

European Forex Technicals: EUR To Gain More Ground

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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 0503 GMT	1.3910	81.18	1.5789	0.9663
3 Day Trend	Bullish	Bearish	Range	Range
Weekly Trend	Bearish	Bearish	Bearish	Bearish
200 day ma	1.3274	87.87	1.5521	1.0442
3rd Resistance	1.4055	82.00	1.5997	0.9758
2nd Resistance	1.4005	81.84	1.5940	0.9718
1st Resistance	1.3991	81.33	1.5874	0.9691
Pivot*	1.3884	81.20	1.5785	0.9636
1st Support	1.3872	80.98	1.5745	0.9625
2nd Support	1.3824	80.84	1.5685	0.9615
3rd Support	1.3755	80.00	1.5649	0.9574

Intraday EUR/USD: The focus is back on Tuesday's 1.4005 high following the strong recovery off 1.3697 Wednesday. 1.3697 has become a near-term bear failure, and a break above 1.4005 would set the bear failure in stone, attracting fresh bull pressure to 1.4055. However, to bring the Oct. 15 peak at 1.4161 back into the picture, a sustained break above 1.4055 is required. Support lies at 1.3872 and 1.3824, and only below the latter would concern bulls.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Resistance protecting the 82.00 level has once again shown its mettle, and bear pressure is expected to test 80.98. Wednesday's fresh 15-year low at 80.84 is also vulnerable, and the dominant bear trend is clearly prevailing, threatening to expose the psychologically-important 80.00 level. The April 1995 all-time low at 79.92 is the main bear objective. Regaining ground above 81.33 on a sustained basis would provide respite, but unassisted corrective upside scope is limited.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: Resistance at 1.5874 is the focus following Wednesday's recovery off 1.5649. While support at 1.5745 holds, there is room for a return to the 1.5874 high, but a fresh wave of bull pressure is required to force a break higher towards 1.5940 and 1.5997. Failure to keep 1.5745 intact would question the positive outlook, and expose the 1.5649 low.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Continues to consolidate off Tuesday's 0.9758 peak, and a bull pennant appears to be forming. Wednesday's recovery off 0.9574 looks destined to fall shy of the 0.9758 peak, which is protected by resistance at 0.9691 and 0.9718. Loss of 0.9625 would suggest a return to the 0.9574 low is on the cards, threatening a deeper retracement of the rally off the Oct. 14 all-time low at 0.9463.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0537 GMT	0.8808	112.94	1.3441	0.9820
3 Day Trend	Bullish	Range	Range	Bullish
Weekly Trend	Range	Bearish	Range	Range
200 day ma	0.8550	116.67	1.3842	0.9040
3rd Resistance	0.8888	114.00	1.3551	1.0005
2nd Resistance	0.8838	113.70	1.3495	0.9960
1st Resistance	0.8824	113.57	1.3480	0.9891
Pivot*	0.8791	112.69	1.3394	0.9800
1st Support	0.8738	112.30	1.3386	0.9755
2nd Support	0.8706	111.92	1.3334	0.9735
3rd Support	0.8698	111.58	1.3306	0.9662

Intraday EUR/GBP: Bull pennant highs at 0.8824 and 0.8838 are expected to be breached Thursday, as pressure builds at the upper end of the consolidation pattern. A sustained break above 0.8838 would create room for gains to measured targets in the 0.8888/0.8900 area, and a measured objective based on a completed bull pennant suggests 0.8955 is achievable. Failure to break above 0.8838 would extend the continuation pattern, exposing 0.8738.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: Resistance at 113.57 is prompting a setback towards 112.30, as part of consolidation of the 111.58/113.57 rally. However, downside risk looks limited to the 112.30 area, as 111.58 has become a near-term bear failure. A fresh wave of bull pressure is required to force a break above 113.57, opening 114.00 and creating room for the Oct. 14 114.79 high.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Remains trapped in a bull pennant consolidation pattern between 1.3264 and 1.3495, but the risk has skewed once more to the upside. Keeping 1.3306 intact prompted a good rally shy of the Oct. 15 high at 1.3480, and the pennant highs at 1.3480 and 1.3495 are likely to be tested. A sustained break above 1.3495 would pave the way for gains to 1.3699 in the coming sessions. Only below 1.3306 would question the positive outlook, exposing the Oct. 5 low at 1.3264.

Weekly chart EUR/CHF trend: Range.

Intraday AUD/USD: Bulls look to regain control following the strong recovery off 0.9662, and resistance at 0.9891 is expected to come under fresh pressure. A break through 0.9891 would open the 0.9960 high, and bring the Oct. 15 28-year peak at 1.0005 back into the picture. There is risk of an intervening setback towards 0.9735, but only a sustained break below there would concern bulls, exposing the 0.9662 low.

Weekly chart AUD/USD trend: Range.

* 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"