

European Forex Technicals: Dollar Under The Cosh

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A DOW JONES NEWSWIRES COLUMN

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0519 GMT	1.3296	84.91	1.5657	0.9979
3 Day Trend	Bullish	Bearish	Bullish	Bearish
Weekly Trend	Bullish	Bearish	Bullish	Bearish
200 day ma	1.3155	89.09	1.5444	1.0619
3rd Resistance	1.3365	85.66	1.5821	1.0087
2nd Resistance	1.3334	85.47	1.5729	1.0061
1st Resistance	1.3314	85.19	1.5684	1.0029
Pivot*	1.3203	85.28	1.5593	1.0000
1st Support	1.3233	84.75	1.5610	0.9958
2nd Support	1.3195	84.55	1.5570	0.9933
3rd Support	1.3160	84.40	1.5533	0.9916

Intraday EUR/USD: Euro strength continues to define the tone, and the Aug. 6 reaction high at 1.3334 is now within striking distance. Having sustained the break above 1.3160, scope exists for a break above 1.3334 towards the 1.3500 level for the coming sessions--1.3500 representing 50% retracement of the 1.5145/1.1876 downtrend. The 1.3160 level provides the limit for corrective weakness, which is protected by 1.3195.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: Consolidates beneath solid resistance at 86.00, to put support at 84.75 under pressure. The weak tone is expected to continue to edge towards the 1.618 extension target at 84.55 and 84.40--the latter being the 50% retracement level of the corrective rally off 82.87. Regaining ground above 85.19 would provide temporary respite, but only above 85.47 would open the 85.66 lower high.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: Extends the short-term recovery off Tuesday's low at 1.5505 to reel in Monday's 1.5684 high. However, a fresh wave of bull pressure is required to tackle key resistance at the Sept. 17 high at 1.5729. Corrective weakness should be limited to the 1.5570 area, which is protected by 1.5610.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: Bear pressure is building on the Sept. 14 10-month low at 0.9933, and a break below there is looking increasingly likely. The November 2009 reaction low at 0.9916 lies just below 0.9933, and 0.9916 is the last line of defence protecting the 1.618 extension target at 0.9835. Corrective strength is limited to the 1.0029 area, shielding the 1.0061 lower high.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0544 GMT	0.8480	112.84	1.3252	0.9563
3 Day Trend	Bullish	Bullish	Range	Bullish
Weekly Trend	Bullish	Bullish	Bullish	Bullish
200 day ma	0.8517	117.28	1.3954	0.8880
3rd Resistance	0.8555	114.25	1.3325	0.9725
2nd Resistance	0.8531	113.95	1.3300	0.9675
1st Resistance	0.8511	113.00	1.3272	0.9593
Pivot*	0.8457	112.43	1.3191	0.9522
1st Support	0.8436	112.15	1.3213	0.9516
2nd Support	0.8390	111.90	1.3181	0.9494
3rd Support	0.8373	111.47	1.3150	0.9452

Intraday EUR/GBP: The uptrend continues to extend Wednesday, as the July 19 reaction high at 0.8531 comes under the spotlight. A long-term daily moving average provides backup resistance at 0.8555, but strength should be limited to the 1.618 extension target at 0.8612. Former range highs at 0.8390 revert to support, which is protected by 0.8436.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: Bulls are looking to regain a foothold above 113.00 and open the 113.95 lower high following Tuesday's bullish outside day. However, scope exists for 114.25 and the July 28 lower reaction high at 114.74 on a concerted push higher. Only a break below 111.90 would question the bullish outlook, exposing Monday's low at 111.47.

Weekly chart EUR/JPY trend: Bullish.

Intraday EUR/CHF: Resistance has emerged at 1.3272 to threaten consolidation back to support at 1.3213. However, only a break below 1.3181 would put bears in control of the near term. A break above 1.3272 would extend the rally off the Sept. 20 low at 1.3115, opening 1.3300 and 1.3325.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: Extends the solid bull trend into fresh 14-month highs above 0.9500, and is testing minor resistance at 0.9593. The wave equality target at 0.9675 is the main objective, but the July 2008 reaction high at 0.9847 is achievable in the coming sessions. Downside consolidation will attract support while above 0.9494, protecting the 0.9452 higher low.

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"