

Commodity Currencies Weekly Technicals

Wednesday, 28 August 2013

Technical Outlook

<p>1 Technical Analysis Banks Commerzbank</p> <p>Source: Euromoney FX Poll 2012</p> <p>2012  EUROMONEY</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  the technical analyst</p>	<p>2 Technical Analysis Commerzbank</p> <p>Source: Euromoney FX Survey 2013</p> <p>2013  EUROMONEY</p>
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For important disclosure information please see the end of the document.

Technical Outlook

Commodity currencies continue their depreciation versus the US Dollar and the Euro

Market	Short term view (1–3 weeks)
NZD/USD:	Continues to slide towards the .7699/83 support zone which should eventually give way.
USD/CAD:	Is expected to reach the 1.0608/75 resistance area and targets the 2010 peak at 1.0850.
EUR/AUD:	Advance is expected to run out of steam around the 1.5016 July 2010 peak.
EUR/NZD:	Probes the 1.7209/70 resistance area around which it should stall, however.
EUR/CAD:	Flirts with the 1.4176 October 2011 high around which the current rally may fizzle out, though.

The Australian, New Zealand and Canadian Dollar vs. the US Dollar

Commodity currencies continue their depreciation versus the US Dollar

AUD-USD X-RATE (AUDUSD Curncy)

Daily AUDUSD Curncy **Rebase NZDUSD Curncy 31/12/12** **Rebase CADUSD Curncy 31/12/12**

