

DAILY TECHNICAL REPORT

16 May 2018

EUR / USD



Testing hourly support at 1.1812.

- EUR/USD is starting a bearish consolidation after declining at 1.1817, testing hourly support at 1.1812 (25/12/2017 low) and heading along 1.1815. The pair is currently trading at end-December 2017 levels. Hourly resistance remains at 1.2323 (17/01/2018 high). The technical structure suggests short-term sideways trading moves.
- In the longer term, the momentum is turning largely positive. We favor a continued bullish bias. Key resistance is holding at 1.2886 (15/10/2014 high) while strong support lies at 1.1554 (08/11/2017 low).

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GBP / USD



Trying to bounce.

- GBP/USD is bouncing off from 1.3451 low and broke hourly support at 1.3458 (11/01/2018). The pair is heading along the 1.3530 range. Hourly support and resistance are given at 1.3331 (19/12/2017 low) and 1.4097 (29/01/2018 high). The technical structure suggests short-term increase.
- The long-term technical pattern is reversing. The Brexit vote had paved the way for further decline but the pair is moving to 2016 highs. Long-term support and resistance are given at 1.1841 (07/10/2017 low) and 1.5018 (24/06/2016 high).

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USD / JPY



Declining.

- USD/JPY is decreasing after breaking hourly resistance at 110.26 (05/02/2018), heading along the 110.20 range. The bullish pattern started from 104.56 (25/03/2018 low) continues. Hourly support and resistance are located at 108.74 (25/01/2018 low) and 111.50 (18/01/2018 high). The technical structure suggests short-term decrease.
- We favor a long-term bearish bias. Support remains at 101.20 (09/11/2016 low). A gradual rise toward the major resistance at 125.86 (05/06/2015 high) seems unlikely. Expected to decline further support at 101.20 (09/11/2016 low). The pair trades at its 200 DMA range.

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USD / CHF



Bearish pressures.

- USD/CHF is decreasing after reaching the pair, heading along 0.9990. Hourly support and resistance given at 0.9755 (10/01/2018 low) and 1.0091 (09/05/2017 high) are maintained. The technical structure suggests further short-term downward moves.
- In the long-term, the pair is still trading in range since 2011 despite some turmoil when the SNB unpegged the CHF. Key support lies at 0.9072 (07/05/2015 low) while resistance at 1.0344 (15/12/2016 high) is distanced. The technical structure favours a long term bullish bias since the unpeg in January 2015.

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USD / CAD



Decreasing.

- USD/CAD is decreasing after reaching 1.2925 (15/05/2018 high), heading along 1.2845. Hourly support and resistance are given at 1.2621 (23/02/2018 low) and 1.3125 (19/03/2018 high). The technical structure suggests short-term downward moves.

- In the longer term, the pair is trading between resistance point at 1.3805 (05/05/2017 high) and support at 1.2128 (18/06/2015 low). Strong resistance is given at 1.4690 (22/01/2016 high). The pair is likely to head lower. The pair is trading above its 200 DMA.

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AUD / USD



Bouncing higher.

- AUD/USD is bouncing off from 0.7447, heading along the 0.7490 range. Hourly support and resistance remain at 0.7412 (09/05/2018 low) and 0.7813 (19/04/2018 high). The technical structure suggests short-term increase.
- In the long-term, the upward trend slows down after failing to reach key resistance at 0.8164 (14/05/2015 low). Key support stands at 0.6009 (31/10/2008 low). A break of the key resistance at 0.8164 (14/05/2015 high) is needed to invalidate our long-term bearish view.

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EUR / GBP



Approaching 0.875.

- EUR/GBP is decreasing, trading below 0.88 and heading along 0.8750. EUR/GBP bearish pattern started in March is weakening. Hourly support and resistance are given at 0.8668 (22/03/2018 low) and 0.8838 (23/02/2018 high). The technical structure suggests short-term downward moves.

- In the long-term, the pair has largely recovered from 2015 lows. The technical structure suggests further upside pressure. Strong resistance can be found at 0.9500 (psychological level) while support remains at 0.8304 (05/12/2016 low). The pair is trading below its 200 DMA.

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EUR / CHF



Bearish breakout.

- EUR/CHF is decreasing further, breaking hourly support at 1.1842 (11/04/2018). The pair is heading along the 1.1825 range. Hourly support and resistance are given at 1.1715 (07/01/2018 low) and 1.2006 (20/04/2018 high). The short-term technical structure suggests short-term downward moves.
- In the longer term, the technical structure has reversed. Strong resistance at 1.20 (level before the unpeg) is now at reach. The ECB's slowing QE program is likely to cause buying pressures on the euro, which should weigh in favour of the EUR/CHF. Support and resistance can be found at 1.0624 (24/06/2016 low) and 1.2097 (18/12/2014 high).

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GOLD (in USD)



Trying to bounce after collapse.

- Gold is starting a recovery phase after recent bearish breakout at 1289. Hourly support at 1300 (29/12/2017) is now broken. The pair is heading along the 1300 range. Hourly support and resistance are now given at 1263 (21/12/2017 low) and 1329 (08/03/2018 high). The technical structure suggests short-term upward moves.
- In the long-term, the technical structure suggests that there is a growing upside momentum. A break of 1'392 (17/03/2014) is required to confirm it. A major support can be found at 1'045 (05/02/2010 low). The pair is trading below its 200 DMA.

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SILVER (in USD)



Increasing.

- Silver is bouncing off from 16.21 low, currently trading at 16.30 and heading along the 16.36 range. Hourly support and resistance are given at 16.05 (19/12/2017 low) and 16.87 (06/03/2018 high). The technical structure suggests short-term increase.
- In the long-term, the trend remains negative/sideways. Further downside is very likely. Resistance is located at 21.58 (10/07/2014 high). Strong support can be found at 11.75 (20/04/2009). The pair is trading below its 200 DMA.

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CRUDE OIL (in USD)



Trading above 71.

- Crude oil is slightly declining after reaching 71.92 high, heading along the 70.95 range. Crude Oil is currently trading at December 2014 levels. The bullish pattern started in mid-February 2018 is maintained. Hourly support and resistance are given at 65.56 (17/04/2018 low) and 73.56 (28/11/2014 high). The technical structure suggests short-term downward moves.

- In the long-term, crude oil has recovered after its sharp decline last year. However, we consider that further weakness is very likely. For the time being, the pair lies in an upside trend since June 2017. Support lies at 42.20 (16/11/2016) while resistance is located at 77.83 (20/11/2014). Crude oil is trading largely above its 200 DMA.

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BITCOIN (in USD)



Approaching 8100.

- Bitcoin rise started in mid-April pauses, the pair is decreasing, trading below 8500 and heading along the 8100 range. Bitcoin bearish pattern started in March 2018 strengthens. The pair is contained between hourly support and resistance given at 6306 (13/11/2017 low) and 10232 (01/02/2018 high). The technical structure suggests further short-term decrease.
- In the long-term, the digital currency has had an exponential growth but also presented important downturns. There is decent likelihood that the currency could stabilize between 7'000 - 12'000 in 2018. Bitcoin is trading below its 200 DMA (8500 range).

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