Currency Monitor
EUR, USD, GBP, JPY, XAU, XAG

EUR versus

Currencies	FX Rate	Monthly		Weekly		Daily		Average	
		Rating	ROC	Rating	ROC	Rating	ROC	Rating	ROC
EUR/AUD	1.6263	82.9	1.6	72.3	4.1	81.1	1.3	76.1↑	2.5↑
EUR/CAD	1.5365	77.7	-0.6	63.3	5.1	83.9	-4.0	70.6↑	0.6↓
EUR/CZK	25.66	58.7	6.3	73.9	-3.9	53.9	-6.7	66.6↓	-1.7↓
EUR/CHF	1.1240	72.7	-1.8	55.2	-2.8	55.7	-4.1	57.9↑	-2.9↓
EUR/GBP	0.9019	75.0	0.7	76.5	2.6	74.7	-0.3	75.8↑	1.2↓
EUR/JPY	122.66	67.5	-4.1	52.9	-6.4	47.2	-5.0	53.7↓	-5.3↓
EUR/USD	1.1392	70.0	-3.0	55.3	4.7	73.6	0.4	62.1↑	1.1↑

The **Euro** continued its moderate uptrend versus the **AUD**:
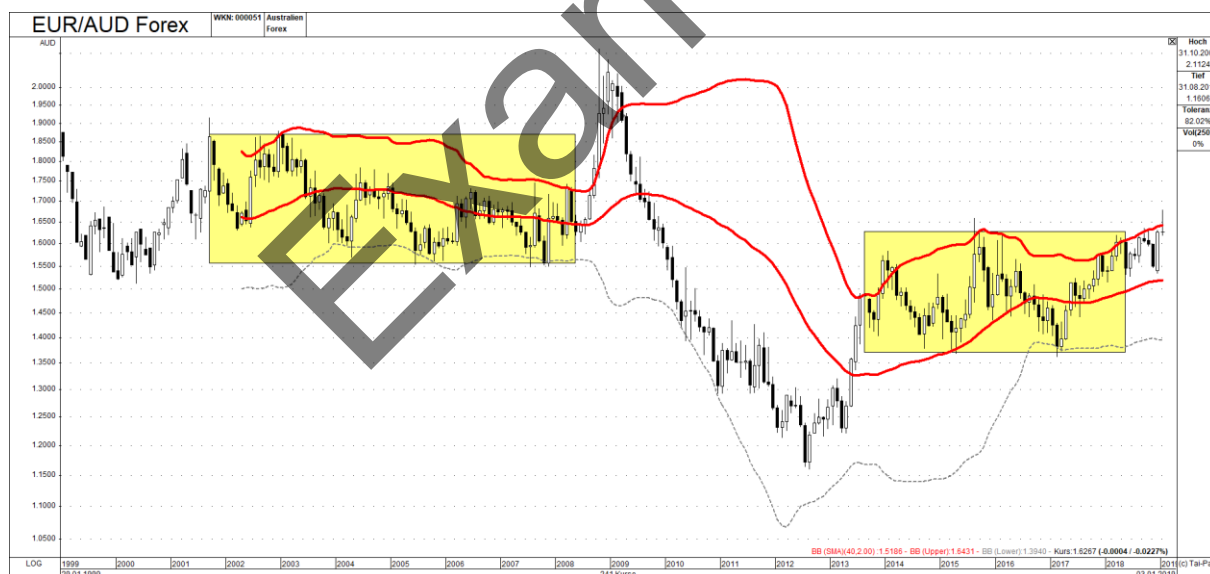
It temporarily left the "yellow" space only to return to its place within the 40-month-Bollinger-Band. We expect to see a déjà-vu: A very moderate primary uptrend marked by alternating secondary up- and downtrends. Support for the next setback is likely to be around 1.53.

No surprises in the relationship **EUR/CAD**. The Euro continued to advance within its slightly rising 40-month-Bollinger-Band:

Resistance around 1.57 and support around 1.48 are "mechanical" indicators which are likely to work out well once again.

The **Euro** remained above its support versus the **CZK**:

However, its upside momentum is in decline. We would use a stop at 25.25:

The slightly declining **Euro** versus the **CHF** is now testing its support on the 40-month-average:

We would use a stop at 1.1130.

The recovery of the **Euro** versus the **GBP** was stopped by the upper definition of the sideways trend in place since October 2017:


It may be difficult to accept that there are resistance and support areas in any traded financial instrument. The experience shows, however, that provided that the adequate Bollinger-Bands are selected the concept of support and resistance in the complex, indeterminate system is very helpful. We expect a setback of the Euro versus the GBP which is probably not breaking out of its sideways trend.

