

# FX Emerging Markets Weekly Technicals

Monday, 04 November 2013

## Technical Outlook

### 1 Technical Analysis

Banks  
Commerzbank

Source: Euromoney FX Poll 2012



### 2 FICC Technical Analysis Research Team

Best FX Research and Strategy  
Commerzbank

Source: The Technical Analyst Magazine Awards 2012



### 2 FICC Technical Analysis Research Team – Best FX Research and Strategy

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Source: Technical Analyst Magazine Awards 2013



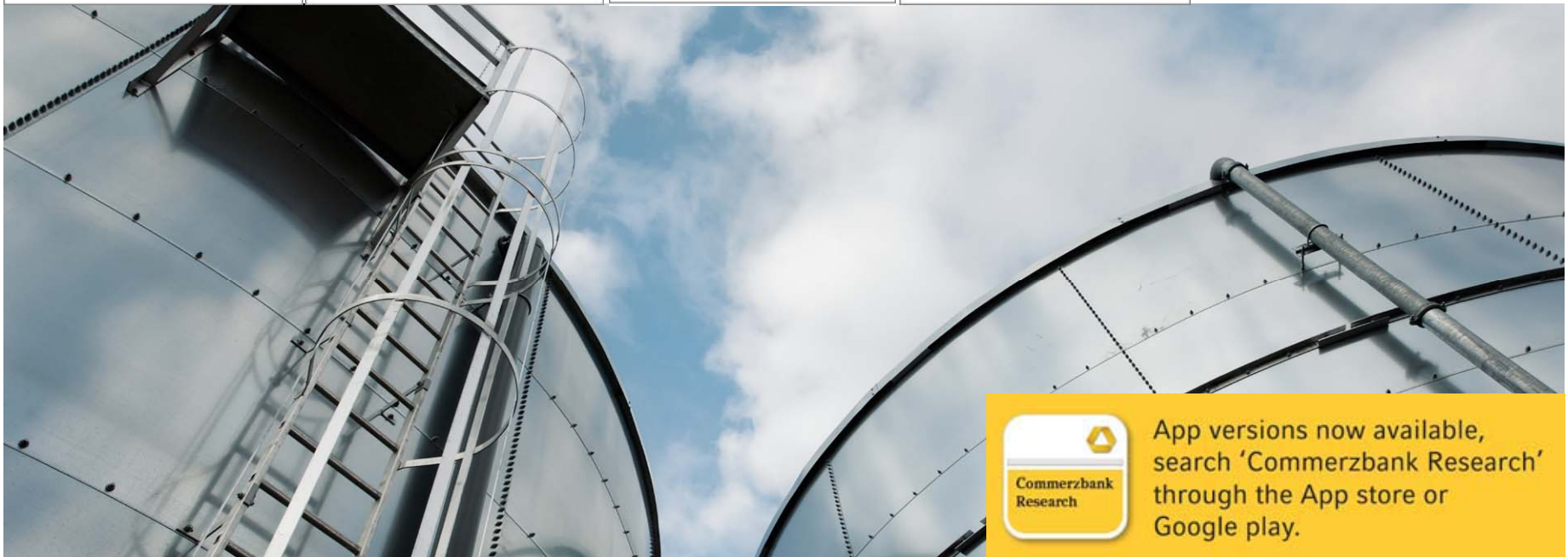
### 2 Technical Analysis

Commerzbank

Source: Euromoney FX Survey 2013



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## Technical Outlook

Emerging Market currencies are once again being sold off versus the Euro and US Dollar

Market	Short term view (1-3 weeks)
EUR/PLN:	Stays sidelined above the 2008-13 uptrend line at 4.1585 and the 4.1443 September low.
EUR/HUF:	Has strongly bounced back to the 55 day moving average at 297.43, neutralising our forecast.
EUR/CZK:	Nears the resistance line at 25.92 around which it is expected to struggle.
EUR/BRL:	Still flirts with the 55 day moving average at 3.0399 but may well rise a little further still.
USD/BRL:	Accelerates higher and probes resistance at 2.2636/47, a rise above which will be bullish.
EUR/TRY:	A triangle breakout to the upside is still expected to be seen.
USD/TRY:	Acceleration higher is being seen, targets the late September high at 2.0440 next.
USD/MXN:	Nears the resistance line at 13.1625, a rise above which will target the 13.4000/5000 region.
USD/ZAR:	Is heading back up to the June and August highs at 10.3610/5058.
Rouble Basket:	Bounces off the 38.2% Fibonacci retracement at 37.21 and nears the October peak at 37.75.

