

Commodity Currencies Weekly Technicals

Tuesday, 28 January 2014

Technical Outlook

<p>1 Technical Analysis Banks Commerzbank</p> <p>Source: Euromoney FX Poll 2012</p> <p>2012  EUROMONEY</p>	<p>2 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>2 FICC Technical Analysis Research Team – Best FX Research and Strategy Commerzbank</p> <p>Source: Technical Analyst Magazine Awards 2013</p> <p>2013  the technical analyst</p>	<p>2 Technical Analysis Commerzbank</p> <p>Source: Euromoney FX Survey 2013</p> <p>2013  EUROMONEY</p>
--	---	---	--

Axel Rudolph
+44 207 475 5721
axel.rudolph@commerzbank.com



For important disclosure information please see the end of the document.

Technical Outlook

Buy AUD/NZD since it is basing bigger picture and keep on selling the Canadian Dollar

Market	Short term view (1–3 weeks)
NZD/USD:	Still oscillates between the .8408/37 resistance area and the .8213/.8084 support zone.
AUD/NZD:	A technical buy signal has been seen on AUD/NZD and a major reversal higher should follow.
USD/CAD:	Remains within a steep uptrend channel and targets the 50% retracement at 1.1238 next.
EUR/AUD:	Comes of its January spike high at 1.5833 and should now consolidate for a while.
EUR/NZD:	Bounced off the 1.6223 current January low but remains within the 1.7000/1.6200 trading band.
EUR/CAD:	So far made a five year high at 1.5295 which is within the 1.5186/1.5453 resistance zone.

The Australian, New Zealand and Canadian Dollar vs. the US Dollar

The Canadian Dollar remains under pressure versus the US Dollar

AUD-USD X-RATE (AUDUSD Curncy)

 update

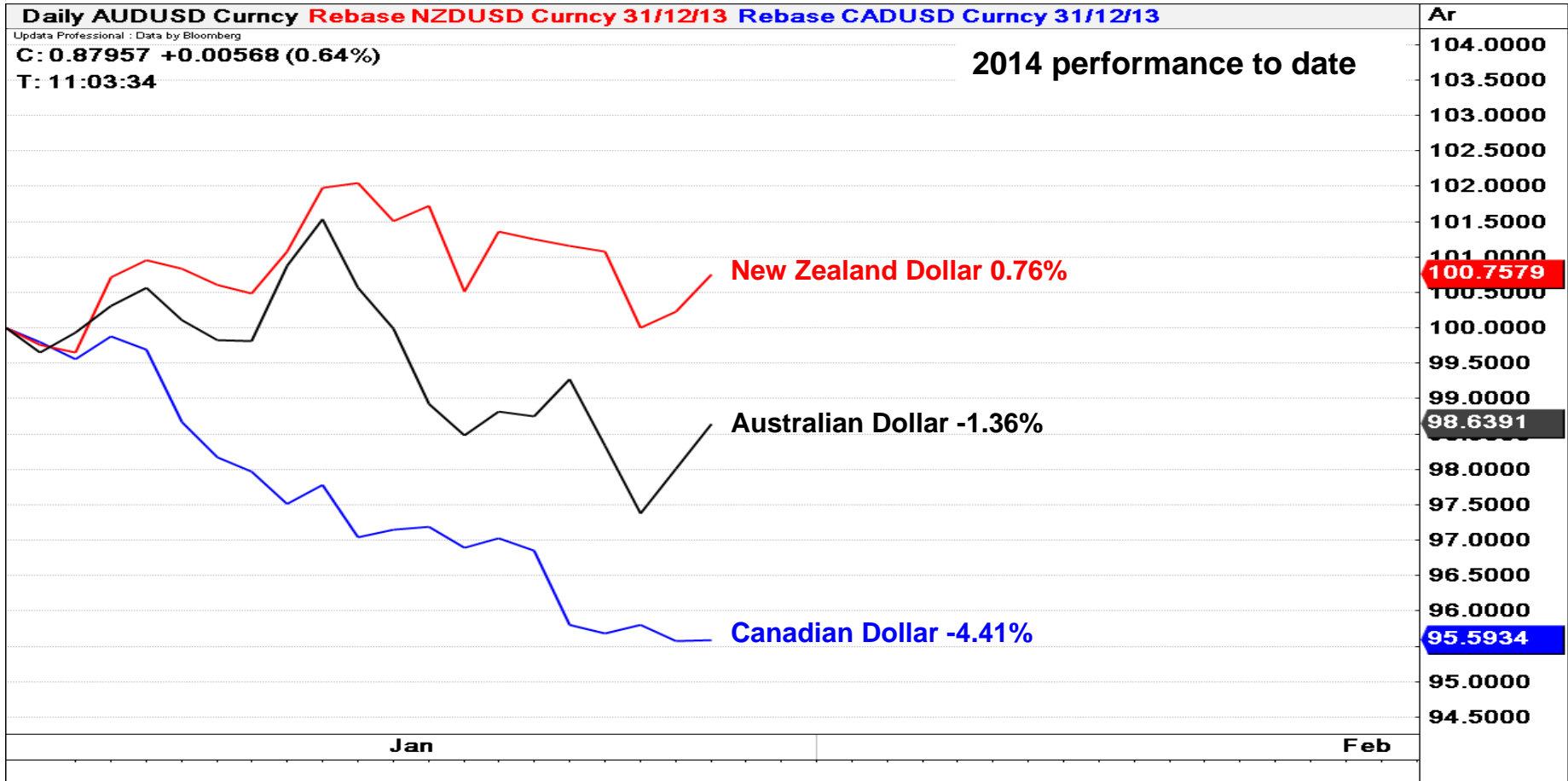
Daily AUDUSD Curncy **Rebase NZDUSD Curncy 31/12/13** **Rebase CADUSD Curncy 31/12/13**