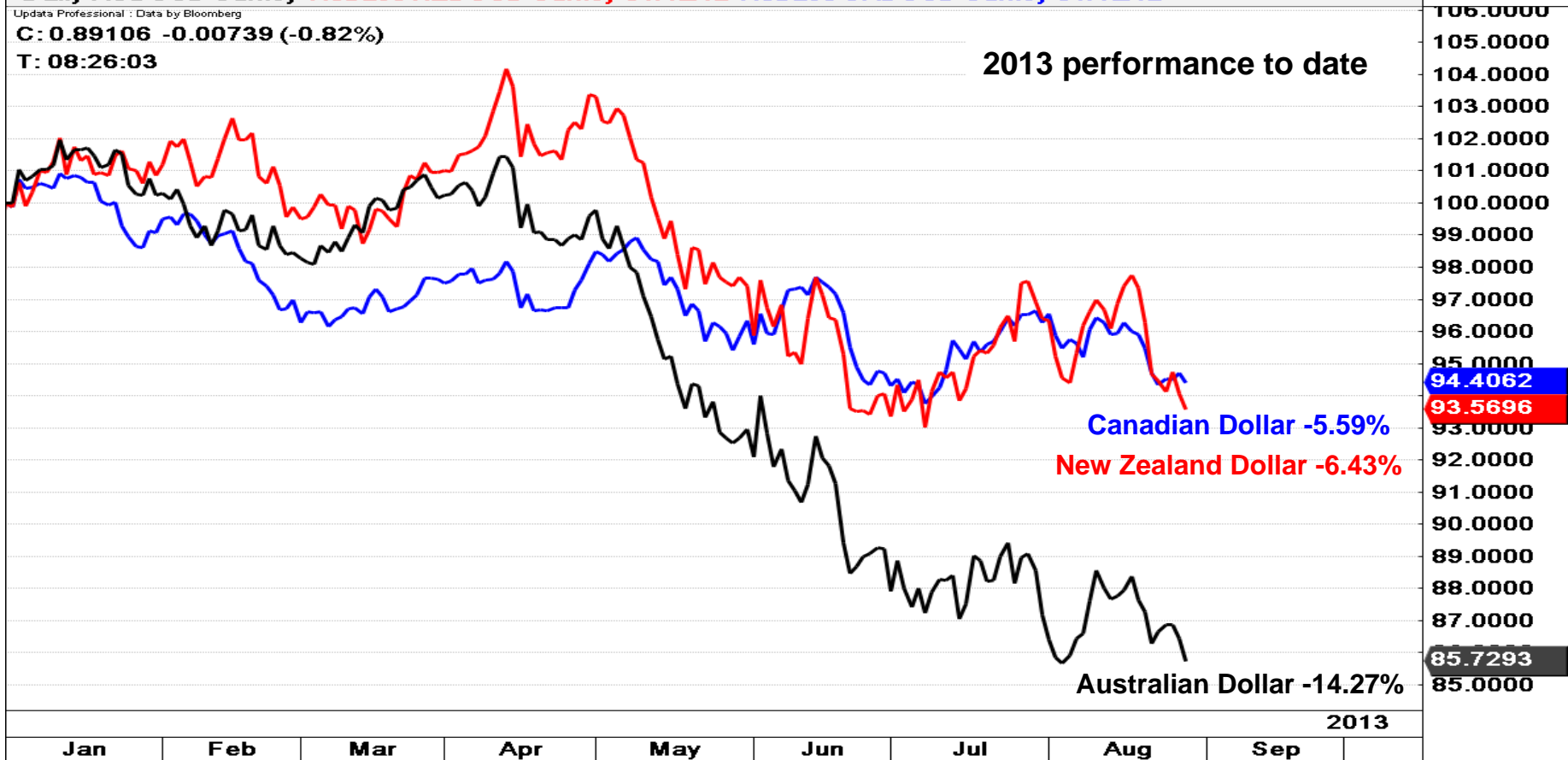
Update Professional : Data by Bloomberg

C: 0.89106 -0.00739 (-0.82%)

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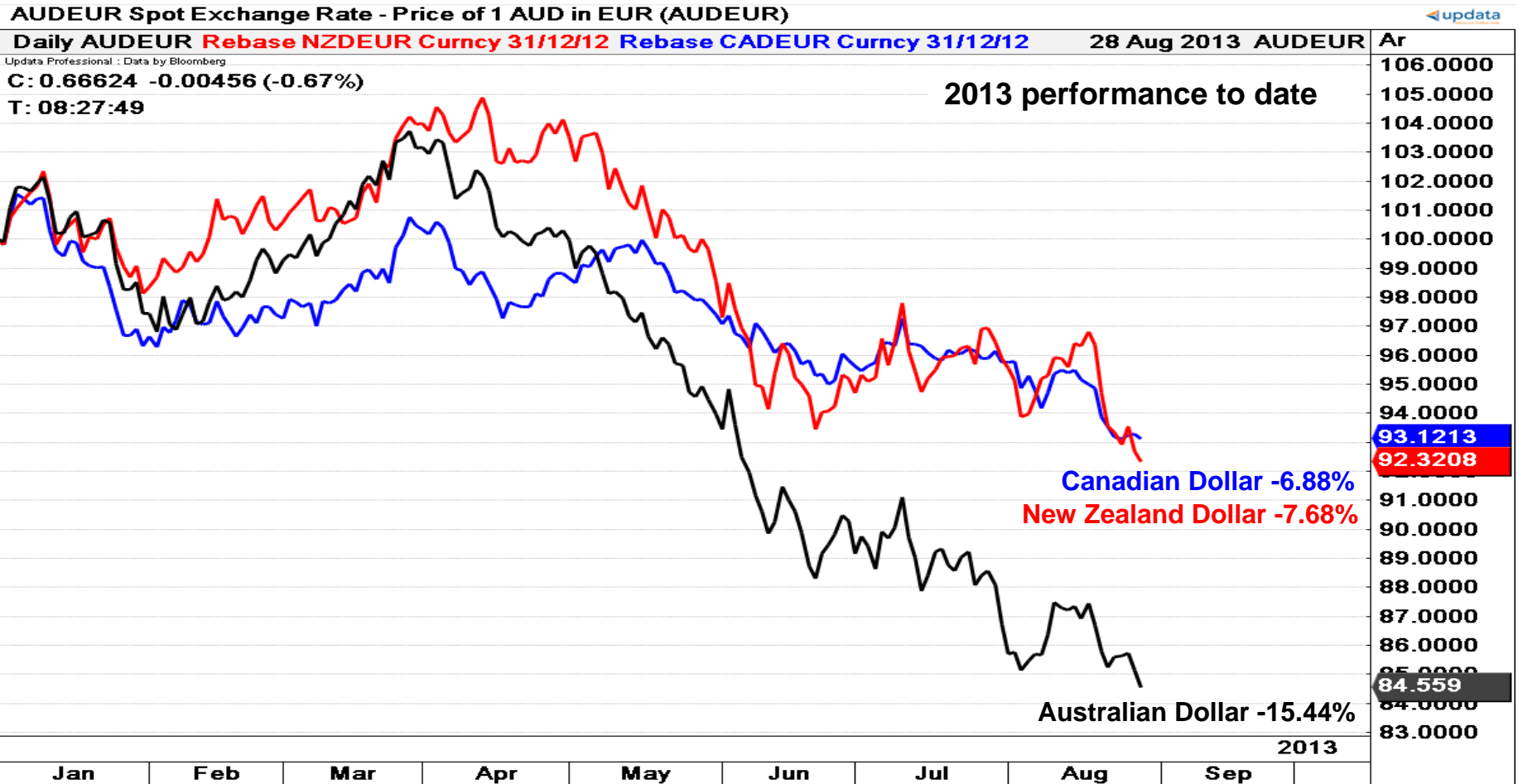
update

