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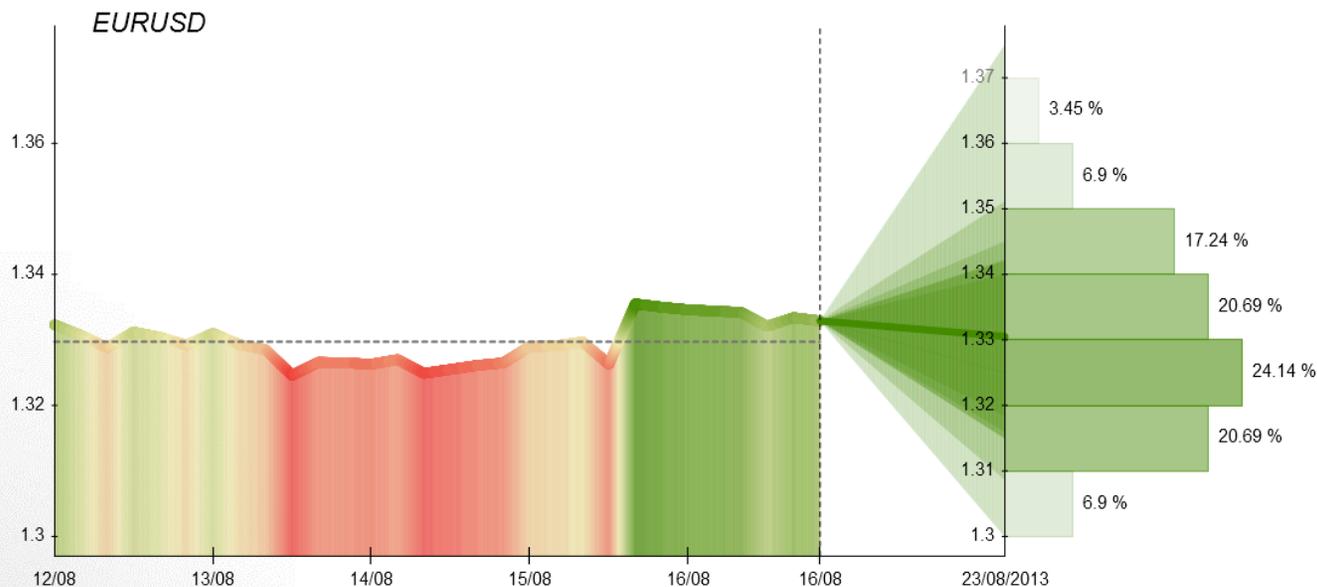
Community Forecasts

  **EUR/USD 1W Chart**

Throughout the past week, the most traded currency pair did not show a spectacular performance, hovering around the average weekly price level of 1.3297, and falling into a red territory in the middle of the five-day trading period even despite better-than-expected economic data out of the Europe's powerhouse—Germany. However, EUR/USD experienced a modest rebound on August 15 and moved sideways for the rest of the week.

Traders see the pair to remain flat, as the median forecast of Community members for the pair's close price for August 23 is 1.3305. Majority of traders see the resistance level at 1.34 area, breaking of which might take the pair to 1.35 or even 1.37. Nevertheless, the pair is widely expected to trade in a tight range of 1.3150-1.34, with around 45% of respondents indicating it as a possible trading band for this week.

One of the key catalyst that might shape the future performance of all the cross pairs, which involve the U.S. Dollar, is release of the FOMC minutes on August 21. It is widely expected that minutes might shed light on when and how the Fed will start winding down its massive stimulus programme. According to Fundamental Analysis Contest, majority of respondents believe that the upcoming data will have a bullish impact on the U.S. Dollar, whereas traders remain undecide on whether the final German GDP data on Friday, will stimulate the Euro. Another important event Jackson Hole Symposium will start on August 23 and will last through August 24. The Fed Chairman Ben Bernanke will miss the annual monetary policy symposium due to a scheduling conflict.



