

# Commodity Currencies Weekly Technicals

Wednesday, 08 January 2014

## Technical Outlook

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

## Technical Outlook

The Canadian Dollar is taking a big hit and trades in multi-year lows vs. the Euro and US Dollar

Market	Short term view (1–3 weeks)
NZD/USD:	Remains sidelined between the December low at .8084 and the .8437 September high.
USD/CAD:	Break out of its recent consolidation is bullish but the 1.0850 level is key for the overall trend.
EUR/AUD:	A minor top was made at 1.5598 in December which is why we have neutralised our view.
EUR/NZD:	Nears the 200 day moving average at 1.6351; looks to be range bound between 1.70 and 1.59.
EUR/CAD:	Is rising to its December peak at 1.4819, a close above which will eye the 1.5186/1.5453 zone.

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

The Canadian Dollar is nose-diving versus the US Dollar

AUD-USD X-RATE (AUDUSD Curncy)

[update](#)

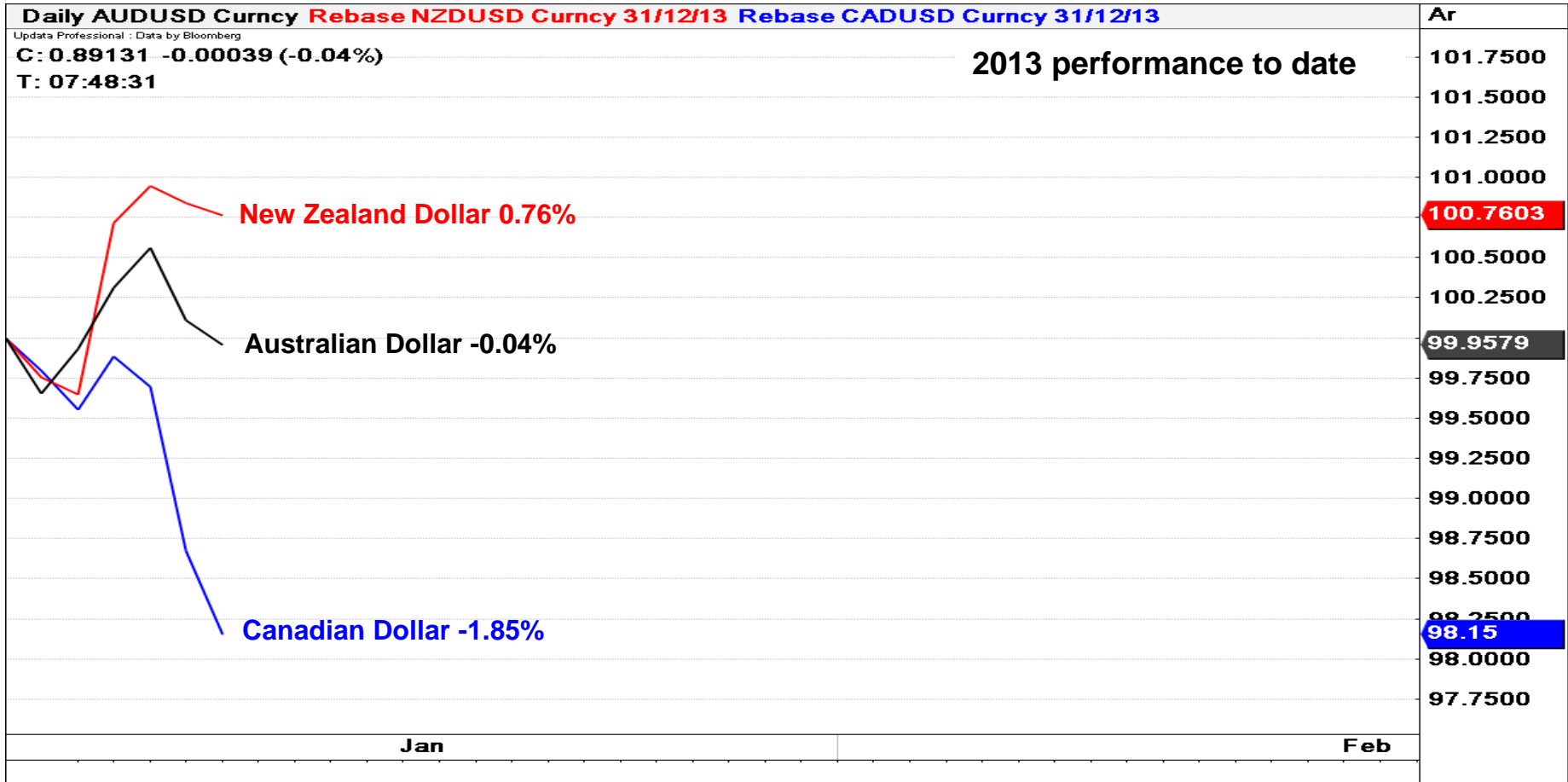
Daily AUDUSD Curncy **Rebase NZDUSD Curncy 31/12/13** **Rebase CADUSD Curncy 31/12/13**