Update Professional : Data by Bloomberg

C: 0.87957 +0.00568 (0.64%)

T: 11:03:34

2014 performance to date



The Australian, New Zealand and Canadian Dollar vs. the Euro

Most commodity currencies are making back some of their recent losses versus the Euro

AUDEUR Spot Exchange Rate - Price of 1 AUD in EUR (AUDEUR Curncy)

 update

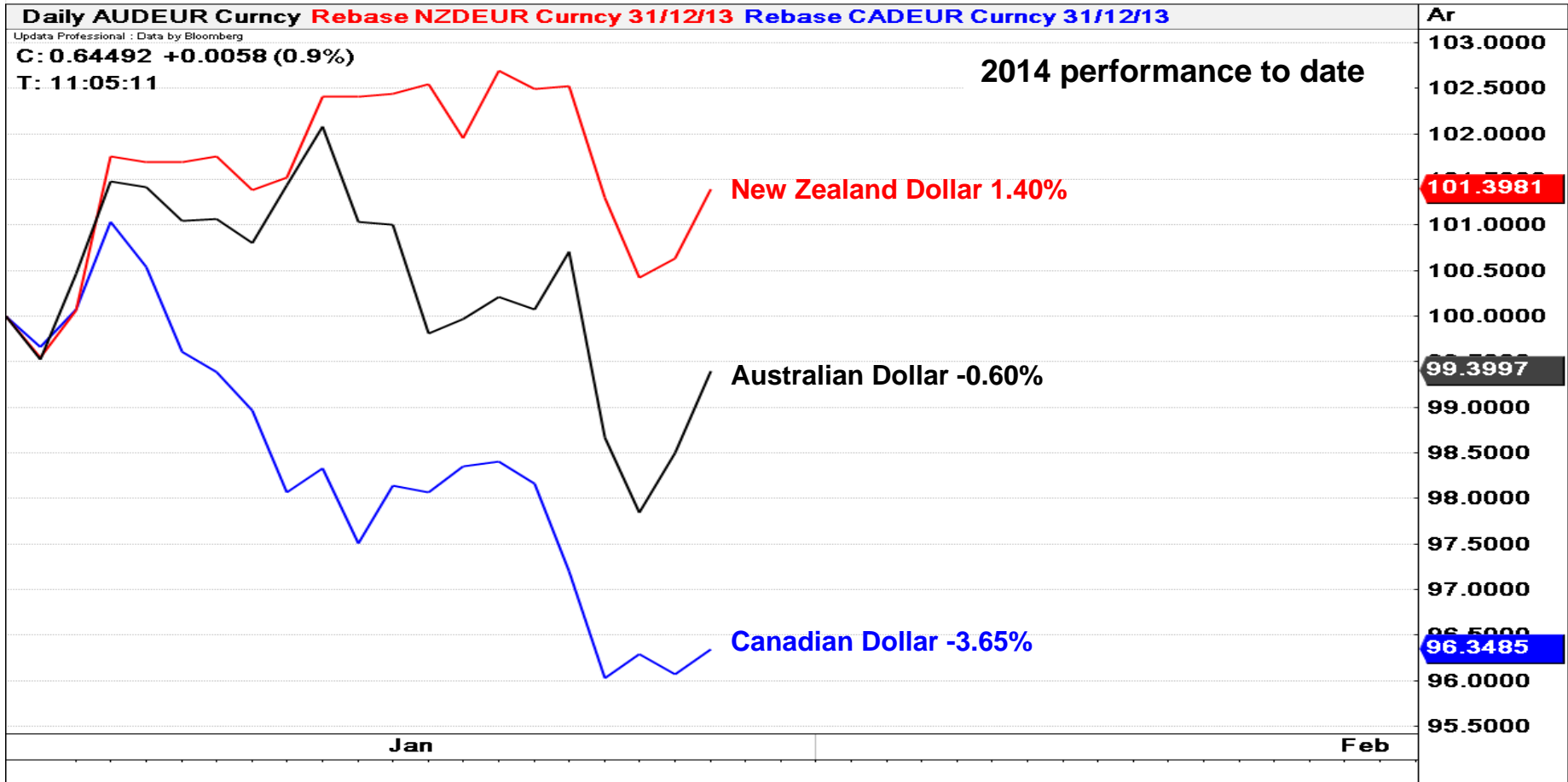
Daily AUDEUR Curncy **Rebase NZDEUR Curncy 31/12/13** **Rebase CADEUR Curncy 31/12/13**

