



DUKASCOPY
RESEARCH PRODUCTS

17/06/2016

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



Technical Analysis

Friday, June 17, 2016
07:30 GMT

EUR/USD continues to fluctuate around 1.125



"As widely expected, the Federal Reserve opted for the sidelines and held the benchmark rate at 0.25%, where it has been pegged since December 2015."
- Market Pulse (based on Investing.com)

Pair's Outlook

The European currency appreciated against the US Dollar on Thursday. With it, the pair continued this week's constant fluctuation around the 1.125 level between the monthly pivot point at 1.1282 and the first weekly support at 1.1192. Both sides were supported by additional supports and resistances. The monthly pivot point lead upside is also enforced by the weekly pivot point and 55-day SMA at 1.1304, and the support received reinforcement from the 100-day SMA at 1.1227. In the meantime, aggregate technical indicators predict an appreciation for the pair.

Traders' Sentiment

SWFX traders are bearish on the currency pair, as 52% of open positions are short. In the meantime, pending orders in the 100-pip range are 54% long.

| Sentiment | Today | Yesterday | 5 days ago | 10-day avg. |
|--------------------|-------|-----------|------------|-------------|
| Open Positions | -4% | -6% | -8% | -7% |
| Orders (±50 pips) | 4% | 32% | 6% | 5% |
| Orders (±100 pips) | 2% | 6% | 0% | 3% |

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

EUR/USD Daily Chart

Current price 1.1247

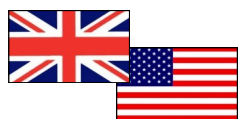


| SUPPORT & RESISTANCE | FORECASTS | | |
|----------------------|-----------|-------|-------|
| | Q3 16 | Q4 16 | Q1 17 |
| 1.1303 | | | |
| 1.1262 | | | |
| 1.1226 | | | |
| 1.1191 | | | |
| 1.1133 | | | |
| 1.1098 | | | |
| 1.14 | 1.14 | 1.14 | 1.14 |
| 1.1 | 1.1 | 1.1 | 1.1 |
| 1.08 | | | |
| 1.07 | | 1.07 | 1.07 |

| | Level | Rationale |
|----|-----------|-----------------------------|
| R3 | 1.1303/06 | Weekly PP; 55-day SMA |
| R2 | 1.1262/81 | Monthly PP; 20-day SMA |
| R1 | 1.1226 | 100-day SMA |
| S1 | 1.1191 | Weekly S1 |
| S2 | 1.1133 | Weekly S2 |
| S3 | 1.1098/91 | 200-day SMA; Bollinger band |

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GBP/USD attempts to negate weekly losses



"The tight relationship between changes in betting odds and the exchange rate offers an attractive way to compute the impact on the exchange rate of the referendum outcome. It indicates sterling/dollar could well move to \$1.30 given a "Leave" vote or \$1.50 if "Remain" wins."
- SEB (based on Reuters)

Pair's Outlook

The Cable managed to erase intraday losses and trade flat on Thursday, amid two main opposing referendum groups suspending their campaigns. The main support area, represented by the Bollinger band, the monthly S2 and the weekly S1 was confirmed once more, suggesting that a drop below the 1.41 level is doubtful, at least for now. However, technical indicators insist the GBP/USD pair is to continue weakening today. With no solid fundamental impetus present, the Sterling has the potential to erase this week's losses completely, but only if the immediate resistance in face of the monthly S1 at 1.4288 gives in.

Traders' Sentiment

Although not as strong as yesterday, but market sentiment remains bullish at 62%. The share of buy orders increased from 49 to 57% today.

| Sentiment | Today | Yesterday | 5 days ago | 10-day avg. |
|--------------------|-------|-----------|------------|-------------|
| Open Positions | 24% | 28% | 12% | 18% |
| Orders (±50 pips) | 28% | 42% | -24% | 2% |
| Orders (±100 pips) | 14% | -2% | 14% | 2% |

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

GBP/USD Daily Chart

Current price 1.4243

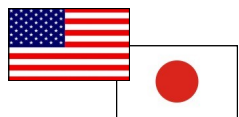


| SUPPORT & RESISTANCE | FORECASTS | | |
|----------------------|-----------|-------|-------|
| | Q3 16 | Q4 16 | Q1 17 |
| | | 1.53 | 1.53 |
| 1.51 | | | |
| | | 1.49 | 1.49 |
| 1.46 | | | |
| | | 1.45 | |
| 1.4411 | | | |
| 1.4353 | | | |
| 1.4288 | | | 1.43 |
| 1.42 | | | |
| 1.4104 | | | |
| 1.3888 | | | |
| 1.3595 | | | |

| | Level | Rationale |
|----|---------------|---------------------------------------|
| R3 | 1.4411/43 | 20 and 55-day SMAs |
| R2 | 1.4353/68 | 100-day SMA; weekly PP |
| R1 | 1.4288 | Monthly S1 |
| S1 | 1.4104/1.4075 | Bollinger band; monthly S2; weekly S1 |
| S2 | 1.3888/51 | Weekly S2; monthly S3 |
| S3 | 1.3595 | Weekly S3 |

