

2010-10-14_European Forex Technicals - AUDUSD Strength To Reach 1.0000

European Forex Technicals: AUD/USD Strength To Reach 1.0000

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London (TRADING Central)--Rolling 24-hour chart levels:

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0456 GMT	1.4074	81.22	1.5976	0.9520
3 Day Trend	Bullish	Bearish	Bullish	Bearish
Weekly Trend	Bullish	Bearish	Bullish	Bearish
200 day ma	1.3239	88.20	1.5502	1.0485
3rd Resistance	1.4195	82.01	1.6103	0.9643
2nd Resistance	1.4139	81.66	1.6070	0.9609
1st Resistance	1.4095	81.33	1.6019	0.9580
Pivot*	1.3959	81.83	1.5853	0.9589
1st Support	1.4020	81.00	1.5905	0.9480
2nd Support	1.3995	80.00	1.5850	0.9459
3rd Support	1.3954	79.75	1.5809	0.9425

Intraday EUR/USD: the push into fresh eight-month highs is set to extend above 1.4095, following Thursday's push into fresh eight-month highs. A wave equality target lies at 1.4139, but given the dominance of the uptrend, there is scope for strength to the 1.4195 lower high from late January. The 1.3995 area will look to limit corrective weakness and only below 1.3995 would concern bulls.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: bears are setting fresh 15-year lows on their way to testing the 81.00 level, leaving the 82.38 bull failure high stranded. A sustained break below 81.00 would prompt further weakness toward the psychologically-important 80.00 level, which is close to the April 1985 all-time low at 79.75. Corrective upside scope looks limited to the 81.66 area and a break above 82.01 is required to lift the tone.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: the Oct. 7 reaction high at 1.6019 is back on the agenda following Wednesday's strength, as bulls look to build on the strong recovery off Tuesday's low at 1.5755. A break above 1.6019 is likely to be clean, negating fears of a bull trap and creating room for 1.6070. The wave equality target at 1.6103 would also become achievable. Only a break below 1.5905 would question the bullish outlook, exposing 1.5850.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: continues to set fresh all-time lows as projected support at 0.9480 is being challenged. The 0.9486 downside target has been met, but deeper downside targets lie in the 0.9425 area, based on projections from the recently completed three-day bear wedge. Regaining ground above 0.9580 would provide temporary respite, but only a break above 0.9643 would lift the tone.

Weekly chart USD/CHF trend: Bearish.

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second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0528 GMT	0.8812	114.33	1.3405	0.9966
3 Day Trend	Bullish	Bearish	Bearish	Bullish
Weekly Trend	Bullish	Range	Bullish	Bullish
200 day ma	0.8539	116.80	1.3861	0.9006
3rd Resistance	0.8900	115.30	1.3495	1.0155
2nd Resistance	0.8888	115.00	1.3468	1.0085
1st Resistance	0.8842	114.75	1.3438	1.0000
Pivot*	0.8806	114.23	1.3375	0.9889
1st Support	0.8778	113.88	1.3368	0.9897
2nd Support	0.8730	113.35	1.3332	0.9875
3rd Support	0.8698	112.86	1.3264	0.9836

Intraday EUR/GBP: the short-term uptrend is likely to renew pressure on resistance at 0.8842 following Tuesday's bullish outside day. Longer-term bulls still have the 1.618 Fibonacci extension target at 0.8888 in their sights, which lies close to resistance at 0.8900. However, Wednesday's doji candle warns of a potential near-term reversal and a break below 0.8778 would threaten weakness toward 0.8730 and Tuesday's low at 0.8698.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: the recovery off Tuesday's low at 112.86 is struggling to challenge resistance in the 114.75/115.00 area. While 115.00 remains intact, there is a threat of renewed bear pressure back to 113.88 and toward 113.35, which protects the 112.86 low. Only a sustained break above 115.00 would lift the tone, opening 115.30 and the Oct. 7 reaction high at 115.68.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: stages a corrective recovery off 1.3267, but upside risk is likely to be limited by resistance in the 1.3468 area. A head-and-shoulders top formation is appearing on the daily chart and a break below 1.3332 is required to bring the focus back to the neckline close to the 1.3264/67 lows. Only a sustained break above 1.3468 would lift the tone, opening the Oct. 8 peak at 1.3495.

Weekly chart EUR/CHF trend: Range.

Intraday AUD/USD: the psychologically-important 1.0000 level is within striking distance following the sustained break above 0.9917, setting fresh 28-year highs in the process. Bulls will look to meet the wave equality target at 1.0085 and there is scope for 1.0155 on concerted strength. Corrective weakness will attract support while above 0.9875, protecting 0.9836.

Weekly chart AUD/USD trend: Bullish.

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

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