

# TECHNICAL ANALYSIS

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## Rates, FX, Brent, Silver, Hang Seng

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IMPORTANT DISCLOSURES

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Tanmay PUROHIT historical MAD2MAR recommendations over past 12 months

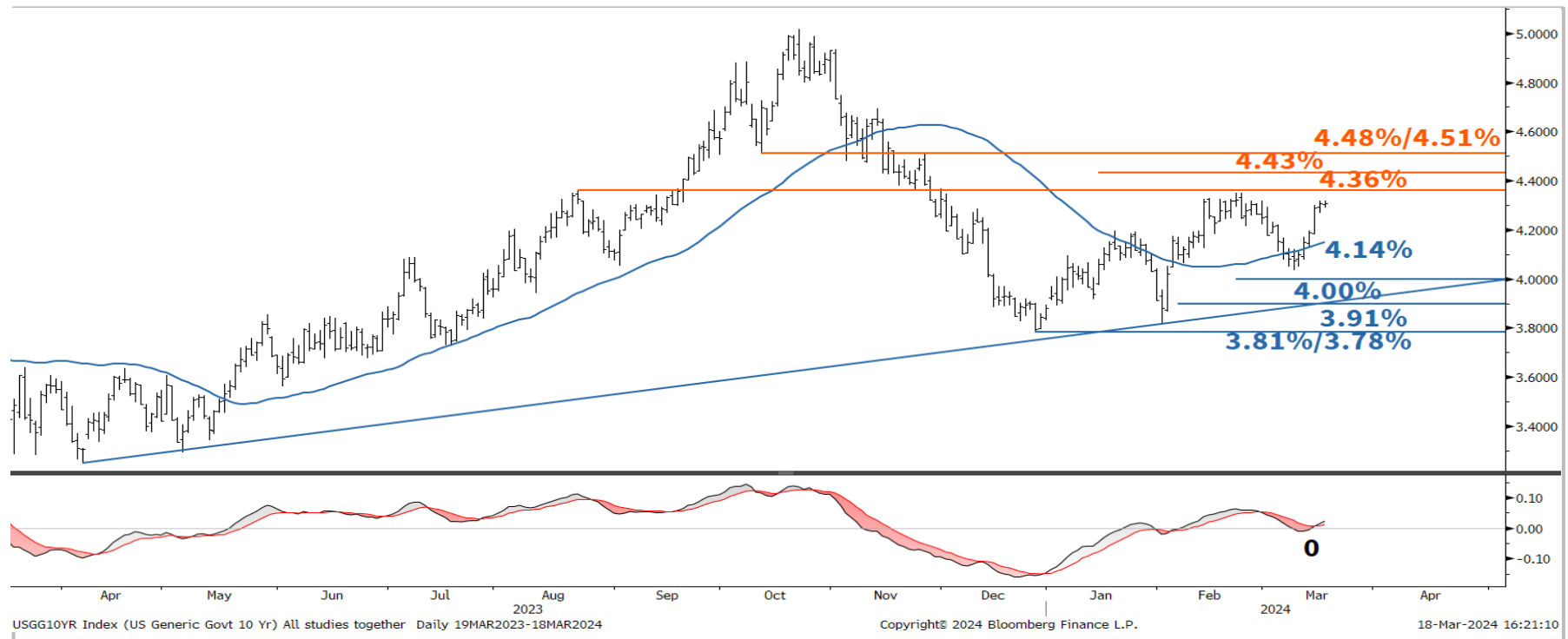
Kenneth BROUX historical MAD2MAR recommendations over past 12 months



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## 10Y UST: AT INTERIM HURDLE OF 4.36%.

- 10y UST up move has faced interim resistance near graphical level of 4.36% representing the high of last August. However, a large downside hasn't materialized as it continues to hold above 50-DMA. Break beyond 4.36% would be essential to confirm a larger up move. In case this cross materializes, next potential objectives could be located at 4.40% and projections of 4.48%/4.51%.
- The 50-DMA near 4.14% and 4.00%, the 61.8% retracement from December are short-term supports.



## 2Y UST: IN VICINITY TO UPPER BAND OF RECENT BASE NEAR 4.74%/4.79%

- 2y UST carved out a low near 4.40% earlier this month and has rebounded after briefly probing 50-DMA. It has formed a base and is in vicinity to upper limit at 4.74%/4.79% which also represents high of December. A break above this zone would be crucial for confirming an extension in up move.
- The 50-DMA near 4.48% is important support.



