

# DAILY TECHNICAL REPORT

26 October 2016

**EUR / USD**



**Bullish consolidation.**

- EUR/USD's bearish momentum is definitely up and running despite ongoing short-term bullish consolidation. Strong resistance lies at 1.1058 (13/10/2016 high). Key resistance is located far away at 1.1352 (18/08/2016 high). Expected to further weaken towards support area below 1.0860.
- 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.

Yann Quelell | Market Strategist  
 e-mail: yann.quelell@swissquote.ch

**GBP / USD**



**Bearish breakout.**

- GBP/USD has exited symmetrical triangle. Hourly support is now given around 1.2135 (25/10/2016 low) while hourly resistance lies at 1.2332 (19/10/2016 high). Key resistance stands far away at 1.2620 then 1.2873 (03/10/2016). Expected to show continued weakness.

- 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.

Yann Quelell | Market Strategist  
e-mail: yann.quelell@swissquote.ch

USD / JPY



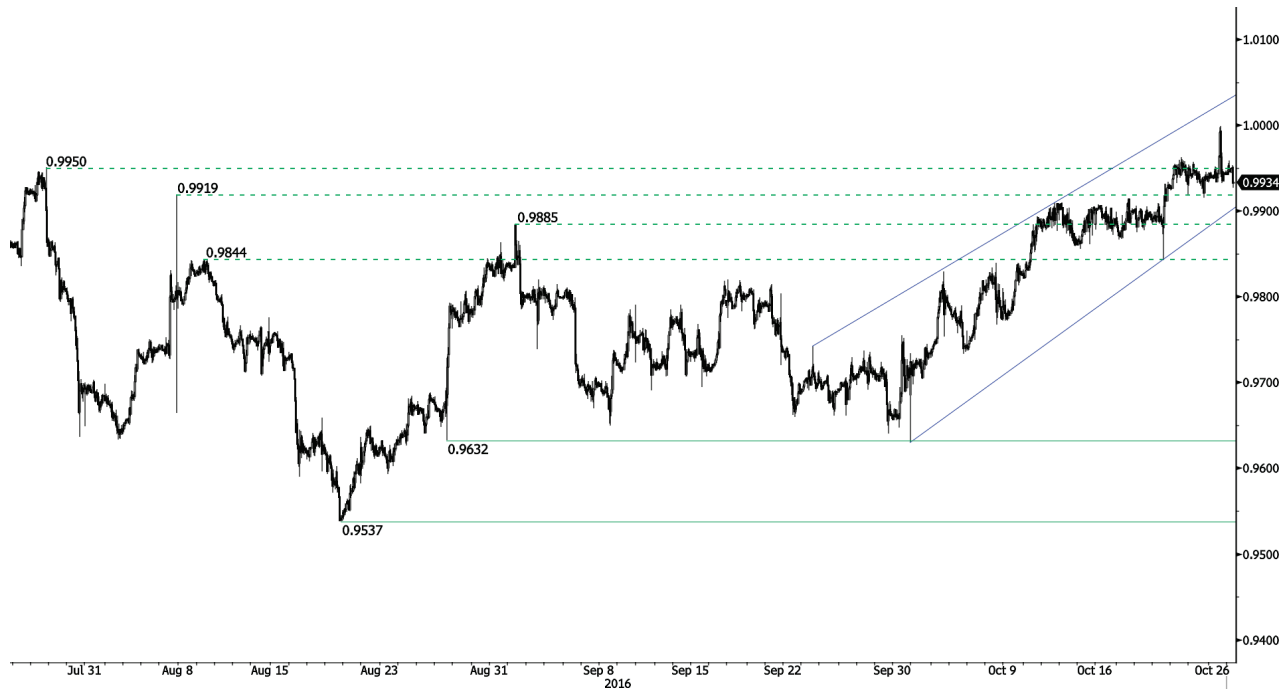
**Bouncing within uptrend channel.**

- USD/JPY is trading mixed but the pair remains within an uptrend channel. A break of hourly support at 102.81 (10/10/2016 low) is unlikely at the moment. Key support can be found at 100.09 (27/09/2016). Hourly resistance is implied by the upper bound of the uptrend channel around 105. Expected to see continued selling pressures.

