

# Commodity Currencies Weekly Technicals

Tuesday, 11 March 2014

## Technical Outlook

<p><b>1</b> Technical Analysis Banks Commerzbank</p> <p>Source: Euromoney FX Poll 2012</p> <p>2012  EUROMONEY</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  thetechnicalanalyst</p>	<p><b>2</b> 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

The Kiwi Dollar remains short term bid but other commodity currencies stay under pressure

Market	Short term view (1–3 weeks)
NZD/USD:	Is getting ever closer to the .8527/45 October highs and resistance area; above it lies .8587.
AUD/NZD:	AUD/NZD is once again slipping but is expected to remain above the January low at 1.0493.
USD/CAD:	Is heading back up to the 1.1189/1.1238 resistance zone which is expected to soon give way.
EUR/AUD:	Continues to trade within the 1.5598/1.4985 band and thus stays sidelined.
EUR/NZD:	Slips back towards the 1.6316/1.6197 support area which we expect to once again hold.
EUR/CAD:	Retests strong resistance at 1.5186/1.5467, a daily close above which will target 1.5686/1.6000.

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

The New Zealand Dollar continues to appreciate versus the US Dollar

AUD-USD X-RATE (AUDUSD Curncy)

[update](#)

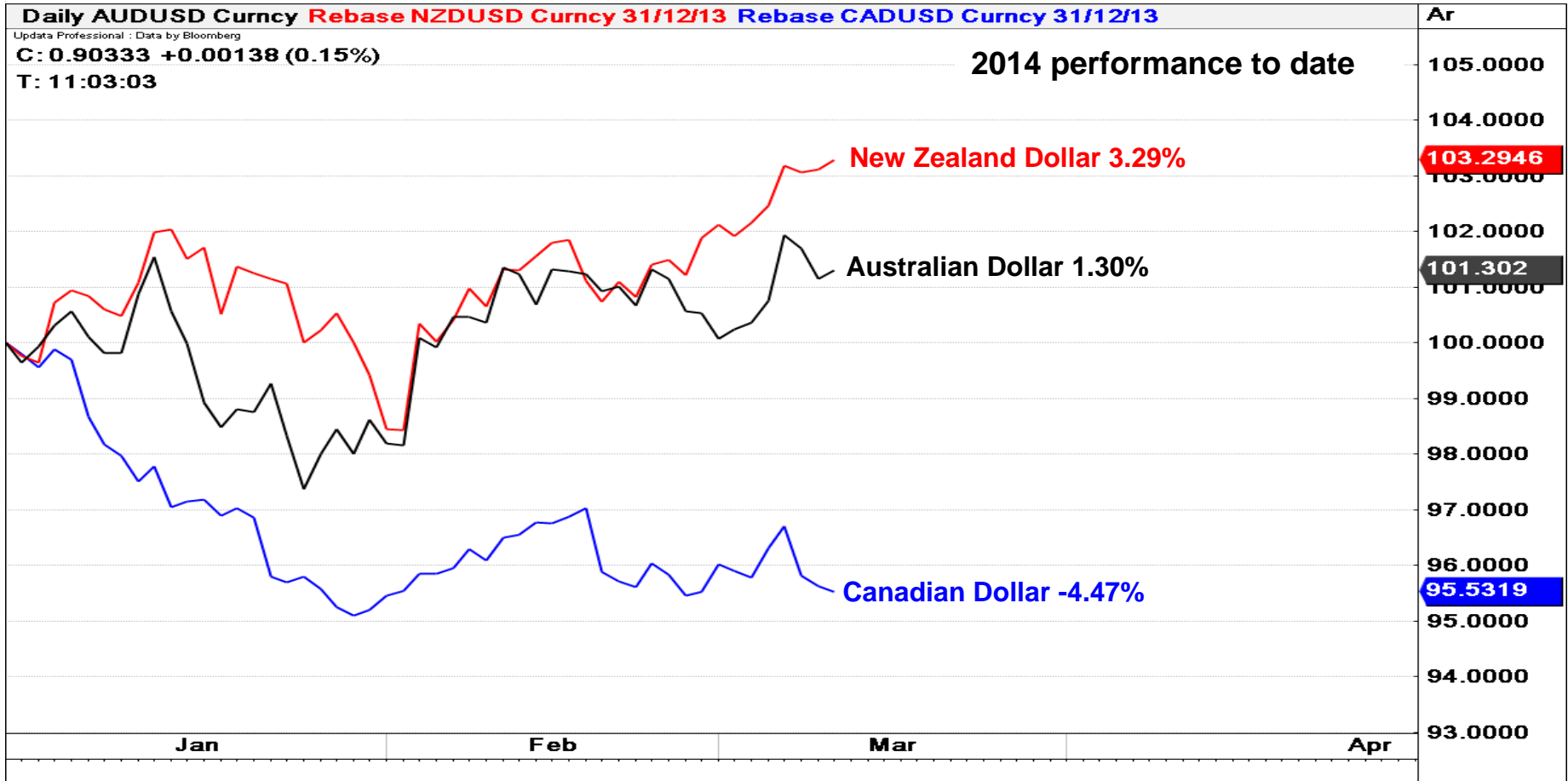
Daily AUDUSD Curncy **Rebase NZDUSD Curncy 31/12/13** **Rebase CADUSD Curncy 31/12/13**