Update Professional : Data by Bloomberg

C: **0.64492 +0.0058 (0.9%)**

T: 11:05:11

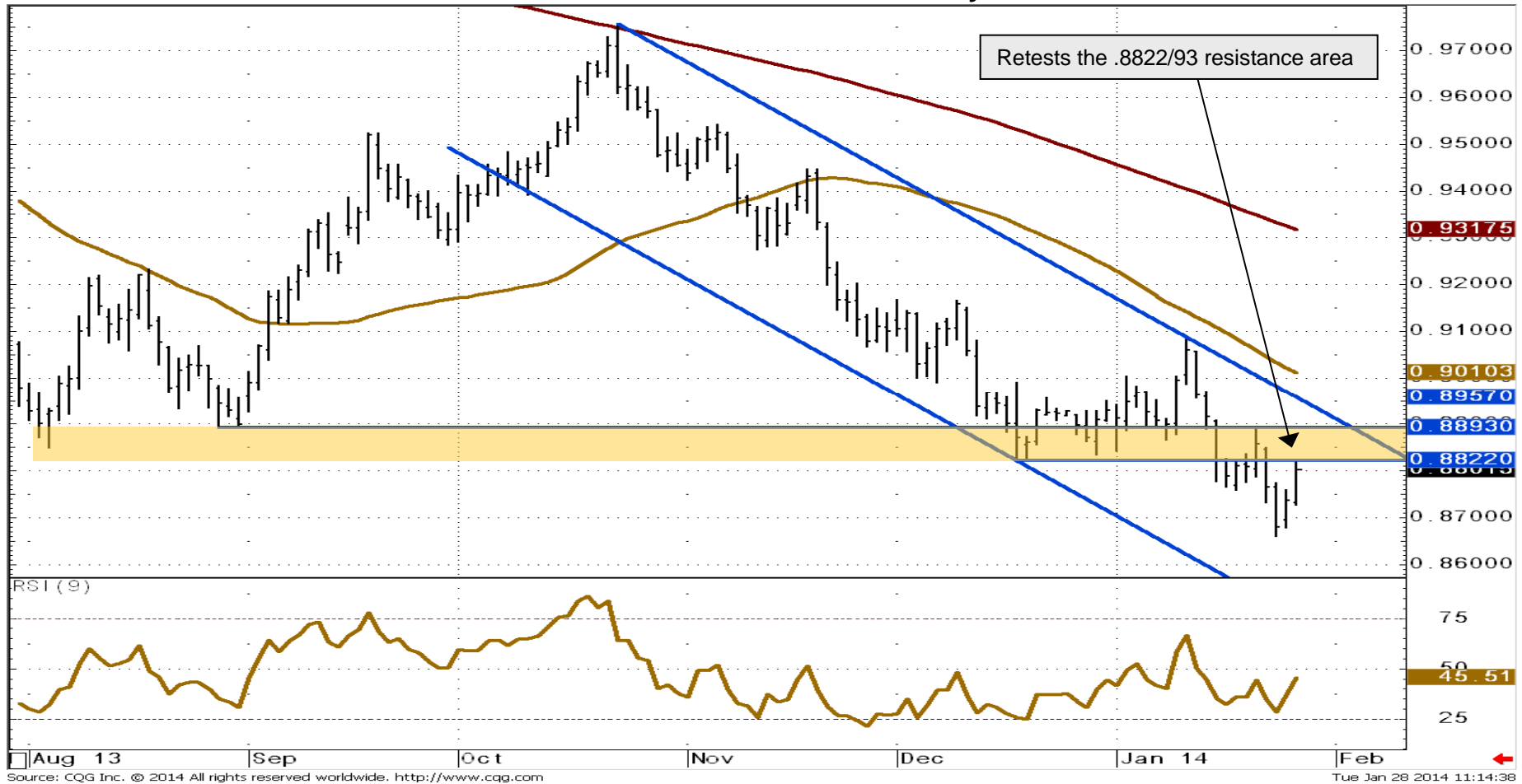
2014 performance to date



AUD/USD - Daily Chart

Please see comments in this morning's Daily Market Technicals

AUD/USD Daily Chart



NZD/USD - Daily Chart

Still oscillates between the .8408/37 resistance area and the .8213/.8084 support zone

- › NZD/USD's rejection by the .8408/37 resistance area, made up of the September/November highs, has so far taken it to the .8198 level.
- › We expect to see further range trading between the above mentioned resistance area and the .8213/.8084 significant support zone in the week ahead and thus remain neutral.
- › In case of a daily close above .8437 being made, though, we will have to allow for the .8500 region and the October peak at .8545 to be revisited.
- › Were a fall through the .8213/.8084 support area to be seen, we would turn bearish, though.
- › In this scenario the psychological .8000 region will be back in the picture.
- › For now we retain our neutral outlook.