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

The Hungarian Forint has finally also given up its recent gains versus the Euro

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

 update

Daily PLNEUR Rebase HUF EUR Curncy 31/12/12 Rebase CZK EUR Curncy 31/12/12

4 Nov 2013 PLNEUR

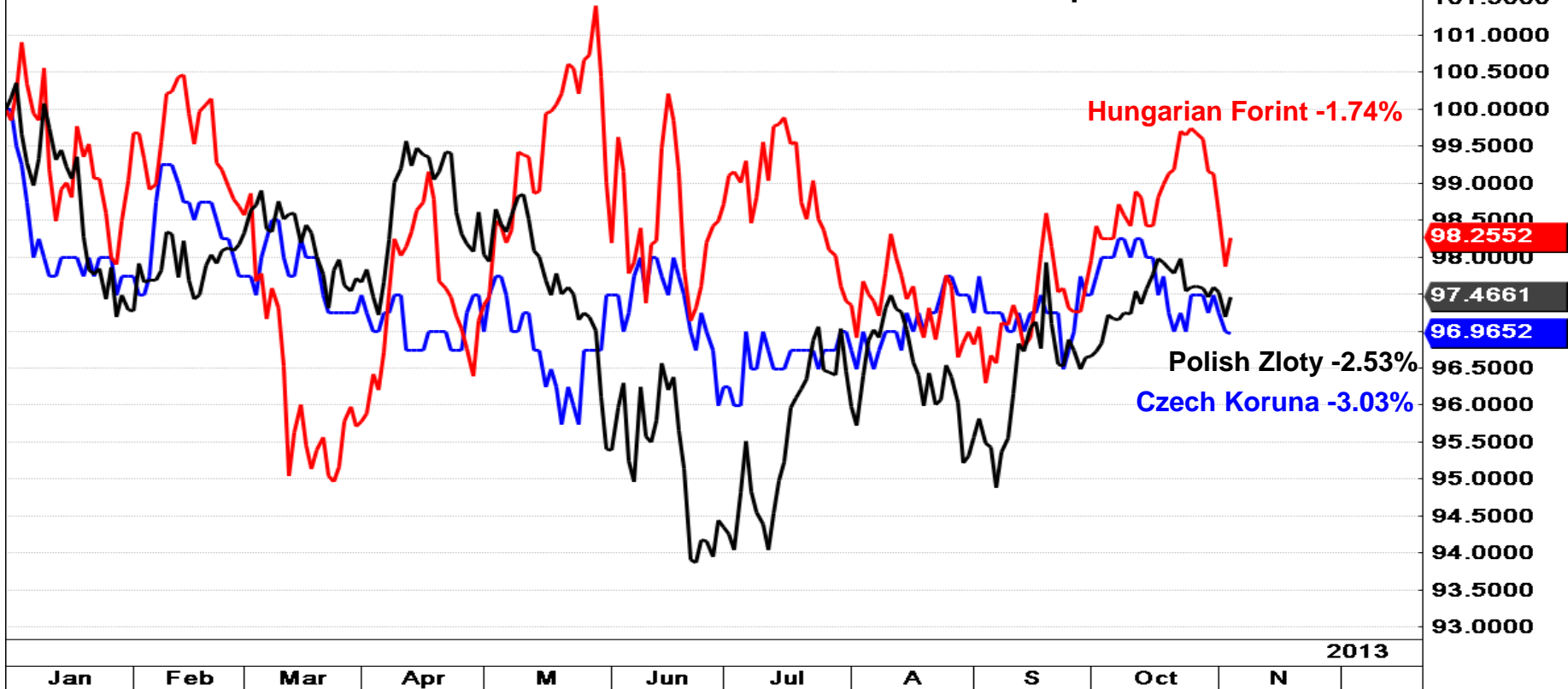
Ar

Update Professional : Data by Bloomberg

C: 0.23883 +0.00066 (0.27%)

T: 07:52:41

2013 performance to date



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

EM currencies are once again depreciating versus the US Dollar

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: 0.49639 +0.00058 (0.11%)

