

ASIA DAILY FOREX OUTLOOK - Majors

SINGAPORE (Dow Jones)--Following are expected trading ranges and outlooks for nine major currency pairs today:

	Immediate Range	Larger Range
USD/JPY	87.24-87.72	86.71-88.11
EUR/USD	1.2964-1.3045	1.2949-1.3093
AUD/USD	0.8894-0.8976	0.8871-0.9025
NZD/USD	0.7195-0.7300	0.7164-0.7338
GBP/USD	1.5543-1.5638	1.5440-1.5705
USD/CHF	1.0535-1.0622	1.0474-1.0640
USD/CAD	1.0293-1.0395	1.0249-1.0434
EUR/JPY	113.20-114.08	112.75-114.73
EUR/GBP	0.8309-0.8367	0.8288-0.8415

(Ranges are calculated using recent high and lows, information on the placement of option strikes, and technical analysis - Fibonacci levels, trendlines and moving averages.)

USD/JPY - to consolidate with risks skewed lower, undermined by unwinding of JPY-funded carry trades amid higher risk aversion (VIX fear up 4.57% at 24.25), Wall Street losses (DJIA down 0.38%, Nasdaq off 1.04%) on surprise 1% drop in U.S. June durable goods orders (against forecast for 1.1% gain), bleak Fed's beige book of regional economic conditions stoking concerns U.S. recovery losing steam. USD/JPY also undermined by Japan exporter sales, lower U.S. Treasury yields. But USD/JPY losses tempered by USD demand for import settlements, fear of Japan official jawboning against further JPY strength. Data focus: 2350 GMT Japan June preliminary retail sales, provisional trade statistics for 1st 10 days of July, June preliminary retail sales, 1230 GMT U.S. July 24 weekly jobless claims, 1500 GMT July Kansas City Fed manufacturing activity index, 1720 GMT Fed's Fisher speaks on economy. USD/JPY daily chart still positive-biased as MACD & stochastics in bullish mode. Support at 87.24 (yesterday's low); breach would expose downside to 86.80-86.71 band (Tuesday's low-Friday's low), then 86.32-86.25 band (July 22 low-July 16 low), psychological round-numbered levels of 86.00, 85.00, and 84.81 (Nov. 27 bottom). Resistance at 87.72 (hourly chart); breach would expose upside to 88.11 (yesterday's high), then 88.43 (July 15 high), 89.11-89.15 band (July 14 high-July 12 high) and 89.42-89.47 band (June 29 high-June 28 high).

EUR/USD - to consolidate with risks skewed lower. Pair undermined by negative risk sentiment; but downside limited by easing concerns over euro-zone's sovereign-debt crisis which has shown not to have hobbled region's banking sector in last week's bank stress tests. Data focus: 0800 GMT German July labor market statistics, 0810 GMT July euro-zone retail PMI, 0900 GMT euro-zone July business climate & economic sentiment indicators. EUR/USD daily chart still positive-biased as MACD & stochastics in bullish mode, but latter near overbought; inside-day-range pattern completed yesterday. Support at 1.2964 (yesterday's low), then at 1.2949 (Tuesday's low); breach would expose downside to 1.2874 (Monday's low), then 1.2791 (Friday's low), 1.2730 (July 21 low) and 1.2707 (July 15 low). Resistance at 1.3041-1.3045 band (yesterday's high-Tuesday's high); breach would expose upside to 1.3093 (May 10 high), then 1.3124 (38.2% Fibonacci correction of 1.5144-1.1875 Nov. 25-June 7 decline) and 1.3342 (April 30 reaction high).

AUD/USD - to trade with risks skewed lower. Pair undermined by unwinding of long-AUD carry trades on heightened risk aversion, lower-than-expected Australia 2Q CPI data yesterday erasing expectations of August RBA rate hike; contagion from weaker Kiwi. But AUD/USD losses tempered by Aussie-U.S. yield gap, firmer commodity prices (CRB spot index closed up 1.7 yesterday at 266.16). AUD/USD daily chart mixed as MACD bullish, but stochastics bearish at overbought. Support at 0.8902-0.8894 band (yesterday's low-Friday's low);

breach would target 0.8871 (previous cap set July 14), then 0.8858 (100-day moving average), 0.8780 (38.2% Fibonacci correction of 0.8314-0.9068 July 1-July 27 advance) and 0.8735 (July 22 reaction low). Resistance at 0.8976 (hourly chart); breach would expose upside to 0.9025 (yesterday's high), then 0.9068 (Tuesday's 11-week high) and 0.9078 (May 10 reaction high).

