

# FX Emerging Markets Weekly Technicals

Monday, 16 December 2013

## Technical Outlook

<p><b>1</b> Technical Analysis Banks Commerzbank</p> <p>Source: Euromoney FX Poll 2012</p> <p>2012 </p>	<p><b>2</b> 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><b>2</b> FICC Technical Analysis Research Team – Best FX Research and Strategy Commerzbank</p> <p>Source: Technical Analyst Magazine Awards 2013</p> <p>2013 </p>	<p><b>2</b> Technical Analysis Commerzbank</p> <p>Source: Euromoney FX Survey 2013</p> <p>2013 </p>
--	---	--	--

**Axel Rudolph**  
+44 207 475 5721  
[axel.rudolph@commerzbank.com](mailto:axel.rudolph@commerzbank.com)



For important disclosure information please see the end of the document.

## Technical Outlook

Emerging Market currencies remain essentially sidelined and should stay this way into year end

Market	Short term view (1-3 weeks)
EUR/PLN:	Stays sidelined above the 78.6% Fibonacci retracement at 4.1523.
EUR/HUF:	Is being capped by the 2013 resistance line at 303.79 and thus stays sidelined.
EUR/CZK:	Is about to hit the March 2007 low at 27.61 and stays immediately bid while above 27.40.
EUR/BRL:	An interim top is likely to have been formed at 3.2637 in early December.
USD/BRL:	Remains sidelined above the 38.2% Fibonacci retracement at 2.3002.
EUR/TRY:	Has made a new all-time high at 2.8203 which should soon be overcome.
USD/TRY:	Remains sidelined between 2.0609 and 1.9939 but retains its medium term bullish bias.
USD/MXN:	Stays short term under pressure and could test the 12.7620/12.7484 zone before rising again.
USD/ZAR:	Remains below its 4 ¾ high at 10.5763 and may slide further for a while before heading up once more.
Rouble Basket:	Interim high at 38.69 is expected to put a lid on the rouble basket.

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

Emerging market currencies except the Czech Koruna still try to bounce back 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

16 Dec 2013 PLNEUR

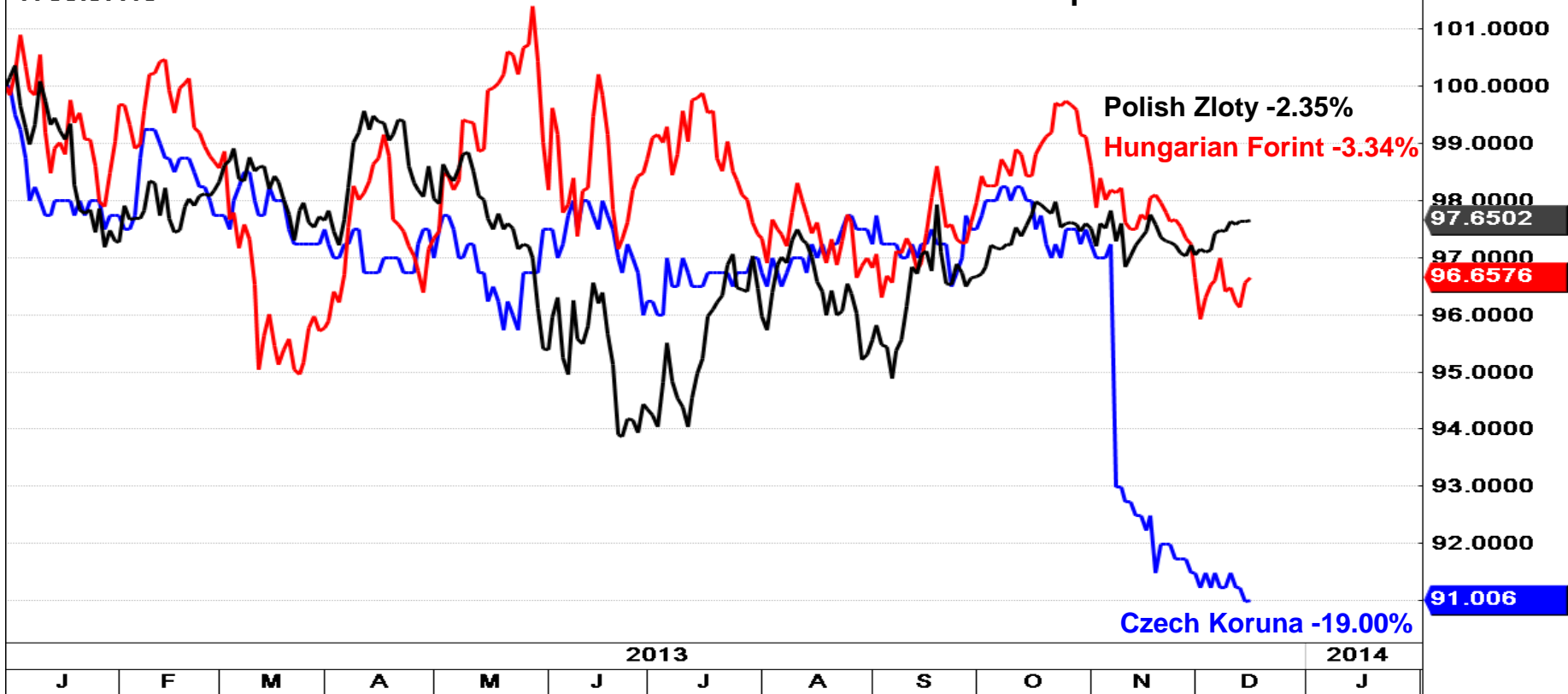
Ar

Update Professional : Data by Bloomberg

C: 0.23928 +0.00004 (0.01%)

T: 08:37:48

2013 performance to date



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

EM currencies stay sidelined versus the US Dollar

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

[update](#)

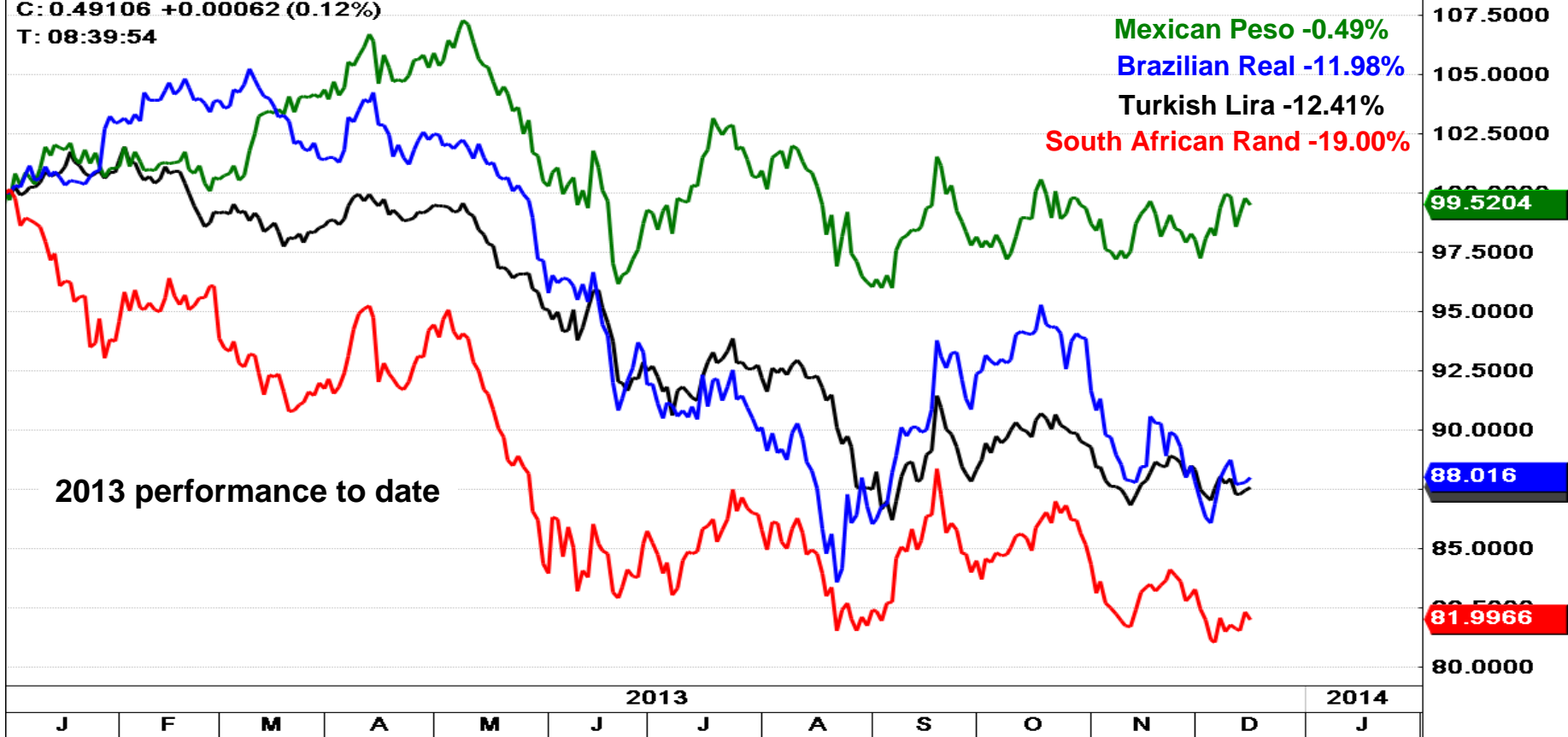
Daily Rebase ZARUSD Curncy 31/12/12 Rebase BRLUSD Curncy 31/12/12 Rebase MXNUSD Curncy 31/12/12 TR Ar

