

DAILY TECHNICAL REPORT

21 October 2016

EUR / USD



Breaking key support at 1.0913.

- EUR/USD's bearish momentum continues. Selling pressures are important. Resistance can be given at 1.0822 (10/03/2016 low). Hourly resistance can be found at 1.1058 (13/10/2016 high). Key resistance is located far away at 1.1352 (18/08/2016 high). Expected to further decline.
- In the longer term, the technical structure favours a very long-term bearish bias as long as resistance at 1.1714 (24/08/2015 high) holds. The pair is trading in range since the start of 2015. Strong support is given at 1.0458 (16/03/2015 low). However, the current technical structure since last December implies a gradual increase.

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GBP / USD



Riding lower within symmetrical triangle.

- GBP/USD is well located within a symmetrical triangle. Hourly support is given around 1.2185 (lower bound of the symmetrical triangle) while hourly resistance lies at 1.2332 (19/10/2016 high). Key resistance stands far away at 1.2620 then 1.2873 (03/10/2016). Expected to show further increase.
- The long-term technical pattern is even more negative since the Brexit vote has paved the way for further decline. Long-term support given at 1.0520 (01/03/85) represents a decent target. Long-term resistance is given at 1.5018 (24/06/2015) and would indicate a long-term reversal in the negative trend. Yet, it is very unlikely at the moment.

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USD / JPY

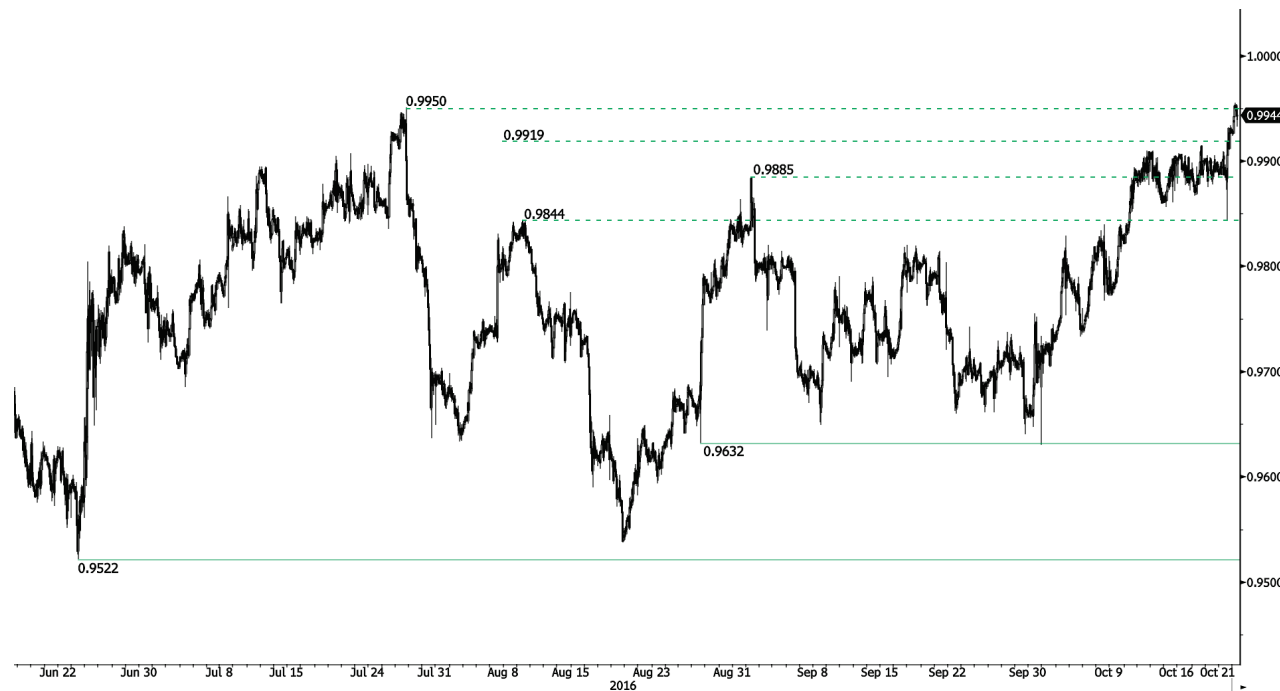


Lack of follow-through.

- USD/JPY has successfully bounced off 103.17 low but the pair fails to hold above resistance at 104.32. In addition, a break of hourly support at 102.81 (10/10/2016 low) is needed to confirm underlying pressures. Key support can be found at 100.09 (27/09/2016). Hourly resistance can be found at 104.64 (13/10/2016 higher). Expected to further decline as selling pressures around 104.15-30 seem important.
- We favor a long-term bearish bias. Support is now given at 96.57 (10/08/2013 low). A gradual rise towards the major resistance at 135.15 (01/02/2002 high) seems absolutely unlikely. Expected to decline further support at 93.79 (13/06/2013 low).

