



DUKASCOPY
RESEARCH PRODUCTS

21/10/2016



Trade Pattern Ideas

NZDCHF 30M Chart: Channel Up



Comment: Trading flat for the last two sessions, NZD/CHF tapped the bottom trend-line of the one and a half week channel and is about to trigger a surge in between the channel lines. Historically, we expect the pair to stick to the bottom trend-line for a while, as it did on the latest wave north. The flattish uptrend should emerge instantly or at 0.71156 with the immediate 0.7144/47 area working against it to maintain proximity to the trend-line. The rate will encounter just another level of significance (0.7187) on its way through the pattern, making it a relatively smooth lift. A break below the channel line would, however, result in a dip at least as low as 0.7116, but rather 0.7107/05.

	Level	Rationale
R4	0.7227/28	Monthly R1; Daily R2
R3	0.7218	Channel Upper Trend-line
R2	0.7187	Daily R1
R1	0.7144/47	100 & 55-hour SMAs; Weekly R3; Upper BB; Daily PP
S1	0.7138	20-period SMA
S2	0.7131	Bottom Bollinger Band
S3	0.7129	Channel Bottom Trend-line
S4	0.7116	200-period SMA

Indicator	15M	30M	1H
MACD (12; 26; 9)	Sell	Sell	Sell
RSI (14)	Buy	Buy	Buy
Stochastic (5; 3; 3)	Neutral	Sell	Neutral
ADX (14)	Sell	Sell	Sell
CCI (14)	Buy	Neutral	Buy
AROON (14)	Buy	Buy	Buy
Alligator (13; 8; 5)	Sell	Sell	Sell
SAR (0.02; 0.2)	Buy	Sell	Sell
Aggregate	→	↘	→

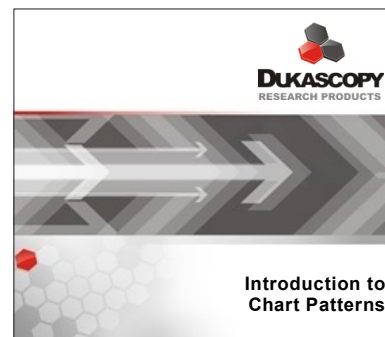
NZD/JPY 30M Chart: Rising Wedge



Comment: NZD/JPY acted according to the scenario implied by the rising wedge, which emerged during the last few days and led to a dip below the bottom trend-line tonight. Following a retracement, the pair is currently pushing through the tough 74.55/50 area, and a close below would open the way to 74.30, the daily S2. Considering the significance of the broken trend-line and the certainty with which the 200-period SMA was violated, the pair could extend the weakness as low as 74.22, the monthly Pivot Point. There is, however, still hope for a return inside the wedge, as traders betting heavily on a falling New Zealand Dollar (74% positions are short) could elevate the rate towards equilibrium, setting eyes on 75.14/16 when inside the pattern.

	Level	Rationale
R4	74.89/92	Upper Bollinger Band; Daily Pivot Point
R3	74.83	55-period SMA
R2	74.77	100-period SMA
R1	74.69	20-period SMA
S1	74.55/49	Daily S1; Weekly R1; Bottom Bollinger Band
S2	74.30	Daily S2
S3	74.22	Monthly Pivot Point
S4	73.93	Daily S3

Indicator	15M	30M	1H
MACD (12; 26; 9)	Sell	Sell	Sell
RSI (14)	Buy	Neutral	Neutral
Stochastic (5; 3; 3)	Sell	Sell	Sell
ADX (14)	Sell	Neutral	Neutral
CCI (14)	Buy	Buy	Buy
AROON (14)	Buy	Buy	Buy
Alligator (13; 8; 5)	Sell	Sell	Sell
SAR (0.02; 0.2)	Sell	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.