

Treasury Sales Team

8 April 2019

Head of Sales

Ottó Demjén

+36 1 288 7558

Otto.Demjen@otpbank.hu

Szilvia Lovas

+36 1 288 7545

LovasSz@otpbank.hu

Retail

Zsigmond Csillag

+36 1 288 7556

zsigmond.csillag@otpbank.hu

János Mladoniczki

+36 1 288 7551

MladoniczkiJ@otpbank.hu

Corporate

Attila Keresztyén

+36 1 288 7552

KeresztyenA@otpbank.hu

Nóra Ilona Gordos

+36 1 288 7549

Nora.Ilona.Gordos@otpbank.hu

István Milán Nagy

+36 1 288 7554

milan.nagy@otpbank.hu

János Imrei

+36 1 288 7555

janos.imrei@otpbank.hu

Frigyes Soós

+36 1 288 7571

SoosF@otpbank.hu

Csinszka Kis-Böndi

+36 1 288 7544

Kis-bondics@otpbank.hu

Pál András Saághy

+36 1 288 7553

Pal.Andras.Saaghy@otpbank.hu

Roxána Kosztelnik

+36 1 288 7541

roxana.kosztelnik@otpbank.hu

Institutional

Lóránt Fábán

+36 1 288 7572

Lorant.Fabian@otpbank.hu

Edit Kovács Gyimóti

+36 1 288 7542

KovacsGyE@otpbank.hu



Global Technical Weekly Report

Global outlook headlines

Indices:

- **US SPX 500:** It left a gap between 2,837 and 2,850. The index is still hitting higher highs and higher lows. It has not shown signs of a trend reversal pattern yet. In the short term, a short-selling entry may be recommended, with tight stop-loss levels, because it is very close to all-time highs. A change is on the cards, but a stronger sell signal is needed, e.g. a lower high, filling the gap, or bigger selling volume. The first better long entry zone may be near 2,500.
- **Germany 30:** The index exceeded the latest high above 11,875. Moreover, it left a gap between 11,550 and 11,605. The trend reversal went further as it hit a new swing high point. If it fills the gap, a short-term correction phase may follow. In that case the downward move may face a strong support about 10% lower. The strong natural level at 12,500 is waiting to be tested.
- **BUX:** The index moved sideways near its all-time high in the past three weeks. It did not form a trend reversal pattern yet. It may even reach the 43,750 strong natural level but may become overbought again there. If it falls, the main trend would be damaged below 41,406. As long as it is above the ideal trendline, further all-time highs are on the cards.

FX market:

- **EUR/USD:** In the longer term it has been fluctuating in the wider range of 1.1230–1.1475. Last week the euro strengthened. If the price could break above the ideal decreasing line, the short upward moves would turn into an uptrend. The question is whether the price will hit a new bottom or it bounces back to hit a higher swing low point. This latter would strengthen the rising trend. In the short term it is worth looking for entry points on the long side.
- **EUR/HUF:** After sharp upward moves, it took a breather near 320.3. It has the potential for further upward moves. Because the pair also surpassed the ideal decreasing line, it may be worth looking for positions on the long side. A better entry level may be found below 318.4.
- **GBP/USD:** The pair broke below the ideal upward line two weeks ago. Unless the price closes above 1.3184 level, the downtrend may persist. Possible long entry points are much lower, below 1.2695. In this case a bigger space may open towards 1.2451.

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: 2,938
Secondary Resistance: 3,000

Near strong resistances

It left a gap between 2,837 and 2,850.

The index is still hitting higher highs and higher lows.

It has not shown signs of a trend reversal pattern yet.

In the short term, a short-selling entry may be recommended, with tight stop-loss levels, because it is very close to all-time highs.

A change is on the cards, but a stronger sell signal is needed, e.g. a lower high, filling the gap, or bigger selling volume.

The first better long entry zone may be near 2,500.

There are stronger supports at 2,500; 2,437, 2,375, and then at 2,250.

