

European Forex Technicals: EUR Suffering To Continue

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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 0453 GMT	1.3777	81.39	1.5726	0.9667
3 Day Trend	Bearish	Bearish	Bearish	Bullish
Weekly Trend	Bearish	Bearish	Bearish	Bearish
200 day ma	1.3267	87.94	1.5518	1.0450
3rd Resistance	1.3959	82.38	1.5870	0.9758
2nd Resistance	1.3875	81.93	1.5835	0.9720
1st Resistance	1.3828	81.66	1.5769	0.9692
Pivot*	1.3815	81.55	1.5774	0.9685
1st Support	1.3697	81.32	1.5649	0.9645
2nd Support	1.3675	81.13	1.5600	0.9578
3rd Support	1.3637	80.88	1.5500	0.9541

Intraday EUR/USD: More slippage towards 1.3675 is likely as EUR extends its broad-based weakness off the Oct. 15 peak at 1.4161. Downside projection off Tuesday's high at 1.4005 suggests there is scope for a deeper setback below 1.3675, testing lows at 1.3637 and 1.3559 on the way to the 1.3500 support area on concerted weakness. Corrective strength is limited to the 1.3875 area and only above there would question the bearish outlook, opening 1.3959.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: resistance has emerged at 81.93 to beat back the recent corrective recovery and testing support at 81.13 is now the main objective. However, last week's lows around 80.88 are still vulnerable to a display of concerted bear pressure, in accordance with the dominant trend. Keeping 81.13 intact, combined with a break above 81.66 would be required to question the negative outlook, opening 81.93.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: stages a corrective recovery off Wednesday's session low at 1.5649, which has scope to the 1.5870 area. However, corrective strength is expected to be limited to this 1.5870 area, as bears remain the dominant near-term force. There is risk of a bout of fresh downside pressure below 1.5649 towards the significant 1.5500 level before staging a more substantial recovery. Only above 1.5870 would lift the tone, opening Monday's bear wedge high at 1.5940.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: consolidates Tuesday's rally to 0.9758 and key support at 0.9645 is being challenged. Keeping 0.9645 intact would strengthen last week's all-time low at 0.9463 and suggest there is another bull wave to this rally above 0.9758. Breaking above congestion between 0.9692 and 0.9720 would be required to re-open the 0.9758 peak. Failure to keep 0.9645 intact would prompt a deeper setback towards 0.9578 and 0.9541.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0528 GMT	0.8755	112.08	1.3324	0.9755
3 Day Trend	Bearish	Bearish	Bearish	Range
Weekly Trend	Range	Bearish	Range	Bearish
200 day ma	0.8548	116.67	1.3842	0.9040
3rd Resistance	0.8838	113.53	1.3451	0.9870
2nd Resistance	0.8824	112.90	1.3430	0.9840
1st Resistance	0.8788	112.23	1.3375	0.9800
Pivot*	0.8767	112.49	1.3366	0.9780
1st Support	0.8738	111.57	1.3306	0.9662
2nd Support	0.8706	110.65	1.3264	0.9625
3rd Support	0.8698	110.00	1.3167	0.9541

Intraday EUR/GBP: Tuesday's setback off 0.8824 extends the consolidation phase between 0.8706 and 0.8838 and a push below support at 0.8738 is expected. This would bring the 0.8698/0.8706 lows back into the picture and a head-and-shoulders top formation can be seen on the daily chart. A sustained break below 0.8698 would confirm the reversal pattern, exposing 0.8628. Regaining ground above 0.8788 would be required to lift the tone, but upside scope is limited.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: bears remain in control following the push below 112.40 and more bear pressure is likely on Wednesday's current session low at 111.57. The Sep. 16 low at 110.65 is within reach, but downside targets converging in the 110.00/110.25 area mark the 110.00 level as a significant level. Corrective strength is limited to the 112.90 area.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: remains trapped in a bull pennant consolidation pattern between 1.3264 and 1.3495. Tuesday's cap at 1.3451 puts pressure on support at 1.3306 and suggests the 1.3264/67 lows are to be retested. The Sep. 28 low at 1.3167 would be targeted on a sustained break below 1.3264. Upside risk appears limited to the 1.3375 area.

Weekly chart EUR/CHF trend: Range.

Intraday AUD/USD: keeps Tuesday's low at 0.9662 intact to prompt a good recovery back towards the 0.9800 level. There is belief that 0.9662 marks the base of the corrective bear wave off the Oct. 15 peak at 1.0005 and a break above 0.9800 would prompt further gains to 0.9840 and towards 0.9870. Failure to hang onto the 0.9662 low would extend the corrective setback towards 0.9625 and 0.9541.

Weekly chart AUD/USD trend: Bearish.

* 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"