



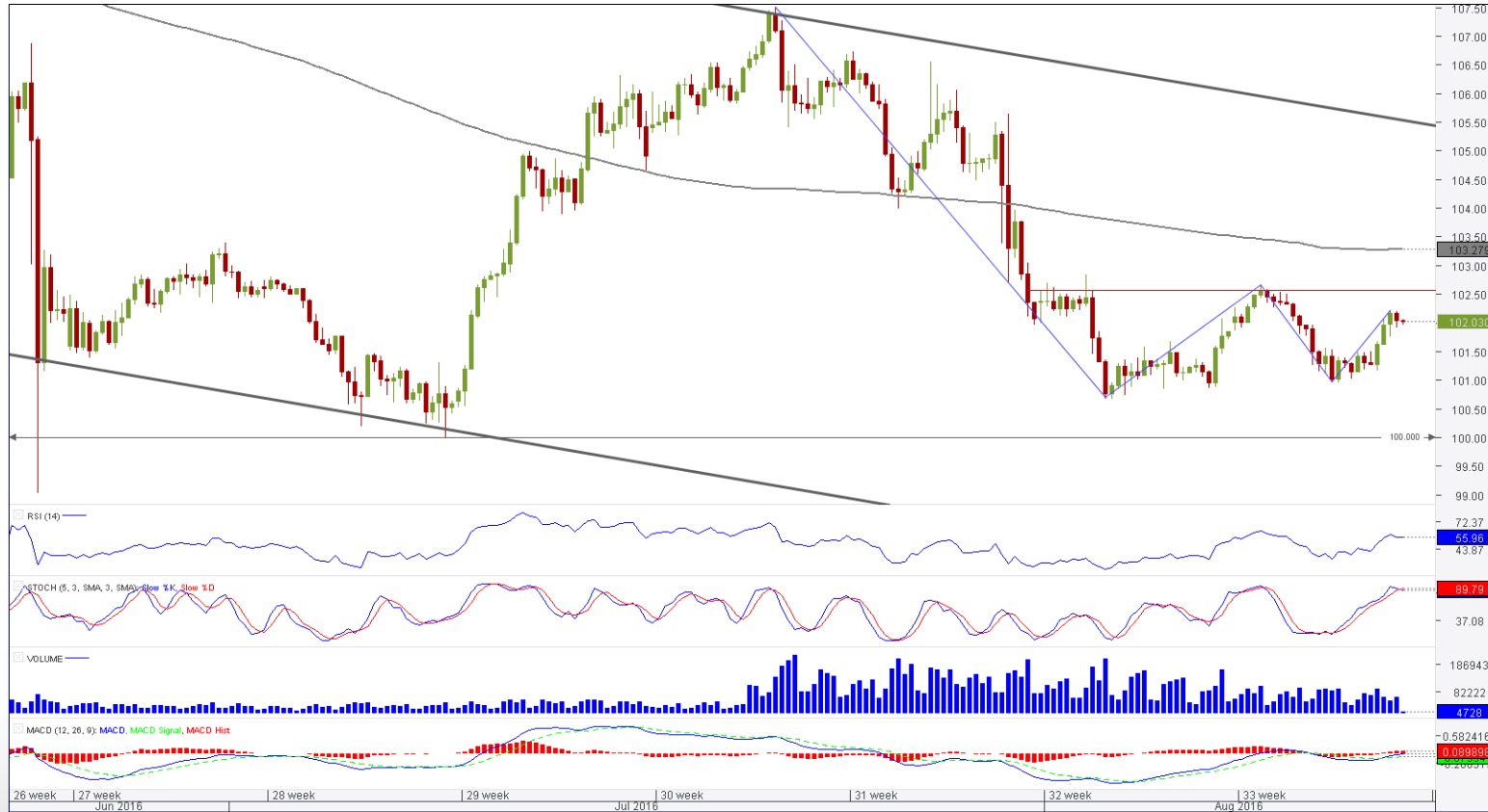
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Trade Pattern Ideas