NZD/USD Daily Chart

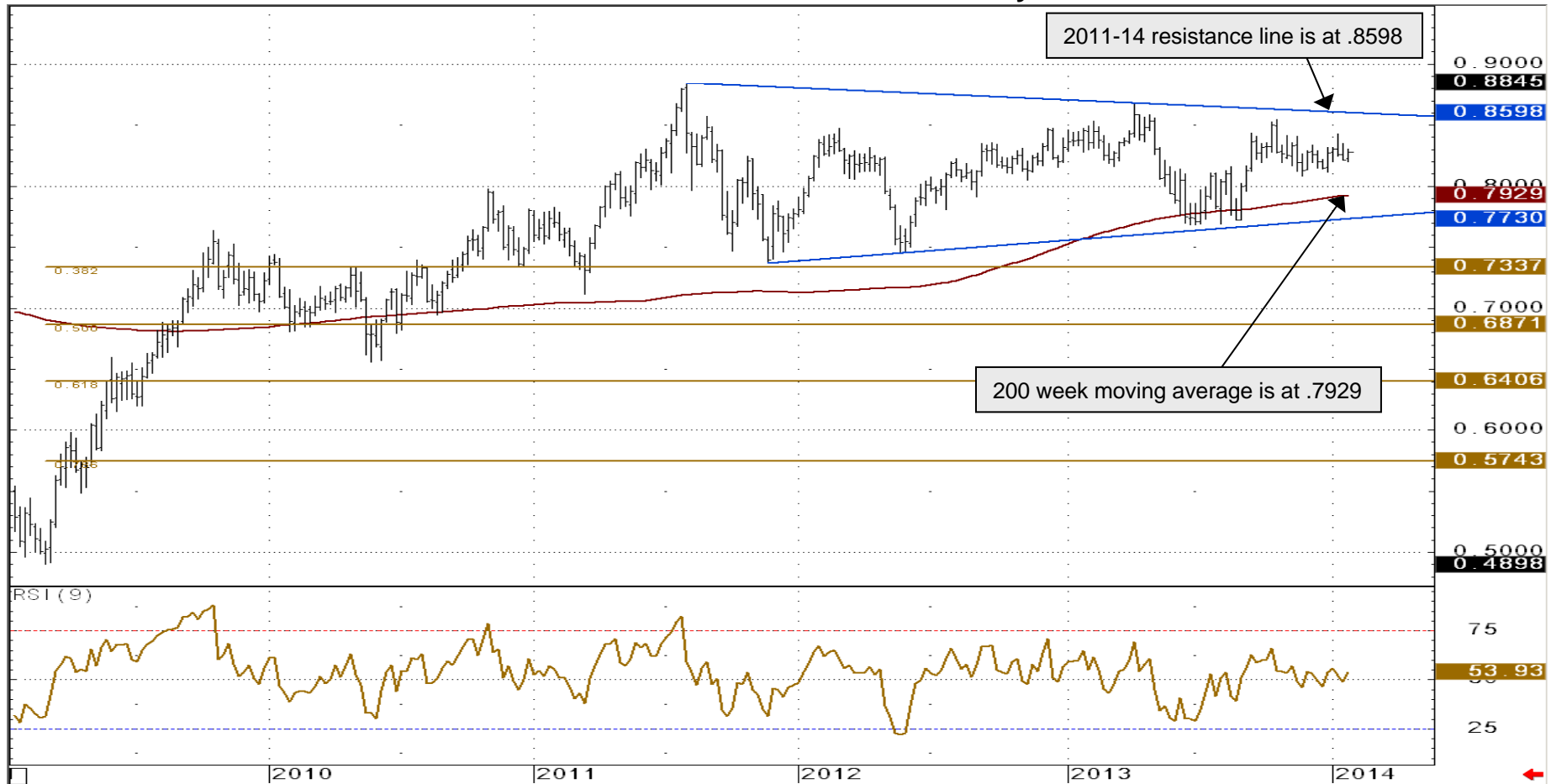


Support	Resistance	1-Week View	1-Month View
.8213/.8084	.8336/48	➔	➔
.8000&.7735	.8408/37		

NZD/USD - Weekly Chart

Remains sidelined between its long term resistance line and the 200 week moving average

NZD/USD Weekly Chart



Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>

AUD/NZD - Daily Chart

A technical buy signal has been seen on AUD/NZD and a major reversal higher should follow

- › AUD/NZD probed and then bounced off the 1.0501/1.0434 major support zone which consists of the 1995 and 2005 lows. **A major reversal higher should now be seen.**
- › **We recommend buying AUD/NZD in the 1.0600 region with a stop at 1.0400 and an upside target at 1.1150.**
- › Because of the positive RSI divergence and because AUD/NZD bounced off the psychological 1.0500 level we are of the opinion that another significant low was made at 1.0493. **This is why we have changed our technical view from a neutral to a bullish one. We will retain our bullish outlook while no daily close below the 1.0400 level is being made.** If so, allow for parity to be targeted.
- › Upside targets are the 1.0707/31 area (December low and January 20 high) and then the 1.0911/28 region (55 day moving average and late December high). Once the latter has been bettered, the August and September lows at 1.1157/99 will be back in the picture.

Support	Resistance	1-Week View	1-Month View
1.0543/01	1.0864/1.0919	➔	➔
1.0434&1.0000	1.1039&1.1157		