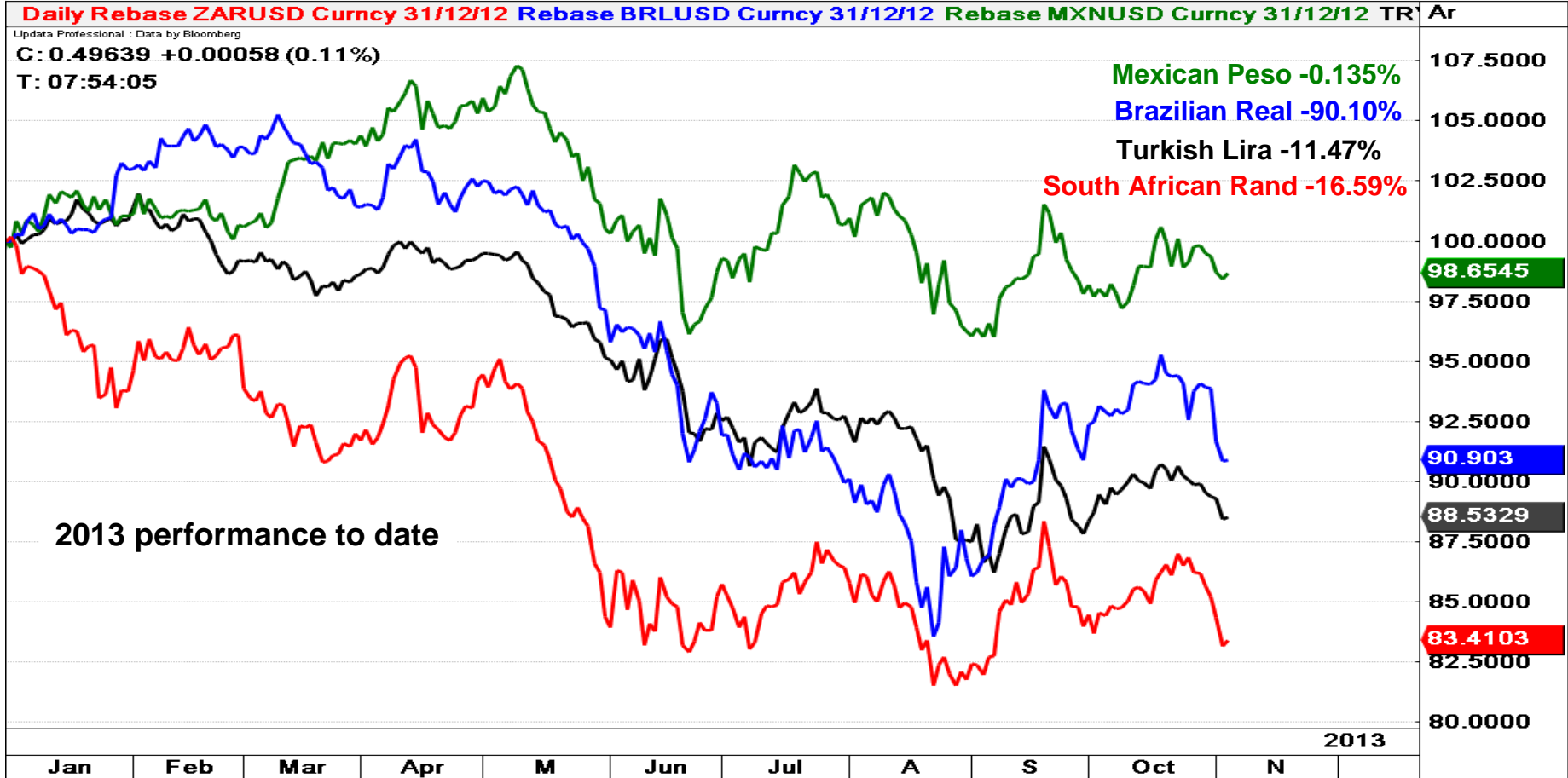
T: 07:54:05

Mexican Peso -0.135%

Brazilian Real -90.10%

Turkish Lira -11.47%

South African Rand -16.59%



2013 performance to date

# EUR/PLN - Daily Chart

Stays sidelined above the 2008-13 uptrend line at 4.1585 and the 4.1443 September low

- › EUR/PLN is still hovering above the 2008-13 uptrend line at 4.1585 and the 4.1443 September low but at the same time remains below the 200 day moving average at 4.2050 and thus continues to look weak.
- › Further range trading, mostly with a negative bias, should be seen into year end with the currency pair expected to stay below the 4.3098 September high.
- › As long as this is the case the odds favour a retest of the September low at 4.1443.
- › Failure there on a weekly basis will mean that a top has been formed with the 200 week moving average at 4.1200 then being in focus. It should be reached by the end of the first quarter of 2014.
- › Good resistance above the 200 day moving average at 4.2050 can be seen between the 55 day moving average at 4.2154 and the late September high at 4.2403.

EUR/PLN Daily Chart



Support	Resistance	1-Week View	1-Month View
4.1601/4.1585	4.2050&4.2144	➔	➔
4.1443&4.1187	4.2154&4.2403		

# EUR/PLN - Weekly Chart

Remains sidelined above the 2008-13 uptrend line at 4.1585

EUR/PLN Weekly Chart



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Mon Nov 04 2013 07:50:47

# EUR/HUF - Daily Chart

Has strongly bounced back to the 55 day moving average at 297.43, neutralising our forecast

- › EUR/HUF has strongly bounced off its October 291.82 low and is now trading back around the 55 day moving average at 297.43 around which range trading should now be seen.
- › We have therefore neutralised our forecasts.
- › The currency pair is expected to oscillate between the 300.47 late September high on the one hand and the 294.53 September low on the other hand this week.
- › Only a daily close above the 300.47 late September high would mean that the August high at 303.41 will be back in the picture. This we do not expect to see, though.
- › Strong support below the 294.53 September low comes in between the seven month support line at 292.16 and the 291.82 October low. Only a, currently, unexpected fall through this level would reinstate our bearish forecast.

EUR/HUF Daily Chart



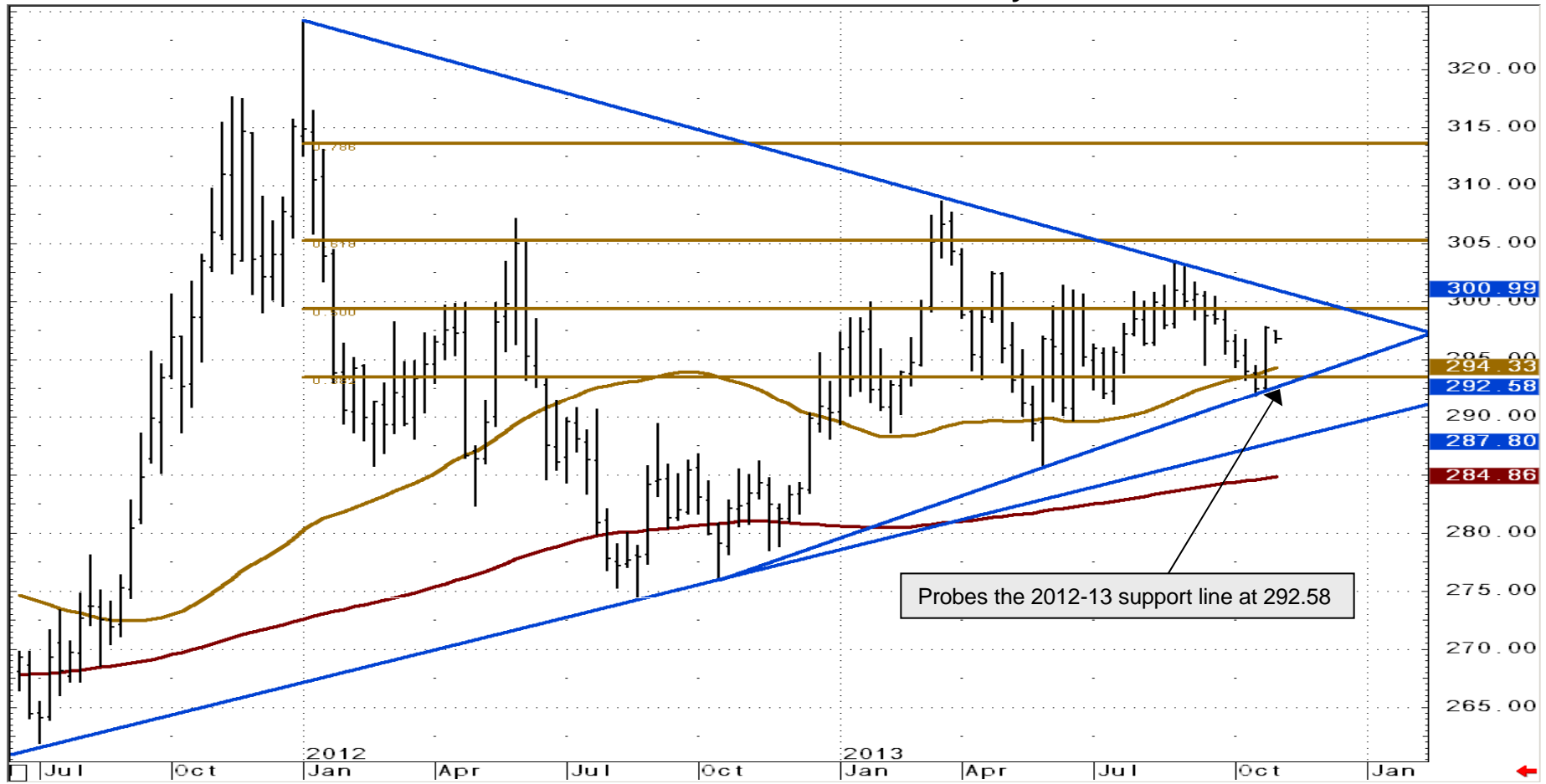
Support	Resistance	1-Week View	1-Month View
294.53&292.16	297.43/84	➔	➔
291.82&291.08	300.00/47		