Update Professional : Data by Bloomberg

C: 0.89131 -0.00039 (-0.04%)

T: 07:48:31

2013 performance to date



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

The Canadian Dollar is rapidly dropping versus the Euro

AUDEUR Spot Exchange Rate - Price of 1 AUD in EUR (AUDEUR Currency)

[update](#)

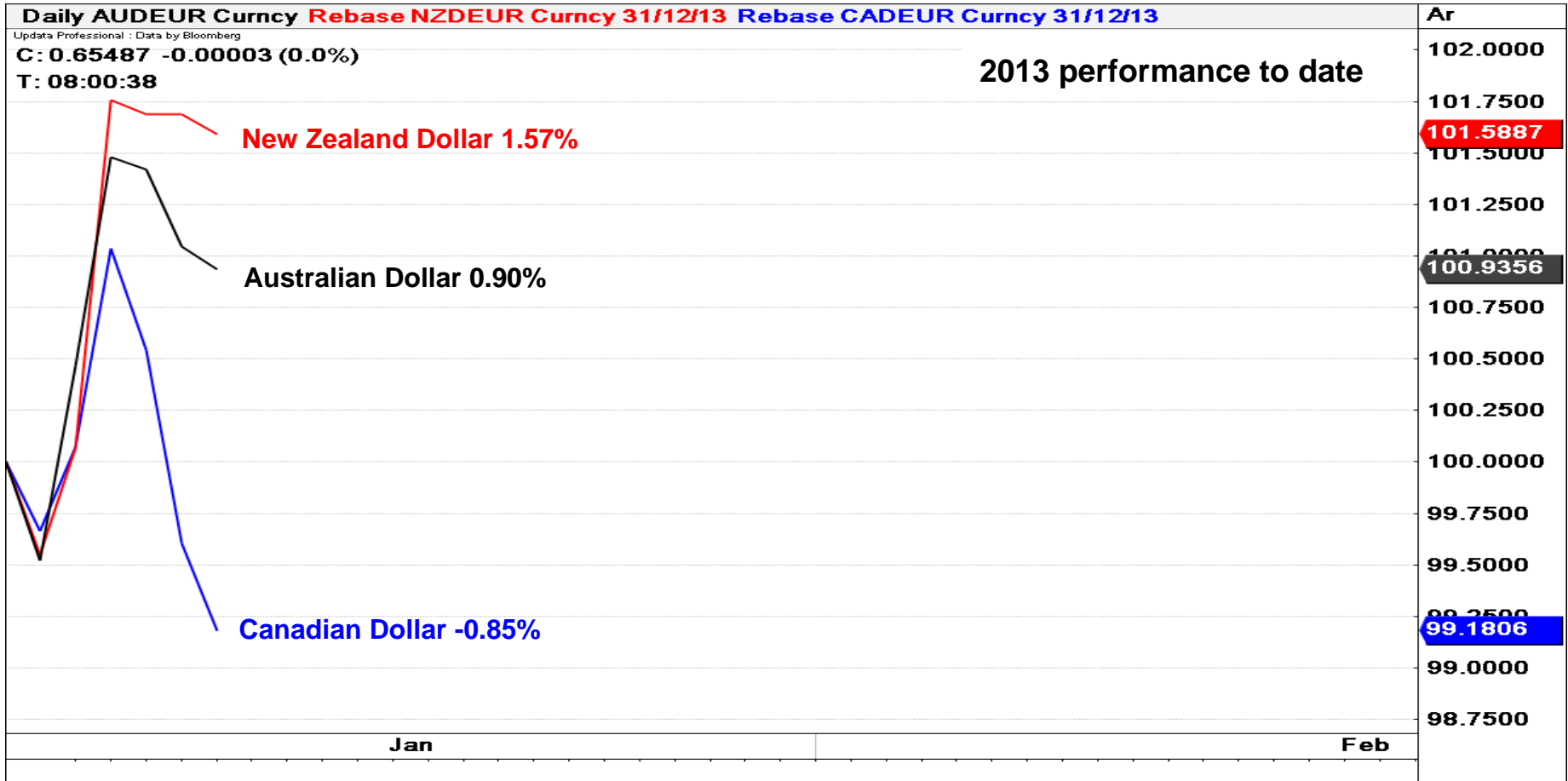
Daily AUDEUR Currency **Rebase NZDEUR Currency 31/12/13** **Rebase CADEUR Currency 31/12/13**

