

European Forex Technicals: CHF Strength To Continue

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Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0526 GMT	1.3131	83.74	1.5479	0.9578
3 Day Trend	Bearish	Bullish	Bearish	Bearish
Weekly Trend	Bearish	Bullish	Bearish	Bearish
200 day ma	1.3359	86.07	1.5629	1.0215
3rd Resistance	1.3202	84.21	1.5646	0.9640
2nd Resistance	1.3172	84.02	1.5577	0.9621
1st Resistance	1.3145	83.91	1.5518	0.9610
Pivot*	1.3125	83.72	1.5491	0.9600
1st Support	1.3073	83.66	1.5437	0.9558
2nd Support	1.3060	83.50	1.5400	0.9500
3rd Support	1.3041	83.17	1.5345	0.9463

Intraday EUR/USD: The downtrend off last week's bull failure high at 1.3500 persists, and has room for further weakness below Tuesday's low at 1.3073. The Dec. 2 low at 1.3060, and the downwave equality target at 1.3041 are Wednesday's targets, but the prevailing bear trend has room for the 1.3000 level. The Nov. 30 reaction low at 1.2969 lies beneath, and 1.2720 is the longer-term bear target. Resistance at 1.3145 and 1.3172 will look to protect Tuesday's high at 1.3202.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Recovers strongly off 83.50, and is poised to retest the 83.91 high. A potential bear failure will be confirmed on a break through 84.02, which would pave the way for further gains towards the Dec. 17 lower high at 84.21. A break through 84.02 would also increase prospects for a return to last week's high at 84.51. Failure to keep weakness limited to 83.66 would concern bulls, and leave the 83.50 low vulnerable.

Weekly chart USD/JPY trend: Bullish.

Intraday GBP/USD: Tuesday's probe into fresh three-month lows below 1.5455 is likely to continue towards 1.5400 and 1.5345. Bear momentum is increasing to leave the Dec. 14 lower high at 1.5910 stranded, and the Sept. 7 low at 1.5297 is the main downside target. However, there is also a wave equality target lying at 1.5098 for the longer-term basis. Regaining ground above 1.5518 would provide temporary relief, but only above Monday's high at 1.5577 would question the bearish outlook.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Tuesday's definitive push lower puts pressure on key support at 0.9558, and a break below there is expected. The all-time low at 0.9463, that was set in mid-October, is now looking extremely vulnerable, and a 1.618 Fibonacci extension target suggests downside scope has room for the 0.9365 area in the coming sessions. Keeping support at 0.9558 is vital in order to question the bearish outlook, but corrective strength looks limited while below 0.9621.

Weekly chart USD/CHF trend: Bearish.

Second Table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0556 GMT	0.8488	109.98	1.2571	0.9970
3 Day Trend	Bearish	Bearish	Bearish	Bullish
Weekly Trend	Range	Bearish	Bearish	Range
200 day ma	0.8547	114.95	1.3628	0.9343
3rd Resistance	0.8567	111.94	1.2720	1.0184
2nd Resistance	0.8552	111.00	1.2640	1.0081
1st Resistance	0.8519	110.50	1.2609	1.0030
Pivot*	0.8479	109.93	1.2604	0.9964
1st Support	0.8446	109.55	1.2533	0.9945
2nd Support	0.8400	108.33	1.2500	0.9905
3rd Support	0.8362	106.76	1.2467	0.9831

Intraday EUR/GBP: Bears are expected to put renewed pressure on Monday's low at 0.8446. The definitive setback off the Dec. 17 bull trap high at 0.8552 marks bear flag resistance, and further weakness below 0.8446 is likely to head towards bear flag support at 0.8362. Only a break through Tuesday's high at 0.8519 would question the bearish outlook, and bring the 0.8552 high back into the picture.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: More bear pressure is expected on support at 109.55 following last week's bull failure high at 112.20. The steady short-term bear trend has room to push further towards the Nov. 30 reaction low at 108.33, with the late August reaction low at 105.44 the longer-term target. The 110.50 area has become pivotal resistance for the near-term, but corrective strength is limited to the 111.00 area.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Continues to set fresh all-time lows as the 1.2500 level approaches. Meeting the downwave equality target at 1.2467 is the main objective for this week, but the powerful prevailing bear trend will be difficult to stop. Solid resistance lies at 1.2720, which is protected by 1.2640.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: The focus is back on the Dec. 14 high at 1.0030 as the recovery off 0.9831 extends. A break through 1.0030 would attract further strength towards 1.0081 and the Nov. 5 reaction high at 1.0184, where a wave equality target also lies. Support at 0.9905 has become pivotal for the near-term, which is protected by 0.9945.

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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