## 10Y BUND: TOPSIDE HURDLE AT 2.51%/2.54%.

- 10y Bund recently carved out higher trough at 2.23% as compared to previous two lows in February and December. A steady rebound has taken shape and 10y Bund formed a bullish engulfing candlestick last week. This denotes downward momentum has receded. It is now in vicinity to last pivot high of 2.51%/2.54% which is also the trend line drawn since last October. It would be interesting to see if 10y Bund can establish above this hurdle. Breakout can result in a larger up move towards projections of 2.60% and 2.66%.
- The 50-DMA near 2.33% and low formed earlier in March at 2.23% are short-term supports.



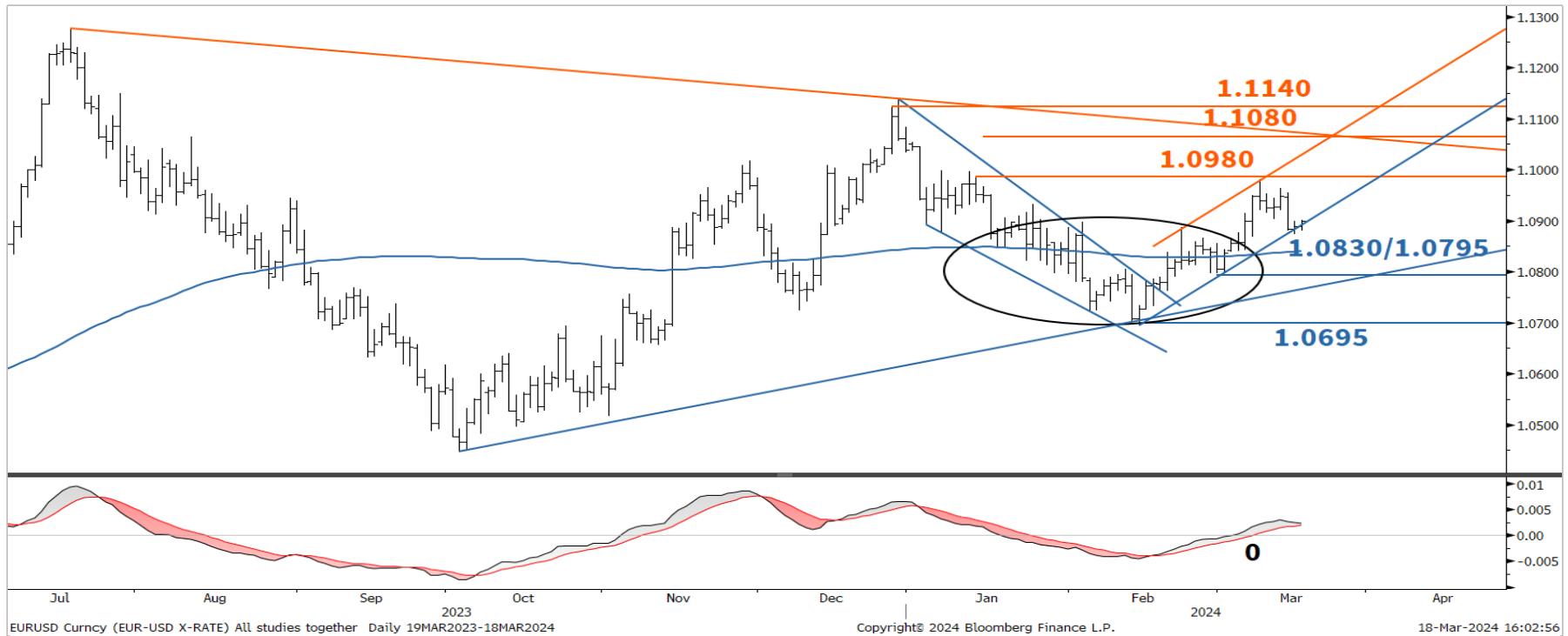
## UK 10Y IRS: FAILURE AT 3.94%/3.97% COULD TRIGGER PULLBACK.

- UK 10y IRS has embarked on a pullback after facing intermittent hurdle near 3.94%/3.97% representing the 50% retracement from July last year. It carved out a low near 3.60% last week. Currently a rebound is under way but break above 3.94%/3.97% would be essential to confirm a larger up move.
- Failure to cross this resistance can lead to continuation in pullback. Break below 3.60% could result in extension of down move towards February low of 3.52%/3.48% and 3.36%.



