

FX Emerging Markets Weekly Technicals

Monday, 23 September 2013

Technical Outlook

<p>1 Technical Analysis Banks Commerzbank</p> <p>Source: Euromoney FX Poll 2012</p> <p>2012 </p>	<p>2 FICC Technical Analysis Research Team Best FX Research and Strategy Commerzbank</p> <p>Source: The Technical Analyst Magazine Awards 2012</p> <p>2012 </p>	<p>2 FICC Technical Analysis Research Team – Best FX Research and Strategy Commerzbank</p> <p>Source: Technical Analyst Magazine Awards 2013</p> <p>2013 </p>	<p>2 Technical Analysis Commerzbank</p> <p>Source: Euromoney FX Survey 2013</p> <p>2013 </p>
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For important disclosure information please see the end of the document.

Technical Outlook

Emerging market currencies are once again expected to depreciate versus the greenback

Market	Short term view (1-3 weeks)
EUR/PLN:	Swift recovery points to the resumption of the medium term uptrend.
EUR/HUF:	Has probably ended its consolidation at last week's 294.53 low; expect to see renewed buying.
EUR/CZK:	Swift recovery off the 200 day moving average at 25.71 points to further euro strength.
EUR/BRL:	Continues to slide within its downtrend channel, thus neutralising our medium term forecast.
USD/BRL:	Downside pressure still weighs on the currency pair and has led us to neutralise our medium term view.
EUR/TRY:	Recent corrective move lower seems to have ended; expect to see renewed upside pressure.
USD/TRY:	Short term downtrend is expected to have ended at last week's 1.9330 low; should now rise.
USD/MXN:	Swift bounce off last week's low at 12.5835 is bullish; we revert to being short term bullish.
USD/ZAR:	Recovers from major support at 9.7298/9.5473 and is expected to rise further in the days ahead.
Rouble Basket:	Is seen bouncing off its minor support level at 36.51 and targets the 37.61/64 region.

Polish Zloty, Hungarian Forint and Czech Koruna vs. Euro (rebased)

Stabilisation is being seen versus the Euro

PLNEUR Spot Exchange Rate - Price of 1 PLN in EUR (PLNEUR)

[update](#)

Daily PLNEUR **Rebase HUFEUR Curncy 31/12/12** **Rebase CZKEUR Curncy 31/12/12**

23 Sep 2013 PLNEUR

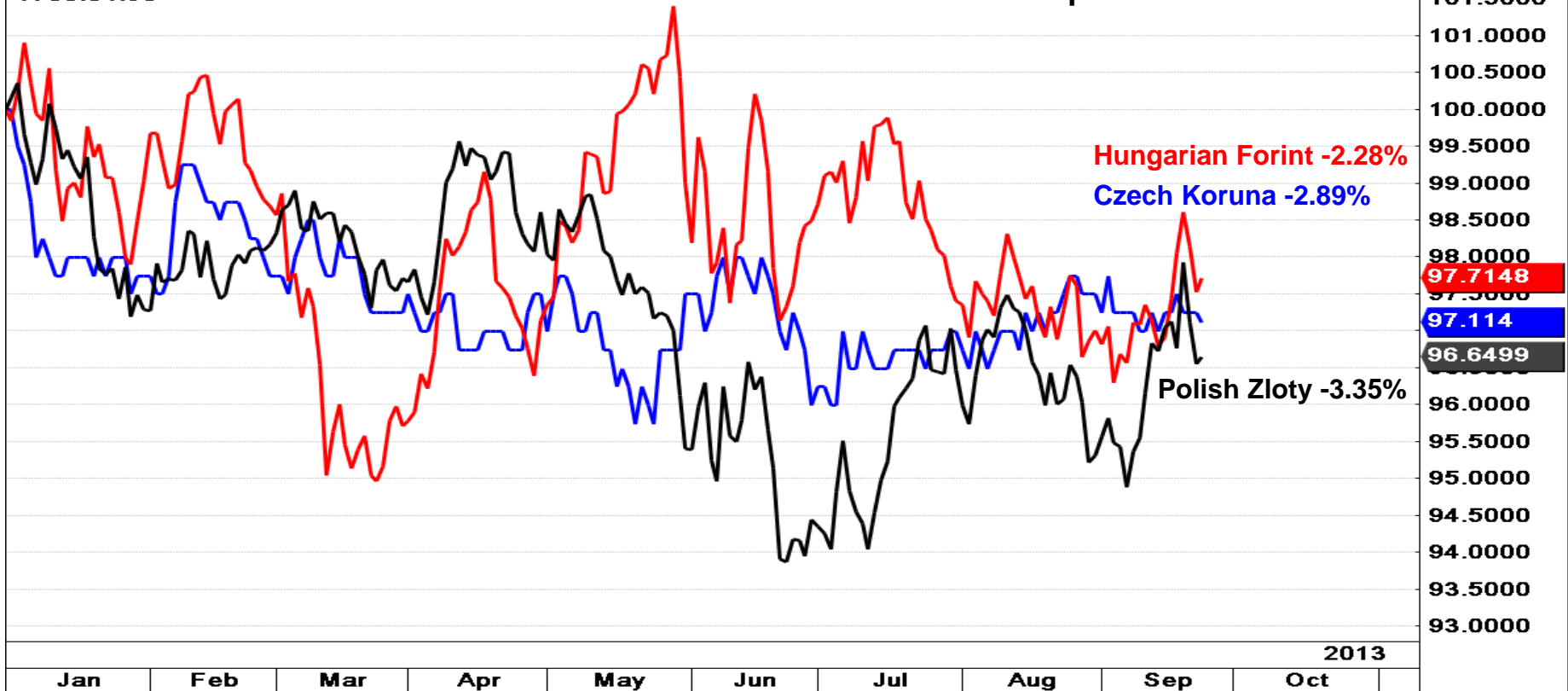
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Update Professional : Data by Bloomberg

