

Chart Watch – USD/CAD

Tuesday, 27 August 2013

USD/CAD is expected to reach the 1.0608/75 resistance area and targets the 1.0850 2010 high

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

Technical Trade Ideas

Date	Instrument	Trade Idea	Stop	Take Profit	Outcome	P&L
22.08.2013	EUR/USD	Sell at 1.3370, add at 1.3420	Stop at 1.3455	1.3000	Short at 1.3370	+0.3%

USD/CAD - Daily Chart

Is expected to reach the 1.0608/75 resistance area and targets the 2010 peak at 1.0850

- › USD/CAD once again flirts with the 78.6% Fibonacci retracement of the July decline at 1.0531 and is about to reach the 1.0608/75 resistance area (July 2013 high, July and August 2010 highs and the 2011 peak). This is likely to cap in the short term but should eventually be overcome.
- › Another potential longer term upside target can be seen around the 2010 peak at 1.0850, made in May of that year.
- › Slips should either find support around the 61.8% Fibonacci retracement at 1.0470 or between the 1.0444 early August high and the 1.0420 May peak.
- › Only unexpected failure at the 1.0247 July low would void our bullish forecast and lead to the 2012-13 support line at 1.0157 being eyed instead. This we do not expect to happen.

USD/CAD Daily Chart

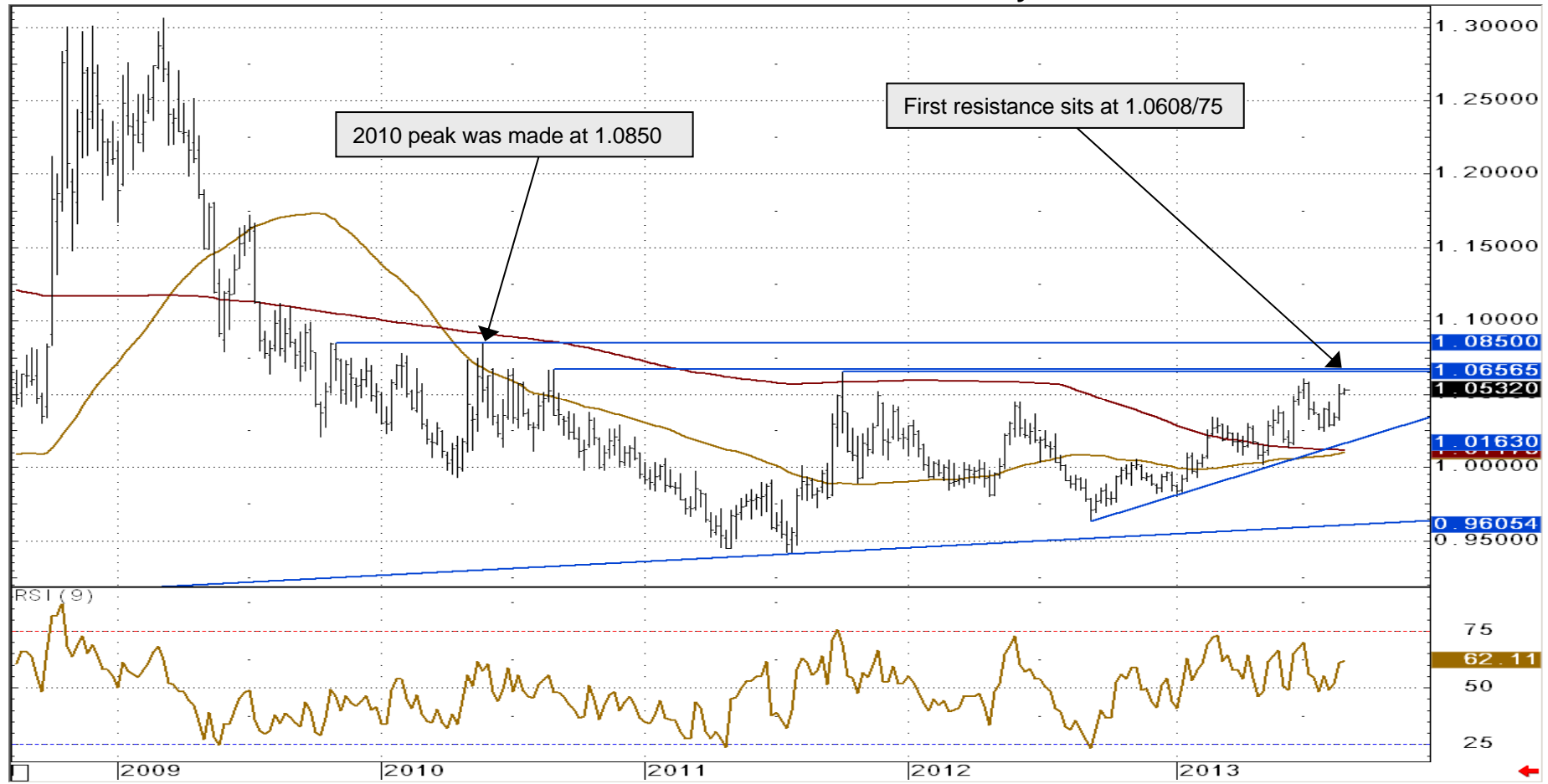


Support	Resistance	1-Week View	1-Month View
1.0470/20	1.0608/75	➔	➔
1.0385&1.0321	1.0850&1.1000		

USD/CAD - Weekly Chart

Is about to rise above this year's July peak at 1.0608

USD/CAD Weekly Chart



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Bullish and bearish trending signals

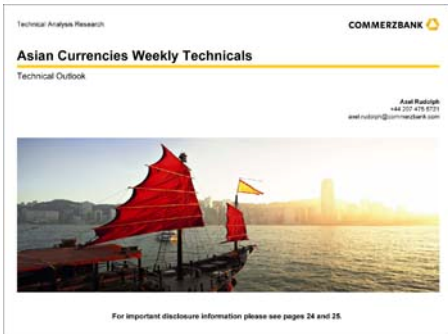