- 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).

Yann Quelell | Market Strategist  
e-mail: yann.quelell@swissquote.ch

USD / CHF



**Temporary surge.**

- USD/CHF's buying pressures tend to increase but the pair still lies within former resistance area between 0.9919 (07/08/2016 low) and 0.9950 (27/07/2016). In addition, 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.

Yann Queleonn | Market Strategist  
 e-mail: [yann.queleonn@swissquote.ch](mailto:yann.queleonn@swissquote.ch)

USD / CAD



**Sideways price action.**

- USD/CAD is trading within strong resistance area between 1.3253 and 1.3405. The buying pressures are fading around those levels. Expected to bounce back 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.

Yann Quelell | Market Strategist  
 e-mail: [yann.quelell@swissquote.ch](mailto:yann.quelell@swissquote.ch)

AUD / USD

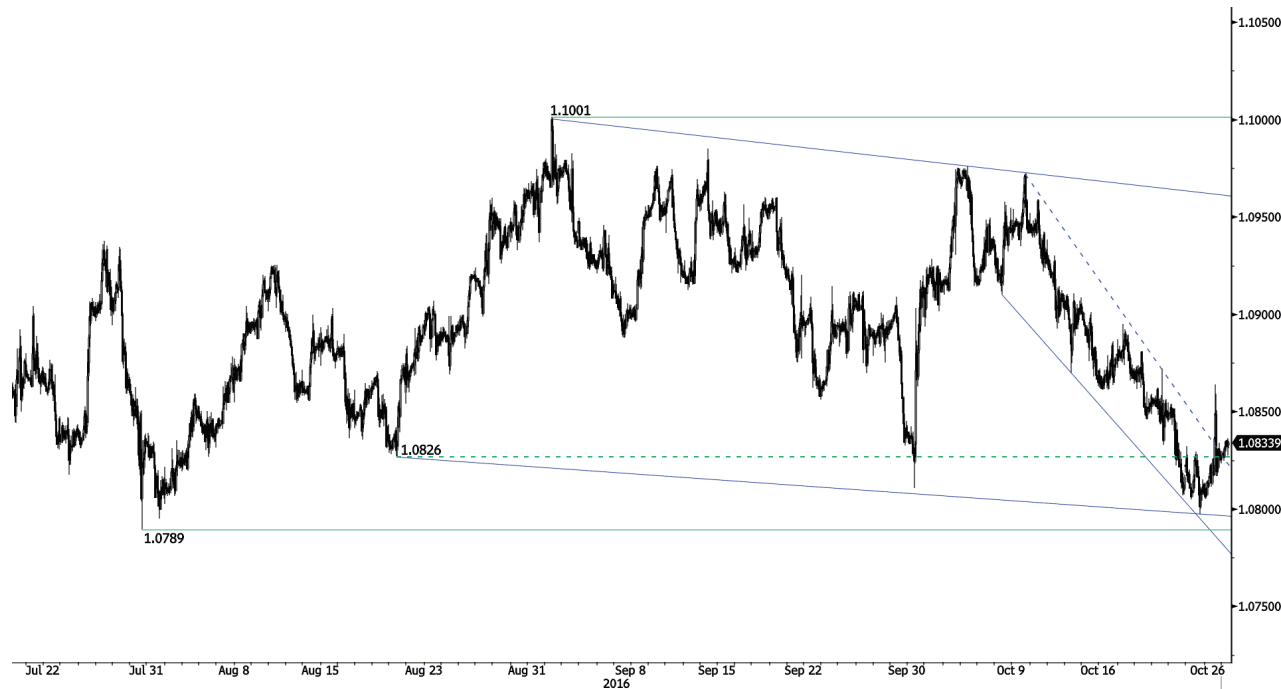


**Towards resistance at 0.7756 one more time.**

- AUD/USD keeps on trading for the past three months between hourly resistance located at 0.7756 (10/08/2016 high) and hourly support given at 0.7507 (13/10/2016 low). Expected to see buying pressures increasing until the pair reaches 0.7756.
- 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.