Update Professional : Data by Bloomberg

C: 0.90333 +0.00138 (0.15%)

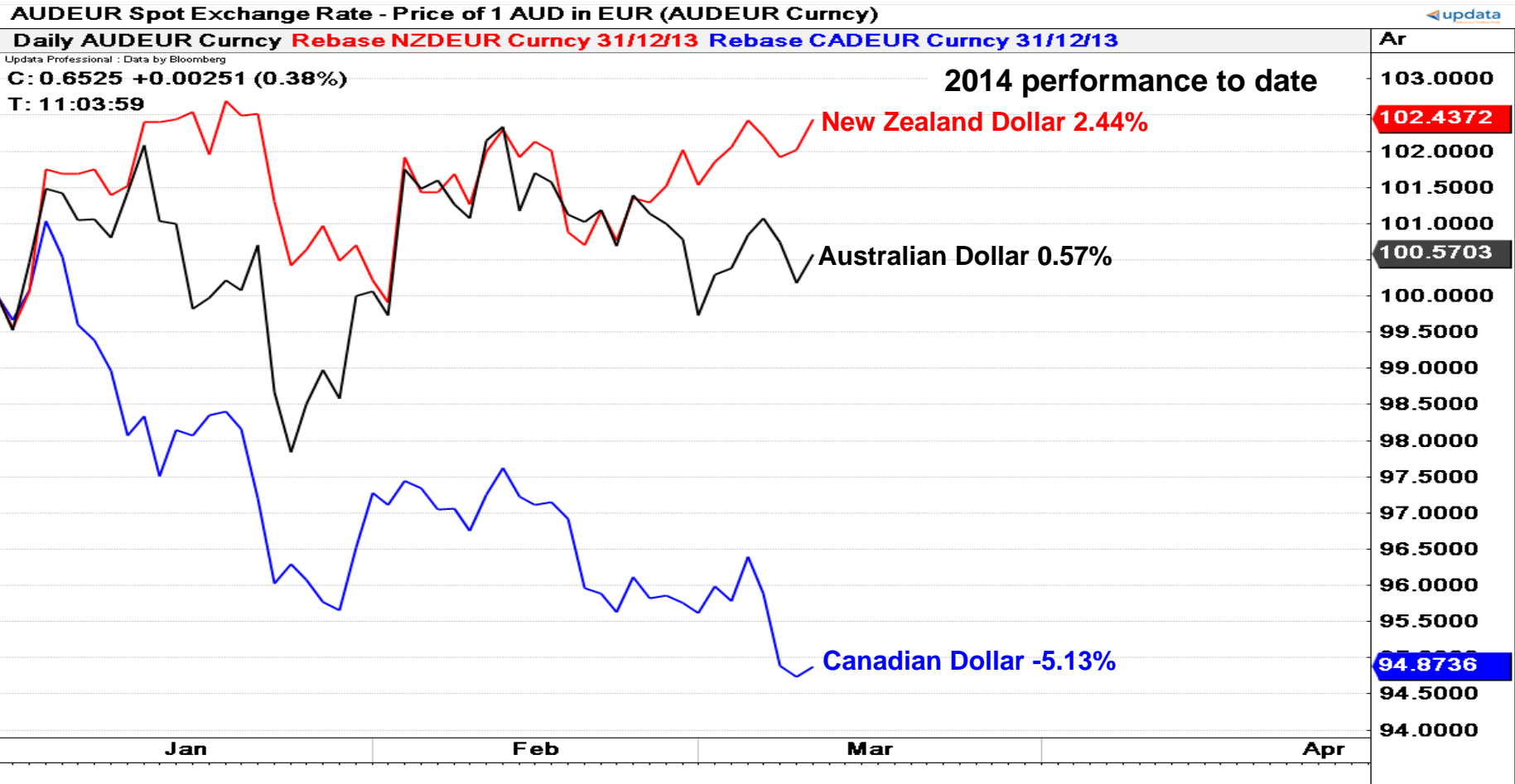
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2014 performance to date