C: 0.23683 +0.00025 (0.1%)

T: 08:04:58

2013 performance to date



Turkish Lira, South African Rand, Brazilian Real & Mexican Peso vs. US\$

The recent EM currencies appreciation versus the US Dollar is taking a breather

TRYUSD Spot Exchange Rate - Price of 1 TRY in USD (TRYUSD)

[update](#)

Daily Rebase ZARUSD Curncy 31/12/12 Rebase BRLUSD Curncy 31/12/12 Rebase MXNUSD Curncy 31/12/12 TR Ar

Update Professional : Data by Bloomberg

C: 0.50591 +0.00094 (0.18%)

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Mexican Peso +0.10%
 Brazilian Real -7.25%
 Turkish Lira -9.77%
 South African Rand -13.90%

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82.5000
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2013 performance to date

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	2013
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EUR/PLN - Daily Chart

Swift recovery points to the resumption of the medium term uptrend

- › Last week the decline in EUR/PLN took it to 4.1443, to marginally above the 200 week moving average at 4.1180, before shooting back up to the 55 day moving average at 4.2606.
- › We are of the opinion that another significant interim low has thus been made and that the currency pair has thus resumed its uptrend.
- › The next upside targets are the 6.2646/58 resistance zone (38.2% Fibonacci retracement and early August high), the June-to-September resistance line at 4.2962 and the current September high at 4.3098.
- › Once the latter has been bettered, the 4.3708 June peak and then the 2008-13 resistance line at 4.3900 will be back in the picture.
- › Support is seen at 4.1928/4.1807 and at 4.1443. Unexpected failure at 4.1443 would target the 4.1180 zone.

EUR/PLN Daily Chart



Support	Resistance	1-Week View	1-Month View
4.1994/28	4.2406&4.2658	➔	➔
4.1807&4.1443	4.2962/79		

EUR/PLN - Weekly Chart

Found support above the 200 week moving average at 4.1180

EUR/PLN Weekly Chart



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EUR/HUF - Daily Chart

Has probably ended its consolidation at last week's 294.53 low; expect to see renewed buying

- › Last week EUR/HUF dropped to 294.53, to within a whisker of the 50% retracement of the May-to-August rise, before heading higher again.
- › We believe that the September corrective move lower ended at last week's 294.53 low and that the one month resistance line at 300.49 and then the 2013 resistance line at 302.60 should be bettered in the weeks to come.
- › Once this level, the 303.41 August high and the 78.6% Fibonacci retracement of the March-to-May descent at 303.72 have been exceeded, the 61.8% Fibonacci retracement of the 2012 decline at 305.22 and this year's March high at 308.65 will be back in focus.
- › Only unexpected failure at last week's low at 294.53 would make us neutralise our medium term bullish forecast.
- › Unexpected failure at 294.53 would push the 291.08 July low and the 289.62 mid-June low back to the fore.

