

TECHNICAL ANALYSIS

Forex, Rates, Equity Indices and Commodities

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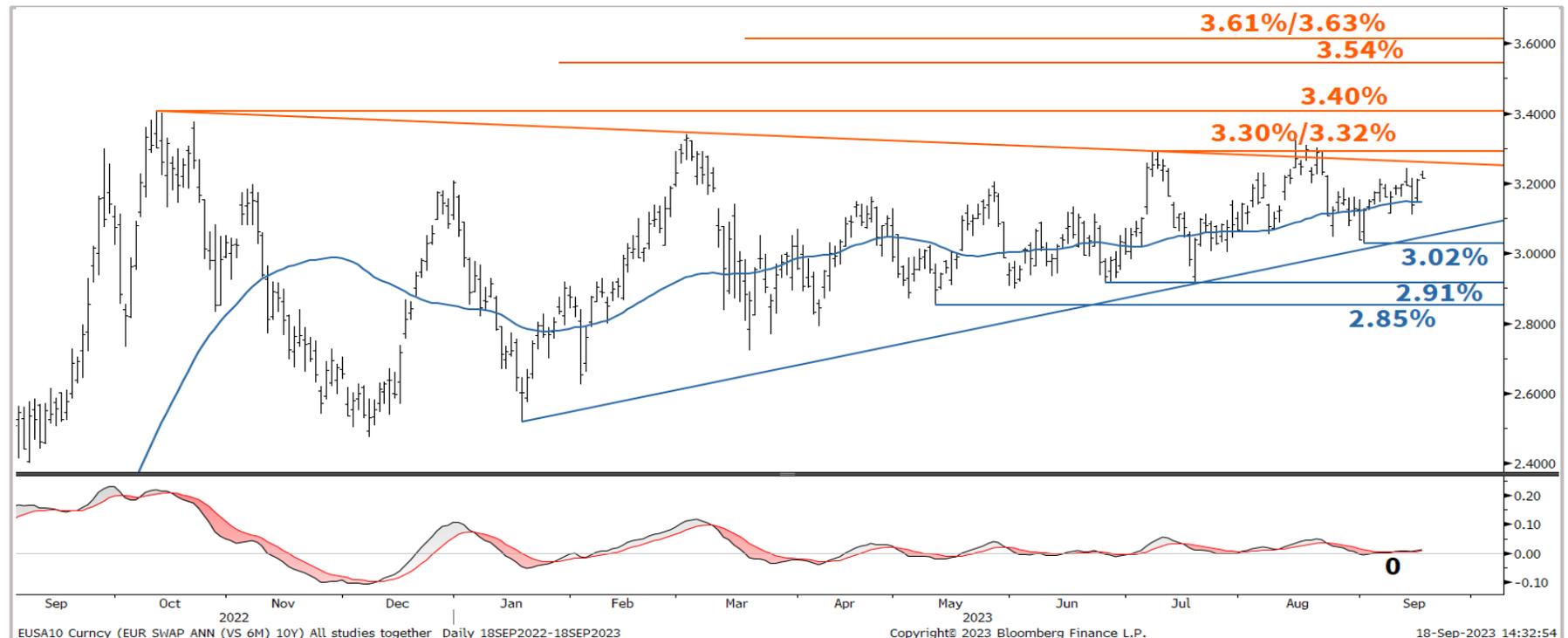
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EUR 10Y IRS: CLOSE TO UPPER LIMIT OF RANGE NEAR 3.30%/3.32%.

