

20180904- EUR/USD Head and Shoulders Formation - update EUR/CHF

The breakthrough of the neckline of the Head and Shoulders formation has been proven as a false signal so far. The EURUSD has recovered above it again.

Nevertheless there is still Euro-Weakness in the market.

For the EURCHF also a Head and Shoulders formation has occurred as well. On the contrary to the EURUSD in the EURCHF the formation has caused a sharp drop of the EUR against the CHF down to a low to 1.1240. (see second chart below) The Swiss Frank is profiting from its appeal as a safe have in the current market conditions with looming import taxes and volatile emerging market currencies.

Now it will be interesting if there is a recovery back up to 1.14 or if this goes further down with targets of 1.10 or 1.08 EURCHF. On lower levels of the EURCHF interventions of the SNB could occur.

Disclaimer

EURUSD Chart



EURCHF Chart