reloaded on EUR/USD



"On the four hour chart the EUR/USD pair is starting to show signs of weakness. This behavior should be expected as it currently testing the resistance marked by the previously established highs near 1.34 area (the upper rectangle on the chart). On the one hour chart, we can notice each recent significant spike up in price being followed by very high volume, this aspect suggests the highs are heavily sold and provides a good indication to short the pair. The 4hr chart can provide a good indication of the targets we can have in mind and the area which can bring significant support for the market. The Fibonacci levels of 62 and 50 percent (1.3- 1.3075) provide a good area to look for support. Also the market structure shows a lot of consolidation around those levels before the market continued the uptrend, which is a further indicative of the significance of the above mentioned levels."

likerty of EUR/USD



EUR/USD maintaining strong uptrend. 1.3460's is the next bull target with possible overshoot 1.3620's, but generally upside is unlimited until 1.3750's. On the downside, 1. 3260's should be protected until bull target gets reached. If 1.3205 lows gives, 1.3150's will become next bear target after which again - bull trend should continue."

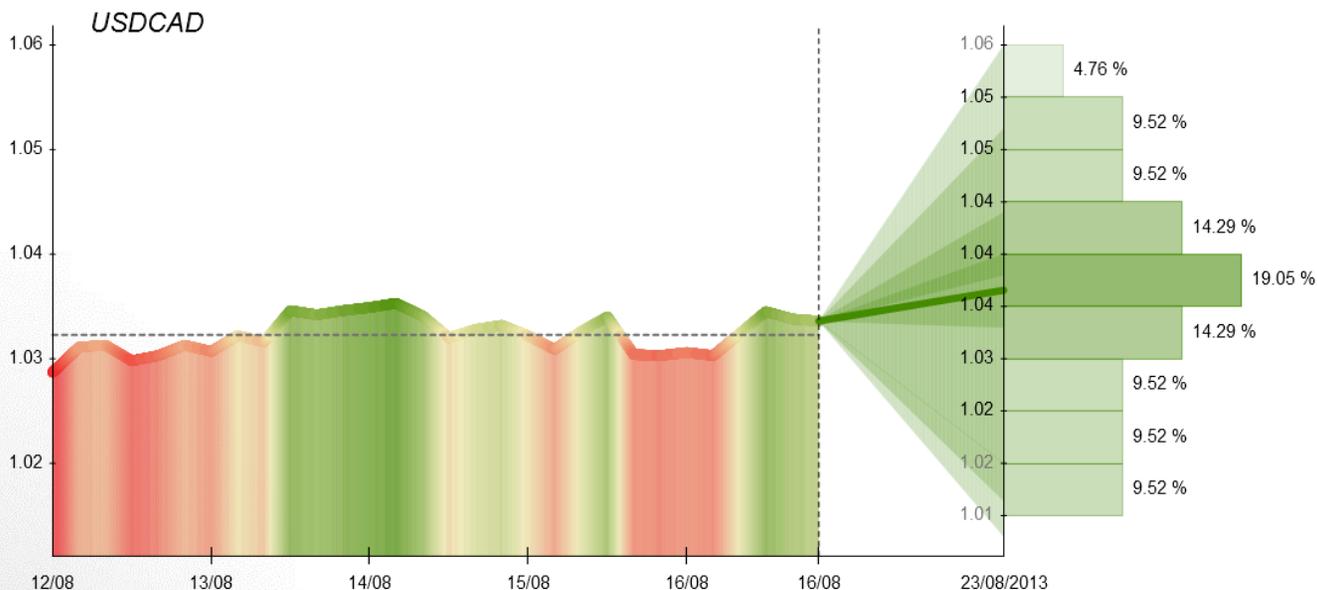


USD/CAD 1W Chart

Another popular currency pair was chosen this week to predict its movement until this Friday, August 23. As well as EUR/USD, USD/CAD was not very volatile, as the price was mostly fluctuating around 1.0322 – weekly average price.