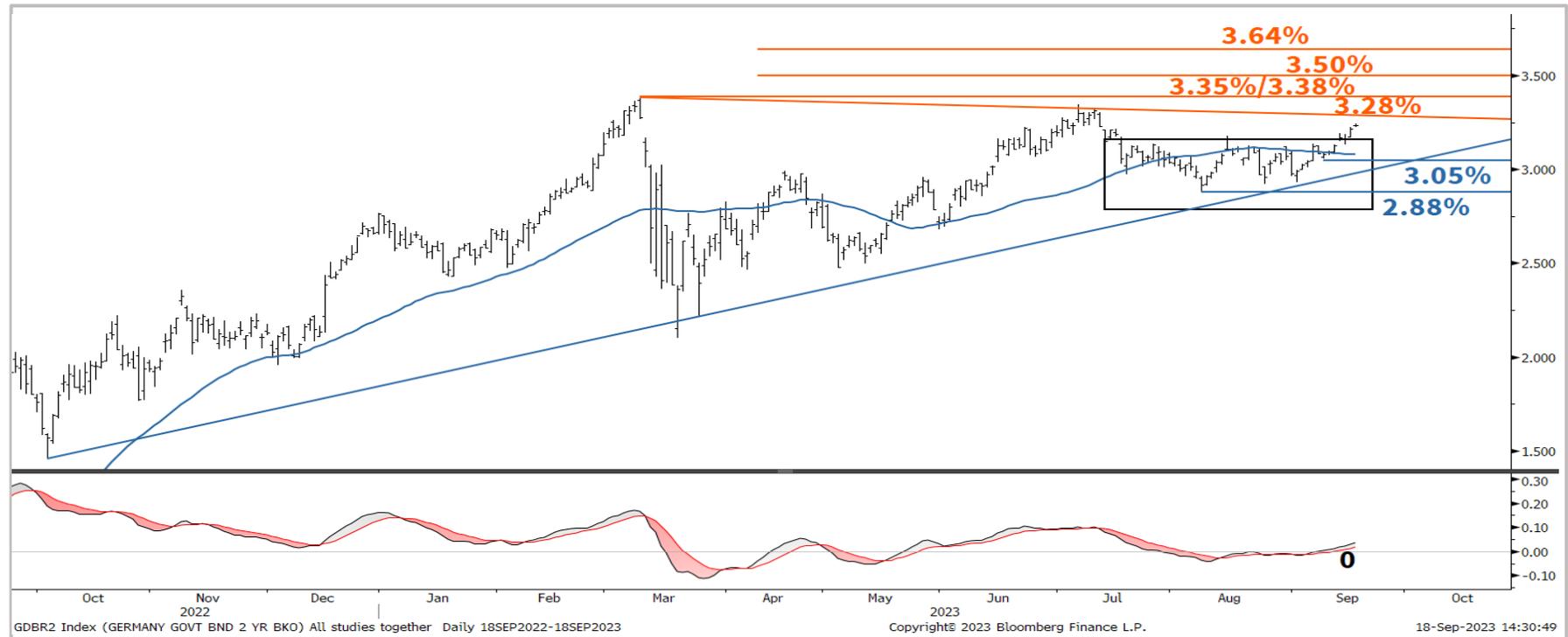
- EUR 10Y IRS has evolved within a narrowing consolidation since last year and is close to the upper limit near 3.30%/3.32%. Daily MACD is within positive territory denoting prevalence of upward momentum however a breakout above this hurdle is essential to affirm extension in uptrend. Trend line since January at 3.02% remains a key support.
- If the swap rate overcomes 3.30%/3.32%, the up move is likely to persist towards next objectives at last year peak of 3.40% and projections of 3.54%.



Source: SG Cross Asset Research/ Technical Analysis

2Y SCHATZ: EDGING /TOWARDS 3.35%/3.38%.

- 2Y Schatz evolved within a narrow range since late July crisscrossing around the 50-DMA. It has finally overcome the upper limit denoting regain of upward momentum. This is also highlighted by daily MACD which has entered positive territory. A retest of March / July highs near 3.35%/3.38% is expected. Once this is overcome, a larger uptrend can't be ruled out. Next objectives are located at projections of 3.50% and 3.64%.
- Recent pivot low at 3.05% is near term support.



Source: SG Cross Asset Research/ Technical Analysis

US 10Y IRS: HURDLE AT 4.10% FOR UPTREND TO EXTEND.

