

Trading Desk Technicals

Views from the Rates/FX Trading Desk

NOMURA

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GBPUSD – the initial 5 wave decline is targeting 1.6914/6872

Because Sterling is tracing a 5-wave decline from THE high, we expect that (post a correction) *another 5-wave decline will unfold of similar length to mark either wave-C or 3*. In either case the path of least resistance for Sterling going forward is lower.

S/t, we are focused on the 5th wave of the initial impulse. The target zone for wave-5 is **1.6914 to 1.6872** derived from 3 different symmetry techniques (the first is also channel support). Resistance is the previous 4th wave zone between **1.6966/1.7000**. We will wait for wave-5 to complete and look to fade a corrective rally.

Conviction: Med/High

Levels: Support – 1.6914, 1.6883, 1.6872 Resistance – 1.6966, 1.7000, 1.7024