2013 performance to date



The Australian, New Zealand and Canadian Dollar vs. the Euro

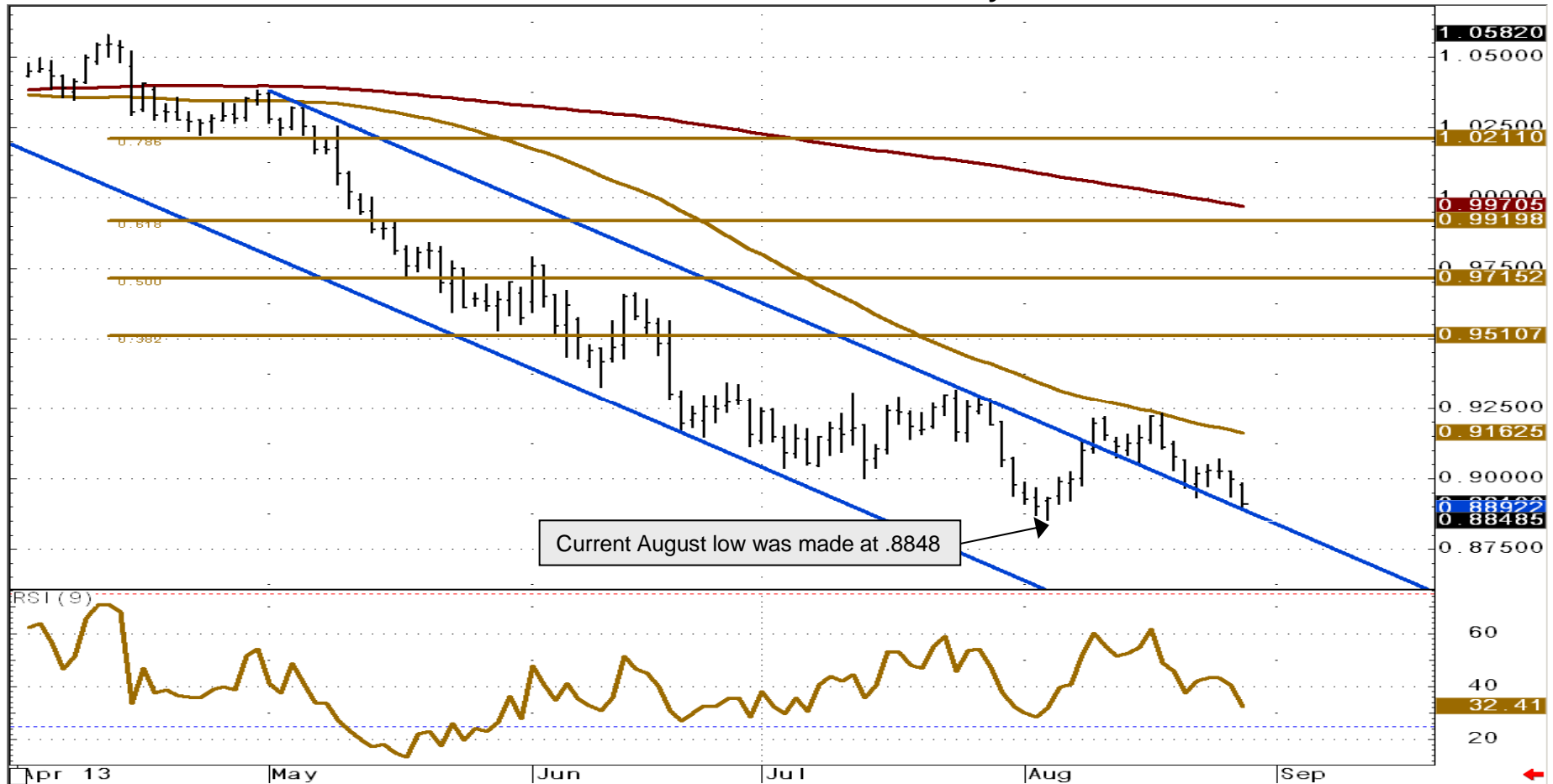
Commodity currencies are declining further versus the Euro



