

Currency outlook for the Week 14 Jul – 18 Jul 25-Venkat's Blog

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

Dollar index (DXY)



(Chart image source: TradingView.com)

The Dollar index continues to move within the descending channel. DXY makes a base at 97.10 and is ready to move higher. The weekly closing above 97.70 and the a positive candle following a tiny hammer type candle during the previous week indicates that the DXY is likely to attempt 99.10. The outlook for DXY seems to turn positive in the shorter term. At least for now the crucial support at 96.20-96.40 zone is protected. As noted in the previous blog the level held for couple of weeks and we may see rebound of DXY. We can expect the DXY to consolidate between 97.10 & 99.10. Only a breach on either side will attract attention for a review. Upside remains capped at 99.60 and a daily close above this level is required for DXY to see higher levels. Crucial levels to watch are the support at 97.10 & 96.40 and resistance at 98.50 followed by 99.10. The oscillators are turning positive.

EUR



(Chart image source: TradingView.com)

The currency-pair remained in a narrow range and could not break 1.800. The buying interest may continue till it remains above 1.610. Daily close below 1.610 would see the outlook negative for a pull back. Till such time we see a daily close above 1.830 the aim for attempting the elusive 1.2000 levels would remain a dream. The currency pair is moving in the ascending channel. The support at 1.610 is expected to hold and if breached we may see a correction towards 1.1470. Expected range for the week 1.1510-1.17140 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 GBPUSD makes a reactive wave with a second bearish candle, after a strong candle in the previous week. The weekly closing at the lower end of the price range of the week suggests further downside due to momentum. This would probably reverse the entire gains made during the last week of June and bring the levels towards 1.3400.. Its counterpart EUR too made bearish candle. However, the fall was not proportional and the relative value got adjusted in the EURGBP pair. The pair is seen moving in an parallel ascending channels. The currency pair is presently at a crucial level. Any further decline would take this to the realm of the lower parallel channel. Any pullback will be supported by buying interest around 1.3480. The key resistance is at 1.3630. The expected range for the week is 1.3480 and 1.3630 with a negative 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 USDJPY currency pair has moved out of the triangle formation and is moving in an ascending channel. The pair also managed to clear the 142-146 boxed range nearly 10 weeks with occasional breaches. The oscillators showing mixed signals. In the previous attempt the currency pair faced a sharp sell-off from 148. Once the currency pair manages break above 149 we may see further upside towards 149.80 which is the channel resistance at the top. Expected range for the week 145.80-149.80. We may see volatile sessions with stops getting triggered/

#Stay safe

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