Update Professional : Data by Bloomberg

C: 0.49106 +0.00062 (0.12%)

T: 08:39:54

Mexican Peso -0.49%  
 Brazilian Real -11.98%  
 Turkish Lira -12.41%  
 South African Rand -19.00%



2013 performance to date

# EUR/PLN - Daily Chart

Stays sidelined above the 78.6% Fibonacci retracement at 4.1523

- › EUR/PLN is still hovering above the 78.6% Fibonacci retracement of the April-to-June rise at 4.1523 but continues to be sidelined.
- › As long as 4.1523, the November low at 4.1517 and the 4.1443 September low underpin, further sideways trading remains on the cards. We will retain our short term slightly bearish view while the 200 day moving average at 4.2092 and the November peak at 4.2204 cap.
- › If bettered, the 50% retracement and the late September high at 4.2318/4.2403 could be reached, though.
- › Further range trading 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 at some stage. Failure there on a weekly basis will mean that a top has been formed with the 200 week moving average at 4.1241 then being in focus.

EUR/PLN Daily Chart

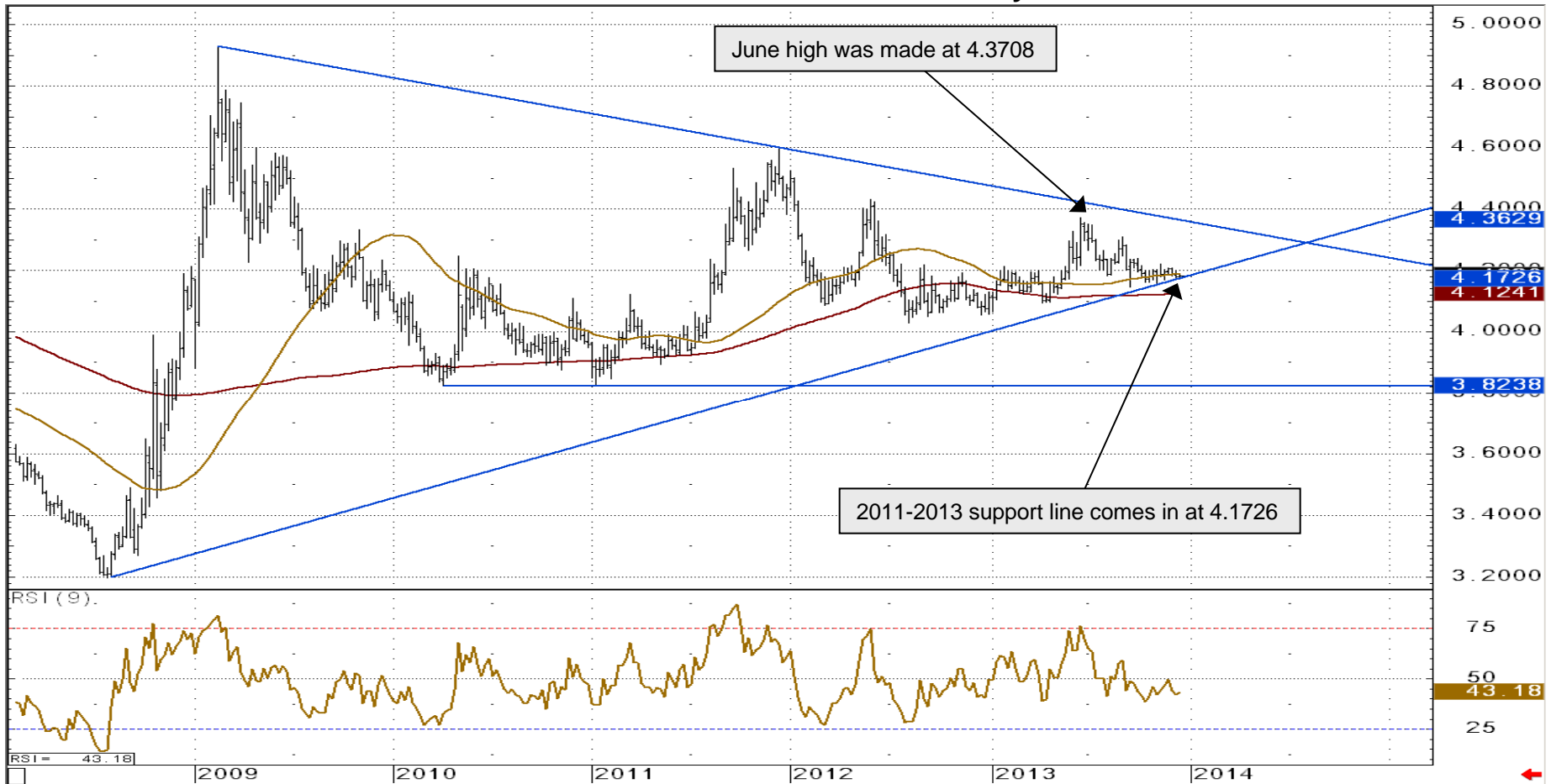


Support	Resistance	1-Week View	1-Month View
4.1726/4.1688	4.1893&4.1937	➔	➔
4.1574/17	4.2092&4.2204		

# EUR/PLN - Weekly Chart

Remains sidelined and slithers along the 2008-13 support line at 4.1726

EUR/PLN Weekly Chart



Source: CQG Inc. © 2013 All rights reserved worldwide. <http://www.cqg.com>

# EUR/HUF - Daily Chart

Is being capped by the 2013 resistance line at 303.79 and thus stays sidelined

- › Last week EUR/HUF shot up to 303.85, marginally below its 304.08 current December high, before slipping back towards the two month support line at 300.64.
- › We expect EUR/HUF to once again oscillate around the psychological 300 level in the days to come.
- › Into year end it is very likely to trade within the confines of its January peak at 308.65 on the one hand and the 291.82 October low on the other hand.
- › We believe that an interim high was made at 304.08 in early December and that the 299.54 mid-November high is to be revisited this or next week as long as the August and current December highs at 303.41/304.08 cap.
- › Good support comes in between the 200 day moving average at 297.58 and the late November low at 296.23.

