

# FX Emerging Markets Weekly Technicals

Tuesday, 27 August 2013

## Technical Outlook

<p><b>1</b> Technical Analysis Banks Commerzbank</p> <p>Source: Euromoney FX Poll 2012</p> <p>2012 </p>	<p><b>2</b> FICC Technical Analysis Research Team Best FX Research and Strategy Commerzbank</p> <p>Source: The Technical Analyst Magazine Awards 2012</p> <p>2012 </p>	<p><b>2</b> FICC Technical Analysis Research Team – Best FX Research and Strategy Commerzbank</p> <p>Source: Technical Analyst Magazine Awards 2013</p> <p>2013 </p>	<p><b>2</b> Technical Analysis Commerzbank</p> <p>Source: Euromoney FX Survey 2013</p> <p>2013 </p>
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# Technical Outlook

Emerging market currencies except the Brazilian Real remain under pressure

Market	Short term view (1-3 weeks)
EUR/PLN:	Still tries to reach the 55 day moving average at 4.2607 and then the 4.35/37 region.
EUR/HUF:	Is to rise back towards resistance at 301.44/302.56 above which sits the 308 zone.
EUR/CZK:	Our medium term forecast stays neutral while it stays above the 25.475 June low.
EUR/BRL:	Last week an interim top was made at 3.2811; should slide towards the support line at 3.0736.
USD/BRL:	Last week formed an interim high at its 4 ½ year peak made at 2.4545.
EUR/TRY:	Trades in new all-time highs at 2.7163 while targeting the 100% Fibonacci extension at 2.7485.
USD/TRY:	Has shot right through the psychological 2.0000 level and made a new all-time high at 2.0339.
USD/MXN:	Is to overcome the redrawn 2012-13 resistance line at 13.2949 and then eyes the 13.4622 June peak.
USD/ZAR:	Remains below the 4 ½ year high at 10.4443 which should continue to cap.
Rouble Basket:	Pushed hard into its 4 year high at 38.23 but is still being capped by the 2011-13 resistance line.

# Polish Zloty, Hungarian Forint and Czech Koruna vs. Euro (rebased)

Eastern European currencies stay sidelined versus the Euro

PLNEUR Spot Exchange Rate - Price of 1 PLN in EUR (PLNEUR)



Daily PLNEUR Rebase HUF EUR Curncy 31/12/12 Rebase CZK EUR Curncy 31/12/12

27 Aug 2013 PLNEUR

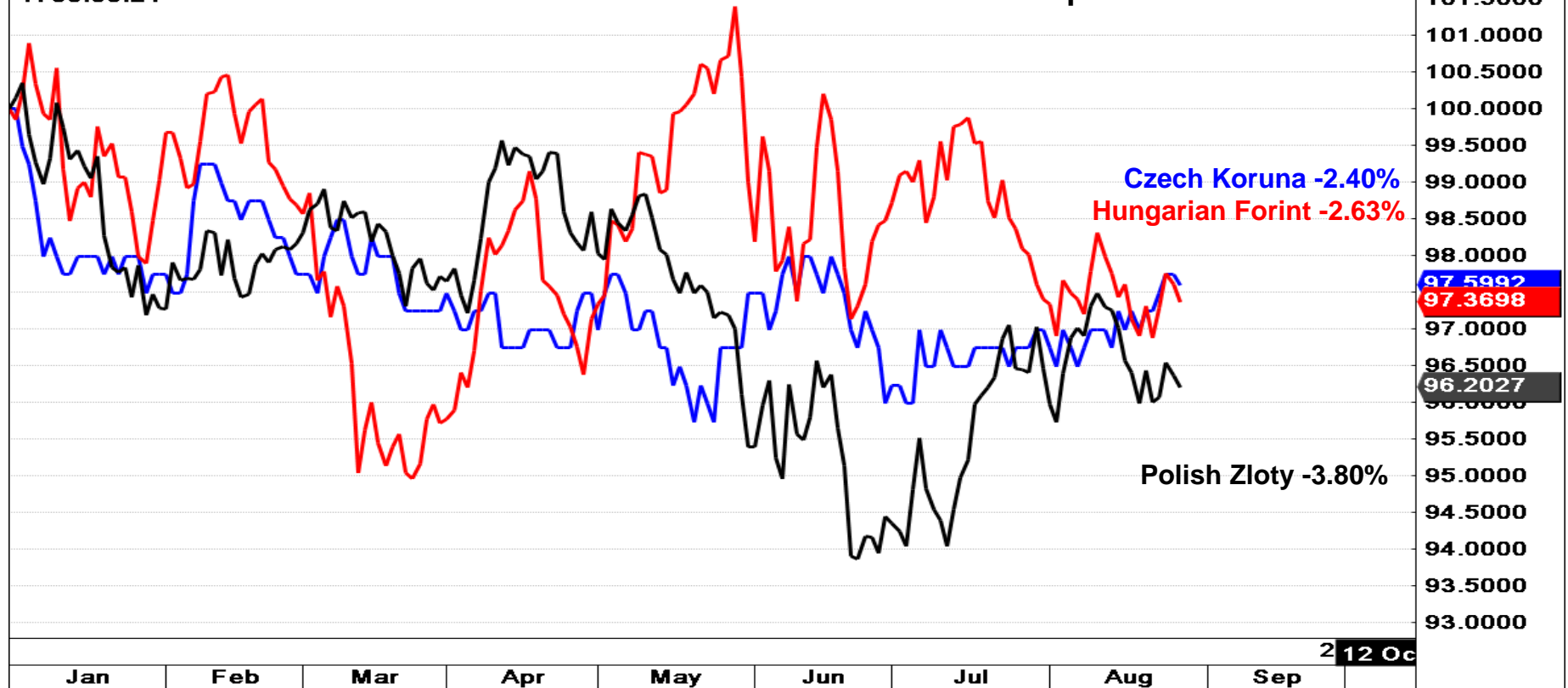
Ar

Update Professional : Data by Bloomberg

C: 0.23573 -0.00043 (-0.18%)

