

FX Daily

Global Strategy Technical Analysis

Today's highlights:

- USDCAD above 1.0871/90 would see a larger base established.
- NZDUSD continues to extend its weakness and we stay bearish for a test of .8480, followed by .8454/43.
- AUDUSD needs to break .9460 to see a retest of key support at .9332/22.
- USDCHF above trendline resistance at .9078/84 should allow further strength to the 38.2% retracement barrier at .9135.
- EURUSD stays bearish for 1.3374 next, then 1.3248.
- EURGBP remains capped below the falling 21-day average at .7933, leaving us bearish for .7800
- GBPUSD remains under pressure with focus immediately on important support at 1.6923.
- USDJPY spotlight turns to the early July high and falling trendline from the beginning of the year at 102.28/43.

Today's trades/positions:

- EURUSD: Short, stop above 1.3553, for 1.3250.
- USDJPY: Short, stop above 102.43, for 100.85.
- GBPUSD: Long, stop below 1.6921, for 1.7330.
- USDCHF: Long, stop below .8967, for .9135.
- AUDUSD: Long, stop/reverse below .9320, for .9580.
- NZDUSD: Flat. Sell again at .8540, stop above .8597 for .8455.
- USDCAD: Flat, buy at 1.0825/20, stop below 1.0790. Also add above 1.0890, for 1.0950.
- EURJPY: Short, stop above 137.55, for 136.25.
- EURGBP: Short, stop above .7995, for .7810.

Hierarchy Grid

Foreign Exchange		Last run Tue, 29 Jul 2014 04:30:16
21-day:	STRONGEST	AUD, USD, JPY, GBP, CAD, CHF, EUR, NZD
63-day:		AUD, GBP, CAD, JPY, USD, NZD, CHF, EUR
100-day:		AUD, CAD, GBP, JPY, USD, NZD, CHF, EUR

Source: Credit Suisse

TIONS.

EURUSD

Resistance	1.3422/27, 1.3445/56*, 1.3477, 1.3486*, 1.3495*, 1.3508/13*, 1.3531, 1.3550/53*, 1.3570/75*
Support	1.3399*, 1.3374*, 1.3344, 1.3318, 1.3295**, 1.3254, 1.3248**, 1.3228*, 1.3189

Resistance/Support tables rank level importance by stars **, to *** being most important

EURUSD stays bearish for 1.3374 next, then 1.3248.

EURUSD broke lower again on Tuesday, and with a large bearish "wedge" pattern and a "head & shoulders" top firmly in place, we stay directly bearish for 1.3399 next, then the 50% retracement of the 2013/14 rise at 1.3374. We allow for a bounce here ahead of our target at 1.3248/28 – the 38.2% retracement of the entire 2012/2014 uptrend. While we would expect this to hold at first, bigger picture, we see scope for 1.3020/15, and ideally 1.2755.

Resistance shows at 1.3422/27 initially, then 1.3445/56 above which can ease the immediate downside bias for 1.3486/95. Overall though, we stay bearish while below 1.3550/53.

Strategy: Short, stop above 1.3553, for 1.3250.

View | 1 day ↓ | 1 week ↓ | 1 month ↓

Source: CQG, Credit Suisse

Weekly



USDJPY

Resistance	102.17/19, 102.28*, 102.36/43**, 102.66*, 102.81**, 103.03*, 103.14, 103.43*, 103.68
Support	102.02/101.96, 101.86/82*, 101.76/70*, 101.61/54, 101.40, 101.32*, 101.27, 101.19*, 101.09/06*

The immediate focus stays on key resistance at 102.28/43.

USDJPY's rally has taken out 200-day average resistance at 102.10, leaving the immediate focus back onto the early July high and falling trendline from the beginning of the year at 102.28/43. We would expect fresh sellers here for a turn lower. However, a direct extension above should see strength to the 102.81 high. Above 103.03 though is needed to mark a larger base, for the April peak at 104.13.

Support moves to 101.96 initially, then 101.86/82, below which can see a small top for 101.61, then 101.40/32. A break here is needed to test the early July low at 101.06.

Strategy: Short, stop above 102.43, for 100.85.

