

DAILY TECHNICAL REPORT

31 July 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		M-TERM			Await fresh signal.		
GBP / USD		S-TERM	Buy stop 2 units	1.7008	Close 1 unit at 1.7167, remaining at 1.7435	1.6943	
USD / JPY		M-TERM			Await fresh signal.		
USD / CHF		M-TERM			Await fresh signal.		
USD / CAD		M-TERM			Await fresh signal.		
AUD / USD		S-TERM			Our short position has been stopped.		
GBP / JPY		S-TERM	Long 2 units	173.69	Close 1 unit at 175.24, remaining at 179.80	173.00	30/07/2014
EUR / JPY		S-TERM			Await fresh signal.		
EUR / GBP		S-TERM			Await fresh signal.		
EUR / CHF		S-TERM	Long 3 units	1.2329	1.2660/1.2985/1.3195	1.1998	23/01/2013
GOLD (in USD)		S-TERM			Await fresh signal.		
SILVER (in USD)		S-TERM			Await fresh signal.		

EUR / USD



Intraday bullish reversal?

- EUR/USD is in an underlying downtrend. However, monitor the support at 1.3367 implied by yesterday's intraday bullish reversal (hammer formation). Hourly resistances can be found at 1.3444 (28/07/2014 high) and 1.3485 (24/07/2014 high).

- In the longer term, EUR/USD is in a succession of lower highs and lower lows since May 2014. The downside risk implied by the double-top formation (1.3379) has been met. However, another downside risk is given by 1.3210 (second leg lower after the rebound from 1.3503 to 1.3700). A strong support stands at 1.3296 (07/11/2013 low). A key resistance lies at 1.3549 (21/07/2014 high).

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Await fresh signal.

GBP / USD



Challenging its rising channel.

- GBP/USD has broken the key support at 1.6923. However, prices are now close to the support implied by its rising channel (see also the 61.8% retracement). Coupled with the overextended decline and the underlying uptrend, we favour a rebound in the next few days. Hourly resistances can be found at 1.6955 (30/07/2014 high) and 1.7001 (see also the declining channel).
- In the longer term, the break of the major resistance at 1.7043 (05/08/2009 high) calls for further strength. Resistances can be found at 1.7332 (see the 50% retracement of the 2008 decline) and 1.7447 (11/09/2008 low). A key support stands at 1.6693 (29/05/2014 low).

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Buy stop 2 units at 1.7008, Obj: Close 1 unit at 1.7167, remaining at 1.7435, Stop: 1.6943

USD / JPY



Surging higher.

- USD/JPY surged higher yesterday, breaking the resistance area defined by 102.27 (03/07/2014 high) and 102.36. Prices are now challenging the key resistance at 103.02. An hourly support stands at 102.36 (previous resistance).
- A long-term bullish bias is favoured as long as the key support 99.57 (19/11/2013 low) holds. However, a break to the upside out of the current consolidation phase between 100.76 (04/02/2014 low) and 103.02 is needed to resume the underlying bullish trend. A major resistance stands at 110.66 (15/08/2008 high).

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Await fresh signal.