USD/JPY 4H Chart: Double Bottom

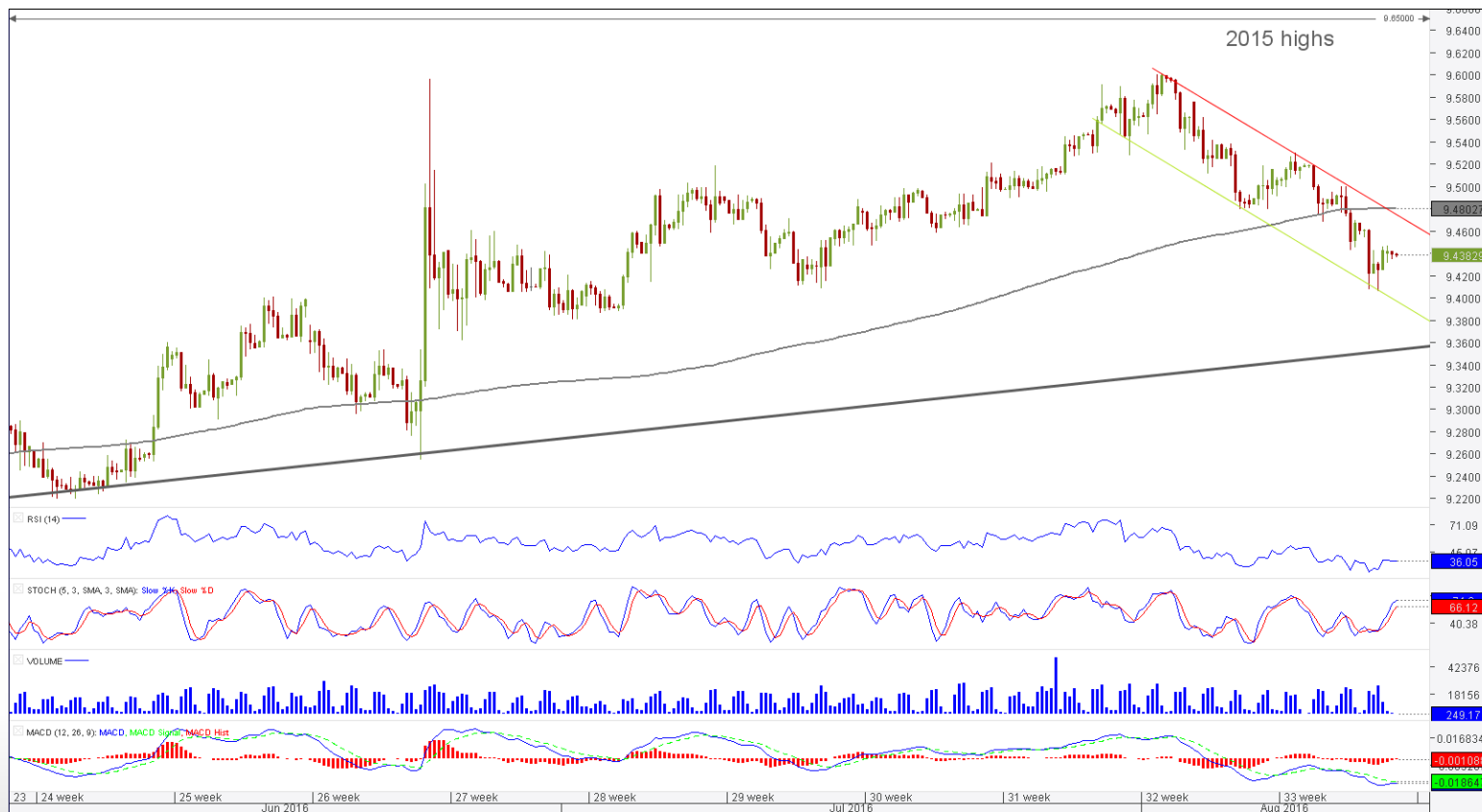


Comment: Judging by the situation in the daily chart, USD/JPY is currently in the middle of a new bearish wave within a descending channel. However, because of solid demand circa psychological 100 yen level, there is a good chance of a rally. This possibility is reinforced by the fact that the price is forming a double bottom, a pattern that implies a strong recovery once the neckline, in this case 102.50, is breached. If this is the case, the first target will be a cluster at 103.30/20, while the upside will likely be limited by the major downtrend line at 105 yen. Among the arguments against a more expensive Dollar are bearish technical indicators and the fact that the currency is overbought—62% of positions are long.

	Level	Rationale
R4	105.06	Weekly R3
R3	103.95	Weekly R2
R2	103.27/102.91	Weekly R1; monthly PP; 200-period SMA
R1	102.57	Resistance level
S1	101.79	Weekly PP
S2	101.00/100.75	Weekly S1; support level
S3	100.00/99.64	Weekly S2; support level
S4	98.88/60	Weekly S3; monthly S1

Indicator	4H	1D	1W
MACD (12; 26; 9)	Sell	Sell	Sell
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3; 3)	Sell	Sell	Sell
ADX (14)	Buy	Neutral	Sell
CCI (14)	Sell	Neutral	Neutral
AROON (14)	Buy	Buy	Buy
Alligator (13; 8; 5)	Neutral	Sell	Sell
SAR (0.02; 0.2)	Buy	Sell	Buy
Aggregate	→	↘	↘

EUR/SEK 4H Chart: Channel Down

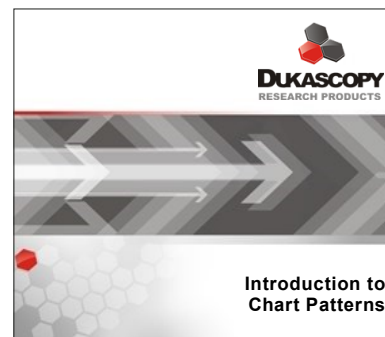


Comment: The near-term outlook on EUR/SEK is bearish, as the currency pair has recently formed a well-defined descending channel following a failed attempt to revisit 2015 highs. After a small upward correction from 9.41 the pattern implies a sell-off from its upper boundary at 9.46.

The decline, however, is expected to be limited by support at 9.36 because of the four-month uptrend line. Strength of the bulls is also implied by the longer-term technical indicators. Accordingly, we should expect the price to leave the boundaries of the pattern towards the end of the next week. Nevertheless, prolonged appreciation of the Euro is unlikely, since the currency is overbought: 74% of positions are long.

	Level	Rationale
R4	9.6000/9.5842	Weekly S1; Jun high
R3	9.5319/9.5142	Weekly and monthly PP; resistance level
R2	9.4800	200-period SMA
R1	9.4630/00	Weekly S1; down-trend
S1	9.4374	Monthly S1
S2	9.4107/9.4090	Weekly S2; Jul 14 low
S3	9.3900/9.3897	Down-trend; Jul lows
S4	9.3550/9.3418	Weekly S3; up-trend

Indicator	4H	1D	1W
MACD (12; 26; 9)	Sell	Buy	Buy
RSI (14)	Neutral	Neutral	Neutral
Stochastic (5; 3; 3)	Sell	Sell	Sell
ADX (14)	Neutral	Sell	Neutral
CCI (14)	Neutral	Buy	Neutral
AROON (14)	Buy	Buy	Buy
Alligator (13; 8; 5)	Sell	Neutral	Buy
SAR (0.02; 0.2)	Sell	Sell	Buy
Aggregate	↘	→	↗



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