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WEEKLY TECHNICAL STRATEGIST

EURUSD: Weakens For A Fifth Week In A Row, Clears The 1.4967/51 Levels.

EURUSD- EUR maintained its decline off the 1.6037 level, its YTD high closing lower for a fifth week in a row and breaking through a key support zone at the 1.4967/51 zone, its range highs from Nov'07 and Jan'08 to end the week at 1.4689 on Friday. With this development risks are seen for further weakness towards its range breakout price objective at 1.4565 before the 1.4364 level, its Jan 22'08 low. Its weekly and monthly studies remain supportive of this view. On the upside, the 1.4967/51 zone is now expected to reverse roles and provide support before turning the pair lower again. Above there if seen should leave the next upside target at the 1.5304/1.5285 zone (May/Jun'08 lows) accompanied by the 1.5468 low, its Jun 23'08 low. On the whole, having taken out its strong support at the 1.4967/51 zone, EUR is now faced with further weakness aiming at the 1.4565 level and possibly lower.

Directional Bias:

Nearer Term -Bearish
Short Term -Bearish
Medium Term -Bearish

Performance in %:

Past Week: -2.13%
Past Month: -1.11%
Past Quarter: +0.01%
Year To Date: +0.07%

Weekly Range:

High -1.5084
Low -1.4659

Weekly Chart: EURUSD



GBPUSD: GBP Breaks And Closes Below The 1.9180/42 Area.

GBPUSD-GBP continues to decline breaking through another strong support at the 1.9180/42 area, its Mar'07 low/ August'06 high and several other layers of support to close the week on Friday at 1.8659. While trading below these lost support levels, further weakness can not be ruled out with its Oct'06 low at 1.8518 seen as the next target followed by its descending triangle break out price objective at 1.8270. The monthly and weekly momentum indicators are negative and pointing lower suggesting further downside pressure. On the other hand, if recovery occurs at this stage, its Nov'06 low at 1.8836 comes in as the first resistance followed by the 1.9180/42 area, its Mar'07 low/ August'06. Beyond here will expose its Jan/May lows at 1.9364/37. All in all, while its medium term downtrend remains in force, any recovery seen at this stage is seen as corrective.

Directional Bias:

Nearer Term -Bearish
Short Term -Bearish
Medium Term -Bearish

Performance in %:

Past Week: -2.85%
Past Month: -0.55%
Past Quarter: +0.51 %
Year To Date: -6.03%

Weekly Range:

High -1.9256
Low -1.8513

Weekly Chart: GBPUSD



USDJPY: Turns Off The 108.59/61 zone, Set To Head Towards The 112.65 Level

USDJPY- Having bounced off its former resistance turned support to close marginally higher at 110.53 the past week, USDJPY has now cleared the way to initially push towards its weekly 100 ema currently at 111.06 where a break will target its weekly rising channel top presently at 112.65 which coincides with its weekly 200 ema. Breaking and maintaining above the latter will open up risk towards its .618 Ret (Ret (124.15-95.75 decline) at 113.37 ahead of its Dec'07 high at 114.66. Monthly and weekly studies are bullish though the former remains in overbought territory. Support levels reside at the 109.98 level, its .50 Ret and then the 108.59/61 zone, its Jan/Jun'08 highs followed by its August 01'08 low at 107.29. Further support lies at the 106.20 level, its weekly rising channel base. On the whole, while the pair continues to maintain its upside momentum within its weekly rising channel, the 112.65 is likely to be targeted.

Directional Bias:

Nearer Term -Bullish

Short Term -Bullish

Medium Term -Bullish

Performance in %:

Past Week: +0.31%

Past Month: +1.59%

Past Quarter: +6.27%

Year To Date -1.08%

Weekly Range:

High -110.67

Low -108.37

Weekly Chart: USDJPY



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