EUR/HUF Daily Chart

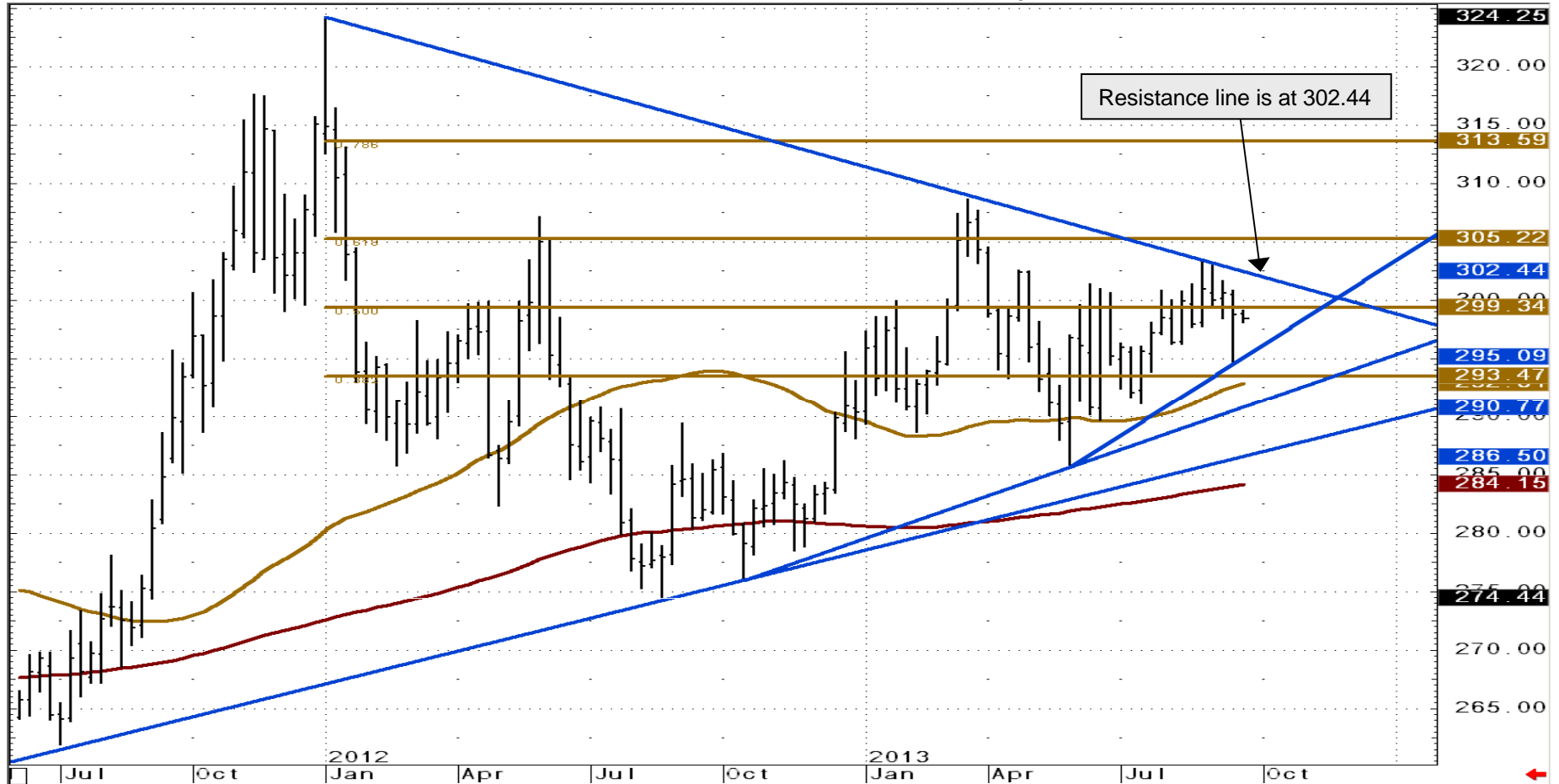


Support	Resistance	1-Week View	1-Month View
296.27/294.51	300.49&301.44	➔	➔
292.42&291.08	302.60/303.41		

EUR/HUF - Weekly Chart

Last week stabilised in the 295 region

EUR/HUF Weekly Chart



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Mon Sep 23 2013 08:58:42

EUR/CZK - Daily Chart

Swift recovery off the 200 day moving average at 25.71 points to further euro strength

- › EUR/CZK is once again bouncing off the 200 day moving average and the 2013-13 support line at 25.71 and in doing so we believe that it is beginning to make a new leg higher.
- › The four month resistance line at 25.89 is expected to be breached this week with the May-to-September resistance line and the August peak at 26.03/04 then being back in the frame. Once overcome, the May and June highs at 26.16 and 26.19 will be targeted again.
- › In view of the last few days' rise we have reverted back to a short- and medium-term bullish outlook. It will stay in place while the currency pair remains above the 2012-13 uptrend line at 25.71.
- › Only an unexpected slip through it will put the 25.61 late August low back on the map. Should a fall through 25.61 be seen, the 25.54 May low would be back in the picture. We do not expect this to happen, though, and instead expect to see EUR/CZK rise again in the near future.

EUR/CZK Daily Chart



Support	Resistance	1-Week View	1-Month View
25.71/67&25.61	25.89&26.04	➔	➔
25.54/46	26.16&26.19		

EUR/CZK - Weekly Chart

Again bounces off the 2012-13 uptrend line at 25.71

EUR/CZK Weekly Chart



EUR/BRL - Daily Chart

Continues to slide within its downtrend channel, thus neutralising our medium term forecast

- › Last week EUR/BRL dropped to 2.9479 and forced us to neutralise our medium term forecast.
- › Should this level be slipped through we will have to allow for the 50% retracement of the March-to-August advance at 2.9018 and the 2.8787 July low to be revisited. There EUR/BRL should find support, though.
- › The odds of this happening remain high while the currency pair trades below its 3.0686 September 11 high on a daily chart closing basis.
- › Only a, for now, unexpected rise to above the 3.1687 current September high would mean that the uptrend has resumed.
- › Once the current consolidation phase has ended, the August high at 3.2811 will be back in the picture. As soon as it has been overcome, the October 2008 peak at 3.3487 will be in focus.

Support	Resistance	1-Week View	1-Month View
2.9479&2.9018	3.0686&3.1013	➔	➔
2.8787&2.8335	3.1687&3.2811		