AUD/USD - Daily Chart

Please see comments in this morning's Daily Market Technicals

AUD/USD Daily Chart



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Wed Aug 28 2013 08:29:15

NZD/USD - Daily Chart

Continues to slide towards the .7699/61 support zone which should eventually give way

- › NZD/USD continues to come off its .8164 current August high and is still declining towards the .7699/61 support area. It contains the three month and 2011-13 support line and several daily lows seen since June. This support area is expected to hold for a few days when reached.
- › Once fallen through, our medium term downside target zone, made up of the .7456/.7371 May 2012 low and November 2011 low, will be in focus. It will remain our downside target for the months to come but will only be properly back on the map once the June low at .7683 has been fallen through.
- › Minor resistance above the 55 day moving average at .7899 and the 50% retracement at .7923 comes in around the 38.2% Fibonacci retracement at .7980. More significant resistance can be seen at the July and current August highs at .8107/64. While trading below the latter, our bearish view will be maintained.

NZD/USD Daily Chart

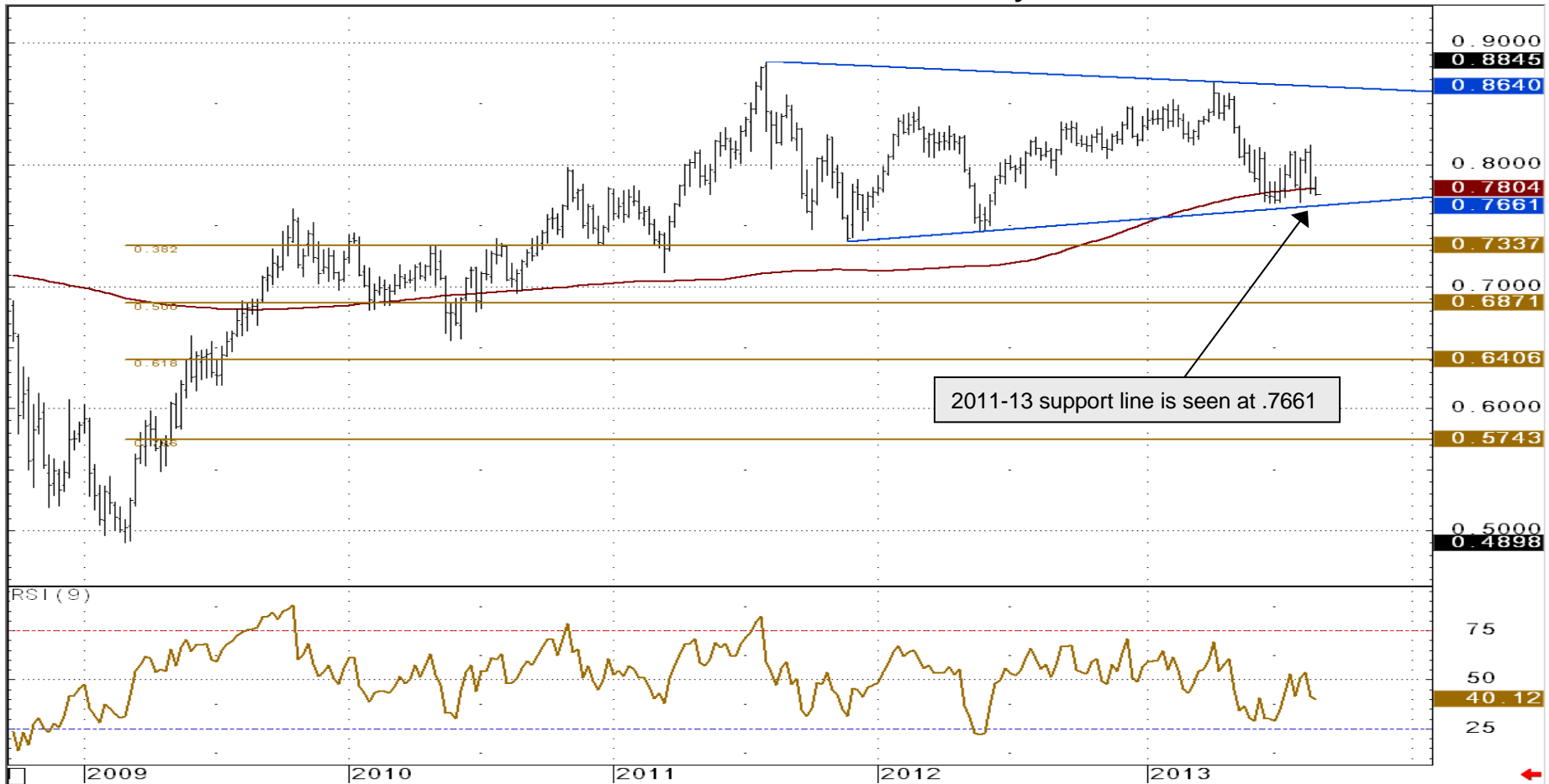


Support	Resistance	1-Week View	1-Month View
.7699/61	.7899/.7923	➔	➔
.7456/.7371	.7980&.8107		

NZD/USD - Weekly Chart

Drops towards the 2011-13 support line at .7661 which is expected to eventually give way

NZD/USD Weekly Chart



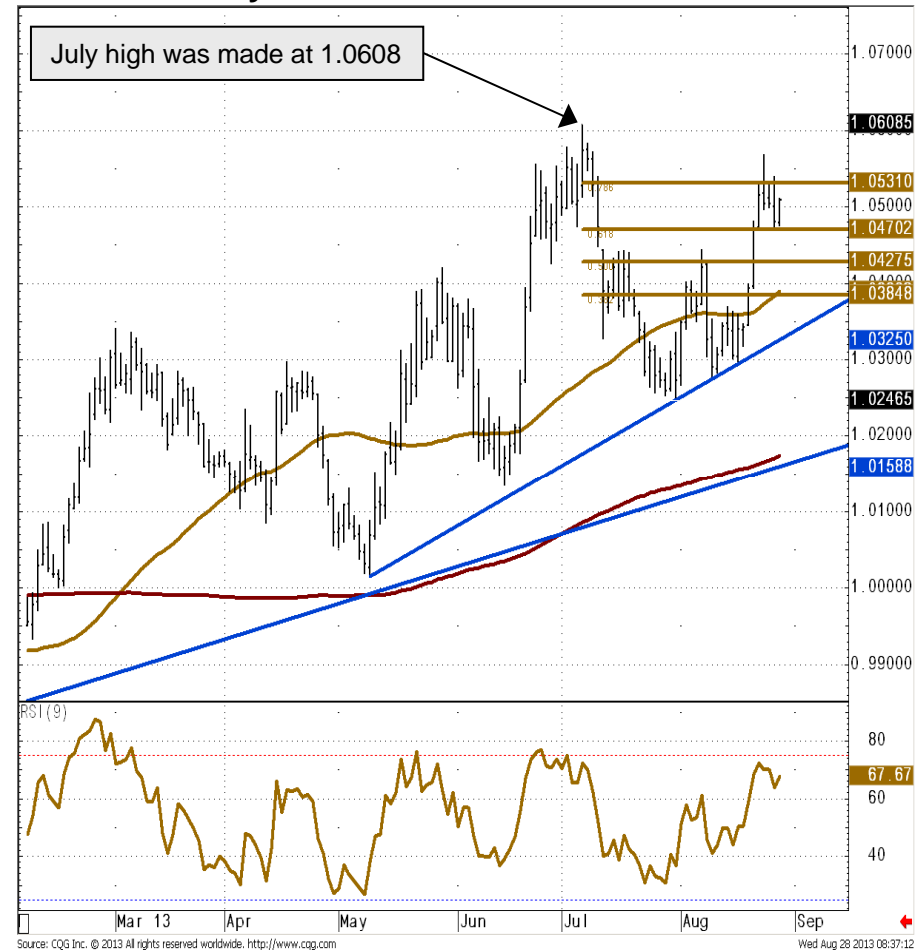
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USD/CAD - Daily Chart

