

# ASIA DAILY FOREX OUTLOOK - Majors

SINGAPORE (Dow Jones)--Following are expected trading ranges and outlooks for nine major currency pairs today:

	Immediate Range	Larger Range
USD/JPY	83.01-83.64	82.82-83.79
EUR/USD	1.3629-1.3750	1.3606-1.3777
AUD/USD	0.9811-0.9919	0.9784-1.0002
NZD/USD	0.7743-0.7810	0.7690-0.7872
GBP/USD	1.5935-1.6032	1.5886-1.6094
USD/CHF	0.9873-0.9999	0.9851-1.0086
USD/CAD	1.0151-1.0233	1.0064-1.0260
EUR/JPY	113.78-115.03	113.50-115.42
EUR/GBP	0.8542-0.8600	0.8485-0.8646

(Ranges are calculated using recent high and lows, information on the placement of option strikes, and technical analysis - Fibonacci levels, trendlines and moving averages.)

USD/JPY - to consolidate, buoyed by JPY-funded carry trades amid improved global risk sentiment (VIX fear gauge eases 3.79% to 18.04) as EU/IMF bailout package for Ireland now a formality, while Wall Street post modest gains Friday (DJIA up 0.2%) despite PBOC raising its banks' reserve requirement ratio by 50 bps as investors remain confident that efforts to tame inflation in China won't derail its growth path. USD/JPY also supported by USD demand for import settlements; but upside limited by Japan exporter sales, negative USD sentiment (ICE spot dollar index settled down 0.14% Friday at 78.504, last 78.23) after Fed Chairman Bernanke expressed strong support for Federal Reserve's quantitative easing policies. Data focus: 1330 GMT October Chicago Fed national activity index. USD/JPY daily chart mixed as MACD bullish, but stochastics bearish at overbought, inside-day-range pattern completed Friday. Resistance at 83.64 (Friday's high), then at 83.79 (Thursday's high); breach would target 83.99 (Oct. 5 high), then 84.28 (100-day moving average) and 85.38 (Sept. 24 high). Support at 83.07-83.01 band (Thursday's low-Wednesday's low), then at 82.82 (Tuesday's low); breach would expose downside to 82.37 (Nov. 15 low), then 81.63-81.55 band (Nov. 12 low-Nov. 10 low) and 80.50-80.45 band (Nov. 9 low-Nov. 2 low).

EUR/USD - to trade with risks skewed higher, supported by ultra-loose U.S. monetary policy, improved global risk appetite as concerns fade over peripheral euro-zone debt after EU/IMF bailout of Ireland. Data focus: 1500 GMT EU November FCCI flash consumer confidence. EUR/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold. Resistance at 1.3750 (Nov. 15 high); breach would target 1.3777 (Nov. 12 high), then 1.3820-1.3826 band (Nov. 11 high-Nov. 10 high) and 1.3973 (Nov. 9 high). Support at 1.3629 (hourly chart), then at 1.3606 (Friday's low); breach would expose downside to 1.3523 (Thursday's low), then 1.3457 (Wednesday's low), 1.3446 (Tuesday's low) and 1.3380 (Sept. 28 low).

AUD/USD - to consolidate with risks skewed higher. Pair underpinned by AUD demand for long-AUD carry trades on improved investor risk tolerance, divergent RBA-U.S. Fed monetary policy stances. But AUD/USD gains tempered by lingering fears China may tighten monetary policy further despite Friday's PBOC 50-bp hike in its banks' reserve requirement ratio; softer commodity prices (CRB spot index closed down 3.62 Friday at 298.89). AUD/USD daily chart mixed as MACD bearish, but stochastics bullish near oversold. Resistance at 0.9911-0.9919 (Friday's high-Nov. 15 high); breach would expose upside to 1.0002 (Nov. 12 high), then 1.0086 (Nov. 11 high) and 1.0176-1.0183 band (Nov. 9 high-Nov. 5 post-float high). Support at 0.9811 (Friday's low); breach would expose downside to 0.9784 (Thursday's low), then 0.9735 (55-day moving average), 0.9722 (Tuesday's low), 0.9676 (Oct. 29 low) and 0.9649 (Oct. 27 reaction low).

