

FX Daily

Global Strategy Technical Analysis

Today's highlights:

- NZDUSD stays capped beneath the .8215 price barrier leaving our bias still bearish for .7923/14 next.
- AUDUSD's prod below .9585/75 maintains downside risks to .9407/.9388.
- EURUSD stays range bound, but the risks remain for a test of "neckline" support at 1.2796/46.
- USDCHF remains in a volatile range, but the broader bias stays higher to .9841 next.
- USDJPY's break of trend support at 101.49 leaves near-term corrective pressure in place.
- GBPUSD while minimally capped beneath 1.5221/36 stays bearish for the 1.4832 low.
- EURGBP maintains a near-term range, but we stay bullish for a break above .8600/07 to test .8639/56.

Today's trades/positions:

- EURUSD: Short, stop above 1.3030, for 1.2775.
- USDJPY: Long, stop below 99.65, for 105.50.
- GBPUSD: Short, stop above 1.5200, for 1.4775.
- USDCHF: Flat. Go long at .9550, stop at .9465, for .9840.
- AUDUSD: Short, stop above .9710, for .9410.
- NZDUSD: Short, add at .8200, stop above .8275, for .7925.
- EURJPY: Short, stop/reverse above 132.90, for 129.65.
- EURGBP: Long, add at .8500, stop below .8470, for .8625.

Hierarchy Grid

Exhibit 1

Foreign Exchange		Last run Thu, 30 May 2013 04:30:25
21-day:	JPY, USD, EUR, CHF, GBP, NZD, CAD, AUD	STRONGEST WEAKEST
63-day:	USD, EUR, GBP, CHF, CAD, NZD, JPY, AUD	
100-day:	USD, EUR, GBP, CAD, CHF, NZD, JPY, AUD	

Source: Credit Suisse

EURUSD

Resistance 1.2994/99*, 1.3019/29*, 1.3052/53*, 1.3072, 1.3089, 1.3101**, 1.3114

Support 1.2881, 1.2838/21*, 1.2796*, 1.2781*, 1.2746**, 1.2691*, 1.2680/62**, 1.2647, 1.2626

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

Price stays range bound, but the risks remain for a test of “neckline” support at 1.2796/46.

EURUSD remains range bound this week and capped beneath 1.2994/2999 price highs. We expect further choppy trade, but while beneath here the risks are still seen marginally lower to test the key price and “neckline” support at 1.2796/46. Only a break below though would 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 the November 2012 low.

Above 1.2999 can target 1.3019/29, with scope then for 1.3052/53.

Strategy: Short, stop above 1.3030. Take profit at 1.2775.

View | 1 day | 1 week | 1 month ▼

Source: CQG, Credit Suisse

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USDJPY

Resistance 101.54, 101.84, 102.47/73*, 103.10/15, 103.74**, 104.47**, 104.53, 104.90, 105.59/60**

Support 100.22, 99.95/90**, 99.73, 99.58/47*, 99.03, 98.58/47*

The break of trend support at 101.44 leaves near-term corrective pressure in place.

USDJPY staged a bearish “outside” day reversal that has seen minor uptrend support at 101.44 undercut, as well as the 100.69 recent low. This keeps alive near-term corrective risks. Support shows next at 99.95/73, and with the 55-day MA just below at 98.58/47 we would look for a fresh floor here.

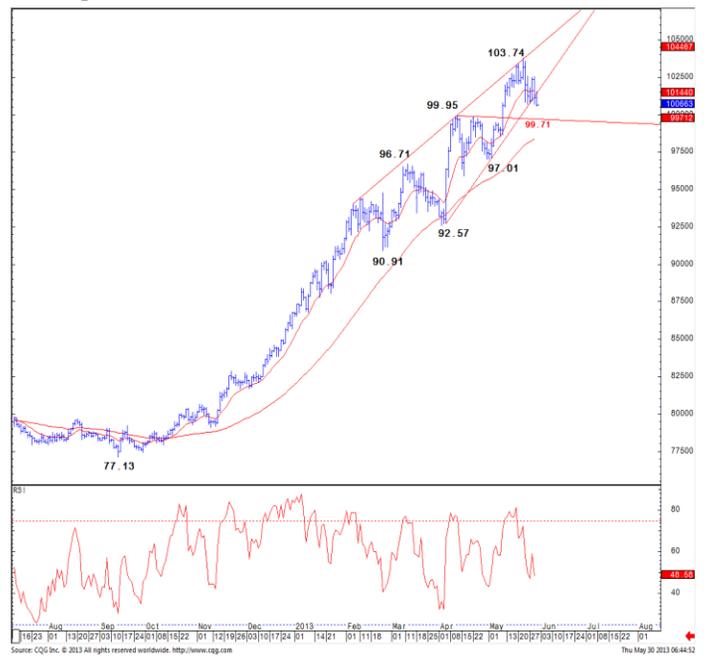
Resistance moves to at 101.84, but above 102.57/73 is needed to suggest the corrective phase is at an end for strength back to the recent high at 103.74, then trend resistance at 104.47.

