

12 February 2018

Treasury Sales Team

Ottó Demjén

+36 1 288 7558

Otto.Demjen@otpbank.hu

János Mladoniczki

+36 1 288 7551

MladoniczkiJ@otpbank.hu

Lóránt Fábán

+36 1 288 7572

Lorant.Fabian@otpbank.hu

Attila Keresztyén

+36 1 288 7552

KeresztyenA@otpbank.hu

Ákos Fekete

+36 1 288 7553

FeketeAko@otpbank.hu

Frigyes Soós

+36 1 288 7571

SoosF@otpbank.hu

Csinszka Kis-Böndi

+36 1 288 7544

Kisbondics@otpbank.hu

Szilvia Lovas

+36 1 288 7545

LovasSz@otpbank.hu

Gábor Pozsgai

+36 1 288 7554

PozsgaiG@otpbank.hu

Edit Kovács Gyimóti

+36 1 288 7542

KovacsGyE@otpbank.hu

Zsigmond Csillag

+36 1 288 7556

Zsigmond.csillag@otpbank.hu

Roxána Kosztelnik

+36 1 288 7541

Roxana.kosztelnik@otpbank.hu



Global Technical Weekly Report

Global outlook headlines

Indices:

- **US SPX 500:** The index reversed from its peak two weeks ago. It left a gap, which is still unfilled. It became a very strong resistance. The ideal uptrend may be tested around 2,437. The correction phase may be protracted. It is better to avoid an early entry on the long side, and get stuck there.
- **Germany 30:** We could see a steeper collapse a few days ago. Then the fall stopped at 11,875. The next stronger support is between 10,625 and 10,938. There is still room for further dive. Apparently, it is not worth entering with long positions, because downward risks are high. It may be better to take short positions in case it back-tests the trendline above 12,500.
- **BUX:** It broke below the ideal upward trendline at the 39,063 level. Below this, there is still room towards deeper support levels. It may reach 37,500 or even deeper levels again. If investors want to enter on the long side, they should be very careful. As long as the price is below the ideal downward trendline, it may be worth entering on the short side, because that is what the trend seems to support.

FX market:

- **EUR/USD:** This is a correction phase inside the uptrend. As long as it is above 1.2085, any decreasing move is nothing more than a correction. The 1.2451 level is going to be the dividing line between an impulsive market and a correction. This concept would only change by breaking below the determining upward trendline around 1.2085.
- **EUR/HUF:** The pair broke above the ideal downward line. The 310.5 level was the watershed between the short and long sides. In the short term, the target can be 314.5 again. As long as the pair is above the ideal trendline, it is in uptrend. In the long term, it is likely to move sideways between 305 and 315.
- **GBP/USD:** Inside the uptrend the price is falling. Soon it may arrive at a strong support zone. The ideal downward trendline determines its move in the short term. As long as the price is below this line, it is better to wait before taking long positions again. There is a strong support zone between 1.35 and 1.37. Before joining the bullish camp again, it is worth waiting until it tests the support zone.

Technical Analyst

István Kecskeméti
kecskemetiis@otpbank.hu
+36 1 374 7225

Chief Economist

Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

US SPX 500, daily



Primary Support: 2,500
Secondary Support: 2,375

Primary Resistance: 2,750
Secondary Resistance: 2,813

Correction

The index reversed from its peak two weeks ago.

It left a gap, which is still unfilled. It became a very strong resistance.

The ideal uptrend may be tested around 2,437.

The correction phase may be protracted.

It is better to avoid an early entry on the long side, and get stuck there.

Stronger supports are at 2,500 or lower (2,437; 2,375).

Resistances lie at 2,750 and 2,813.

Germany 30, daily



Primary Support: 11,875
Secondary Support: 11,250

Primary Resistance: 12,500
Secondary Resistance: 13,125

Downtrend

We could see a steeper collapse a few days ago.

Then the fall stopped at 11,875.

The next stronger support is between 10,625 and 10,938.

There is still room for further dive.

Apparently, it is not worth entering with long positions, because downward risks are high.

It may be better to take short positions in case it back-tests the trendline above 12,500.

There are stronger resistances at 12,500; 12,813 and 13125.

Supports can be found at 11,875; 11,563; and 11,250.

BUX daily



Primary Support: 37,500
Secondary Support: 34,375

Primary Resistance: 39,844
Secondary Resistance: 40,625

Short-term downtrend

It broke below the ideal upward trendline at the 39,063 level.

Below this, there is still room towards deeper support levels.

It may reach 37,500 or even deeper levels again.

If investors want to enter on the long side, they should be very careful.

As long as the price is below the ideal downward thick (red) line, it may be worth entering on the short side, because that is what the trend seems to support.

Supports can be found at 37,500; 35,938 and 34,375.

Resistances lie at 39,844 and 40,625.

EUR/USD, daily



Primary Support: 1.2085
Secondary Support: 1.1719

Primary Resistance: 1.2451
Secondary Resistance: 1.2695

Correction inside the uptrend

This is a correction phase inside the uptrend.

As long as it is above 1.2085, any decreasing move is nothing more than a correction.

The 1.2451 level is going to be the dividing line between an impulsive market and a correction.

