



DUKASCOPY
RESEARCH PRODUCTS

23/09/2016



Trade Pattern Ideas

GBP/JPY 4H Chart: Descending triangle



Comment: After a sharp sell-off to break the annual downtrend upon the Brexit vote, GBP/JPY consolidated inside of a descending triangle. The pair is currently targeting the 129.39 support level, one that has not been relevant since November 2012 and that would induce a slip at least to 127.97, but—based on the significance of the established demand zone—a dive as low as 126.72 can be expected. It remains however unclear whether the pattern has reached its maturity and will be broken during the current downward motion, leaving room for prospects of a ranging market over the next few weeks. In case the pattern does hold, a bounce from the aforementioned support will result in an ultimate target around 136.22 with hitches at 130.40, 131.21, 131.78 and 133.74 respectively.

	Level	Rationale
R4	1.3978	Daily R3
R3	1.3946/50	Weekly R1; Daily R2
R2	1.3923	Daily R1; Channel upper trend-line
R1	1.3914	Upper Bollinger Band
S1	1.3895/97	Daily Pivot Point; 20-hour SMA
S2	1.3876/3883	55-hour, 200-hour SMA; Lower Bollinger Band
S3	1.3869/70	Daily S1; Monthly Pivot Point
S4	1.3850	Channel lower trend-line

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

CAD/CHF 1H Chart: Symmetrical Triangle



Comment: A symmetrical triangle contained the ranging CAD/CHF market with somewhat uncertain future movements caused by low volatility and pressures from both sides. The 55-hour and 200-hour SMAs have developed a golden cross formation, giving out strong bullish signals which would push the pair towards 0.7437 and further to 0.7444, the upper trend-line of the triangle. Inability to get through the 100-hour SMA, however, makes us remain in favour of a bear market, implied by the triangle pattern which should direct future movements after the breakout south. On its way towards the bottom trend-line of the triangle at 0.7407, the rate will struggle around the 0.7416/17 mark and could bounce from 0.7409 not reaching its ultimate target.

	Level	Rationale
R4	0.7491	Daily R1; 200 period SMA
R3	0.7483	Weekly PP
R2	0.7476/78	Upper Bollinger Band; 100 period SMA
R1	0.7473	Upper channel trend-line
S1	0.7448	Lower Bollinger Band
S2	0.7443	Daily S1
S3	0.7421	Weekly S1; Channel bottom trend-line
S4	0.7413	Daily S2

Indicator	30M	1H	4H
MACD (12; 26; 9)	N/A	Sell	Buy
RSI (14)	Buy	Buy	Neutral
Stochastic (5; 3; 3)	Sell	Neutral	Neutral
ADX (14)	N/A	Sell	Sell
CCI (14)	Neutral	Neutral	Buy
AROON (14)	Buy	Buy	Buy
Alligator (13; 8; 5)	Neutral	Sell	Neutral
SAR (0.02; 0.2)	Buy	Sell	Sell
Aggregate	↗	↘	→



Newest releases and archive:

- Fundamental Analysis
- Technical Analysis
- Press Review
- Market Research
- Expert Commentary
- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

Additional information:

- Dukascopy Group Home Page
- Market News & Research
- FXSpider
- Live Webinars
- Dukascopy TV
- Daily Pivot Point Levels
- Economic Calendar
- Daily Highs/Lows
- SWFX Sentiment Index
- Movers & Shakers FX
- Forex Calculators
- Currency Converter
- Currency Index
- CoT Charts

Social networks:



Disclaimer

Everything in this article, including opinions and figures, is provided for informational purposes only and may not be interpreted as financial advice or solicitation of products. Dukascopy group assume no responsibility for the completeness or the accuracy of any data contained in this article. Financial figures indicated in this article have not been verified by the Dukascopy group. Views, opinions and analyses are those of the author of the article, and are not endorsed by the Dukascopy group.

Dukascopy group waive any and all warranties, express or implied, regarding, but without limitation to, warranties of the merchantability or the fitness for a particular purpose, with respect to all information in this article. Dukascopy group shall under no circumstances be responsible for any direct, indirect, consequential, contingent or any other damages sustained in connection with the use of this article.