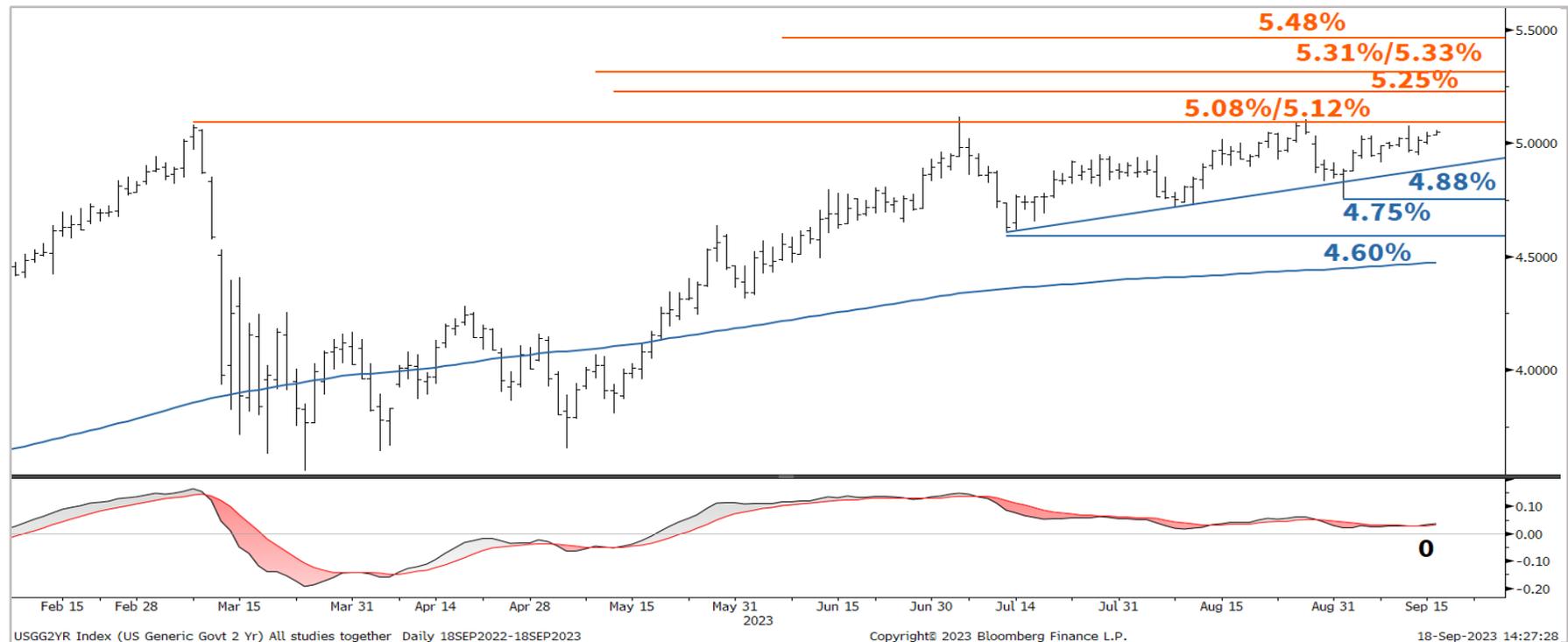
- US 10Y IRS has staged a rebound after approaching trend line drawn since May at 3.80%/3.77%. It is gradually heading towards the crucial graphical resistance of 4.07%/4.10% representing peaks of October 2022 and August. Daily MACD has turned flat denoting receding upward momentum however signals of pullback are not yet visible. Only if 3.80%/3.77% gets violated would there be risk of a deeper downtrend.
- Once the swap rate establishes beyond 4.10%, the uptrend is likely to extend. Next objectives are at 4.21% and projections of 4.33%.



Source: SG Cross Asset Research/ Technical Analysis

2Y UST: NEW HIGHS LOOM IF 5.08%/5.12% GIVES WAY.

- 2Y UST has recently evolved within a range-bound consolidation in the form of an ascending triangle, a pattern consisting of flattish upper band and an up-sloping line as a lower limit. It is now in vicinity to the upper one at 5.08%/5.12%. An ascending triangle generally acts as a consolidation pattern within uptrends. If 2Y UST establishes above 5.12%, a larger uptrend could be expected. Next projections are located at 5.25% and 5.31%/5.33%.
Next projections are located at 5.25% and 5.31%/5.33%.
- Low formed earlier this month near 4.75% is crucial support near term.



USGG2YR Index (US Generic Govt 2 Yr) All studies together Daily 18SEP2022-18SEP2023

