



DUKASCOPY

TECHNICAL ANALYSIS

16/11/2011

EUR/USD EUR/USD to slide down

16/11/2011
08:00 GMT



"I don't think the whole thing [Euro Zone] is going to fall apart anytime soon"

- Martin Feldstein, Harvard University Professor (based on Bloomberg)

■ Industry outlook

EUR/USD had pierced through a support at 1.3484 and is now approaching a lower level located at 1.3380/60. Should this line be penetrated as well, 1.3145 will come into play. Long-term target remains at 1.20.

■ Traders' sentiment

Supporters of the single currency continue to slightly outweigh the amount of traders who believe in its depreciation, at least comparatively to the greenback, since the pair is 50.79% bullish and 49.21% bearish.

■ Long position opened

The break of the short-term resistance line 1.3597 would pave the way for the pair to rise up to 1.3691. The clearance of the second daily resistance level would establish a new target for traders at 1.3835.

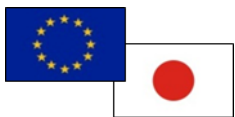
■ Short position opened

Bearish traders will pay attention to the key support levels in order to close their deals. The primary forecast target is 1.3453. If the pair erodes this level, then it might rebound from S2 of 1.3402 or S3 of 1.3258.



EUR/JPY EUR/JPY targets 103.08

16/11/2011
08:00 GMT



"BOJ may ease early next year when the effects of last month's currency intervention and monetary easing will fade"

- Meiji Yasuda Life Insurance (based on Reuters)

■ Industry outlook

Since a tough support at 104.75 was breached, subsequent levels will be tested in the near-term - 103.08 and 100.77. From above the price is capped by a key resistance levels situated at 106.60/80 and 108.50.

■ Traders' sentiment

The majority of market participants, namely 61.39%, are currently holding long positions. Alternatively, the rest of traders, being 38.61% of the market, keep shorts and expect Japanese Yen to gain in value.

■ Long position opened

Investors are suggested to pay close attention to the identified resistance levels for the pair which may be found at the levels of 105.11, 106.12 and 107.71.

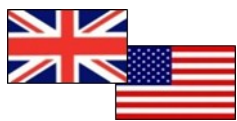
■ Short position opened

A part of the brokers will close their short positions near the initial support level at 103.53. In case of downtrend continuation, the pair might rebound from the S2 at 102.96 or S3 at 101.37.



GBP/USD GBP/USD is bearish

16/11/2011
08:00 GMT



"The economic fundamentals of Britain may not be brilliant, but some people see the pound as an alternative to the euro in an ugly contest"

- Rabobank International (based on Bloomberg)

Industry outlook

GBP/USD has tumbled below 1.5824 and may continue to fall down until it reaches 1.5632 or even 1.5272. Within the next three months though the price is expected to contract to 1.50. Rallies should be limited by 1.5872 and 1.6059.

Traders' sentiment

Traders' sentiment in GBP/USD market is much more bearish than bullish at the moment, since only 41.75% of liquidity consumers have acquired the cable, while the opposition is formed by a larger number - 58.25%.

Long position opened

The initial resistance level for intraday trading is 1.5889. Bulls might establish additional targets at 1.5977 and 1.6111 if the pound appreciates more.

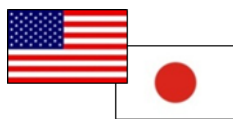
Short position opened

Largest investors might have placed their take profit orders at the key support levels. These levels for intraday trading are situated at 1.5756, 1.5710 and 1.5576.



USD/JPY USD/JPY to advance

16/11/2011
08:00 GMT



"Japan's economy will face an adverse effect from the slowdown in overseas economies and the appreciation of the yen"

- Bank of Japan (based on Marketwatch)

Industry outlook

The currency couple stays near 76.91 for the moment, the level from which it is expected to commence recovery. To confirm reversal USD/JPY will have to overcome key resistances at 79.44 and 80.44.

Traders' sentiment

USD/JPY traders' sentiment is presently mixed, considering the current ratio between the longs and the shorts in the market being 49.93% to 50.07%, even though Japanese Yen is the least popular currency among its major counterparts.

Long position opened

The initial resistance level for the pair is 77.41. If the price continues increasing investors will hold longs until the pair climbs up to 77.74 or 78.32.

