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RESEARCH PRODUCTS

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



Technical Analysis

EUR/USD ends another session in limbo



"We believe the strong-dollar trend we've seen over the last couple of years has come to an end."
- Pacific Investment Management Co. (based on Bloomberg)

Pair's Outlook

Since last Friday neither bulls nor bears have managed to take market in hand. Yesterday was a turbulent day, as the spot ranged from 1.1340 to 1.1455. However, ultimately the pair has been barely down by 22 pips over the whole day. Fresh daily and weekly technical indicators estimate a bullish correction. We tend to maintain a positive outlook as well, because there are many obstacles to limit a slump of the Euro and the first one is the weekly PP at 1.1326. The primary resistance we are looking at is the October peak at 1.15, which is boosted by the Bollinger band and weekly R1.

Traders' Sentiment

Only 39% of all SWFX positions are bullish in the morning on April 8, no change over the previous trading session. Meanwhile, bullish orders set in the range of 50 pips from the spot dropped from 59% to 41%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	-22%	-22%	-16%	-17%
Orders (±50 pips)	-18%	18%	-16%	-1%
Orders (±100 pips)	-4%	-2%	-34%	-5%

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	↗	↗	↘

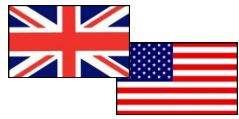
EUR/USD Daily Chart Current price 1.1366



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1.1713			
1.1586			
1.1475			
1.1326			
1.1279			
1.1216			
			1.1
	1.08	1.08	
	1.05	1.05	1.05
	1.03		
		1.01	
			1.02

Level	Rationale
R3	1.1713 August 2015 high
R2	1.1586/1.1611 Monthly R1; weekly R2
R1	1.1475/1.15 Bollinger band; October 2015 high; weekly R1
S1	1.1326 Weekly PP
S2	1.1279 20-day SMA
S3	1.1216/04 Weekly S1; monthly PP

GBP/USD takes another shot at rebounding



*"We believe that this [the April pro-Sterling seasonal effect] will merely delay what we see as renewed pressure on the pound heading into the Referendum."
- BAML (based on PoundSterlingLive)*

Pair's Outlook

The British Pound plunged against the US Dollar for the third consecutive day yesterday, amid concerns over 'Brexit' continuing to weigh on the Sterling. The bottom target is now the monthly S1 at 1.4005, which is also bolstered by the Bollinger band today. In case this area gives in, the second demand level at 1.3932, namely the weekly S2, is expected to keep the Pound from falling deeper. Although the bearish scenario is more likely, we should not rule out the possibility of the GBP/USD pair undergoing a bullish correction and, thus, climbing back over the 1.41 psychological level.

Traders' Sentiment

Bullish traders' sentiment returned to its Tuesday's level of 69%, compared to 63% yesterday. At the same time, all pending orders are equally divided between the buy and the sell ones.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	38%	26%	18%	24%
Orders (±50 pips)	-6%	22%	-46%	8%
Orders (±100 pips)	0%	38%	-14%	8%

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

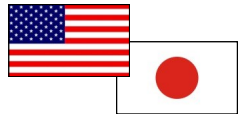
GBP/USD Daily Chart Current price 1.4071



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
1.4421			
1.4248			
1.4082			
1.4005			
1.3932			
1.3744			

Level	Rationale
R3	1.4421 Weekly R1
R2	1.4248/71 20 and 55-day SMAs; weekly and monthly PPs
R1	1.4082 Weekly S1
S1	1.4005/1.3996 Monthly S1; Bollinger band
S2	1.3932 Weekly S2
S3	1.3744 Weekly S3

USD/JPY attempts to regain the bullish momentum



“What (investors) are seeing now is that (Japanese) policymakers aren't providing the support for dollar/yen that they would have expected. That's creating some degree of confusion, and of course, prudent risk management suggests one scales back on short positions.”

- Credit Suisse (based on Reuters)

Pair's Outlook

As was anticipated, the USD/JPY currency pair slumped after BoJ Kuroda's statement yesterday, with the exchange rate reaching a fresh 18-month low of 107.67. However, the Buck stabilised slightly higher at 108.17, after having plunged for five days in a row. The newly-formed 18-month low is expected to provide sufficient support to keep the Greenback from falling deeper. Technical studies remain mixed signals, suggesting that the US currency might rebound today, if demand at the new low provided sufficient impetus for the recovery. In this case, the nearest resistance will be the cluster around 108.75, represented by the weekly S3, the monthly S2 and the Bollinger band.

Traders' Sentiment

Today 74% of all open positions are long (previously 73%). Meanwhile, the portion of orders to buy the US Dollar declined from 62 to 51%.

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	48%	46%	46%	45%
Orders (±50 pips)	6%	10%	-16%	-9%
Orders (±100 pips)	2%	24%	-28%	-10%

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 108.66



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

	Level	Rationale
■ R3	110.63/88	Monthly and weekly S1s
■ R2	110.12	Weekly S2
■ R1	108.66/89	Weekly S3; monthly S2; Bollinger band
■ S1	107.67	18-month low
■ S2	106.74	Monthly S3
■ S3	100.78	2014 low

Gold awaits consolidation above 20-day SMA



“Risk appetite waned with renewed concern over the power of monetary policy. A weaker U.S. equity market lent support to global volatility and put gold again at centre stage for investors.”

- ANZ (based on CNBC)

Pair's Outlook

Following Thursday's spike in gold prices, this precious metal is now finally awaiting a consolidation above a busy cluster of resistances placed between 1,224 and 1,231. The upper band of it is the 20-day SMA, and exactly a closure above this line would considerably improve the bullion's future forecast. To support this view, the new weekly technical indicators are strongly favouring a rally over the upcoming five-day period. At the same time, another failure of the bulls, if happens, is unlikely to become long lasting, as XAU/USD will then encounter a demand line in face of the 55-day SMA at 1,213.

Traders' Sentiment

For the first time in precisely nine weeks the bullish SWFX market share soared above the 50% threshold. Now 51% of market participants believe the bullion is going to appreciate, up from only 48% yesterday.

XAU/USD Daily Chart Current price 1236.09



SUPPORT & RESISTANCE	FORECASTS		
	Q1 16	Q2 16	Q3 16
1274			
1259			
1241			1250
1231			
1213			
1205	1206	1200	
		1125	1125
	1100		
	1071		
		1048	
			1037

Sentiment	Today	Yesterday	5 days ago	10-day avg.
Open Positions	2%	-4%	-18%	-10%

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)	Buy	Buy	Buy
Aggregate	↘	↑	→

Level	Rationale
R3	1,274/79 Monthly R1; weekly R3; March high
R2	1,259/63 Weekly R2; February high; Bollinger band
R1	1,241 Weekly R1; monthly PP
S1	1,231/24 20-day SMA; 23.6% Fibbo; weekly PP
S2	1,213 55-day SMA
S3	1,205/03 Weekly S1; Bollinger band

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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