

EUR/CAD

NZD/JPY

12/01/2018



T R A D E

PATTERN IDEA



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EUR/CAD 1H Chart: Euro likely to breach steep channel



During the past two-and-a-half months, the Euro has been trading in a channel down against the Canadian Dollar. The pair reversed from the 1.4825 area on Tuesday, thus failing to test the bottom boundary of a prevailing six-month ascending channel. Following this move, the Euro accelerated and thus managed to reach the 1.5135 mark by early today. From theoretical point of view, there is still some upside potential up to the medium pattern located near the 1.52 area. However, technical indicators suggest that this surge is unlikely to occur in this session, thus favouring more a short-term correction southwards. A possible target could be 1.50 where the 200- and 55-hour SMAs are located or the 100-hour SMA and the monthly S1 circa 1.4525. This slight period of decline should eventually be followed by appreciation up to the aforementioned 1.52 level.

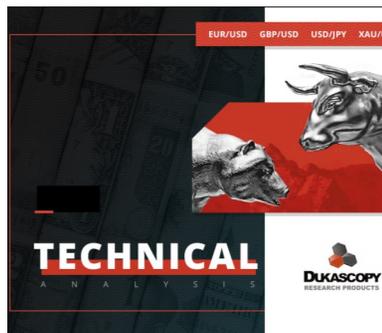
Indicator	4H	1D	1W
MACD (12; 26; 9)	Buy	Sell	Buy
RSI (14)	Sell	Neutral	Neutral
Stochastic (5; 3)	Buy	Sell	Buy
Alligator (13; 8; 5)	Buy	Sell	Buy
SAR (0.02; 0.2)	Buy	Buy	Buy
Aggregate	↗	↘	↑

NZD/JPY 1H Chart: Pair bearish in longer term



The New Zealand Dollar is trading in two neat medium- and long-term channels. The senior pattern was formed in early June, while the junior one initiated as a wave up within the longer-term channel. The Kiwi tested the senior pattern on Friday and remained near its upper boundary for the following session, as well. After failing to breach the given line, the pair reversed south. Even if the 100-hour SMA does not hold the rate, it is expected that the combined support of the 200- and 55-hour SMAs is likely to provide an unbreakable barrier that could eventually result in another surge up to the 81.20 area. Meanwhile, there are currently no indications that the senior pattern might be breached, thus favouring a period of depreciation within the following two weeks. A possible southern target could be the monthly PP at 79.05.

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Aggregate	⇒	⇒	⇒



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