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WEEKLY TECHNICAL STRATEGIST

EURUSD: EUR Cuts Short Its Short Term Weakness, Focuses On The 1.5818 Level.

EURUSD- A two-day upside gain has seen EUR wipe out almost all of its previous week declines on Friday increasing the risk of a run at the 1.5818 level, its May 27'08 high. If a follow-through in price momentum materializes, then a retest and clean break through the mentioned resistance is expected to trigger more upside gains towards the 1.5895 /1.5912 area, its Mar 31'08/April 10'08 highs and finally the 1.6020 area, its YTD high. Both the weekly and daily studies have turned higher suggesting more strength. However, if a hold back in the present upside exhibited the past week occurs, that should leave the pair vulnerable to a pullback towards its June 03'08 high at 1.5628 ahead of the 1.5510 level, its April 03'08 low with a break of there exposing its Mar 24'08 low/.50 Ret (1.4440-1.6018 high) at 1.5342/27 and then its May 08'08 low at 1.8285. On the whole, EUR now looks to push towards retesting the 1.5818 level where a break could activate further upside gains.

Directional Bias:

Nearer Term -Bullish
Short Term -Mixed
Medium Term -Bullish

Performance in %:

Past Week: +1.48%
Past Month: -0.45%
Past Quarter: +8.03%
Year-To-Date: +8.21%

Weekly Range:

High -1.5785
Low -1.5366

Weekly Chart: EURUSD



GBPUSD: While A Recovery Occurred The Past Week. GBP Continues To Maintain Within Its Falling Channel.

GBPUSD-GBP continues to trade and maintain within its declining weekly channel despite its recovery off its Tuesday low at 1.9462 to close the week at 1.9703. Until a sustained break and close above the mentioned channel and a confluence of resistance levels at the 1.9847/63 zone (May 23'08/weekly 50 ema) occurs, GBP remains susceptible to further downside threats. If however, the 1.9847/63 zone gives way then the 1.9965/2.0027 zone, its Feb 27'08/April 21 & 28'08 highs will be targeted ahead of its Mar 27'08 high at 2.0191 and later its Mar 14'08 high at 2.0398. While its daily studies remain supportive of its two-day upside gains, those of the weekly time frame continue to point lower implying the said gains remain corrective and should fade out later before turning the pair lower again with the 1.9674/53 level, its April 25'08 low/Aug 17'07 high coming in as the initial downside objective followed by the 1.9598 level, its April 15'08. Further support lies at the 1.9360/35 area, its 2008 lows. In short, GBP requires a decisive break above its weekly channel to cause further upside gains and reduce downside pressure.

Directional Bias:

Nearer Term -Bullish

Short Term -Bearish

Medium Term -Bearish

Performance in %:

Past Week: -0.62%

Past Month: -0.22%

Past Quarter: -0.14 %

Year-To-Date: -0.77%

Weekly Range:

High -1.9771

Low -1.9462

Weekly Chart: GBPUSD



AUDUSD: AUDUSD Remains Firmly Above The 0.9495 Level.

AUDUSD- AUDUSD remains on the offensive having recently broken and closed above the 0.9498/0.9541 zone (Feb 28'08/April 23'08 highs). It closed the week higher taking back its previous week losses on Friday. With its continued hold above the 0.9498/0.9541 zone, risk remains towards its YTD high at 0.9654 where a retest and break could see it targeting higher prices towards its Jan'1983 high at 0.9903 and possibly the parity level at 1.0000 in the weeks and months ahead. Its weekly RSI though overbought continues to point higher. Conversely, any pullback at this stage should aim at the 0.9498/0.9541 zone at first and then the 0.9291 level, representing its May 15'07 low with a loss of there extending downside losses towards its weekly 50 ema at 0.8955. Overall, the fact that AUDUSD continues to maintain above the 0.9498/0.9541 zone implies that a resumption of its longer term uptrend is imminent.

Directional Bias:

Nearer Term -Bullish

Short Term -Bullish

Medium Term -Bullish

Performance in %:

Past Week: +0.72%

Past Month: +3.31%

Past Quarter: +4.07%

Year-To-Date: +9.84%

Weekly Range:

High -0.9642

Low -0.9487

Weekly Chart: AUDUSD



Charts: Coutsey of Prorealtime

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