

# Today's Forex Forecast

by **Dynamic Outcomes**

## USD/ZAR Forecast

Monday, November 28, 2005

Current Price: 6.5220 13:10 SA / 11:10 GMT

### Next Few Days



High probability of market moving into 6.5550 to 6.6850 area

The market has bottomed out as forecast.

The market is now expected to rise at least into the 6.5550 to 6.6850 area, with an unlikely break above 6.6900 targeting 6.8000.

### Next Few Weeks

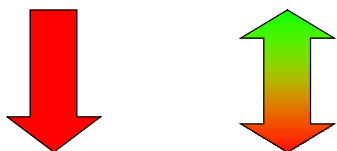


Market is then expected to retrace down to at least the 6.670 to 6.4400 area, before moving up again

If the market fails to break above 6.6900/6.8000, it is expected to retrace down to the 6.6700 to 6.4400 area, perhaps lower, before rising again.

A break below 6.2100 would lead to further fall, with a break above 6.8000 targeting 6.9500

### Next Few Months



Expect a correction down. Thereafter, market could rise or fall further

*Scenario 1:* Expect a correction no lower than 6.2100, thereafter expect market to rise to the 6.6700 to 6.8000 area. A break above 6.9500 confirms a move above 7.3000, more likely into the 7.500 to 8.900 range the next few months. A break below 6.2100 will invalidate this scenario.

*Scenario 2:* If the market fails to rise above 6.8037, expect the market to fall below 6.0500 possibly to 5.4000 over next few months. A break above 6.9500 would invalidate this scenario

### Next Few Years



Expect market to rise above 9.0000

The market is expected to rise above 7.5000, more likely into the 9.0000 to 15.6000 range over the next few years

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This service uses the **Refined Elliott Trader** software market forecasting pattern recognition technology to produce these market forecasts, based on assessing probabilities. This service delivers to you the most probable future market movement according to the patterns found in the price, time and volume data.

## Review of Recent Market Movement

The market rose before falling again just below 6.4800.

## Medium Term Forecast

The software confirms a long term swing low at the end of 2004. From this point, we have 2 scenarios unfolding at present – note this is a change from last weeks medium term forecast, although these scenarios can still unfold.

The first is on the left is a (red) Impulse, with an incomplete 3<sup>rd</sup> wave, expected to bottom out above 6.4700 (no lower than 6.1500), before rising above 7.3000, more likely into the 7.500 to 8.900 range the next few months. A break above 6.8037 would confirm this scenario.

The alternative scenario on the right is a (red) Contracting Triangle, with a very high rating, with pattern with an incomplete 4<sup>th</sup> wave, expected to bottom out in the 6.4000 to 6.2500 range, before rising no higher than 6.8000 to complete this pattern the next few months.

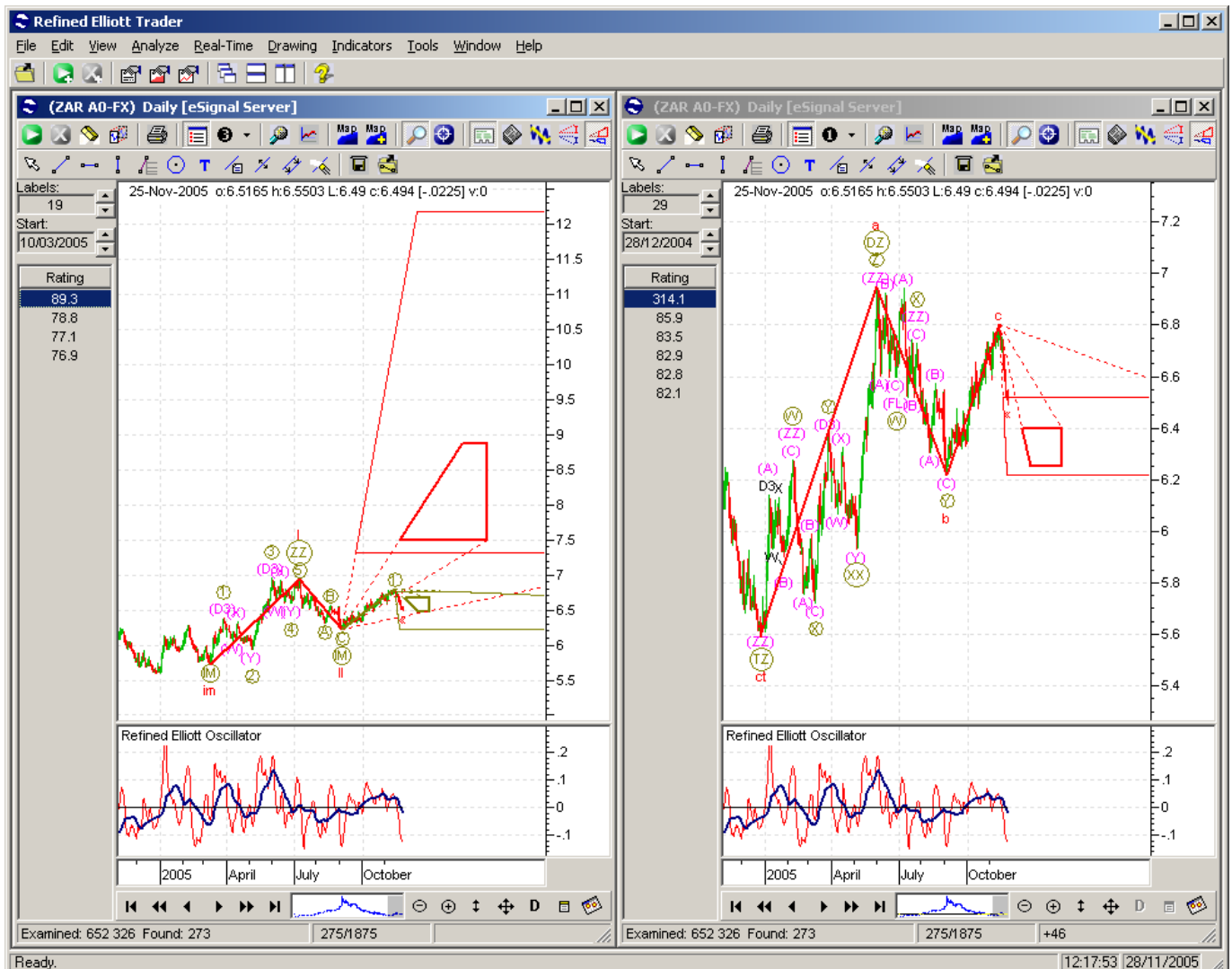


Chart 1. Two medium term scenarios are unfolding

## Short Term Forecast

From the swing high of last week in September, on the hourly chart, we find a Zigzag with an incomplete 2<sup>nd</sup> wave, expected to rise into the 6.5550 to 6.6900 area the next week or two, with Fibonacci retracement levels at 6.6050 and 6.6800.

Once complete, expect the market to move down to complete this pattern.

An unlikely break above 6.8037 would indicate this downward correction is complete.



Chart 2. Move from September showing incomplete 2<sup>nd</sup> wave

## Other Indicators

Daily REO signal line has hooked up, which confirms the immediate bullish outlook, which is also confirmed with the hourly REO trendline moving above zero.

## Executive Summary:

For a summary of expected market movement, see the statement at the top of this document.

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