The **JPY** jumped into the New Year. This also led to a breakout of the **Euro** from an essentially sideways trend:
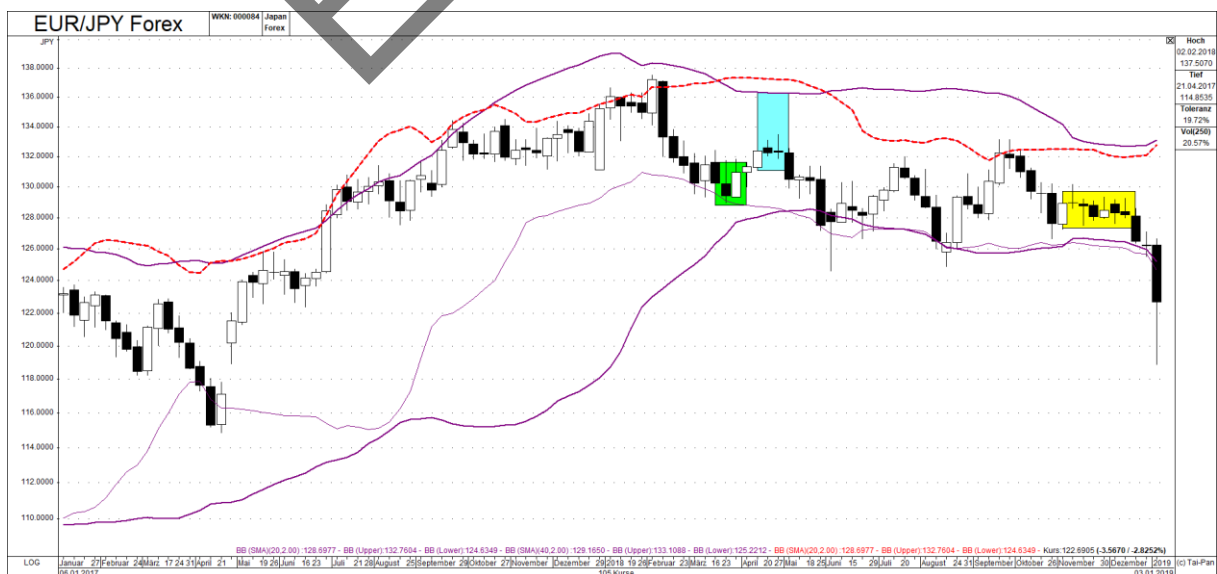
According to our short-term data, we expect volatility around 125. Medium-term the Euro is likely to move towards 113.

With the exception of the bear trap on November 12, 2018, the **Euro** has moved between support at 1.1266 and resistance at 1.1367 versus the **USD**:
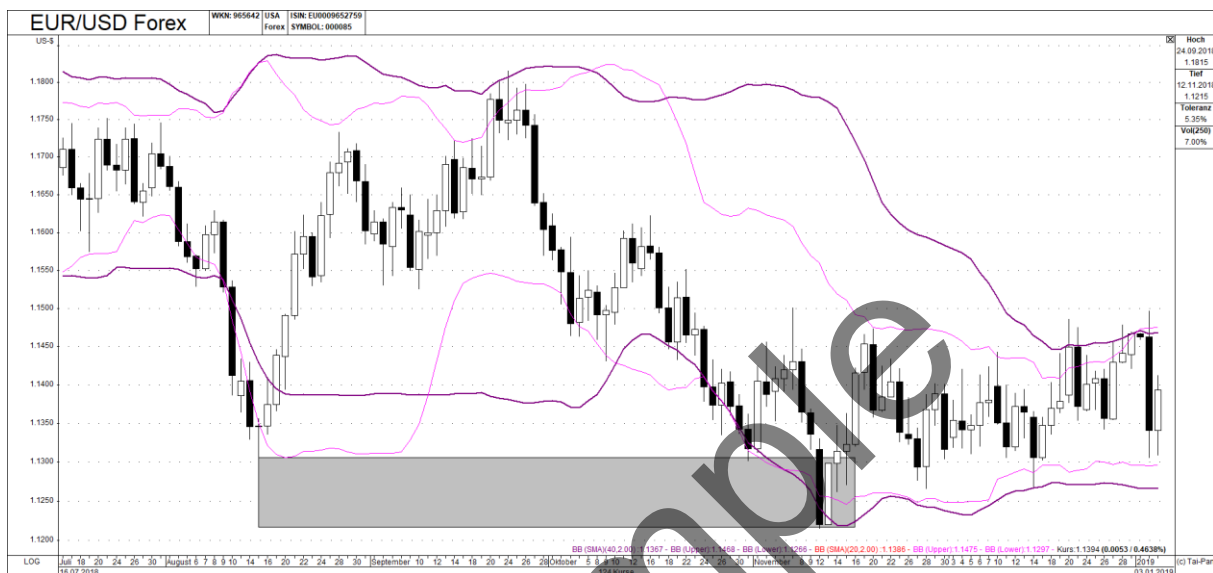
In our view, it is important that its support level does not break:

