

USD/CAD Technical Analysis(2015.11.13) The USD/CAD pair rose during the course of the day on Thursday, breaking above the 1.33 handle. Although we did not keep all of the gains, the reality is that the market looks as if it is ready to go higher. We believe in the uptrend longer term anyway, especially considering that the oil markets seem to be breaking down. Pullbacks at this point in time should be thought of as value as the US dollars without a doubt the strongest currency in the Forex world, and of course the Canadian dollar has the misfortune of being highly leveraged to the crude oil markets. Ultimately, this is a recipe for higher pricing, and that's exactly how we look at this market, one that is going to continue to go higher. The 1.35 level above is resistance though, and we do not anticipate that this market is going to slice right through it. It is in fact going to take a bit of work, and that's with the pullbacks will be about: building up momentum. This is a market that continues to show bullish pressure, as we have bounced from the 1.28 region. After all, the supportive region reaches down to the 1.28 handle but starts at the 1.30 level. This was the scene of a massive breakout recently, and as a result it should continue to offer buying pressure. After all, this was the area that had kept the market down, during the volatile financial crisis timeframe. Once we get above the 1.35 level, we feel that this is a longer-term "buy-and-hold" type of situation as the US dollar looks as if it is ready to continue going higher in general. The Canadian dollar of course is highly leveraged to not only oil but commodities in general, and they all look fairly soft right now.

With this, we continue to buy dips, and we continue to anticipate the move above the 1.35 level in order to start buying for a longer-term move as the US dollar is the currency of choice by us at the moment.

USD/CAD Chart



Source: Fxempire