EUR/HUF Daily Chart

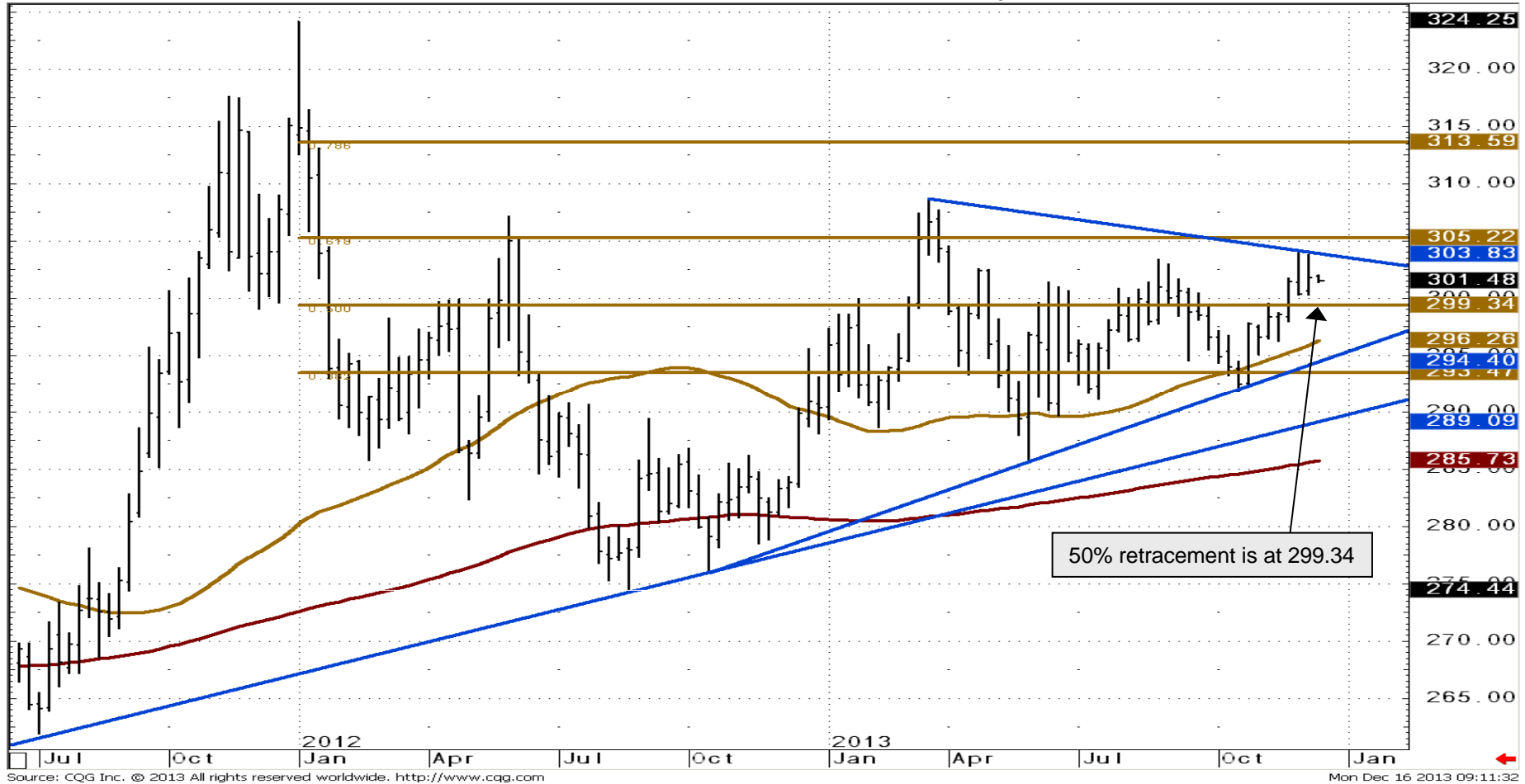


Support	Resistance	1-Week View	1-Month View
300.64/299.40	303.79/304.08	➔	➔
297.95/45	304.46&308.65		

# EUR/HUF - Weekly Chart

Drifts back towards the 50% retracement at 299.34

EUR/HUF Weekly Chart





# EUR/CZK – Daily Chart

Is about to hit the March 2007 low at 27.61 and stays immediately bid while above 27.40

- › EUR/CZK's rally is ongoing with it having overcome the 61.8% Fibonacci retracement of the 2009-2011 decline at 27.48 and the 27.50 area while getting ever closer to the March 2007 low at 27.61 (please see the monthly chart on the following page).
- › Above it sits the August 2006 low at 27.95.
- › We will stay immediately bullish while EUR/CZK remains above last week's low at 27.40.
- › Support is also seen between the 27.39 November 19 high and the 27.34 current December low.
- › Further support comes in around the 27.18 November 21 low but it is unlikely to be revisited anytime soon.
- › Still further support is to be found at the minor psychological 27.00 level

EUR/CZK Daily Chart

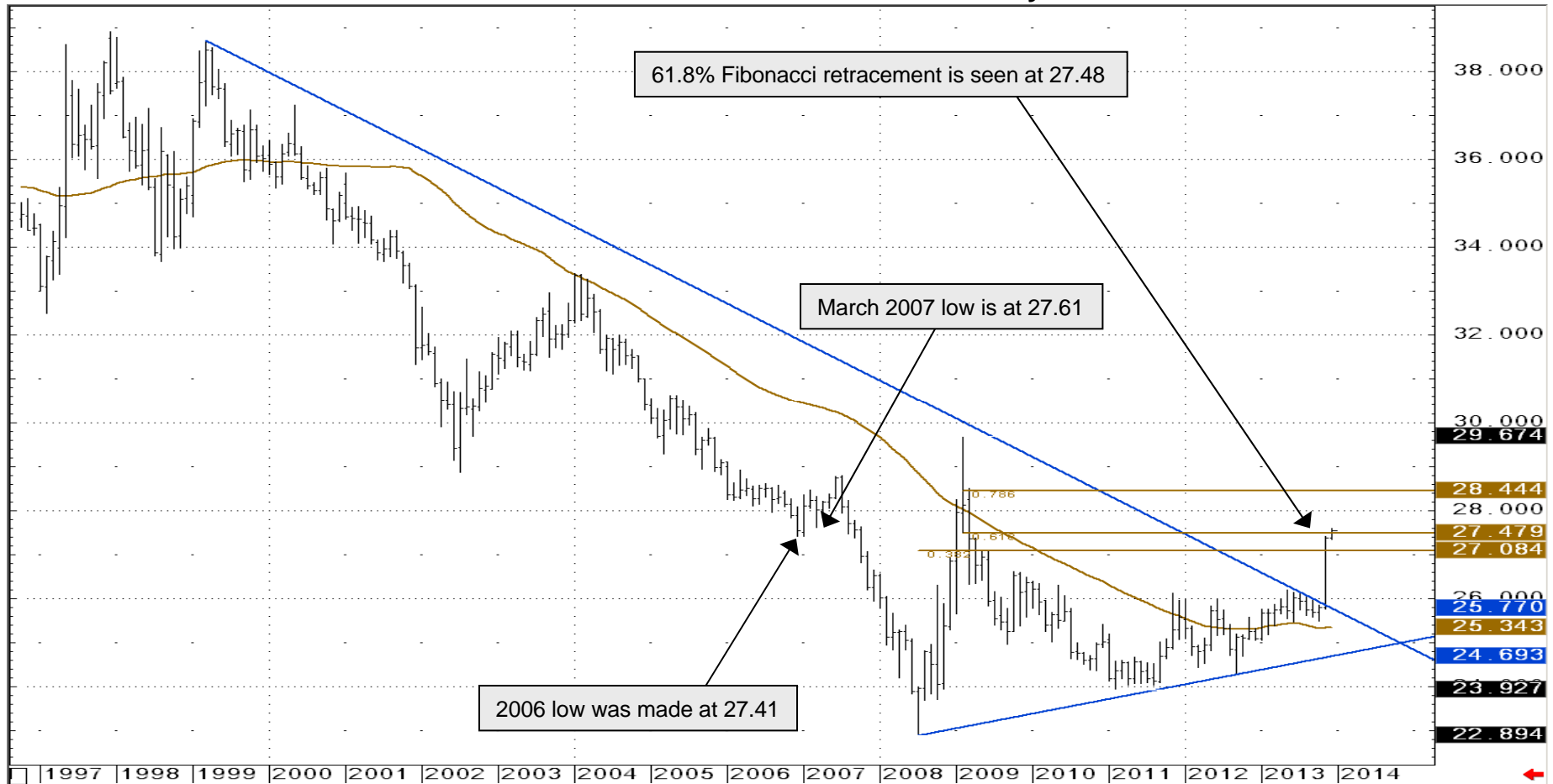


Support	Resistance	1-Week View	1-Month View
27.40/34&27.18	27.61&27.95	➔	➔
27.10&27.00	28.00&28.44		

