

## 2010-11-01\_European Forex Technicals

### European Forex Technicals: USD Back Under The Cosh

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0558 GMT	1.3991	80.44	1.6066	0.9827
3 Day Trend	Bullish	Bearish	Bullish	Bearish
Weekly Trend	Range	Bearish	Bullish	Bullish
200 day ma	1.3317	87.41	1.5541	1.0397
3rd Resistance	1.4080	81.15	1.6150	0.9930
2nd Resistance	1.4025	80.79	1.6127	0.9911
1st Resistance	1.4010	80.60	1.6104	0.9880
Pivot*	1.3902	80.62	1.5986	0.9852
1st Support	1.3915	80.21	1.6008	0.9804
2nd Support	1.3894	80.00	1.5975	0.9765
3rd Support	1.3807	79.75	1.5879	0.9721

Intraday EUR/USD: Retains a bull tone to put the 1.4000 level back under pressure. The bear resistance line of a diamond pattern lies at 1.4010 for Monday's session, and a fresh wave of bull pressure is required to force a break above there and 1.4025 to open the Oct. 25 high at 1.4080. Failure to break above 1.4010/25 would keep the diamond pattern intact, exposing 1.3915.  
Weekly chart EUR/USD trend: Range.

Intraday USD/JPY: Sets a fresh 15-year low at 80.21 during Monday's current session, bringing the psychologically-important 80.00 level into the picture. The April 1995 all-time low at 79.75 is also within striking distance, and the severity of the setback off 81.55 increases the chances of new all-time lows below 79.75 during this week. Regaining ground above 80.60 would provide temporary respite, but only above 80.79 would create room for a recovery towards 81.15.  
Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: Sustained strength through 1.6000 brings the Oct. 15 reaction high at 1.6104 within striking distance. A push above 1.6104 is favoured towards upside targets at 1.6127 and 1.6150, which shield the 1.6200 level. The 1.5975 area will look to contain corrective weakness, but only below 1.5879 would concern bulls.  
Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: The setback off last week's peak at 0.9930 is poised for a fresh move lower, as support at 0.9804 comes under threat. A break below there is likely to reach 0.9765, but increasing bear momentum creates room for 1.618 Fibonacci extension targets at 0.9721 and 0.9707. Only a break above 0.9880 would question the bearish outlook, opening 0.9911.  
Weekly chart USD/CHF trend: Bullish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0627 GMT	0.8707	112.60	1.3745	0.9896
3 Day Trend	Bearish	Bearish	Bullish	Bullish
Weekly Trend	Bearish	Bearish	Bullish	Range
200 day ma	0.8567	116.37	1.3823	0.9100
3rd Resistance	0.8805	113.78	1.3870	1.0005
2nd Resistance	0.8770	113.30	1.3825	0.9955
1st Resistance	0.8723	112.89	1.3770	0.9910
Pivot*	0.8698	112.17	1.3693	0.9785
1st Support	0.8670	112.08	1.3710	0.9868
2nd Support	0.8628	111.69	1.3666	0.9815
3rd Support	0.8595	111.53	1.3645	0.9785

Intraday EUR/GBP: Recovers off Friday's low at 0.8670, but upside looks limited to the 0.8770 area. While 0.8770 caps, the main danger is for renewed bear pressure on the 0.8670 low, threatening an extension lower towards the Oct. 5 low at 0.8628 and the 0.8595 area. Only a sustained break above 0.8770 would lift the tone, opening 0.8805.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: The setback off Monday's current session high at 113.30 suggests a return to 112.08 is on the cards. A break below 112.08 would increase the threat of retesting Friday's bear trap low at 111.53, which is protected by 111.69. Only a break through 113.30 would lift the tone and open the 113.78/113.94 highs.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Sustains the break above 1.3700 to create scope for 1.3825. However, bull momentum is increasing, and there is scope for strength to 1.3870 and the Aug. 10 lower reaction high at 1.3925 during this week. To question the bullish outlook, a break below 1.3645 is required, which is protected by 1.3710.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: A wave of fresh bull pressure has materialised to probe above the 0.9900 level, and is heading towards 0.9955. This area incorporates both a 1.618 Fibonacci extension target and a two-week bear resistance line, which protect the Oct. 15 reaction high at 1.0005. Support lies at 0.9868 and 0.9815, but only below the latter would concern bulls.

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"

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