View | 1 day ↑ | 1 week → | 1 month →

Source: CQG, Credit Suisse

Daily



GBPUSD

Resistance 1.6957/67, 1.6996/1.7003*, 1.7024, 1.7055*,
1.7097/7101*, 1.7119*, 1.7132, 1.7145/52*

Support 1.6933, 1.6923**, 1.6908**, 1.6895/84*, 1.6845*,
1.6833*, 1.6802, 1.6786, 1.6739*

Resistance/Support tables rank level importance by stars *, **, to *** being most important

Important support at 1.6923 is under pressure.

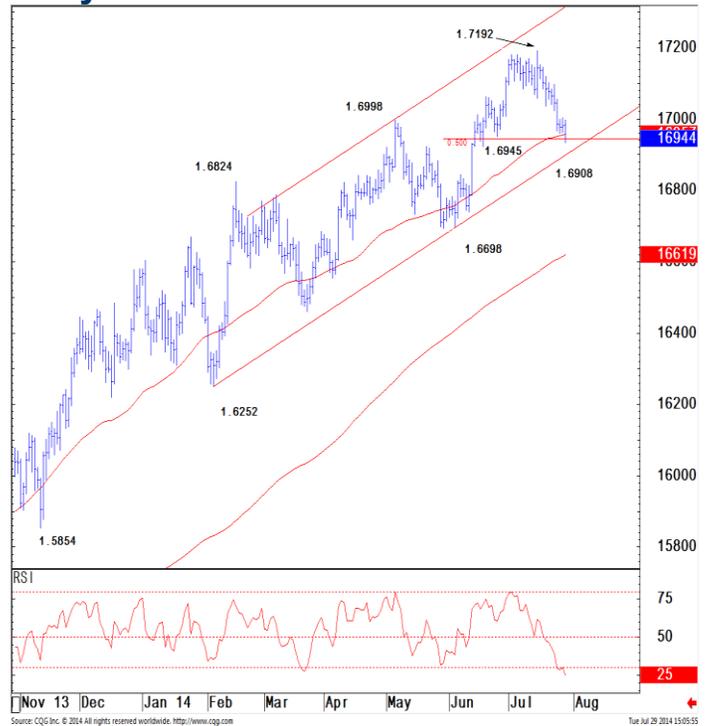
GBPUSD remains in retreat and has undercut the falling 55-day average and the 50% retracement of the May/July rally at 1.6957/45. This leaves important support at mid-June low at 1.6923 under pressure. With the bottom end of the rising channel, that has held throughout this year, just below at 1.6908, we look for an attempt to try and hold here and turn higher again. However, should this latter level be removed, this would see a deeper fall to 1.6884, then 1.6845.

Near-term resistance shows at 1.6957/67, then 1.6996/1.7003, above which can see a recovery back to 1.7024, then 1.7055. Above 1.7097/7101 is needed for a base for a move back to 1.7152, then the 1.7192 July high.

Strategy: Long, stop below 1.6921, for 1.7330.

View | 1 day → | 1 week → | 1 month ↑

Daily



Source: CQG, Credit Suisse

USDCHF

Resistance .9078/84*, .9135/36**, .9158**, .9175, .9190/93*, .9202, .9233, .9251**

Support .9054, .9042*, .9035/34, .9017, .9005/01*, .8977, .8967/61*, .8948/45*, .8939*, .8928** .8910

Resistance/Support tables rank level importance by stars *, **, to *** being most important

USDCHF above trendline resistance at .9078/84 should allow further strength to the 38.2% retracement barrier at .9135.

USDCHF has found renewed buying support at the rising trendline from mid-July now at .9042, and has rallied up to test potential trendline resistance from the May 2013 peak, now at .9078/84. We expect selling initially here, but with a break expected in due course for a move to the 38.2% retracement of the May 2013/March 2014 fall at .9135. With the high for the year just above at .9158, we would expect fresh sellers to show here.

Immediate support shows at .9042/34, then .9005/01, below which can see a small top for a retreat back to .8977/61, which we look to ideally hold.

Strategy: Long, stop below .8967, for .9135.

View | 1 day ↑ | 1 week ↑ | 1 month ↑

Daily



Source: CQG, Credit Suisse

AUDUSD

Resistance .9404/05, .9418/26*, .9451, .9472/76**, .9486, .9506/10*, .9523/31, .9545*, .9584**

Support .9374, .9361/60*, .9336/29*, .9322/18**, .9310/04*, .9296, .9258, .9230*

Resistance/Support tables rank level importance by stars *, **, to *** being most important

Below .9361/60 is needed for a retest of key price/"neckline" support at .9332/22.