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

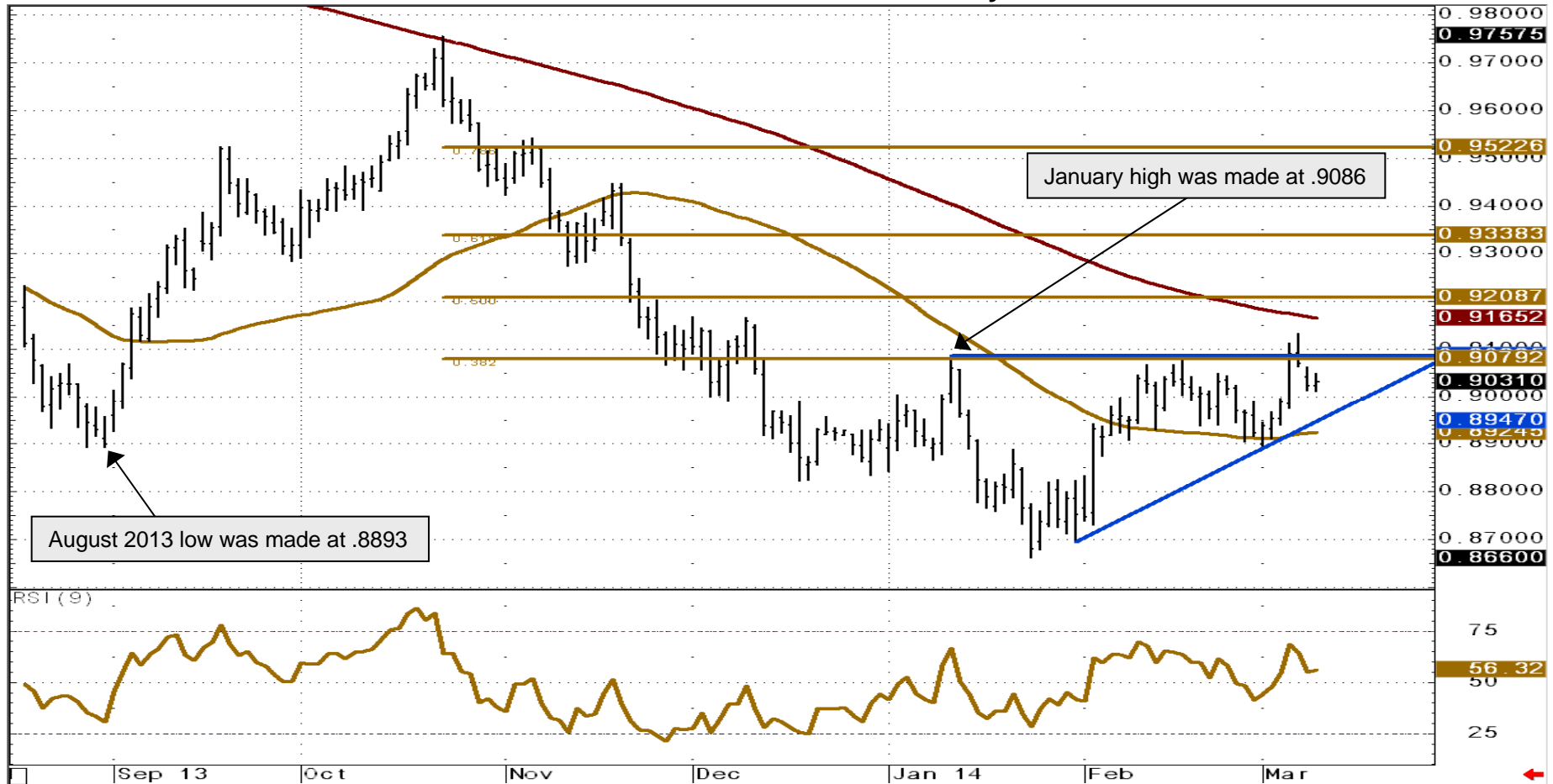
The Canadian Dollar continues to depreciate versus the Euro



# AUD/USD - Daily Chart

Please see comments in this morning's Daily Market Technicals

AUD/USD Daily Chart



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# NZD/USD - Daily Chart

Is getting ever closer to the .8527/45 October highs and resistance area; above it lies .8587

- › NZD/USD once again tries to reach the .8527/45 resistance area which is made up of the October highs. We still believe that a top will be formed in the coming days.
- › Should a daily close above .8545 be made, though, the 2011-14 resistance line at .8587 will be in focus but should cap. If not, the 2013 peak at .8678 would be back in play.
- › Bullish upside pressure will be maintained while the currency pair trades above the five week support line at .8407.
- › Minor support can be seen around the .8394 mid-February high and then at the .8343 march 3 low. Only unexpected failure there would alleviate current upside pressure.

