

RESEARCH TEAM

DAILY TECHNICAL REPORT

9 January 2014

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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			Await fresh signal.		
USD / JPY	↑	S-TERM			Await fresh signal.		
USD / CHF	↑	S-TERM			Await fresh signal.		
USD / CAD	↑	S-TERM	Buy stop 3	1.0875	1.0930/1.1086/1.1675	1.0820	
AUD / USD	→	S-TERM			Await fresh signal.		
GBP / JPY	→	S-TERM			Await fresh signal.		
EUR / JPY	→	S-TERM			Await fresh signal.		
EUR / GBP	↓	M-TERM			Await fresh signal.		
EUR / CHF	→	S-TERM	Long 3	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.		

Notes: Entries are in 3 units and objectives are at 3 separate levels where 1 unit will be exited. When the first objective (PT 1) has been hit the stop will be moved to the entry point for a near risk-free trade. When the second objective (PT 2) has been hit the stop will be moved to PT 1 locking in more profit. All orders are valid until the next report is published, or a trading strategy alert is sent between reports.

EUR / USD



A corrective phase is likely underway.

- EUR/USD has broken the support at 1.3621 (06/12/2013 low). Coupled with the false breakout of the key resistance area between 1.3811 (11/12/2013 high) and 1.3832, a double-top is likely underway. The implied downside risk is at 1.3440. The short-term technical structure is negative as long as prices remain below the resistance at 1.3677. A support stands at 1.3524 (03/12/2013 low).

- The ECB meeting today should create intraday volatility.

- In the longer term, the recent false breakout near the key resistance area defined by 1.3811 (11/12/2013 high) and the long-term declining trendline (around 1.3890) confirm a limited upside potential. We favour a corrective phase towards the 200 day moving average (around 1.3330).

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Await fresh signal.

GBP / USD



Monitor the resistance at 1.6474.

- GBP/USD continues to improve and is now challenging the resistance at 1.6474. A break of this level would open the way for further short-term strength towards the resistance at 1.6603. An initial support can be found at 1.6436 (intraday low). Hourly supports stand at 1.6374 (07/01/2014 low) and 1.6338.

- The BoE meeting today should create intraday volatility.

- The break of the major resistance area between 1.6381 and 1.6466 favours a further long-term rise towards the strong resistance at 1.7043 (05/08/2009 high). A break of the support at 1.6220 would negate this positive outlook implied by the recent new highs. Another key resistance lies at 1.6747 (28/04/2011 high).

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Await fresh signal.

USD / JPY



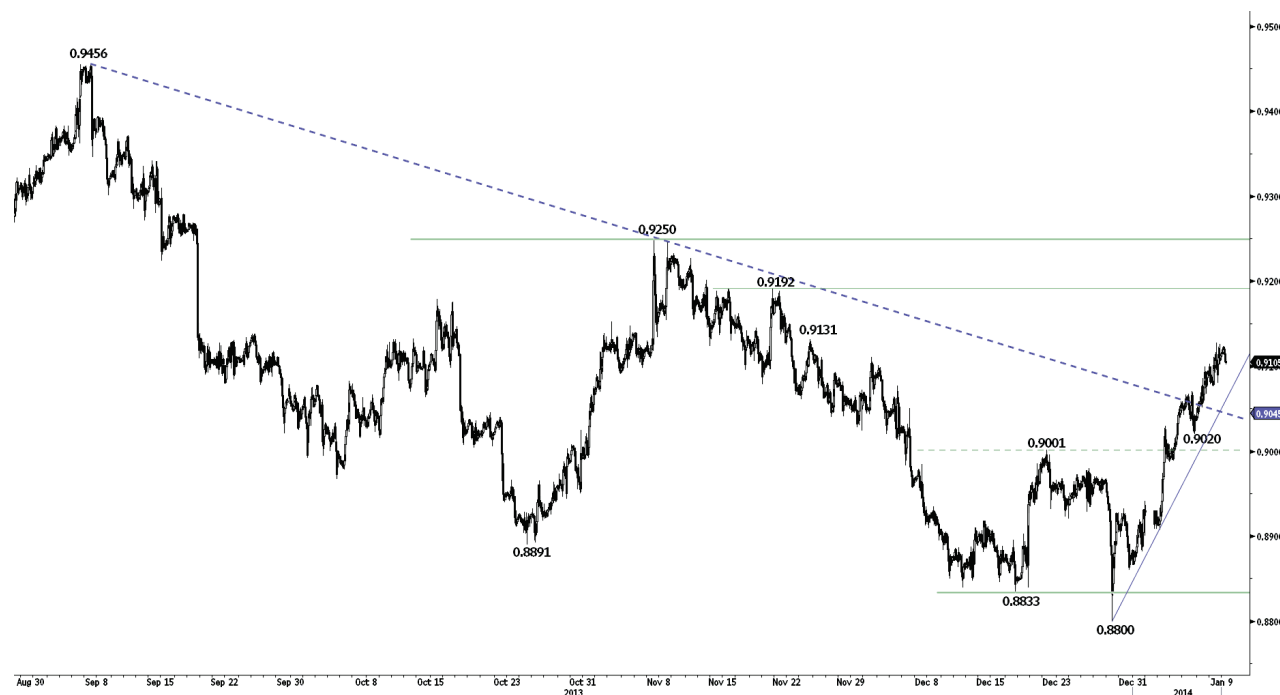
Rising back towards its recent highs.

