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Global Technical Weekly Report

Global outlook headlines

Indices:

- **US SPX 500:** Last week the index revisited the first support level at 2,625. It has become a little oversold. Inside the main downward trend, a correction phase may come again but the yield potential is low. As long as the ideal downward trendline is intact, it is not worth taking long-term positions on the long side. It may be worth looking for short-selling positions above 2,750. Below 2,625 it could fall even near the 2,250 zone in the long term.
- **Germany 30:** It has fluctuated around 11,250. The main trend is still the downtrend. This would only change above the dominant falling trendline, which is currently running around 12,500. The momentum indicator shows a weak divergence. Below 11,250, the technical picture does not provide any stronger support before the 10,000-10,625 zone. It may be still worth looking for short-selling positions.
- **BUX:** The momentum of the increase slowed above 39,062. In the short term it became overbought. This also helped to stop. Under the current circumstances it is better to wait before entering on the long side, because the risks have increased. The index could back-test the ideal upward line around 37,500.

FX market:

- **EUR/USD:** Despite breaking the trend, it could not get away from the breakout level of 1.1352. The short-term trend is up, but if it closes below 1.1352, the trend can change. This is a vague situation, so it is better to wait a few days before making a decision.
- **EUR/HUF:** The pair broke below the ideal upward long-term trendline a month ago. Now it may break above the ideal downward line. But even if it succeeds, it would not make big moves. The cross may face strong resistance near 326-328. As long as the price is below the ideal downward line, caution is warranted on the long side. This can change by closing above 323.
- **GBP/USD:** It moved sideways throughout last week. But fortunately the 1.2695 level did not fall. The ADX indicates neutral situation – it is better to stand on the sidelines now. If you want to buy pound, it is better to wait until it successfully breaks out from the downward trend. However, breaking below the 1.2695 level would be a very bad signal for sterling. In that case the next strong support level awaits it below 1.22. This is a dangerous situation for the pound.

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US SPX 500, daily



Primary Support: 2,625
Secondary Support: 2,500

Primary Resistance: 2,813
Secondary Resistance: 2,875

At an important support

Last week the index revisited the first support level at 2,625.

It has become a little oversold.

Inside the main downward trend, a correction phase may come again but the yield potential is low.

As long as the ideal downward trendline is intact, it is not worth taking long-term positions on the long side.

It may be worth looking for short-selling positions above 2,750.

Below 2,625 it could fall even near the 2,250 zone in the long term.

There are stronger supports at 2,625 and 2,500; 2250.

Resistances lie at 2,813 and 2,875.

Germany 30, daily



Primary Support: 10,625
Secondary Support: 10,000

Primary Resistance: 11,875
Secondary Resistance: 12,500

Downtrend

It has fluctuated around 11,250.

The main trend is still the downtrend. This would only change above the dominant red falling trendline, which is currently running around 12,500.

The momentum indicator shows a weak divergence.

Below 11,250, the technical picture does not provide any stronger support before the 10,000-10,625 zone.

It may be still worth looking for short-selling positions.

There are stronger resistances at 11,875 and 12,500.

Supports can be found at 10,625; and 10,000.

BUX daily



Bucking the global trend

The momentum of the increase slowed above 39,062.

In the short term it became overbought. This also helped to stop.

Under the current circumstances it is better to wait before entering on the long side, because the risks have increased.

The index could back-test the ideal upward line around 37,500.

Supports can be found at 37,500; 36,718; 35,938; 34,375 and 32,500.

Resistances lie at 39,844 and 40,625.

Primary Support: 37,500
Secondary Support: 35,938

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

EUR/USD, daily

Downtrend may break



Despite breaking the trend, it could not get away from the breakout level of 1.1352.

The short-term trend is up, but if it closes below 1.1352, the trend can change.

This is a vague situation, so it is better to wait a few days before making a decision.

Resistances: 1.1719; 1.1841; 1.1963.

Supports can be found at 1.1230; 1.1108; 1.0986.

Primary Support: 1.1230
Secondary Support: 1.1108

Primary Resistance: 1.1719
Secondary Resistance: 1.1963

EUR/HUF, daily



Primary Support: 318.36
Secondary Support: 316.4

Primary Resistance: 326.17
Secondary Resistance: 328.13

Downtrend in danger

The pair broke below the ideal upward long-term trendline a month ago.

Now it may break above the ideal downward line. But even if it succeeds, it would not make big moves.

The cross may face strong resistance near 326-328.

As long as the price is below the ideal downward line, caution is warranted on the long side.

This can change by closing above 323.

Further supports can be found at 318.36; 314.5; and 312.5.

Resistances lie at 324.22; 326.17; 328.13; 330.08; 332.03.

GBP/USD, daily



Primary Support: 1.2695
Secondary Support: 1.2451

Primary Resistance: 1.3184
Secondary Resistance: 1.3428

A trendless market

It moved sideways throughout last week.

But fortunately the 1.2695 level did not fall.

The ADX indicates neutral situation – it is better to stand on the sidelines now.

If you want to buy pound, it is better to wait until it successfully breaks out from the downward trend.

However, breaking below the 1.2695 level would be a very bad signal for sterling. In that case the next strong support level awaits it below 1.22.

This is a dangerous situation for the pound.

Supports can be found at 1.2695 and 1.2573; 1.2451.

Resistances lie at 1.3184; 1.3307 and 1.3428.

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