# EUR/USD: DEFENCE OF 200-DMA NEAR 1.0830/1.0795 CRUCIAL FOR UP MOVE TO PERSIST.

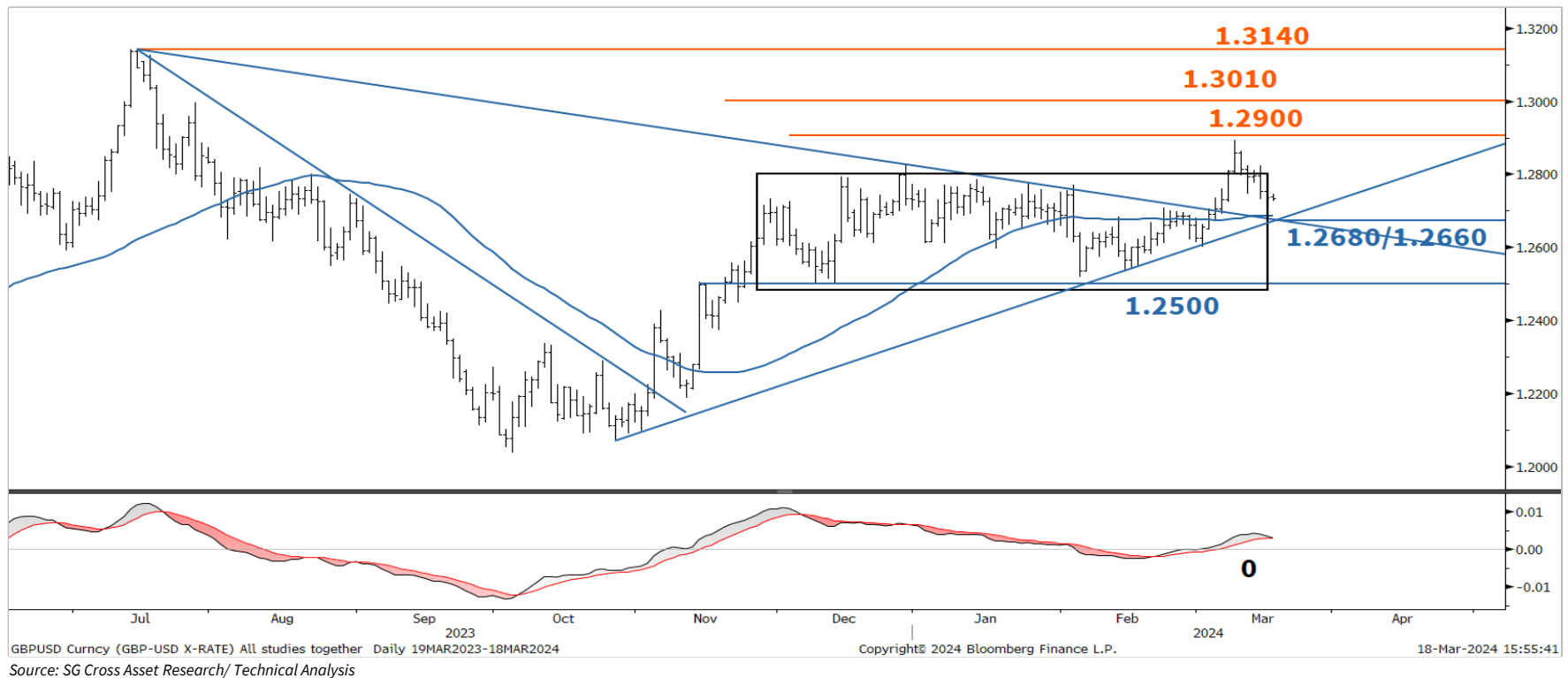
- EUR/USD recently gave a break above the neckline of an Inverse Head and Shoulders denoting short-term upside. The move has recently faced interim hurdle near 1.0980. A pullback is under way but 200-DMA near 1.0830/1.0795 should be a short-term support zone.
- Defence of 200-DMA could mean persistence in up move. Beyond 1.0980, next potential hurdles could be located at target for the formation near 1.1080 and December high of 1.1140.