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 expected to reach the 1.0608/75 resistance area (July 2013 high, July and August 2010 highs and the 2011 peak) within the next few days and weeks. This resistance area 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 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 1.0159 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&1.0325	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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EUR/AUD - Daily Chart

Advance is expected to run out of steam around the 1.5016 July 2010 peak

- › EUR/AUD's recent slide from its near three year high at 1.4996 took it to 1.4443 before it shot back up again.
- › Despite this week's rally we do not expect to see a daily New York close above the July 2010 high at 1.5016 being made.
- › As long as the 1.5016 level caps on a daily chart closing basis, a slip back to the 1.4478/1.4397 support area should still be seen. It is where the June and early as well as mid-July highs were made. Together with the five month support line at 1.4394 it should underpin EUR/AUD in the weeks ahead.
- › Only if a daily chart close above 1.5016 were to be made, would the May 2010 peak at 1.5463 be targeted.
- › Expect to see renewed consolidation over the next few days and weeks.

EUR/AUD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.4754&1.4605	1.5016/34	➔	➔
1.4443/1.4394	1.5463/1.5500		

EUR/AUD - Weekly Chart

Flirts with the 1.5016 July 2010 high

EUR/AUD Weekly Chart



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EUR/NZD - Daily Chart

Probes the 1.7209/70 resistance area around which it should stall, however

- › Last week's decline in EUR/NZD stopped just short of the two month support line, now at 1.6383, before rallying strongly so far to 1.7282 this week.
- › Despite the rally we expect the area seen around the 200 week moving average and 50% retracement of the 2011-12 descent at 1.7209/70 to act as resistance. If not, the 61.8% Fibonacci retracement at 1.7814 will be in focus.
- › Provided that things pan out as expected, the two month support line at 1.6383 and the 1.6229 July low should be fallen through in the weeks to come.
- › While EUR/NZD stays above the July low at 1.6229 on a daily chart closing basis, however, the medium term up trend remains intact.
- › Should 1.6229 be slipped through, a major top will have been formed with a slide back towards the 200 day moving average at 1.6032 then being on the cards.