Strategy: Entered a long at 101.20, stop below 99.65. Take profit at 105.50.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

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GBPUSD

Resistance 1.5191*, 1.5221/37*, 1.5283/86*, 1.5308/32*,
1.5379/89**

Support 1.5072/71, 1.5025/08*, 1.4998*, 1.4982, 1.4959,
1.4915/08*, 1.4893, 1.4832**, 1.4802, 1.4767*

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

While minimally capped beneath 1.5221/36 the risk stays lower to the 1.4832 low.

A test of the recent 1.5013 lows has again found initial buying and a bounce off the lows. The rebound though is still seen as corrective and while minimally below 1.5221/36 the risks are seen to the downside. Beneath 1.5025/08 is seen as the trigger for another leg lower to test the 78.6% retracement support at 1.4998 next, ahead of the 1.4832 low. Bigger picture, we stay bearish for 1.43/42.

Above 1.5191 is needed for a deeper recovery into the 1.5221/36 resistance zone, which we would look to cap.

Strategy: Holding a short, stop above 1.5200. Take profit at 1.4775.

View | 1 day | 1 week | 1 month 

Source: CQG, Credit Suisse

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USDCHF

Resistance .9643, .9732, .9792*, .9819, .9841*, .9900*,
.9925/49**, .9973**, 1.0000, 1.0067**

Support .9544/21**, .9501*, .9475/67*, .9438, .9417, .9359*

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

Price remains in a volatile range, but the broader bias stays higher to .9841 next.

USDCHF has experienced a roller-coaster week so far, reversing Tuesday's gains to push below the .9591 pivot low and the 21-day MA at .9584. We look for a bounce to take place ahead of subsequent support at .9544/21 to maintain the current volatile range. Bigger picture, we look for a recovery to test the .9841 recent highs. We allow for an initial dip back from here, but look for an eventual break higher to test medium-term chart and trend resistance at .9925/73. Above here would see a major base.

Beneath .9542/21 is needed for a deeper setback, clearing the way for .9501 and then .9475/67.

Strategy: Long stopped out at .9573. Now flat, retry a long at .9550 targeting .9840, with a stop at .9465.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

Daily



EURJPY

Resistance	131.26, 131.72*, 132.16/28*, 132.57*, 132.89*, 133.71/84**, 134.39/57*, 135.40, 135.75*, 138.50**
Support	130.10, 129.97*, 129.64/59*, 129.32, 128.99*, 128.38, 128.21

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

Short-term corrective risks remain in place.

EURJPY saw a quieter session on Tuesday holding the week's range. Short-term corrective risks remain in place, but only beneath 129.97 would warn of further weakness to 128.99, with scope for an overshoot to 127.80/05 where we would look for a floor.

Above 132.16/57 is still needed to suggest the risk has shifted higher again for strength back to the recent high and trend resistance at 133.84. Bigger picture, we continue to target 139/141.

Strategy: Short, stop/reverse above 132.90. Take profit at 129.65.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

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EURGBP

Resistance	.8600/07*, .8639**, 8656*, .9689, .8703*, .8727, .8749, .8796*, .8816**
Support	.8541/32*, .8523/17*, .8505, .8475/64*, .8440, .8420*, .8407/.8398**, .8380*, .8373, .8364

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

A ranging theme continues to prevail for now, but we stay bullish for an eventual break above .8600/07 to test .8639/56.

No change leaves EURGBP in a tight range this week, forming another inside session. Despite the current stalemate we stay bullish for a break above .8600/07 – the recent high and 50% retracement of the decline from February. Beyond here can target the .8639 April high, with scope for an overshoot to .8656 – the 61.8% retracement – but we look for .8639/56 to cap at first.

Below .8535/32 can see a small top for a slide back to .8523/17, potentially .8475/73, which we look to hold.

Strategy: Long. Add at .8500, stop below .8470. Take profit at .8625.

View | 1 day | 1 week | 1 month

Source: CQG, Credit Suisse

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