



DUKASCOPY

TECHNICAL ANALYSIS

14/11/2011

EUR/USD EUR/USD aims for 1.3380/60

14/11/2011
08:00 GMT



"Merkel wants far more centralized euro fiscal oversight so that something like Greece can never happen again"

- Jan Techau (based on Bloomberg)

Industry outlook

EUR/USD is considered bearish, as it is expected to slip down to 1.3380/60 in the near-term. Its further movements will target subsequent levels located at 1.3145, 1.2860 and eventually 1.20. Rallies should be capped by a resistance line at 1.3870.

Traders' sentiment

Longs are currently at a disadvantage in EUR/USD market where they constitute 46.7% of all the positions held, whereas shorts form a slightly bigger part - 53.3%, as the greenback is the most popular currency at the moment.

Long position opened

Bullish investors should pay attention to the key resistance levels for intraday trading. R1 is situated at 1.3835, followed by R2 and R3 at 1.3923 and 1.4140 respectively.

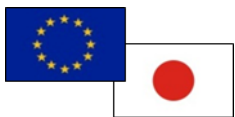
Short position opened

Bearish market players will pay attention to a near-term support at 1.3618. The downtrend continuation will establish following targets for traders: S2 at 1.3489 and S3 at 1.3273.



EUR/JPY EUR/JPY to breach 104.75

14/11/2011
08:00 GMT



"Monetary financing will set the wrong incentives, neglect the root causes of the problem, and destroy the credibility and trust in institutions"
- ECB governing council member (based on Reuters)

■ Industry outlook

For as long as resistances situated at 106.80 and 108.50 are untouched, the price is likely to trade off down to 104.75/26 and then erode it. Lower levels are at 103.08 and 100.77 - they should be able to halt any further dips.

■ Traders' sentiment

EUR/JPY traders' sentiment is presently mixed, as the quantity of long and short positions is nearly the same in the market. 49.33% of traders are bullish, while the rest, being 50.67%, anticipate yen's appreciation.

■ Long position opened

Leading market participants, who have entered EUR/JPY market with a buy trade, are expecting to close their positions at the key resistances at 106.47, 106.92 and 107.93.

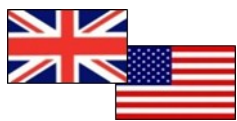
■ Short position opened

Major dealers are planning to partially close their short positions if the pair touches upon the first support level at 105.46. However, if the bearish impetus proves to be strong enough, some of the positions could be squared off at S2 of 104.90 and at S3 of 103.89.



GBP/USD GBP/USD to step lower

14/11/2011
08:00 GMT



"Today's figures strengthen the MPC's argument that consumer price inflation will fall back to below the 2% inflation target in time"

- Capital Economics (based on WSI)

Industry outlook

From above the price's upward movement will be limited by resistances at 1.6087, 1.6139 and by 1.6139 as well. Therefore the initial target for GBP/USD is at 1.5842, which would give a way for a further decline to 1.5632 and 1.5272.

Traders' sentiment

Market participants are very bearish on GBP/USD currency pair which is extremely oversold at the moment. Only 27.65% of traders expect the sterling to gain in value, while 72.35% of them anticipate an alternative scenario.

Long position opened

Investors should pay attention to the identified with the help of the standard pivot point method resistance zones, as they might be useful during intraday trading. The initial resistance level is at the level of 1.6138, whereas R2 and R3 are situated at 1.6213 and 1.6411 accordingly.

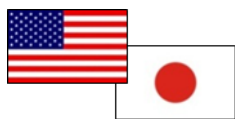
Short position opened

Key support for GBP/USD intraday trading is situated at 1.5940. In case S1 is penetrated, traders with short positions are likely put their T/P orders at 1.5819 and 1.5622.



USD/JPY USD/JPY to rebound from 76.93/87

14/11/2011
08:00 GMT



"The situation surrounding Japan's economy is increasingly severe due to weakening global economic recovery, effects of Thai floods and rapid yen rises"

- Motohisa Furukawa, Economics Minister
(based on Reuters)

■ Industry outlook

USD/JPY currency couple has penetrated 77.40 and is now headed towards 76.93/87, from where the recovery might commence. While advancing the pair will encounter resistances situated at 79.44, 80.44 and 85.53.

■ Traders' sentiment

Bulls have improved their situation in USD/JPY market since Friday morning up to 48.63%, but this is not enough to overthrow bears, which still form a majority with 51.37%, even though the Japanese yen is the least attractive currency now.

