

AUD/NZD Momentum Trade Alert



SELL Trade AUDNZD near current levels (1.2441)

-35 pip stop @ 1.2470, 70 pip TP @ 1.2374.

Forex volatility has definitely dropped in September towards the current month of October. Things get a little more complex for intraday swing traders that trade 50-100 pip moves, and currently, it's probably a scalper heaven. The only way to adapt is to trade the best pairs at the given moments. AUD/NZD has filled the criteria for a *momentum trade* which is basically a trend trade. The pair is seen to consolidate within a triangle after a downmove which suggests more potential devaluation. This is an aggressive entry to trade within the consolidation, and a more conservative entry is to trade the breakout when confirmed. The profit target is 2:1 to the risk and towards a support level @ 1.2375. Let's take a look at the bigger picture below on a weekly chart with some important aspects of the current downtrend.

AUD/NZD Swing Trade Alert



SELL Trade AUDNZD: 1.2441

-35 pip stop @ 1.2470, 70 pip TP @ 1.2374.

Above is a weekly chart of the AUDNZD. A properly scaled Gann Fan is placed on a key low during the 2008 market crash, and the market has recently taken out an angle strongly to the downside as well as clearing a technical trendline which has been an important support from 2009, all the way to 2011. The 200 week moving average is also surpassed to the downside which also was a key landmark of price, and technical failure to the upside is what is occurring, and plenty of paths are open to the downside. Notes: This pair has a low “pip volatility” and may require some trade size adjustments. It also has a higher spread than average, so be aware of this.

Best Regards,
Ruena