# EUR/CZK - Monthly Chart

Flirts with the 61.8% Fibonacci retracement at 27.48, around which it should stall short term

EUR/CZK Monthly Chart



Source: CQG Inc. © 2013 All rights reserved worldwide. <http://www.cqg.com>

Mon Dec 16 2013 09:19:52

# EUR/BRL - Daily Chart

An interim top is likely to have been formed at 3.2637 in early December

- › EUR/BRL failed to retest its current 3.2637 December high last week and only rose to 3.2367 before slipping again.
- › We believe that the 3.2637/3.2811 resistance area (current December high and August peak) will cap the currency pair into year end.
- › It thus stands to reason that the mid-November high at 3.1541 is likely to be revisited in the near future.
- › While EUR/BRL stays above its 3.0381 November 19 low, an upward bias will remain in place, though.
- › Unexpected failure at 3.0381 will put the 2013 support line at 3.0278 back on the map. This we do not expect, though.
- › Neither do we expect a rise above 3.2811 being seen this year. Should this happen, the October 2008 high at 3.3487 will be back in the picture. We expect to see range trading into year end.

EUR/BRL Daily Chart

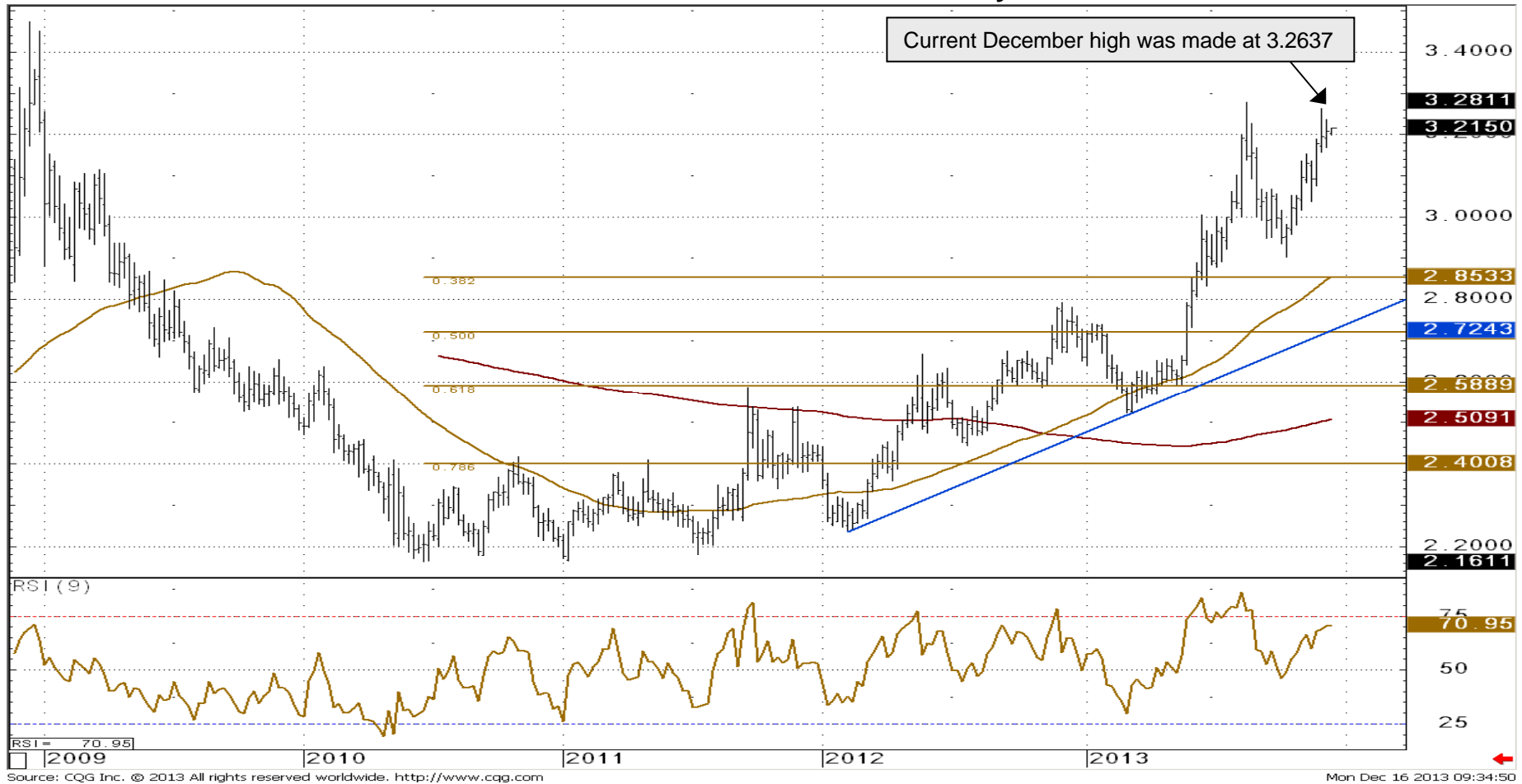


Support	Resistance	1-Week View	1-Month View
3.1684&3.1541	3.2621/3.2811	➔	➔
3.1347&3.0677	3.3000&3.3487		

# EUR/BRL - Weekly Chart

Remains within a long term uptrend but may well have formed an interim high at 3.2637

EUR/BRL Weekly Chart



# USD/BRL - Daily Chart

Remains sidelined above the 38.2% Fibonacci retracement at 2.3002

- › USD/BRL remains below the 78.6% Fibonacci retracement at 2.3888 and its current December high at 2.3947 but stays above the 38.2% Fibonacci retracement of the October-to-December high at 2.3002.
- › We continue to believe that an interim top was made at 2.3947 in early December and that the currency pair will range trade below this level and the 2.4034 September high but above the 2.2509 November 19 low into year end.
- › In early 2014 the 2.3947/2.4034 resistance area should be overcome, though, with the August peak at 2.4545 then being back in the picture.
- › An unexpected slip and daily close below the 2.2509 low would put the 2.2089 July low back on the map.
- › More range trading is on hand for the next couple of weeks.