USD/JPY struggles to remain above 104.00

Friday, June 17, 2016
07:30 GMT



"JPY selling may be fairly limited ahead of the Brexit vote as many Japanese players may be managing their liquidity positions and risk with prudence. They have been cautious about taking risk, as massive JPY capital outflows have so far failed to boost USD/JPY."
- Bank of Tokyo-Mitsubishi UFJ (based on WBP Online)

■ Pair's Outlook

The BoJ's decision to leave the monetary policy unchanged caused the Yen to soar and advance 175 pips against the US Dollar. The pair left the third support area intact, having closed just under the second cluster. The Buck's goal now is to prevent the fall below 104 yen, but that might be difficult to achieve, as technical indicators suggest another decline is due. The Bollinger band is the closest support, but the main level is located at 103.34, represented by the monthly S2. At the same time, the weekly S3 acts as the nearest resistance, but is unlikely to keep the pair contained if bulls take over the market.

■ Traders' Sentiment

Bullish market sentiment returned to its Wednesday's level of 72% (previously 70%), while the buy and the sell orders broke out of the perfect equilibrium. Now 52% of all pending orders are to buy the USD.

| Sentiment | Today | Yesterday | 5 days ago | 10-day avg. |
|--------------------|-------|-----------|------------|-------------|
| Open Positions | 44% | 40% | 42% | 45% |
| Orders (±50 pips) | 20% | 16% | 68% | 18% |
| Orders (±100 pips) | 4% | 0% | 54% | 3% |








| 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) | Sell | Neutral | 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 **104.24**



| SUPPORT & RESISTANCE | FORECASTS | | |
|----------------------|-----------|-------|-------|
| | Q3 16 | Q4 16 | Q1 17 |
| | | 119 | 119 |
| | 116 | 115 | 115 |
| | 112 | | |
| | | 110 | 111 |
| | 109 | | |
| | | | |
| 106.18 | | | |
| 105.39 | | | |
| 104.53 | | | |
| | | | |
| 103.87 | | | |
| 103.34 | | | |
| 102.68 | | | |

|  | Level | Rationale |
|------------------------------------------------------------------------------------------|-----------|--------------------|
|  R3 | 106.18 | Weekly S1 |
|  R2 | 105.39/55 | May low; weekly S2 |
|  R1 | 104.53 | Weekly S3 |
|  S1 | 103.87 | Bollinger band |
|  S2 | 103.34 | Monthly S2 |
|  S3 | 102.68 | Trend-line |

Gold stops its surge on Thursday



"The latest in the whipsaw that is the gold market sees the shiny rock moving higher again. Will it stick this time? Or will it pull another head fake and make a higher high only to give it up and fall back again? The boomerang market has been in full swing."
- Dragonfly Capital (based on Investing.com)

Pair's Outlook

The Yellow metal had surged for six consecutive trading sessions before it finally overheated and dropped. Amidst the Thursday's trading session, the metal climbed even above the level of 1,315, and the situation looked like it is about to reach the 1,330 mark. However, the commodity tumbled afterwards, fell below the monthly R1 at 1,278.62 and ended day's trading session at 1,276.85. Although at the start of Friday's session the bullion is on the rise again, and it has surged to 1,284. In addition the aggregate technical indicators predict a surge for the metal today and during the next week.

Traders' Sentiment

SWFX traders are still majorly bearish on the yellow metal, as 70% of open positions are short. At the moment, it might indicate on a further surge, as the metal is oversold.

| Sentiment | Today | Yesterday | 5 days ago | 10-day avg. |
|-----------|-------|-----------|------------|-------------|
| Positions | -40% | -36% | -6% | -20% |

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

XAU/USD Daily Chart

Current price 1283.34



| SUPPORT & RESISTANCE | FORECASTS | | |
|----------------------|-----------|-------|-------|
| | Q3 16 | Q4 16 | Q1 17 |
| 1318.29 | | | 1325 |
| 1305.21 | | | |
| 1289.02 | | | |
| 1278.62 | | | |
| 1261.89 | | | |
| 1251.84 | | | |
| 1250 | 1250 | | |
| 1220 | | | |
| | 1200 | 1200 | |
| 1155 | | | |
| | 1150 | 1150 | |

| | Level | Rationale |
|----|-------------------|-----------------------|
| R3 | 1,318.29 | Bollinger band |
| R2 | 1,305.21/1,307.06 | Weekly R2; 2015 high |
| R1 | 1,289.02 | Weekly R1 |
| S1 | 1,278.62 | Monthly R1 |
| S2 | 1,261.89/1,260.48 | Weekly PP; 20-day SMA |
| S3 | 1,251.84 | 55-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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