NZD/USD Daily Chart

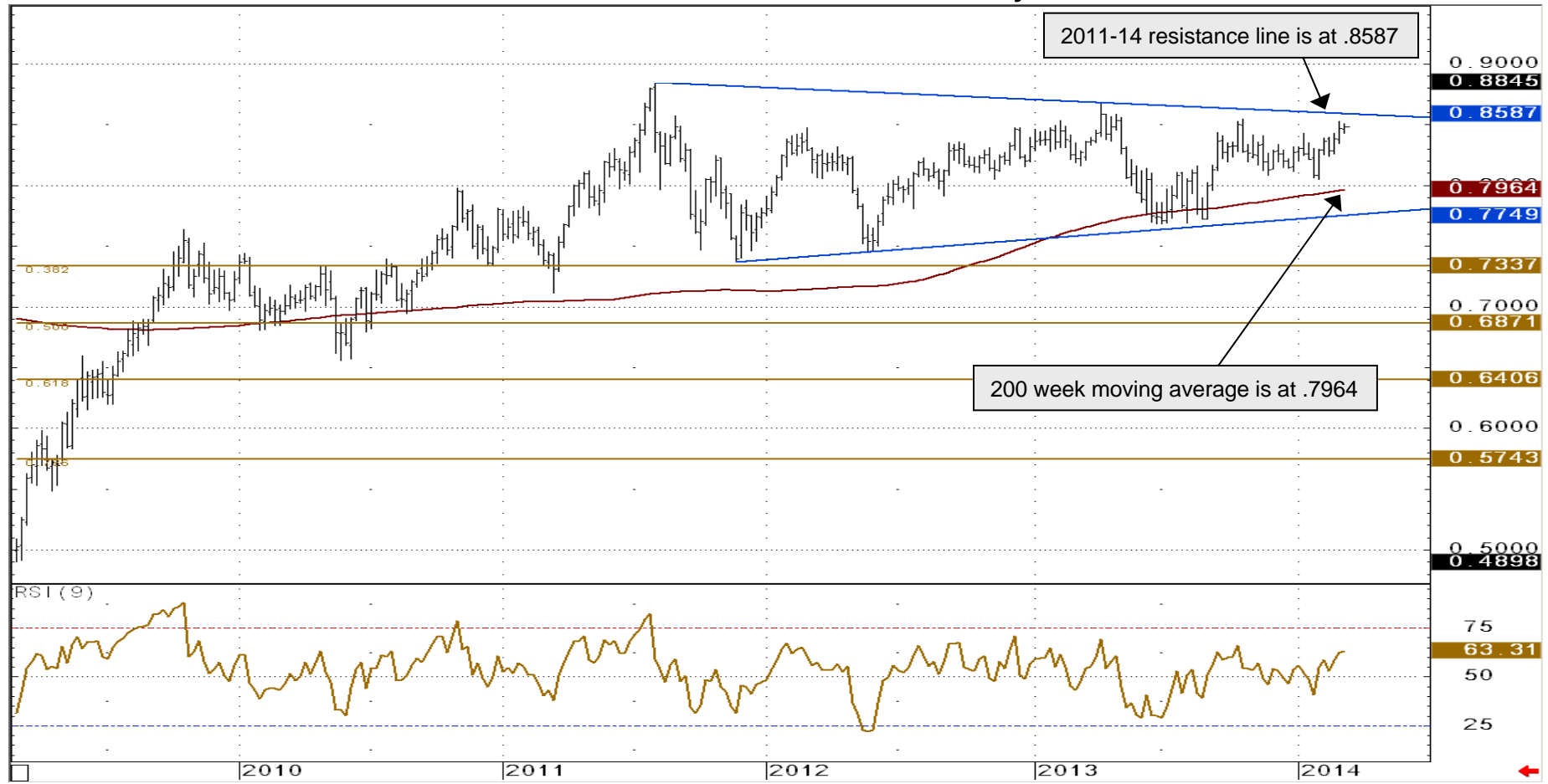


Support	Resistance	1-Week View	1-Month View
.8432&.8407	.8527/45	➔	➔
.8394&.8343	.8587&.8678		

# NZD/USD - Weekly Chart

Nears the 2011-14 resistance line at .8587 which is likely to cap again

NZD/USD Weekly Chart



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# AUD/NZD - Daily Chart

AUD/NZD is once again slipping but is expected to remain above the January low at 1.0493

- › AUD/NZD's decline from the 1.0948 early February high is ongoing but we expect it to halt ahead of or within the major support area at 1.0501/1.0434. This is made up of the 1995 and 2005 lows and should again hold, if retested.
- › Minor support above the major support area can be seen between the 78.6% Fibonacci retracement of the January-to-February rise at 1.0590 and the January 16 low at 1.0543.
- › Resistance between the mid-February low at 1.0735 and the 38.2% Fibonacci retracement at 1.0774 will need to be overcome, for the one month resistance line at 1.0831 to be back in play.
- › Once this resistance line has been broken, the 2013-14 resistance line at 1.0933 and then the August and September lows at 1.1157/99 will be targeted. There the currency pair is likely to struggle, though.