However, traders expect a slight appreciation of the pair, as the majority of all respondents mentioned 1.0365 as a possible target for this Friday. In addition to that, more than 47% of traders expect the pair to stay around current level and trade in a range between 1.03-1.04, making it not so attractive for trade. Practically all traders, who took part in the survey, used technical analysis for trading this pair. Taking into account pair's latest development, we might suggest the price is facing a strong resistance around 1.044, therefore, the pair is most likely to reach this level and bounce back from it. In addition to that, 71% of opened positions are long, reinforcing a view the pair will move to the north in the short term.

According to economic calendar and trader "Panzer", closer to the end of this week the pair will be affected by important economic data from the U.S. and Canada. The Dukascopy Fundamental Analysis Contest is reflecting traders' optimism towards the world's largest economy, as the majority of traders are expecting stronger-than-expected releases of initial jobless claims, manufacturing data, as well as FOMC minutes are likely to provide markets with some positive news. Trader "DumbAsARock" said that in June of 2013, Canadian inflation rate rose 1.2 percent year-on-year, following a 0.7 percent increase in May, due to higher prices for transportation, shelter and food components, meaning USD/CAD should appreciate.



Panzer on USD/CAD:

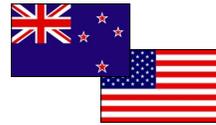


"So for more than a month the price is fluctuating within a very small radius of movement. Until Thursday 22:08. and Friday, 23.08. we have more important data for the Canadian economy, so we have a revelation Retail Sales data, and the CPI index of consumer prices that would give the level of inflation, one should expect that we will have a reduced valuation as a result of continuing weak economic data in the fourth quarter and growth in Canada price inflation and, possibly, as a result one should expect a stronger U.S. Dollar appreciation against the Canadian Dollar."

Likerty on USD/CAD:



"USD/CAD sits in a bit of a no-man's land in between two key levels - 1.0520 (last bear impulse point) and 1.0130's lows. So it has plenty of room to swing both ways without much of a support or resistance."