USD/BRL Daily Chart

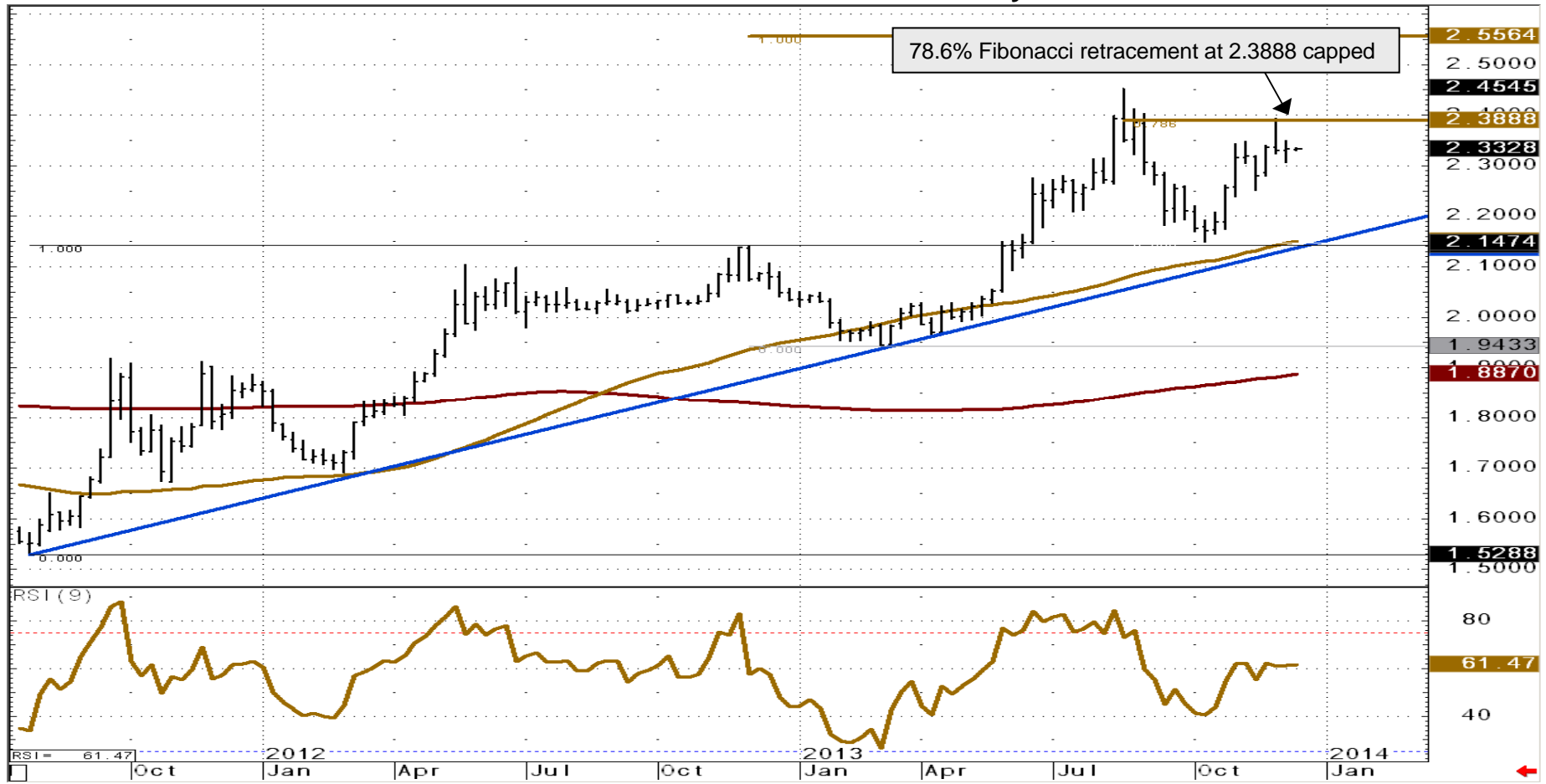


Support	Resistance	1-Week View	1-Month View
2.3050/00	2.3506&2.3891	➔	➔
2.2710&2.2628	2.3947/2.4034		

# USD/BRL - Weekly Chart

The 78.6% Fibonacci retracement at 2.3888 capped

USD/BRL Weekly Chart



# EUR/TRY - Daily Chart

Has made a new all-time high at 2.8203 which should soon be overcome

- › Last week EUR/TRY made a new all-time high at 2.8203.
- › This level is likely to soon be bettered with the 0.001 x 3 hourly Point & Figure vertical upside target at 2.8310 and the minor psychological 2.8500 level being in focus.
- › Good support sits between the August-to-November highs at 2.7691/2.7472 and can also be seen between the 55 day moving average at 2.7338 and the eight month support line at 2.7337.
- › We will retain our medium term bullish forecast while EUR/TRY stays above its 2.6931 November low and our short term bullish outlook while above the December 6 low at 2.7626.

EUR/TRY Daily Chart

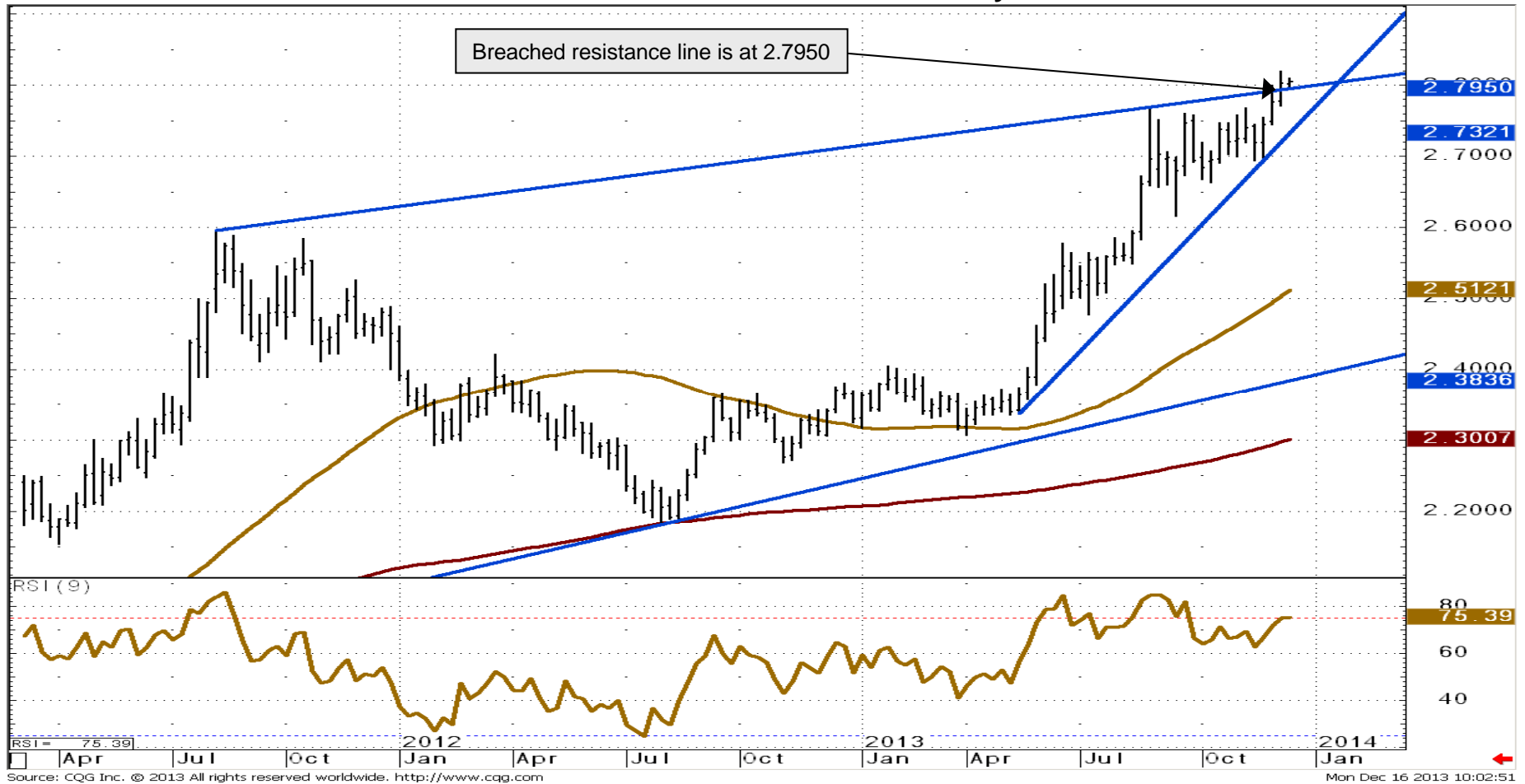


Support	Resistance	1-Week View	1-Month View
2.7691/26	2.8203&2.8310	➔	➔
2.7338/37	2.8500&2.9000		

# EUR/TRY - Weekly Chart

Targets the 2.8500 area

EUR/TRY Weekly Chart





# USD/TRY - Daily Chart

Remains sidelined between 2.0609 and 1.9939 but retains its medium term bullish bias

- › USD/TRY is expected to soon leave its continuation triangle but for now remains within the confines of the 2.0609 November high and the late November low at 1.9939.
- › A correction back towards the eight month support line and the 55 day moving average at 2.0156/07 could still occur.
- › As long as the latter underpins, another attempt at breaking through the 2.0546/2.0609 resistance area should be seen and, once successful, lead to the August and September highs at 2.0728/2.0865 being reached.
- › We will retain our medium term bullish forecast as long as UST/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.

