



DUKASCOPY
RESEARCH PRODUCTS

27/05/2013



Trade Pattern Ideas



AUD/USD 4H Chart

Emerging Pattern: Falling Wedge



Pattern start	00:00 2013-04-23
Length	129 bars
Quality	<div><div></div></div> 40%
Magnitude	<div><div></div></div> 77%

AUD/USD has formed a Falling Wedge pattern on the 4H chart. The pattern has 41% quality and 50% magnitude in the 113-bar period.

The pattern began on 23rd of April when the pair dipped to 1.0221 before peaking to 1.0385; at the moment it is trading at 0.9640. Trading volume seems to be holding in the same level in the length of the pattern. Technical indicators on aggregate point do not give conclusive readings. However, the Stochastic indicator on 1D and 1W horizon suggest we might be seeing bullish rally some time soon. In addition, current market sentiment is strongly bearish—74% of outstanding positions are long on the pair. Long traders could focus on the 0.9667/700 are (daily pivot (PP), 20-bar SMA, pattern's resistance and daily pivot (R1)), daily pivot (R2) at 0.9742 and Bollinger band/daily pivot (R3) at 0.9770/75.

Short traders, who expect the pair to follow the pattern's, bearish, trend, could focus on the daily pivot (S1) at 0.9625, Bollinger band/daily pivot (S2) at 0.9594/92 and daily pivot (S3)/pattern's support at 0.9551/30.



AUD/USD	4H	1D	1W
MACD (12; 26; 9)	Buy	Buy	Sell
RSI (13)	Sell	Neutral	Neutral
Stochastic (5; 3; 3)	Neutral	Buy	Buy
ADX (13)	Sell	Sell	Neutral
CCI (13)	Buy	Buy	Buy
AROON (14)	Buy	Sell	Sell
Alligator (13; 8; 5)	Sell	Sell	Neutral
SAR (0.02; 0.2)	Sell	Sell	Sell

