ASIA DAILY FOREX OUTLOOK - Majors

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

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    Immediate Range    Larger Range
USD/JPY    83.68-84.39      82.87-84.72
EUR/USD    1.3440-1.3595    1.3380-1.3691
AUD/USD    0.9588-0.9686    0.9557-0.9700
NZD/USD    0.7323-0.7404    0.7301-0.7417
GBP/USD    1.5717-1.5895    1.5638-1.5910
USD/CHF    0.9736-0.9823    0.9700-0.9877
USD/CAD    1.0282-1.0361    1.0245-1.0379
EUR/JPY    112.88-114.01    112.64-114.17
EUR/GBP    0.8550-0.8604    0.8460-0.8700
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(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 bearish bias amid broad-based USD weakness (ICE spot dollar index last 78.96 vs Monday's 79.338 settlement) as expectations of further quantitative measures from U.S. Federal Reserve increase after U.S. Conference Board consumer confidence index fell sharply in September to 48.5 from revised 53.2 in August, far worse than 52.0 expected. USD/JPY also undermined by Japan exporter sales, lower U.S. Treasury yields, Japanese fiscal half-year repatriation flows. But USD/JPY losses tempered by fear of further Japan MOF JPY-selling intervention, USD demand for import settlements, toushin demand, JPY-funded trades on positive risk sentiment as Wall Street posted modest gains overnight on expectations of more Fed stimulus. Yen crosses vulnerable to any surprises from Chinese September manufacturing PMI data due today. Other data focus: 2350 GMT Japan provisional trade statistics for 1st 10 days of September, Japan 3Q Tankan survey of enterprises, 1415 GMT Fed's Kocherlakota speaks, 1620 GMT Fed's Plosser speech, 1715 GMT Fed's Rosengren speaks. USD/JPY daily chart negative-biased as MACD & stochastics bearish. Support at 83.68 (yesterday's low); breach would expose downside to 82.87 (15-year low set Sept. 15), then psychological round-numbered levels from 82.00 down to 80.00, and 79.75 (record low set April 19, 1995). Resistance at 84.34-39 band (yesterday's high-Monday's high); breach would temper near-term negative outlook, exposing upside to 84.72 (hourly chart), then 85.38 (Friday's high, matching 55-day moving average), 85.77 (Sept. 21 high) and 85.93 (Sept. 16 high).

EUR/USD - to consolidate with bullish bias. Pair underpinned by negative USD sentiment, ECB's Stark saying ECB would not renew some of non-standard measures when these mature in 4Q10. But euro sentiment dented by Spanish newspaper Expansion report analysts expect Moody's to cut Spain's rating, while S&P analyst said on Irish radio that Anglo Irish Bank's rating could be cut again if its recapitalization costs exceed EUR35 billion. Data focus: 0810 GMT euro-zone September retail PMI, 0900 GMT EU September business & consumer surveys. EUR/USD daily chart positive-biased as MACD & stochastics bullish, although latter at overbought, suggesting sideways or higher EUR/USD trading near-term. Resistance at 1.3595 (yesterday's high); breach would expose upside to 1.3691 (April 12 reaction high), then 1.3817 (March 17 reaction high), 1.3839 (Feb. 9 reaction high) and 1.3895 (61.8% Fibonacci retracement of decline from Nov. 25 high of 1.5144 to June 7 low of 1.1875). Support at 1.3440 (hourly chart); breach would expose downside to 1.3380 (yesterday's low), then 1.3284 (Friday's low), 1.3245 (Sept. 22 low) and 1.3055 (Sept. 21 low).

AUD/USD - to consolidate with bullish bias. Pair underpinned by Aussie-USD yield gap, negative USD sentiment, divergent RBA-U.S. Fed monetary policy stances, buoyant commodity prices (CRB spot index ended up 0.21 yesterday at 284.35), month-end Australian portfolio hedge adjustments. But Aussie vulnerable to any surprises from Chinese September manufacturing PMI data due today. AUD/USD daily chart positive-biased as MACD &

stochastics bullish, although latter at overbought, suggesting sideways or higher AUD/USD trading near-term. Resistance at 0.9686 (yesterday's high); breach would expose upside to psychological round-numbered levels of 0.9700 & 0.9800, then 0.9849 (July 15, 2008 peak). Support at 0.9588 (hourly chart), then at 0.9557 (yesterday's low); breach would temper near-term positive outlook, exposing downside to 0.9461 (Friday's low), then 0.9439 (Sept. 21 low) and 0.9347 (Sept. 17 low).

NZD/USD - to trade with bullish bias. Pair underpinned by negative USD sentiment, Kiwi-USD yield gap, buoyant commodity prices. NZD/USD daily chart positive-biased as MACD & stochastics in bullish mode. Resistance at 0.7404 (yesterday's high), then at 0.7417 (Sept. 22 high); breach would expose upside to 0.7441 (Jan. 14 reaction high), then 0.7521 (Nov. 16, 2009 reaction high). Support at 0.7323 (hourly chart), then at 0.7301 (yesterday's low); breach would temper near-term positive outlook, exposing downside to 0.7268-0.7259 band (Friday's low-Thursday's low), then 0.7247 (Sept. 20 low), 0.7234 (Sept. 17 low) and 0.7211 (Sept. 16 low).

