

European Forex Technicals: Euro Correcting Higher

By Francis Bray

A DOW JONES NEWSWIRES COLUMN

LONDON (Dow Jones)--Rolling 24-hour chart levels:

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0447 GMT	1.2799	84.13	1.5416	1.0153
3 Day Trend	Bullish	Bullish	Range	Bearish
Weekly Trend	Range	Bearish	Bearish	Bearish
200 day ma	1.3163	89.39	1.5435	1.0661
3rd Resistance	1.2893	84.67	1.5532	1.0278
2nd Resistance	1.2850	84.43	1.5478	1.0245
1st Resistance	1.2809	84.36	1.5445	1.0210
Pivot*	1.2689	84.10	1.5389	1.0206
1st Support	1.2735	84.05	1.5382	1.0140
2nd Support	1.2675	83.95	1.5344	1.0100
3rd Support	1.2642	83.88	1.5297	1.0060

Intraday EUR/USD: A good start to the week for the euro, forcing a break above 1.2767 to bring the focus onto the 1.2850 area. 1.2850 consists of a 1.618 extension target and 76.4% retracement of the 1.2920/1.2642 decline. 1.2735 reverts to support to cushion corrective weakness; although only below the 1.2675 higher low would concern bulls and expose Friday's bear trap low at 1.2642.

Weekly chart EUR/USD trend: Range.

Intraday USD/JPY: Resistance has emerged at 84.43 Monday prompting a setback towards key intraday support at 83.88 and 83.95. However, last week's doji candle suggests the bear trend is running out of steam and 83.88 keeping intact would prompt a return to the 84.43 high. A break below 83.88 would expose 83.75 and leave the 83.49/83.34 lows vulnerable.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: recovers off Friday's low at 1.5344 to retest resistance at 1.5435/45. To build on last week's bear trap low at 1.5297, a sustained break above 1.5445 and 1.5478 would be required, re-opening the Sep. 8 peak at 1.5532. Failure to hold 1.5344 would put bears in control of the near-term, exposing the 1.5297 low.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: The break below 1.0169 Monday creates a downside objective target at 1.0100 for the near-term, after confirming a lower high at 1.0210. 1.0100 protects last week's nine-month low at 1.0060 and 1.0100 has become a pivotal support level. Keeping 1.0100 intact, followed by a break above 1.0210 is required to put bulls in control, opening Friday's high at 1.0278.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0519 GMT	0.8303	107.74	1.2990	0.9305
3 Day Trend	Bullish	Bullish	Range	Bullish
Weekly Trend	Range	Range	Bearish	Bullish
200 day ma	0.8527	117.74	1.4016	0.8840
3rd Resistance	0.8390	108.63	1.3133	0.9404
2nd Resistance	0.8331	108.15	1.3075	0.9381
1st Resistance	0.8320	107.80	1.3016	0.9325
Pivot*	0.8255	106.79	1.2956	0.9246
1st Support	0.8265	107.51	1.2975	0.9268
2nd Support	0.8250	107.00	1.2920	0.9236
3rd Support	0.8230	106.70	1.2864	0.9206

Intraday EUR/GBP: Extends the recovery off 0.8203 to test ground above 0.8300 and eyes the upside target at 0.8320. The Sep. 7 high at 0.8331 lies just above 0.8320, but only a sustained break above 0.8331 would suggest a return to last week's high at 0.8390 is on the cards. Congestion between 0.8230 and 0.8250 will look to limit corrective weakness, protecting 0.8215.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: Extends the recovery off Friday's low at 106.26 to test resistance at 107.80. However, the 108.15 area is likely to limit the rally, which includes the 1.618 extension target. A break below the 106.70 intraday low would be required to put bears back in control of the near-term, prompting weakness to the 106.26/105.96 higher lows.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Short-term pivotal support at 1.2920 has prompted a recovery Monday in an attempt to regain ground above 1.3000. However, 1.3075 will provide significant resistance and is expected to limit the scope for corrective gains. Loss of 1.2920 would put bears in control of the near-term, exposing Friday's low at 1.2864.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Monday's strength leaves an upside gap at 0.9268 and opens the April 30 high at 0.9325. The key April 12 lower reaction high at 0.9381 will become the main objective once 0.9325 has been broken, extending the strong uptrend off the Sep. 7 low at 0.9092. Only a break below 0.9236 would leave Friday's low at 0.9206 exposed.

Weekly chart AUD/USD trend: Bullish.

* The pivot is the sum of the high, low and close divided by 3.

For more technical analysis see: Dow Jones Newswires, N/DJTA; Bloomberg, NI DJTA; and Reuters key word search "INSI-DJN"

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