EUR/USD Analysis (2016.02.18) The EUR/USD pair initially fell during the course of the day on Wednesday, but found enough support just below to turn things back around and form a hammer. The hammer of course is a very bullish sign and as a result it's very likely that we continue to rally after this move. A break above the top the hammer is reason enough to start going long, as it is a very positive signal. On that break higher, we believe that the market will then try to reach towards the 1.13 handle next.The 1.1050 level below is supportive, and as a result it's likely that the market will continue to find buyers in this general vicinity. With this, and the fact that we have both central banks starting to try to bring down the value of their respective currencies, it's very likely that we will continue to see quite a bit of volatility. In other words, it's probably going to be short-term trading at best.The 1.13 level above is massively resistive, so at this point in time it's likely that the rally will be short-term at best. Ultimately, it's likely that this market will continue to offer quite a bit of energy in both directions as headlines will continue to move this pair. Ultimately, the absolute ceiling in the market is somewhere closer to the 1.15 level, and once we break above there we are willing to suggest that this pair is in an uptrend.On the other hand, if we break down below the 1.10 level, we would then fall to the 1.08 handle. A break down below there would be very negative, and have the downtrend accelerating to the 1.05 level at the very least. However, at this point in time it seems like the Euro may have bottomed out for the longer term, but remember every time a currency pair changes the longer-term trend, it's quite a messy affair over several weeks if not months. Ultimately, you are going to have to be very patient to make decent money in this particular pair. EUR/USD Chart

Source: FXEMPIRE