- USD/JPY has bounced near the key support at 103.77 (see also the short-term rising channel). A test of the resistance at 105.44 (02/01/2014 high) is expected. An initial support lies at 104.67 (intraday low).
- The move above the key resistance at 103.74 favours a continuation of the longer term bullish trend. Monitor the resistance at 105.50 (61.8% retracement of the decline that started in June 2007). A major resistance stands at 110.66 (15/08/2008 high). A significant support now lies at 99.57 (19/11/2013 low, see also the 200 day moving average).

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Await fresh signal.

USD / CHF



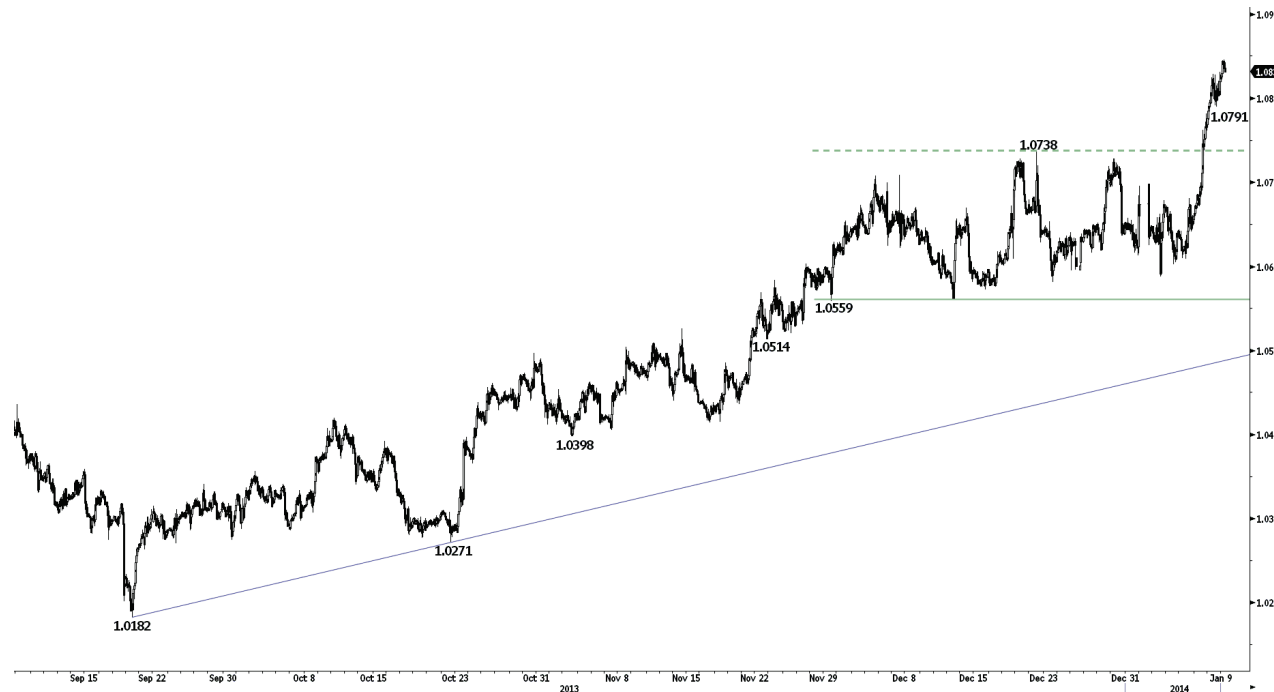
Pushing higher.