EUR/NZD Daily Chart

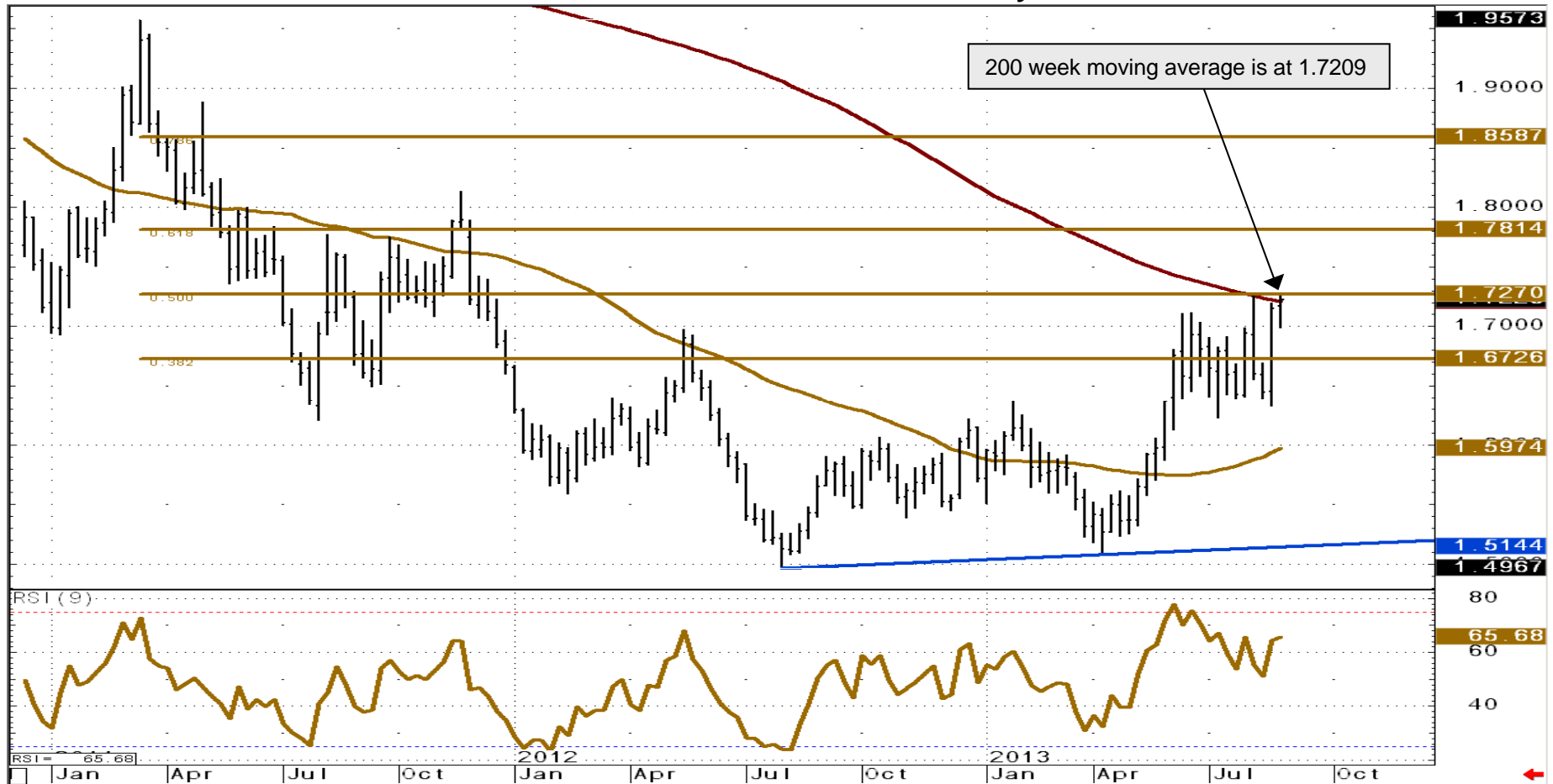


Support	Resistance	1-Week View	1-Month View
1.6917&1.6715	1.7270/82	➔	➔
1.6396/27	1.7752/1.7814		

EUR/NZD - Weekly Chart

The 200 day moving average and 50% retracement at 1.7209/70 should continue to cap

EUR/NZD Weekly Chart



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EUR/CAD - Daily Chart

Flirts with the 1.4176 October 2011 high around which the current rally may fizzle out, though

- › EUR/CAD's brief consolidation ended last week at the four month support line before it shot back up to 1.4128.
- › We do not trust this latest advance, however, and believe that a false breakout higher is currently being made with the 1.3818 June high soon expected to be retested.
- › Having said that, only a drop through last week's low at 1.3664, would mean that an interim top has been made.
- › Only then will the current August low at 1.3600 be back in the picture. Should it be fallen through, the 1.3431 July low will be targeted as well.
- › While trading above this level our medium and long term bullish forecasts will remain valid, however.
- › Should the 1.4176 October 2011 high be overcome, though, the 1.4315/81 late 2010 and 2011 peaks could be reached but would then be expected to cap EUR/CAD.