# EUR/HUF - Weekly Chart

Strongly bounced off the 2012-13 support line at 292.58

EUR/HUF Weekly Chart



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# EUR/CZK - Daily Chart

Nears the resistance line at 25.92 around which it is expected to struggle

- › EUR/CZK nears the four month resistance line at 25.92 but the latest rise is accompanied by negative divergence on the daily RSI which leads us to believe that the currency pair may well struggle around it.
- › Provided that it caps on a daily chart closing basis, the August low at 25.61 and then the 25.475/46 support area may still be back in focus towards the end of the year. It is made up of the June low and the 38.2% Fibonacci retracement of the 2012-13 advance.
- › Failure at the 25.475/46 support zone and at the next lower 25.38 March low will make us medium term bearish and lead to the February low at 25.18 and the 200 week moving average at 25.15 being back on the map. Further down lies the December 2012 low at 25.05.
- › We will retain our overall bearish view while EUR/CZK trades below the 25.99 September high. Should this level be bettered, the June peak at 26.14 would be eyed.

EUR/CZK Daily Chart

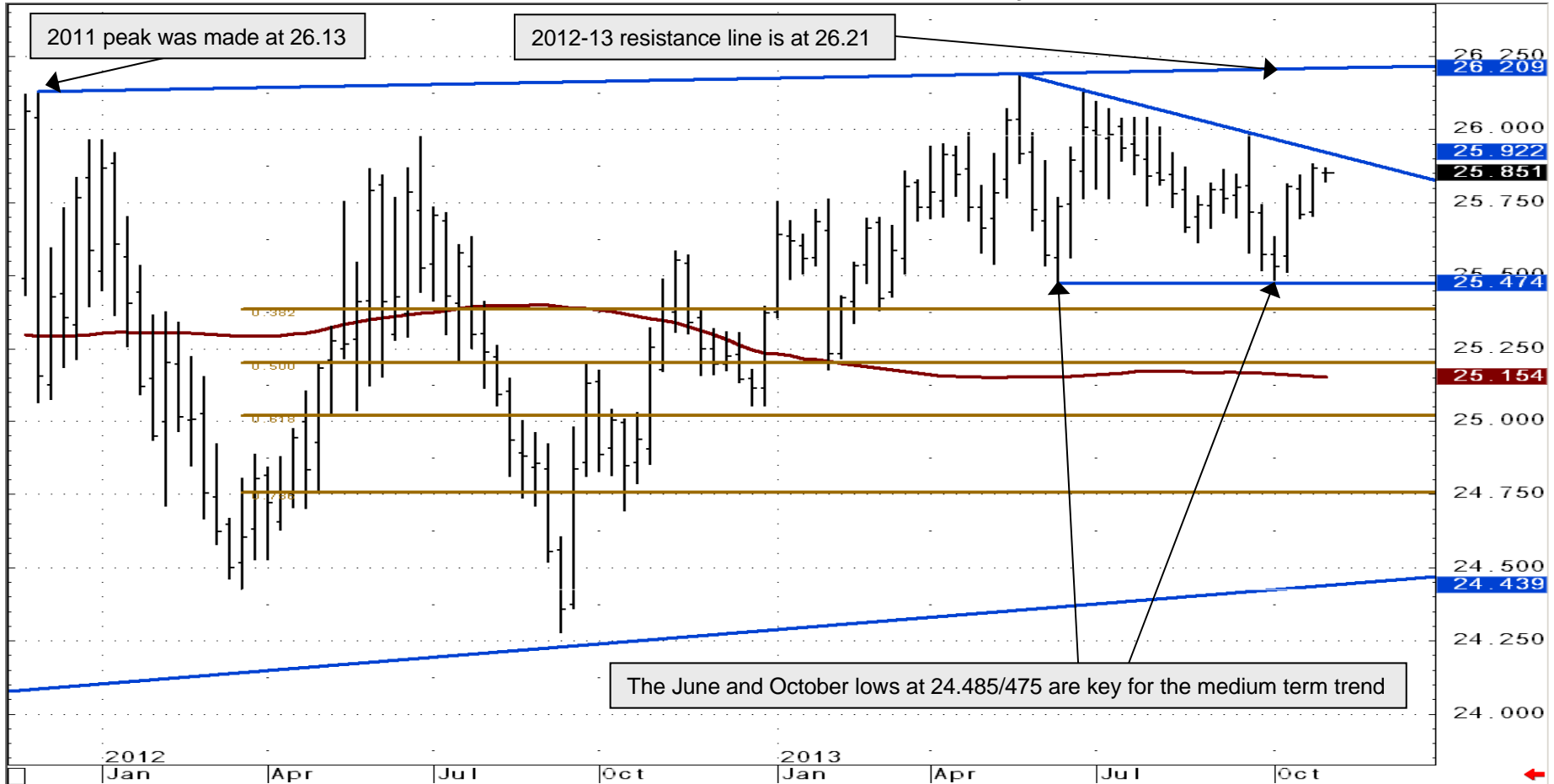


Support	Resistance	1-Week View	1-Month View
25.75/69	25.92&25.99	➔	➔
25.61/58&25.48	26.04&26.14		