Update Professional : Data by Bloomberg

C: 0.65487 -0.00003 (0.0%)

T: 08:00:38

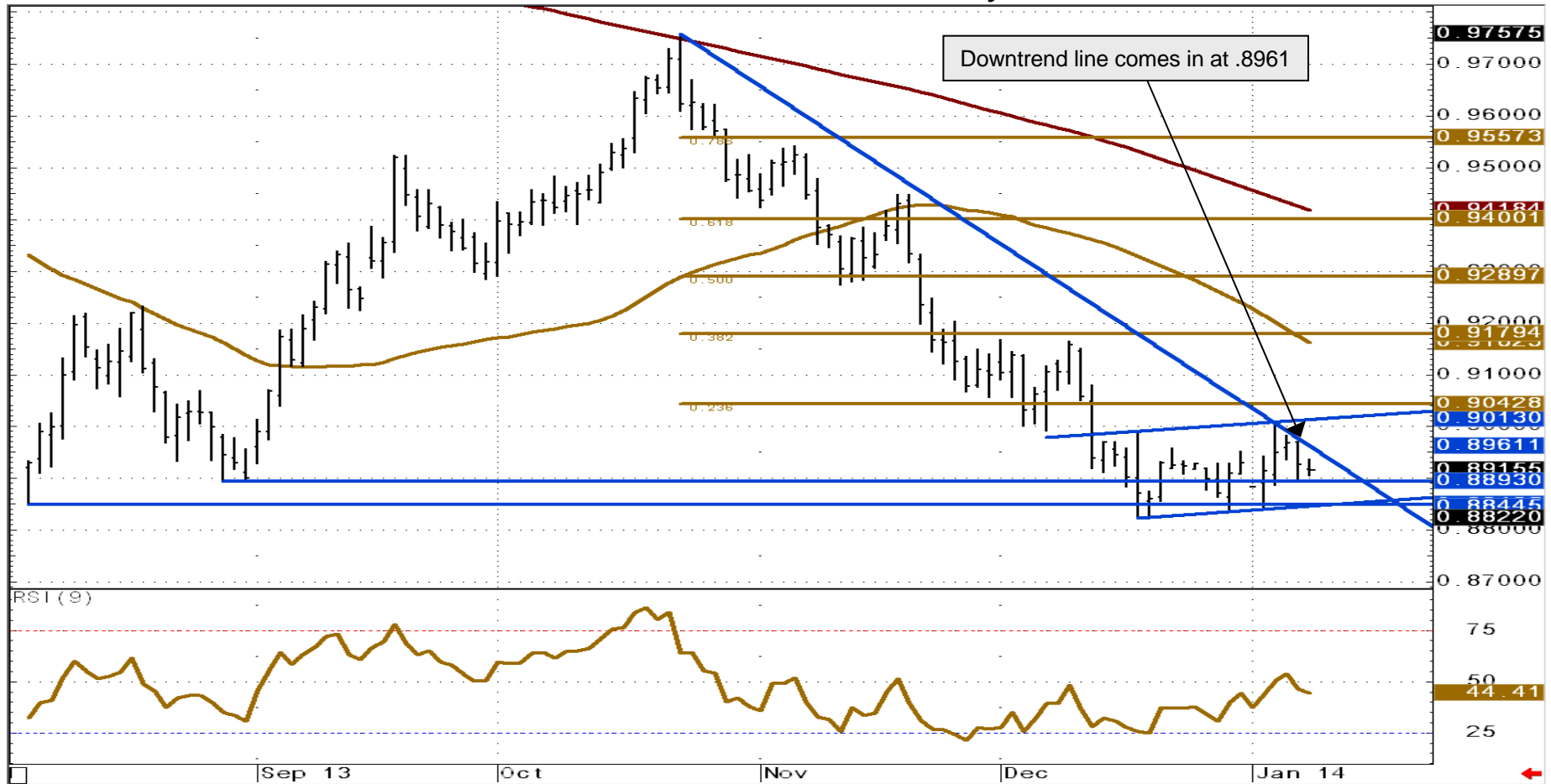
2013 performance to date



# AUD/USD - Daily Chart

Please see comments in this morning's Daily Market Technicals

AUD/USD Daily Chart



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# NZD/USD - Daily Chart

Remains sidelined between the December low at .8084 and the .8437 September high

- › NZD/USD's bounce off its .8117 late December low has so far taken it to .8319 in early January. This high was made only marginally below the .8336 December peak.
- › While no daily chart close above .8336 is being made our short term outlook will be neutral.
- › A significant support zone is still seen at .8194/.8084 (200 day moving average, October low, July and August peaks and November as well as December troughs).
- › Should a drop through the .8084 low be seen, the psychological .8000 zone and then the .7911/.7683 region (200 week moving average and the June to August lows) will be back on the map.
- › We will retain our view of a top being formed as long as NZD/USD stays below the .8408/37 September/November highs. A daily close above .8336 would push the .8408/37 resistance area back to the fore, though.