AUDUSD has staged a bearish "outside day", leaving the spotlight on key price and 55-day average support at .9361/60. Whilst an attempt to hold here will be looked for, a break can see the risk stay lower for a challenge on more important price and "neckline" support at .9332/22. A break below here would complete a top, and trigger further weakness towards .9258, and then .9230/02.

Above .9418/26 is needed to ease the immediate downside bias and negate yesterday's bearish session, for strength back to the recent high and downtrend at .9472/76.

Strategy: Long, stop/reverse below .9320, for .9580.

View | 1 day → | 1 week → | 1 month →

Daily



Source: CQG, Credit Suisse

NZDUSD

Resistance .8523/29*, .8541, .8571*, .8584/88, .8597*, .8622/26*, .8649/53*, .8698/.8704

Support .8493/90, .8480*, .8454/43**, .8422/13*, .8402/.8397**, .8376, .8351/43*, .8293

Resistance/Support tables rank level importance by stars *, **, to *** being most important

We stay bearish for the 200-day average and 50% retracement support at .8454/43.

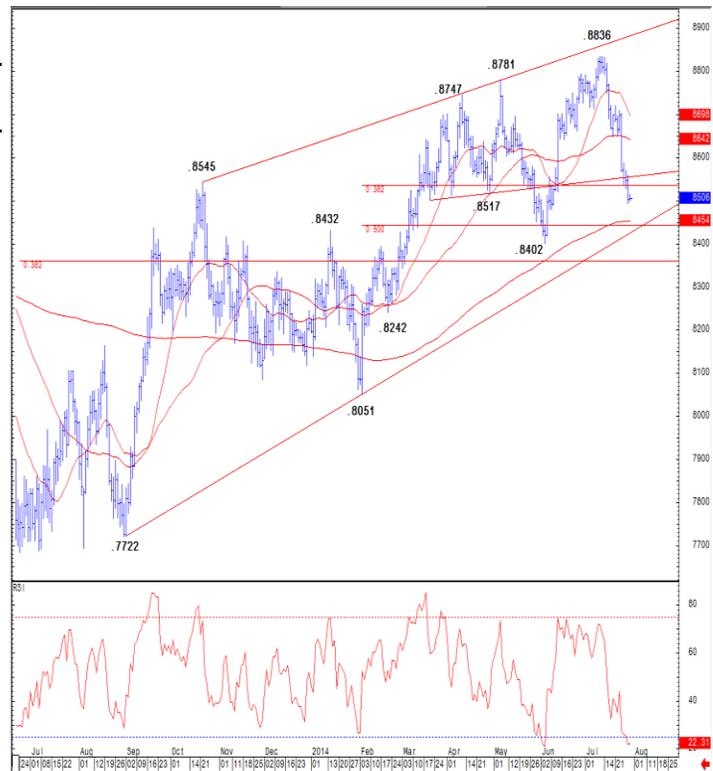
NZDUSD has staged another bearish session and further weakness here should see a move towards price support at .8480 next. Below here should then see stronger support from the rising 200-day average and 50% retracement of the February/July rally at .8454/43. While we would expect an attempt to hold here, below can see a challenge of the June low at .8402. Failure to hold this latter level would mark a more important top.

Resistance shows first at .8523/29, then .8541. We look for .8571 to ideally cap any near-term strength to keep the immediate risk lower.

Strategy: Flat. Sell again at .8540, stop above .8597 for .8455.

View | 1 day ↓ | 1 week ↓ | 1 month →

Daily



Source: CQG, Credit Suisse

USDCAD

Resistance 1.0871*, 1.0890**, 1.0922, 1.0949*, 1.0962**,
1.0991, 1.1007, 1.1027*, 1.1054**, 1.1071

Support 1.0845, 1.0823/20*, 1.0804, 1.0795*, 1.0781,
1.0754/41*, 1.0733*, 1.0713/07**, 1.0696*, 1.0677*

Resistance/Support tables rank level importance by stars *, **, to *** being most important

Above 1.0871/90 would see a larger base.

USDCAD has rallied with ease through resistance from the 200-day average at 1.0835, and then also through the “neckline” to the May/June continuation pattern at 1.0845. This leaves immediate focus on the 38.2% retracement of the entire March/July decline and the mid-June high at 1.0871/90. Extension above here can establish a larger base and a more sustainable recovery for 1.0949/62 next. Bigger picture, this would also add weight to our medium-term bullish outlook, for an eventual move back to 1.1280.

