

FX Daily

Global Strategy Technical Analysis

Today's highlights:

- USDJPY continues to hold below 103.10 for now, and a deeper setback remains favoured prior to the core uptrend resuming.
- EURJPY also holds below trend resistance at 133.50, and we favour a setback to 130.80/60 prior to the uptrend resuming.
- NZDUSD has seen its expected bounce from our .8067/52 initial target, but with strength seen as corrective ahead of a break lower in due course.
- AUDUSD has also seen its expected near-term rebound, but with our core outlook bearish for .9585/75.
- USDCHF is consolidating following the decline to our .9770 target, but our broader outlook stays bullish.
- EURUSD only sees a major top below 1.2772/46.
- GBPUSD ideally holds below 1.5323/43, for a decline to 1.5128.

Today's trades/positions:

- EURUSD: Short. Add at 1.3025, stop above 1.3055, for 1.2775.
- USDJPY: Flat. Buy at 100.10, stop below 99.40, for 105.50.
- GBPUSD: Short, lower the stop to above 1.5345, for 1.5055.
- USDCHF: Long took profit at .9750. Go long at .9640, stop below .9555, for .9920.
- AUDUSD: Sell at .9880, stop above .9980. Take profit at .9605.
- NZDUSD: Short, add at .8250/75, stop above .8320, for .7925.
- EURJPY: Buy at 130.80/40, stop beneath 129.59. Reverse longs/go short at 133.40, stop/reverse above 133.55.
- EURGBP: Flat. Sell at .8500, stop/reverse above .8525. Reverse shorts/go long at .8400, stop/reverse below .8380.

Hierarchy Grid

Exhibit 1

Foreign Exchange		Last run Tue, 21 May 2013 04:30:31
21-day:	STRONGEST	USD, GBP, EUR, CAD, CHF, JPY, NZD, AUD
63-day:		USD, GBP, CAD, EUR, NZD, CHF, AUD, JPY
100-day:		USD, GBP, CAD, EUR, NZD, CHF, AUD, JPY
	WEAKEST	

Source: Credit Suisse



EURUSD

Resistance 1.2930/46*, 1.2967, 1.2994, 1.3019/29*, 1.3052/53*,
1.3072, 1.3089, 1.3114/25*, 1.3139**

Support 1.2842, 1.2796*, 1.2772*, 1.2746**, 1.2691*,
1.2680/62**, 1.2647, 1.2626, 1.2562, 1.2502*

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

A deeper recovery to 1.2930 looks likely, and potentially to 38.2% retracement resistance at 1.2967.

EURUSD weakness has stalled near term, and a recovery is underway. A test of 1.2930 looks likely, and potentially the 38.2% retracement of the decline from 1.3243 at 1.2967. Our bias would be for this latter level to then cap for a resumption of the decline for a break below 1.2711 to test key support from the bottom end of the range/March low at 1.2772/46. Below here remains needed to mark a large "head & shoulders" top, turning the core trend bearish. Our immediate target would be 1.2680/62 – 61.8% of the 2012/2013 rally and Nov-12 low.

Above 1.2967 can see a deeper recovery to 1.3019/29.

Strategy: Short. Add at 1.3025, stop above 1.3055. Take profit at 1.2775.

View | 1 day | 1 week | 1 month 

Source: CQG, Credit Suisse

Daily



USDJPY

Resistance 102.95, 103.39*, 103.54/56**, 104.53, 104.90,
105.59/60**, 106.14, 106.52, 106.96/107.01*

Support 102.08/03, 101.86/83*, 101.54, 101.30/26**,
100.89/80, 100.54/51*, 100.22, 99.95/90**, 99.78

A corrective setback is still favour prior to the uptrend resuming.

USDJPY remains unable to sustain its break above 103.10 – the 38.2% retracement of the entire 1998/2011 bear market – and is holding below trend resistance from February at 103.54/56. Although our broader outlook stays bullish, our bias remains for a corrective setback first. Key near-term support remains seen at 101.86/83, below which would see a small top complete for a decline back to 101.30/26 – price support and the rising 13-day average. This remains seen as the trigger to a deeper setback to 99.95/90, which we look to hold.