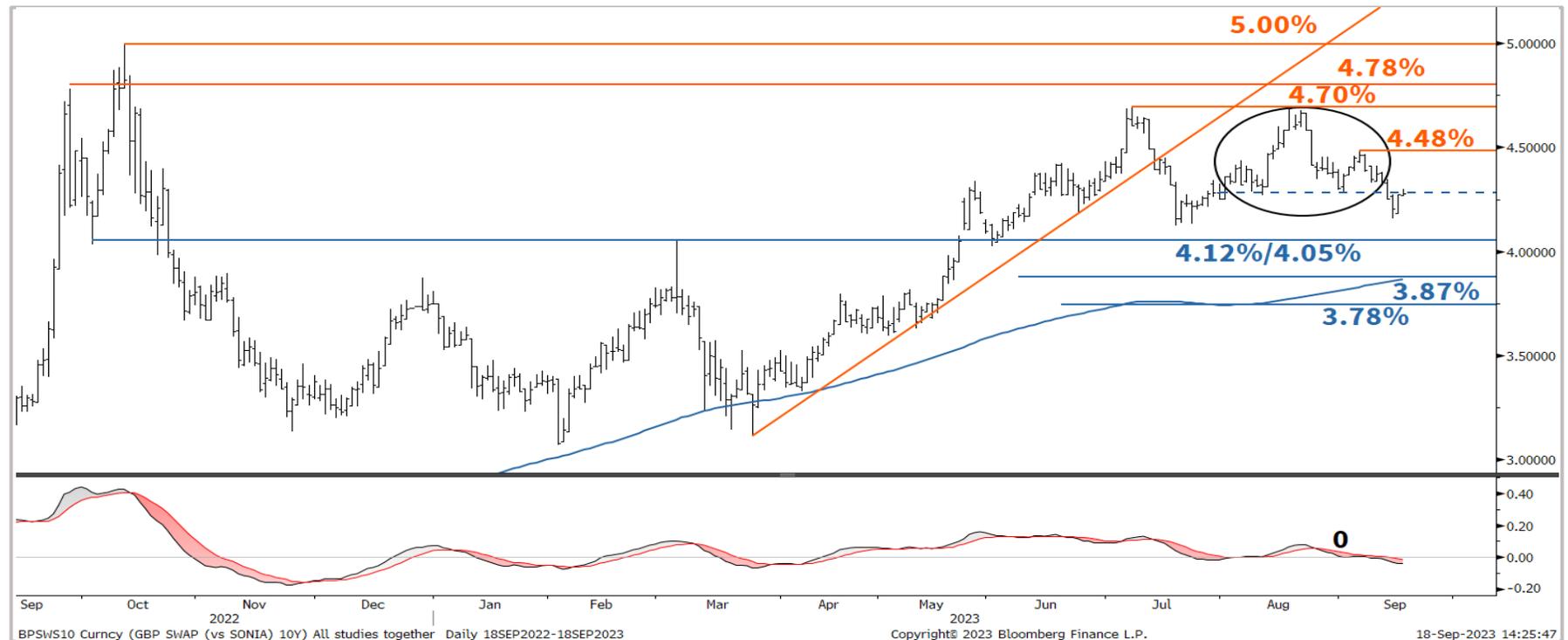
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Source: SG Cross Asset Research/ Technical Analysis

UK 10Y IRS: RETEST OF 4.12%/4.05% CAN'T BE RULED OUT.

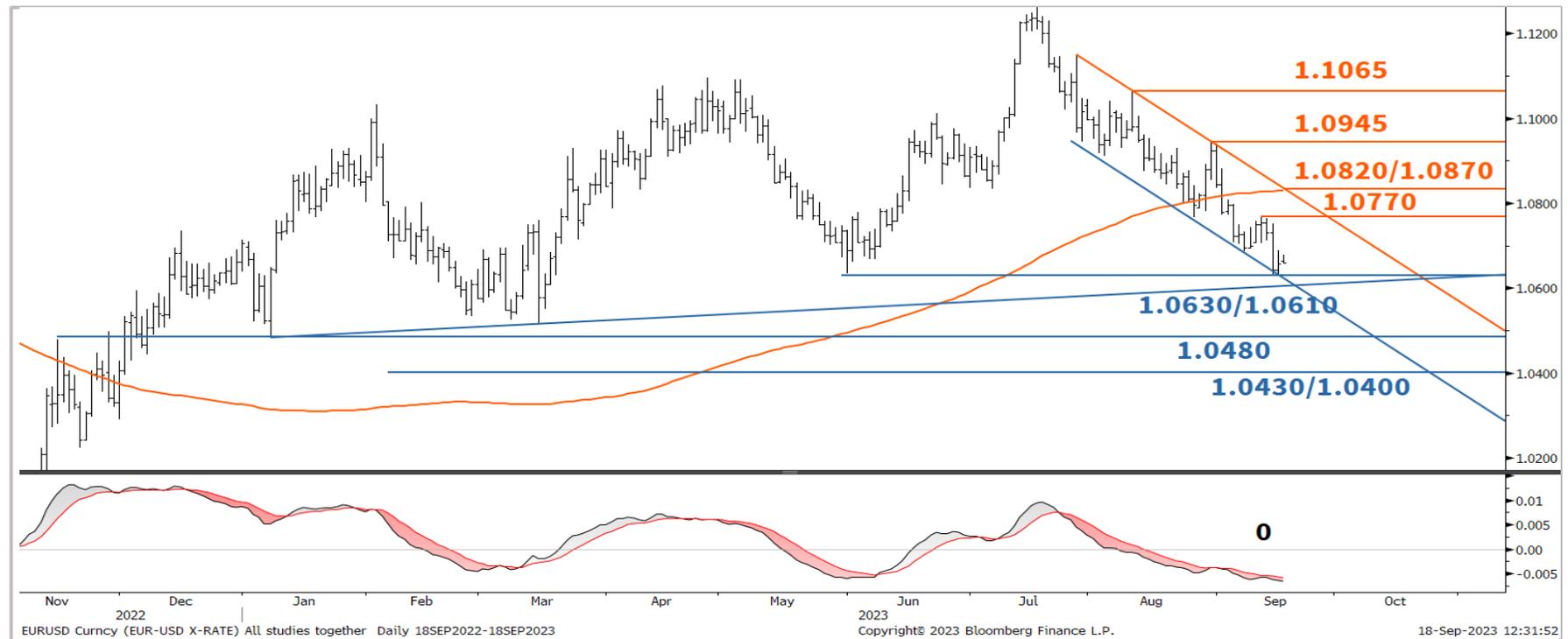
- UK 10Y IRS formed a lower peak at 4.70% as compared to the one last year at 5.00%. Recent attempt at crossing this hurdle has remained futile. The swap rate evolved within a Head and Shoulders pattern which was recently confirmed. This break highlights possibility of further downside. UK 10Y IRS is expected to head lower gradually towards the graphical levels of 4.12%/4.05% representing low of July and peak of March. Target for the formation is located at 3.87% which is also the 200-DMA.
- Right shoulder level near 4.48% must be overcome to denote negation of the pattern.