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2013 performance to date

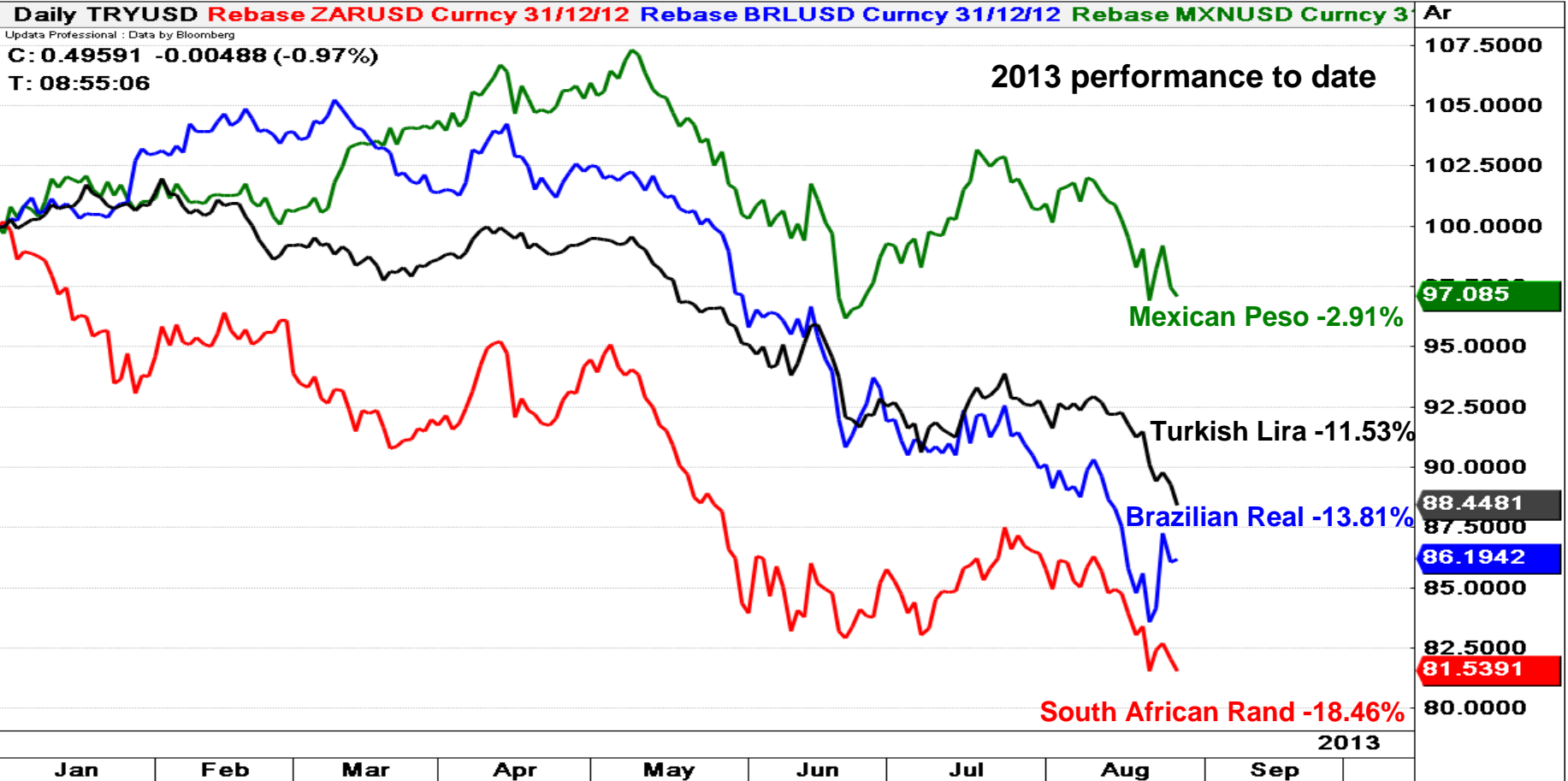


# Turkish Lira, South African Rand, Brazilian Real & Mexican Peso vs. US\$

EM currencies except the Brazilian Real continue their slide versus the US Dollar

TRYUSD Spot Exchange Rate - Price of 1 TRY in USD (TRYUSD)

[update](#)



# EUR/PLN - Daily Chart

Still tries to reach the 55 day moving average at 4.2607 and then the 4.35/37 region

- › Last week EUR/PLN spent its time below the 55 day moving average at 4.2607 which it is still trying to reach.
- › We believe that the June-to-August consolidation phase has ended and that the currency pair is once again heading towards the 4.35/37 region in which the June and July highs were made.
- › First the 55 day moving average and the current August high at 4.2607/58 will need to be overcome.
- › Once this has happened the 50% retracement of the June-to-August descent at 4.2757 and then the 61.8% Fibonacci retracement at 4.2982 will be in focus for the days ahead.
- › We will retain our once again bullish forecast while the currency pair stays above its 4.1807 current August low on a daily closing basis. Minor support above this level comes in around last week's 4.2208 low.

EUR/PLN Daily Chart



Support	Resistance	1-Week View	1-Month View
4.2208&4.1994	4.2533/4.2658	➔	➔
4.1948&4.1807	4.2757&4.2922		

# EUR/PLN - Weekly Chart

Made an interim low at 4.1807

EUR/PLN Weekly Chart



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Tue Aug 27 2013 09:55:25

# EUR/HUF - Daily Chart

Is to rise back towards resistance at 301.44/302.56 above which sits the 308 zone

- › EUR/HUF has so far failed to break through the 301.44/302.56 resistance area but still has it in its sights. It consists of the June peak and the late April high.
- › Once it has been bettered, the 2012-13 resistance line at 302.95 will be targeted (see the weekly chart on the following page) and then the 61.8% Fibonacci retracement of the 2012 decline at 305.22, followed by this year's March high at 308.65.
- › We still hold longs from 289.00 with a stop at 291.00 and target 303.20.
- › Only unexpected failure at the current 296.22 August low would neutralise our medium term bullish forecast and push the July low at 291.08 back to the fore. This we do not believe to happen, though.
- › Support is seen around last week's low at 297.64 and the 55 day moving average at 296.53 as well as 296.22.

