

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	83.15-83.81	82.87-84.07
EUR/USD	1.3573-1.3691	1.3558-1.3817
AUD/USD	0.9622-0.9690	0.9557-0.9733
NZD/USD	0.7302-0.7368	0.7259-0.7417
GBP/USD	1.5667-1.5824	1.5638-1.5922
USD/CHF	0.9747-0.9877	0.9706-0.9905
USD/CAD	1.0218-1.0346	1.0188-1.0361
EUR/JPY	112.95-114.22	112.64-114.73
EUR/GBP	0.8607-0.8685	0.8559-0.8700

(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 as attention shifts to raft of manufacturing PMI data from many major economies today. USD/JPY supported by improved USD sentiment (ICE spot dollar index last 78.81 vs Wednesday's 78.691 settlement) as surprise rise in ISM-Chicago Business Barometer to 60.4 in September from 56.7 in August (vs forecast for drop to 56.0), bigger-than-expected 16,000 drop in latest U.S. weekly jobless claims (vs forecast for 5,000 decline) & above-forecast U.S. 2Q GDP final estimate of 1.7% (vs +1.6 expected) pare expectations of further quantitative measure from U.S. Federal Reserve. USD/JPY also buoyed by higher U.S. Treasury yields, USD demand for import settlements, fear of further Japan MOF JPY-selling intervention; but gains tempered by unwinding of JPY-funded carry trades amid diminished investor risk tolerance (VIX fear gauge rose 1.94% to 23.7) as Wall Street posted modest losses overnight (DJIA off 0.44%) despite upbeat U.S. data; positions adjustment before weekend. Data focus: 2330 GMT Japan August labour force survey, August household spending, 2330 GMT Japan September Tokyo CPI, August nation CPI, 1230 GMT U.S. August personal income & spending, 1230 GMT Fed's Dudley speaks, 1355 GMT September University of Michigan survey of consumers (final), 1400 GMT U.S. August construction spending, 1400 GMT U.S. September ISM manufacturing PMI, 1935 GMT Fed's Fisher speaks. USD/JPY daily chart still negative-biased as MACD & stochastics in bearish mode; 5-day moving average below 15-day and falling. Resistance at 83.81 (yesterday's high); breach would target 84.07 (Wednesday's high), then 84.39 (Monday's high), 85.24 (55-day moving average), 85.38 (Sept. 24 high) and 85.77 (Sept. 21 high). Support at 83.15 (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).

EUR/USD - to consolidate with risks skewed lower. Pair undermined by improved USD sentiment, weaker investor risk tolerance, Moody's one notch downgrade of Spain's credit rating to Aa1; news Irish government's bailout bill for Anglo Irish Bank could reach EUR34 billion. But EUR/USD losses tempered by positions adjustment before weekend; news demand at ECB's 6-day tender yesterday only EUR29.3 billion vs forecasts of some EUR70 billion, easing banking-system worries; bigger-than-expected 40,000 fall in German September jobless (vs forecast for 20,000 decline). Data focus: 0600 GMT German August retail sales, 0755 GMT German September manufacturing PMI, 0800 GMT euro-zone September manufacturing PMI, 0900 GMT EU August unemployment. EUR/USD daily chart mixed as MACD bullish, 5- & 15-day moving averages rising; but stochastics turning bearish at overbought. Support at 1.3573 (hourly chart), then at 1.3558 (yesterday's low); breach would expose downside to 1.3506 (previous cap set Monday), then 1.3380 (Tuesday's low), 1.3284 (Sept. 24 low) and 1.3245 (Sept. 22 low). Resistance at 1.3683-1.3691 band (yesterday's high-April 12 reaction high); breach would reinstate near-term positive outlook, exposing upside to 1.3817 (March 17 reaction high), then 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).

AUD/USD - to consolidate with risks skewed lower. Pair undermined by improved USD sentiment, lower investor risk tolerance, positions adjustment before weekend. But AUD/USD losses tempered by Aussie-U.S. yield gap, buoyant commodity prices (CRB spot index ended up 0.93 yesterday at 286.86), expectations for RBA rate hike Tuesday. Data focus: 0100 GMT Australia September TD Securities monthly inflation gauge, 0630 GMT Australia September commodity price index. AUD/USD daily chart mixed as MACD bullish, 5- & 15-day moving averages rising; but stochastics turned bearish at overbought, bearish key-reversal-day pattern completed yesterday. Support at 0.9622 (yesterday's low); breach would expose downside to 0.9557 (Tuesday's low), then 0.9461 (Sept. 24 low), 0.9439 (Sept. 21 low) and 0.9347 (Sept. 17 low). Resistance at 0.9690 (hourly chart), then at 0.9733 (yesterday's high); breach would reinstate near-term positive outlook, exposing upside to psychological 0.9800, then 0.9849 (July 15, 2008 peak), psychological 0.9900 and parity.

NZD/USD - to trade with risks skewed lower. Pair undermined by improved USD sentiment, moderating investor risk tolerance, positions adjustment before weekend. But NZD/USD losses tempered by Kiwi-U.S. yield advantage, buoyant commodity prices. NZD/USD daily chart mixed as MACD bullish, but stochastics turned bearish near overbought. Support at 0.7302 (yesterday's low, matching Tuesday's low); breach would target 0.7268-0.7259 band (Sept. 24 low-Sept. 23 low), then 0.7247 (Sept. 20 low), 0.7234 (Sept. 17 low), 0.7211 (Sept. 16 low, near 55-day moving average) and 0.7155 (Sept. 9 low). Resistance at 0.7368 (hourly chart), then at 0.7409-0.7417 band (yesterday's high-Sept. 22 high); breach would reinstate near-term positive outlook, exposing upside to 0.7441 (Jan. 14 reaction high), then 0.7521 (Nov. 16, 2009 reaction high).

