

DAILY TECHNICAL REPORT

19 October 2016

EUR / USD

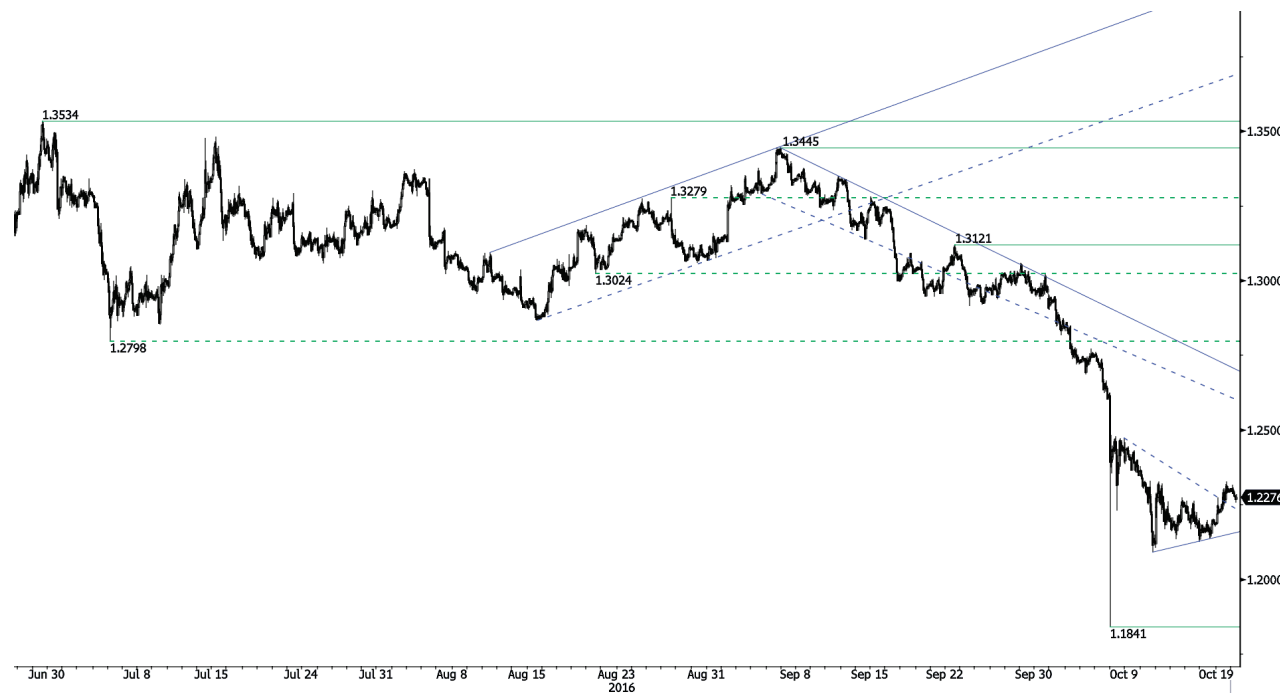


Bearish momentum starts to fade.

- EUR/USD still lies within a bearish momentum despite ongoing retracement. Hourly support given at 1.0952 (25/07/2016 low) is on target. Hourly resistance can be found at 1.1058 (13/10/2016 high). Key resistance is located far away at 1.1352 (18/08/2016 high). Further consolidation is favoured.
- In the longer term, the technical structure favours a very long-term bearish bias as long as resistance at 1.1714 (24/08/2015 high) holds. The pair is trading in range since the start of 2015. Strong support is given at 1.0458 (16/03/2015 low). However, the current technical structure since last December implies a gradual increase.

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GBP / USD



Entering a short-term bullish momentum.

- GBP/USD's sell-off seems to pause for the time being. Hourly resistance at 1.2272 (13/10/2016 high) has been broken. Another resistance is given at 1.2325 (18/10/2016 high). Key resistance stands far away at 1.2620 then 1.2873 (03/10/2016). Expected to show further increase.
- The long-term technical pattern is even more negative since the Brexit vote has paved the way for further decline. Long-term support given at 1.0520 (01/03/85) represents a decent target. Long-term resistance is given at 1.5018 (24/06/2015) and would indicate a long-term reversal in the negative trend. Yet, it is very unlikely at the moment.

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USD / JPY



Slow decline.

- USD/JPY has exited short-term uptrend. A break of hourly support at 102.81 (10/10/2016 low) is needed to confirm underlying pressures. Key support can be found at 100.09 (27/09/2016). Hourly resistance can be found at 104.64 (13/10/2016 higher). Expected to further decline.

- We favor a long-term bearish bias. Support is now given at 96.57 (10/08/2013 low). A gradual rise towards the major resistance at 135.15 (01/02/2002 high) seems absolutely unlikely. Expected to decline further support at 93.79 (13/06/2013 low).

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USD / CHF



Monitoring resistance at 0.9919.

