USD/MXN Technical Analysis Outlook

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Short-term vision

Despite the materialization of a bearish divergence between the oscillators and the price, initiated on October 1st, the USD/MXN parity invalidated the possibility of a technical reversal by accelerating its upward directional move to the 11-month high at $18.85 *spot*. Thus, in tune with the rally of the oscillators in today's session, we anticipate a continuation of the depreciation of the peso against the dollar in the coming sessions.

USD/MXN *spot*: daily candle chart (2026)



Source: Authors' elaboration with *Refinitiv data*.

Levels towards overnight			
Support		Resistance	
	vs. closure*		vs. closu
$18.62	-0.35%	$18.82	0.73%

Short-term levels			
Support		Resistance	
	vs. closure		vs. closu
US$18.58	-0.56%	$18.75	0.35%
$18.50	-0.99%	$18.86	0.94%
$18.37	-1.68%	$18.96	1.47%

* Variation from previous close

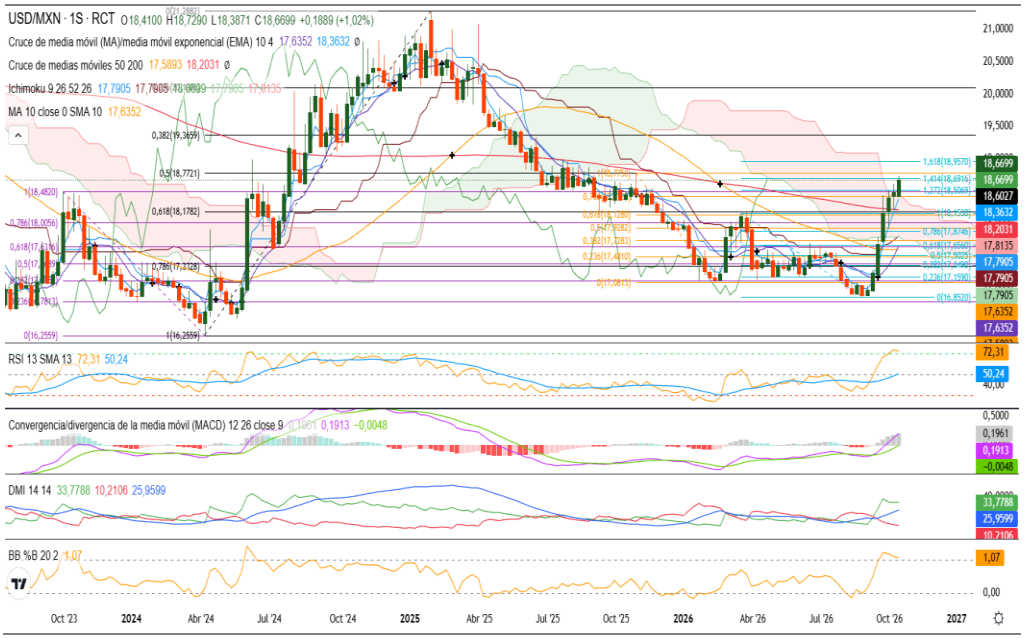
The two-week RSI* re-entered overbought at 75.2 units, above its moving average (71.7 points); the MACD oscillator has almost 2 days of increases in positive territory; the %B indicator rebounded towards the upper Bollinger band, standing at 0.9 points, while, within the DMI, the +DI accelerates again on a -DI that continues to be pressured at 4.9 units, supported by an ADX on the rise to 62.8 points that confirms an elevated trend strength. For its part, the 4d EMA is trading above the 10d MA, validating the validity of the buying *momentum* in the very short term, while the 50 MA continues above the 200 MA.

See the glossary of technical indicators at the end of the document.

The analysis shows the persistence of buyers' appetite in the short term, supported by the recent acceleration of the price, in convergence with the technical oscillators. Therefore, we anticipate a bullish continuation phase for the short term, where we identify resistances at $18.75, $18.86 and $18.96, while supports are located at $18.58, $18.50 and $18.37.

Medium-term vision

USD/MXN *spot*: weekly candle chart (3-year)



Source: Authors' elaboration with *Refinitiv data*.

USD/MXN's accelerated upward move has led it to break above the bearish Ichimoku cloud above $18.43 *spot*, extending its advance above the MA 200 at $18.20. Likewise, the major technical oscillators converge with the price, reinforcing the forecast for bullish continuation in the coming weeks.

The 3-month RSI (72.3 points) trades in overbought condition, comfortably above its moving average at 50.2; the MACD histogram has 7 weeks of gains, with the oscillator in positive territory above its signal line; the %B shows a pause after piercing the upper Bollinger band, and within the DMI, the +DI consolidates after widely outperforming the -DI, with the ADX accelerating by 25.9 points.