Support	Resistance	1-Week View	1-Month View
1.0590/43	1.0735/74	➔	➔
1.0501/1.0493	1.0892/1.0933		

## NZD/USD Daily Chart

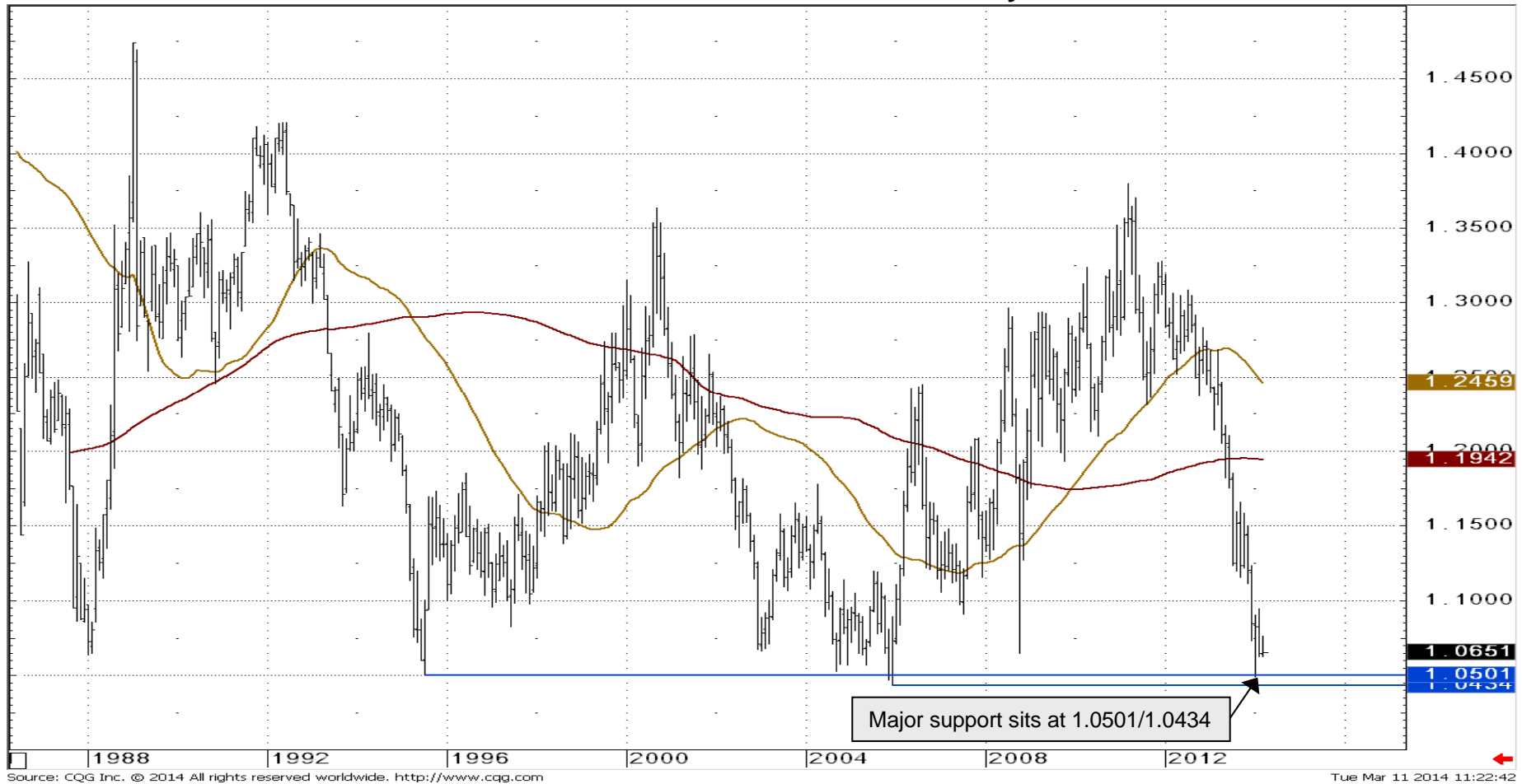




# AUD/NZD - Monthly Chart

Drifts back towards the 1.0501/1.0434 major support zone

NZD/USD Monthly Chart



# USD/CAD - Daily Chart

Is heading back up to the 1.1189/1.1238 resistance zone which is expected to soon give way

