

2 February 2019

EURGBP intraday analysis

- Short-term bullish bias
- Key support: 0.8695
- Key resistance: 0.8730

The pair has bounced off the daily support level of 0.8660 while both 20 and 30-day MA start to converge. The downside pressure has waned and a bullish MA cross could confirm a reversal. There is enough room for a rally towards 0.8760.



The break of the 0.8710 resistance on the 4H chart indicates a strong bias to the upside, which could be supported by the RSI indicator recovering from the over-sold territory below 30. On the hourly chart, the divergence between a lower low in price and a higher low in the RSI indicator is a strong signal of an exhaustion on the sell side. The new high is accompanied by the 20-hour MA crossing above the 30-hour one.

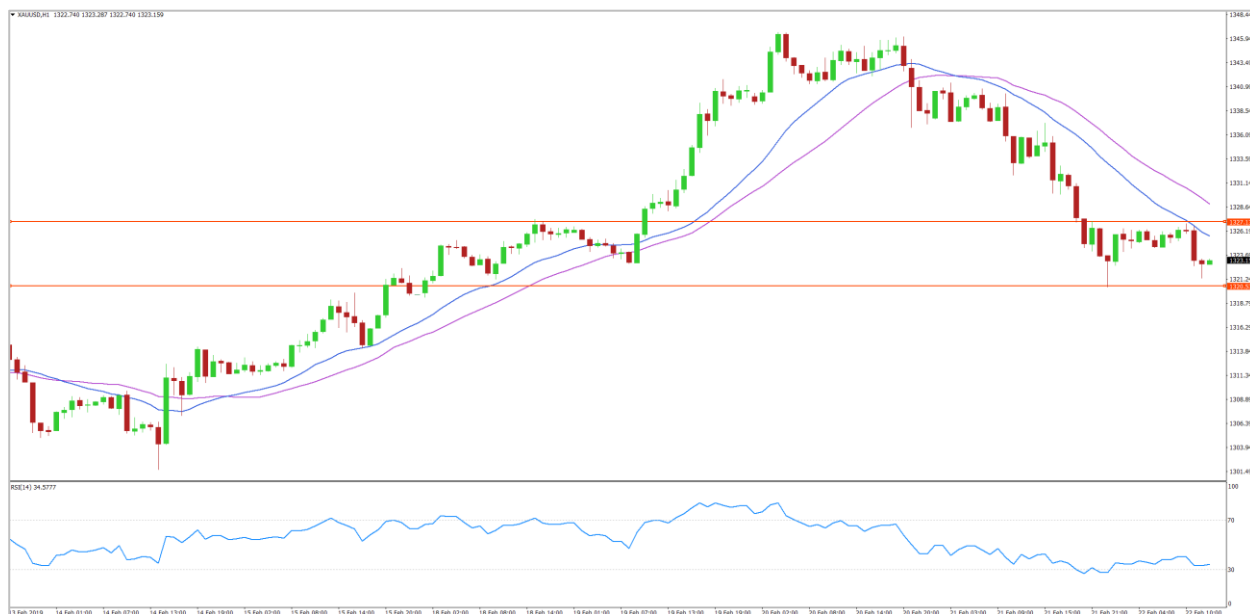
On the upside, 0.8730 is the next target if buyers gather enough momentum. Any retracement will need to be contained around the support of 0.8730 or risk dent the bullish enthusiasm.

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Gold intraday analysis

- Short-term bearish bias
- Key support: 1320.5
- Key resistance: 1327

Bullion is pulling back towards the 20-day moving average. The previous resistance 1321 has turned into a support level, though we could see further weakness in the next few days as the metal consolidates after a buoyant rally.



On the 4H chart, the price has broken the key support level of 1323, which suggests mounting selling pressures. The gap between the MAs has been narrowing and indicates a deceleration in the bullish momentum. On the hourly chart, the bearish mood has prevailed after the crossing of the faster MA below the slower one. The 20-hour MA acts as resistance and the widening gap between the averages suggests sellers are still in control.

A break below the key level of 1320 could trigger an extended sell-off. On the upside, buyers will need to push above 1327 to hope for a sustainable rally.