NZD/USD Daily Chart

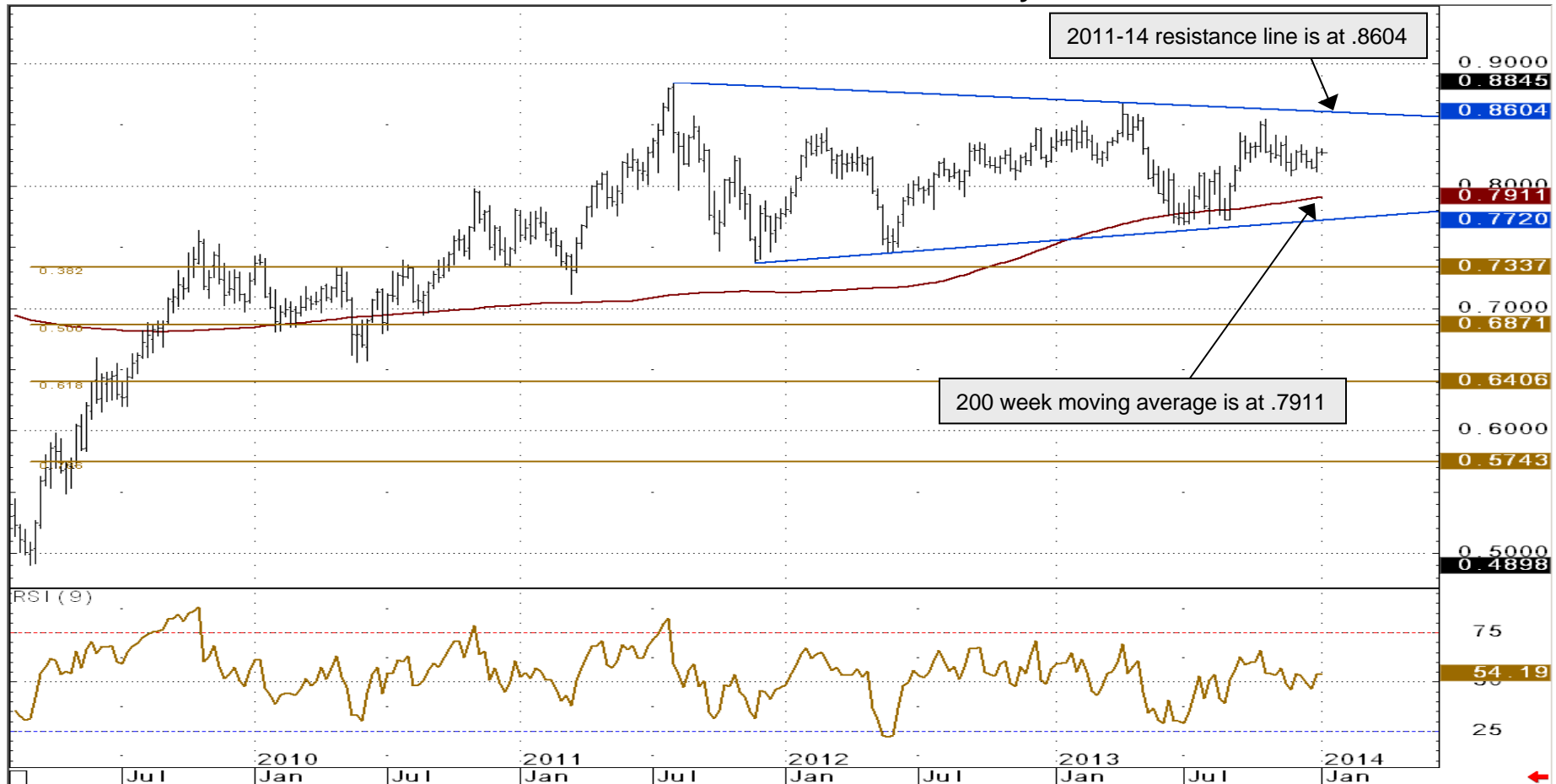


Support	Resistance	1-Week View	1-Month View
.8164/.8084	.8319/36	➔	➔
.8000&.7970	.8408/37		

# NZD/USD - Weekly Chart

Is still being sidelined between its long term resistance line and the 200 week moving average

NZD/USD Weekly Chart



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# USD/CAD - Daily Chart

Break out of its recent consolidation is bullish but the 1.0850 level is key for the overall trend

- › Even though USD/CAD's break out of its December consolidation range is bullish it faces stiff resistance around the 1.0850 mark, at least on the first test.
- › 1.0850 is where the November 2009 and May 2010 highs were made.
- › Over the course of the next few weeks a multi-year high above the November 2009 and May 2010 high at 1.0850 is expected to be made, though, with the August 2009 peak at 1.1122 and the 50% retracement at 1.1238 then being targeted.
- › We will hold onto this bullish medium term outlook while USD/CAD trades above its late December low at 1.0500.
- › Support above this level can be seen along the one month support line at 1.0638, the 55 day moving average at 1.0563 and along the three month support line at 1.0550.

USD/CAD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.0638&1.0563	1.0850&1.1000	➔	➔
1.0550&1.0500	1.1122&1.1238		



# USD/CAD - Weekly Chart

Probes the major 1.0850 resistance area which should be difficult to overcome at first

USD/CAD Weekly Chart



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# EUR/AUD - Daily Chart

A minor top was made at 1.5598 in December which is why we have neutralised our view

- › EUR/AUD's correction lower from its December peak at 1.5598 has so far taken it to 1.5116, to not far above the 1.5034/1.4996 support zone which is made up of the August highs.
- › We believe that an interim top was made in December and have therefore neutralised our short term view. Over the next few weeks range trading below the 1.5598 December high but above the 1.4800 December low is to be seen.
- › The longer term uptrend remains intact, though, and once a daily close above the 1.5598/1.5617 resistance area (December 2013 high, October and December 2005 lows) has been made the 1.5926/1.6050 region will be in focus. It is where the February and June 2008 lows were made.
- › Still further up lies the 50% retracement of the 2008-12 decline at 1.6368 which is also expected to be reached this year. We will remain long term bullish while EUR/AUD trades above the November low at 1.4050.