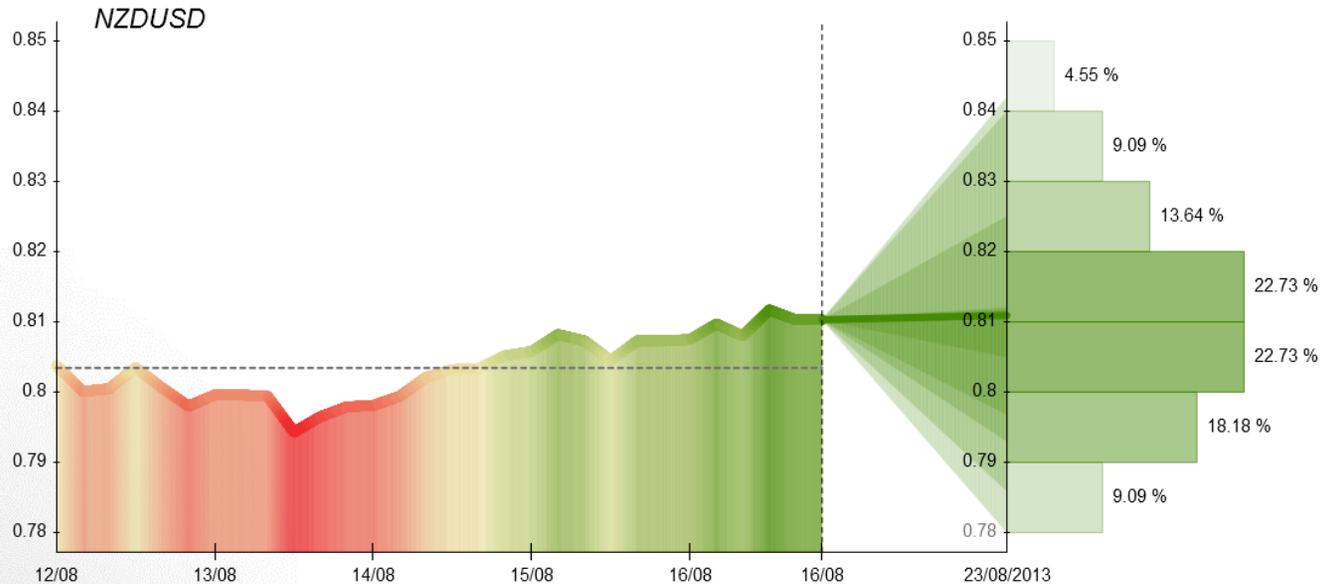
NZD/USD 1W Chart

During the last week NZD/USD was the most volatile currency pair, when being compared with EUR/USD and USD/CAD, meaning significant movements can lead to high returns, making this pair highly attractive to trade. After the release of New Zealand retail sales on Tuesday and Business NZ Manufacturing Index a day later, the pair started to appreciate, supported by upbeat data from New Zealand.

Moreover, the survey conducted by Dukascopy Research Team is showing that the most successful traders on NZD/USD are bullish on the pair for this week, expecting the price to close at 0.8109, meaning the pair will gain almost 1% comparing with the last week's average price. Furthermore, equal number of traders voted for two possible trading ranges—0.80-0.81 and 0.81-0.82, suggesting the pair is widely expected to waver in a 200 pips trading range. Trader "Likerty" pointed out that the pair is breaking out of multi-week bear range and moving towards bull target at 0.8420's.

On the other hand, 60% of opened positions are short, while trader "Thescalper", who is using fundamental analysis, warned that demand for the U.S. Dollar should increase this week, due to a lack of economic data from New Zealand, while U.S. labour and property markets' data should reflect the overall economic improvement.

Finally, trader "Yourmanu" said the pair is facing difficulties around 0.815, making bullish outlook for this pair probable, however, the upside movement can be limited by strong resistance levels just several pips higher from the Friday's price expected by traders.



Yourmanu on NZD/USD:



"Price is unable to cross long term resistance level 0.8150. If price close below .8075 this week, it is more likely to touch near term support of 0.7800 area, otherwise on the upside next support level is 0.8400 area."

Thescalper on NZD/USD:



"NZD/USD is currently showing signs of weakness. Week ahead there is no major news release from NZ and on other news from U.S. pertaining to jobs and housing data could trigger demand for USD. Weakness for this pair is around 0.81175 level, Strength at 0.78029 level. Level 0.79680 is the tipping point for this pair below which we can see a fresh selling to continue after covering of shorts."

Week's 5.08 - 9.08 Most Precise Forecasts

AUD/USD				USD/JPY				USD/CHF						
Min	Max	Nickname	RMSD	Min	Max	Nickname	RMSD	Min	Max	Nickname	RMSD			
	Furian	0.915	0.923	0.004		zbych	95.7	97.5	0.981		AdamFx42	0.91	0.93	0.01
	mrkbd	0.901	0.9105	0.016		geula4x	94	96.5	1.576		Biosiska	0.90844	0.9352	0.013
	Typh0n	0.9	0.93	0.016		Biosiska	97	98.82	1.928		mrkbd	0.932	0.939	0.014

*RMSD = Root-mean-square deviation



Television
Interactive Rooms

YOUR OPINION MATTERS!