# EUR/CZK - Weekly Chart

Nears the 2013 resistance line at 25.92

EUR/CZK Weekly Chart



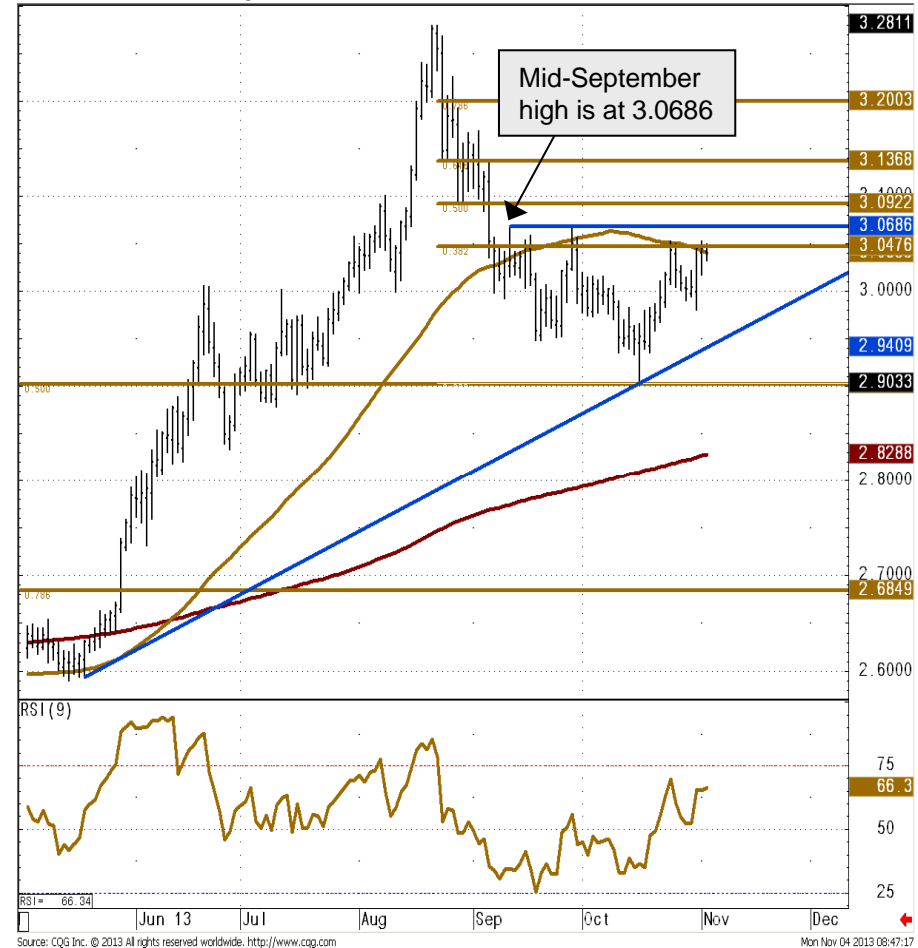
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# EUR/BRL - Daily Chart

Still flirts with the 55 day moving average at 3.0399 but may well rise a little further still

- › EUR/BRL continues to meander around the 55 day moving average at 3.0399 but should soon retest the mid- and late September highs at 3.0677/86.
- › It is likely that this resistance area will be overcome, with the 50% retracement at 3.0922 and the 3.1013 August 8 high then being back in the picture. Another potential upside target is the 61.8% Fibonacci retracement at 3.1368.
- › Minor support is seen around the 2.9798 late October low with more support coming in between the 2.9479 September low and the seven month support line at 2.9409.
- › Should this support area and the October low at 2.9033 unexpectedly give way, though, the 2.8787 July low will be targeted and our forecast become bearish again. This we do not expect to happen, though.

EUR/BRL Daily Chart



Support	Resistance	1-Week View	1-Month View
2.9798&2.9409	3.0677/86	➔	➔
2.9033/18&2.87	3.0920/3.1362		

# USD/BRL - Daily Chart

Accelerates higher and probes resistance at 2.2636/47, a rise above which will be bullish

- › USD/BRL has accelerated to the upside and is about to probe the 2.2636/47 resistance area which consists of the late September high and the 38.2% Fibonacci retracement of the August-to-October decline.
- › Once this resistance zone has been breached, the 50% retracement at 2.3009 will be targeted as well as the 2.3159 early August high. Another upside target is the 61.8% Fibonacci retracement at 2.3372.
- › It is also possible that the August peak at 2.4545 will be overcome by the end of the first quarter of 2014.
- › For this to happen the currency pair needs to remain above its October low at 2.1474, though.
- › Minor support above this level can be seen between the 2.2204 October 7 high and the 2.2090 October 24 high.
- › Only a drop below 2.1474 would eye the 2.0925 June low.

