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Trade Pattern Ideas

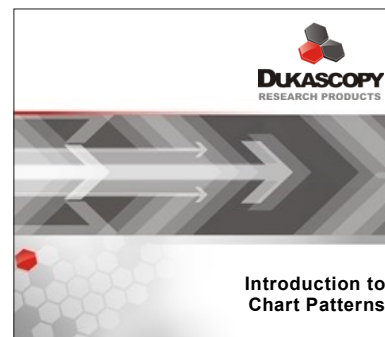
USD/MXN 1D Chart: Channel Down



Comment: The American Dollar is trading against the Mexican Peso in the short-term descending channel. The pattern started to form after the currency exchange rate leaved the double top formation in the downward direction. At the present moment, the pair has reached the bottom edge of the channel near 18.3698. It is difficult to say, whether the pattern will sustain, as the bottom line is supported only by the weekly S2 at the 18.3190 level. In addition, the recent days were marked by a number of unexpected events, which increased volatility in the markets. Nevertheless, the resistance cluster formed by the 61.8% Fibonacci retracement level at 19.0145 and weekly R2 at 18.9595, suggests that the downtrend is going to continue to dominate even if certain corrections occur.

	Level	Rationale
R4	18.9595	Weekly R2
R3	18.8253	Weekly R1
R2	18.7743	55-period SMA
R1	18.7437	Monthly PP
S1	18.3510	Trend line
S2	18.3294	Bottom Bollinger Band
S3	18.3190	Weekly S2
S4	18.2251	Monthly S1

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



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