

DAILY TECHNICAL REPORT

8 October 2014

Please note: None of the strategies below represent trading advice or trading recommendations of any kind. Please refer to our full disclaimer.

	DIRECTION	TIMEFRAME	STRATEGY / POSITION	ENTRY LEVELS	OBJECTIVE / COMMENTS	STOP	ENTERED
EUR / USD	→	S-TERM	Short 1 unit	1.2652	Close unit at 1.2155	1.2710	30/09/2014
GBP / USD	→	S-TERM			Await fresh signal.		
USD / JPY	↓	S-TERM			Await fresh signal.		
USD / CHF	→	S-TERM			Await fresh signal.		
USD / CAD	→	S-TERM			Await fresh signal.		
AUD / USD	→	S-TERM	Buy stop 2 units	0.8836	Close 1 unit at 0.8922, remaining at 0.9090	0.8795	
GBP / JPY	→	S-TERM			Await fresh signal.		
EUR / JPY	→	S-TERM			Await fresh signal.		
EUR / GBP	→	S-TERM			Await fresh signal.		
EUR / CHF	→	S-TERM			Await fresh signal.		
GOLD (in USD)	→	S-TERM			Await fresh signal.		
SILVER (in USD)	→	S-TERM			Await fresh signal.		

EUR / USD



Continues to bounce.

- EUR/USD remains sought after having reached the 1.2500 psychological threshold, as can be seen by yesterday's significant daily lower shadow. Monitor the hourly resistance area between 1.2699 (02/10/2014 high) and 1.2715 (see also the declining channel). Another resistance lies at 1.2816. An initial support now lies at 1.2584 (07/10/2014 low).
- In the longer term, EUR/USD is in a succession of lower highs and lower lows since May 2014. The break of the strong support area between 1.2755 (09/07/2013 low) and 1.2662 (13/11/2012 low) opens the way for a decline towards the strong support at 1.2043 (24/07/2012 low). Intermediate supports are given by 1.2500 (psychological support) and 1.2466 (28/08/2012 low).

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Short 1 unit at 1.2652, Obj: Close unit at 1.2155, Stop: 1.2710 (Entered: 2014-09-30)

GBP / USD



Unimpressive bounce thus far.

- GBP/USD is bouncing. However, a break of the resistance at 1.6176 (intraday high) is needed to improve the short-term technical structure. Another resistance stands at 1.6287. Hourly supports can be found at 1.6027 (07/10/2014 low) and 1.5944.
- In the longer term, the collapse in prices after having reached 4-year highs has created a strong resistance at 1.7192, which is unlikely to be broken in the coming months. Despite the current short-term bearish momentum, we favour a temporary rebound near the support at 1.5855 (12/11/2013 low). A resistance lies at 1.6525.

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Await fresh signal.

USD / JPY



Challenging the support at 108.01.

- USD/JPY has weakened near the major resistance at 110.66 (15/08/2008 high). The key support at 108.01 (see also the low of the declining channel) is challenged. Another key support stands at 106.81. An hourly resistance lies at 109.23 (07/10/2014 high).
- A long-term bullish bias is favoured as long as the key support 100.76 (04/02/2014 low) holds. The recent new highs confirm a strong underlying bullish trend. Despite the recent pause near the major resistance at 110.66 (15/08/2008 high, see also the 50% retracement from the 1998's top), a move higher is eventually favoured. Another resistance can be found at 114.66 (27/12/2007 high).

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Await fresh signal.

USD / CHF



The short-term bullish momentum is fading.

- USD/CHF declined sharply on Monday and displayed a significant daily upper shadow yesterday. These price developments suggest a weakening short-term bullish momentum. Hourly supports can be found at 0.9518 (02/10/2014 low) and 0.9489. Hourly resistances stand at 0.9625 and 0.9691.
- From a longer term perspective, the technical structure favours a full retracement of the large corrective phase that started in July 2012. The break of the strong resistance at 0.9456 (06/09/2013 high) confirms this scenario. A key resistance now lies at 0.9751 (09/07/2013 high). A support can be found at 0.9301 (16/09/2014 low).

