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



Technical Analysis

EUR/USD skyrockets 230 pips to reach 1.1150



“The dollar’s weakness looks like a correction in its multi-year bull trend given the Fed is still more likely than other major central banks to tighten rather than ease monetary policy this year.”
- Royal Bank of Scotland (based on Bloomberg)

Pair’s Outlook

Poor services data from the US hit the Dollar on Wednesday. EUR/USD touched the highest level since October, while crossing several crucial resistances. Those included 100 and 200-day SMAs at 1.0958/1.1052. Additionally, it erased Dec-Jan and Aug-Oct downtrends. The pair should trade above 200-day SMA on Thursday in order to confirm medium-term bullish expectations. The key short-term supply is also represented by weekly R3/monthly R2 at 1.1115. Success here will push odds in favour of a spike to monthly R3 at 1.1246 and Sep 2015 high at 1.1460 in the long-term.

Traders’ Sentiment

The portion of long positions went up to 45% (41% yesterday). On top of that, 60% of all pending orders are presently set to buy the 19

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-10%	-18%	-10%	-11%
Orders (±50 pips)	10%	-4%	14%	-2%
Orders (±100 pips)	20%	-4%	-8%	-9%

Indicator/Period	Day	Week	Month
MACD (12; 26; 9)	Buy	Sell	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	Sell	Sell
Alligator (13; 8; 5)	Sell	Sell	Sell
SAR (0.02; 0.2)	Buy	Sell	Sell

EUR/USD Daily Chart Current price: 1.1087



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1460			
1.1246			
1.1115			
1.1075			
1.0972			1.1
1.0862	1.08	1.08	
	1.05	1.05	1.05
	1.03		1.02
		1.01	

Level	Rationale
Resistance 3: 1.1460	Sep 2015 high
Resistance 2: 1.1246	Monthly R3
Resistance 1: 1.1115	Weekly R3; monthly R2
Support 1: 1.1075/40	Bollinger band; weekly R2; 200-day SMA
Support 2: 1.0972/21	Weekly/monthly R1; 100/20-day SMAs
Support 3: 1.0862/57	Weekly PP; 55-day SMA

GBP/USD to launch another attack on monthly R1



“Of the Fed officials due to speak today, focus will be on whether Mester turns dovish.”
- Mizuho Securities (based on Reuters)

Pair's Outlook

Yesterday, amid broad USD weakness the Cable soared through the weekly R2 and even managed to test the 1.4681/53 resistance area, which consists of the weekly R3 and monthly R1 levels. Since the rally amounted to more than 190 pips, today we may expect a bearish correction to take place. The price will probably stabilise near 1.4533 and then make another attempt to conquer 1.4681/53. Above this resistance GBP/USD should aim for the 55-day SMA at 1.4754.

Traders' Sentiment

The number of long positions increased by 12 pp; however, the sentiment is neutral—55% of traders are bulls and 45% are bears. Meanwhile, the share of sell orders went up from 56 to 61%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	10%	-14%	30%	17%
Orders (±50 pips)	-12%	-6%	-16%	-4%
Orders (±100 pips)	-22%	-12%	-10%	-5%

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

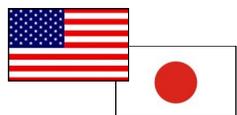
GBP/USD Daily Chart Current price: 1.4571



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.5600		1.56	1.56
1.55			
1.5212			1.52
1.518	1.51	1.51	
1.49			
1.4824		1.48	
1.4754			
1.4681			1.47
1.4621			
1.4533			
1.4389			
1.4243			
1.4049			

	Level	Rationale
Resistance 3	1.4754	55-day SMA
Resistance 2	1.4681/53	Weekly R3; monthly R1
Resistance 1	1.4621	Bollinger band
Support 1	1.4533	Weekly R2
Support 2	1.4389/58	Weekly R1; monthly PP; 20-day SMA
Support 3	1.4269	Weekly PP

USD/JPY en route to 2015 minimum



"Global risk off is claiming its next victim. The BOJ tried to respond with negative rates, ECB tried to sound more dovish. The next target for markets is the Fed."

- Crédit Agricole (based on MarketWatch)

Pair's Outlook

During the last two days USD/JPY has nearly negated all its gains after Jan 19, as the monthly pivot point was unable to stop Dollar's depreciation yesterday. The currency pair is now testing the next monthly pivot at 117.50, which has a good chance of triggering a rally before another bearish wave. The Buck might rebound up to the weekly S1 at 118.62. Nevertheless, the price should soon slide down to 116 yen, where we are likely to see strong demand because of the last year's low.

Traders' Sentiment

Interestingly enough, precipitous decline did not materially affect the distribution between the shorts (69%) and longs (31%). In the meantime, the portion of sell orders plunged from 75 to 55%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	-38%	-36%	-44%	-43%
Orders (±50 pips)	8%	-66%	26%	1%
Orders (±100 pips)	-10%	-50%	22%	8%

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

USD/JPY Daily Chart Current price: 117.94



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

	Level	Rationale
■ Resistance 3	119.59	Monthly PP
■ Resistance 2	118.62	Weekly S1
■ Resistance 1	118.28	20-day SMA
■ Support 1	117.50	Monthly S1
■ Support 2	116.12/115.85	Weekly S2; Bollinger band; 2015 low
■ Support 3	114.59	Weekly S3

Gold awaits consolidation above 200-day SMA



"The Federal Reserve will keep monetary policy looser than previously anticipated in the months ahead as global economic headwinds prompt officials to postpone their hiking plans until the second half of 2016."
- BMI Research (based on CNBC)

Pair's Outlook

American currency weakened across the board yesterday, while pushing safe-haven prices further to the upside. XAU/USD penetrated 200-day SMA for the first time since October, while nearing the first monthly resistance at 1,143. This supply is strengthened by weekly R2 and 2015 downtrend at 1,145/47. A climb above them will shift our attention to the May-Oct trend-line at 1,164. Alongside, ability to fix gains above 200-day SMA on Thursday will proclaim that bullish sentiment is strong. As for daily aggregate technical indicators, the signal is maintaining a mixed stance today.

Traders' Sentiment

Over the last 24 hours of trading the share of long positions on the SWFX market dropped by two percentage points to 53% from 55%.

Net Sentiment	Last	1 day ago	5 days ago	10-day avg.
Open Positions	6%	10%	6%	9%

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

XAU/USD Daily Chart Current price: 1142.45



	Level	Rationale
■ Resistance 3	1,162/64	Weekly R3; downtrend
■ Resistance 2	1,156	Sep 2015 high
■ Resistance 1	1,143/48	Monthly R1; weekly R2; downtrend; Bollinger band
■ Support 1	1,131/28	200-day SMA; weekly R1
■ Support 2	1,114/11	Weekly PP; 20-day SMA
■ Support 3	1,105/00	100-day SMA; Oct 2015 low; monthly PP; weekly S1

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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