- › USD/CAD is about to hit the February high at 1.1189, a rise above which will push the January peak at 1.1224 and the 50% retracement of the 2009-11 decline at 1.1238 back to the fore.
- › We still expect the 50% retracement at 1.1238 to be overcome with the minor psychological 1.1500 level and the 38.2% Fibonacci retracement at 1.1533 being in focus.
- › Over the course of this year the next higher 1.1669 61.8% Fibonacci retracement and the 1.1722 July 2009 peak could also be reached.
- › Only unexpected failure at the 1.0912 February low would push the 1.0736 December high back to the fore.
- › Support remains to be seen along the four month support line at 1.0983 and between the 55 day moving average at 1.0967 and the February trough at 1.0912.

USD/CAD Daily Chart

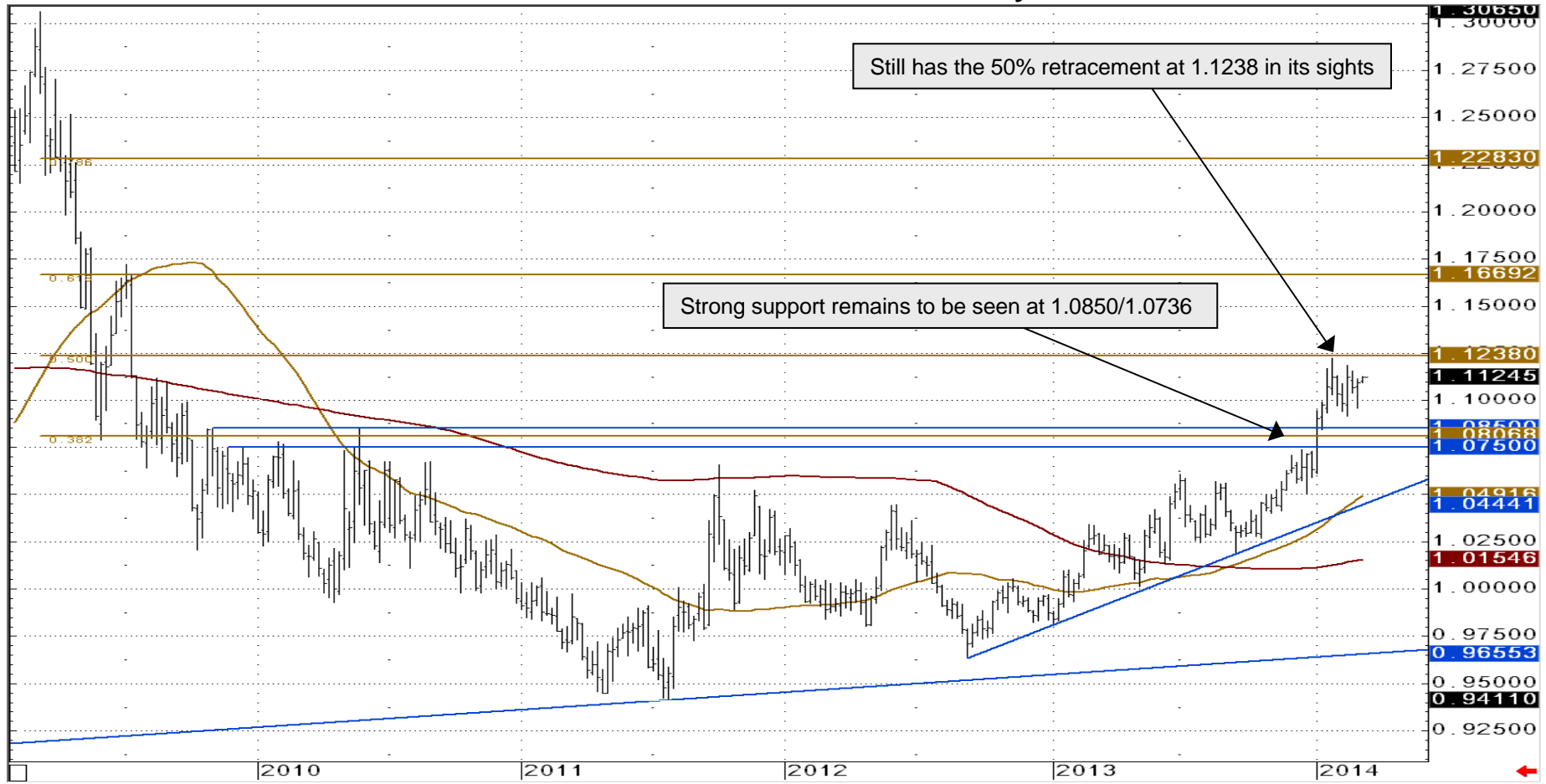


Support	Resistance	1-Week View	1-Month View
1.0983/37	1.1189/1.1238	➔	➔
1.0912&1.0736	1.1500/33		