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Await fresh signal.

USD / CAD



The strong resistance at 1.1279 has thus far capped price appreciation.

- USD/CAD has successfully tested the strong resistance at 1.1279 (20/03/2014 high), increasing the odds of a short-term corrective phase. A significant support area can be found between 1.1072 (02/10/2014 low) and 1.1053.
- In the longer term, the technical structure looks like a rounding bottom whose minimum upside potential is at 1.1725. A break of the resistance at 1.1279 (20/03/2014 high) would confirm this scenario. Strong supports are given by the long-term rising trendline (around 1.0750) and 1.0621 (03/07/2014 low).

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Await fresh signal.

AUD / USD



The resistance at 0.8826 has held thus far.

- AUD/USD has experienced a pickup in buying interest near the strong support at 0.8660 (24/01/2014 low). However, prices have thus far been unable to break the key resistance at 0.8826. A break of this level would validate a short-term base formation. Another key resistance lies at 0.8950. An hourly support can be found at 0.8727.

- In the long-term, the underlying trend is negative. The impulsive decline from the lower high at 0.9505 (01/07/2014 high) does not suggest that the end of this downtrend is near. Monitor the test of the strong support at 0.8660 (24/01/2014 low). A key resistance stands at 0.9112 (16/09/2014 high). Another strong support lies at 0.8067 (25/05/2010 low).

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Buy stop 2 units at 0.8836, Obj: Close 1 unit at 0.8922, remaining at 0.9090, Stop: 0.8795

GBP / JPY



Drifting lower.

- GBP/JPY continues to move within a declining channel. The break of the hourly support at 174.32 suggests persistent selling pressures. Another support lies at 172.99. Hourly resistances can be found at 175.91 (03/10/2014 high) and 176.65.
- In the long-term, the break of the major resistance at 163.09 (07/08/2009 high) calls for further long-term strength. However, the failure to hold above the resistance at 179.17 (see also psychological threshold at 180.00) favours a phase of consolidation. Other resistances can be found at 183.98 (50% retracement of the 2007-2009 decline) and 197.45. Strong supports lie at 172.99 (16/09/2014 low) and 169.51 (11/04/2014 low).

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Await fresh signal.

EUR / JPY



Remains weak.

- EUR/JPY has breached its support at 136.87, suggesting persistent selling pressures. A break of the resistance at 137.95 is needed to improve the short-term technical structure. Another resistance can be found at 138.80 (01/10/2014 high). An initial support now lies at 136.56 (07/10/2014 low), while a strong support stands at 135.73.
- The long-term technical structure remains positive as long as the support at 134.11 (20/11/2013 low) holds. The break of the strong resistance at 140.09 (09/06/2014 high) has invalidated the medium-term bearish trend. A resistance can be found at 142.47 (29/04/2014 high).

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Await fresh signal.

EUR / GBP



Approaching the key resistance at 0.7889.

