



DUKASCOPY
RESEARCH PRODUCTS

26/05/2017



Trade Pattern Ideas

GBP/AUD 4H Chart: Channel Down



Comment: The British Pound is trading against the Australian Dollar in the short term descending channel. The pattern formed in the result of the currency rate's break through the bottom trend line of the preceding ascending channel after the Pound's appreciation amid the release of data on the construction and services PMI. The traders should watch carefully this pair, as the gradually narrowing fluctuations indicate on formation of the symmetrical triangle. Accordingly, if the breakout occurs in the downward direction, the 23.6% Fibonacci retracement level of the 2016 high and low levels at 1.7096 most likely will be able to constrain the fall. However, if the breakout occurs in the upward direction, there will be no resistance levels that could keep the rate within the channel.

	Level	Rationale
R4	1.7422	Trend line
R3	1.7409	Upper Bollinger Band
R2	1.7401	55-period SMA
R1	1.7362	Weekly S1
S1	1.7273	Bottom Bollinger Band
S2	1.7232	Weekly S2
S3	1.7202	Trend line
S4	1.7190	200-period SMA

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

USD/PLN 4H Chart: Falling Wedge



Comment: The American Dollar is trading against the Polish Zloty simultaneously in the two descending channels. The junior channel represents a rebound of the currency exchange rate from the bottom edge of the dominant channel, which was supported by the monthly S2 at 3.7601. However, narrowing fluctuations of the pair on this trading week suggest that this pattern will not sustain for long and that the pair will return within the boundaries of the senior channel. More specifically, formation of the falling wedge, whose lower lows are supported by the weekly S1 at 3.7073, allows to assume that the breakout will occur in the upward direction soon.

	Level	Rationale
R4	3.7827	Weekly PP
R3	3.7634/46	100-period SMA; Upper Bollinger Band
R2	3.7601	Monthly S2
R1	3.7361/79	20-period SMA; Trend line
S1	3.7178	Trend line
S2	3.7073	Bottom Bollinger Band; Weekly S1
S3	3.7047	Trend line
S4	3.6785	Trend line

Indicator	4H	1D	1W
MACD (12; 26; 9)	Sell	Sell	Sell
RSI (14)	Neutral	Buy	Buy
Stochastic (5; 3; 3)	Sell	Sell	Neutral
ADX (14)	Sell	Sell	Neutral
CCI (14)	Neutral	Neutral	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.