

European Forex Technicals: USD Regaining Its Poise

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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 0529 GMT	1.3818	81.61	1.5801	0.9884
3 Day Trend	Bearish	Bullish	Range	Bullish
Weekly Trend	Range	Bearish	Bearish	Bullish
200 day ma	1.3304	87.55	1.5532	1.0409
3rd Resistance	1.3982	82.38	1.6000	1.0000
2nd Resistance	1.3900	82.00	1.5900	0.9957
1st Resistance	1.3853	81.80	1.5840	0.9930
Pivot*	1.3794	81.69	1.5789	0.9891
1st Support	1.3734	81.44	1.5732	0.9851
2nd Support	1.3697	81.20	1.5694	0.9800
3rd Support	1.3616	80.89	1.5650	0.9750

Intraday EUR/USD: Failure to keep 1.3770 intact extends the bear wave towards the Oct. 20 reaction low at 1.3697. A bull pennant pattern no longer exists, but bull flag support lies at 1.3616, which would become the focus on a break below 1.3697. Resistance in the 1.3900 area limits the scope for corrective gains, and only above 1.3900 would lift the tone.

Weekly chart EUR/USD trend: Range.

Intraday USD/JPY: Consolidates beneath resistance at 82.00, but this area is likely to be challenged as upside momentum builds on the recovery off Monday's 15-year low at 80.41. With corrective weakness limited to 81.20, a fresh wave of bull pressure would force a break above 82.00, opening 82.38 and the more important 82.75 area. Only a sustained break below 81.20 would question the positive outlook, exposing 80.89.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: Projected resistance at 1.5840 is under threat as the recovery off Wednesday's 1.5732 low looks to re-open the pivotal 1.5900 resistance level. The spot rate has become volatile, and only a break above 1.5900 would put bulls in control, opening 1.6000. Failure to meet 1.5840, combined with a break below 1.5732 would prompt further weakness towards the 1.5650 key support area.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: The strong short-term uptrend is close to meeting upside targets in the 0.9950/57 area, which lies close to the psychologically-important 1.0000 level. The 1.0000 level was last traded on Sept. 21, and the wider bear trend suggests a break above parity is unlikely. A break below 0.9851 would attract weakness towards the 0.9750 area.

Weekly chart USD/CHF trend: Bullish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0552 GMT	0.8744	112.82	1.3663	0.9757
3 Day Trend	Bearish	Bearish	Range	Bearish
Weekly Trend	Bearish	Range	Bullish	Range
200 day ma	0.8564	116.45	1.3826	0.9086
3rd Resistance	0.8825	113.49	1.3825	0.9870
2nd Resistance	0.8800	113.28	1.3703	0.9830
1st Resistance	0.8753	113.19	1.3684	0.9775
Pivot*	0.8734	112.65	1.3660	0.9747
1st Support	0.8714	112.48	1.3621	0.9715
2nd Support	0.8698	112.22	1.3605	0.9651
3rd Support	0.8660	111.57	1.3545	0.9632

Intraday EUR/GBP: Looks to build on Wednesday's support at 0.8714 by challenging resistance at 0.8753. However, the sharp setback off Monday's reaction high at 0.8941 defines the dominant tone, and corrective strength should be limited to the 0.8800 area. Failure to hold 0.8714 would prompt another bear wave towards 0.8660 and the October low at 0.8628.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Stages a recovery off bear channel support at 112.22, and looks to challenge Wednesday's high at 113.19. However, the crossrate remains largely subdued, but with a bearish bias which favours a return to the 112.22 low. A break below 112.22 would increase the downside momentum, exposing the Oct. 20 low at 111.57 and creating room for the psychologically-important 110.00 area in the coming sessions. Bear channel resistance lies at 113.49 for Thursday's session, and only a sustained break above there would lift the tone.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Consolidates off key resistance at 1.3703, and Wednesday's bearish doji threatens a retest of support at 1.3621 and 1.3605. A break below 1.3605 would leave 1.3703 as a short-term peak, creating room for weakness towards Tuesday's low at 1.3545. A fresh wave of bull pressure is required to force a break above 1.3703, opening 1.3825.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: Stages a strong recovery off 0.9651 Wednesday, and a return to resistance at 0.9830 is likely. The bear target at 0.9632 remains unmet, and a sustained break through 0.9830 would strengthen the 0.9651 low, opening intraday lower highs at 0.9870 and 0.9929. Scope for testing Monday's peak at 0.9976 would be enhanced on a break above 0.9830. Only a break below 0.9651 would put bears in control, exposing 0.9632 but creating scope for the Oct. 5 low at 0.9541.

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"