NZD/USD Daily Chart



AUD/NZD - Weekly Chart

Has found support in the 1.0500 region

NZD/USD Weekly Chart

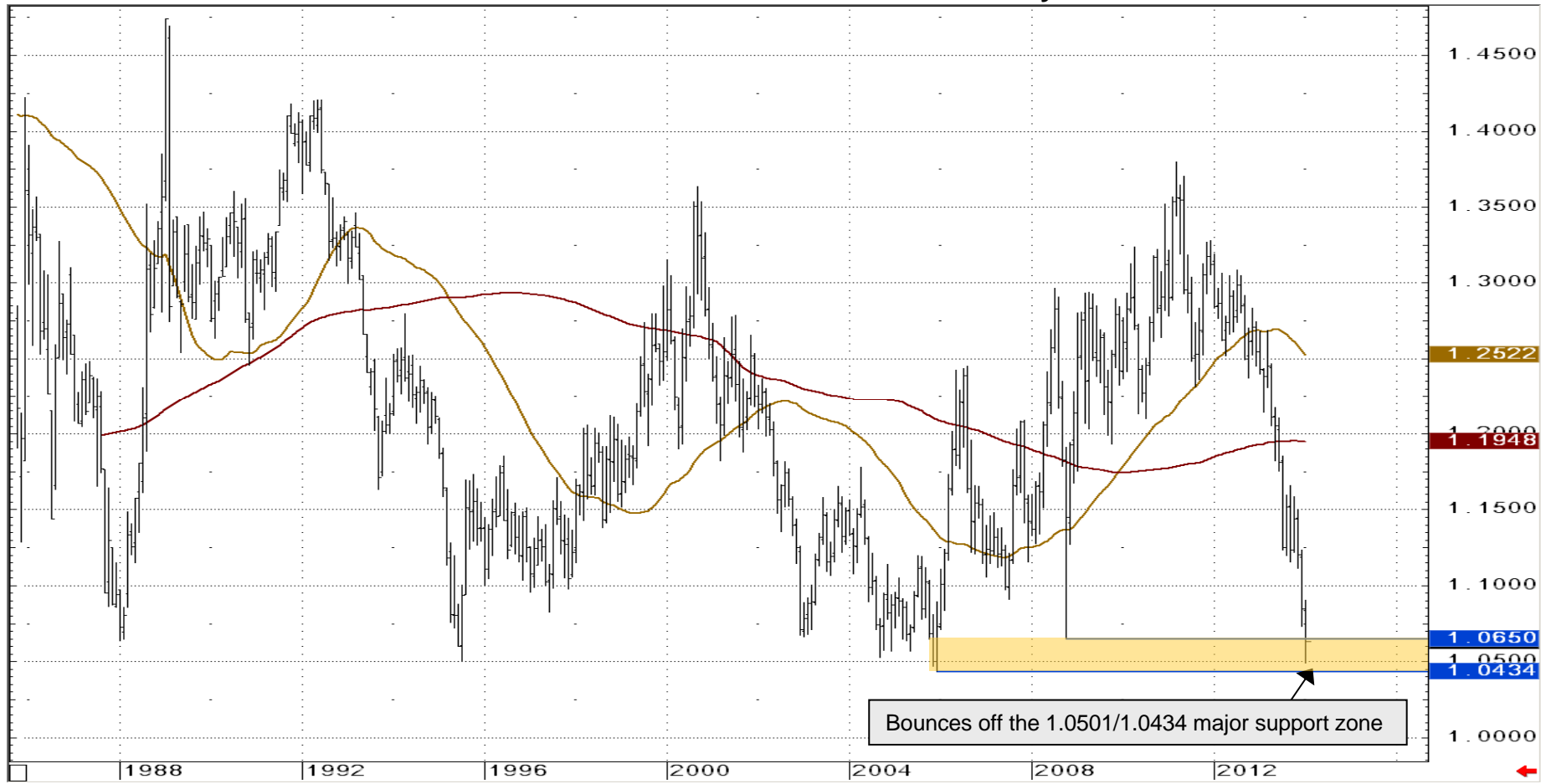


Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>

AUD/NZD - Quarterly Chart

Bounces off the 1.0501/1.0434 major support zone

NZD/USD Quarterly Chart



Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>

USD/CAD - Daily Chart

Remains within a steep uptrend channel and targets the 50% retracement at 1.1238 next

- › USD/CAD did not spend much time around the psychological 1.1000 level as expected but last week shot straight up to 1.1172, a level last seen in July 2009.
- › The next upside target is the 50% retracement of the 2009-11 decline at 1.1238.
- › Further up are the minor psychological 1.1500 level and the 38.2% Fibonacci retracement at 1.1533 which should be reached within the next few months.
- › Minor support is seen between Monday's low at 1.1032 and the mid-January low at 1.0906.
- › Strong support can be seen around the 1.0850 level and at the 1.0736 December high.
- › We will hold onto our bullish medium term forecast while USD/CAD trades above its late December low at 1.0500.

USD/CAD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.1032/1.0906	1.1122/72	➔	➔
1.0850/1.0736	1.1238&1.1500		

USD/CAD - Weekly Chart

Has the 50% retracement at 1.1238 in its sights

USD/CAD Weekly Chart



Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>

Tue Jan 28 2014 12:05:00

EUR/AUD - Daily Chart

Comes of its January spike high at 1.5833 and should now consolidate for a while

- › Last week EUR/AUD briefly shot up to the 1.5833 level before slipping back to the 1.5500 zone.
- › The three month support line at 1.5261 may be retested in the days ahead and possibly also the January 22 low at 1.5237, now that we can clearly see negative divergence on the daily RSI.
- › While the currency pair remains above the current January low at 1.5031, further upside towards the higher 1.5926/1.6050 target zone will remain in play. It is where the February and June 2008 lows were made.
- › We believe that further range trading will be seen this week and have thus kept our neutral view.
- › We will remain long term bullish while EUR/AUD trades above the November low at 1.4050. Support below 1.5031 and the early August high at 1.4996 is seen at 1.4800, the December low.

EUR/AUD Daily Chart



Support	Resistance	1-Week View	1-Month View
1.5261/37	1.5833&1.5926	➔	➔
1.5153&1.5031	1.6000/50		

EUR/AUD - Weekly Chart

Briefly overcame but now trades back within the 1.5598/1.5477 area

EUR/AUD Weekly Chart



Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>

EUR/NZD - Daily Chart

Bounced off the 1.6223 current January low but remains within the 1.7000/1.6200 trading band

- › EUR/NZD's bounce off the current January low at 1.6223 has so far taken it to the 1.6692 level before sliding back towards the 200 day moving average at 1.6421.
- › Further range trading thus remains on the cards.
- › Now less likely failure at 1.6223 could lead to the next lower 1.6147/1.6019 support zone, made up of the 78.6% Fibonacci retracement of the November-to-December rally and the September, October and November 18 lows, to be revisited. If so, it should hold there and then bounce back.
- › We believe that over the next few months the 2011-14 downtrend line at 1.6888 will be overcome with the 2013 peak at 1.7282 then being in the picture. For this to happen a daily close above the 1.6998 December high will need to be made and only this would change our neutral one month view to a bullish one. While trading above the November low at 1.5915 we will stick to our currently still neutral forecast.

