

European Forex Technicals: USD/JPY Close To Key 80.00 Support

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 0442 GMT	1.3961	80.80	1.5731	0.9719
3 Day Trend	Range	Bearish	Range	Range
Weekly Trend	Bullish	Bearish	Bearish	Bullish
200 day ma	1.3294	87.67	1.5527	1.0420
3rd Resistance	1.4080	81.51	1.5877	0.9806
2nd Resistance	1.4033	81.33	1.5795	0.9785
1st Resistance	1.3993	81.00	1.5772	0.9745
Pivot*	1.3993	80.90	1.5723	0.9719
1st Support	1.3907	80.41	1.5693	0.9695
2nd Support	1.3887	80.00	1.5649	0.9662
3rd Support	1.3858	79.75	1.5550	0.9622

Intraday EUR/USD: keeping hold of key projected support at 1.3887 maintains the solid structure of the uptrend, but only while 1.3887 holds can a return to the Monday's peak at 1.4080 be possible. The extent of the setback off 1.4080 should concern EUR bulls and a break above intraday lower highs at 1.3993 and most importantly 1.4033 is required to put bulls back in control, opening the 1.4080 high. A break below Monday's low at 1.3907 would expose 1.3887, threatening weakness to the Oct. 22 low at 1.3858.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: bears are looking to put pressure on Monday's fresh 15-year low at 80.41, following the sharp setback off resistance at 81.51. The persistent downtrend suggests there is scope for a break below 80.41, threatening further weakness to expose the psychologically-important 80.00 level and the April 1995 all-time low at 79.75. Resistance lies at 81.00 to protect the 81.51 lower high and only above the latter would concern bears.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: remains capped beneath Monday's high at 1.5772 and the main threat is for a break below 1.5693 to expose the key 1.5649 support level. Such a move would worsen the outlook for GBP and the short-term bear trend off the Oct. 15 reaction high at 1.6104 would likely extend toward 1.5550 and the 1.5500 area. A push above 1.5772 is required to defer the bear threat, but corrective upside scope is limited to the Oct. 20 high at 1.5877.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: the recovery off 0.9662 appears corrective as resistance emerges at 0.9745. Failure to hang onto support at 0.9695 would bring the focus back onto the 0.9662 low and subject the key projected support

level at 0.9622 to bear pressure. Keeping 0.9622 intact is vital to maintaining the structure of the recovery off the Oct. 14 all-time low at 0.9463 solid and a break above 0.9745 is needed to create scope to the upside towards 0.9785 and the Oct. 22 reaction high at 0.9806.

Weekly chart USD/CHF trend: Bullish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0515 GMT	0.8876	112.88	1.3569	0.9916
3 Day Trend	Bearish	Range	Range	Bullish
Weekly Trend	Bullish	Range	Bullish	Bullish
200 day ma	0.8560	116.53	1.3830	0.9072
3rd Resistance	0.8960	113.94	1.3675	1.0005
2nd Resistance	0.8941	113.78	1.3645	0.9975
1st Resistance	0.8915	113.33	1.3600	0.9935
Pivot*	0.8895	113.06	1.3594	0.9901
1st Support	0.8847	112.42	1.3545	0.9880
2nd Support	0.8825	111.92	1.3495	0.9845
3rd Support	0.8805	111.57	1.3450	0.9825

Intraday EUR/GBP: weakness off Monday's six-month high at 0.8941 is likely to extend towards 0.8847 and 0.8825, following Monday's reversal candle. However, downside scope is expected to be limited and back-up support lies at 0.8805. Regaining ground above 0.8915 is required to suggest a return to the 0.8941 peak.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: support at 112.42 looks in trouble following Monday's setback off 113.78. A break below 112.42 is required to put bears in control of the near-term, exposing the Oct. 20 reaction low at 111.57 and threatening a deeper setback towards the psychologically-important 110.00 area in the coming sessions. Resistance lies at 113.33, and only a sustained break above there would open the Oct. 21 high at 113.94 and projected resistance at 114.15.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: solid support at 1.3495 is being protected by the recovery off 1.3545, and resistance at 1.3600 is under threat. A break above 1.3600 would open the 1.3635/45 area, although only above the latter would re-open the 1.3675 high. Two key upside projections lie at 1.3700 and failure to meet these targets would highlight the lack of bull momentum, prompting weakness to 1.3495.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: the extent of the setback off 0.9975 Monday suggests more downside consolidation is required and a retest of support at 0.9880 appears likely. The 0.9975 high protects the Oct. 15 28-year high at 1.0005 and a break below 0.9880 would expose the 0.9825 support area. Regaining ground above 0.9935 would lift the tone, but a fresh wave of bull pressure is required to force a break above 0.9975 and open the 1.0005 high.

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"