Support moves to 1.0823/20 initially, then 1.0795, a break below which can ease the immediate upside bias, for a retreat back to 1.0754/41.

Strategy: Flat, buy at 1.0825/20, stop below 1.0790. Also add above 1.0890, for 1.0950.

View | 1 day ↑ | 1 week ↑ | 1 month →

Daily



Source: CQG, Credit Suisse

EURJPY

Resistance 137.13, 137.28/38*, 137.48*, 137.50/60*, 137.91*,
138.10/12*, 138.46/48*, 138.61

Support 136.75, 136.64*, 136.36*, 136.23**, 136.02, 135.72,
135.48/47*, 135.39/33, 134.37, 134.24*

Resistance/Support tables rank level importance by stars *, **, to *** being most important

We continue to look for an eventual break lower towards the low of the year at 136.23.

EURJPY continues to trade sideways in its near-term range. While still capped below the 137.20/38 barrier – last week high and the falling 13-day average – we stay bearish for an eventual break lower from the recent consolidation phase at 136.36, followed by more important support from the February low for the year at 136.23. A successful break below would mark the completion of a bigger top, for 135.48/47 initially, and eventually 131.20.

Above 137.38/48 can see a small base for 137.91. Through here can see a deeper recovery back to 138.46/48.

Strategy: Short at 137.10/30, stop above 137.55, for 136.25.

View | 1 day ↓ | 1 week ↓ | 1 month ↓

Daily



Source: CQG, Credit Suisse

EURGBP

Resistance .7929, .7935/41*, .7956*, .7980/82**, .7996, .8010*, .8016, .8023/36**, .8067

Support .7904*, .7889, .7872*, .7858/55**, .7833, .7812*, .7800/7799*, .7790/85**, .7755**

Resistance/Support tables rank level importance by stars *, **, to *** being most important

EURGBP remains capped below the falling 21-day average at .7933, leaving us still bearish for .7800.

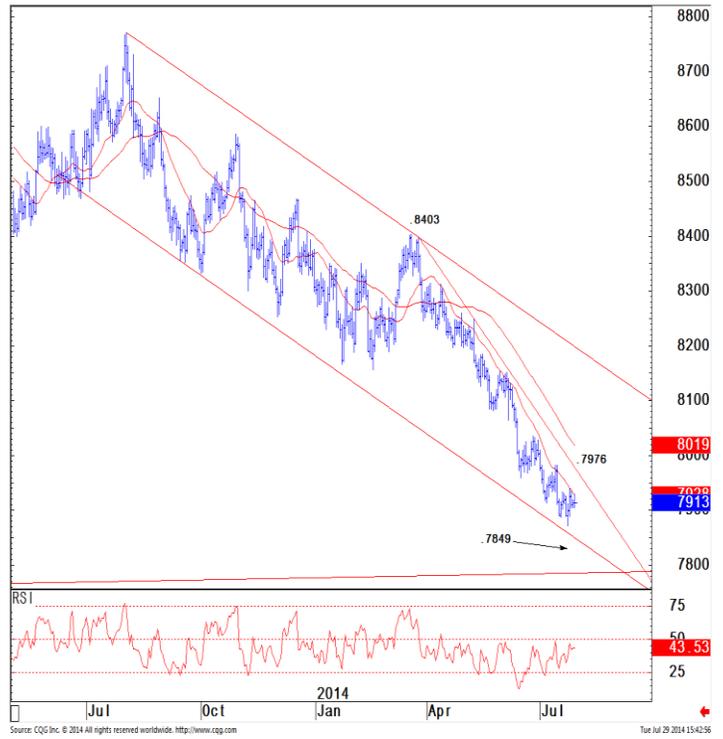
EURGBP remains capped below the falling 21-day average at .7828. This leaves our bias still lower to test support at .7872, ahead of the bottom end of the falling channel at .7849. Beneath here aims at our core long-held target at .7800, the lower end of the medium-term range. An overshoot to the 2012 low at .7755 should be allowed for, but we would expect a floor in this .7800/.7755 zone, for a potentially lengthy consolidation/recovery phase.

Above .7935/41 targets .7976/82, and above here is needed to establish a base for .8025/36.

Strategy: Short at .7950, stop above .7995. Take profit at .7810.

View | 1 day → | 1 week ↓ | 1 month ↓

Daily



Source: CQG, Credit Suisse