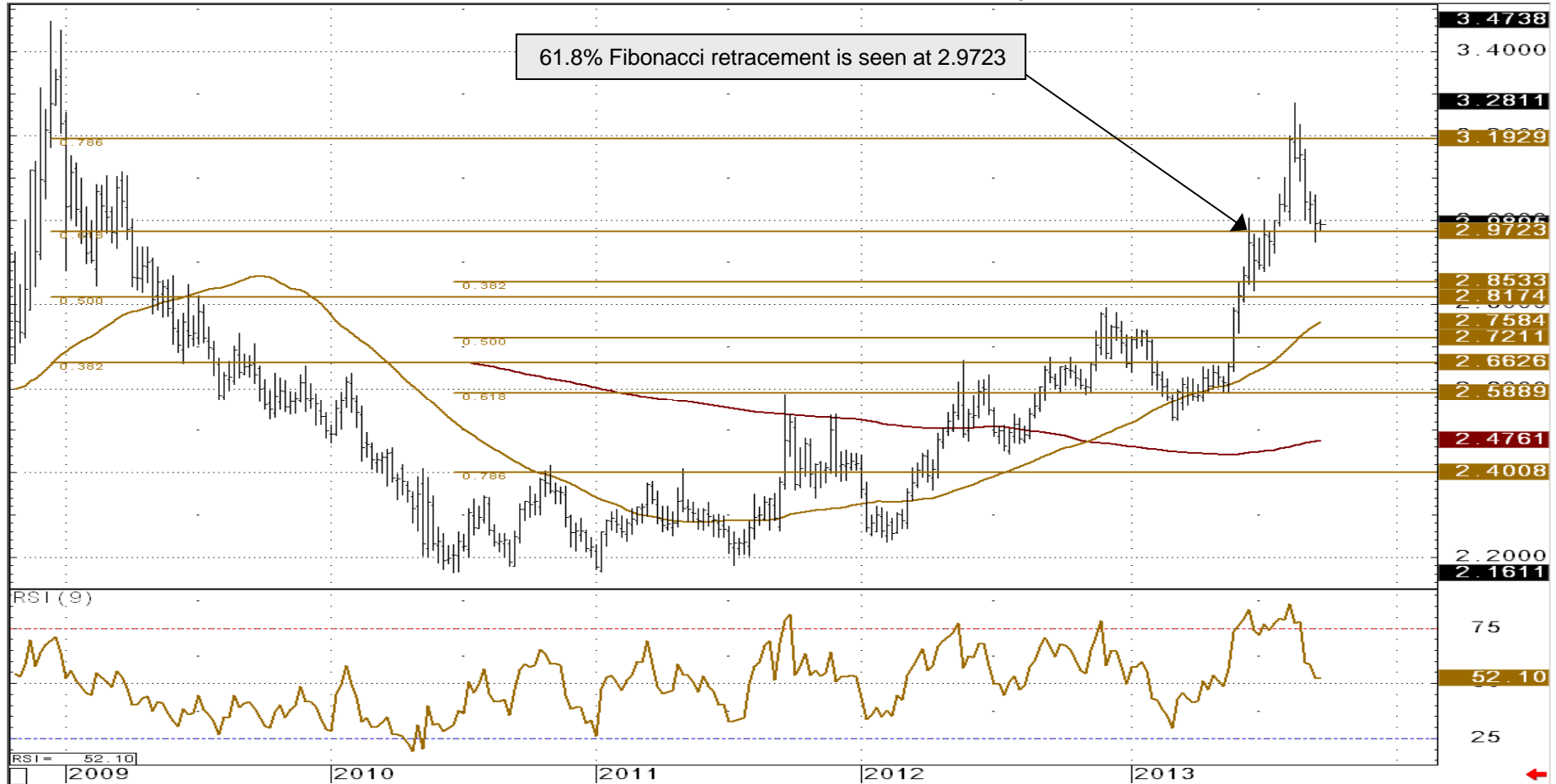
EUR/BRL Daily Chart



EUR/BRL - Weekly Chart

Continues to hover above the 61.8% Fibonacci retracement at 2.9723

EUR/BRL Weekly Chart



USD/BRL - Daily Chart

Downside pressure still weighs on the currency pair and has led us to neutralise our view

- › USD/BRL descent is ongoing with it so far having fallen to 2.1811. Our medium term view has thus been neutralised.
- › Failure at last week's low and the late June trough at 2.1811/2.1772 will lead to the 61.8% Fibonacci retracement at 2.1377 and the 200 day moving average at 2.1139 being in the firing line.
- › We will retain our bearish to neutral forecast while the currency pair remains below the 55 day moving average at 2.2968.
- › Only a daily close above the 55 day moving average and the 2.3069 September 11 high would reinstate our previously held bullish outlook.