- USD/CHF continues to move higher after validating a double-bottom formation, whose upside potential is at 0.9169. An initial support stands at 0.9068 (intraday low, see also the short-term rising trendline). Another support lies at 0.9020. Resistances can be found at 0.9131 and 0.9192.
- From a longer term perspective the structure present since 0.9972 (24/07/2012) is seen as a large corrective phase which is potentially reaching completion. The support area defined by 0.8931 (24/02/2012 low) and 0.8833 has thus far held, favouring a potential base formation. A key resistance stands at 0.9250.

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Await fresh signal.

USD / CAD



Challenging a major resistance area.

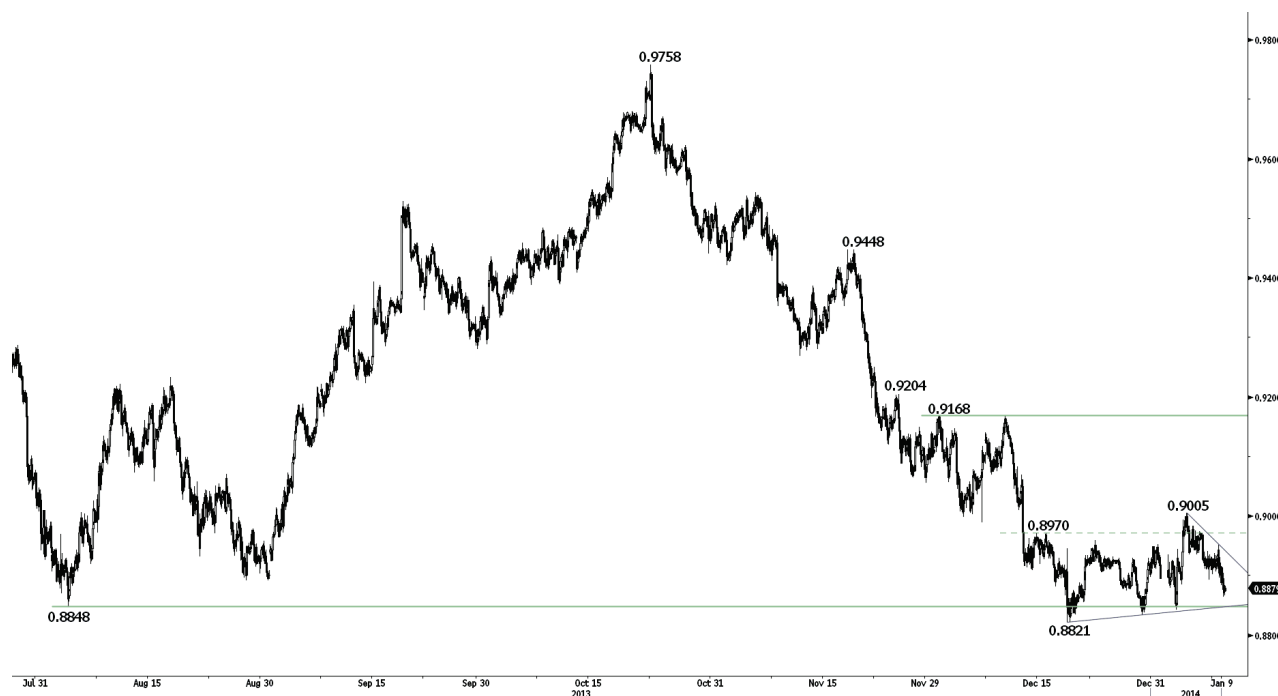
- USD/CAD has broken to the upside its horizontal range between 1.0559 and 1.0738. The implied short-term upside potential is 1.0917. Monitor the test of the major resistance area near 1.0870. Hourly supports stand at 1.0791 and 1.0732 (intraday low).

- In the longer term, the strong resistance at 1.0870 (02/11/2009 high, see also the long-term declining trendline from the October 2002 peak) continues to represent a major hurdle. However, a decisive break would validate a multi-year basing formation whose upside potential is around 1.1910.

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Buy stop 3 at 1.0875, Obj: 1.0930/1.1086/1.1675, Stop: 1.0820

AUD / USD



Weakening towards the key support at 0.8848.

- AUD/USD continues to weaken and is now approaching its key support area between 0.8848 and 0.8821. Hourly resistances stand at 0.8952 (08/01/2014 high) and 0.9005.
- The long-term technical pattern remains negative. A decisive break under 0.8848 (05/08/2013 low) would open the way for a move towards the key support at 0.8067 (25/05/2010 low). A significant resistance is given by the 200 day moving average (around 0.9425).

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Await fresh signal.