Yann Quelell | Market Strategist  
e-mail: yann.quelell@swissquote.ch

EUR / CHF



**Renewed buying pressures.**

- EUR/CHF is pushing higher after reaching 1.0800. On top of that the SNB is intervening which may trigger CHF sell-off as what happened yesterday. Anyway, strong resistance at 1.1037 looks difficult to reach.
- 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).

Yann Quelell | Market Strategist  
e-mail: yann.quelell@swissquote.ch



**EUR / JPY**



**Heading lower.**

- EUR/JPY is trading mixed between resistance located at 116.37 (02/09/2016) and support at 112.09 (21/09/2016 low). Stronger support lies at 1110.83 (06/07/2016 low). Expected to target 112 before bouncing back.
- 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).

Yann Quelell | Market Strategist  
 e-mail: yann.quelell@swissquote.ch

**EUR / GBP**



**Riding symmetrical triangle.**

- EUR/GBP lies within a symmetrical triangle. Hourly support is given at 0.8880 (21/10/2016 low) while resistance is given at 0.9026 (20/10/2016 high). Expect to show renewed 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.

Yann Quelell | Market Strategist  
 e-mail: yann.quelell@swissquote.ch

**GOLD (in USD)**

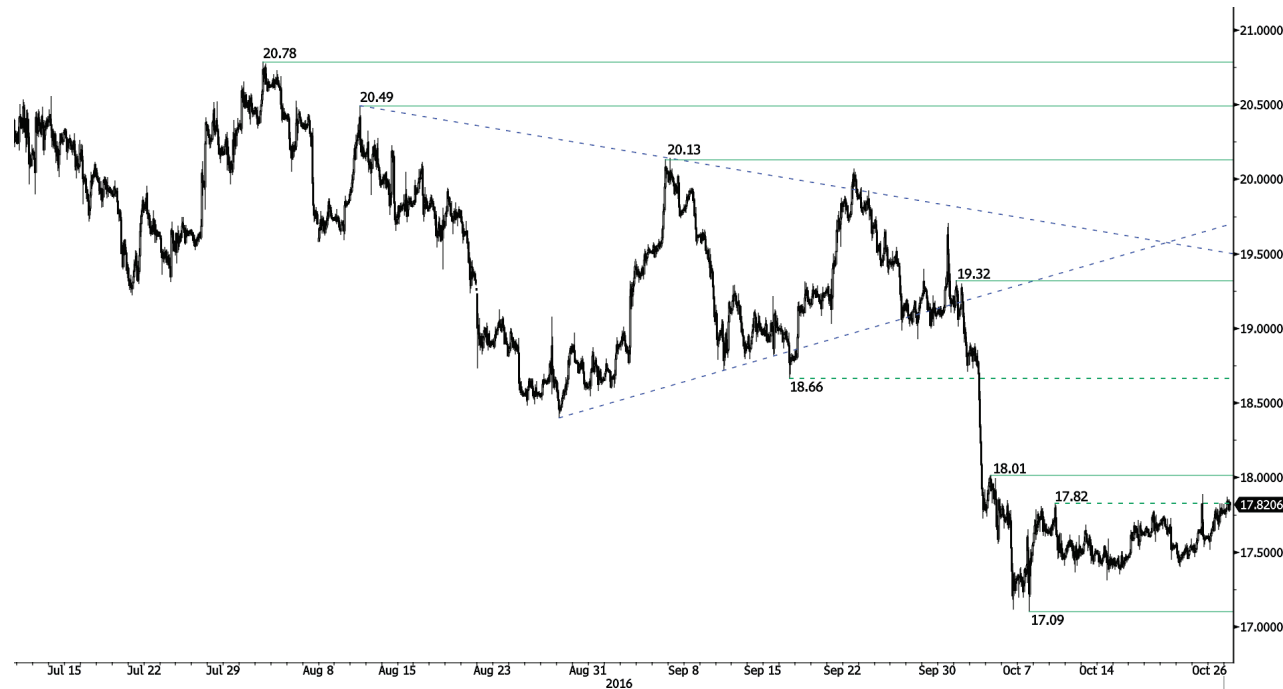


**Gaining momentum.**

- Gold's new leg has started. The metal is moving up toward hourly resistance at 1277 (05/10/2016 high). Hourly support is located at 1261 (21/10/2016 high). Stronger support is given at 1241 (07/10/2016 low ). Expected to see continued upside pressures.
- 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).