USD / CHF



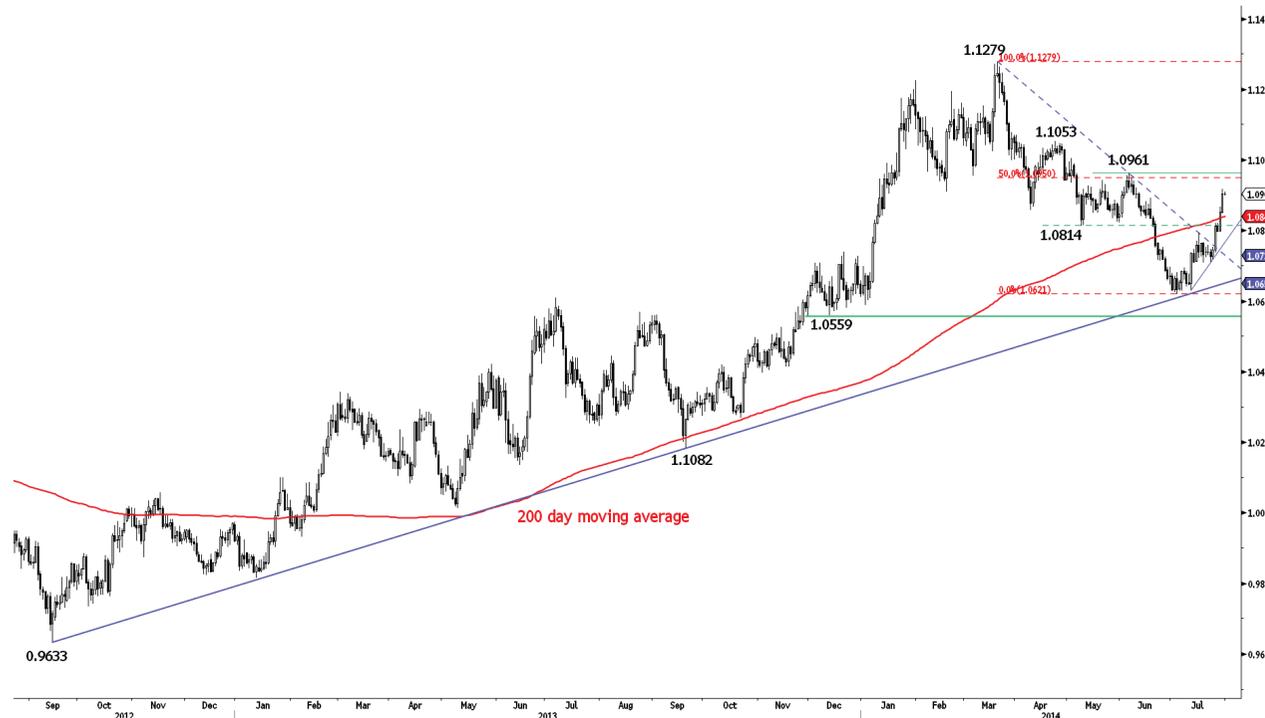
Moving higher.

- USD/CHF continues to move higher, as can be seen by the break of the resistance at 0.9082 (03/02/2014 low). A key resistance stands at 0.9156. Hourly supports can be found at 0.9065 (30/07/2014 low) and 0.9035 (28/07/2014 low).
- From a longer term perspective, the bullish breakout of the key resistance at 0.8953 (04/04/2014 high) suggests the end of the large corrective phase that started in July 2012. The long-term upside potential implied by the double-bottom formation is 0.9207. Furthermore, the break of the resistance at 0.9037 calls for a second leg higher (echoing the one started on 8 May) with an upside potential at 0.9191. A strong resistance stands at 0.9156 (21/01/2014 high).

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Await fresh signal.

USD / CAD



Impulsive move to the upside.

- USD/CAD continues to rise sharply. Monitor the test of the key resistance at 1.0961 (see also the 50% retracement). Hourly supports can be found at 1.0860 (intraday low) and 1.0845 (intraday low).
- In the longer term, the technical structure looks like a rounding bottom whose minimum upside potential is at 1.1725. However, a break of the support area implied by the long-term rising trendline and 1.0559 (29/11/2013 low) would invalidate this long-term bullish configuration.

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Await fresh signal.

AUD / USD



Bearish reversal pattern likely in place.

- AUD/USD has breached the key support at 0.9319. As a result, the range from 0.9319 to 0.9505 is likely a bearish reversal pattern, whose downside risk calls for a test of the strong support at 0.9206. An hourly resistance now lies at 0.9355 (intraday high). Another resistance can be found at 0.9390 (intraday high).

- In the longer term, prices are consolidating within the range defined by the key support at 0.9206 and the key resistance at 0.9461 (10/04/2014 high)/0.9505. A decisive break of the support at 0.9319 would call for a test of the low of the range.