GBP / JPY



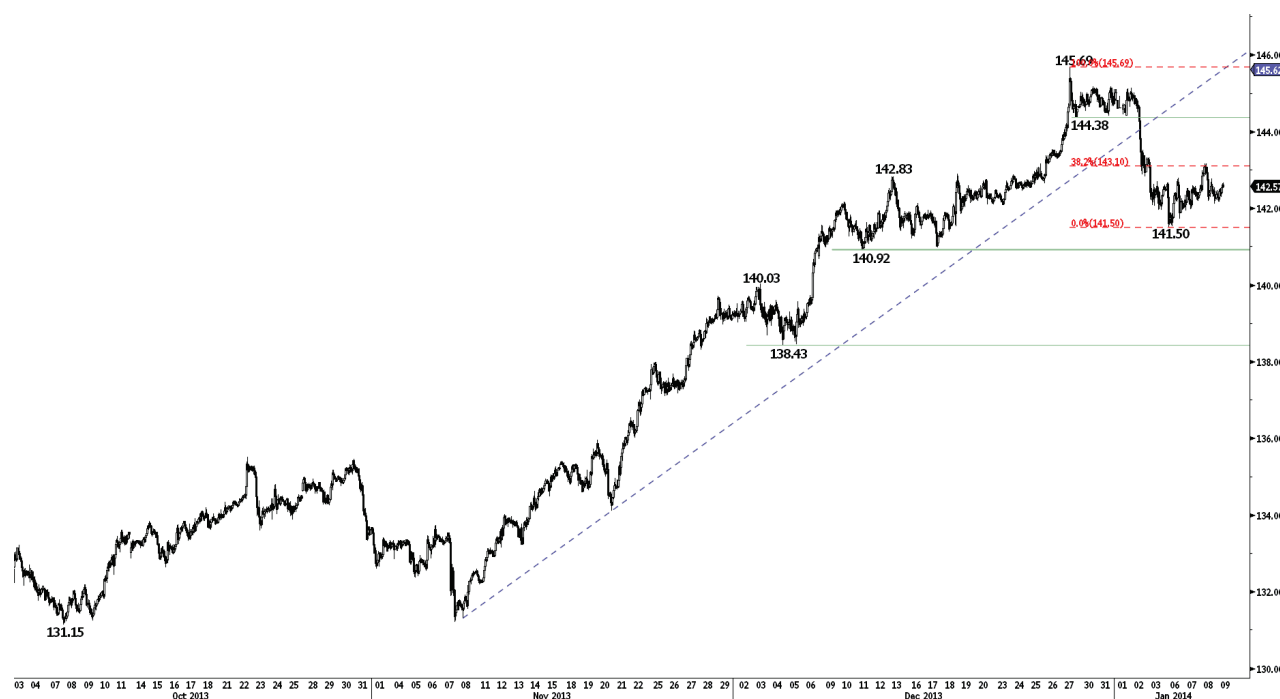
Bouncing.

- GBP/JPY continues to bounce. Monitor the test of the hourly resistance at 172.84 (previous support). Another resistance lies at 174.85. A key support area stands between 170.42 and 169.78.
- The break of the major resistance at 163.09 calls for further long-term strength towards the resistance at 179.17 (15/08/2002 low). However, the deep overbought conditions suggest some short-term caution. The long-term technical structure remains supportive as long as the key low at 154.73 (09/10/2013 low) holds.

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Await fresh signal.

EUR / JPY



Weak bounce thus far.

- EUR/JPY's bounce has thus far failed to move higher than its 38.2% retracement. Hourly resistances can now be found at 143.17 (08/01/2014 high) and 144.38 (previous support). Hourly supports are at 141.50 and 140.92.
- The long-term technical structure remains positive as long as the support at 131.15 (08/10/2013 low) holds. However, the deep overbought conditions suggest some caution. A resistance lies at 147.04 (16/09/2008 low).

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Await fresh signal.