EUR/AUD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.5034/1.4996	1.5598/1.5617	➔	➔
1.4879&1.4800	1.5926/1.6050		

# EUR/AUD - Weekly Chart

Has been rejected by the 1.5477/1.5598 resistance area but is likely to retest it at some stage

EUR/AUD Weekly Chart



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# EUR/NZD - Daily Chart

Nears the 200 day moving average at 1.6351; looks to be range bound between 1.70 and 1.59

- › EUR/NZD remains essentially range bound between its 1.6998 December peak and the 1.5915 November low, having come off the former level over the past few days and nearing the 200 day moving average at 1.6351.
- › Failure there could lead to the next lower 1.6147/1.6019 support zone, made up of the 78.6% Fibonacci retracement of the November-to-December rally and the September, October and November 18 lows, to be revisited. If so, it should hold there, though, and then bounce back.
- › We believe that over the next few months the 2011-14 downtrend line at 1.6942 will be overcome with the 2013 peak at 1.7282 then being in the picture. For this to happen a daily close above the 1.6998 December high will need to be made and only this would change our neutral one month view to a bullish one.
- › While trading above the November low at 1.5915 we will stick to our currently neutral forecast.

EUR/NZD Daily Chart

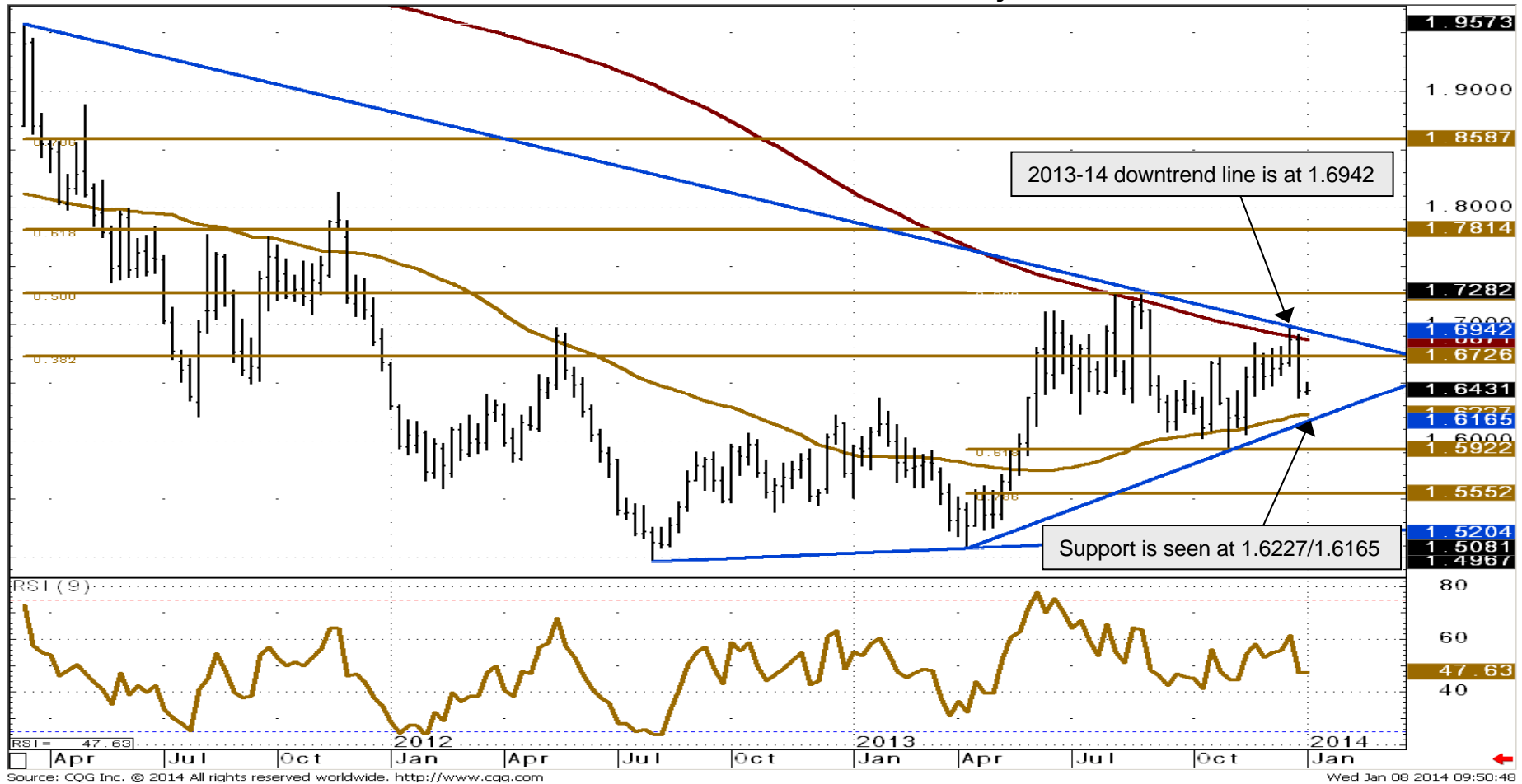


Support	Resistance	1-Week View	1-Month View
1.6351/29	1.6584&1.6727	➔	➔
1.6147/1.6019	1.6832/1.6998		

# EUR/NZD - Weekly Chart

Drops back towards the 1.6227/1.6165 support zone

EUR/NZD Weekly Chart



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# EUR/CAD - Daily Chart

Is rising to its December peak at 1.4819, a close above which will eye the 1.5186/1.5453 zone

- Early this week EUR/CAD bounced off its current January low at 1.4410 and shot back up towards the December peak at 1.4819.
- Once a daily close above this level has been made, the psychological 1.5000 region will be back in the picture and then the 1.5186/1.5453 resistance zone. It encompasses the June, July and October 2009 lows and the 61.8% Fibonacci retracement of the 2008-12 decline (please see the weekly chart on the next page).
- We will retain our immediately bullish view while EUR/CAD stays above the current January low at 1.4410.
- Our medium term bullish outlook will be maintained while the currency pair remains above the November low at 1.3887. Good support above this level can be seen between the 61.8% and 78.6% Fibonacci retracements at 1.4243/1.4086.