USD/TRY Daily Chart

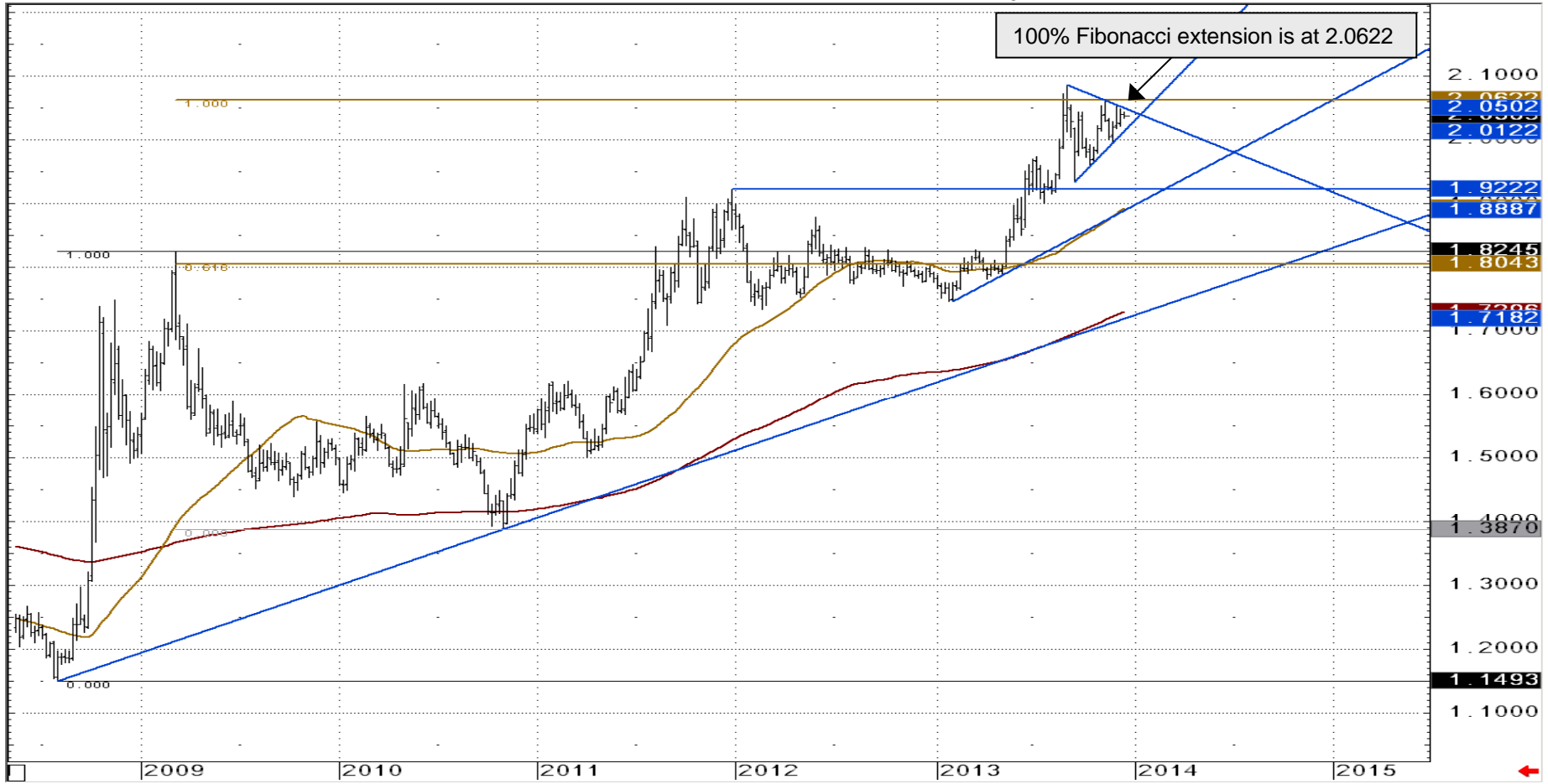


Support	Resistance	1-Week View	1-Month View
2.0185/07	2.0517/2.0609	➔	➡
2.0010&1.9939	2.0728/2.0865		

# USD/TRY - Weekly Chart

Stays below the 100% Fibonacci extension at 2.0622 but remains bid

USD/TRY Weekly Chart



Source: CQG Inc. © 2013 All rights reserved worldwide. <http://www.cqg.com>

Mon Dec 16 2013 10:16:54

# USD/MXN - Daily Chart

Stays short term under pressure and could test the 12.7620/12.7484 zone before rising again

- › Last week USD/MXN dropped to 12.8029, only to then bounce back to 13.0980, before coming off again.
- › While trading below the 61.8% Fibonacci retracement of the November-to-December decline at 13.1284, the eight month support line at 12.8272 and last week's low at 12.8029 should be revisited and will probably be slipped through.
- › The next lower 12.7620/12.7484 support area, made up of the 200 day moving average and the October low, will then be in focus.
- › Should this support zone give way, the August and September lows at 12.5835/12.5502 will be back in the frame. There the currency pair should stabilise again.
- › If not, the July low at 12.4315 could also be eyed again.