USD/BRL Daily Chart

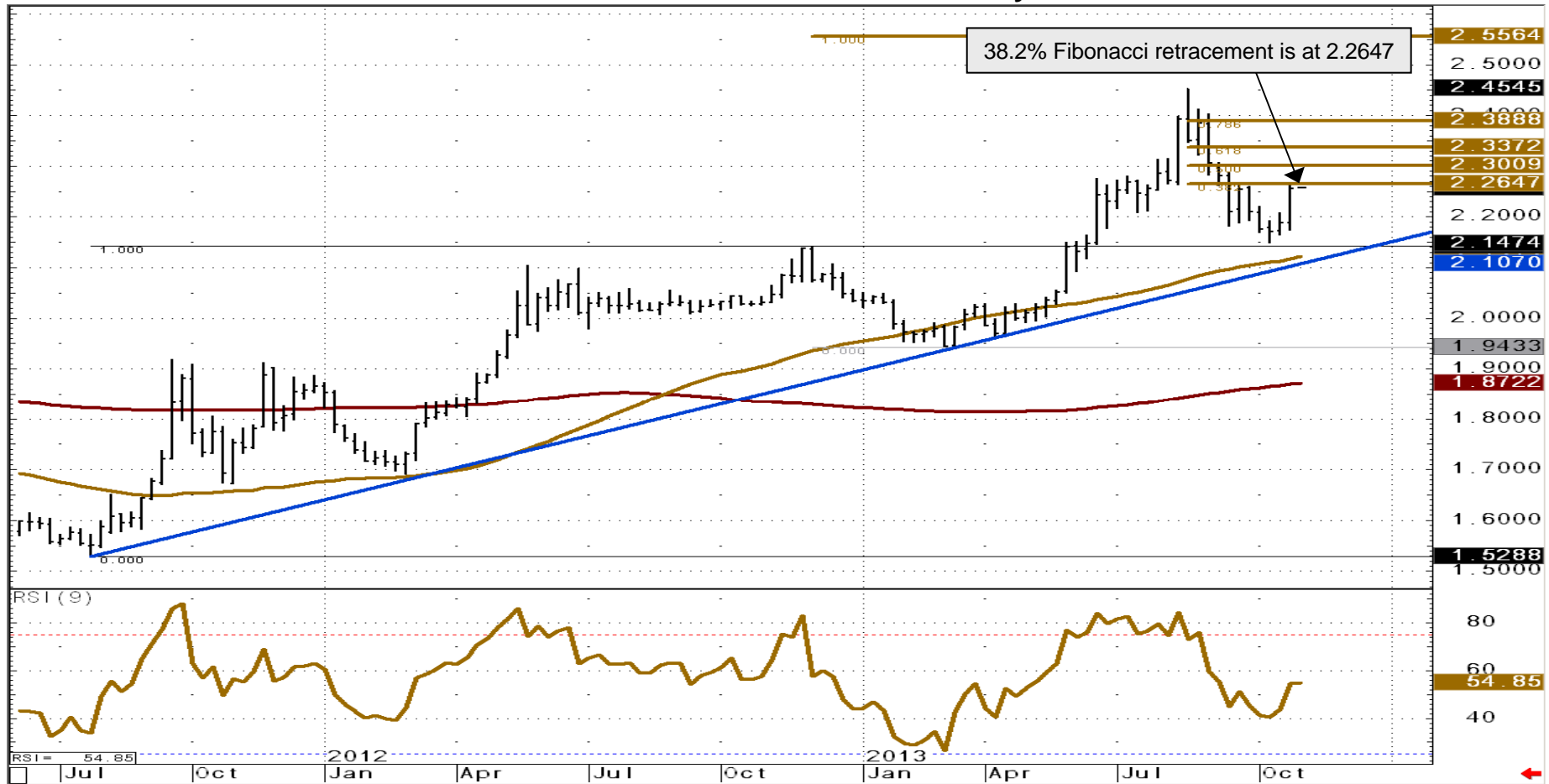


Support	Resistance	1-Week View	1-Month View
2.2204/2.2090	2.2636/47	➔	➔
2.1811&2.1474	2.3009&2.3159		

# USD/BRL - Weekly Chart

Recent surge higher has taken it to the 38.2% Fibonacci retracement at 2.2647

USD/BRL Weekly Chart



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Mon Nov 04 2013 09:51:28

# EUR/TRY - Daily Chart

A triangle breakout to the upside is still expected to be seen

- › As long as EUR/TRY is being supported by the 2013 uptrend line at 2.7000 it is expected to probe and break through the triangle resistance line at 2.7512.
- › We still expect the August and September highs at 2.7609/91 to be revisited.
- › Further up is the 2011-13 resistance line at 2.7853, a rise above which will put the 2.8000 region back on the map. Above it lurks an hourly 0.001 x 3 Point & Figure vertical target at 2.81.
- › We will retain our medium term bullish forecast while EUR/TRY stays above its 2.6624 October low.
- › Support above this level is seen at 2.7000/2.6974, made up of the seven month support line and the 55 day moving average.