EUR/CAD Daily Chart

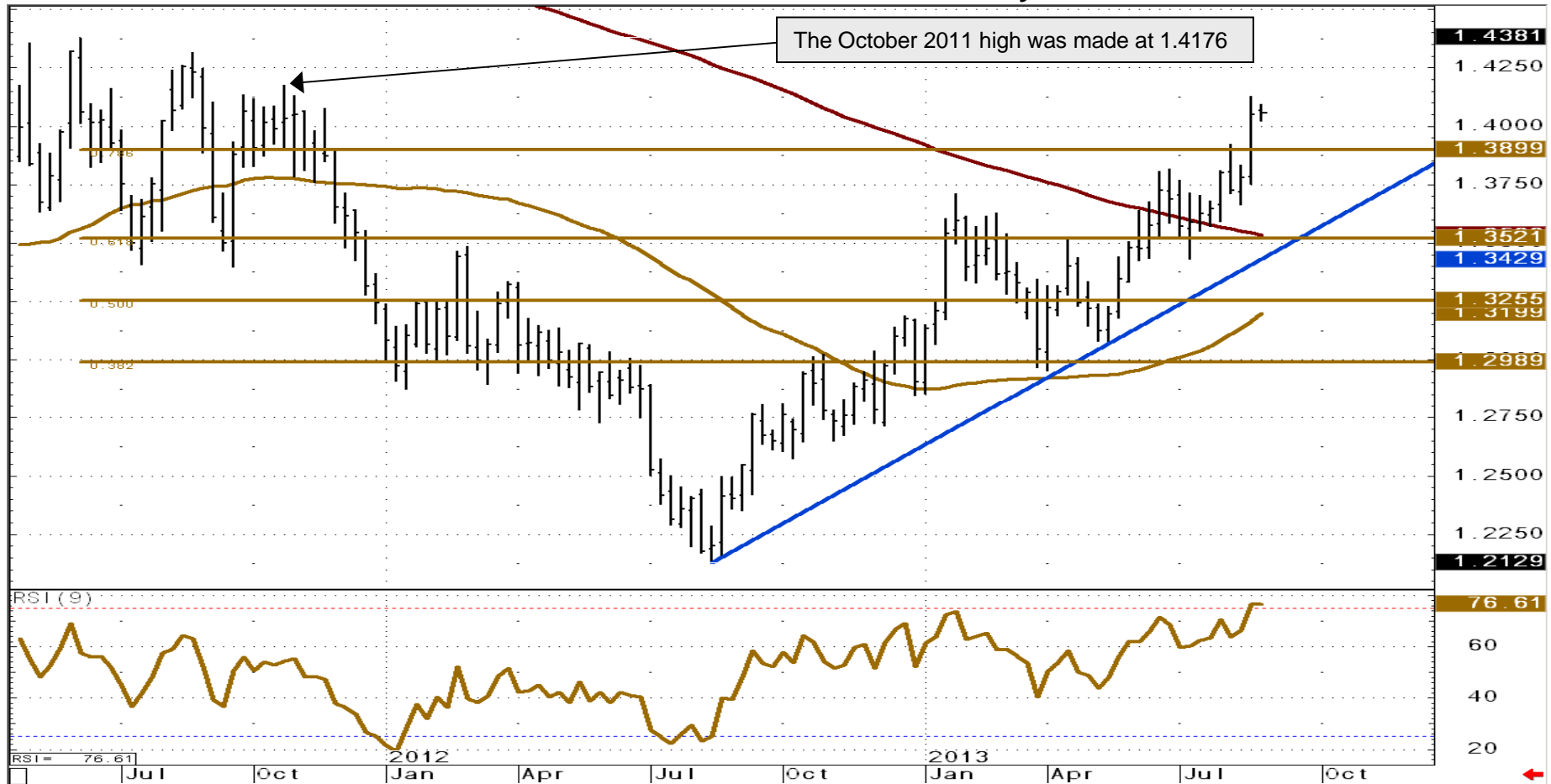


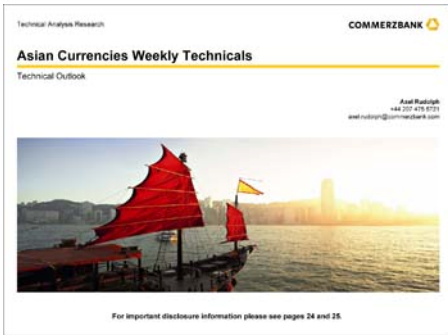
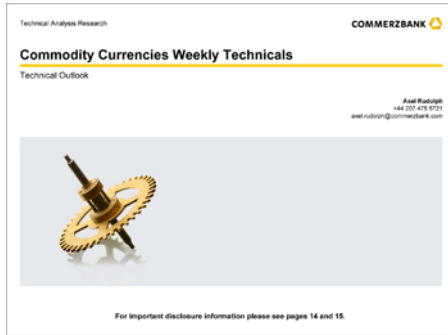
Support	Resistance	1-Week View	1-Month View
1.3923&1.3818	1.4176&1.4315	➔	➔
1.3746/16	1.4381&1.4441		

EUR/CAD - Weekly Chart

Flirts with the 1.4176 October 2011 high around which the current rally may fizzle out, though

EUR/CAD Weekly Chart





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- Wednesday:** Daily Market Technicals (FX), Commodity Weekly;
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- Friday:** Daily Market Technicals (FX), Fixed Income Weekly Technicals.

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