EUR/CAD Daily Chart

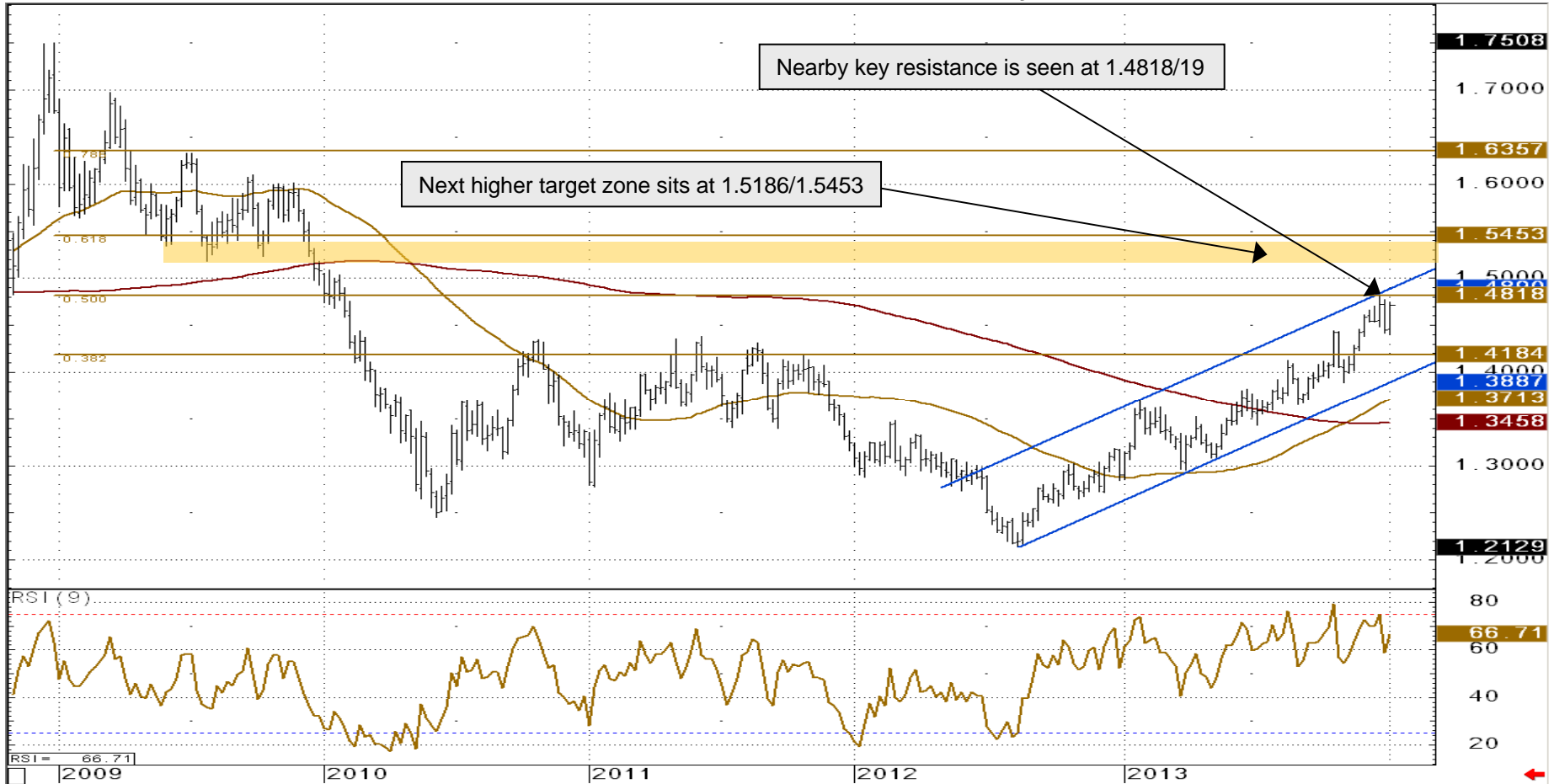


Support	Resistance	1-Week View	1-Month View
1.4483/10	1.4819&1.5000	➔	➔
1.4353&1.4243	1.5186/1.5453		

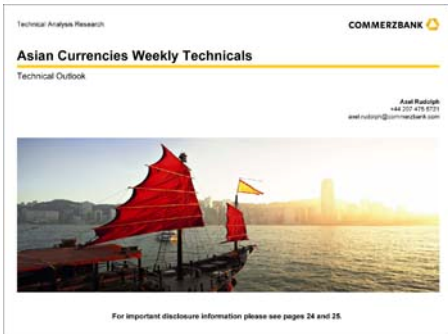
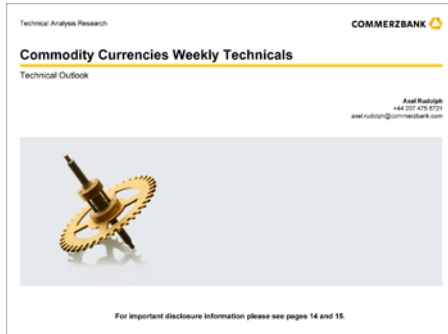
# EUR/CAD - Weekly Chart

A rise above the 1.4819 December high will lead to the 1.5186/1.5453 region being in focus

EUR/CAD Weekly Chart



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- Wednesday:** Daily Market Technicals (FX), Strategic Technical Themes;
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