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USD / CHF



Breaking resistance 0.9950.

- USD/CHF has finally broken resistance area between 0.9919 (07/08/2016 low) and 0.9950 (27/07/2016). The pair remains on a bullish momentum since September 15. Hourly support is located at 0.9733 (05/10/2016 base) then 0.9632 (26/08/2016 base low). Expected to see continued increase.

- In the long-term, the pair is still trading in range since 2011 despite some turmoil when the SNB unpegged the CHF. Key support can be found 0.8986 (30/01/2015 low). The technical structure favours nonetheless a long term bullish bias since the unpeg in January 2015.

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USD / CAD



Sharp recovery but...

- USD/CAD has bounced sharply off 1.3006 support. However, technical picture remains bearish below 1.3253. Strong resistance area between 1.3253 and 1.3405 are unlikely to be broken. Expected to head toward key support which can be found at 1.3000 (22/09/2016 low).
- In the longer term, the pair is trading around its 200-day moving average. Strong resistance is given at 1.4690 (22/01/2016 high). Long-term support can be found at 1.2461 (16/03/2015 low). The pair is likely in a consolidation phase within a new long-term increase.

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AUD / USD



Failed once more to test resistance area around 0.7700.

- AUD/USD was rejected before resistance located at 0.7756 (10/08/2016 high). Hourly support is given at 0.7507 (13/10/2016 low). Expected to continue bouncing back lower.
- In the long-term, we are waiting for further signs that the current downtrend is ending. Key supports stand at 0.6009 (31/10/2008 low) . A break of the key resistance at 0.8295 (15/01/2015 high) is needed to invalidate our long-term bearish view.

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EUR / CHF



Heading lower.

- EUR/CHF is approaching 1.0800. The pair is constantly having strong difficulties to go any higher. Strong resistance at 1.1037 looks difficult to reach. Hourly support at 1.0870 (13/10/2016 low) has been broken. Another support can be found at 1.0811 (29/07/2016 low).
- In the longer term, the technical structure remains positive. Resistance can be found at 1.1200 (04/02/2015 high). Yet, the ECB's QE programme is likely to cause persistent selling pressures on the euro, which should weigh on EUR/CHF. Supports can be found at 1.0184 (28/01/2015 low) and 1.0082 (27/01/2015 low).

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EUR / JPY



Back towards 113.00.

- EUR/JPY is trading mixed between resistance located at 116.37 (02/09/2016) and support at 112.09 (21/09/2016 low). Stronger support lies at 110.83 (06/07/2016 low). The pair is less volatile. This may signal that larger downside moves may happen.
- In the longer term, the technical structure validates a medium-term succession of lower highs and lower lows. As a result, the resistance at 149.78 (08/12/2014 high) has likely marked the end of the rise that started in July 2012. The road is now wide open towards strong support at 94.12 (24/07/2012 low).

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EUR / GBP



Bearish recovery.

- EUR/GBP continues to head lower since the pair has broken uptrend channel. Hourly support is given at 0.8776 (05/10/2016 low) while resistance is given at 0.9026 (20/10/2016 high). Expect to show continued bearish pressures.
- In the long-term, the pair is currently recovering from recent lows in 2015. The technical structure suggests a growing upside momentum. The pair is trading far above from its 200 DMA. Strong resistance can be found at 0.9500 psychological level.

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GOLD (in USD)



Bearish consolidation but positive momentum.

- Gold has bounced off support, challenging bearish technical picture by breaking 1265. Hourly support is located at 1265 (07/10/2016 high). Strong support is given at 1241 (07/10/2016 low). An hourly resistance lies at 1265 (07/10/2016 high).
- In the long-term, the technical structure suggests that there is a growing upside momentum. A break of 1392 (17/03/2014) is necessary to confirm it. A major support can be found at 1045 (05/02/2010 low).

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SILVER (in USD)



Ranging.

- Silver is trading around former support at 17.53. Hourly resistance is given at 17.82 (11/10/2016 high) while key resistance is given at 18.88 (04/10/2016 base). Expected to see a new leg higher.
- In the long-term, the metal is now in an increasing uptrend. Resistance is located at 25.11 (28/08/2013 high). Strong support can be found at 11.75 (20/04/2009).

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Crude Oil (in USD)



Bouncing within bearish uptrend channel.

- Crude oil is trading around and has failed again to retest strong resistance given at 51.67 (08/06/2016 high). Support can be found at 49.15 (10/10/2016 low) then 46.50/68 (22/09/2016 high). Short-term bearish positions should be loaded up at this level as buying pressures is fading.
- In the long-term, crude oil is now recovering from its sharp decline and the signs of recovery are now strong. Strong support lies at 24.82 (13/11/2002) while strong resistance at 50.96 (09/10/2015 high) has been broken. Crude oil is holding way above its 200-Day Moving Average. Expected to reach 60 before year-end.

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