Given the unstable situation in the financial markets a breach of support would probably not be a bear trap. Quite to the contrary, we would expect the bears to smell a chance to attack the Euro.

USD versus

Currencies	FX Rate	Monthly		Weekly		Daily		Average	
		Rating	ROC	Rating	ROC	Rating	ROC	Rating	ROC
USD/CAD	1.3487	69.8	2.8	82.4	0.8	82.5	-3.8	80.5↑	0.0↓
USD/CHF	0.99	69.2	3.7	72.1	-3.9	52.8	4.3	66.8↓	0.8↓
USD/JPY	107.6500	64.4	-5.7	72.9	-4.9	50.6	-5.9	66.1↓	-5.5↓

The **USD** recovered versus the **CAD** to test its resistance:

From here, we expect a setback to around 1.30.

The currency pair **USD/CHF** develops in a sideways trend with clearly defined support and resistance levels:

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We expect volatility to continue to shrink to about 0.97 to 1.01.

The strength of the **JPY** also led to a break of the moderate uptrend of the **USD**:

Thus, the exchange rate reached in March 2018 is being registered again. We expect low volatility between 107 and 110.

GBP & JPY versus

		Monthly		Weekly		Daily		Average	
Currencies	FX Rate	Rating	ROC	Rating	ROC	Rating	ROC	Rating	ROC
GBP/CHF	1.2464	61.2	-3.6	54.7	-3.6	58.2	1.7	56.6↓	-2.0↑
GBP/USD	1.2631	60.3	-5.1	53.1	-0.9	61.1	0.0	56.2↑	-1.9↑
JPY/CHF	0.92	70.0	3.4	66.1	6.4	79.3	3.3	70.0↑	4.5↑

In the relationship **GBP/CHF**, our expectation is to see rates between 1.22 and 1.29. This is marked below in blue:

Given the unstable mood in the markets, we would observe a stop at 1.218. The news flow around Brexit is likely to have quite some influence on this exchange rate.

In the case of **GBP/USD**, the GBP has been eroding since April 2018:

For a substantial move, the market awaits exogenous impulses. To be on the safe side, we would use a stop versus the USD at 1.238.

The **JPY** also jumped versus the **CHF**. However, a breakout of the sideways trend with a moderately positive bias did not occur here:
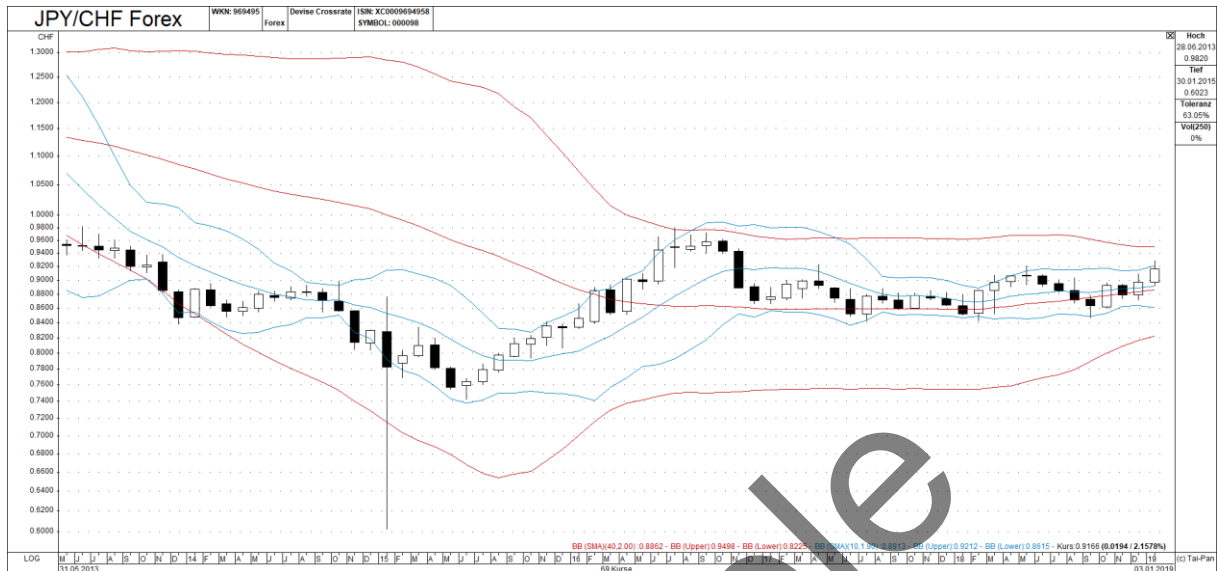
Gold & Silver versus