Resistances lie at 2,938 and 3,000.

Germany 30, daily



Primary Support: 10,936
Secondary Support: 10,625

Primary Resistance: 12,188
Secondary Resistance: 12,500

Stayed in uptrend

The index exceeded the latest high above 11,875.

Moreover, it left a gap between 11,550 and 11,605.

The trend reversal went further as it hit a new swing high point.

If it fills the gap, a short-term correction phase may follow. In that case the downward move may face a strong support about 10% lower.

The strong natural level at 12,500 is waiting to be tested.

There are stronger resistances at 12,188 and 12,500.

Supports can be found at 10,938; 10,625; and 10,000.

BUX daily



Strong unbroken uptrend

The index moved sideways near its all-time high in the past three weeks.

It did not form a trend reversal pattern yet.

It may even reach the 43,750 strong natural level but may become overbought again there.

If it falls, the main trend would be damaged below 41,406.

As long as it is above the ideal trendline, further all-time highs are on the cards.

Supports can be found at 40,625; 39,844; 39,062; 38,281; 37,500.

Resistances lie at 42,968 and 43,750.

Primary Support: 41,406
Secondary Support: 39,062

Primary Resistance: 42,968
Secondary Resistance: 43,750

EUR/USD, daily



Short-term uptrend may come

In the longer term it has been fluctuating in the wider range of 1.1230–1.1475.

Last week the euro strengthened.

If the price could break above the ideal decreasing line, the short upward moves would turn into an uptrend.

The question is whether the price will hit a new bottom or it bounces back to hit a higher swing low point.

This latter would strengthen the rising trend.

In the short term it is worth looking for entry points on the long side.

Resistances: 1.1475; 1.1719; 1.1841; and 1.1963.

Supports can be found at 1.1230. 1.1169; 1.1108; and 1.0986.

EUR/HUF, daily



Primary Support: 318.4
Secondary Support: 316.4

Primary Resistance: 322.3
Secondary Resistance: 324.22

Uptrend

After sharp upward moves, it took a breather near 320.3.

It has the potential for further upward moves.

Because the pair also surpassed the ideal decreasing line, it may be worth looking for positions on the long side.

A better entry level may be found below 318.4.

Supports can be found at 318.4; 316.4; 314.45; and 312.5.

Resistances lie at 322.3; 324.22; 328.13.

GBP/USD, daily



Uptrend broken

The pair broke below the ideal upward line two weeks ago.

Unless the price closes above 1.3184 level, the downtrend may persist.

Possible long entry points are much lower, below 1.2695.

In this case a bigger space may open towards 1.2451.

Supports can be found at 1.3062; 1.2939; 1.2817; 1.2695.

Resistances lie at 1.3307; 1.3428.