Source: SG Cross Asset Research/ Technical Analysis

EUR/USD: PROBING JUNE LOW OF 1.0630/1.0610.

- EUR/USD has experienced a steady decline within a steep descending channel and has recently reached the lower band at 1.0630/1.0610 which is also the low of June. Daily MACD is within deep negative territory denoting an overstretched move. However, signals of reversal are not yet visible. In case a short-term bounce takes shape, the 200-DMA near 1.0820/1.0870 is likely to be an important resistance zone.
- Failure to cross this MA is likely to lead to persistence in downtrend. Next potential supports are located at 1.0480 and projections of 1.0430/1.0400.



Source: SG Cross Asset Research/ Technical Analysis

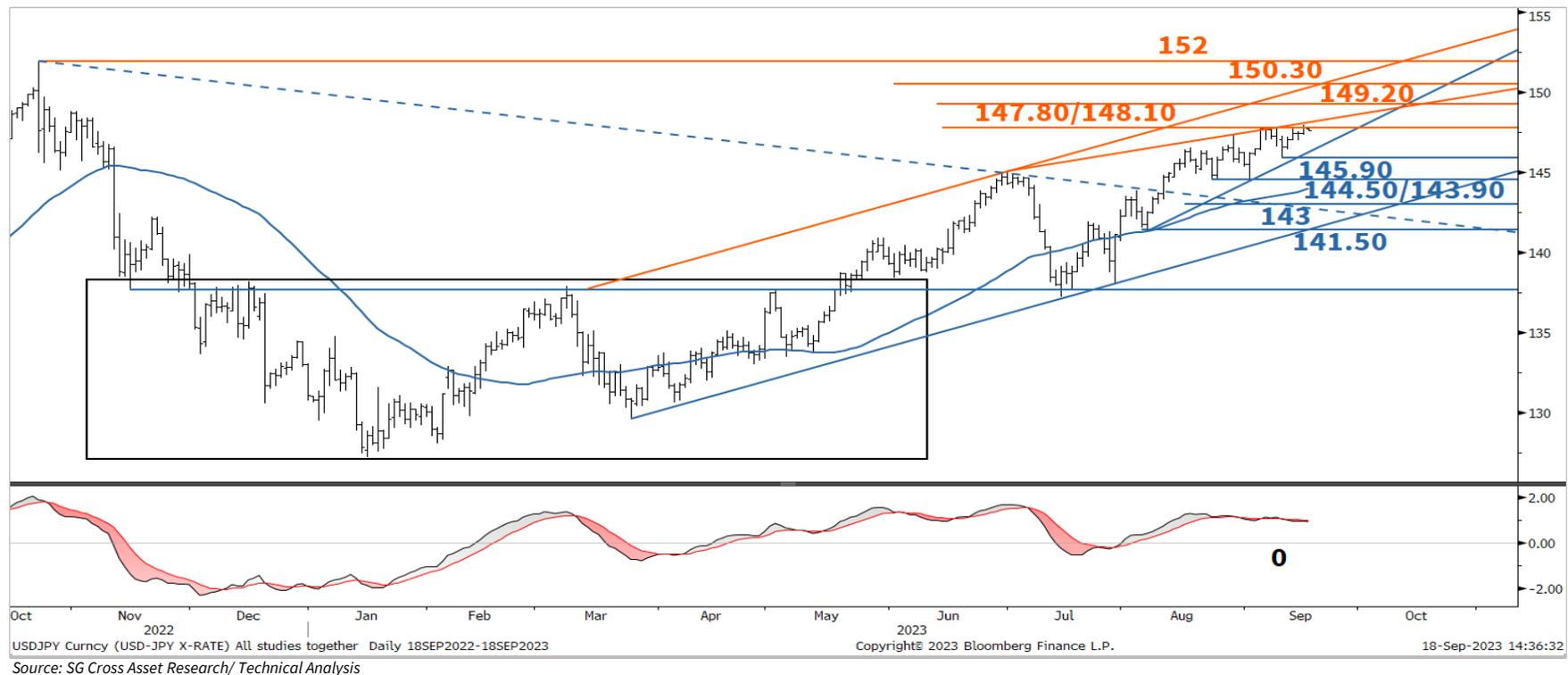
GBP/USD: GRADUALLY DRIFTING TOWARDS MAY LOW OF 1.2300.