Name	Price	Monthly		Weekly		Daily		Average	
		Rating	ROC	Rating	ROC	Rating	ROC	Rating	ROC
Gold (USD)	1'293.61	70.9	2.8	68.1	3.7	87.9	0.8	73.5↑	2.5↑
Silver (USD)	15.7350	55.0	3.1	60.1	8.2	85.6	1.5	65.7↑	4.7↑

Gold continued its recovery after it tested support, as shown below:
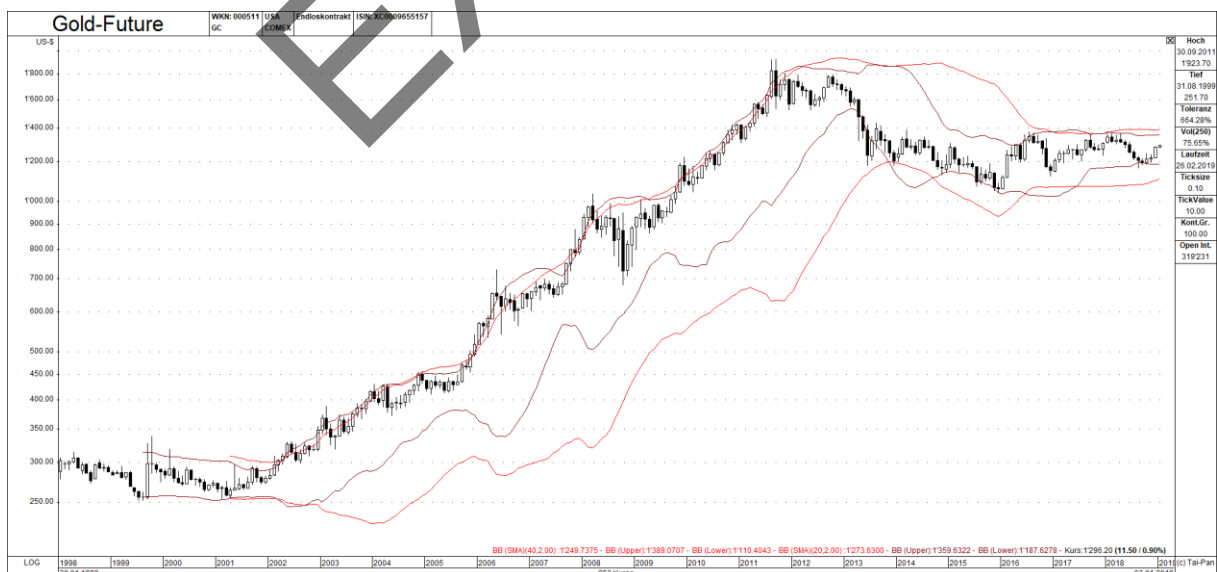
We assume a continuation towards resistance around USD 1'390.

Silver developed upside momentum after testing support. After breaking its first resistance at USD 15.39 its likely to move up towards USD 19.50:

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Appendix

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Legend

Rating	ROC (Rate of Change)	Development since previous analysis	Relative strength to index/sector
< 66 = not attractive > 66 = attractive	< 0 = negative > 0 = positive	↑ = positive → = equal ↓ = negative	< 1 = not attractive > 1 = attractive
> 80 = in conjunction with ROC < 55 = in conjunction with ROC	> +5 = negative mean-reversion < -5 = positive mean reversion		

Previous publications

22/01/2018, 21/02/2018, 27/03/2018, 17/04/2018, 19/04/2018, 24/04/2018, 27/04/2018, 15/06/2018, 16/07/2018, 09/08/2018, 10/08/2018, 13/08/2018, 18/09/2018, 18/10/2018, 16/11/2018, 17/12/2018, 04/01/2019

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