



Inverse Head and Shoulders

GBP/USD - 19th March 2009



Price dipped to 1.4158 and recovered, breaching the 1.4169 buy trigger. The rally back to 1.4230 and subsequent move down gave a potential inverse head and shoulders pattern. The profit target projection was 85 pips. The break of the neckline was around 1.4230. During the pullback the slowD% line remained rising while fastD% whipped around the slowD% line and formed a type of stochastics kiss. The next break back above the neckline held and price rallied to target for around 80 pips.