EUR/NZD Daily Chart

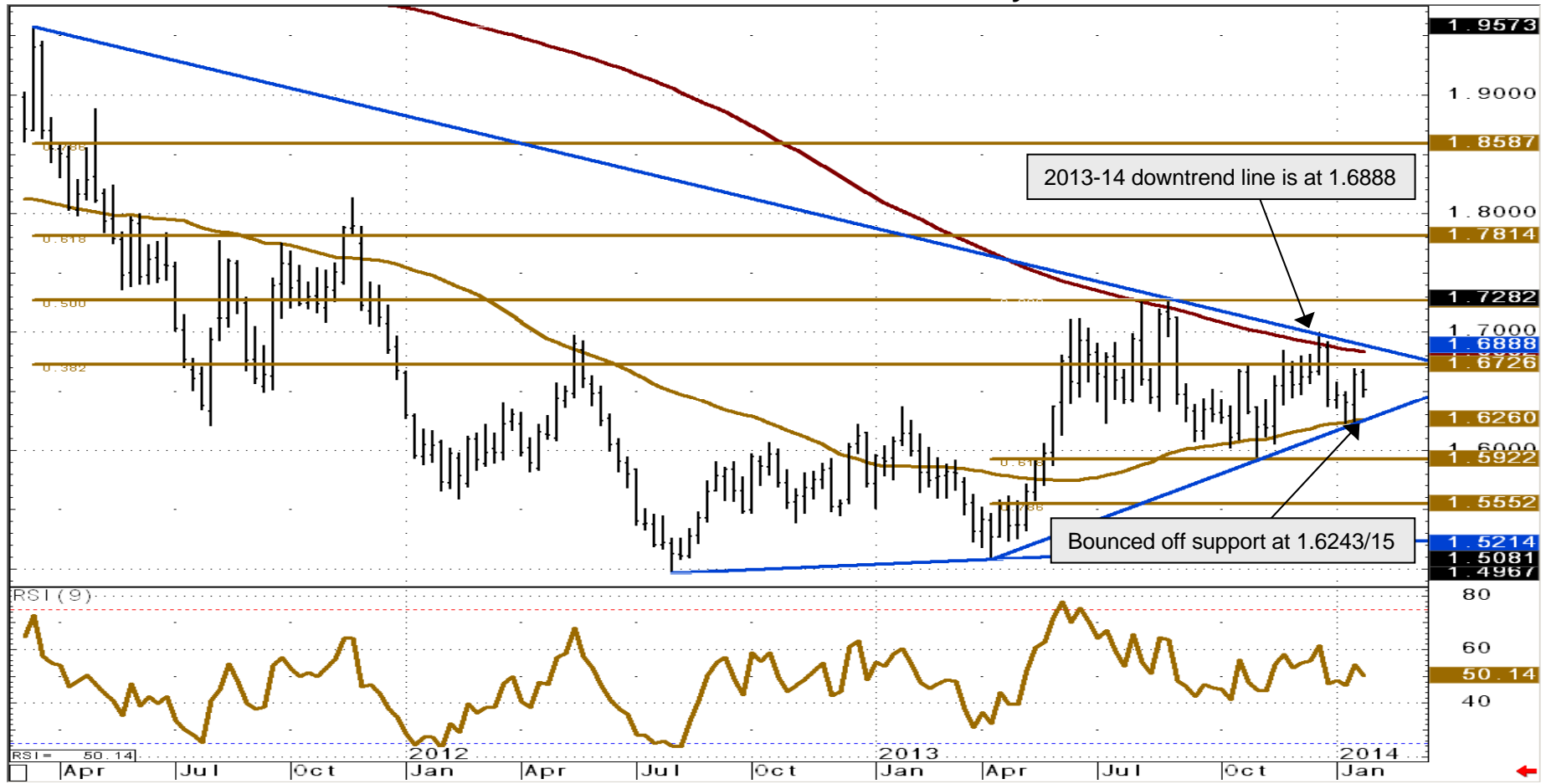


Support	Resistance	1-Week View	1-Month View
1.6421/1.6351	1.6578/1.6727	➔	➔
1.6237/23	1.6832/1.7000		

EUR/NZD - Weekly Chart

Bounced off the 1.6243/15 support zone which was key for the short term trend

EUR/NZD Weekly Chart



Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>

EUR/CAD - Daily Chart

So far made a five year high at 1.5295 which is within the 1.5186/1.5453 resistance zone

- › EUR/CAD's surge higher has so far taken it to 1.5295, to right within the major 1.5186/1.5453 resistance zone, which contains the June, July and October 2009 lows and the 61.8% Fibonacci retracement of the 2008-12 decline.
- › Within it, it is likely to lose upside momentum and could stall short term.
- › Should this not be the case, the March 2007 high at 1.5686 will be in focus, followed by the psychological 1.6000 region and the September 2009 high at 1.6099. These levels represent our medium term upside targets.
- › We will retain this bullish view while EUR/CAD stays above the current January low at 1.4410. Our longer term bullish outlook will be valid while the currency pair remains above the November low at 1.3887.
- › Minor support is seen at 1.5069/1.4990 and at 1.4819/1.4665, the mid- and late December highs.