- Yesterday's sharp whipsaw has stopped our short position.

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Our short position has been stopped.

GBP / JPY



Pickup in buying interest.

- GBP/JPY has finally displayed a strong daily real body. The pickup in buying interest after days of equilibrium calls for further short-term strength. An hourly resistance now lies at 174.22 (30/07/2014 high), while a more significant resistance stands at 174.57. An hourly support can be found at 173.59 (previous resistance).
- In the long-term, the break of the major resistance at 163.09 (07/08/2009 high) calls for further strength towards the resistance at 179.17 (15/08/2002 low). The long-term technical structure remains supportive as long as the key support at 167.78 (18/03/2014 low) holds.

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Long 2 units at 173.69, Obj: Close 1 unit at 175.24, remaining at 179.80, Stop: 173.00 (Entered: 2014-07-30)

EUR / JPY



Bouncing.

- EUR/JPY has broken the resistance at 137.34, confirming short-term exhaustion in selling pressures. However, prices need to break the resistance at 138.45 to invalidate the current declining channel. An hourly resistance lies at 137.83 (50% retracement), whereas an hourly support can be found at 137.34 (previous resistance).

- The bearish breakout of the 200 day moving average confirms a deterioration of the medium-term technical structure. A key support stands at 136.23 (04/02/2014 low), while a strong resistance lies at 104.09 (09/06/2014 high).

- The long-term technical structure remains positive as long as the support at 134.11 (20/11/2013 low) holds.

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Await fresh signal.

EUR / GBP



Monitor the resistance area around 0.7940.

- EUR/GBP remains close to the resistance area defined by the declining channel (around 0.7929) and 0.7940. Another resistance lies at 0.7981 (see also the declining trendline). A break of the initial support at 0.7904 (28/07/2014 low) is needed to suggest the end of the recent rebound. Another hourly support stands at 0.7874.
- In the longer term, the break of the key support area between 0.8082 (01/01/2013 low) and 0.8065 (05/06/2014 low) opens the way for a full retracement of the rise that started at 0.7755 (23/07/2012 low). Another strong support stands at 0.7694 (20/10/2008 low). A 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



Bullish breakout at 1.2166.

- EUR/CHF has broken the resistance at 1.2166, confirming an improving technical structure. The resistance at 1.2178 is challenged. The double-bottom formation favours a further rise towards the resistance at 1.2200. Hourly supports can now be found at 1.2166 (previous resistance) and 1.2160 (30/07/2014 low).
- In the longer term, prices are moving in a broad horizontal range between the key support at 1.2104 and the resistance at 1.2261.
- In September 2011, the SNB put a floor at 1.2000 in EUR/CHF, which is expected to hold in the foreseeable future.

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Long 3 units at 1.2329, Objs: 1.2660/1.2985/1.3195, Stop: 1.1998 (Entered: 2013-01-23)

GOLD (in USD)



Short-term succession of lower highs remains intact.

- Gold remains in a succession of lower highs since the peak at 1345. An hourly resistance can be found at 1311 (23/07/2014 high). Another resistance stands at 1325. A support area lies between 1288 (24/07/2014 low) and 1285.
- In the long-term, we are sceptical that the horizontal range between the strong support at 1181 (28/06/2013 low) and the major resistance at 1434 (30/08/2013 high) is a long-term bullish reversal pattern. As a result, a decline towards the low of this range is eventually favoured.

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Await fresh signal.

SILVER (in USD)



Monitor the declining channel.

- Silver remains close to the resistance area defined by the declining channel (around 20.72) and 20.82. Another resistance lies at 21.26. Supports can be found at 20.31 and 20.00.
- In the long-term, the trend is negative. However, the successful test of the strong support area between 18.84 and 18.23 (28/06/2013 low) and the break of the resistance at 20.41 (24/02/2014 high) indicate clear exhaustion in the selling pressures. A key resistance stands at 22.18 (24/02/2014 high).

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Await fresh signal.