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



Technical Analysis

EUR/USD plans to attack 200-day SMA



"The Fed is aware that the pain from a strong dollar is a lot worse in some parts of the country than the headline suggests."

- TD Securities (based on Bloomberg)

Pair's Outlook

EUR/USD advanced for a third trading day in a row on Monday and neared the monthly pivot point at 1.1021, which is succeeded by the 200-day SMA at 1.1045. Bullish momentum is strong, and it was able to reverse earlier intraday losses yesterday. We are now looking for an attack on the biggest moving average line, a spike above which will further increase upside risks. Nevertheless, daily technical studies continue to disagree with this idea, but to activate the bearish outlook the pair has to close below the 55-day SMA and weekly pivot point at 1.0974/58.

Traders' Sentiment

While the distribution between the longs and shorts is unchanged at 48-52%, pending orders are now set to acquire EUR against USD in 53-57% of all cases depending on the range from the current spot price.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-4%	-4%	6%	3%
Orders (±50 pips)	14%	-2%	-10%	-6%
Orders (±100 pips)	6%	-6%	-4%	-8%

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

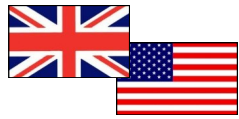
EUR/USD Daily Chart Current price: 1.1021



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1176			
1.1090			
1.1021			
1.1007			1.1
1.0914			
1.0872			
	1.08	1.08	
	1.05	1.05	1.05
	1.03		1.02
		1.01	

Level	Rationale
R3	1.1176 Weekly R2
R2	1.1090 Weekly R1
R1	1.1021/45 Monthly PP; 200-day SMA
S1	1.1007/1.0958 20/55-day SMA; weekly PP
S2	1.0914 100-day SMA
S3	1.0872 Weekly S1

GBP/USD under the risk of returning under 1.42



"The short-covering rally in sterling/dollar has probably run its course. Further gains in the pound look tough, given all the worries about 'Brexit'."

- London-based spot trader (based on Business Recorder)

Pair's Outlook

The British Pound surprised with its performance for another day, as demand at the monthly PP was sufficient to cause the Cable to recover from its intraday low and edge 45 pips higher. The 20-day SMA remains the immediate support today, but is not strong enough to prevent the GBP/USD currency pair from declining if the bearish momentum prevails. The cluster around 1.4125, on the other hand, is likely to limit the losses, as technical studies suggest. However, we should not rule out the possibility of the bulls pushing the pair towards the first resistance area, located around the 1.44 major level.

Traders' Sentiment

Today 57% of traders hold long positions, compared to 56% on Monday. Meanwhile, the portion of orders to acquire the Sterling inched 7% points higher. The orders now take up 59% of the market.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	14%	12%	26%	18%
Orders (±50 pips)	24%	0%	34%	12%
Orders (±100 pips)	18%	4%	18%	3%

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

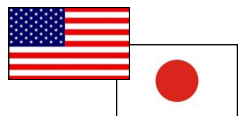
GBP/USD Daily Chart Current price: 1.4260



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.4518		1.56	1.56
1.4446	1.55		
1.4374			1.52
1.4206	1.51	1.51	
1.4141	1.49		
1.3962		1.48	1.47

Level	Rationale
R3	1.4518 Weekly R2
R2	1.4446 Monthly R1
R1	1.4374/1.4403 Weekly R1; 55-day SMA
S1	1.4206 20-day SMA
S2	1.4141/05 Monthly and weekly PPs
S3	1.3962 Weekly S1

USD/JPY journeys below 113.00



“The dollar/yen is a bit soggy today. There are still plenty of people who want to sell the dollar, and lock in their recent gains.”

- Global-info Co (based on Reuters)

Pair’s Outlook

Once again the Greenback made a U-turn after having edged closer towards the 114.00 level, resulting in a 50-pip slump over the day. The nearest support, however, played its part and succeeded in stopping the USD/JPY from falling deeper. Today the US Dollar is likely to retain its post wage data weakness, allowing the Yen to take the upper hand and benefit from its safe haven status. The 20-day SMA is supporting the pair around 113.27, but according to technical indicators the Buck could drop beyond the 113.00 mark and even reach the second support area around 112.20, represented by the weekly S1 and the Bollinger band.