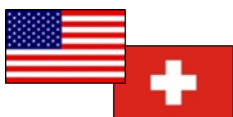
Short position opened

Major FX traders expect the price to test the initial support level at 76.82. The breakout of this line will pave the way for the price to test S2 at 76.57 and S3 at 75.99.



USD/CHF USD/CHF aims for 0.9317

16/11/2011
08:00 GMT



"If the [Swiss Franc] exchange rate persists at the present level we will hear more and more news about job cuts and production being moved abroad"

- Hans Hess, Swissmem President (based on CNBC)

■ Industry outlook

The pair has climbed over a resistance at 0.9157 and is on its way towards 0.9317. Although 0.9341/99 might trigger trade off. Nevertheless, dips should be stopped by supports located at 0.8936 and 0.8555/50.

■ Traders' sentiment

A vast amount of traders still stay in short positions in USD/CHF market, anticipating further depreciation of the Swiss Franc. 68.67% of traders are bullish, whereas less than a third (31.33%) of traders perceive the situation differently.

■ Long position opened

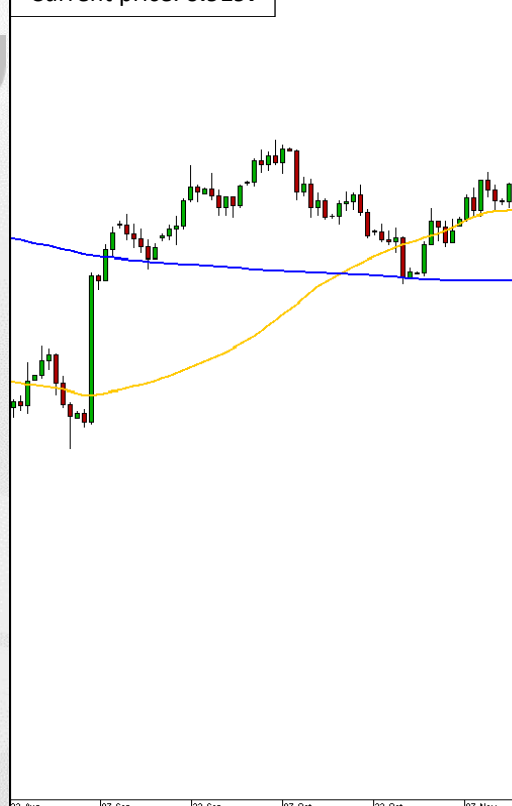
Largest market participants are likely to close their long positions at the key resistance levels. The primary short-term target will be reached at 0.9223. The breakout of this level will pave a way for a bullish run up to 0.9269 and then to 0.9386.

■ Short position opened

Major dealers are planning to partially close their short positions if the pair touches upon the first support level at 0.9106. However, if the bearish impetus proves to be strong enough, some of the positions could be squared off at S2 of 0.9034 and at S3 of 0.8917.

USD/CHF Daily Chart

Current price: **0.9197**











SUPPORT & RESISTANCE	FORECASTS		
	DAILY	WEEKLY	MONTHLY
1.0127			
0.9173	0.9143		
0.9152		0.9004	0.9016
0.9034			
0.8690		13 / 058.36	
0.8130			13 / 929.96





Trends	Daily	Weekly	Monthly
Resistance 3	0.9386	0.9522	1.1598
Resistance 2	0.9269	0.9173	1.0127
Resistance 1	0.9223	0.9039	0.9602
Pivot	0.9152	0.8824	0.8656
Support 1	0.9106	0.8690	0.8130
Support 2	0.9034	0.8475	0.7185
Support 3	0.8917	0.8126	0.5714


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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)	SELL	NEUTRAL	NEUTRAL
SAR (0.02; 0.2)	SELL	SELL	BUY
AROON (14)	SELL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	SELL	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)	SELL	NEUTRAL	NEUTRAL
SAR (0.02; 0.2)	BUY	SELL	BUY
AROON (14)	NEUTRAL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	SELL	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)	BUY	SELL	SELL
ADX (13)	NEUTRAL	NEUTRAL	SELL
CCI (13)	BUY	SELL	BUY
SAR (0.02; 0.2)	SELL	SELL	SELL
AROON (14)	SELL	NEUTRAL	NEUTRAL
Alligator (13; 8; 5)	SELL	NEUTRAL	SELL

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

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