USD/BRL Daily Chart

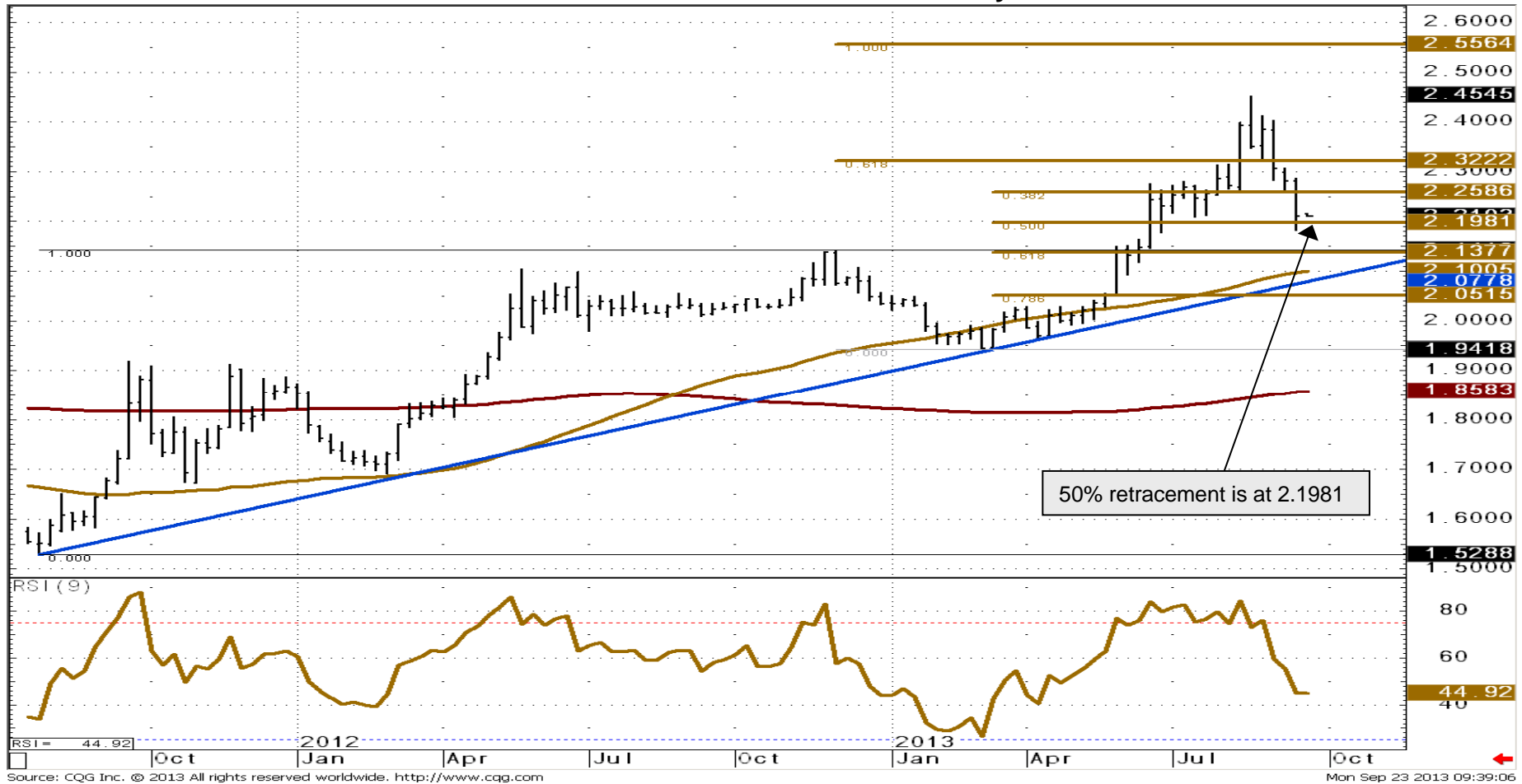


Support	Resistance	1-Week View	1-Month View
2.1811/2.1772	2.2586/2.2802	➔	➔
2.1377&2.1139	2.2968/2.3069		

USD/BRL - Weekly Chart

Dropped to the 50% retracement at 2.1981 which is likely to be revisited

USD/BRL Weekly Chart



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EUR/TRY - Daily Chart

Recent corrective move lower seems to have ended; expect to see renewed upside pressure

- › EUR/TRY has been coming off its August all-time high at 2.7691 over the past few weeks and dropped to 2.6156 before recovering last week.
- › We believe that the recent consolidation has run its course and that the 2013 uptrend has resumed.
- › While no daily chart close below 2.6156 is being made we will expect EUR/TRY to rise back to its recent highs at 2.7516/2.7691.
- › Only a rise above the 2.7691 level will put the 2.8000 region back on the map.
- › We will retain our medium term bullish forecast while EUR/TRY stays above its 2.5484 August low on a daily New York closing basis.
- › Support is now seen at 2.6592/2.6447 (mid-September low and 61.8% Fibonacci retracement) and at 2.6221.

EUR/TRY Daily Chart

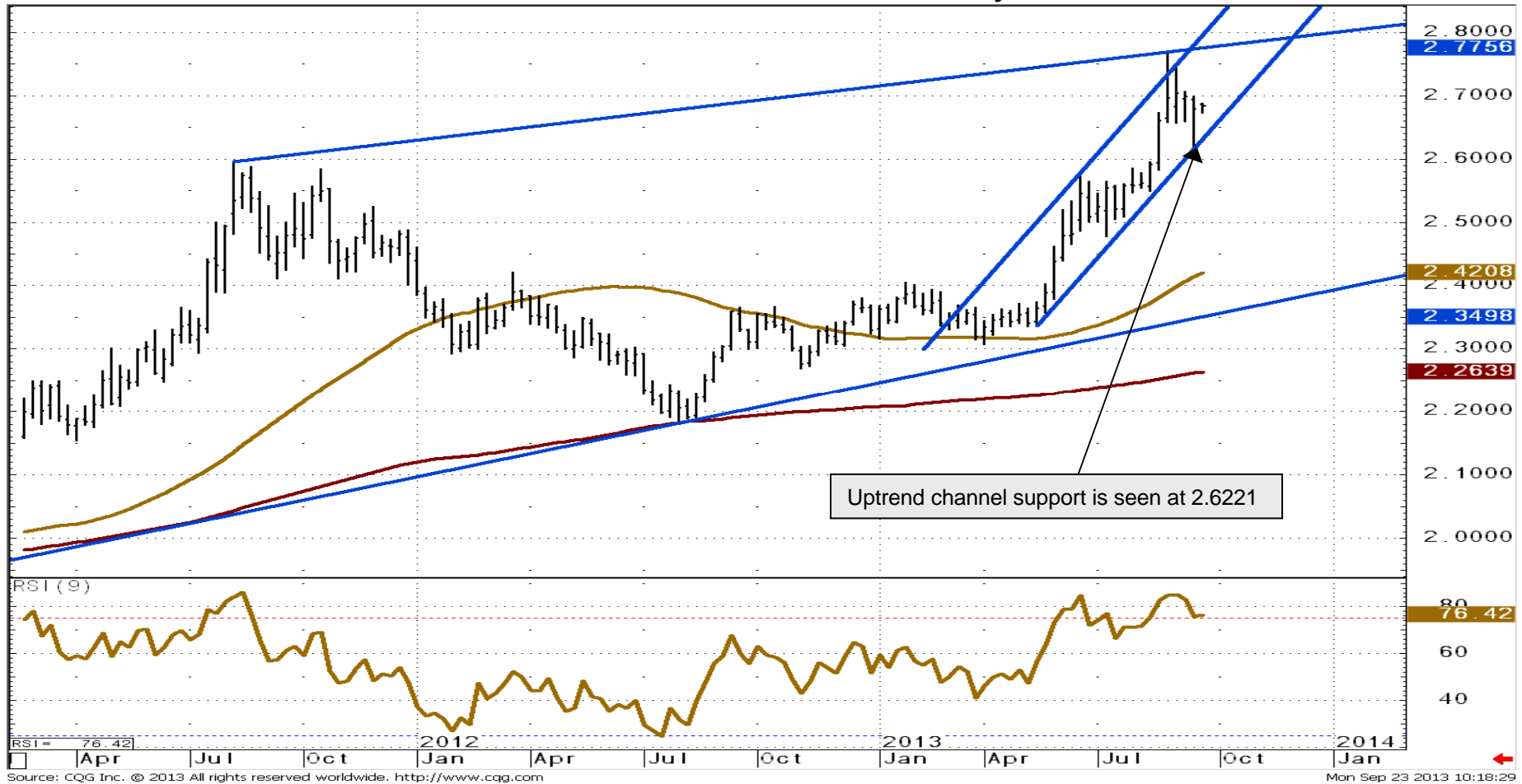


Support	Resistance	1-Week View	1-Month View
2.6156/2.6097	2.7072&2.7166	➔	➔
2.5859/2.5778	2.7485/2.7691		