GBP/USD - to trade with risks skewed lower. Pair undermined by improved USD sentiment, reduced investor risk tolerance, weaker-than-expected UK GfK September consumer confidence index of minus 20 (vs minus 19 forecast). But GBP sentiment soothed by 0.1% gain in Nationwide September house price survey. GBP/USD loses also tempered by positions adjustment before weekend. Data focus: 0830 GMT UK September CIPS manufacturing PMI. GBP/USD daily chart mixed as MACD bullish, but stochastics falling from overbought; bearish key-reversal-day pattern completed yesterday; bearish parabolic stop-and-reverse signal hit at 1.5673 yesterday. Support at 1.5667 (yesterday's low); breach would target 1.5638 (Sept. 24 low), then 1.5600 (Sept. 22 low), 1.5572 (55-day moving average), 1.5501 (Sept. 21 reaction low) and 1.5446 (Sept. 15 low). Resistance at 1.5824 (hourly chart); breach would expose upside to 1.5922 (yesterday's high), then 1.6002 (Aug. 6 top), 1.6069 (Feb. 3 high) and 1.6276 (Jan. 28 high).

USD/CHF - to trade with risks skewed higher. Pair underpinned by improved USD sentiment, lingering fears of SNB CHF-selling intervention, positions adjustment before weekend. But USD/CHF gains tempered by unwinding of short-CHF carry trades on weaker investor risk tolerance. Data focus: 0715 GMT Swiss August retail sales, 0730 GMT Swiss September SVME PMI. Daily chart mixed as MACD bearish, but stochastics turned bullish at oversold; bullish key-reversal-day pattern completed yesterday. Resistance at 0.9877 (Tuesday's high); breach would target 0.9905 (Sept. 23 high), then 0.9985 (Sept. 22 high), 1.0074 (Sept. 21 high) and 1.0121 (Sept. 20 high). Support at 0.9747 (hourly chart), then at 0.9706 (yesterday's low, just above psychological 0.9700); breach would reinstate near-term negative outlook, exposing downside to psychological 0.9600, then 0.9572 (record low set March 17, 2008 on EBS via CQG).

USD/CAD - to consolidate with risks skewed higher. Pair supported by decreased investor risk appetite, improved USD sentiment; 0.1% fall in Canadian July GDP for first contraction in 11 months; cautionary comments from BOC Gov. Carney - says further interest rate hikes need to be "carefully" considered because of "unusual uncertainty" regarding strength of U.S. economy and prospects of weakening retail spending and house sales in Canada. But USD/CAD gains tempered by buoyant commodity & oil prices (Nymex crude settled up \$2.11 yesterday at \$79.97/bbl), positions adjustment before weekend. USD/CAD daily chart positive-biased as MACD & stochastics in bullish mode; 5-day moving average staging bullish crossover against 15-day. Resistance at 1.0346 (yesterday's high), then at 1.0361 (Tuesday's high, matching 200-day moving average); breach

would target 1.0379 (Sept. 23 high, near 55-day moving average), then 1.0394 (Sept. 9 high), 1.0509 (Sept. 8 high) and 1.0569 (Sept. 3 high). Support at 1.0227-1.0218 band (yesterday's low-Monday's low), then at 1.0188 (Sept. 22 low); breach would tilt near-term outlook toward negative, targeting 1.0102 (Aug. 5 reaction low), then 1.0010 (April 29 low).

EUR/JPY - to consolidate with risks skewed lower. Cross undermined by reduced investor risk tolerance, positions adjustment before weekend; but losses tempered by lingering fears of Japan's JPY-selling intervention. Daily chart mixed as MACD bullish, 5- & 15-day moving averages rising but stochastics turning bearish at overbought. Support at 112.95 (yesterday's low); breach would target 112.64 (Tuesday's low), then 112.15 (Sept. 23 low), 111.44 (Sept. 21 low), 111.04 (100-day moving average) and 110.78 (55-day moving average). Resistance at 114.22 (yesterday's high); breach would target 114.73 (July 28 reaction high), then 115.49 (May 18 high) and 118.05 (200-day moving average).

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ASIA DAILY FOREX OUTLOOK - Majors -2-

EUR/GBP - to consolidate with bullish bias after hitting fresh 4-month high of 0.8685 yesterday. Daily chart positive-biased as MACD & stochastics bullish, although latter at overbought; meanwhile, 5- & 15-day moving averages rising; suggest sideways or higher EUR/GBP trading near-term. Resistance at 0.8685 (yesterday's high); breach would expose upside to psychological 0.8700, then 0.8773 (May 21 reaction high), 0.8807 (May 7 reaction high) and 0.8847 (April 19 high). Support at 0.8607 (hourly chart), then at 0.8559 (yesterday's low); breach would temper near-term positive outlook, exposing downside to 0.8460 (Sept. 22 low), then 0.8387 (Sept. 21 low) and 0.8328 (Sept. 17 low).

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