EUR/HUF Daily Chart



Support	Resistance	1-Week View	1-Month View
297.64&296.53	301.44/302.56	➔	➔
296.22/06	302.56/95		

# EUR/HUF - Weekly Chart

Still targets the 301.44 June high and then the resistance line at 302.95 and above

EUR/HUF Weekly Chart



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# EUR/CZK - Daily Chart

Our medium term forecast stays neutral while it stays above the 25.475 June low

- › EUR/CZK's decline has taken it to below the 200 day moving average at 25.66 to 25.61 before stabilising.
- › This will be the case while EUR/CZK remains above the 25.475 June low.
- › While the currency pair remains below last week's high at 25.87, immediate downside pressure will be maintained.
- › As long as this is the case, the 25.54/475 May and June lows could be reached.
- › Unexpected failure at 25.475 on a daily closing basis would turn our medium term view bearish, however, and lead to the March low at 25.38 being targeted.
- › A, for now unexpected, rise above last week's 25.87 high would probably lead to the resistance line at 25.97 being revisited.

EUR/CZK Daily Chart



Support	Resistance	1-Week View	1-Month View
25.61&25.54	25.74/76	➔	➔
25.475/46	25.79&25.87		

# EUR/CZK - Weekly Chart

Is grinding lower again but should stay above the 25.475 June low

EUR/CZK Weekly Chart



# EUR/BRL - Daily Chart

Last week an interim top was made at 3.2811; should slide towards the support line at 3.0736

- › On Friday EUR/BRL suddenly came off its multiyear high at 3.2811 and thus formed an interim top.
- › The 3.1013 early August high and the four month support line at 3.0736 are therefore being targeted.
- › More significant support can be seen between the 3.0061 June high and the 2.9989 55 day moving average, though.
- › Should 3.2811 be unexpectedly be bettered this week, however, the October 2008 peak at 3.3487 will be in focus. This level and the minor psychological 3.3500 area are further potential upside targets.
- › Once overcome, the 3.4000 region will be back in the picture, together with the 3.4516/3.4738 December 2008 highs.
- › We will retain this bullish forecast while the currency pair remains above its 2.9986 August low.

EUR/BRL Daily Chart

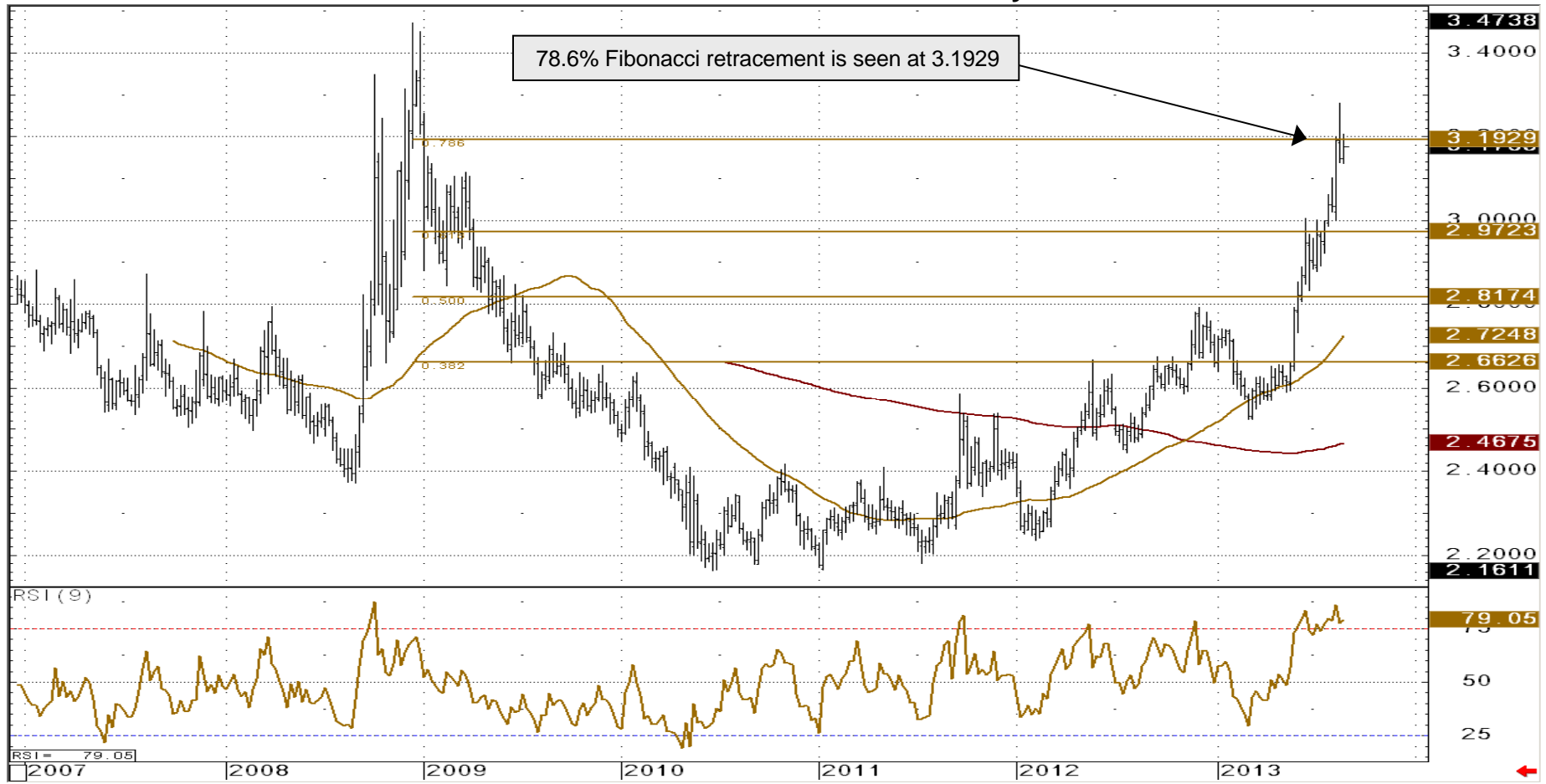


Support	Resistance	1-Week View	1-Month View
3.1013&3.0736	3.2811&3.3487	➔	➔
3.0061/2.9986	3.3500&3.4000		