Disclaimer

1. Pursuant to the Commission-delegated regulation 2014/65/EU of the European Parliament, the content of this document shall be considered as an investment research, which recommends or suggests an investment strategy, explicitly or implicitly concerning one or more financial instruments or the issuers of financial instruments, including any opinion as to the present or future value or price of such instruments. The statements in this investment research contain objective or independent explanation. Furthermore, pursuant to Directive 2014/65/EU of the European Parliament and of the Council, this document shall be considered as investment recommendation. This document does not take into account investors' individual interests, circumstances, or objectives; therefore, in the absence of personal recommendation, it shall not be considered as an investment advice.
OTP Bank intends to make this document available to its clients or to the public, or to make it accessible to other persons in a way that allows this document to be disseminated to the public.
2. The issuer(s) of the product(s) mentioned in this document do not hold more than 5% of OTP Bank's registered capital. OTP Bank is neither a market maker nor the liquidity provider of the financial instrument that is discussed in this document. Neither was OTP Bank a lead-manager (organizer) or joint lead manager (organizer) of any public placement of the issuer's financial instruments (e.g. securities) in the previous 12 months. Regarding investment services defined in Sections A and B of Annex 1 of Directive 2014/65/EU, OTP Bank is not a party of the agreement with the issuer. OTP Bank maintains a conflict of interest policy and it keeps such records, and it has requirements that regulate the transmission of bank secrets and securities secrets, which requirements shall be considered as the effective internal organizational and management solutions as well as information barriers to prevent or manage conflicts of interest. The remuneration of the person(s) participating in preparing the recommendation is not directly related to the transactions carried out as part of the investment services specified in Sections A and B of Annex 1 of Directive 2014/65/EU, or to transactions carried out by them or by other legal entities of the same group, or to trading fees that they or another legal person of the same group receive. OTP Bank does not hold net long or short positions that exceed 0.5% threshold of the issuer's total registered capital.
3. OTP Bank has developed appropriate internal procedures for (i) the personal transactions and tradings of financial analysts and other relevant persons, (ii) the physical separation of the financial analysts involved in the production of investment research and other relevant persons; moreover, information barriers have been implemented, (iii) for accepting and managing incentives and remuneration.
4. This communication does not contain a comprehensive analysis of the described issues; it is only for information purposes. No part, chapter, or the entirety of this information shall be considered as investment advice, not even if any part of this document contains a description of a certain financial instrument in terms of its possible price or yield development, and the related investment options. This information shall not shall be considered as legal, tax or accounting advice.
5. This information reflects the market situation at the time when the document was prepared. You may request more information from OTP Bank. This document was prepared based on publicly accessible information made available to OTP Bank from one or more sources. This document was prepared using data, facts and information from the following essential sources: Portfólió-Teletrader Kft. – Teletrader Professional, Bloomberg, Reuters, Hungarian Central Statistical Office (KSH), Eurostat, Magyar Nemzeti Bank (Hungary's central bank), and European Central Bank (ECB). Although the information in this document has been prepared in good faith from sources that OTP Bank believes to be reliable, we do not represent or warrant its accuracy or completeness. This document represents the opinion and estimations of analysts at OTP Research, based on publicly available data. You may receive different recommendation from the staff of OTP Bank, in particular if you are provided investment advice based on an investment advice agreement. The content of this document is based on the opinion of OTP Research's analyst at the time when the document was prepared, and they may be subject to change at any time in the future without further notice.
6. Please be informed that, irrespective of the findings of this investment research, OTP Bank is entitled to deal or trade as market maker, acting in good faith and in accordance with the usual way of market-making, with the financial instruments distributed by the issuer(s) specified in this document, as well as to provide other investment activities or ancillary services, and/or other financial or ancillary financial services to the issuer and other persons.
7. This document shall not be a basis for any further analysis in relation to the financial instruments contained therein. Any reference in this document to the future distribution of a financial instrument shall be construed as indicative, preliminary and informative, and any analysis of such financial instrument is exclusively based on publicly available information listed in the respective prospectus or announcement. The content of this document shall not imply that OTP Bank acts as an agent, fiduciary, or an advisor to, or on behalf of, any prospective purchaser of the financial instruments discussed herein.
8. For certain persons, access to the products and/or services discussed in this document may not be granted, or it may be limited. The act of preparing this document by OTP Bank, its uploading to the website, its publication may under no circumstances be considered as OTP Bank's intention to make available product and/or service information in the prospectus to persons whom any country or state prohibits from having or obtaining the given product and/or service, including the promotion and the advertisement thereof.
9. Technical analyses can provide useful help in making investment decisions, but before placing an order or opening a position, it is necessary to examine other aspects and the fundamentals, in particular the macroeconomic situation, the financial circumstances, and the financial management of the underlying company. It is risky to make investment decision based on solely the tools of technical analysis – therefore, in order to mitigate these risks, you are strongly recommended to learn and assess these other aspects and fundamentals.
10. This publication contains generic presentation of information and knowledge, thus it does not take into account the individual clients' unique and special interests, financial condition, or their ability and willingness to take risks. Therefore please contact our staff or contact your banking consultant for advice before you make an investment decision. The assessment and the consideration of the individual circumstances is provided by the suitability and compliance tests that assess clients' financial knowledge, experience, risk-taking abilities, as well as the examination of the target market.
11. Before making an informed decision to invest and to use the services, please carefully read through all documents, including the documentation, prospectus, regulations, terms and conditions, announcements and key information documents for that product/service, and carefully consider the subject, the risk, the fees and costs of your investment, the possibility of any loss, and seek information about the tax regulations regarding the product and the investment. The prices of financial instruments and securities are changing, outright sales are realized at then current market prices, which may involve losses. The information and opinions in this document do not substitute or take the place of the issuance documentation for the given financial assets (e.g. prospectus, fund management rules), or their brochures or announcements.
12. You assume total responsibility and risk for any specific decision or investment; OTP Bank shall not be held responsible for the effectiveness of investment decisions or for reaching your purpose, nor for the individual investment decision made based on this document or any part thereof, or for their consequences.
Investments in financial instruments carry a certain degree of risk, which may affect the effectiveness of the investment decision, and investors may not receive the whole amount they had expected the investment to yield in their investment targets; they may not preserve even the invested amount, therefore the invested capital might even decrease, be wholly lost, or even lead to additional payment obligation.

