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Global Technical Weekly Report

10 December 2018

Otp Research

Global outlook headlines

Indices:

- **US SPX 500:** The index has been trading in the 2,625-2,813 range over the past two months. Its sideways moves may end soon, because this was the third time for the price to hit the important support. If the price breaks below this level, the index may collapse, falling towards the 2,437 level. Downtrend remained the main one. It is not worth looking for long entry points now.
- **Germany 30:** The index collapsed last week. It reached the first important support at 10,625. Because of the new swing low point, the main trend is still the downtrend. This would only change above the dominant falling trendline, which is currently running just below 12,188. If the price drops below 10,625, it may be worth looking for long positions near 10,000. But any long positions should be just short-term.
- **BUX:** Last week the index became really overbought. It reversed without hitting an all-time high. This is a correction phase, because the price is above the ideal upward line. A strong support awaits it at 37,500. It is better to wait before entering on the long side, because the risks are still too high. There would be a better long entry point around 37,500.

FX market:

- **EUR/USD:** It has fluctuated around 1.1352. The price started to climb upwards, but a real and strong upward trend could develop only above 1.1475. The short-term trend is still uncertain. This is still an undecided situation.
- **EUR/HUF:** The pair broke above its ideal downward trendline, but it did not shoot up last week. It has been moving sideways between 322.2 and 324.2. In the short term, as long as the cross is above 322.27, it may rise towards its resistance levels. The cross may face a strong resistance zone around 328. There are no big potentials in this chart. The technical picture suggests that it could edge higher.
- **GBP/USD:** It has been moving sideways for two weeks now the 1.2695 level has remained intact. 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 and critical situation for the pound.

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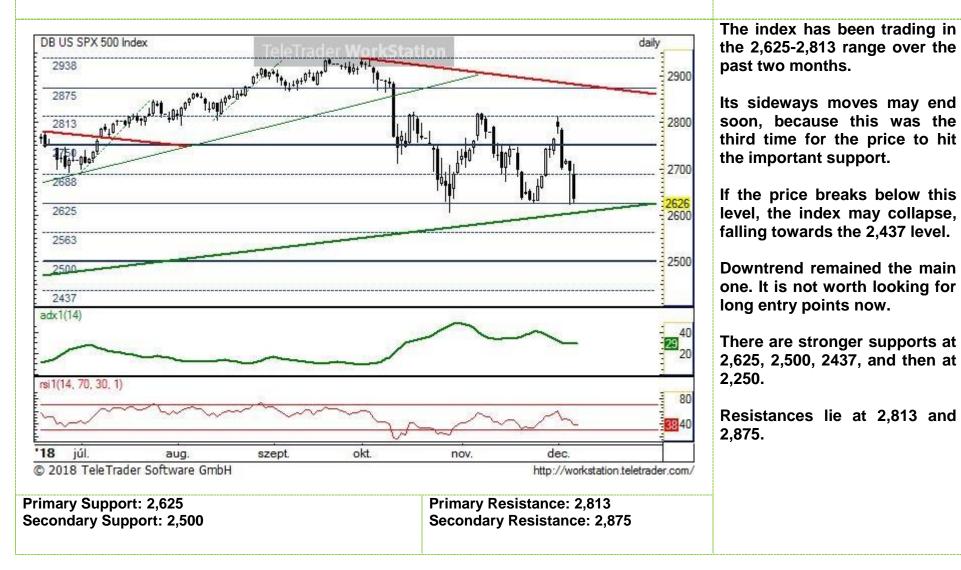
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Breaking down?

US SPX 500, daily





Germany 30, daily



Correction inside a downtrend

The index collapsed last week. It reached the first important support at 10,625.

Because of the new swing low point, the main trend is still the downtrend. This would only change above the dominant red falling trendline, which is currently running just below 12,188.

If the price drops below 10,625, it may be worth looking for long positions near 10,000. But any long bets should be just short-term.

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

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



















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