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Currency outlook for the Week 17 Aug– 21 Aug 26-Venkat's Blog

#syfx.org #Dollar Index #EUR #GBP #JPY

Dollar index (DXY)

(Chart image source: TradingView.com)

The Dollar index spent another week in almost the same range attempting to hold the long term trend line support at 99.40. DXY index has been moving in an ascending channel with support ascending channel with support at 98.90 and resistance at 102.35. The Index made a bullish candle with higher low and higher high. Upside appears to be capped at 100.40 for now. The oscillators are showing mixed signals and we can expect a consolidation between 98.70 & 100.40. A breach on either side will attract attention for a review. Crucial levels to watch are the support at 99.10 & 98.70 and resistance at 100.40 followed by 100.80. A daily close below 99.40 might trigger stops and the Index is likely to move towards 98.70.

EUR

(Chart image source: TradingView.com)

The currency pair moved in the same range as that of the previous week and made another attempt to penetrate the major resistance at 1.1560-85. The currency pair is likely to attract buying interest on any dip towards 1.1460 levels. The key levels to watch are 1.1510 and 1.1460 on the downside and 1.1585 and 1.1660 as resistance. The currency pair has to quickly reclaim the crucial 1.1580-1.1610 zone for further gains. We may see consolidation between 1.1460-1.1680.

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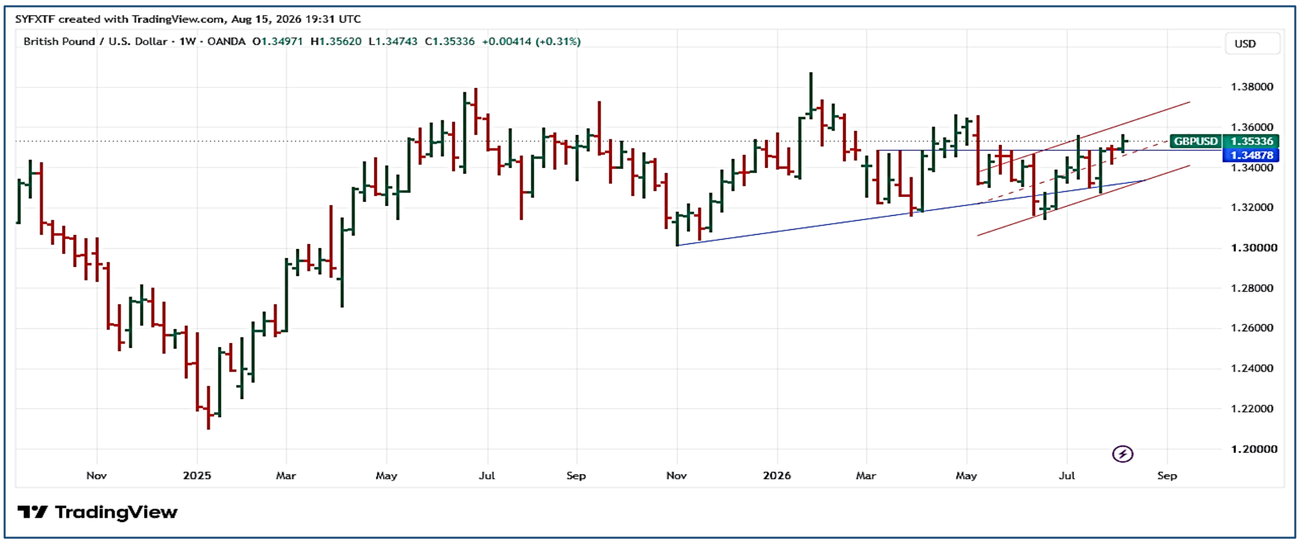
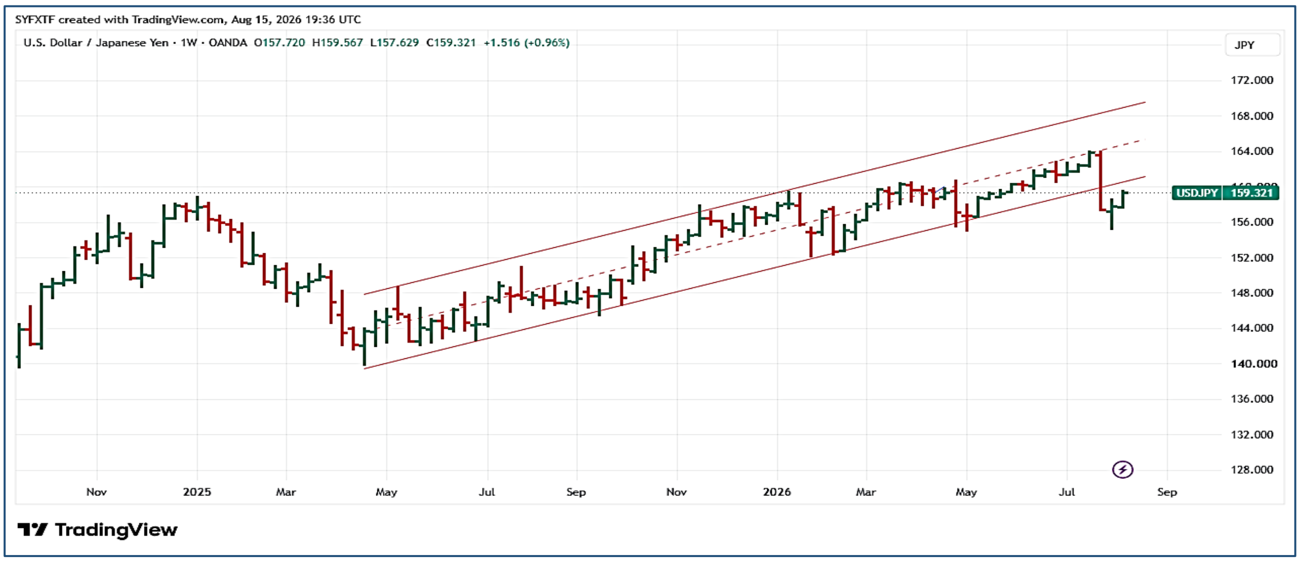
GBP



(Chart image source: TradingView.com)

The currency pair managed to break the first barrier at 1.3480 and edged higher and also managed to cross the barrier at 1.3510-30. The currency pair made a bullish candle with a higher low and higher high. Weekly close above 1.3510 is seen as positive. The currency pair is seen moving in an ascending channel with support at 1.3335 and top resistance at 1.3630. The present set-up suggests that the currency pair is likely to consolidate in the range of 1.3480 & 1.3630. The oscillators are showing mixed signals. A break on either side will trigger 75-100 pips move in the direction of the breach.

JPY



(Chart image source: TradingView.com)

The currency pair made a reactive for the second consecutive week pullback. However, the upside appears to be capped at 160.60 which is the channel which it breached during the intervention. The target for the breach of the ascending channel starting form Apr 25 is 151. The present setup suggests that the currency pair may find interest on both sides between 157.30 & 160.60. Break on either side would trigger stops which could see 50-70 pips move in the direction of breach. The outlook remains negative.

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