13. Trading with leveraged products (such as foreign exchange contracts), or shares and indices that have underlying products carries a considerable amount of risk, and these products are not suitable for all investors. Trading with leveraged products carries the risk of losing all capital, and it may incur losses that exceed the amount invested.
14. **The figures and information described herein refer to the past, and past performance is not a reliable indicator of future yields, changes, or performance.**
The changes on money and capital markets, the fluctuation of prices, the development of investments and their yields are influenced by the combined effect of multiple factors; one important factor of them is the change in investors' expectations. **The development of prices, the future yield of financial assets, indices or indicators, the examination of their changes, trends, and future performance is based on estimations and forecasts, which forecasts do not allow reliable conclusions to be drawn about the future moves of prices, real future yields, changes, or performance.** For each product and service, please assess their tax accounting implications, and other tax consequences, taking into account that they cannot be precisely assessed without knowing the effective tax regulations of the client's individual circumstances; and these legislative provisions as well as the circumstances may change over time.
15. OTP Bank reserves the right to modify this document in the future, without prior notice.
16. This investment research as a recommendation is planned to be updated weekly.
Previously investment research documents for the same assets and products are available free of charge directly at OTP Research. www.otpresearch.com
17. OTP Bank (business registration number: 01-10-041-585; registered seat: Nádor utca 16., Budapest H-1051, Hungary; authorised by Magyar Nemzeti Bank (former supervisory authority: Hungarian Financial Supervisory Authority, 'PSZÁF'). Current supervisory authority: Magyar Nemzeti Bank (National Bank of Hungary – H-1054 Budapest, Szabadság tér 9); customer service: H-1013 Budapest, Krisztina krt. 39. Additional information: <https://www.otpbank.hu/portal/hu/Megtakaritas/Ertekpapir/MIFID>)
18. All rights reserved. This document is solely owned by OTP Bank. No part of this material can be reproduced, re-used, disseminated, made available, re-published, referenced to, inserted in other websites or services without the prior written consent of OTP Bank.
19. If you received this document from the Regional Treasury Directorate of OTP Bank, then it was sent to you with your previous consent. You may withdraw this permission by sending an e-mail to treasury@otpbank.hu, or by writing a letter to the following address: Regionális Treasury Igazgatóság 1131 Budapest, Babér utca 16. Please refer to your name and e-mail address in both cases, and to the publication concerned.
Data management registration number: NAIH-89457/2015.
20. The personal data in this investment research are processed by OTP Bank. The legal basis for processing the data is the legitimate interest of OTP Bank. The detailed information about the processing of personal data and the related rights of data subjects is available [here](#).

This document was prepared by:
István Kecskeméti
Technical Analyst
OTP Research

This document was finalized at 3:06:07 PM on 08 April 2019.