Source: SG Cross Asset Research/ Technical Analysis

## GBP/USD: CLOSE TO SUPPORT OF 50-DMA NEAR 1.2680/1.2660.

- GBP/USD overcame the trend line drawn since last July and achieved interim projections at 1.2900. Test of this hurdle has led to an initial pullback. The 50-DMA near 1.2680/1.2660 is near term support.
- If GBP/USD defends the 50-DMA, the phase of rebound is likely to persist. Next potential objectives could be located at 1.3010 and last year peak of 1.3140.



## USD/JPY: 150.90/152 REMAINS KEY RESISTANCE ZONE.

- USD/JPY defended the 200-DMA near 146.50/146 resulting in a rebound. It is now probing the lower limit of previous brief consolidation. Graphical zone of 150.90/152 representing last year peak and the high achieved in February remains a key hurdle.
- It would be interesting to see if USD/JPY can establish above this resistance and signal a larger uptrend. Failure to cross could mean continuation in pullback towards the recent pivot low at 146.50/146 and multiyear trend line near 144.30.

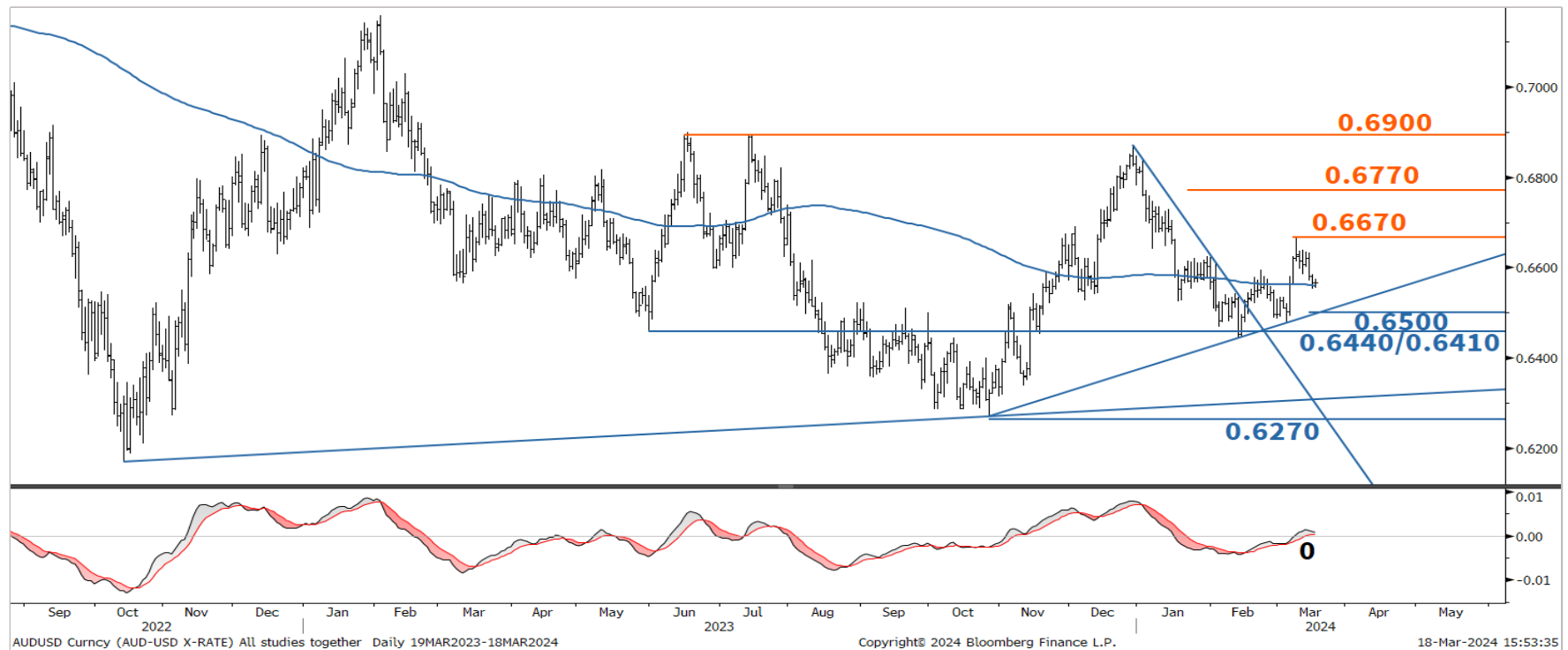


Source: SG Cross Asset Research/ Technical Analysis



# AUD/USD: BREAK ABOVE 0.6670 ESSENTIAL TO CONFIRM EXTENSION IN REBOUND.

- AUD/USD recently carved out a higher trough at 0.6440 as compared to the one formed last October near 0.6270. Breakout above a steep descending trend line has resulted in short-term bounce and the pair has formed a series of rising highs and lows in daily timeframe chart which generally points towards upside. Defence of 0.6440 would be crucial for continuation in bounce.
- Move beyond recent peak of 0.6670 can extend the rebound towards 0.6770, the 76.4% retracement from December and 0.6900.