- USD/CHF is testing resistance area between 0.9919 (07/08/2016 low) and 0.9950 (27/07/2016). The pair remains on a bullish momentum since September 15. Hourly support is located at 0.9733 (05/10/2016 base) then 0.9632 (26/08/2016 base low). Expected to see continued increase.

- In the long-term, the pair is still trading in range since 2011 despite some turmoil when the SNB unpegged the CHF. Key support can be found 0.8986 (30/01/2015 low). The technical structure favours nonetheless a long term bullish bias since the unpeg in January 2015.

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USD / CAD



Negative momentum.

- USD/CAD has been trading sideways over the last few days, yet the pair is heading lower. As expected, strong resistance area between 1.3253 and 1.3405 are unlikely to be broken. Expected to head toward key support which can be found at 1.3000 (22/09/2016 low).

- In the longer term, the pair is trading around its 200-day moving average. Strong resistance is given at 1.4690 (22/01/2016 high). Long-term support can be found at 1.2461 (16/03/2015 low). The pair is likely in a consolidation phase within a new long-term increase.

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AUD / USD



Stalling below resistance area around 0.7700.

- AUD/USD is trading higher but is stopping around resistance area at 0.7700. Key resistance is located at 0.7756 (10/08/2016 high). Hourly support is given at 0.7507 (13/10/2016 low). Expected to bounce back lower if resistance at 0.7756 stands.
- In the long-term, we are waiting for further signs that the current downtrend is ending. Key supports stand at 0.6009 (31/10/2008 low) . A break of the key resistance at 0.8295 (15/01/2015 high) is needed to invalidate our long-term bearish view.

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EUR / CHF



Heading lower.

- EUR/CHF is holding below 1.0900. The pair is having strong difficulties to go any higher. Strong resistance at 1.1037 looks difficult to reach. Hourly support can be found at 1.0870 (13/10/2016 low). Another support can be found at 1.0811 (29/07/2016 low).

- In the longer term, the technical structure remains positive. Resistance can be found at 1.1200 (04/02/2015 high). Yet, the ECB's QE programme is likely to cause persistent selling pressures on the euro, which should weigh on EUR/CHF. Supports can be found at 1.0184 (28/01/2015 low) and 1.0082 (27/01/2015 low).

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EUR / JPY



Heading once more towards support at 112.09.

- EUR/JPY is trading mixed between resistance located at 116.37 (02/09/2016) and support at 112.09 (21/09/2016 low). Hourly support given at 113.92 (13/10/2016 low) has been broken. Stronger support lies at 110.83 (06/07/2016 low). The pair is less volatile. This may signal that larger downside moves may happen.

- In the longer term, the technical structure validates a medium-term succession of lower highs and lower lows. As a result, the resistance at 149.78 (08/12/2014 high) has likely marked the end of the rise that started in July 2012. The road is now wide open towards strong support at 94.12 (24/07/2012 low).

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EUR / GBP



Holding below 0.90.

- EUR/GBP has broken uptrend channel. This is definitely signaling that a bearish recovery is starting. Hourly support located at 0.8967 (12/10/2016 low) has been broken. This confirms the underlying move. Expect to show continued bearish pressures.
- In the long-term, the pair is currently recovering from recent lows in 2015. The technical structure suggests a growing upside momentum. The pair is trading far above from its 200 DMA. Strong resistance can be found at 0.9500 psychological level.

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GOLD (in USD)



Low volatility.

- Gold is still consolidating after the recent sell-off which sent the precious metal to break the support at 1302 and 1272. Strong support is given at 1241 (07/10/2016 low). An hourly resistance lies at 1265 (07/10/2016 high).
- In the long-term, the technical structure suggests that there is a growing upside momentum. A break of 1392 (17/03/2014) is necessary to confirm it. A major support can be found at 1045 (05/02/2010 low).

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SILVER (in USD)



Pausing.

- Silver is trading around former support at 17.53. Hourly resistance is given at 17.82 (11/10/2016 high) while key resistance is given at 18.88 (04/10/2016 base). Expected to see a new leg higher.
- In the long-term, the metal is now in an increasing uptrend. Resistance is located at 25.11 (28/08/2013 high). Strong support can be found at 11.75 (20/04/2009).

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Crude Oil (in USD)



Buying pressures have faded.

- Crude oil is trading around and has failed again to retest strong resistance given at 51.67 (08/06/2016 high). Support can be found at 49.15 (10/10/2016 low) then 46.50/68 (22/09/2016 high). Short-term bearish positions should be loaded up at this level as buying pressures is fading.
- In the long-term, crude oil is now recovering from its sharp decline and the signs of recovery are now strong. Strong support lies at 24.82 (13/11/2002) while strong resistance at 50.96 (09/10/2015 high) has been broken. Crude oil is holding way above its 200-Day Moving Average. Expected to reach 60 before year-end.

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