

Euro down but not out as Italy votes no! - Politics are setting the tone for Monday's trading with all eyes on Europe. While Austria's presidential polls delivered a defeat to the far-right candidate Norbert Hofer, the Italian referendum saw voters rejecting PM Renzi's referendum on constitutional changes which eventually saw the Italian PM resigning from his post. Meanwhile in New Zealand, Prime Minister, John Key announced that he was resigning as the PM, a surprise move that saw the Kiwi pushing lower in early Asian trading. **EURUSD Intra-day Analysis**



EURUSD (1.0557): EURUSD fell over 1.4% as the markets opened, briefly posting a fresh 13-month low near 1.0505 on the Italian referendum. Price remains to trade within the 1.0700 - 1.0500 range since November 18 with no clear bias being established as of yet. The ECB's meeting later this Thursday could, however, set the tone for further direction in the single currency. In the meantime, EURUSD's technical outlook remains flat with the prospects of price likely to retrace to the gap at 1.0671. To the downside, 1.0500 remains a key support level that could eventually be tested with further declines likely to come about on a break below this level. However, EURUSD is unlikely to budge out of its range in the near term. EUR/USD

Intraday: under pressure. **Pivot: 1.0590** **Our preference:** short positions below 1.0590 with targets at 1.0500 & 1.0480 in extension. **Alternative scenario:** above 1.0590 look for further upside with 1.0660 & 1.0690 as targets. **Comment:** technically the RSI is below its neutrality area at 50.



USDJPY Intra-day Analysis



USDJPY (113.53): USDJPY is seen retracing some of the losses from Friday with price currently back near the 114.00 resistance level. The Stochastics on the 4-hour chart shows the likelihood of price attempting to retest the resistance level as support at 113.50 looks to be holding out for now. Failure to break higher could potentially see USDJPY push lower towards the first support level at 109.75 - 109.50 following the breakout from the rising wedge pattern near the current highs. **XAUUSD Intra-day Analysis**



XAUUSD (1174.54): Gold prices spiked to a 2-day high at 1188.28 before giving up its gains, but further upside could be seen coming in the near term as the price could retest the 1200 - 1207.50 resistance level in the near term. Support is seen at the 1170.00 level which also marks the breakout from the falling wedge pattern. Above the resistance level at 1200.00 - 1207.50, further upside could be seen coming on a test back to 1250. To the downside, a breakdown below 1170.00 with a daily bearish close below this level could signal price consolidation as 1150.00 support could be in focus. Gold spot
Intraday: bullish bias above 1172.00. **Pivot: 1172.00** Our **preference:** long positions above 1172.00 with targets at 1188.00 & 1193.00 in extension. **Alternative scenario:** below 1172.00 look for further downside with 1166.50 & 1160.00 as targets. **Comment:** the RSI is mixed to bullish.



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