Source: SG Cross Asset Research/ Technical Analysis

## EUR/CHF: INCHING TOWARDS 0.9680/0.9690.

- EUR/CHF recently crossed a multi month descending trend line and overcame the 200-DMA resulting in extension of rebound. It is gradually approaching last September / November peaks of 0.9680/0.9690 which could be a potential resistance. Daily MACD has turned flat denoting slight deterioration in upward momentum. This is not a reversal signal but highlights possibility of pause if this hurdle is not overcome.
- Low formed earlier this month at 0.9550 is near term support. Only if this gets violated would there be risk of short-term pullback.
- Beyond 0.9680/0.9690, next hurdle could be located at 0.9775, the 61.8% retracement from 2023 high.



Source: SG Cross Asset Research/ Technical Analysis

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## EUR/NOK: CLEAR DIRECTION LACKING; FIRST HURDLE AT 11.60/11.62.

- EUR/NOK has crossed above the upper limit of the range within which it has evolved since late December. The 200-DMA is having a flattish slope denoting lack of clear direction. November low of 11.60/11.62 is first layer of resistance. Break above this would be crucial to confirm a larger bounce.
- Last week low of 11.39 is short-term support. In case the pair fails to defend it, there would be risk of deeper down move.



Source: SG Cross Asset Research/ Technical Analysis

## EUR/CZK: AT SUPPORT ZONE OF 25.07/25.00.

- EUR/CZK recently faced interim hurdle at May 2022 high of 25.48/25.52 resulting in a phase of pullback. It is at 50-DMA near 25.07/25.00 which is also the 23.6% retracement from last November. This is likely to be an important support zone.
- Defence of 25.07/25.00 can lead to short-term bounce towards the peak achieved earlier in March near 25.40. This must be overcome to confirm next leg of uptrend.



Source: SG Cross Asset Research/ Technical Analysis



## USD/BRL: BREAK ABOVE 5.07 KEY FOR LARGER UP MOVE.

- USD/BRL recently carved out a higher trough near 4.80 as compared to the one last year at 4.69. It has gradually established above the 200-DMA denoting regain of upward momentum. A short-term rebound towards multiyear trend line near 5.07 is likely. Once this is overcome, a larger uptrend could take shape.
- Recent pivot low at 4.80 could remain an important support near term.



Source: SG Cross Asset Research/ Technical Analysis

## BRENT: NEXT OBJECTIVES AT \$88/88.70 AND \$91.70.

- Brent has crossed above the upper limit of its multi month range and has confirmed an Inverted Head and Shoulders formation (\$84.75). The pattern generally points towards potential upside.
- The 200-DMA at \$82.60 should be near term support. Defence of this could lead to continuation in up move towards projections of \$88/88.70 and \$91.70 which is also the 76.4% retracement from last September.



Source: SG Cross Asset Research/ Technical Analysis

## SILVER: BREAK OF \$25.75 CAN SPARK BROADER UPTREND.

- Silver is in vicinity to the trend line drawn since 2020 and upper part of recent range near \$25.75. Weekly MACD is in positive territory denoting prevalence of upward momentum. If Silver establishes above \$25.75, a larger up move can't be ruled out. In such a scenario, next potential hurdles could be located at projections of \$27 and 2021 high of \$30.
- Last week low of \$24 is near term support.



Source: SG Cross Asset Research/ Technical Analysis

# HANG SENG: APPROACHING MULTI MONTH CHANNEL NEAR 17200/17350PTS.

- Hang Seng Index recently carved out a higher low near 14800pts as compared to the one achieved last year near 14600pts. It has started evolving within a base which denotes downward momentum is gradually receding. This is also highlighted by daily MACD which posted positive divergence and recently crossed above equilibrium line. A revisit of the upper band of the descending channel since January 2023 at 17200/17350pts can't be ruled out. A larger uptrend is likely once the index establishes above this potential hurdle.
- 50-DMA near 16000pts is near term support.



Source: SG Cross Asset Research/ Technical Analysis



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