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Weekly Technical Analysis

Global outlook headlines

Indices:

- **US SPX 500:** The index has been moving sideways below the downward trendline for two weeks. The important resistance of 2,969 is the watershed between further upward moves and correction. Within two weeks, it may become clear whether the index can break above the decreasing trendline or a new downward wave begins. In the latter case, the buy zone is much lower. It is better to wait until it tests below-2,500 levels again.
- **Germany 30:** The index has been moving sideways for two weeks. The gap, which remained open, can be a strong resistance. Moreover, the 11,250 mark is a very significant resistance. A new Buy position does not have a good risk/reward ratio at these levels. It is worth waiting for lower prices, below 10,000, before taking a new position, because the next support below the thin green line is around 9,375 only. This would be more than 10% loss.
- **BUX:** Hungary's stock index has been moving sideways around 34,375 lately. As long as it is above the ideal upward trendline, a second rising wave may take it to 37,500. A better short-selling entry point can be found near 40,625. If it breaks below the main upward trendline, the chance of rising may decrease.

FX market:

- **EUR/USD:** The pair practically lacks a direction. A dollar weakening trend may start only if the pair closes above 1.0925. In this case the target price could be 1.1230 once again. Otherwise better Buy positions may present themselves below 1.0742 or near 1.0620.
- **EUR/HUF:** Having hit a new swing low below 350, the pair bounced back from this mark last week. This confirms the downward trend, which remained in force even if the cross returned to 355. But it exceeded the thin red line, indicating that the downward move is also uncertain. There is no signal these days. It is not worth taking positions now.
- **GBP/USD:** The pair broke out of the 1.2207–1.2695 range. Below 1.2207 the downward move became the norm. The next strong support line is lying at the upward support line, near 1.19. It is not worth taking position on the long side yet.

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US SPX 500, daily



Primary Support: 2,500
Secondary Support: 2,188

Primary Resistance: 2,969
Secondary Resistance: 3,125

Correction

The index has been moving sideways below the downward trendline for two weeks.

The important resistance of 2,969 is the watershed between further upward moves and correction.

Within two weeks, it may become clear whether the index can break above the decreasing trendline or a new downward wave begins.

In the latter case, the buy zone is much lower. It is better to wait until it tests below-2,500 levels again.

Further resistances lie at 2,969 and 3,125.

Supports can be found at 2,500; 2,344 and 2,188.

Germany 30, daily



Primary Support: 10,000
Secondary Support: 9,375

Primary Resistance: 11,250
Secondary Resistance: 11,875

Sideways moves

The index has been moving sideways for two weeks.

The gap, which remained open, can be a strong resistance. Moreover, the 11,250 mark is a very significant resistance.

A new Buy position does not have a good risk/reward ratio at these levels.

It is worth waiting for lower prices, below 10,000, before taking a new position, because the next support below the thin green line is near 9,375. This would be more than 10% loss.

There are stronger resistances at 11,250 and 11,875.

Supports can be found at 9,375; 8,750; 8,125 and 7,500.

BUX daily



Primary Support: 31,250
Secondary Support: 29,688

Primary Resistance: 37,500
Secondary Resistance: 40,625

Correction may continue

Hungary's stock index has been moving sideways around 34,375 lately.

As long as it is above the ideal upward trendline, a second rising wave may take it to 37,500.

A better short-selling entry point can be found near 40,625.

If it breaks below the main upward trendline, the chance of rising may decrease.

Strong supports await the price around 31,250, 29,688, 28,125, and 25,000.

Resistances lie at 37,500 and 40,625.

EUR/USD, daily

Still neutral



Primary Support: 1.0742
Secondary Support: 1.0620

Primary Resistance: 1.1230
Secondary Resistance: 1.1475

The pair practically lacks a direction.

A dollar weakening trend may start only if the pair closes above 1.0925.

In this case the target price could be 1.1230 once again.

Otherwise better Buy positions may present themselves below 1.0742 or near 1.0620.

Resistances lie at 1.1230 and 1.1475.

Supports can be found at 1.0742 and 1.0620

EUR/HUF, daily



Primary Support: 343.75
Secondary Support: 339.84

Primary Resistance: 367.19
Secondary Resistance: 375

Downward move

Having hit a new swing low below 350, the pair bounced back from this mark last week.

This confirms the downward trend, which remained in force even if the cross returned to 355.

But exceeding the thin red line indicates that the downward move is also uncertain.

There is no signal these days. It is not worth taking positions now.

The 343.75 mark is a very strong support. The next one is at 339.84.

Resistances lie at 367.19 and 375.

GBP/USD, daily

Downtrend



The pair broke out of the 1.2207–1.2695 range.

Below 1.2207 the downward move became the norm.

The next strong support line is lying at the upward support line, near 1.19.

It is not worth taking position on the long side yet.

Supports are at 1.1843; 1.1719 and 1.1475

Resistances lie at 1.2695 and 1.2817.

Primary Support: 1.1843
Secondary Support: 1.1719

Primary Resistance: 1,2695
Secondary Resistance: 1,2817

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