Traders’ Sentiment

Bullish sentiment barely changed, as 71% of all open positions remain long. The share of buy orders, on the other hand, slid from 62 to 49%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	42%	40%	44%	45%
Orders (±50 pips)	-30%	18%	-22%	3%
Orders (±100 pips)	-2%	24%	4%	4%

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	Sell	Sell
CCI (14)	Neutral	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: 113.04



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
128			
127	127		
125	125	125	125
123		123	
122			122
115.87			
114.60			
113.47			
113.27			
112.39			
111.07			

	Level	Rationale
R3	115.87	Weekly R2
R2	114.60/115.04	Bollinger band; weekly R1; monthly PP
R1	113.47	Weekly PP
S1	113.27	20-day SMA
S2	112.39/111.96	Weekly S1; Bollinger band
S3	111.07	Weekly S2

Gold inches higher in silent trading



"A lot of traders are trying to anticipate a 'no rate hike' scenario, causing a bit of an increase in gold."
- Phillip Futures (based on CNBC)

Pair's Outlook

Monday has been a broadly calm day for global markets and the safe-haven metal booked somewhat muted volatility readings. Alongside, trading volume decreased to the lowest level in three working days. Notwithstanding current silence, the broad outlook for gold remains optimistic for the moment. XAU/USD is hovering above the weekly pivot point (1,251) and is expected to pick up in the direction of the first weekly resistance (1,287) soon. To expose the 2015 high at 1,307 the bullion should surge above the monthly R1 placed at 1,295.

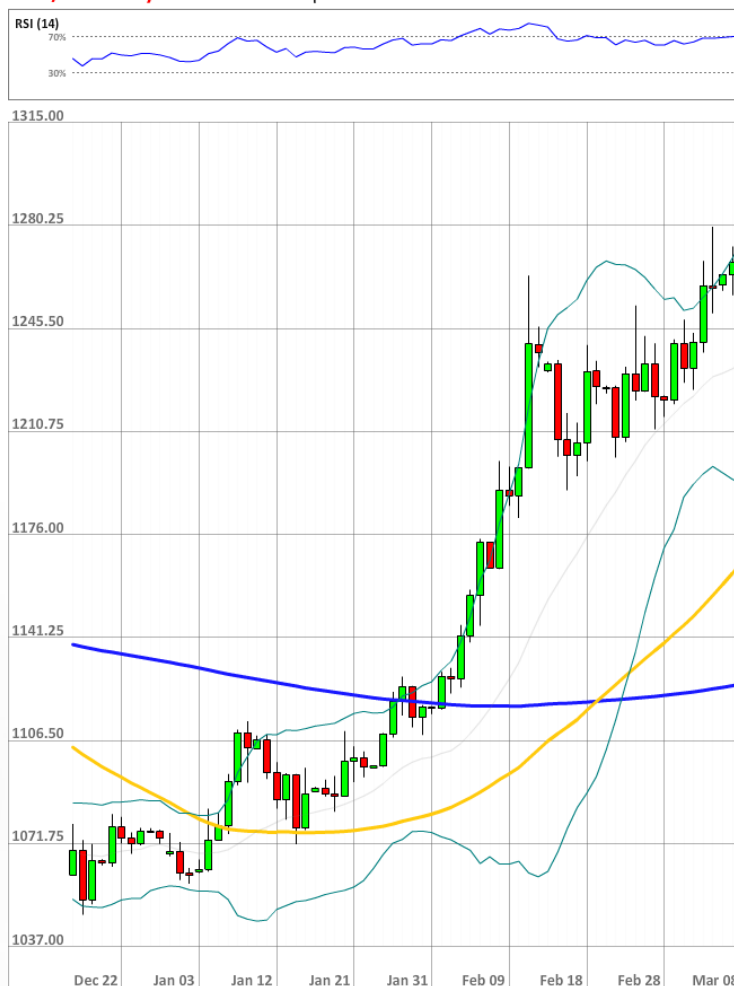
Traders' Sentiment

Bullish share in the SWFX market advanced to 43% by Tuesday morning, while yesterday the same reading stood at 41%. Despite that, it proclaims that the market is still favouring a correction to the downside in the great majority of all cases.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-14%	-18%	-38%	-29%

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

XAU/USD Daily Chart Current price: 1269.78



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1315			
1307			
1287			
1268			
1251			1250
1231			
	1206	1200	
		1125	1125
	1100		
	1071		
		1048	
			1037

Level	Rationale
R3	1,315 Weekly R2
R2	1,307 2015 high
R1	1,287/95 Weekly/monthly R1s
S1	1,268 Bollinger band
S2	1,251 Weekly PP
S3	1,231/23 Uptrend; weekly S1; 20-day SMA

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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