EUR/TRY Daily Chart

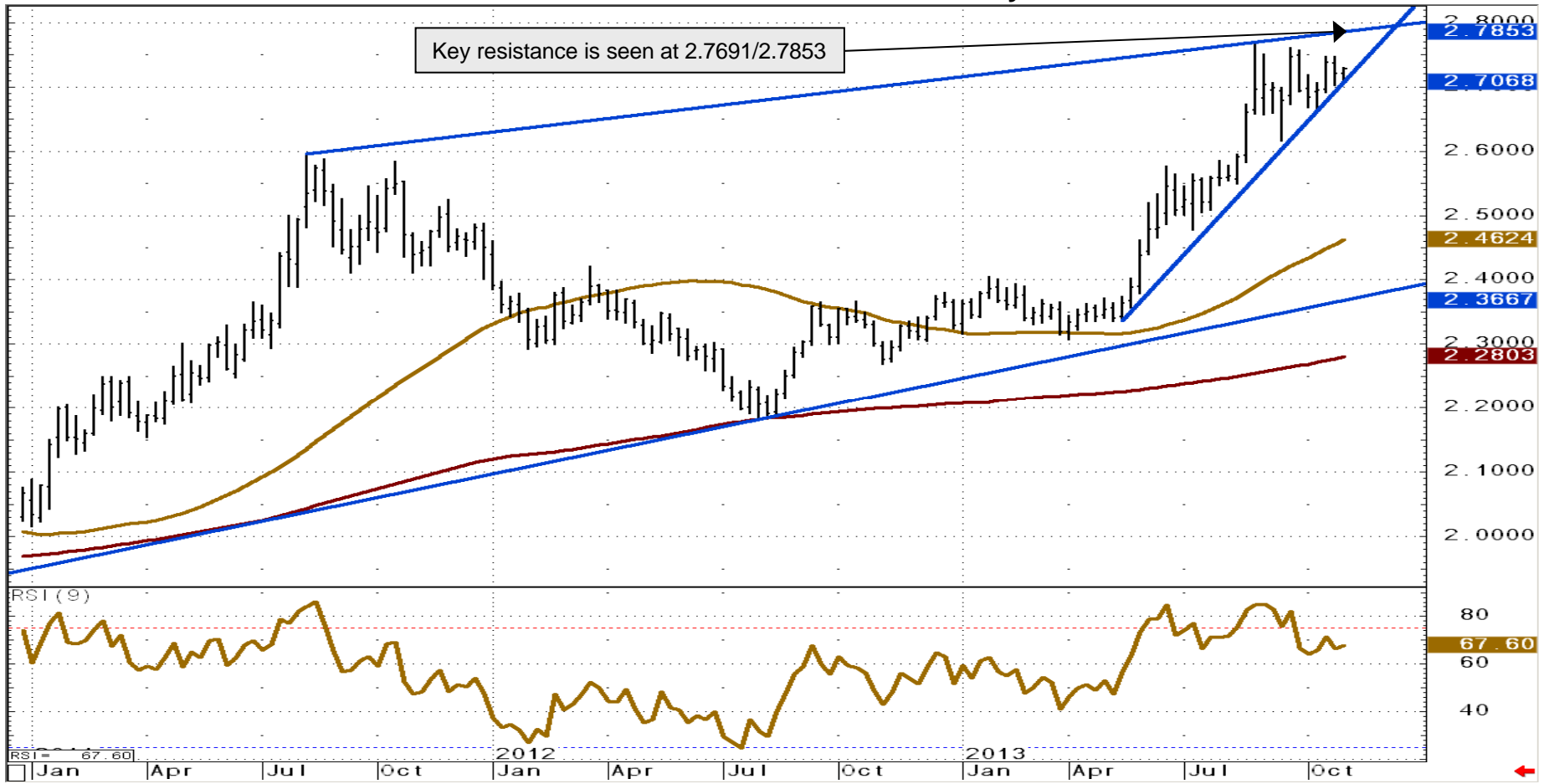


Support	Resistance	1-Week View	1-Month View
2.7000/2.6974	2.7472/2.7512	➔	➔
2.6624&2.6156	2.7609/2.7804		

# EUR/TRY - Weekly Chart

Is heading back up to key resistance at 2.7691/2.7853

EUR/TRY Weekly Chart



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# USD/TRY - Daily Chart

Acceleration higher is being seen, targets the late September high at 2.0440 next

- › USD/TRY's rally off the seven month support line at 1.9780 has accelerated higher and this week targets the late September peak at 2.0440.
- › The next higher August and September highs at 2.0728/2.0865 will also remain in focus as long as USD/TRY stays above the October low at 1.9607.
- › If the September high at 2.0865 were 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.
- › Slips should find support around the 55 day moving average at 2.0013.
- › Further support can be seen along the seven month uptrend line at 1.9780.
- › We will stay bullish while USD/TRY trades above 1.9607.