GBP/USD - to range-trade. Pair supported by weak USD sentiment; IMF's endorsement of UK government's deficit reduction plans, confirmation of UK 2Q GDP at +1.2%, sharp reduction in UK 2Q current account deficit to GBP7.4 billion (vs forecast for GBP9.7 billion deficit) from revised GBP11.3 billion in 1Q, CBI reporting UK October retail sales expectations at 9-year high of +47 & September retail sales balance at 6-year high of +49 (vs +23 forecast). But GBP/USD gains tempered by BOE's Posen saying he sees "clear" case for undertaking more asset purchases in UK to avoid Japan-style protracted period of economic underperformance; lingering concerns over negative impact of fiscal tightening on UK economy. Data focus: 0830 GMT August UK BOE lending to individuals, UK August BSA savings & mortgage lending. GBP/USD daily chart mixed as MACD bullish, but stochastics turning bearish at overbought; high-wave candlestick pattern completed yesterday. Resistance at 1.5895 (yesterday's high), then at 1.5910 (Aug. 10 high); breach would expose upside to 1.6002 (Aug. 6 top), then 1.6069 (Feb. 3 high) and 1.6276 (Jan. 28 high). Support at 1.5717 (yesterday's low); breach would expose downside to 1.5638 (Friday's low), then 1.5600 (Sept. 22 low), 1.5567 (55-day moving average) and 1.5501 (Sept. 21 low).

USD/CHF - to consolidate with bearish bias. Pair weighed by negative USD sentiment; but losses tempered by lingering fears of SNB CHF-selling intervention. Data focus: 0930 GMT Swiss September KOF economic barometer. Daily chart negative-biased as MACD bearish, while stochastics stay suppressed at oversold, 5- & 15-day moving averages falling. Support at 0.9736 (yesterday's low); breach would expose downside to psychological round-numbered levels of 0.9700 & 0.9600, then 0.9572 (record low set March 17, 2008 on EBS via CQG). Resistance at 0.9823 (hourly chart), then at 0.9877 (yesterday's high); breach would temper near-term negative outlook, exposing upside to 0.9905 (Thursday's high), then 0.9985 (Sept. 22 high), 1.0074 (Sept. 21 high) and 1.0121 (Sept. 20 high).

USD/CAD - to consolidate with risks skewed lower. Pair undermined by negative USD sentiment; but losses tempered by concerns over spillover from slowing U.S. growth on Canadian economy, softer oil prices (Nymex crude settled down 34 cents yesterday at $76.18/bbl). Data focus: 1230 GMT Canada August industrial product & raw materials price indexes. USD/CAD daily chart mixed as stochastics rising from oversold but MACD still bearish. Support at 1.0282 (yesterday's low); breach would target 1.0245 (hourly chart), then 1.0218 (Monday's low), 1.0188 (Sept. 22 low), 1.0102 (Aug. 5 reaction low) and 1.0010 (April 29 low). Resistance at 1.0361 (yesterday's high, matching 200-day moving average); breach would target 1.0379 (Thursday's high, matching 55-day moving average), then 1.0394 (Sept. 9 high), 1.0509 (Sept. 8 high) and 1.0569 (Sept. 3 high).

EUR/JPY - to trade with risks skewed higher. Cross supported by positive risk sentiment, toushin demand, lingering fears of Japan's JPY-selling intervention; but gains tempered by Japanese fiscal half-year repatriation flows. Daily chart positive-biased as MACD & stochastics bullish, although latter at overbought. Resistance at 114.01 (yesterday's high), then at 114.17 (Aug. 2 high); breach would target 114.73 (July 28 reaction high), then 115.49 (May 18 high) and 118.22 (200-day moving average). Support at 112.88 (hourly chart), then at

112.64 (yesterday's low); breach would temper near-term positive outlook, exposing downside to 112.15 (Thursday's low), then 111.44 (Sept. 21 low), 111.06 (100-day moving average) and 110.63 (Sept. 16 low, near 55-day moving average).

EUR/GBP - to consolidate with bullish bias after hitting 9-month high of 0.8604 yesterday, posting global close above 200-day moving average for first time since April 2. Daily chart positive-biased as MACD bullish, while stochastics stay elevated at overbought, suggesting sideways or higher EUR/GBP trading near-term. Resistance at 0.8604 (yesterday's high); breach would expose upside to psychological 0.8700, then 0.8773 (May 21 reaction high) and 0.8807 (May 7 reaction high). Support at 0.8550 (hourly chart); breach would expose downside to 0.8464-0.8460 band (yesterday's low-Sept. 22 low), then 0.8387 (Sept. 21 low), 0.8328 (Sept. 17 low) and 0.8307 (Sept. 16 low).