EUR/CAD Daily Chart

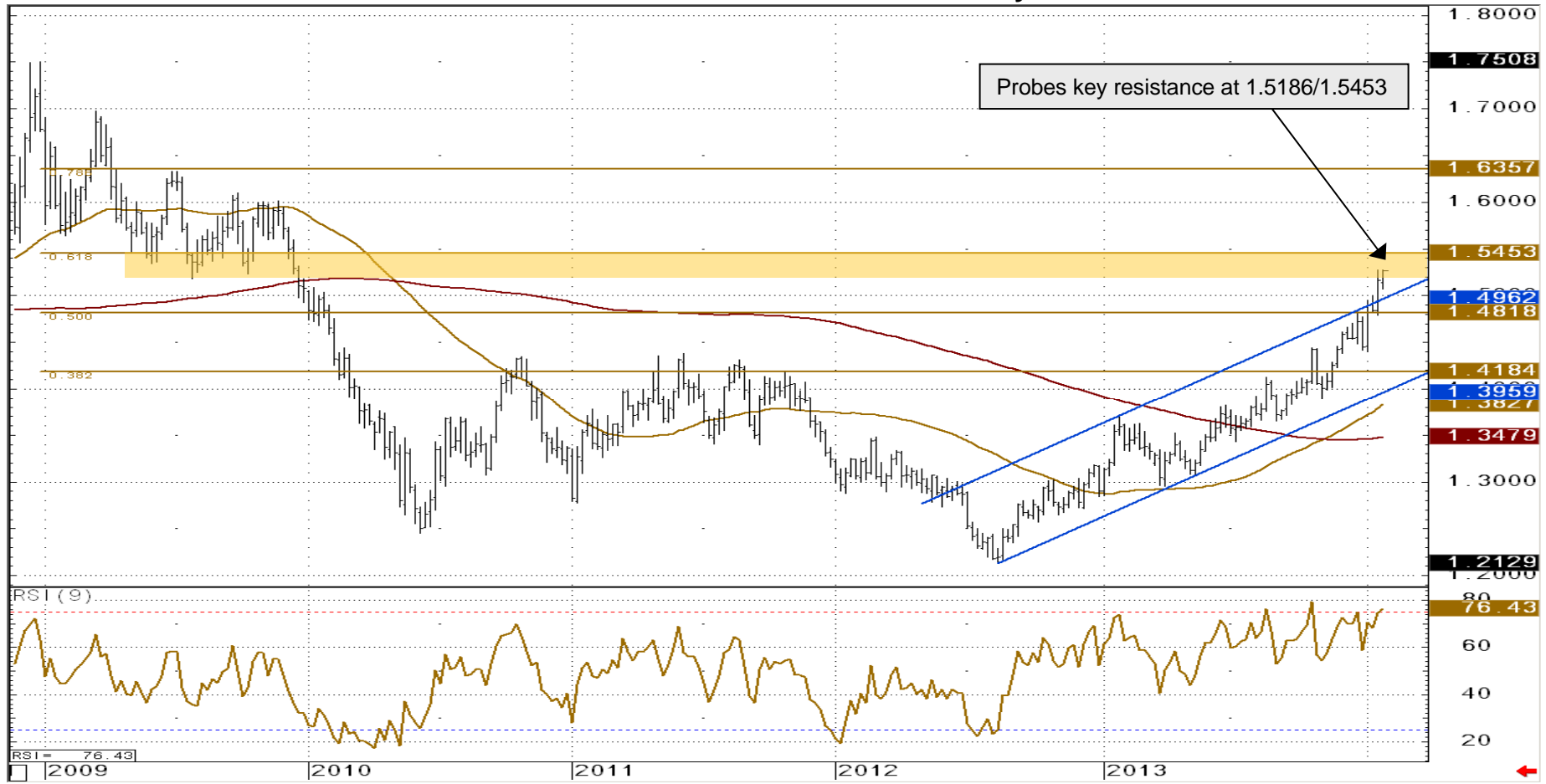


Support	Resistance	1-Week View	1-Month View
1.5069/1.4990	1.5453&1.5500	➔	➔
1.4819/1.4665	1.5686&1.6000		

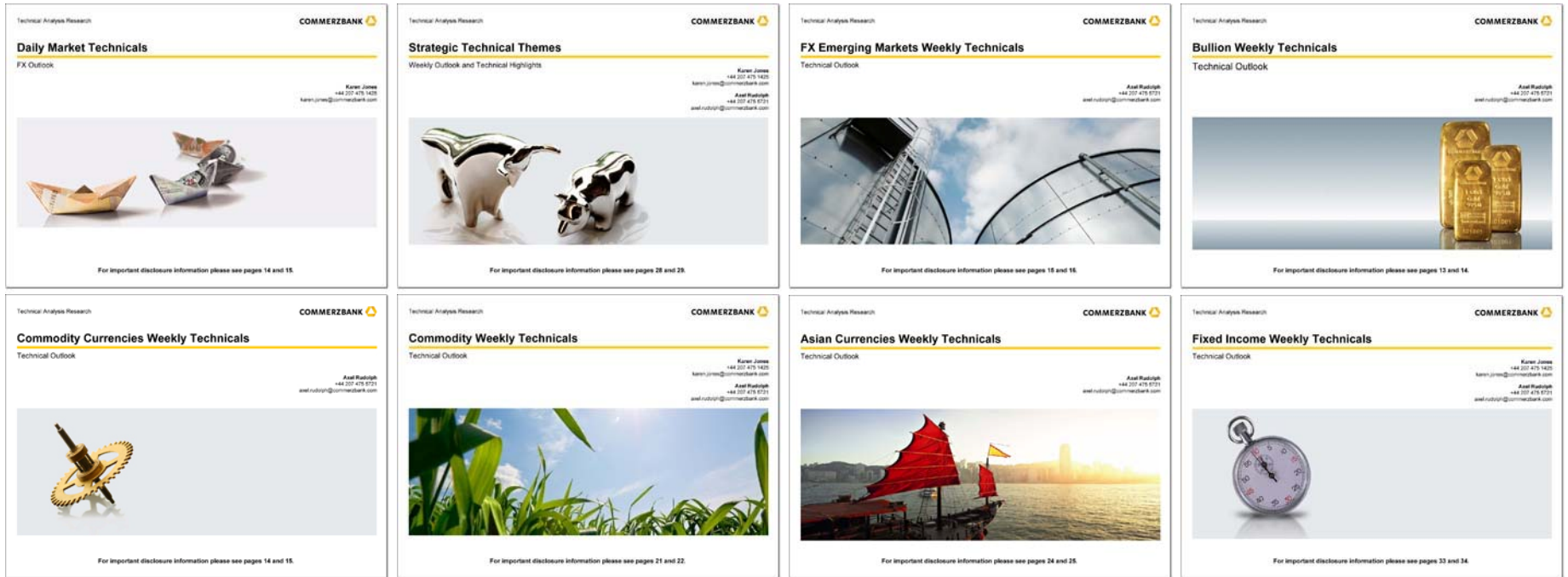
EUR/CAD - Weekly Chart

Probes key resistance at 1.5186/1.5453

EUR/CAD Weekly Chart



Source: CQG Inc. © 2014 All rights reserved worldwide. <http://www.cqg.com>



Other technical analysis reports we publish are:

- Monday:** Daily Market Technicals (FX), FX Emerging Markets Technicals;
- Tuesday:** Daily Market Technicals (FX), Bullion Weekly Technicals, Commodity Weekly Technicals;
- Wednesday:** Daily Market Technicals (FX), Strategic Technical Themes;
- Thursday:** Daily Market Technicals (FX), Asian Currencies Weekly Technicals;
- Friday:** Daily Market Technicals (FX), Fixed Income Weekly Technicals.

This document has been created and published by the Corporates & Markets division of Commerzbank AG, Frankfurt/Main or Commerzbank's branch offices mentioned in the document. Commerzbank Corporates & Markets is the investment banking division of Commerzbank, integrating research, debt, equities, interest rates and foreign exchange. The author(s) of this report, certify that (a) the views expressed in this report accurately reflect their personal views; and (b) no part of their compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or views expressed by them contained in this document. The analyst(s) named on this report are not registered / qualified as research analysts with FINRA and are not subject to NASD Rule 2711.