*THE MOST SUCCESSFUL FORECAST MAKERS WILL
BE OFFERED TO JOIN THE RESEARCH TEAM IN THE
DUKASCOPY DAILY WEBINARS!*

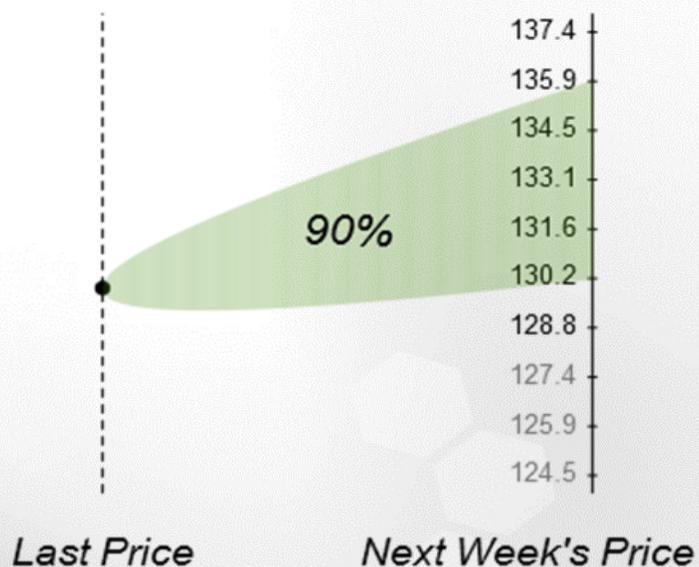
Fundamental Analysis Contest
Do you know how the price will react to the news? Submit your prediction for the price movement direction and win!

Dukascopy thanks all the participants!		
	Likerty	EUR/USD
	reloaded	EUR/USD
	mdiazgranados	EUR/USD
	weiqiang	EUR/USD
	geula4x	EUR/USD
	GreyEmin	EUR/USD
	xtrader360	USD/CAD
	Likerty	USD/CAD
	geula4x	USD/CAD
	GreyEmin	USD/CAD
	Panzer	USD/CAD
	Likerty	NZD/USD
	yourmanu	NZD/USD
	geula4x	NZD/USD
	xau	NZD/USD
	thescalper	NZD/USD

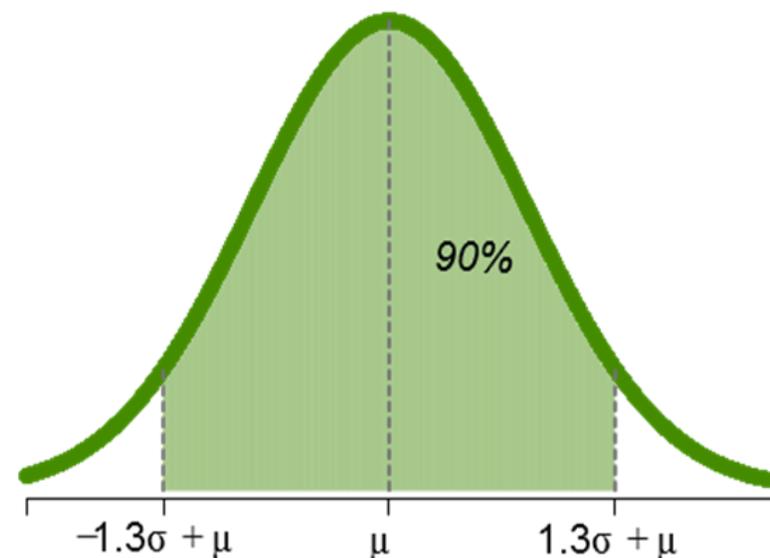
EXPLANATIONS

The right-hand scale of the first graph depicts the range of values that the next week's exchange rate can take with a 90% probability. The construction of this range is based on statistical notions.

Under the assumption that currency pair logarithmic returns are normally distributed with mean μ and standard deviation σ as illustrated by the second graph, the respective probability density function can be used to find a 90% probability range for weekly returns. Obtained critical values can be then converted into the end points of the price range.



Graph 1: Confidence interval used for "Community Forecasts"



Graph 2: Probability Density Function for a Normal Distribution

For convenience, the price range is divided into four inner intervals, marked by black labels. Two outer intervals denote values that are greater or less than critical, and therefore fall out of the 90% probability range.

Grey labels, if any, show additional intervals that are introduced if the basic range does not cover all forecasts.



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