EUR/TRY - Weekly Chart

Remains within its medium term uptrend channel and should rise further in the weeks to come

EUR/TRY Weekly Chart



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USD/TRY - Daily Chart

Short term downtrend is expected to have ended at last week's 1.9330 low; should now rise

- › USD/TRY's recent tumble seems to have ended at 1.9330.
- › As long as the currency pair stays above this level, we will once again hold onto a bullish short term view.
- › We will remain medium term bullish while the currency pair stays above the next lower 1.8992 July low.
- › Resistance can now be seen around the 2.0040/2.0117 early and mid-September lows and around the 61.8% Fibonacci extension at 2.0185. These levels are expected to be bettered this week with the 2.0397 September 13 high then being back in the picture.
- › Once overcome, the August and current September highs at 2.0728/2.0865 will be targeted. Were the current September high at 2.0865 to be bettered, the 100% Fibonacci extension at 2.0922 and the psychological 2.1000 region will be in focus and then perhaps another 100% Fibonacci extension on the monthly chart at 2.2678.

USD/TRY Daily Chart



Support	Resistance	1-Week View	1-Month View
1.9734/1.9671	2.0040/2.0117	➔	➔
1.9361/30	2.0185&2.0397		

USD/TRY - Weekly Chart

Has dropped close to the 2011 high at 1.9222 before heading upwards again

USD/TRY Weekly Chart



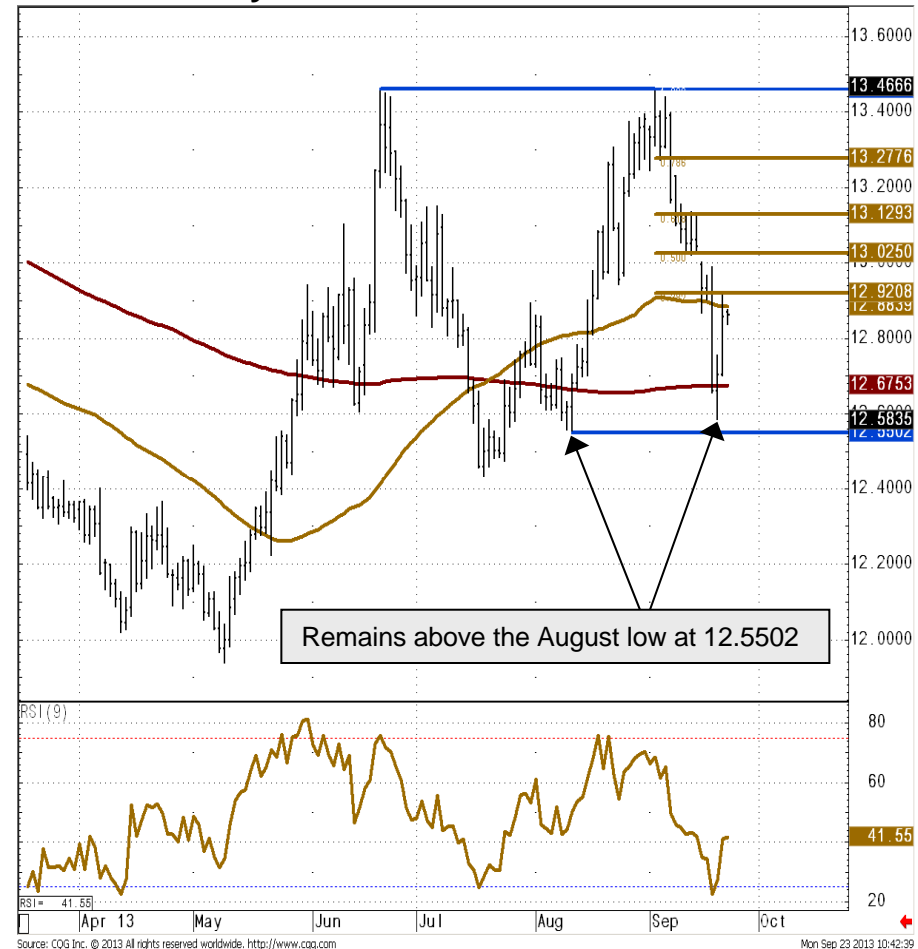
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USD/MXN - Daily Chart

Swift bounce off last week's low at 12.5835 is bullish; we revert to being short term bullish

- › Last week USD/MXN dropped to 12.5835, a level from which it has seen a good recovery to date.
- › We expect minor resistance seen between the 55 day moving average and the 38.2% Fibonacci retracement of the September decline at 12.8841/12.9208 to be overcome.
- › In this case the 50% retracement at 13.0250 will be back in play as well as the 61.8% Fibonacci retracement at 13.1293.
- › Key resistance sits at 13.4622/66. It is made up of the June and current September peaks, and is being targeted in the weeks to come, provided that last week's low at 12.5835 underpins on a daily chart closing basis.
- › Our medium term bullish forecast will remain valid as long as USD/MXN stays above 12.5835. Should this not be the case and the 12.5502 mid-August low also be taken out, the July trough at 12.4315 would be targeted instead.