NZD/USD - to trade with risks skewed lower. NZD/USD soft after RBNZ raised its key interest rate 25 bps to 3.00% as widely anticipated but said further rate hikes would depend on market developments, pace & extent of those hikes may be more moderate than projected in June statement, worries NZD appreciation in recent weeks inconsistent with softening NZ economic outlook and moderation in export commodity prices. NZD/USD also undermined by unwinding of long-NZD carry trades on increased risk aversion; but losses tempered by Kiwi-U.S. yield advantage, firmer commodity prices. NZD/USD daily chart mixed as MACD bullish, but stochastics bearish at overbought. Support at 0.7195 (previous cap set July 21); breach would target 0.7164 (38.2% Fibonacci correction of 0.6791-0.7395 July 1-July 27 advance), then 0.7104 (200-day moving average), 0.7092 (July 22 low, matching 50% correction) and 0.7027 (July 19 reaction low, near 61.8% correction). Resistance at 0.7300 (hourly chart), then at 0.7338 (yesterday's high); breach would expose upside to 0.7395 (Tuesday's 6-month high), then 0.7441 (Jan. 14 reaction high) and 0.7521 (Nov. 16, 2009 reaction high).

GBP/USD - to consolidate with risks skewed lower after hitting fresh 5-month high of 1.5638 yesterday. Pair undermined by heightened investor risk aversion; but downside limited by lingering effect from recent upbeat UK 2Q GDP & July CBI retail sales data suggesting UK economy has recovered from recession. Data focus: 0600 GMT UK July Nationwide housing review, 0830 GMT UK June BSA savings & mortgage lending figures, 0830 GMT BOE June lending to individuals figures. GBP/USD daily chart still positive-biased as MACD & stochastics bullish, but latter at overbought. Support at 1.5543 (yesterday's low); breach would expose downside to 1.5440 (Tuesday's low), then to 1.5407 (Monday's low), 1.5251 (Friday's low) and 1.5123 (July 21 reaction low). Resistance at 1.5638 (yesterday's high); breach would expose upside to 1.5705 (previous base set Oct. 13, 2009), then to 1.5816 (Feb. 17 reaction high) and psychological 1.6000.

USD/CHF - to range-trade. Pair supported by broadly-firmer USD undertone; but gains tempered by unwinding of short-CHF carry trades on higher investor risk aversion. Daily chart still positive-biased as MACD & stochastics in bullish mode; although inside-day-range pattern completed yesterday. Resistance at 1.0622 (yesterday's high), then at 1.0640 (Tuesday's high, near 200-day moving average); breach would expose upside to 1.0675 (July 12 reaction high), then 1.0697 (July 2 high), 1.0707 (23.6% Fibonacci correction of 1.1730-1.0391 June 1-July 22 decline) and 1.0902 (38.2% correction, matching 100-day moving average). Support at 1.0535 (yesterday's low); breach would expose downside to 1.0474 (Tuesday's low), then to 1.0456 (Monday's low), 1.0405 (Friday's low) and 1.0391 (July 22 low).

USD/CAD - to consolidate with risks skewed higher. Pair underpinned by increased investor risk aversion, weaker oil prices (Nymex crude settled down 51 cents yesterday at \$76.99/bbl). But USD/CAD gains tempered by expectations BOC to continue raising interest rates gradually in coming months. Data focus: 1230 GMT Canada June industrial product & raw materials price indexes. USD/CAD daily chart mixed as MACD bearish, but stochastics bullish near oversold; inside-day-range pattern completed yesterday. Resistance at 1.0389-1.0395 band (yesterday's high-Tuesday's high); breach would expose upside to 1.0434 (Friday's high), then 1.0503 (July 22 high), 1.0586 (July 20 high) and 1.0606 (July 7 high). Support at 1.0293 (yesterday's low); breach would target 1.0249 (Tuesday's low), then 1.0178 (June 22 low), 1.0133 (June 21 reaction low) and 1.0105 (May 13 reaction low).

EUR/JPY - to consolidate with risks skewed lower after hitting fresh 2-month high of 114.73 yesterday. Cross undermined by unwinding of carry trades amid increased risk aversion. Daily chart mixed as MACD bullish, but stochastics turned bearish at overbought; bearish dark-cloud-cover candlestick pattern completed yesterday. Support at 113.20 (yesterday's low); breach would target 112.75 (Tuesday's low), then 112.19 (Monday's low),

111.55 (Friday's low) and 110.02 (July 22 low). Resistance at 114.08 (hourly chart); breach would expose upside to 114.73 (yesterday's high), then 115.49 (May 18 high), 117.02 (100-day moving average) and 118.72 (May 13 high).

EUR/GBP - to trade lower. Daily chart negative-biased as stochastics bearish, MACD staged bearish crossover against its exponential moving average. Support at 0.8309 (yesterday's low); breach would target 0.8288 (July 7 low), then 0.8262 (July 6 low), 0.8215 (July 2 low) and 0.8163 (July 1 low). Resistance at 0.8367 (yesterday's high); breach would expose upside to 0.8415 (Tuesday's high), then to 0.8466 (July 22 high), 0.8478 (July 21 high) and 0.8531 (July 19 high).

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