EUR / GBP



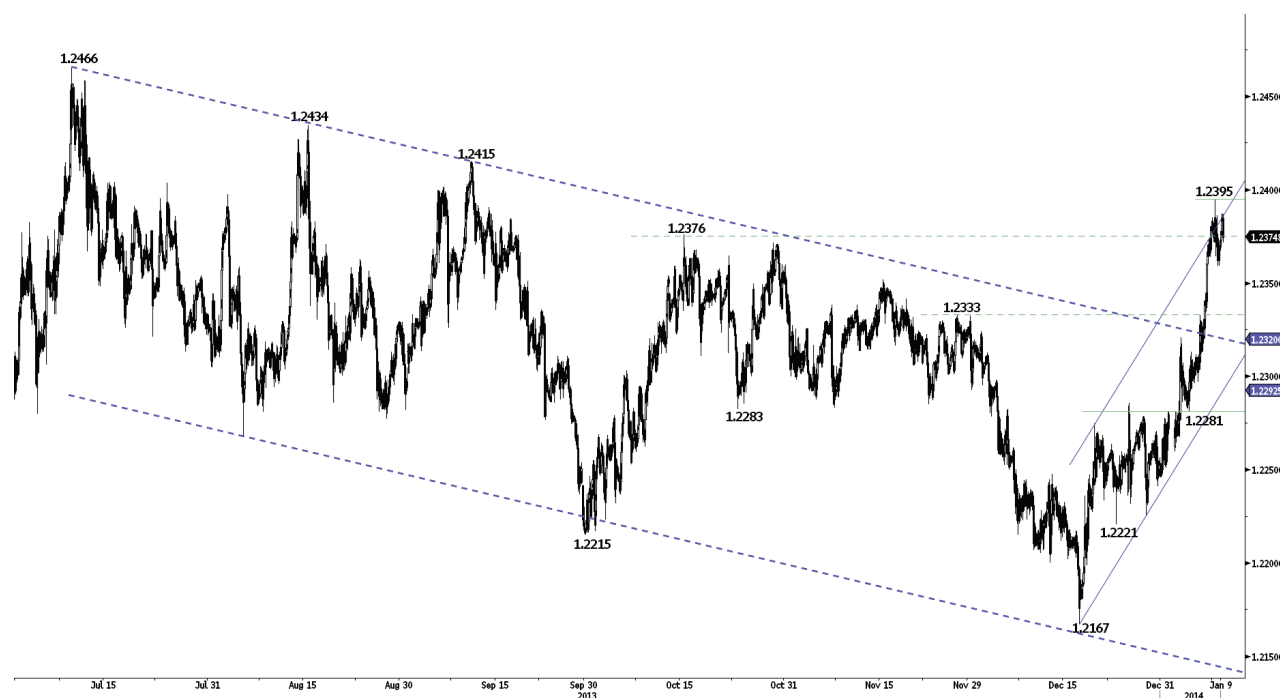
Challenging its key support at 0.8253.

- EUR/GBP is challenging its key support at 0.8253. Resistances for a short-term bounce can be found at 0.8292 (07/01/2014 low) and 0.8334 (intraday high).
- In the longer term, the underlying bearish trend and the lack of any reversal pattern favour further weakness towards 0.8160 (61.8% retracement from the 2012-2013 rise). However, monitor the test of the support at 0.8253.

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Await fresh signal.

EUR / CHF



Fading near the resistance at 1.2376.

- EUR/CHF is struggling to hold above the resistance at 1.2376, suggesting a weakening short-term momentum. Supports can be found at 1.2333 (27/11/2013 high) and 1.2281 (03/01/2014 low). Resistances now are at 1.2395 and 1.2415.

- In the medium-term, the break of the declining channel opens the way for a move towards the strong resistance at 1.2466.

- In September 2011, the SNB put a floor at 1.2000 in EUR/CHF, which is expected to hold in the medium-term. We generally favour further longer term upside for EUR/CHF towards the psychological threshold at 1.30.

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

GOLD (in USD)



The recent bounce is fading.

- Gold continues to grind lower. Monitor the support at 1212 (intraday low), as a break would call for a new test of the strong support at 1181. An initial resistance can be found at 1233 (intraday high). Other resistances stand at 1249 and 1268.

- Longer term, we continue to view the rise from 1181 (28/06/2013 low) as a counter-trend move within an underlying bearish trend. Therefore the test of the key support at 1181 is seen as the minimum downside risk. Another key support stands at 1045 (05/02/2010 low). A first key resistance is given by the medium-term declining channel (around 1280).

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Await fresh signal.

SILVER (in USD)



Weakening within its horizontal range.

- Silver is weakening within its horizontal range defined by the support at 18.90 and the resistance at 20.52. Even though the support at 19.35 has thus far held, we favour a further decline towards the low of the horizontal range. An hourly resistance can be found at 19.92 (intraday high).

- In the longer term, the failure to break the key resistance area between 24.87 (26/04/2013 high) and 26.07 (26/09/2011 low) coupled with an underlying bearish trend call for lower prices. The break of the key support at 20.50 favours a move towards the next key support at 18.23 (28/06/2013 low).

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Await fresh signal.