- GBP/USD has experienced a steady decline since July after facing stiff resistance near 1.3180. It evolved within a Head and Shoulders formation which was recently confirmed denoting possibility of continuation in down move. The pair is struggling to maintain above the 200-DMA denoting prevalence of steady downward momentum. This is also highlighted by daily MACD which is below its trigger line and within negative territory.
- Neckline at 1.2610 is short-term hurdle. Holding below this, there is risk of extension in phase of decline. Next objectives are located at May low of 1.2300 and target of the formation near 1.2170/1.2100.



USD/JPY: UPTREND STALLING; 145.90 IS CRUCIAL SUPPORT.

- USD/JPY defended the steep trend line since late July at 145.90 last week however it continues to witness a range-bound price action. A break above upper part of recent consolidation at 147.80/148.10 which is also the trend line connecting highs of June and August is essential to affirm continuation in up move.
- In case the pair fails to defend recent pivot low at 145.90, there could be risk of a short-term pullback towards 50-DMA near 144.50/143.90.



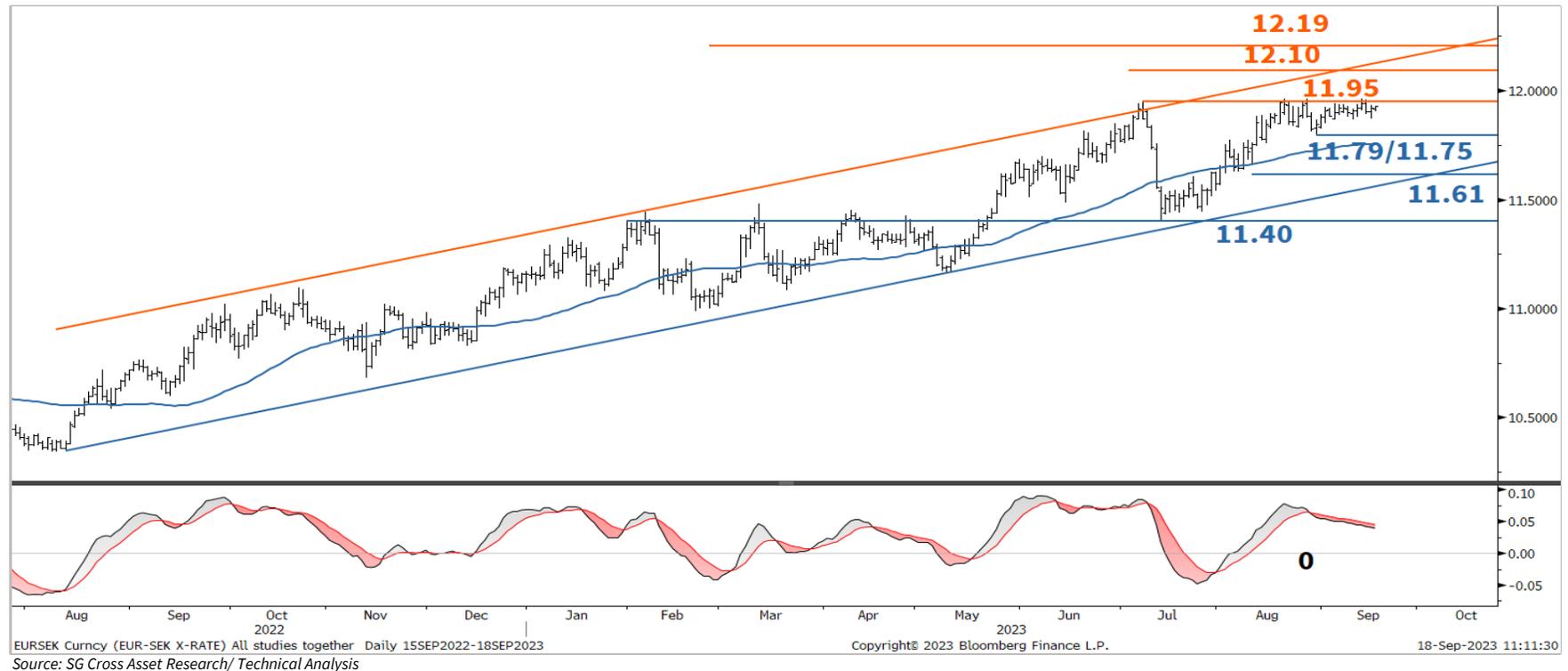
EUR/CHF: SHORT-TERM BOUNCE NOT RULED OUT; 0.9700 IS KEY HURDLE.