# EUR/BRL - Weekly Chart

Trades at levels last seen in January 2009

EUR/BRL Weekly Chart



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Tue Aug 27 2013 10:34:04

# USD/BRL - Daily Chart

Last week formed an interim high at its 4 ½ year peak made at 2.4545

- › Last week USD/BRL made a four and a half year high at 2.4545, very close to the 2009 peak at 2.4554, before swiftly coming off on Friday.
- › An interim top is thus in place and the breached June-to-August resistance line, now support line, at 2.3338 is now in focus, together with the area seen between this year's support line at 2.3115 and the 55 day moving average at 2.2698. Within it the current steep sell-off should at least pause.
- › We will keep our medium term bullish view while the currency pair stays above the 2.2637 current August low.
- › Above 2.4540/54 lurks the 38.2% Fibonacci retracement of the 2002-11 descent at 2.4736. Further up lies the psychological 2.5000 region. Another potential upside target is the 100% Fibonacci extension of the 2011-12 rise, projected higher from the 1.9433 March 2013 low, at 2.5564.

USD/BRL Daily Chart



Support	Resistance	1-Week View	1-Month View
2.3464/38	2.4545/54		➔
2.3159/15	2.5564&2.6000		

# EUR/BRL - Daily Chart

Last week an interim top was made at 3.2811; should slide towards the support line at 3.0736

- › On Friday EUR/BRL suddenly came off its multiyear high at 3.2811 and thus formed an interim top.
- › The 3.1013 early August high and the four month support line at 3.0736 are therefore being targeted.
- › More significant support can be seen between the 3.0061 June high and the 2.9989 55 day moving average, though.
- › Should 3.2811 be unexpectedly be bettered this week, however, the October 2008 peak at 3.3487 will be in focus. This level and the minor psychological 3.3500 area are further potential upside targets.
- › Once overcome, the 3.4000 region will be back in the picture, together with the 3.4516/3.4738 December 2008 highs.
- › We will retain this bullish forecast while the currency pair remains above its 2.9986 August low.