Considering the above, we maintain an expectation of a bullish continuation in the coming weeks, waiting to identify signs of exhaustion in the buying force, which must necessarily be confirmed with the behavior of the parity to introduce the expectation of a downward correction. In this sense, we identify resistances at $18.70, $18.95 and $19.10; on the other hand, the reactivation of buying pressure will find support at $18.43, $18.20 and $18.00.

Long-term vision

USD/MXN *spot*: monthly candle chart1 (17y)



Source: Authors' elaboration with *Refinitiv data*. [1] Logarithmic scale.

After the brief break of the long-term moving average, below $17.13, the October candlestick rebounded to the high of $18.85, invalidating the expectation of a long-term trend reversal. With this, the parity has surpassed its MA 50 and formally re-entered the Ichimoku cloud within the triangular pattern formed since 2020. Likewise, the main technical oscillators show a change in selling pressure that accumulated from 2025 to February 2026, reinforcing the forecast of bullish continuation.

The annual RSI (54.9 points) surpassed its moving average at 40.6 units; the MACD histogram has eight months of advances, while the oscillator crosses above its signal line in negative territory; %B accelerates above the lower Bollinger band and breaks above MA 20, while the DMI shows a consolidation of +DI over -DI, with ADX at 17.4 units suggesting low trend strength. On the averages, EMA 4 crossed with MA 10, indicating an increase in buying *momentum* for the very short term.

On the other hand, in recent decades, the parity has constantly validated the Fibonacci extensions of the movement from March 2009 to May 2011. With this, the range between the extensions of 161.8% and 178.6% ($18.13 and $18.82, respectively), which currently keeps the exchange rate contained and which could remain valid as immediate support and resistance, acquires greater significance.

Considering the above signals, pending confirmation of the breakdown of the technical ceiling of Ichimoku Senkou Span A ($18.37), we believe that the parity could extend its upward directional move. With this, USD/MXN will find resistances at $18.82, $19.07 (Ichimoku's Kijun sen) and $19.67 (Ichimoku's Senkuo Span B). On the other hand, the supports are located in the area of $18.13, $17.70, $17.30 and $17.18 (MA 200).

Technical Glossary:

- **MACD Oscillator:** An indicator that follows the trend and identifies convergences or divergences within it, showing a relationship between 2 exponential averages. Generally, it considers an average of 26 periods and a 12-period average to create a signal line. It generates buy/sell signals with the crossovers between both lines or reversal/confirmation signals of the main trend.

- **Simple Moving Average (MA):** An indicator calculated with the average of successive intervals of data.

- **Exponential Moving Average (EMA):** Indicator calculated with the average of successive intervals of data, giving greater weight to the most recent observations, allowing to anticipate changes in the main trend.

- **RSI Stochastic Oscillator:** Oscillator that seeks to predict trend changes, identifying overbought and oversold areas, considering today's close, the high and the low of a given period. The main buy and sell signals occur at the crossovers of the oscillator (%D) and the signal line (%K) at the extremes of the range.

- **ATR Indicator:** An indicator that measures the volatility of an asset, considering the Average True Range. The ATR does not follow the direction of the trend, but identifies significant movements at strategic breakout points.

- **Momentum Oscillator:** An oscillator that measures the acceleration of an asset's price over a given period, creating an intermediate line to identify negative or positive movement.

- **Gap:** Space between candlesticks on a chart, caused by the change in price between the close and open of 2 neighboring candles.

- **ROC:** Momentum-based indicator that measures the percentage change in the current price over a given period. Being in positive territory is considered upward changes, while downward price changes are in negative territory.

- **DMI:** Oscillator that measures the strength of the trend and its direction, formed by the combination of 3 indicators: positive directional indicator (+DI), negative directional indicator (-DI) and the average directional index (ADX).

- **Williams fractals:** An indicator that seeks to locate reversal points by considering highs and lows, delimiting fractals, commonly 5-candles, on the chart with arrows.

- **Ichimoku Cloud:** Trend-following and *momentum* technical indicator that defines dynamic support and resistance levels, projecting the market equilibrium into the future. It is composed of five lines, where the space between the *Senkou Span A* and the *Senkou Span B* forms the cloud. If the price trades below the cloud, the trend is bearish; if it trades above, it is bullish. The thickness of the cloud measures the volatility and strength of support or resistance, while the crossover of its future components anticipates long-term cycle changes.

- **Market Profile:** Statistical tool that organizes price, time and volume data to identify the value structure of an asset through its POC (maximum liquidity node and equilibrium axis), its VAH (upper limit or resistance that delimits 70% of the transactional activity) and its VAL (lower limit or statistical support of said value range).

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