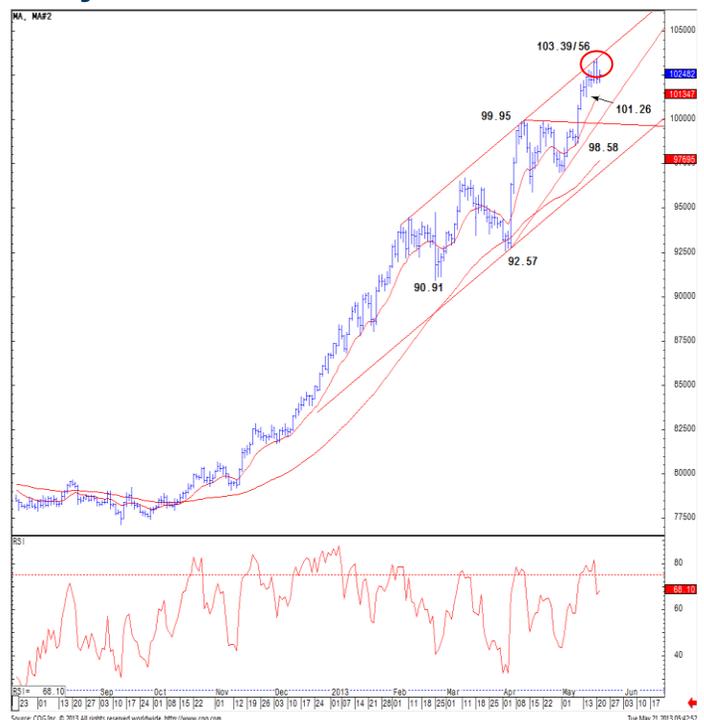
While 101.86/83 holds the immediate risk can stay higher for a move back to 103.54/56, above which can target 105.59/60 – the 61.8% retracement of the decline from 2007.

Strategy: Flat. Go long at 100.20, stop below 99.40. Take profit at 105.50.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

Daily



GBPUSD

Resistance 1.5283/86, 1.5323/43*, 1.5379/89**, 1.5417/21,
1.5447/59*, 1.5531*, 1.5563**

Support 1.5221, 1.5182, 1.5158*, 1.5130/27*, 1.5054/27**,
1.4998*, 1.4982, 1.4959, 1.4915/08*

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

We look for 1.5323/43 to ideally cap the current bounce, for a test of 61.8% retracement support at 1.5128.

GBPUSD is recovering a little near-term, rallying to test Friday's high at 1.5286. A deeper recovery to 1.5323/43 should be allowed for – the 38.2% retracement of the decline from 1.5608 and falling 13-day average – but we look for this to ideally cap, to keep the risk lower. Light support shows at 1.5221, below which should see a slide back to 1.5158, then 1.5030/27 – the 61.8% retracement of the March/May rally. This should be allowed to hold at first, ahead of a test of the late March/April lows/potential trend support at 1.5054/27.

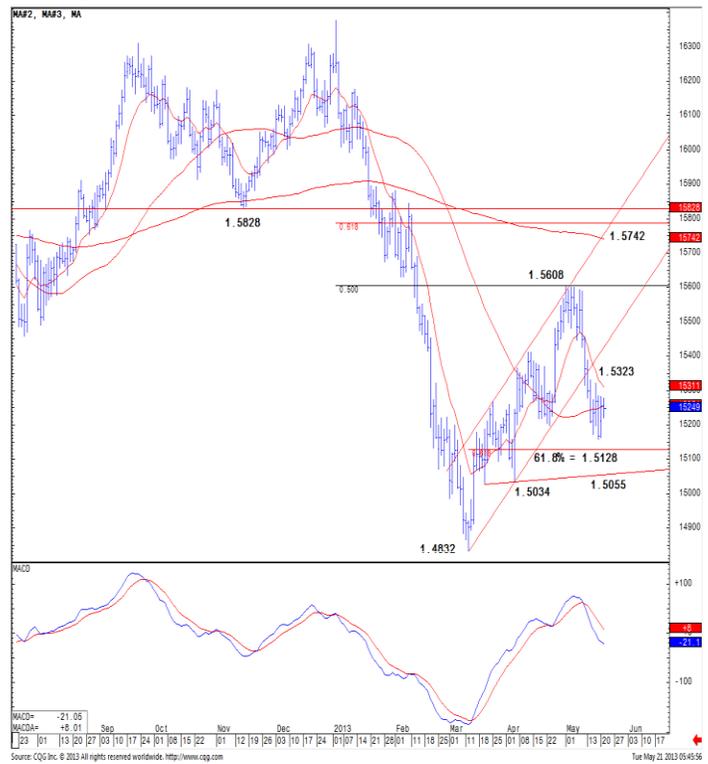
Above 1.5323/43 can see a deeper recovery back to 1.5387/89, and potentially 1.5450.

Strategy: Holding a short, lower the stop to above 1.5345, for 1.5055.

View | 1 day | 1 week | 1 month 

Source: CQG, Credit Suisse

Daily



USDCHF

Resistance. .9739, .9762/70*, .9800/10**, .9825, .9900*,
.9926/49**, .9973**, 1.0067**, 1.0091

Support .9648, .9637*, .9578*, .9563, .9521**, .9501*,
.9475/67*, .9438, .9417, .9402*

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

Our .9770 target has been achieved, but we stay bullish for .9926/.9973.