■ Long position opened

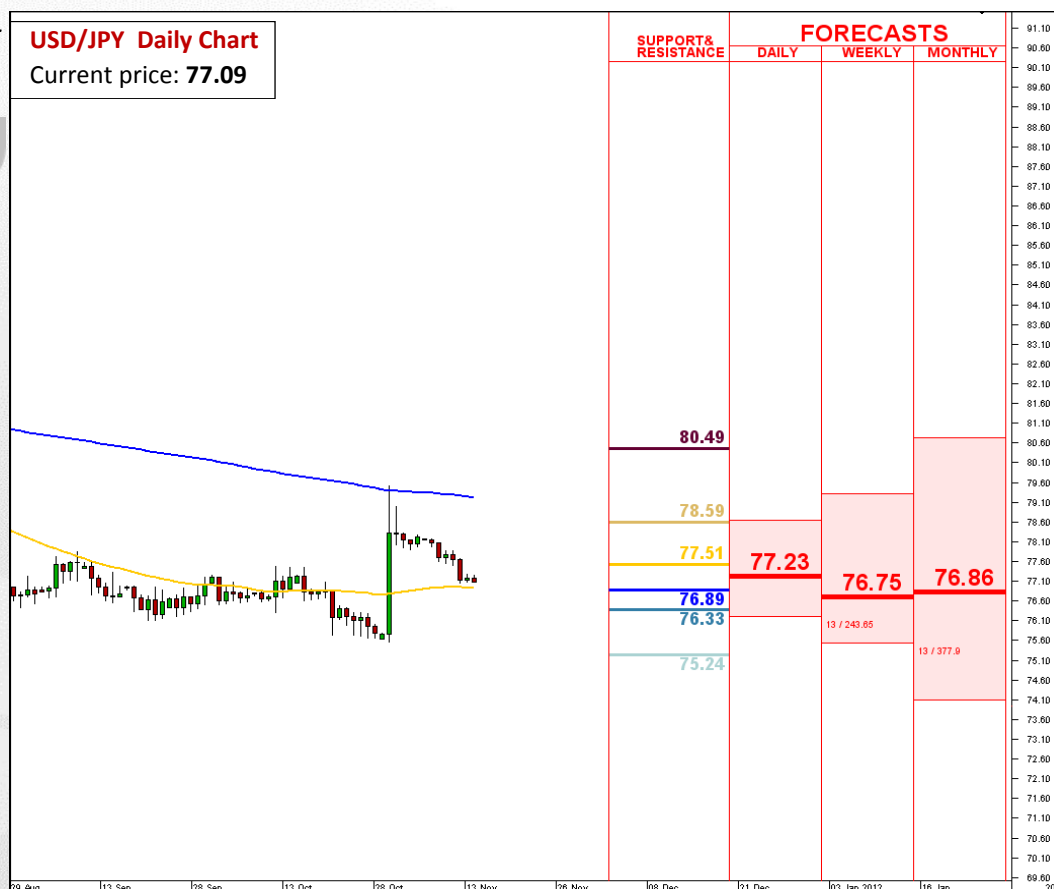
While trading this pair, investors should pay attention to the immediate resistance level at 77.51. If the pair manages to go through this level, further resistances are situated at 77.89 and 78.51.

■ Short position opened

Bearish traders will pay attention to the key support levels to close their deals. The forecast targets are 76.89, 76.66 and 76.04.

USD/JPY Daily Chart

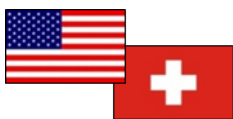
Current price: 77.09



	Daily	Weekly	Monthly
Resistance 3	78.51	79.72	80.49
Resistance 2	77.89	78.59	78.74
Resistance 1	77.51	77.88	77.89
Pivot	77.28	77.46	76.99
Support 1	76.89	76.75	76.13
Support 2	76.66	76.33	75.24
Support 3	76.04	75.20	73.49

USD/CHF USD/CHF to overcome 0.9157

14/11/2011
08:00 GMT



"We are monitoring the development constantly and are ready to take further measures if needed. The Swiss franc is still highly valued"
- Jean-Pierre Danthine (based on Bloomberg)

Industry outlook

Despite the fact that resistance at 0.9157 has initially repelled USD/CHF, this level will be conquered by the pair once the price bounces off from 0.8884. Above 0.9157 USD/CHF should surge up to 0.9317, then 0.9341/99.

Traders' sentiment

According to the SWFX sentiment index the vast majority of traders prefer acquiring the American dollar against the swissie. 73.78% of market participants are longs, while 26.22% are short on USD/CHF.

Long position opened

Initial resistance area for the pair is situated at 0.9069. Subsequent goals for the bullish market payers may be found at 0.9141 and 0.9272.





Short position opened





Major FX traders expect the price to test the initial support level at 0.8939. The breakout of this line will pave the way for the price to test S2 at 0.8880 and S3 at 0.8750.