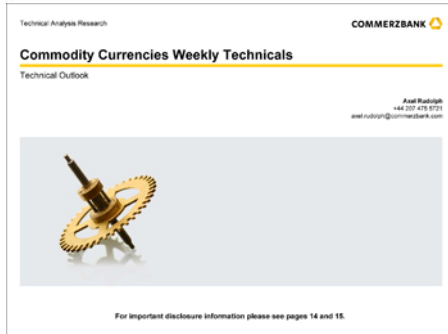
Bullish (ADX>20, MACD>0 and +DI>-DI)

Code Name	Long Name	C1	C2	C3	C4	Δ Success	Score
USSWAP2 Curncy	USD SWAP SEMI 30/360 2YR	✓	✓	✓	✓	4	4
TRY Curncy	TURKISH LIRA SPOT	✓	✓	✓	✓	4	4
SILV Comdty	SILVER SPOT \$/OZ	✓	✓	✓	✓	4	4
PLAT Comdty	PLATINUM SPOT \$/OZ	✓	✓	✓	✓	4	4
NOK Curncy	NORWEGIAN KRONE SPOT	✓	✓	✓	✓	4	4
LMCADS03 Index	LME COPPER 3MO (\$)	✓	✓	✓	✓	4	4
JYSW2 Curncy	JPY SWAP 2 YR	✓	✓	✓	✓	4	4
HUI Index	NYSE Arca Gold BUGS	✓	✓	✓	✓	4	4
HO1 Comdty	Generic 1st 'HO' Future	✓	✓	✓	✓	4	4
GOLDS Comdty	GOLD SPOT \$/OZ	✓	✓	✓	✓	4	4
EUSA5 Curncy	EUR SWAP ANNUAL 5 YR	✓	✓	✓	✓	4	4
EUSA2 Curncy	EUR SWAP ANNUAL 2 YR	✓	✓	✓	✓	4	4
EURZAR Curncy	EUR-ZAR X-RATE	✓	✓	✓	✓	4	4
EURRUB Curncy	EUR-RUB X-RATE	✓	✓	✓	✓	4	4
EURNZD Curncy	EUR-NZD X-RATE	✓	✓	✓	✓	4	4
EURNOK Curncy	EUR-NOK X-RATE	✓	✓	✓	✓	4	4
EURCAD Curncy	EUR-CAD X-RATE	✓	✓	✓	✓	4	4
EURAUD Curncy	EUR-AUD X-RATE	✓	✓	✓	✓	4	4

Bearish (ADX>20, MACD<0 and +DI<-DI)

Code Name	Long Name	C1	C2	C3	C4	Δ Success	Score
NZD Curncy	NEW ZEALAND DOLLAR SPOT	✓	✓	✓	✓	4	4
DU1 Comdty	Generic 1st 'DU' Future	✓	✓	✓	✓	4	4
CHF Curncy	SWISS FRANC SPOT	✓	✓	✓	✓	4	4
AUD Curncy	AUSTRALIAN DOLLAR SPOT	✓	✓	✓	✓	4	4

NB: This is NOT a model and is intended for reference only. It is a basic system to determine if a market is trending or not. It cannot judge strength of support or resistance or whether various momentum oscillators have diverged. For this reason it is possible that the we will occasionally hold a different position to that indicated by the tables above.



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