



Risk Warning: Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. Before deciding to trade the foreign exchange you should carefully consider your objectives, financial situation, needs and level of experience. PipsAndTips provides general advice that does not take into account your objectives, financial situation or needs. The content of this Web site must not be construed as personal advice. Please read full disclaimer [here](#).

Our market analysis is the basis for the trades we take every day in our [Live Trading Room](#). We trade London & US sessions based on a short-term proprietary strategy that has produced over 800 pips in the last few weeks. [Pay us a visit](#) & see how good technical analysis combined with sound money management & a powerful entry technique can boost your trading results. See our [real-time performance statement here](#).

PipsandTips Trading Ideas

by Mihai Marinescu (Mihai@pipsandtips.com)

Cable Looking for a Peak before Downtrend Resumes

After failing to make a fresh high @1.6877 recently (see daily chart), cable has started a bearish red wave on D1 (possible Wave C of a large ABC pullback). This should keep it oriented south mid-term unless the bulls manage to breach through 1.6650 & settle above that level. H4 shows that after a failed retest of 1.6694 (double top) we made a fresh low last week @1.6167, proving that indeed the bears are serious about taking cable down to approximately 1.55 by the end of January.

At the moment my H4 chart indicates that we might be in the last retracement before a violent drop, currently painting a W2 blue correction with target @1.6421 & 1.6519. My indicators are up & the momentum looks pretty well sustained, therefore I cannot think of any short position yet. But what today looks like the beginning of a major bull rally may appear to be an innocent spike tomorrow. My wave projection indicates an end of the current pullback (which is actually just an extension of a very flat market for the last few days) before 1.66. Once a top is confirmed we will use short-term strategies to join the bears into what could be a wave 3 of a wave 3 (the strongest phase of any impulse). As we expect Santa to bring low volumes in the market don't be surprised if we witness sharp violent moves in the next 2 weeks. With the current big picture clearly pointing down (my daily & H4 waves are bearish while the H1 & below is bullish) I see these potential extreme moves to be greenback-positive.

So, where are we headed? According to my charts once the drop is confirmed we can expect a fast descent to 1.59, followed by 1.55 & 1.53 if volatility persists. Short-term we cannot pull any trigger on the shorts until the hourlies turn back down. But it's useful to know where we can set our targets for swing trading. [Join us in our Live Trading Room](#) to hear our live market analysis & see our trades in real time.

Please see below my D1 & H4 charts. Good luck!



Risk Warning: Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. Before deciding to trade the foreign exchange you should carefully consider your objectives, financial situation, needs and level of experience. PipsAndTips provides general advice that does not take into account your objectives, financial situation or needs. The content of this Web site must not be construed as personal advice. Please read full disclaimer [here](#).

Our market analysis is the basis for the trades we take every day in our [Live Trading Room](#). We trade London & US sessions based on a short-term proprietary strategy that has produced over 800 pips in the last few weeks. [Pay us a visit](#) & see how good technical analysis combined with sound money management & a powerful entry technique can boost your trading results. See our [real-time performance statement here](#).





Risk Warning: Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. Before deciding to trade the foreign exchange you should carefully consider your objectives, financial situation, needs and level of experience. PipsAndTips provides general advice that does not take into account your objectives, financial situation or needs. The content of this Web site must not be construed as personal advice. Please read full disclaimer [here](#).

Our market analysis is the basis for the trades we take every day in our [Live Trading Room](#). We trade London & US sessions based on a short-term proprietary strategy that has produced over 800 pips in the last few weeks. [Pay us a visit](#) & see how good technical analysis combined with sound money management & a powerful entry technique can boost your trading results. See our [real-time performance statement here](#).