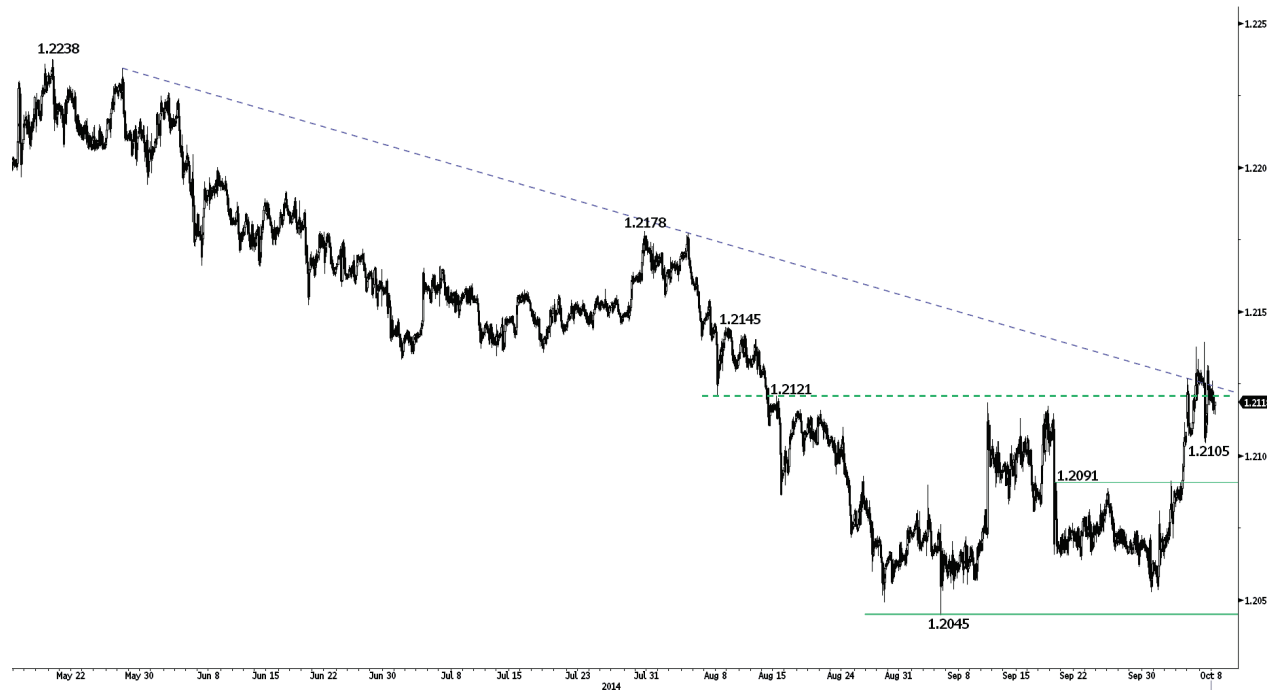
- EUR/GBP has bounced near its strong support at 0.7755. A break of the hourly resistance at 0.7889 (23/09/2014 high, see also the 38.2% retracement) would improve the short-term technical structure. Another resistance can be found at 0.7952 (intraday high, see also the 61.8% retracement). An hourly support lies at 0.7821 (03/10/2014 low).

- In the longer term, the underlying downtrend favours a test of the major support area between 0.7755 (23/07/2012 low) and 0.7694 (20/10/2008 low) at minimum. A decisive break of the resistance at 0.8034 (25/06/2014 high) is needed to suggest some exhaustion in the medium-term selling pressures.

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Await fresh signal.

EUR / CHF



No follow-through thus far after the breakout at 1.2091.

- EUR/CHF has broken to the upside out of its horizontal range between the support at 1.2045 and the resistance at 1.2121 (15/08/2014 high, see also the declining trendline). However, the subsequent lack of follow-through suggests persistent selling pressures. An hourly resistance lies at 1.2145 (11/08/2014 high), while a key resistance stands at 1.2178. An hourly support can now be found at 1.2105 (07/10/2014 low).
- In September 2011, the SNB put a floor at 1.2000 in EUR/CHF, which is expected to hold in the foreseeable future. As a result, further sideways moves are expected in the medium-term.

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Await fresh signal.

GOLD (in USD)



Bouncing.

- Gold has thus far successfully tested the strong support at 1181. A short-term rebound is likely underway. Hourly resistances can be found at 1223 (29/09/2014 high) and 1236. An initial support lies at 1203 (07/10/2014 low).
- In the long-term, the underlying downtrend and the recent 4-year lows in silver favour an eventual break of the strong support at 1181. Other supports can be found at 1157 (28/07/2010 low) and 1045 (05/02/2010 low). Resistances can be found at 1243 (16/09/2014 high) and 1278 (04/09/2014 high).

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Await fresh signal.

SILVER (in USD)



Bouncing.

- Silver is bouncing. An hourly resistance lies at 17.74 (see also the declining trendline), while a more significant resistance stands at 18.02. An hourly support can now be found at 17.11 (07/10/2014 low).
- In the long-term, the break of the major support area between 18.64 (30/05/2014 low) and 18.23 (28/06/2013 low) confirms an underlying downtrend and favours further decline towards the strong support at 14.64 (05/02/2010 low). A resistance lies at 18.88 (09/09/2014 low).

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Await fresh signal.

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