USD/MXN Daily Chart

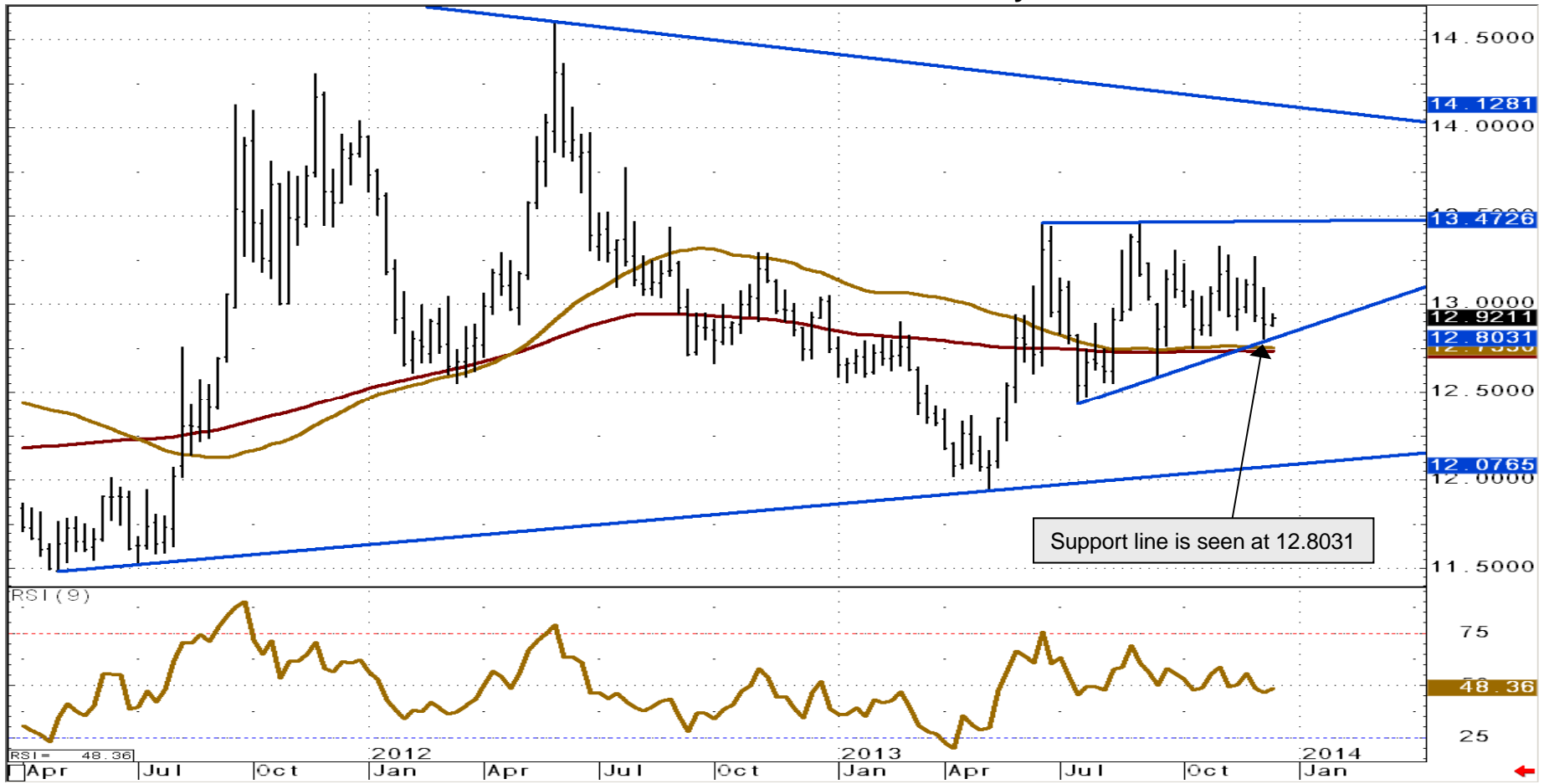


Support	Resistance	1-Week View	1-Month View
12.827/12.7484	13.025&13.098	➔	➔
12.583/12.5502	13.128&13.271		

# USD/MXN - Weekly Chart

We retain our medium term neutral forecast

USD/MXN Weekly Chart



Source: CQG Inc. © 2013 All rights reserved worldwide. <http://www.cqg.com>

# USD/ZAR - Daily Chart

Stays below its 4 ¾ high at 10.5763 and may slide further for a while before heading up again

- › USD/ZAR continues to consolidate below its current December high at 10.5763 which is a four and three quarter year high.
- › At least an interim top was made at this level and the odds still favour a test of the two month support line at 10.2230.
- › Further support can be seen between the late September high at 10.1693 and the current December low at 10.1260.
- › While the currency pair remains above its November low at 10.0260, recent upside pressure could once again manifest itself.
- › We will retain our medium term bullish forecast while USD/ZAR stays above its October low at 9.7194.
- › Once resistance at 10.5763 has been bettered, the March 2009 peak at 10.6956 will be targeted.

USD/ZAR Daily Chart

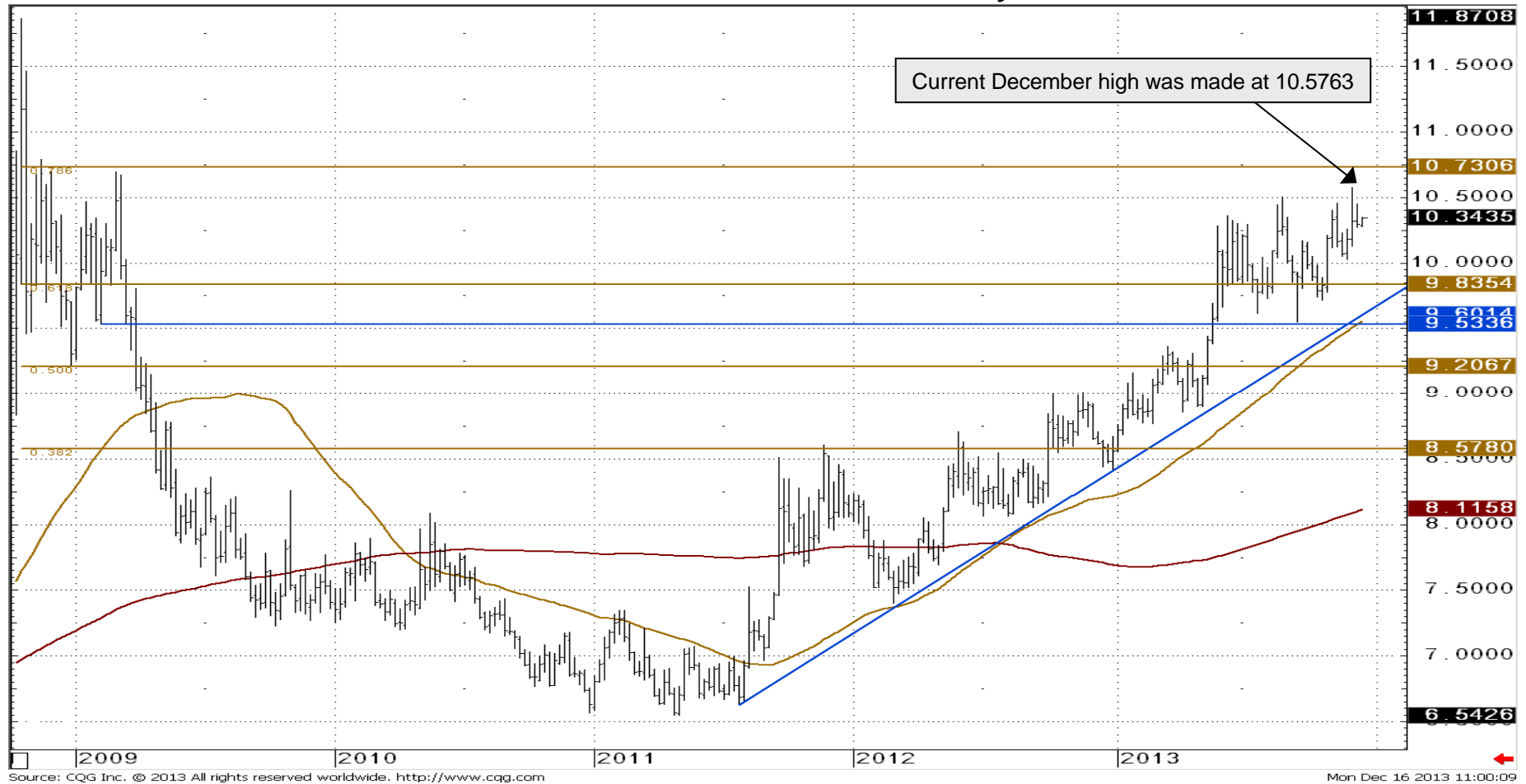


Support	Resistance	1-Week View	1-Month View
10.270&10.223	10.4525/93	➔	➔
10.1832/10.169	10.506&10.576		

# USD/ZAR - Weekly Chart

Still consolidates below its 4 ¾ year high at 10.5763

USD/ZAR Weekly Chart



# Rouble Basket - Daily Chart

Interim high at 38.69 is expected to put a lid on the rouble basket

- > The rouble basket rose to 38.69 in early December before giving back some of its recent gains and slipping to 38.12 before heading back up again.
- > We are of the opinion that another top has been formed, as has been seen over the past few years.
- > The November 12 high at 38.00 is to be retested soon and probably also the October high at 37.75 as well as the four month support line and the 55 day moving average at 37.80/75.
- > All of these levels will be targeted while the current December peak at 38.69 caps.
- > Should this level unexpectedly be exceeded, the 38.99/39.01 July and August 2009 highs will beckon.

