



Head and Shoulders

EUR/JPY – 6th April 2009



EUR/JPY - Short trade closed (+60 pips, ave.)

Opened Short: EUR/JPY @ 136.50

Stop level: 137.20

Target level: 134.80

1st Level: 136.19 (+31 pips)

2nd Level: 135.60 (+90 pips); (+60 pips, ave.)

The price topped out just above the 137.04 sell level. This is not a very strong bearish reversal pattern as the head and shoulders is skewed too much to the left. However, there was a stochastics kiss, bearish divergence on the RSI and the ADX rising near the 30 level. The price fell around 200 pips.