EUR/BRL Daily Chart

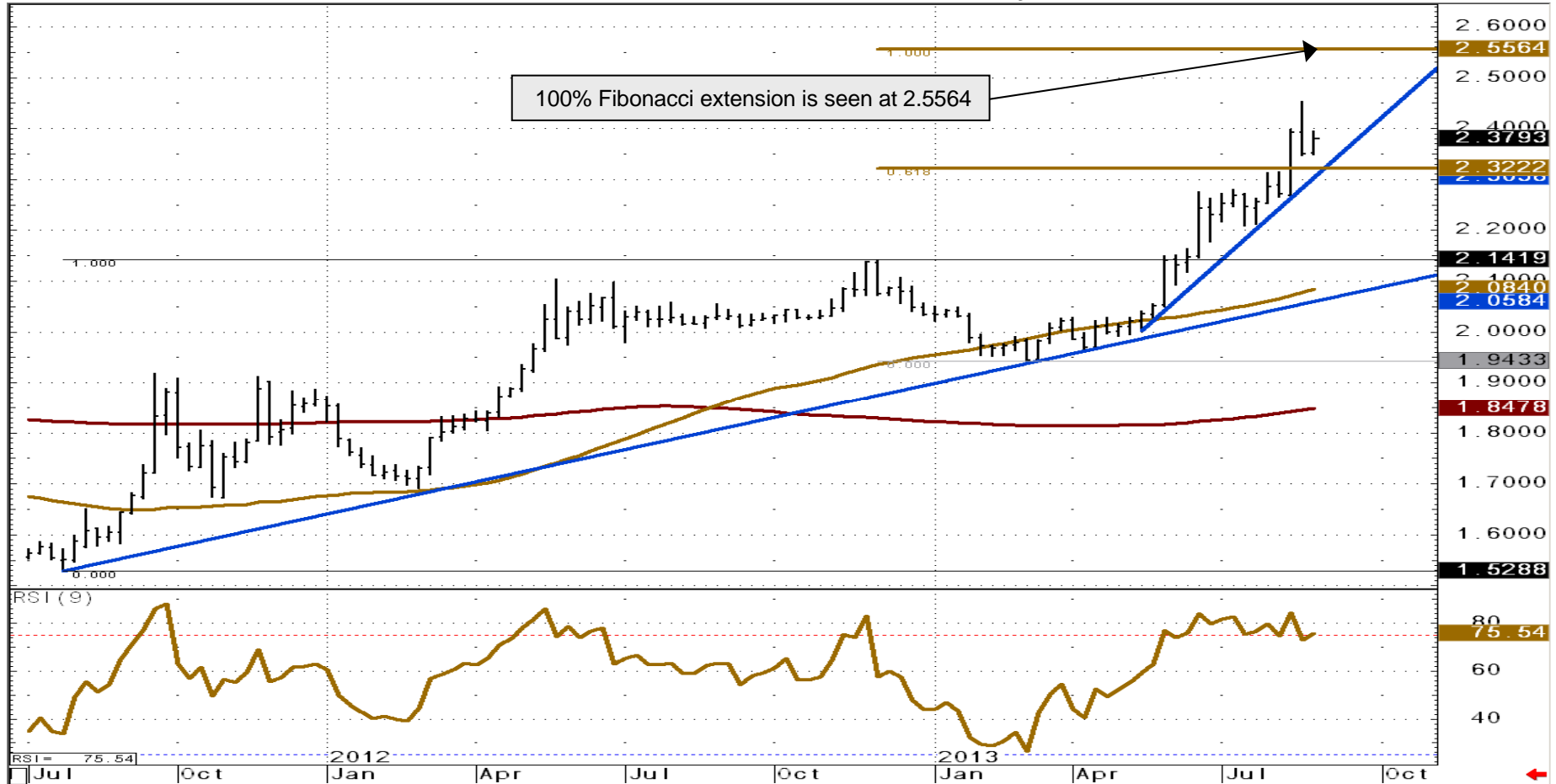


Support	Resistance	1-Week View	1-Month View
3.1013&3.0736	3.2811&3.3487	➔	➔
3.0061/2.9986	3.3500&3.4000		

# USD/BRL - Weekly Chart

Trades at levels last seen in March 2009

USD/BRL Weekly Chart

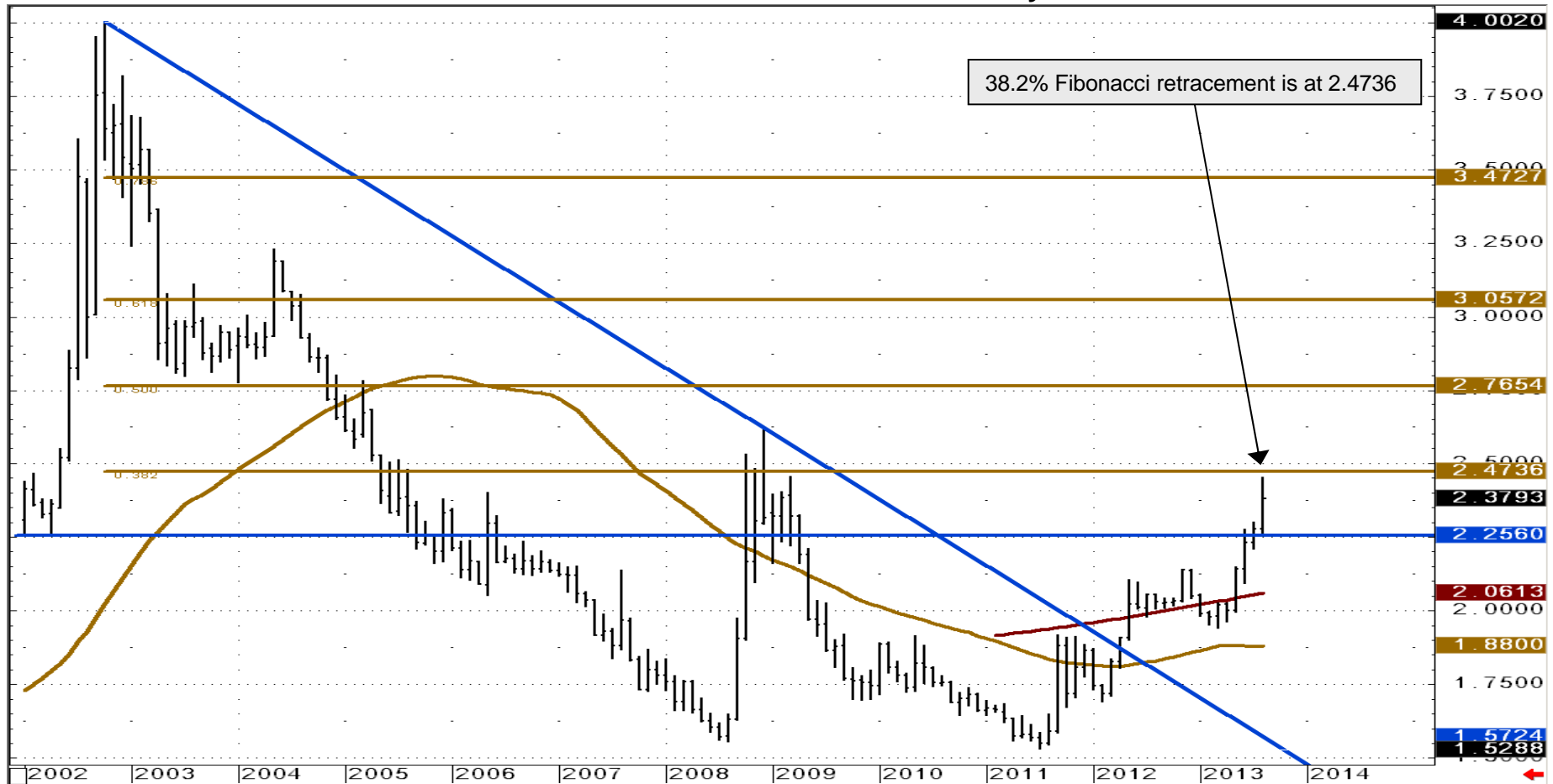


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# USD/BRL - Monthly Chart

Is being rejected by the 2.4554 2009 peak and the 38.2% Fibonacci retracement at 2.4736

USD/BRL Monthly Chart



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# EUR/TRY - Daily Chart

Trades in new all-time highs at 2.7163 while targeting the 100% Fibonacci extension at 2.7485

- › EUR/TRY just made a new all-time high at 2.7163 while being on its way to the 100% Fibonacci extension at 2.7485. Together with the minor psychological 2.7500 region it represents our upside target zone which we expect to cap, though.
- › We will retain our immediately bullish forecast while EUR/TRY stays above its 2.5484 current August low or a clear reversal signal has been made.
- › At present there is no sign of a reversal being seen on the chart.