Yann Quelell | Market Strategist  
 e-mail: [yann.quelell@swissquote.ch](mailto:yann.quelell@swissquote.ch)

**SILVER (in USD)**



**Pausing.**

- Silver is still trading mixed despite the metal has broken hourly resistance given at 17.82 (11/10/2016 high). Hourly support can be found at 17.09 (07/10/2016 low). 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).

Yann Quelell | Market Strategist  
 e-mail: yann.quelell@swissquote.ch

**Crude Oil (in USD)**



**Monitoring strong support at 49.15.**

- Crude oil has exited short-term uptrend channel. A break of hourly support at 49.15 (10/10/2016 low) would signal that deeper selling pressures may be expected. We maintain our bearish view. Positions should be loaded up at this level.
- 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.

Yann Quelell | Market Strategist  
 e-mail: [yann.quelell@swissquote.ch](mailto:yann.quelell@swissquote.ch)

## DISCLAIMER

While every effort has been made to ensure that the data quoted and used for the research behind this document is reliable, there is no guarantee that it is correct, and Swissquote Bank and its subsidiaries can accept no liability whatsoever in respect of any errors or omissions, or regarding the accuracy, completeness or reliability of the information contained herein. This document does not constitute a recommendation to sell and/or buy any financial products and is not to be considered as a solicitation and/or an offer to enter into any transaction. This document is a piece of economic research and is not intended to constitute investment advice, nor to solicit dealing in securities or in any other kind of investments.

Although every investment involves some degree of risk, the risk of loss trading off-exchange forex contracts can be substantial. Therefore if you are considering trading in this market, you should be aware of the risks associated with this product so you can make an informed decision prior to investing. The material presented here is not to be construed as trading advice or strategy. Swissquote Bank makes a strong effort to use reliable, expansive information, but we make no representation that it is accurate or complete. In addition, we have no obligation to notify you when opinions or data in this material change. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other instruments.

This report is for distribution only under such circumstances as may be permitted by applicable law. Nothing in this report constitutes a representation that any investment strategy or recommendation contained herein is suitable or appropriate to a recipient's individual circumstances or otherwise constitutes a personal recommendation. It is published solely for information purposes, it does not constitute an advertisement and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments in any jurisdiction. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein, except with respect to information concerning Swissquote Bank, its subsidiaries and affiliates, nor is it intended to be a complete statement or summary of the securities, markets or developments referred to in the report. Swissquote Bank does not undertake that investors will obtain profits, nor will it share with investors any investment profits nor accept any liability for any investment losses. Investments involve risks and investors should exercise prudence in making their investment decisions. The report should not be regarded by recipients as a substitute for the exercise of their own judgment. Any opinions expressed in this report are for information purpose only and are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of Swissquote Bank as a result of using different assumptions and criteria. Swissquote Bank shall not be bound or liable for any transaction, result, gain or loss, based on this report, in whole or in part.

Research will initiate, update and cease coverage solely at the discretion of Swissquote Bank Strategy Desk. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. The analyst(s) responsible for the preparation of this report may interact with trading desk personnel, sales personnel and other constituencies for the purpose of gathering, synthesizing and interpreting market information. Swissquote Bank is under no obligation to update or keep current the information contained herein and not liable for any result, gain or loss, based on this information, in whole or in part.

Swissquote Bank specifically prohibits the redistribution of this material in whole or in part without the written permission of Swissquote Bank and Swissquote Bank accepts no liability whatsoever for the actions of third parties in this respect. © Swissquote Bank 2014. All rights reserved.