## Rouble Basket Daily Chart



Support	Resistance	1-Week View	1-Month View
38.12&38.00	38.51&38.69	➔	➔
37.80/75&37.61	38.99/39.01		

# Rouble Basket - Weekly Chart

Tries to retest its 4 ¼ year high at 38.69 but is not expected to reach this level in 2013

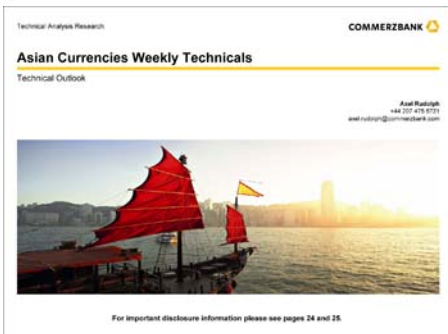
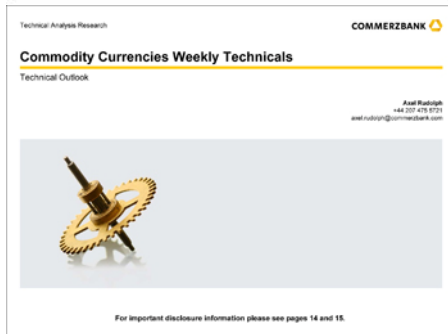
Rouble Basket Weekly Chart

RUB BASKET (EUR & USD) (RUBBASK Currency)

update







## Other technical analysis reports we publish are:

- Monday:** Daily Market Technicals (FX);
- Tuesday:** Daily Market Technicals (FX), Bullion Weekly Technicals, Commodity Weekly;
- Wednesday:** Daily Market Technicals (FX), Strategic Technical Themes, Commodity Currencies Weekly Techn.;
- Thursday:** Daily Market Technicals (FX), Asian Currencies Weekly Technicals, FX Strategy;
- Friday:** Daily Market Technicals (FX), Fixed Income Weekly Technicals.

This document has been created and published by the Corporates & Markets division of Commerzbank AG, Frankfurt/Main or Commerzbank's branch offices mentioned in the document. Commerzbank Corporates & Markets is the investment banking division of Commerzbank, integrating research, debt, equities, interest rates and foreign exchange. The author(s) of this report, certify that (a) the views expressed in this report accurately reflect their personal views; and (b) no part of their compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or views expressed by them contained in this document. The analyst(s) named on this report are not registered / qualified as research analysts with FINRA and are not subject to NASD Rule 2711.

## Disclaimer

This document is for information purposes only and does not take account of the specific circumstances of any recipient. The information contained herein does not constitute the provision of investment advice. It is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the financial instruments mentioned in this document and will not form the basis or a part of any contract or commitment whatsoever.

The information in this document is based on data obtained from sources believed by Commerzbank to be reliable and in good faith, but no representations, guarantees or warranties are made by Commerzbank with regard to accuracy, completeness or suitability of the data. The opinions and estimates contained herein reflect the current judgement of the author(s) on the data of this document and are subject to change without notice. The opinions do not necessarily correspond to the opinions of Commerzbank. Commerzbank does not have an obligation to update, modify or amend this document or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

The past performance of financial instruments is not indicative of future results. No assurance can be given that any opinion described herein would yield favourable investment results. Any forecasts discussed in this document may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the subsequent transpiration that underlying assumptions made by Commerzbank or by other sources relied upon in the document were inapposite.

Neither Commerzbank nor any of its respective directors, officers or employees accepts any responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part of this document.

Commerzbank may provide hyperlinks to websites of entities mentioned in this document, however the inclusion of a link does not imply that Commerzbank endorses, recommends or approves any material on the linked page or accessible from it. Commerzbank does not accept responsibility whatsoever for any such material, nor for any consequences of its use.

This document is for the use of the addressees only and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose, without the prior, written consent of Commerzbank. The manner of distributing this document may be restricted by law or regulation in certain countries, including the United States. Persons into whose possession this document may come are required to inform themselves about and to observe such restrictions. By accepting this document, a recipient hereof agrees to be bound by the foregoing limitations

**Additional notes to readers in the following countries:**

**Germany:** Commerzbank AG is registered in the Commercial Register at Amtsgericht Frankfurt under the number HRB 32000. Commerzbank AG is supervised by the German regulator Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Marie-Curie-Strasse 24-28, 60439 Frankfurt am Main, Germany.

**United Kingdom:** This document has been issued or approved for issue in the United Kingdom by Commerzbank AG London Branch. Commerzbank AG, London Branch is authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details on the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request. This document is directed exclusively to eligible counterparties and professional clients. It is not directed to retail clients. No persons other than an eligible counterparty or a professional client should read or rely on any information in this document. Commerzbank AG, London Branch does not deal for or advise or otherwise offer any investment services to retail clients.

**United States:** Commerz Markets LLC ("Commerz Markets"): This document has been approved for distribution in the US under applicable US law by Commerz Markets, a wholly owned subsidiary of Commerzbank and a US registered broker-dealer. Any securities transaction by US persons must be effected with Commerz Markets. Under applicable US law; information regarding clients of Commerz Markets may be distributed to other companies within the Commerzbank group. This research report is intended for distribution in the United States solely to "institutional investors" and "major U.S. institutional investors," as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Commerz Markets is a member of FINRA and SIPC.

**Canada:** The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. In Canada, the information contained herein is intended solely for distribution to Permitted Clients (as such term is defined in National Instrument 31-103) with whom Commerz Markets LLC deals pursuant to the international dealer exemption. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities may not be conducted through Commerz Markets LLC. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence.

**European Economic Area:** Where this document has been produced by a legal entity outside of the EEA, the document has been re-issued by Commerzbank AG, London Branch for distribution into the EEA.

**Singapore:** This document is furnished in Singapore by Commerzbank AG, Singapore branch. It may only be received in Singapore by an institutional investor as defined in section 4A of the Securities and Futures Act, Chapter 289 of Singapore ("SFA") pursuant to section 274 of the SFA.

**Hong Kong:** This document is furnished in Hong Kong by Commerzbank AG, Hong Kong Branch, and may only be received in Hong Kong by 'professional investors' within the meaning of Schedule 1 of the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made there under.

**Japan:** Commerzbank AG, Tokyo Branch is responsible for the distribution of Research in Japan. Commerzbank AG, Tokyo Branch is regulated by the Japanese Financial Services Agency (FSA).

**Australia:** Commerzbank AG does not hold an Australian financial services licence. This document is being distributed in Australia to wholesale customers pursuant to an Australian financial services licence exemption for Commerzbank AG under Class Order 04/1313. Commerzbank AG is regulated by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) under the laws of Germany which differ from Australian laws.

© Commerzbank AG 2013. All rights reserved. Version 9.16

**Commerzbank Corporates & Markets**

Frankfurt	London	New York	Singapore Branch	Hong Kong Branch
Commerzbank AG	Commerzbank AG London Branch	Commerz Markets LLC	Commerzbank AG	Commerzbank AG
DLZ - Gebäude 2, Händlerhaus Mainzer Landstraße 153 60327 Frankfurt	PO BOX 52715 30 Gresham Street London, EC2P 2XY	2 World Financial Center, 32nd floor New York, NY 10020-1050 Tel: + 1 212 703 4000	71 Robinson Road, #12-01 Singapore 068895  Tel: +65 631 10000	29/F, Two IFC 8 Finance Street Central Hong Kong  Tel: +852 3988 0988
Tel: + 49 69 136 21200	Tel: + 44 207 623 8000			



**Karen Jones**  
Head of FICC Technical Analysis

Tel. +44 207 475 1425  
Mail [karen.jones@commerzbank.com](mailto:karen.jones@commerzbank.com)

**Axel Rudolph**  
Senior Technical Analyst

Tel. +44 207 475 5721  
Mail [axel.rudolph@commerzbank.com](mailto:axel.rudolph@commerzbank.com)

Zentrale  
Kaiserplatz  
Frankfurt am Main  
[www.commerzbank.de](http://www.commerzbank.de)

---

Postfachanschrift  
60261 Frankfurt am Main  
Tel. +49 (0)69 / 136-20  
Mail [info@commerzbank.com](mailto:info@commerzbank.com)