# USD/CAD - Weekly Chart

Still targets the 1.1224 January peak and 50% retracement at 1.1238

USD/CAD Weekly Chart



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# EUR/AUD - Daily Chart

Continues to trade within the 1.5598/1.4985 band and thus stays sidelined

- EUR/AUD's decline off the 1.5833 January high has taken it to the February low at 1.4985 from where it bounced back to the 1.5501 level before slipping again.
- We still expect to see further range trading between the 1.5509/98 resistance zone, made up of the December peaks, and the 1.5034/1.4985 support area, consisting of the January and February lows and the August high.
- The January peak at 1.5833 and our medium term 1.5926/1.6050 target zone will remain on the back burner as long as no daily close above 1.5598 has been seen. It is where the February and June 2008 lows were made.
- For now unexpected failure at 1.4985 would push the 1.4800 December low back to the fore. Below it sits the minor support zone at 1.4731/09 where the 61.8% Fibonacci retracement and the November 26 low are seen. These levels we do not expect to be hit any time soon.

EUR/AUD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.5189/16	1.5424&1.5501	➔	➔
1.5031/1.4985	1.5598&1.5675		

# EUR/AUD - Weekly Chart

Remains sidelined between the 1.5833 January high and 1.4985 February low

EUR/AUD Weekly Chart



# EUR/NZD - Daily Chart

Slips back towards the 1.6316/1.6197 support area which we expect to once again hold

- › EUR/NZD is once again dropping towards the significant support area seen between the 55 week moving average and the January, February and current March lows at 1.6316/1.6197. This we expect to once again hold.
- › While this remains the case, the three month resistance line at 1.6595 should be revisited and then breached with the January peak at 1.6789 and also the December high at 1.6998 eventually being back in the picture.
- › Should a, for now, unexpected slip through the 1.6316/1.6197 support area be seen, the major 1.6072/1.5915 support zone would be targeted. It is made up of the September, October and November lows but should underpin again, if reached at all that is.
- › As stated above, we expect the 1.6197 current March low to underpin, though, and for the currency pair to remain sidelined for several more weeks.

EUR/NZD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.6316/1.6197	1.6442&1.6488	➔	➔
1.6072/1.5915	1.6533/95		

# EUR/NZD - Weekly Chart

Still flirts with 55 week moving average at 1.6316

EUR/NZD Weekly Chart



# EUR/CAD - Daily Chart

Retests strong resistance at 1.5186/1.5467, a daily close above which will target 1.5686/1.6000

- › This week EUR/CAD made another new five year high, this time at 1.5465, at the top of the 1.5186/1.5467 resistance zone (early May, June, July and October 2009 lows and 61.8% Fibonacci retracement of the 2008-12 decline).
- › This resistance zone may still cap in the days to come and we could also still see a minor consolidation and a retest of the two month support line at 1.5185 since the daily RSI is now showing triple negative divergence.
- › The next lower 1.4999/1.4787 support zone (February lows, 55 day moving average, December high and January 20 low) we do not expect to be retested, though.
- › Should a daily close above 1.5467 be made, though, the March 2007 high at 1.5686 should be bettered with the psychological 1.6000 region and the September 2009 high at 1.6099 then being targeted. We will retain our medium term bullish view while EUR/CAD stays above the January low at 1.4410.