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08:00 GMT





TRADING SIGNALS

EUR/USD 	1 day Outlook 	1 week Outlook 	1 month Outlook 
MACD (12; 26; 9)	SELL	SELL	BUY
RSI (13)	NEUTRAL	NEUTRAL	NEUTRAL
Stochastic (5; 3; 3)	NEUTRAL	NEUTRAL	NEUTRAL
ADX (13)	NEUTRAL	NEUTRAL	NEUTRAL
CCI (13)	NEUTRAL	NEUTRAL	NEUTRAL
SAR (0.02; 0.2)	SELL	SELL	BUY
AROON (14)	NEUTRAL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	NEUTRAL	SELL	NEUTRAL

GBP/USD 	1 day Outlook 	1 week Outlook 	1 month Outlook 
CD (12; 26; 9)	SELL	BUY	BUY
RSI (13)	NEUTRAL	NEUTRAL	NEUTRAL
Stochastic (5; 3; 3)	NEUTRAL	BUY	NEUTRAL
ADX (13)	NEUTRAL	NEUTRAL	NEUTRAL
CCI (13)	BUY	NEUTRAL	NEUTRAL
SAR (0.02; 0.2)	SELL	SELL	BUY
AROON (14)	NEUTRAL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	BUY	NEUTRAL	NEUTRAL

USD/JPY 	1 day Outlook 	1 week Outlook 	1 month Outlook 
MACD (12; 26; 9)	SELL	BUY	BUY
RSI (13)	NEUTRAL	NEUTRAL	NEUTRAL
Stochastic (5; 3; 3)	SELL	SELL	SELL
ADX (13)	NEUTRAL	NEUTRAL	SELL
CCI (13)	SELL	SELL	BUY
SAR (0.02; 0.2)	BUY	SELL	SELL
AROON (14)	NEUTRAL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	NEUTRAL	NEUTRAL	SELL

USD/CHF 	1 day Outlook 	1 week Outlook 	1 month Outlook 
MACD (12; 26; 9)	BUY	BUY	SELL
RSI (13)	NEUTRAL	NEUTRAL	NEUTRAL
Stochastic (5; 3; 3)	NEUTRAL	SELL	NEUTRAL
ADX (13)	NEUTRAL	NEUTRAL	SELL
CCI (13)	NEUTRAL	BUY	NEUTRAL
SAR (0.02; 0.2)	BUY	BUY	SELL
AROON (14)	NEUTRAL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	NEUTRAL	BUY	NEUTRAL

EUR/JPY 	1 day Outlook 	1 week Outlook 	1 month Outlook 
MACD (12; 26; 9)	SELL	BUY	BUY
RSI (13)	NEUTRAL	NEUTRAL	NEUTRAL
Stochastic (5; 3; 3)	NEUTRAL	NEUTRAL	SELL
ADX (13)	NEUTRAL	NEUTRAL	SELL
CCI (13)	NEUTRAL	NEUTRAL	BUY
SAR (0.02; 0.2)	SELL	BUY	BUY
AROON (14)	SELL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	NEUTRAL	SELL	SELL

Additional information can be found at:

[Dukascopy Group home page](#)
[Daily Pivot Point Levels](#)
[Economic Calendar](#)
[SWFX Sentiment index](#)

[Daily Forex Overview](#)
[Daily Highs/Lows](#)
[Movers & Shakers FX](#)
[Forex Calculators](#)

EXPLANATIONS

Signals

- Buy – the pair shows a clear uptrend;
- Sell – the pair shows a clear downtrend;
- Neutral – no specific trend for the pair.

Chart

- **SMA (55)** – Simple Moving Average of 55 periods;
- **SMA (200)** – Simple Moving Average of 200 periods.

Lines

- Resistance 1, 2, 3 – a resistance level calculated with the help of the standard Pivot method;
- Pivot – a point calculated on the basis of High, Low and Close prices of the preceding period;
- Support 1, 2, 3 – a support level calculated with the help of the standard Pivot method.

Indicators

- MACD - Moving average convergence divergence – momentum indicator;
- RSI – Relative strength index - compares the magnitude of recent gains to recent losses in attempt to determine 'overbought' and 'oversold' conditions of the asset;
- Stochastic - technical momentum indicator that compares a currency pair's closing price to its price range over a given time period;
- ADX – Average directional index – trend strength indicators;
- CCI - oscillator used in technical analysis to help determine when a currency has been overbought or oversold;
- SAR – trending indicator – shows the direction of a trend;
- AROON – measures strength of a trend and likelihood that it will continue;
- Alligator – trending indicator demonstrates presence of a trend and its direction.

Chart notations

- Monthly resistance
- Weekly resistance
- Daily resistance
- Daily support
- Weekly support
- Monthly support

Max – the highest projection set by the industry sentiment



Mean – the average price based on the projections of the industry sentiment

Min – the lowest projection set by the industry sentiment

Disclaimer

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