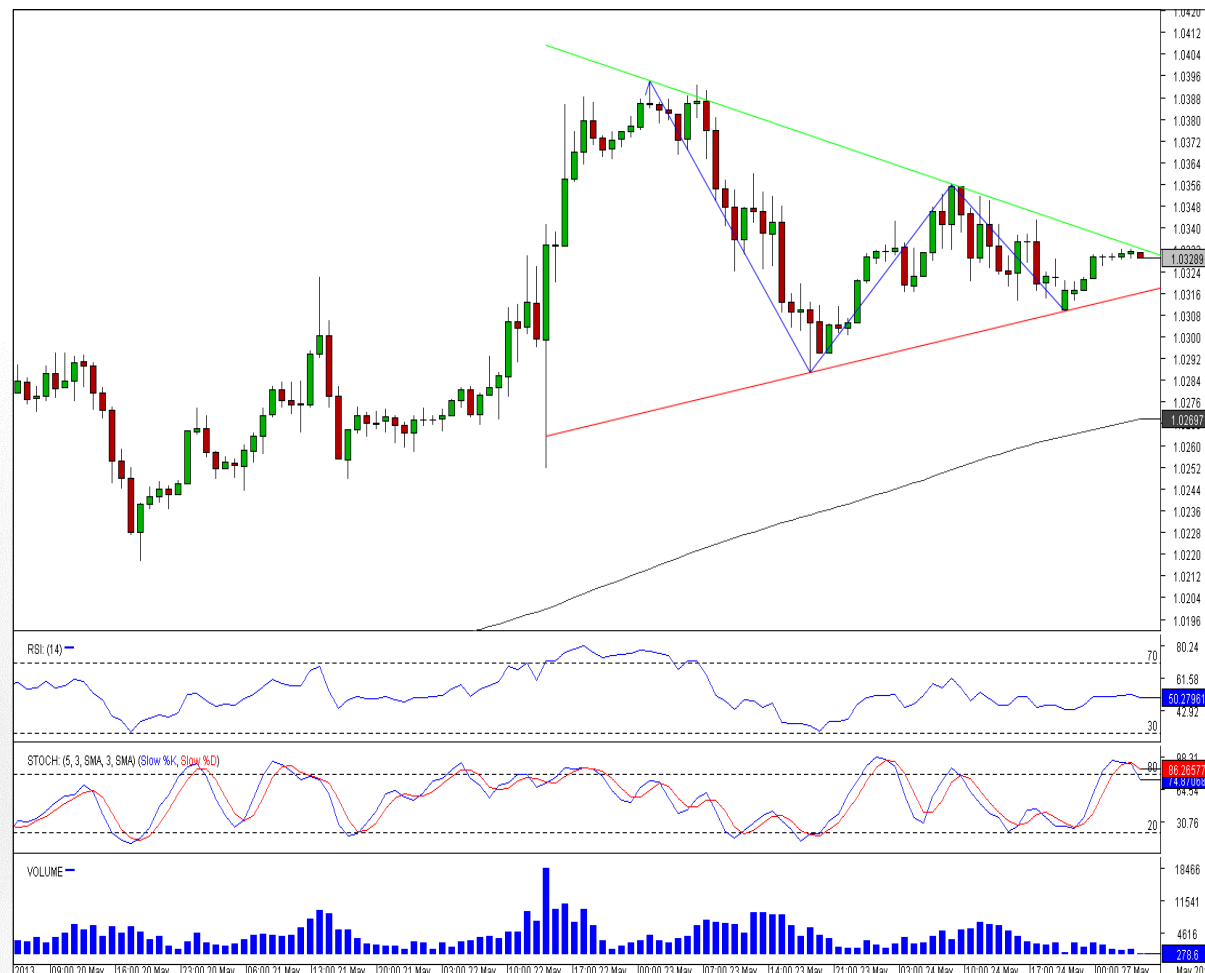


USD/CAD 1H Chart

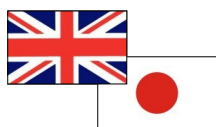
Emerging Pattern: Triangle

Pattern start	14:00 2013-05-22
Length	56 bars
Quality	84%
Magnitude	48%

USD/CAD	1H	4H	1D
Resistances:	1.0330	1.0347	1.0373
Supports:	1.0317	1.0305	1.0288
Our suggestion:			
MACD	Sell	Sell	Buy
RSI	Neutral	Neutral	Neutral
Stochastic	Sell	Neutral	Neutral
ADX	Buy	Neutral	Neutral
CCI	Neutral	Neutral	Neutral
AROON	Sell	Sell	Buy
Alligator	Neutral	Neutral	Buy
SAR	Buy	Buy	Buy
Market sentiment		70%	
CCY: (bought/sold)	USD	54%/46%	
	CAD	27%/73%	



While the price started to respect the falling resistance line about 50 hours ago, the up-trend support line has been underpinning the price for already 100 bars. This implies a greater probability of a bullish breakout. Moreover, downside risks are largely neutralised by the 200-period SMA. Consequently, 70% of market participants are holding long positions.