EUR/CAD Daily Chart



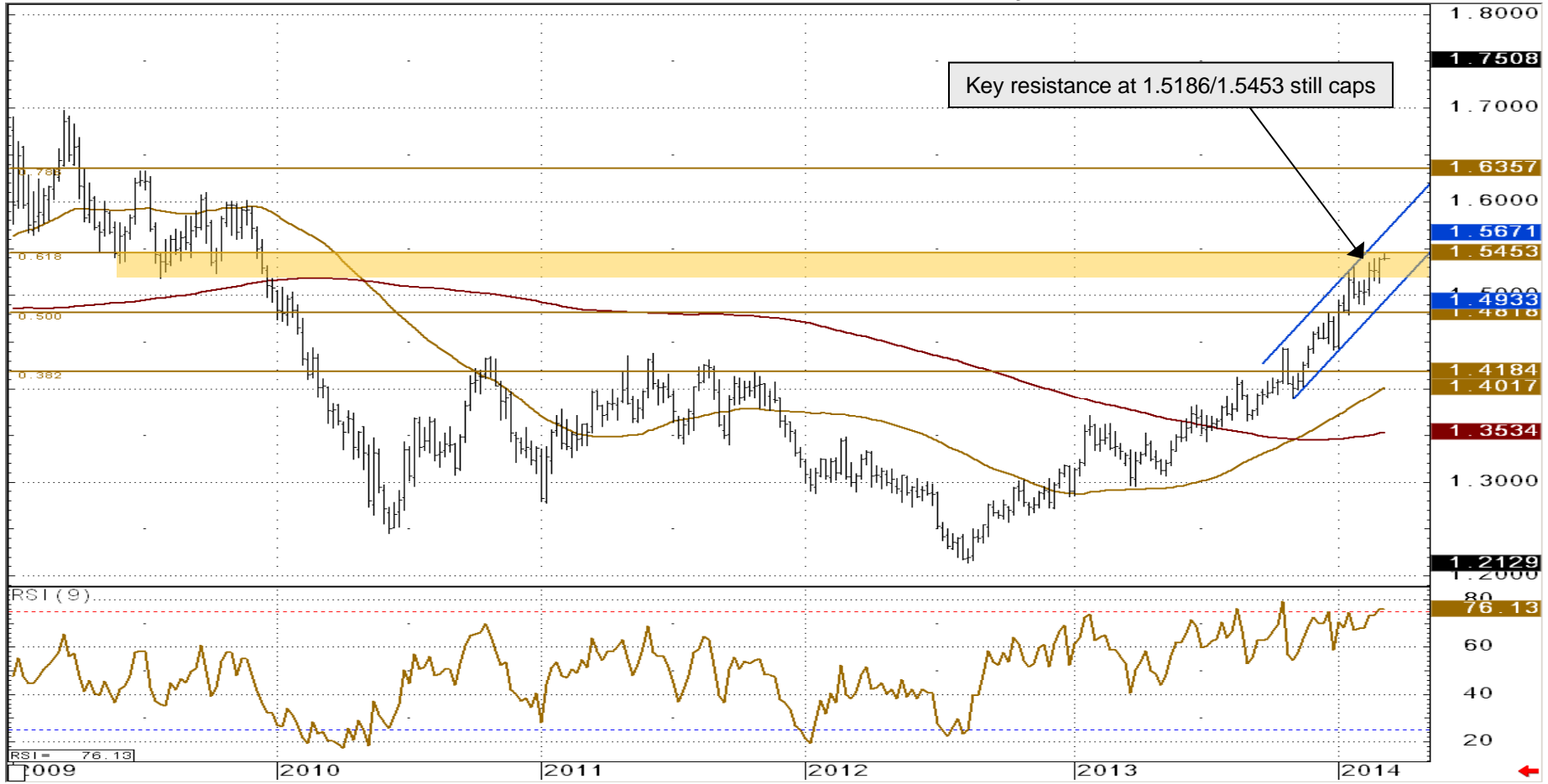
Support	Resistance	1-Week View	1-Month View
1.5185&1.5134	1.5467&1.5686	➔	➔
1.4992/08	1.6000&1.6313		



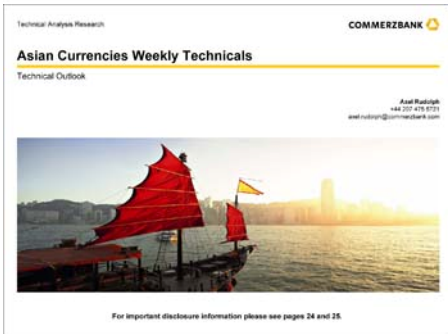
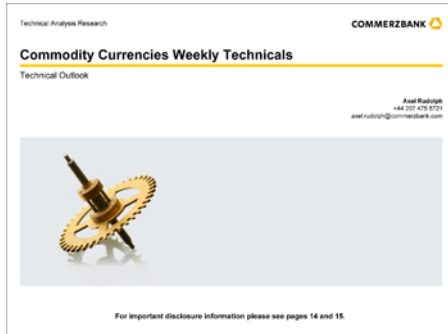
# EUR/CAD - Weekly Chart

Still probes key resistance at 1.5186/1.5467

EUR/CAD Weekly Chart



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- Wednesday:** Daily Market Technicals (FX), Strategic Technical Themes;
- Thursday:** Daily Market Technicals (FX), Asian Currencies Weekly Technicals;
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