly PP, the 20 and the 55-day SMAs. However, there is still a possibility of the Cable rising higher today on positive fundamental data, with the ceiling being the 1.45 psychological level, as it kept the pair at bay for more than a month.

■ Traders' Sentiment

Market sentiment once again shifted to the bullish side, but remains close to equilibrium, with 53% of all open positions being long. There are now 52% of orders to purchase the British Pound (previously 43%).








Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	6%	-4%	40%	16%
Orders (±50 pips)	-2%	-14%	16%	6%
Orders (±100 pips)	4%	-14%	8%	4%

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

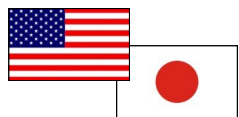
GBP/USD Daily Chart Current price **1.4340**



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.4580 1.4446 1.4393 1.4282 1.4141 1.4072		1.56	1.56
	1.55		
			1.52
	1.51	1.51	
	1.49		
		1.48	
			1.47

	Level	Rationale
 R3	1.4580	100-day SMA
 R2	1.4446/92	Monthly R1; Bollinger band
 R1	1.4393	Weekly R1
 S1	1.4282/25	20 and 55-day SMAs; weekly PP
 S2	1.4141	Monthly PP
 S3	1.4072	Bollinger band

USD/JPY keeps sliding down



"The game changer for me is Yellen was extremely specific...mentioning the currency ... saying the dollar cannot go higher. From a currency perspective, that's pretty important...It was a really explicit (message)."

- **Jesper Barqmann, Nordea Markets (based on CNBC)**

■ Pair's Outlook

The Greenback's losses against the Japanese Yen yesterday were limited, due to the ADP Employment Change data beating expectations. Nonetheless, the USD/JPY currency pair remains under pressure, with the weekly PP and the 20-day SMA, namely the closest resistance cluster, continuing to weigh on Buck. The bearish momentum is still expected to last until the exchange rate reaches the current descending channel's support line near the 110.50 level. The only obstacle on the given pair's path is support area circa 111.60, represented by the weekly S1 and the lower Bollinger band.

■ Traders' Sentiment

Today 70% of traders hold long positions, compared to 72% on Wednesday. Meanwhile, there are nearly three quarters (73%) of orders to sell the US Dollar (previously 55%).

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	40%	44%	50%	45%
Orders (±50 pips)	-48%	-12%	-12%	-7%
Orders (±100 pips)	-46%	-10%	-42%	-14%








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	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 **112.35**



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
			128
	127	127	
	125	125	125
		123	
	122		122
113.85			
113.27			
112.53			
111.75			
110.58			
109.64			

	Level	Rationale
 R3	113.85/114.18	Weekly R1; Bollinger band
 R2	113.27	Down-trend
 R1	112.53/79	Weekly PP; 20-day SMA
 S1	111.75/40	Weekly S1; Bollinger band
 S2	110.58/43	Down-trend; weekly S2
 S3	109.64	Weekly S3

Thursday, March 31, 2016
07:30 GMT

Gold undecided near technical cluster at 1,227/33



"It is difficult to get bearish on gold at this stage given that the Fed has made it quite clear that it is reluctant to raise rates, this despite signs that the U.S. economy is doing fairly well."

- INTL FCStone (based on CNBC)

Pair's Outlook

Prices of the yellow metal are increasingly turbulent this week, as the volume of daily trading has not rebounded to pre-Easter levels yet. Gold failed at the two-month uptrend (1,242.50) yesterday and slid back below the cluster of important levels located between 1,233 and 1,227. Ability to hover below the lower bound of this technical bunch will fuel a new round of bearish concerns. The bears keep focused on the 1,200 area (weekly S1/Bollinger band/55-day SMA), and this downward idea is backed by aggregate technical indicators today.

Traders' Sentiment

Only one percent of all positions in the SWFX market have been recovered by the bulls, as they pushed their portion to 40% by Thursday morning. This is up from only 39% yesterday, the lowest mark in several working days.

XAU/USD Daily Chart

Current price 1227.58



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1263			
1247			
1227			1250
1205	1206		
1199		1200	
1193			
		1125	1125
	1100		
	1071		
		1048	
			1037

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-20%	-22%	-16%	-23%

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

	Level	Rationale
R3	1,263/67	February high; Bollinger band
R2	1,247	Weekly R1
R1	1,227/33	Weekly PP; 23.6% Fibo; 20-day SMA
S1	1,205	Monthly PP
S2	1,199/98	Weekly S1; 55-day SMA; Bollinger band
S3	1,193	38.2% Fibo

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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