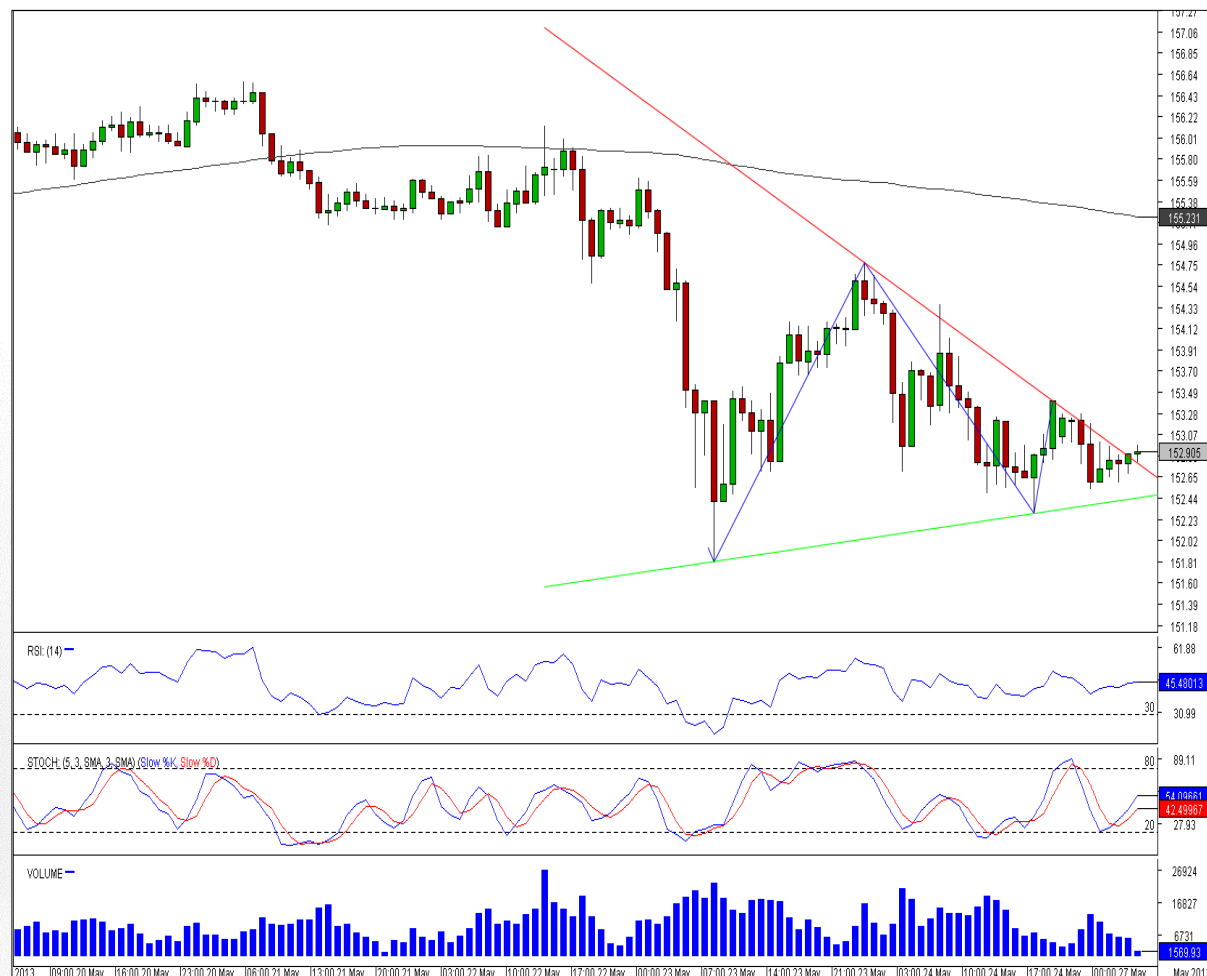


GBP/JPY 1H Chart

Emerging Pattern: Triangle

Pattern start	14:00 2013-05-22
Length	55 bars
Quality	<div><div></div></div> 77%
Magnitude	<div><div></div></div> 87%

GBP/JPY	1H	4H	1D
Resistances:	152.83	153.49	154.69
Supports:	152.48	152.20	151.00
Our suggestion:			
MACD	Buy	Buy	Sell
RSI	Neutral	Neutral	Neutral
Stochastic	Neutral	Neutral	Buy
ADX	Neutral	Neutral	Neutral
CCI	Neutral	Neutral	Buy
AROON	Buy	Buy	Sell
Alligator	Sell	Sell	Buy
SAR	Sell	Sell	Sell
Market sentiment		53%	
CCY: (bought/sold)	GBP	58%/42%	
	JPY	25%/75%	






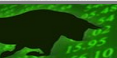
After trading for more than 50 hours within the triangle GBP/JPY is on the verge of breaking out of the pattern, as it has come close to the apex of the figure. However, neither market participants nor technical indicators are decided with respect to the direction the currency pair will take after leaving the boundaries of the formation. Accordingly, more certain signals are to appear once the price returns back to one of the trend-lines after breaching it.



CAD/HKD 1H Chart

Emerging Pattern: Channel Down

Pattern start	08:00 2013-05-09
Length	235 bars
Quality	62%
Magnitude	100%

CAD/HKD	1H	4H	1D
Resistances:	7.5180	7.5263	7.5392
Supports:	7.5065	7.4853	7.4737
Our suggestion:			
MACD	Buy	Buy	Sell
RSI	Neutral	Neutral	Neutral
Stochastic	Buy	Neutral	Neutral
ADX	Sell	Neutral	Neutral
CCI	Neutral	Neutral	Neutral
AROON	Buy	Buy	Sell
Alligator	Neutral	Neutral	Sell
SAR	Sell	Sell	Sell
Market sentiment		73%	
CCY: (bought/sold)	CAD	27%/73%	
	HKD	30%/70%	



Bears have been pushing the price downwards for 235 hours and, judging by the daily studies, will continue doing that in the future. Another argument in favour of decline's extension is the fact that CAD/HKD is in the vicinity of the supply area implied by the down-trend resistance line and the 200-hour SMA. Nevertheless, a majority (73%) of traders believe the pair has bottomed out and is going to aim for higher levels.



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.