- EUR/CHF downtrend has stalled after reaching intermittent projections near 0.9515. The pair has evolved within a sideways consolidation since late July and is in vicinity to the 50-DMA. A short-term upside can't be ruled out however March low near 0.9700 could remain an important hurdle.
- In case the pair fails to defend 0.9515, the phase of decline is expected to resume. Next potential supports are located at 0.9455 and 2022 low of 0.9410.



EUR/SEK: UPTREND TO RESUME ON BREAK ABOVE 11.95.

- EUR/SEK uptrend has stalled after retest of July high near 11.95. The pair has witnessed range-bound price action recently however, signals of a large decline are not yet visible. The 50-DMA near 11.79/11.75 is expected to be first layer of support near term. Once a breakout above 11.95 materializes, EUR/SEK is likely to resume its up move and head gradually towards projections at 12.10 and 12.19.
- Only if support at 11.79/11.75 gets violated, would there be risk of a short-term pullback.



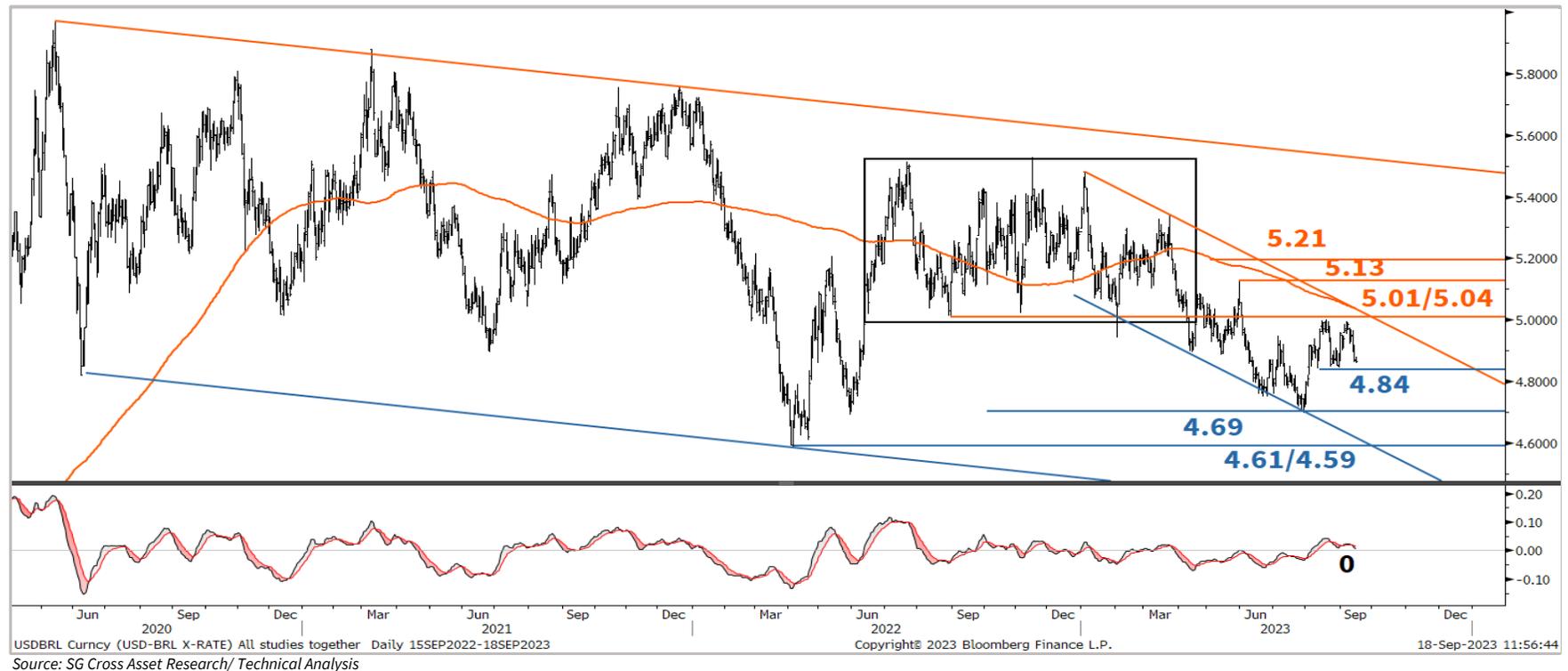
EUR/NOK: 200-DMA AT 11.28 IS IMPORTANT SUPPORT.