EUR/TRY Daily Chart



Support	Resistance	1-Week View	1-Month View
2.6447&2.5859	2.7163&2.7485	➔	➔
2.5778&2.5484	2.8000&2.9163		

# USD/TRY - Daily Chart

Has shot right through the psychological 2.0000 level and made a new all-time high at 2.0339

- › This morning USD/TRY has suddenly shot right through the psychological 2.0000 level and so far made a new all-time high at 2.0339.
- › The 100% Fibonacci extension of the 2008-to-2009 rise, projected higher from the 2010 low, at 2.0622 is a potential upside target. Around this level the current advance may stall. If not, another 100% Fibonacci extension at 2.0922 and the psychological 2.1000 region will be in focus.
- › Support is seen around the 2.0000 mark and then at the 1.9734 July high.
- › We will remain bullish while the currency pair stays above the 1.8992 July low.
- › We will retain our longer term bullish forecast while USD/TRY remains above its June low at 1.8503.

USD/TRY Daily Chart

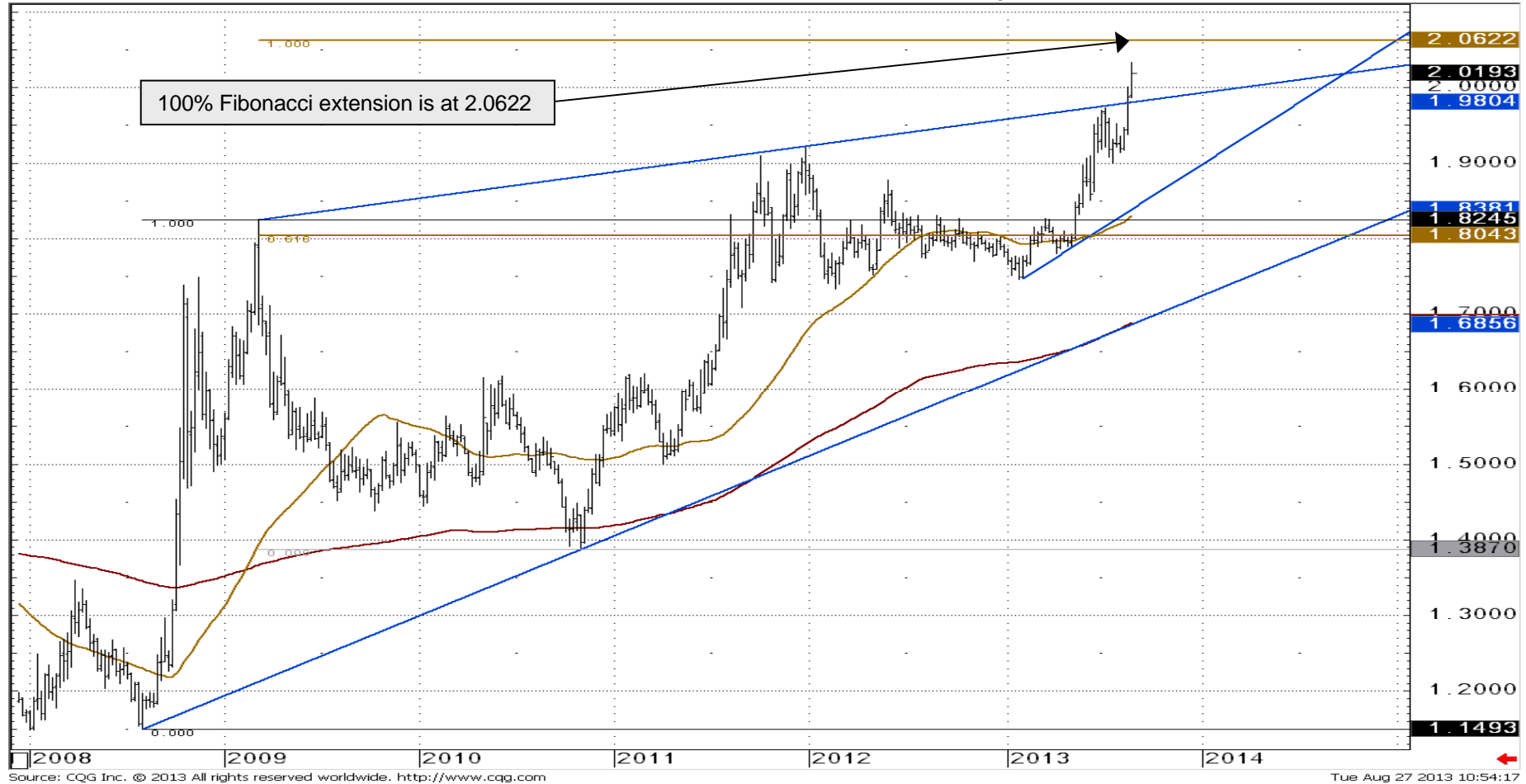


Support	Resistance	1-Week View	1-Month View
2.0000&1.9734	2.0339&2.0622	➔	➔
1.9604&1.9521	2.0922/2.1000		

# USD/TRY - Weekly Chart

Has overshoot the psychological 2.0000 level and so far made a new all-time high at 2.0339

USD/TRY Weekly Chart



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# USD/MXN - Daily Chart

Is to exceed the 2012-13 resistance line at 13.2949 and then eyes the 13.4622 June peak

- › Last week USD/MXN shot up to 13.3071 before dropping to 12.9429, only to then head back up towards the redrawn 2012-13 resistance line at 13.2949.
- › In view of this development we have changed our short term forecast to bullish and our medium term outlook to neutral.
- › We expect the resistance line at 13.2949 and the 13.3071 current August high to be overcome this week. Once this has happened the June peak at 13.4622 will be in focus.
- › Our short term bullish forecast will remain valid as long as USD/MXN stays above the 200 day moving average and the four month support line at 12.6566/07.
- › Minor support is seen at 12.9429, the August 23 low, and also around the 55 day moving average at 12.8566.