USD/MXN Daily Chart

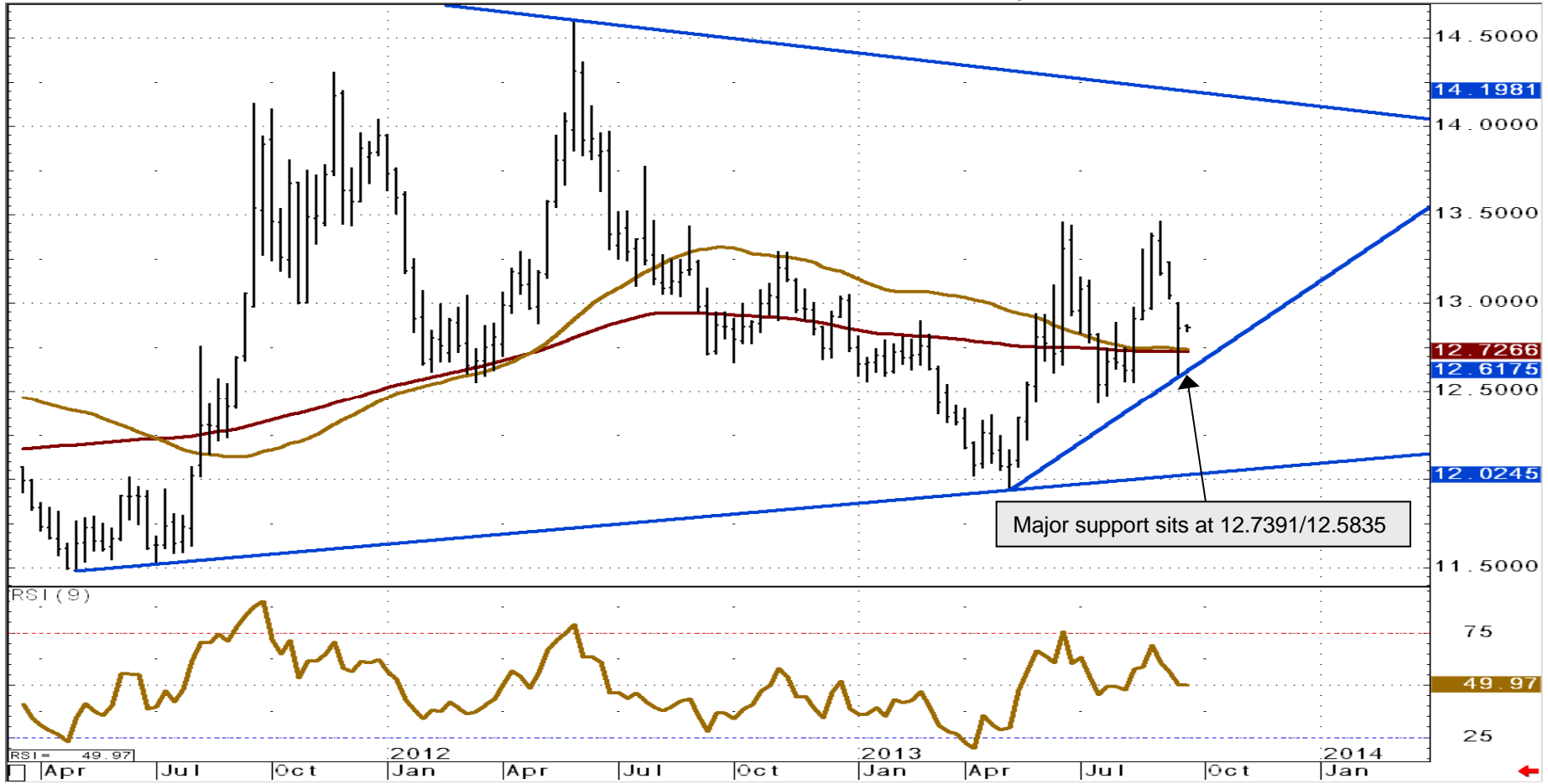


Support	Resistance	1-Week View	1-Month View
12.5835/02	13.025&13.129	➔	➔
12.432&12.366	13.278&13.466		

USD/MXN - Weekly Chart

Bounces off significant support at 12.7391/12.5835

USD/MXN Weekly Chart



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Mon Sep 23 2013 10:38:22

USD/ZAR - Daily Chart

Recovers from major support at 9.7298/9.5473 and is expected to rise further in the days ahead

- › USD/ZAR's decline from its August high at 10.5058 took it to 9.5473 last week before heading back up again.
- › We expect that the September corrective move lower has run its course and that renewed upside will be seen in the weeks to come. This forecast hinges on last week's low at 9.5473 underpinning, though.
- › While this is the case, the 55 day moving average and the 10.0443 early August high at 9.9859/10.0443 are expected to be bettered this week with the 61.8% Fibonacci retracement of the August-to-September decline at 10.1397 then being in sight. Medium term upside targets are the 10.2984/10.3610 June and July highs as well as the August peak at 10.5058.
- › Unexpected failure at 9.5473 would push the 2013 support line at 9.4565 and the 200 day moving average at 9.4175 back to the fore.