This concept would only change by breaking below the green line around 1.2085.

Resistances: 1.2451; 1.2573; 1.2695.

Supports can be found at 1.2085; 1.1963; 1.1841; 1.1719.

EUR/HUF, daily



Primary Support: 310.5
Secondary Support: 308.6

Primary Resistance: 314.5
Secondary Resistance: 316.5

Short-term uptrend

The pair broke above the ideal downward line.

The 310.5 level was the watershed between the short and long sides.

In the short term, the target can be 314.5 again.

As long as the pair is above the ideal green line, it is in uptrend.

In the long term, it is likely to move sideways between 305 and 315.

Supports can be found at 310.5; 308.6; 306.6; and 304.6.

Resistances lie at 314.5; 316.4; 318.4; and 320.3.

GBP/USD, daily



Primary Support: 1.3674
Secondary Support: 1.3553

Primary Resistance: 1.4040
Secondary Resistance: 1.4163

Downtrend in the short term

Inside the uptrend the price is falling.

Soon it may arrive at a strong support zone.

The ideal downward trendline determines its trend in the short term. As long as the price is below this line, it is better to wait before taking long positions again.

There is a strong support zone between 1.35 and 1.37.

Before joining the bullish camp again, it is worth waiting until it tests the support zone.

Supports can be found at 1.3553; 1.3674.

Resistances lie at 1.4040 and 1.4163.

Disclaimer

OTP Bank Plc (in Hungarian: OTP Bank Nyrt.) ("OTP Bank") does not intend to present this document as an objective or independent explanation of the matters contained therein. This document (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and (b) is not subject to any prohibition on dealing ahead of the dissemination of investment research. OTP Bank may hold a position or act as market maker in the financial instrument of any issuer discussed herein or act as advisor or lender to such issuer.

Although the information in this document has been prepared in good faith from sources, which OTP Bank reasonably believes to be reliable, we do not represent or warrant its accuracy and such information may be incomplete or condensed. Opinions and estimates constitute our judgment only and are subject to change without notice.

This communication does not contain a comprehensive analysis of the described issues. This material is for informational purposes only. This document is not intended to provide the basis for any evaluation of the financial instruments discussed herein. In particular, information in this document regarding any issue of new financial instruments should be regarded as indicative, preliminary and for illustrative purposes only, and evaluation of any such financial instruments is made solely on the basis of information contained in the relevant offering circular and pricing supplement when available. OTP Bank does not act as a fiduciary for or an advisor to any prospective purchaser of the financial instruments discussed herein and is not responsible for determining the legality or suitability of an investment in the financial instruments by any prospective purchaser. This communication is not intended as investment advice, an offer or solicitation for the purchase or sale of any financial instrument, and it does not constitute legal, tax or accounting advice.

Information herein reflects the market situation at the time of writing. It provides only momentary information and may change as market conditions and circumstances develop. Additional information may be available on request. Where a figure relates to a period on or before the date of communication, the figure relates to the past and indicates a historic data. Past performance is not a reliable indicator of future results and shall be not treated as such. OTP Bank makes no representation or warranty, express or implied, is made regarding future performance of any financial instrument mentioned in this communication. OTP Bank shall have no liability for the information contained in this for any loss or damage whether direct, indirect, financial, economic, or consequential, whether or not caused by the negligent act or omission of OTP Bank, provided that such limitation of liability shall not apply to any liability which cannot be excluded or limited under the applicable law.

Before purchasing or selling financial instruments or engaging investment services, please examine the prospectuses, regulations, terms, agreements, notices, fee letters, and any other relevant documents regarding financial instruments or investment services described herein in order to be capable of making a well-advised investment decision. Please also speak to a competent financial adviser for advice on the risks, fees, taxes, potential losses and any other relevant conditions before you make your investment decision regarding financial instruments or investment services described herein. The financial instruments mentioned in this communication may not be suitable for all types of investors. This communication does not take into account the investment objectives, financial situation or specific needs of any specific client. This communication and any of the financial instruments and information contained herein are not intended for the use of private investors in the UK. Any individual decision or investment made based on this publication is made solely at the risk of the client and OTP Bank shall not be held responsible for the success of the investment decisions or for attaining the Client's target.

OTP Bank Plc. (registered seat: Nádor utca 16., Budapest H-1051, Hungary; regulated and authorised by the Magyar Nemzeti Bank (Central Bank of Hungary, H-1013 Budapest, Krisztina krt. 39.), with PSZÁF licence numbers: III/41.003-22/2002 and E-III/456/2008. For more information, please refer to the website: <https://www.otpbank.hu/portal/hu/Megtakaritas/Ertekpapir/MIFID>). All rights reserved. The copyright of this publication is exclusively owned by OTP Bank Plc and no part of this material can be reproduced, re-used or disseminated without the prior written consent of OTP Bank Plc. The terms and conditions of this disclaimer shall be governed by and construed in accordance with English law.

If you received this document from OTP Bank Plc, then it was sent to you with your previous consent. You may withdraw this permission by sending an e-mail to research@otpbank.hu or writing a letter addressed to "Research Center", Hungary 1051, Budapest Nádor utca 21. Please refer to your name and e-mail address in both cases.