Disclaimer

This document is for information purposes only and does not take account of the specific circumstances of any recipient. The information contained herein does not constitute the provision of investment advice. It is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the financial instruments mentioned in this document and will not form the basis or a part of any contract or commitment whatsoever.

The information in this document is based on data obtained from sources believed by Commerzbank to be reliable and in good faith, but no representations, guarantees or warranties are made by Commerzbank with regard to accuracy, completeness or suitability of the data. The opinions and estimates contained herein reflect the current judgement of the author(s) on the data of this document and are subject to change without notice. The opinions do not necessarily correspond to the opinions of Commerzbank. Commerzbank does not have an obligation to update, modify or amend this document or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

The past performance of financial instruments is not indicative of future results. No assurance can be given that any opinion described herein would yield favourable investment results. Any forecasts discussed in this document may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the subsequent transpiration that underlying assumptions made by Commerzbank or by other sources relied upon in the document were inapposite.

Neither Commerzbank nor any of its respective directors, officers or employees accepts any responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part of this document.

Commerzbank may provide hyperlinks to websites of entities mentioned in this document, however the inclusion of a link does not imply that Commerzbank endorses, recommends or approves any material on the linked page or accessible from it. Commerzbank does not accept responsibility whatsoever for any such material, nor for any consequences of its use.

This document is for the use of the addressees only and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose, without the prior, written consent of Commerzbank. The manner of distributing this document may be restricted by law or regulation in certain countries, including the United States. Persons into whose possession this document may come are required to inform themselves about and to observe such restrictions. By accepting this document, a recipient hereof agrees to be bound by the foregoing limitations

Additional notes to readers in the following countries:

Germany: Commerzbank AG is registered in the Commercial Register at Amtsgericht Frankfurt under the number HRB 32000. Commerzbank AG is supervised by the German regulator Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Marie-Curie-Strasse 24-28, 60439 Frankfurt am Main, Germany.

United Kingdom: This document has been issued or approved for issue in the United Kingdom by Commerzbank AG London Branch. Commerzbank AG, London Branch is authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details on the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request. This document is directed exclusively to eligible counterparties and professional clients. It is not directed to retail clients. No persons other than an eligible counterparty or a professional client should read or rely on any information in this document. Commerzbank AG, London Branch does not deal for or advise or otherwise offer any investment services to retail clients.

United States: Commerz Markets LLC ("Commerz Markets"): This document has been approved for distribution in the US under applicable US law by Commerz Markets, a wholly owned subsidiary of Commerzbank and a US registered broker-dealer. Any securities transaction by US persons must be effected with Commerz Markets. Under applicable US law; information regarding clients of Commerz Markets may be distributed to other companies within the Commerzbank group. This research report is intended for distribution in the United States solely to "institutional investors" and "major U.S. institutional investors," as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Commerz Markets is a member of FINRA and SIPC.

Canada: The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. In Canada, the information contained herein is intended solely for distribution to Permitted Clients (as such term is defined in National Instrument 31-103) with whom Commerz Markets LLC deals pursuant to the international dealer exemption. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities may not be conducted through Commerz Markets LLC. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence.

European Economic Area: Where this document has been produced by a legal entity outside of the EEA, the document has been re-issued by Commerzbank AG, London Branch for distribution into the EEA.

Singapore: This document is furnished in Singapore by Commerzbank AG, Singapore branch. It may only be received in Singapore by an institutional investor as defined in section 4A of the Securities and Futures Act, Chapter 289 of Singapore ("SFA") pursuant to section 274 of the SFA.

Hong Kong: This document is furnished in Hong Kong by Commerzbank AG, Hong Kong Branch, and may only be received in Hong Kong by 'professional investors' within the meaning of Schedule 1 of the Securities and Futures Ordinance (Cap.571) of Hong Kong and any rules made there under.

Japan: Commerzbank AG, Tokyo Branch is responsible for the distribution of Research in Japan. Commerzbank AG, Tokyo Branch is regulated by the Japanese Financial Services Agency (FSA).

Australia: Commerzbank AG does not hold an Australian financial services licence. This document is being distributed in Australia to wholesale customers pursuant to an Australian financial services licence exemption for Commerzbank AG under Class Order 04/1313. Commerzbank AG is regulated by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) under the laws of Germany which differ from Australian laws.

© Commerzbank AG 2014. All rights reserved. Version 9.16

Commerzbank Corporates & Markets

Frankfurt	London	New York	Singapore Branch	Hong Kong Branch
Commerzbank AG	Commerzbank AG London Branch	Commerz Markets LLC	Commerzbank AG	Commerzbank AG
DLZ - Gebäude 2, Händlerhaus Mainzer Landstraße 153 60327 Frankfurt	PO BOX 52715 30 Gresham Street London, EC2P 2XY	2 World Financial Center, 32nd floor New York, NY 10020-1050 Tel: + 1 212 703 4000	71 Robinson Road, #12-01 Singapore 068895 Tel: +65 631 10000	29/F, Two IFC 8 Finance Street Central Hong Kong Tel: +852 3988 0988
Tel: + 49 69 136 21200	Tel: + 44 207 623 8000			



Karen Jones
Head of FICC Technical Analysis

Tel. +44 207 475 1425
Mail karen.jones@commerzbank.com

Axel Rudolph
Senior Technical Analyst

Tel. +44 207 475 5721
Mail axel.rudolph@commerzbank.com

Zentrale
Kaiserplatz
Frankfurt am Main
www.commerzbank.de

Postfachanschrift
60261 Frankfurt am Main
Tel. +49 (0)69 / 136-20
Mail info@commerzbank.com