A light setback for USDCHF as consolidation is seen at our .9770 next target – the 78.6% retracement of the 2012/2013 downtrend. Although further ranging should be allowed for here to unwind the overbought condition, with a base in place though an eventual break higher is expected for a challenge on medium-term resistance at .9927/.9973. Beyond here would see a much more important base.

Near-term support shows at .9648/37, with .9578 ideally holding to keep the immediate risk higher.

Strategy: Long took profit at .9750 target. Go long at .9640, stop below .9555. Take profit at .9920.

View | 1 day | 1 week | 1 month 

Source: CQG, Credit Suisse

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AUDUSD

Resistance .9825/32, .9881*, .9915/21*, .9940, .9969*, 1.0006*, 1.0031*, 1.0048, 1.0100/15**, 1.0155/62*

Support .9752, .9738, .9711*, .9628*, .9605, .9585/75**, .9488, .9388**, .9349*, .9330, .9278, .9267/65*

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

A deeper bounce remains favoured ahead of a decline to our .9585/75 target.

AUDUSD is finally bowing to its oversold condition, and a rebound is under way following the turn higher by momentum on an intraday basis. Above .9825/32 should see strength extend to .9881 next, and potentially back into the .9915/.9969 zone – the 38.2% retracement of the decline from 1.0386, and the falling 13-day average. We look for this to ideally cap.

Below .9752 is needed to suggest the recovery is already over for a move below .9700 to see .9628 next, then .9605, with our main objective set at .9585/75 – the 2012 low.

Strategy: Go short at .9880, stop above .9980, for .9605.

View | 1 day | 1 week | 1 month 

Source: CQG, Credit Suisse

Daily



NZDUSD

Resistance .8210*, .8262/74*, .8304*, .8320/24*, .8356/66**, .8386, .8421*, .8450/53, .8482*

Support .8139/36, .8109, .8080, .8067/52**, .8035, .8002, .7961*, .7939, .7923/14**, .7889/85*

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

Our .8067/52 initial target is holding as expected, but strength remains seen as corrective only.

NZDUSD is undergoing its expected recovery following the decline to our .8067/52 initial target – the 50% retracement of the 2012/2013 rally and November 2012 low – and our .8162/78 immediate corrective target has already been exceeded. Further gains to .8262/74 are looked for – the 38.2% retracement of the decline from .8588, price resistance and falling 13-day average. We look for this to then cap, and for the downtrend to resume.

Below .8136 is needed to suggest the recovery is already over for a retest of .8067/52. An eventual break below here can target .7923/14 next.

Strategy: Short. Add at .8250/75, stop above .8320. Take profit at .7925.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

Daily



EURJPY

Resistance 132.61, 132.80*, 133.42**, 133.65*, 134.39/57*,
135.40, 135.75*, 138.50**, 138.74**

Support 131.56, 131.00*, 130.80/60*, 130.43/33*, 130.07*,
129.59, 129.32, 128.99*, 128.38, 127.51*

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

A deeper setback remains favoured prior to the core bull trend eventually resuming.

EURJPY extends its consolidation, holding below trend channel resistance, today at 133.50. Although our medium-term outlook stays bullish, we remain wary of a deeper setback first for a slide back to 130.80/60, and potentially 130.43/33, which we look to ideally hold.

Post a setback we would then look for a move above 132.80 to test the trend channel at 133.50. An eventual break above here should see a move to 134.39/57, and eventually 138.50/139.14.

Strategy: Long took profit at 132.00. Re-buy at 130.80/40, stop beneath 129.59. Reverse longs/go short at 133.40, stop/reverse above 133.55.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

Daily



EURGBP

Resistance .8473/74*, .8494**, .8517**, .8540, .8558*, .8571*,
.8592*, .8607, .8639**, 8656*, .9689

Support .8420*, .8400/.8398**, .8380*, .8364, .8328/27*,
.8316*, .8285**, .8233*

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

Downtrend and 55-day average resistance at .8494/8517 continues to cap.

No change for EURGBP as the market stays trapped in the sideways range since late April, and downtrend and 55-day average resistance at .8494/.8520 still capping maintains a broader downward bias. Below .8420 is needed to see a retest of the .8400/.8398 recent low. A move below here and then trend support at .8380 though is needed to mark an important top, for .8285.

Near-term resistance remains at .8474, with a break above .8517 needed to suggest a better base is in place.

Strategy: Sell strength to .8500, stop/reverse above .8525. Reverse shorts/go long at .8400, stop/reverse below .8380.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

Daily