USD/ZAR Daily Chart

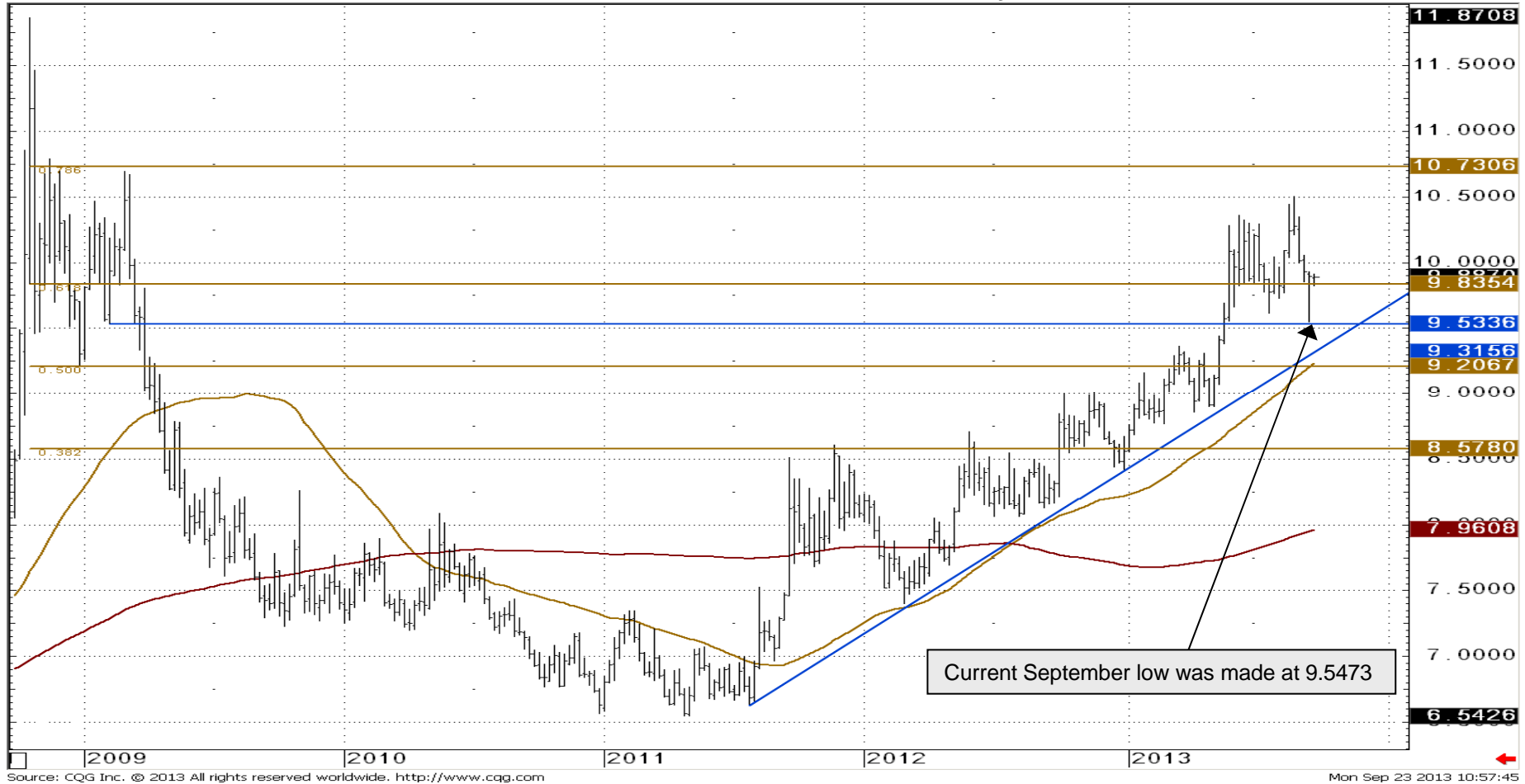


Support	Resistance	1-Week View	1-Month View
9.7298/9.6130	9.9859/10.044	➔	➔
9.5473&9.4565	10.139&10.298		

USD/ZAR - Weekly Chart

Found support close to the February 2009 low at 9.5336

USD/ZAR Weekly Chart



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Mon Sep 23 2013 10:57:45

Rouble Basket - Daily Chart

Is seen bouncing off its minor support level at 36.51 and targets the 37.61/64 region

- › The rouble basket’s September decline paused at 36.51.
- › We believe that a short term reversal higher is currently being made with the 55 day moving average at 37.61 and the 61.8% Fibonacci retracement of the latest decline at 37.64 being targeted.
- › On the way there the 38.2% Fibonacci retracement at 37.21 and the 50% retracement at 37.43 can be seen.
- › We will retain this short term bullish view while no daily chart close below this week’s low at 36.51 is being made.
- › Unexpected failure there would put the mid-June low at 36.23 and the 200 day moving average at 36.07 back on the map.
- › Only once the 38.35 current September high has been overcome will our medium term forecast become bullish again.

Support	Resistance	1-Week View	1-Month View
36.51&36.36/23	37.21&37.43	➔	➔
36.07&35.89	37.61/64		

Rouble Basket Daily Chart



Rouble Basket - Weekly Chart

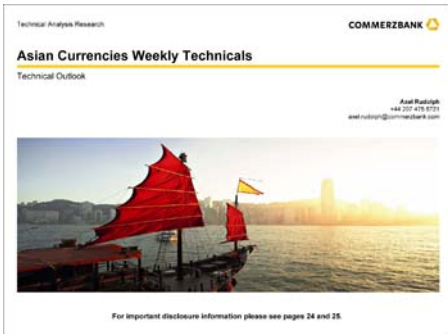
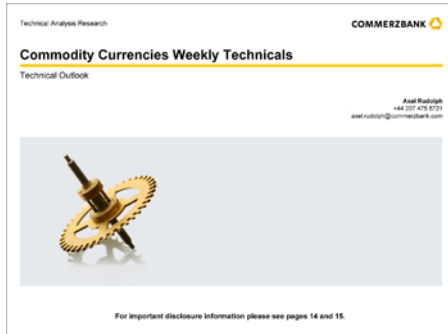
Trades back towards the middle of its summer range

Rouble Basket Weekly Chart

RUB BASKET (EUR & USD) (RUBBASK Currency)

update





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- Monday:** Daily Market Technicals (FX), Strategic Technical Themes;
- Tuesday:** Daily Market Technicals (FX), Bullion Weekly Technicals;
- Wednesday:** Daily Market Technicals (FX), Commodity Weekly, Commodity Currencies Weekly Technicals;
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