

European Forex Technicals: EUR Uptrend Over Against GBP, CHF

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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 0451 GMT	1.3683	83.98	1.5842	0.9719
3 Day Trend	Range	Bearish	Range	Bearish
Weekly Trend	Bullish	Bearish	Bullish	Bearish
200 day ma	1.3190	88.64	1.5473	1.0548
3rd Resistance	1.3785	84.35	1.5923	0.9806
2nd Resistance	1.3723	84.12	1.5870	0.9789
1st Resistance	1.3694	83.99	1.5839	0.9738
Pivot*	1.3720	83.47	1.5814	0.9737
1st Support	1.3637	83.42	1.5745	0.9700
2nd Support	1.3580	83.15	1.5706	0.9670
3rd Support	1.3559	82.87	1.5671	0.9625

Intraday EUR/USD: recovers off 1.3637 Tuesday and looks to force a break above projected resistance at 1.3694. A sustained break above 1.3694 would leave 1.3637 as a near-term bear failure, prompting a recovery towards 1.3723 and the 1.3785 intraday high. However, caution lies in the form of a dark cloud cover candle Monday, suggesting a lot of work is needed before opening Monday's high at 1.3809. A break below 1.3637 would prompt weakness to 1.3580 and 1.3559.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: builds on the corrective recovery off Friday's marginal low at 83.15 to test 84.00. However, solid resistance lies at 84.12 in the form of former range lows that have reverted to resistance and 84.12 has become a short-term pivotal level. A break below 83.42 would prompt a return to the 83.15 low, threatening further weakness towards the mid-Sep. 15-year low at 82.87.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: remains trapped within the Sep. 30 1.5923/1.5671 range, but there is a slight skew to the upside which suggests resistance at 1.5870 will face a retest. A sustained break above 1.5870 would put bulls in control of the near-term, opening the 1.5923 peak which protects the Aug. 6 reaction high at 1.5998. Only a break below support at 1.5745 would negate the positive outlook, exposing 1.5671.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: bears continue to pile pressure on 0.9700 following Monday's fresh 30-month low. Downside wave equality targets lie congested at 0.9670 and a 1.618 Fibonacci extension target projected off the 1.0183 lower high at 0.9625 still remains the main objective. Only a break above 0.9789 would question the bearish outlook.

Weekly chart USD/CHF trend: Bearish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0518 GMT	0.8651	114.44	1.3294	0.9572
3 Day Trend	Bearish	Range	Bearish	Bullish
Weekly Trend	Bullish	Bullish	Bullish	Bullish
200 day ma	0.8523	116.97	1.3896	0.8946
3rd Resistance	0.8726	115.60	1.3420	0.9705
2nd Resistance	0.8705	115.29	1.3372	0.9675
1st Resistance	0.8681	115.00	1.3346	0.9655
Pivot*	0.8669	114.37	1.3351	0.9694
1st Support	0.8628	114.20	1.3264	0.9550
2nd Support	0.8600	113.89	1.3195	0.9460
3rd Support	0.8580	113.74	1.3167	0.9330

Intraday EUR/GBP: Monday's bearish outside-day reversal off 0.8726 defines the near-term tone and a setback to the 0.8600 is likely. Support at 0.8628 would have to be broken first in order to expose 0.8600, but a high at 0.8681 would create scope for weakness to the 0.8580 area. Corrective gains should be limited to 0.8705, to protect 0.8726.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: holds above Monday's bearish outside day low at 113.74 to bring the 115.00 level back into the picture. However, a break above 115.00 is needed to re-open Monday's high at 115.29, but action is likely to remain beneath 115.29 for Tuesday's session. A break below 113.89 would bring the focus back onto the 113.74 low, threatening weakness towards 113.26.

Weekly chart EUR/JPY trend: Bullish.

Intraday EUR/CHF: extends Monday's bearish outside day reversal to 1.3264 Tuesday, threatening weakness to 1.3195. 1.3195 is a downwave equality target projected off the 1.3372 intraday high and bears will remain in control while projected resistance at 1.3346 remains intact. Regaining ground above 1.3372 is required to lift the tone, although gains should be limited to the 1.3420 area.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: extends downside consolidation to test support at 0.9550, where the 1.618 Fibonacci extension target lies. However, corrective weakness is expected to be limited to this 0.9550 area and a recovery will look to head back toward resistance at 0.9655. A break above 0.9675 would open Monday's high at 0.9705. Only a sustained break below 0.9550 would upgrade the decline, exposing the 0.9460 area.

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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Data provided by CQG International Ltd.

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