

Currency outlook for the Week 16 Feb– 20 Feb 26-Venkat's Blog

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

Dollar index (DXY)



(Chart image source: TradingView.com)

The Dollar index remained under pressure. It failed to retain the momentum and the gains made in the previous 2 weeks. The outlook for DXY seems to be negative. We can expect a consolidation between 95.40 & 97.70. Only a breach on either side will attract attention for a review. Crucial levels to watch are the support at 96.30 & 95.40 and resistance at 97.70 followed by 98.30. The oscillators are showing mixed signals. We can't expect any major rebound as the Dollar Index is consolidating in the range of 96.40-99.40 from June 25 with marginal breaches a couple of times. If the crucial 96.40 breaks again on a daily closing basis, we may see DXY drifting towards 93-.

EUR



(Chart image source: TradingView.com)

The currency pair is making a base around 1.1800 zone and making efforts to gain. Till the support at 1.1790 holds we can expect the currency pair to make one more attempt towards 1.2010. The currency pair moved in a range of 1.1809 & 1.1930 forming a bullish candle with higher low and higher high. Expected range for the week 1.1810-1.2010 with a neutral bias. Any breach of this range would see a quick move of 70-100 pips.

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GBP



(Chart image source: TradingView.com)

The currency pair is making efforts to re-attempt the recent highs by virtue of its support around 1.3600 levels. The pair is moving in an ascending channel with support at 1.3480 and resistance at 1.3780 with a pivot at 1.3630. It made a bullish inside candle with higher low and lower high. The current set-up suggests that the currency pair is likely to consolidate in the range of 1.3600- 1.3770 with a neutral bias. Breach on either side would make the pair move by another 75-100 pips in the direction of breach.

JPY



(Chart image source: TradingView.com)

The currency pair had one of its sharp falls during the week. The currency pair is moving in an ascending channel with top at 160.60 and the lower end support at 152.40. The weekly close is just around the support zone. The momentum towards sell-off is likely to continue if it breaches 152. We can expect increased volatility with interest on both sides. The oscillators showing mixed signals. We can expect a consolidation in the range of 150.50-155.70. A daily close below 152.20 could signal possibilities of lower range. We may see volatile sessions with stops getting triggered on either side. As highlighted in earlier blogs, the currency pair has a tendency to fall from 158-160 levels to 140. It remains to be seen if we are heading towards similar scenario.

#Stay safe

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