USD/MXN Daily Chart

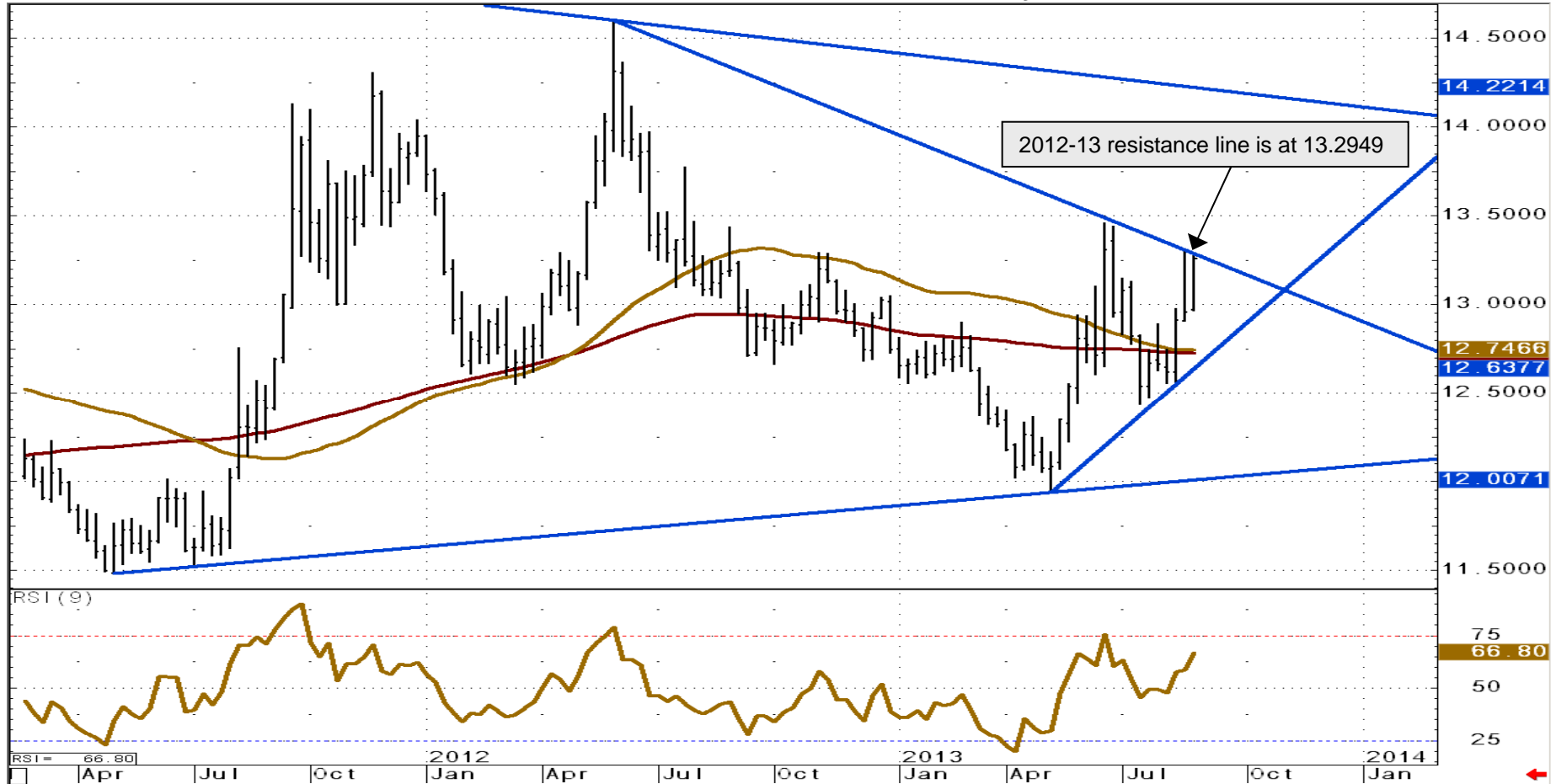


Support	Resistance	1-Week View	1-Month View
12.942&12.894	13.295/13.307	➔	➔
12.857&12.657	13.438&13.462		

# USD/MXN - Weekly Chart

Is expected to break through the 2012-13 resistance line at 13.2949

USD/MXN Weekly Chart



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Tue Aug 27 2013 11:13:23

# USD/ZAR - Daily Chart

Remains below the 4 ½ year high at 10.4443 which should continue to cap

- › USD/ZAR's recent acceleration higher has led to the May-to-July highs at 10.2850/10.3610 being overcome and a high at 10.4443 being made last week. From there a drop back to the breached June-to-August resistance line at 10.1831 has so far been seen.
- › The early August high at 10.0443 and the 55 day moving average at 9.9952 could also be hit before the currency pair levels out. Below it lies the four month support line at 9.8741. For this to happen no daily New York close above the current August high at 10.443 should be seen, though.
- › Were the current high at 10.4443 to be bettered, however, the 10.6956/10.7900 region will be targeted. It is made up of the 2009 peak, 78.6% Fibonacci retracement of the 2008-11 decline and the November 2008 high.
- › In case of it being exceeded, the 2008 peak at 11.8708 will be back in the picture as well. We will stay bullish while USD/ZAR remains above the current August low at 9.7298.

USD/ZAR Daily Chart



Support	Resistance	1-Week View	1-Month View
10.1798/1671	10.4443	➔	➔
10.0443&9.995	10.696/10.790		

# USD/ZAR - Weekly Chart

Still targets the 10.6956/10.7900 region

USD/ZAR Weekly Chart



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# Rouble Basket - Daily Chart

Pushes hard into its four year high at 38.23 which caps at present, however

- › The rouble basket made a near four year high at 38.23 last week which is being retested this week.
- › It is likely to at least briefly be overcome which is why we have changed our short term view from neutral back to bullish, even though the 2011-13 resistance line caps.
- › A potential upside target can be seen around the 28.255 September 2009 high. Further up lie the July and August 2009 peaks which were made at 38.99/39.01.
- › Support can be seen along the four month support line at 37.85 and around the 37.73 mid-August low as well as around the 55 day moving average at 37.50.
- › While the rouble basket stays above the 37.33 mid-June high on a daily chart closing basis, however, recent short term upside pressure should be maintained.