NZD/USD - to trade with risks skewed higher. Pair underpinned by negative USD sentiment, Kiwi demand for long-NZD carry trades on improved investor risk tolerance. But NZD/USD gains tempered by lingering worries over further Chinese monetary tightening measures, softer commodity prices. NZD/USD daily chart mixed as MACD bearish, but stochastics neutral. Resistance at 0.7810 (Nov. 12 high); breach would expose upside to 0.7872 (Nov. 11 high), then 0.7915 (Nov. 9 high), 0.7941 (Nov. 8 high) and 0.7976 (30-month high set Nov. 4). Support at 0.7743 (Friday's low); breach would expose downside to 0.7690 (Thursday's low), then 0.7628 (Wednesday's low, just above 61.8% Fibonacci correction of 0.7401-0.7976 Oct.27-Nov. 4 high advance), 0.7592 (uptrend line from Aug. 31 low of 0.6962) and 0.7524 (55-day moving average).

GBP/USD - to consolidate with risks skewed higher. Pair underpinned by ultra-loose U.S. monetary policy, improved global risk sentiment, reduced worries over UK banks' exposure to troubled Irish banks. But GBP/USD topside limited by lingering concerns over negative impact of fiscal tightening on UK economy; GBP sales on rising EUR/GBP cross. GBP/USD daily mixed as MACD bearish, but stochastics turned bullish near oversold. Resistance at 1.6032 (hourly chart); breach would expose upside to 1.6094 (Friday's high), then 1.6153 (Nov. 15 high), 1.6183 (Nov. 12 high) and 1.6211 (Nov. 8 high). Support at 1.5935 (Friday's low); breach would expose downside to 1.5886 (Thursday's low, just above uptrend support line from Sept. 7 low of 1.5294), then 1.5853 (Wednesday's low), 1.5838 (Tuesday's low, just above 55-day moving average) and 1.5760 (Oct. 28 low).

USD/CHF - to trade with risks skewed lower. Pair undermined by ultra-loose U.S. monetary policy; but losses tempered by short-CHF carry trades on improved global risk sentiment, CHF sales on rising EUR/CHF cross. Daily chart mixed as MACD bullish, but stochastics turned bearish at overbought. Support at 0.9873 (Friday's low); breach would target 0.9851 (Thursday's low), then 0.9826 (Tuesday's low), 0.9759 (Nov. 15 low) and 0.9719 (Nov. 12 low). Resistance at 0.9999 (Thursday's high); breach would expose upside to 1.0086 (100-day moving average), then 1.0183 (Sept. 17 reaction high).

USD/CAD - to trade with risks skewed lower. Pair undermined by improved investor risk sentiment, ultra-loose U.S. monetary policy; but losses tempered by softer commodity and oil prices (Nymex December crude settled down 34 cents Friday at \$81.51/bbl). USD/CAD daily chart mixed as MACD bullish, but stochastics turning bearish at overbought. Support at 1.0151 (Thursday's low); breach would expose downside to 1.0064 (Tuesday's low), then 1.0051 (Nov. 15 low), 1.0023 (Nov. 12 low) and 0.9971 (Nov. 11 low). Resistance at 1.0233 (Friday's high), then at 1.0260 (Wednesday's high); breach would expose upside to 1.0294 (confluence of 100-day and 200-day moving averages), then 1.0339 (Oct. 27 high) and 1.0372-1.0379 band (Oct. 19 high-Sept. 23 high).

EUR/JPY - to trade with bullish bias. Cross supported by reduced worries over peripheral euro-zone debt, Japan importer demand. But EUR/JPY gains tempered by Japan exporter sales. Daily chart positive-biased as MACD & stochastics bullish; bullish parabolic stop-and-reverse signal hit at 114.31 this morning. Resistance at 115.03 (Nov. 5 high); breach would expose upside to 115.42 (Nov. 4 high, near 200-day moving average), then 115.68 (Oct. 7 reaction high), psychological 116 and 117 levels. Support at 113.78 (hourly chart), then at 113.50 (Friday's low); breach would expose downside to 112.46 (Thursday's low), then 112.27 (Tuesday's low), 111.04 (Nov. 12 low) and 109.55 (previous cap set Aug. 30).

EUR/GBP - to trade with bullish bias. Cross supported by Irish bailout. Daily chart positive-biased as stochastics rising from oversold; negative MACD histogram bars contracting, pointing to increasing upside risks. Resistance at 0.8600 (55-day moving average); breach would expose upside to 0.8638-0.8646 band (Nov. 10 high-Nov. 9 high), then 0.8692 (Nov. 8 high) and 0.8776 (Nov. 5 high). Support at 0.8542 (hourly chart); breach would

expose downside to 0.8485 (Thursday's low), then 0.8472 (Wednesday's low, near 100-day moving average), 0.8447 (Nov. 12 low, matching 61.8% Fibonacci correction of 0.8139-0.8941 Aug. 23-Oct. 25 advance) and 0.8390 (previous cap set Sept. 6).