- EUR/NOK broke above a multi month descending channel however the rebound has faced resistance near 11.59, the 50% retracement from May. Currently a pullback is under way however defence of 200-DMA near 11.28 would be crucial for averting a deeper downtrend.
- A move beyond 11.59 is expected to result in next leg of up move. After this breakout, EUR/NOK is likely to head towards 11.86/11.88 and perhaps even towards recent peak of 12.10.



USD/BRL: BREAK BELOW 4.84 WOULD LEAD DOWNTREND TO RESUME.

- USD/BRL defended lower limit of a multi month channel near 4.69 resulting in a phase of rebound. Interestingly, it has so far struggled to re-enter previous range. Upper band of that channel near 5.01/5.04 which is also the 200-DMA is an important resistance zone.
- In case the pair fails to defend recent pivot low at 4.84, one more leg of downtrend can't be ruled out towards 4.69, and 2022 low at 4.61/4.59.



USD/MXN: 16.60 REMAINS IMPORTANT SUPPORT.

- USD/MXN rebound petered out near the trend line drawn since September 2022 at 17.73. It has staged a steady pullback and is now challenging 50-DMA near 17.00. It would be interesting to see if the pair can carve out a higher low as compared to the ones in July / August at 16.60. Defence of this level can lead to a short-term bounce towards 17.42 and the trend line near 17.73.
- Only if the support at 16.60 gets violated would there be risk of a deeper downtrend.



Source: SG Cross Asset Research/ Technical Analysis

EUR/CNY: POTENTIAL SUPPORT NEAR 7.69/7.68.

- EUR/CNY failed to overcome the trend line since 2014 at 8.11 and evolved within a Head and Shoulders pattern. Confirmation of the formation has resulted in a sharp down move. The pair has recently approached April high of 7.69/7.68 which is a potential support. A short-term bounce can't be ruled out however it would be interesting to see if the pair can reclaim the neckline at 7.83. Failure could mean continuation in decline.
- Below 7.68, next objectives are at the 200-DMA near 7.60 and target of the formation at 7.54.



Source: SG Cross Asset Research/ Technical Analysis

USD/ZAR: DIRECTION LACKING; RESISTANCE AT 19.30.

- USD/ZAR tested intermittent support near 17.40 representing the 38.2% retracement from 2021 and quickly reclaimed the 200-DMA. The bounce has so far remained stalled near August high of 19.30. A sideways consolidation is under way. Signals of a large decline are not yet visible; the 200-DMA near 18.35/18.10 should be an important support zone near term.
- Daily MACD is within positive territory denoting prevalence of upward momentum. Once a break above 19.30 materializes, the uptrend is expected to resume. Next objectives would be at June high of 19.92 and projections of 20.25.



Source: SG Cross Asset Research/ Technical Analysis

NASDAQ 100: TOPSIDE HURDLE AT 15630PTS.

- Nasdaq 100 defended the intermittent support of 14600/14550pts representing the 23.6% retracement from October 2022. A bounce has materialized however, the move has petered out near recent down gap at 15630pts. The index is developing a sideways consolidation, crisscross moves around the 50-DMA denote lack of clear direction. A short-term pullback can't be ruled out; a multi month trend line near 14800pts could be a potential support near term.
- If the index overcomes the gap near 15630pts, the uptrend is expected to resume.



Source: SG Cross Asset Research/ Technical Analysis

BRENT: NOT FAR FROM NEXT OBJECTIVE AT \$96.50/97.00.

- Brent has extended its uptrend after breakout from a multi month base. It is gradually approaching earlier highlighted target of \$96.50/97.00 representing the upper limit of an ascending channel and lows of March 2022. This is a potential resistance zone.
- If the uptrend stalls close to the hurdle at \$96.50/97.00, an initial pullback can't be ruled out however a large downside is not expected to materialize. Upper limit of the base near \$87/86.50 is crucial support near term.



Source: SG Cross Asset Research/ Technical Analysis

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