## Rouble Basket Daily Chart



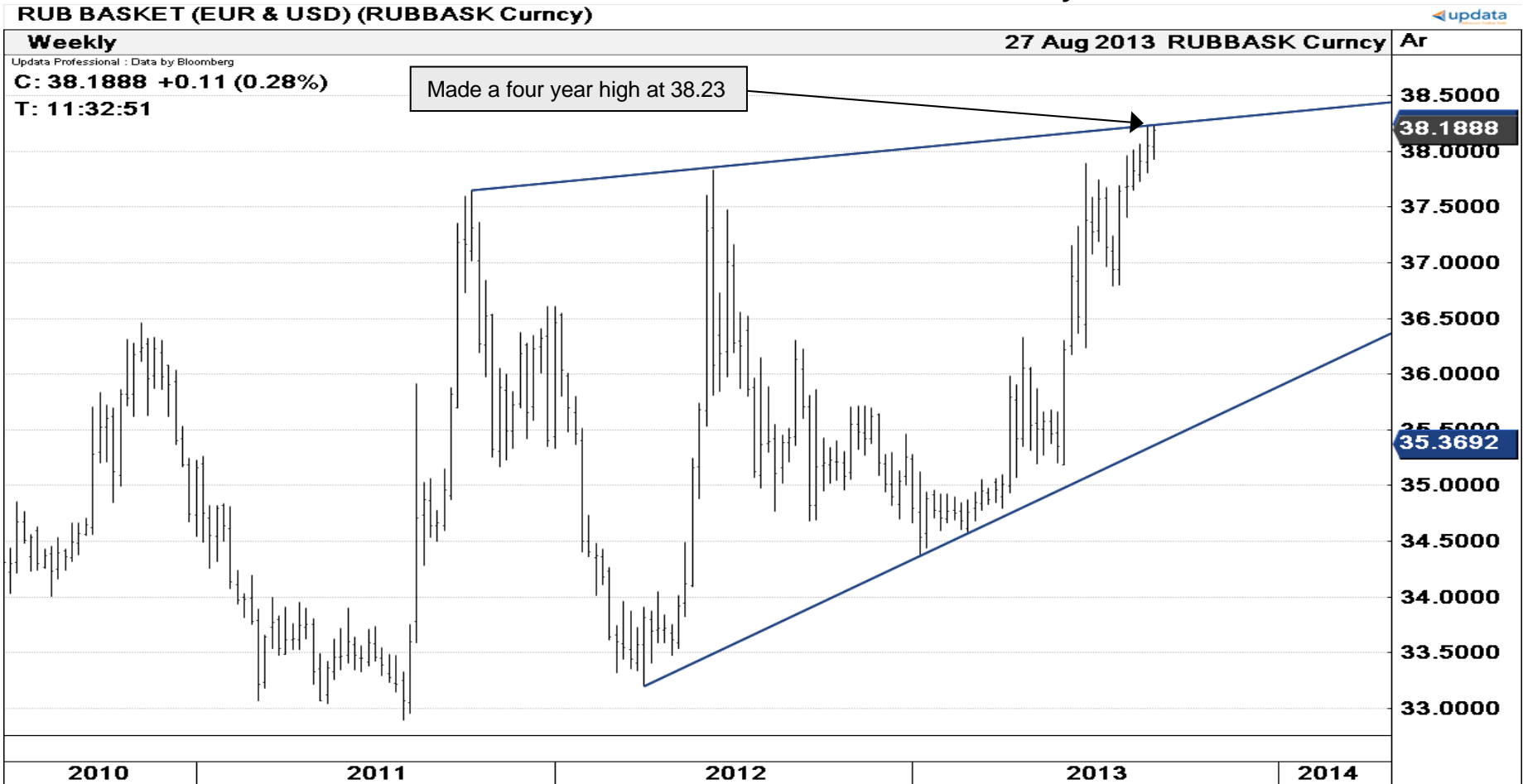
Support	Resistance	1-Week View	1-Month View
37.85&37.73	38.23/255	➔	➔
37.50&37.33	38.99/39.01		

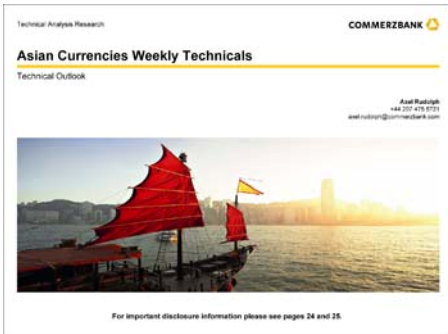
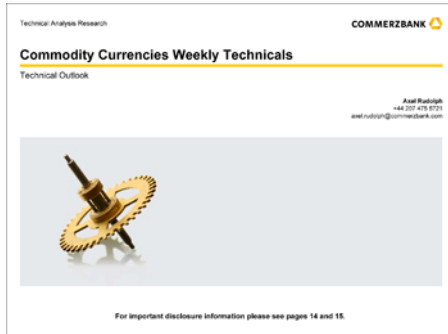


# Rouble Basket - Weekly Chart

Made a 4 year high at 38.23 but is still being capped by the 2011-13 resistance line

Rouble Basket Weekly Chart





## Other technical analysis reports we publish are:

- Monday:** Daily Market Technicals (FX), Strategic Technical Themes;
- Tuesday:** Daily Market Technicals (FX), Bullion Weekly Technicals;
- Wednesday:** Daily Market Technicals (FX), Commodity Weekly, Commodity Currencies Weekly Technicals;
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