USD/TRY Daily Chart

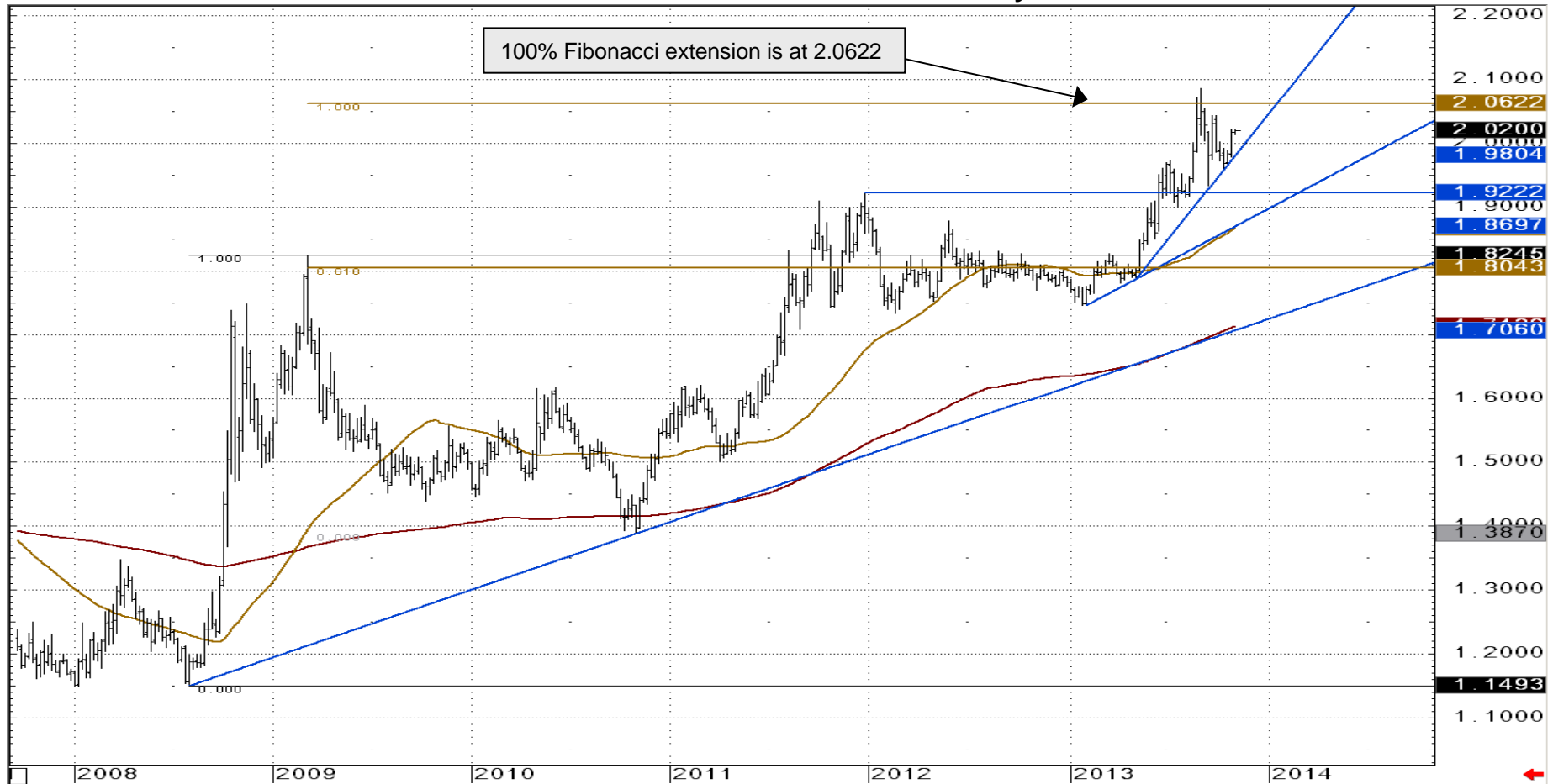


Support	Resistance	1-Week View	1-Month View
2.0013&1.9780	2.0397/2.0440	➔	➔
1.9607&1.9330	2.0728/2.0865		

# USD/TRY - Weekly Chart

Has established a presence above the psychological 2.0000 level

USD/TRY Weekly Chart



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# USD/MXN - Daily Chart

Nears the resistance line at 13.1625, a rise above which will target the 13.4000/5000 region

- › USD/MXN's bounce off the seven month support line at 12.8010 has so far taken it to the 55 day moving average at 13.0538 while targeting the three month resistance line at 13.1625. Around it the current advance may well stall.
- › If not, the 13.3081 early October high and the 13.4000/5000 resistance zone will be in the frame.
- › Our medium term bullish forecast will remain valid as long as USD/MXN stays above the 12.5835 September low.
- › Should this level unexpectedly be fallen through and the 12.5502 mid-August low also be taken out, the July trough at 12.4315 would be targeted instead. This we do not expect to happen, though.
- › Above 12.5835 are the support line at 12.8010, the October low at 12.7484 and the 200 day moving average at 12.7124.

USD/MXN Daily Chart



Support	Resistance	1-Week View	1-Month View
12.921&12.801	13.1625	➔	➔
12.7484/12.712	13.232/13.308		

# USD/MXN - Weekly Chart

Bounces further off the 12.7606/12.7323 support area

USD/MXN Weekly Chart



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# USD/ZAR - Daily Chart

Is heading back up to the June and August highs at 10.3610/5058

- › USD/ZAR's recent surge higher has so far taken it to 10.2139, close to the 10.2850/10.3610 resistance area, made up of the 78.6% Fibonacci retracement of the August-to-September decline and the May-to-July highs. Here it may lose upside momentum, though.
- › Should the 10.3610 June high be bettered, the August peak at 10.5058 will be back in the picture.
- › Support comes in at 10.0443/0000, the early August high, 50% retracement of the August-to-September drop, the 55 day moving average and the psychological 10.0000 level.
- › We will retain our medium term bullish forecast while USD/ZAR remains above its October low at 9.7194.
- › Unexpected failure there would push the 9.6234/9.5473 support area back to the fore. It contains the 2012-13 support line, 200 day moving average and the September low.

USD/ZAR Daily Chart



Support	Resistance	1-Week View	1-Month View
10.0443/0000	10.285/10.361	➔	➔
9.9134/9.8677	10.5058&10.69		

# USD/ZAR - Weekly Chart

Is heading back up towards the 10.3610/5058 region

USD/ZAR Weekly Chart



# Rouble Basket - Daily Chart

Bounces off the 38.2% Fibonacci retracement at 37.21 and nears the October peak at 37.75

- › The rouble basket's bounce off the 38.2% Fibonacci retracement of the August-to-September decline has taken it back close to the October peak at 37.75.
- › Only a rise above the October high at 37.75 will reinstate our short term bullish forecast.
- › In this scenario the June peak at 37.89 will be eyed. Between the latter level and the 38.00 mark the rouble basket may well lose upside momentum, though.
- › We will retain our overall bullish bias while no daily chart close below the September low at 36.51 is seen.
- › Unexpected failure there would put the 200 day moving average at 36.44 and the mid-June low at 36.23 back on the map.
- › Only once the 38.35 September high has been overcome will our longer term forecast (3 months) be bullish again.

Support	Resistance	1-Week View	1-Month View
37.21&37.05	37.75&37.89	➔	➔
36.79&36.51	37.95&38.00		

## Rouble Basket Daily Chart





# Rouble Basket - Weekly Chart

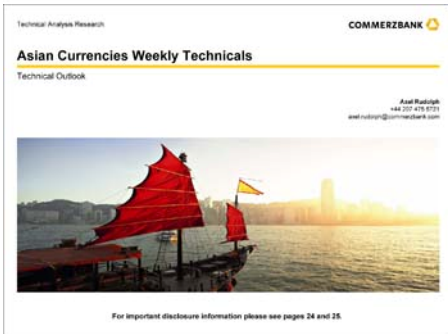
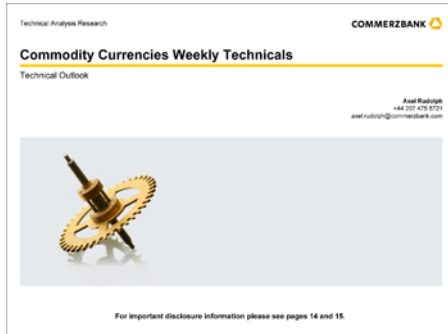
Is heading upwards again but may stall around the 37.75 October high

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;
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