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WEEKLY TECHNICAL STRATEGIST

EURUSD: Wipes Out Its Previous Week Gains, Sets To Recapture The 1.5283 Area.

EURUSD- EUR continues to build on its second month of lower prices (monthly chart) since tumbling off the 1.6020 in late April'08. The pair weakened further the past week invalidating layers of support to close at 1.5380 and shift attention to its May 08'08 low at 1.8285. If a decisive penetration of there occurs, lower prices towards its .50 Ret (1.4309-1.6018 high) at 1.5164 could be seen. Its daily and weekly studies are negative supporting this view. However, a halt in its present weakness should bring upside recovery towards the 1.5510 level, its April 03'08 low and the 1.5593 level, its May 06'08 high initially with other resistance residing at the 1.5844 high, its May 09'08 high before the 1.5895/1.5912 area, its Mar 31'08 high/April 10'08 high and finally its YTD high at 1.6018. On the whole, while the 1.5844 high remains convincingly unbroken, risk continues to point lower in the short term

Directional Bias:

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

Performance in %:

Past Week: -2.57%
Past Month: -0.45%
Past Quarter: +8.03%
Year-To-Date: +5.44%

Weekly Range:

High -1.5844
Low -1.5303

Weekly Chart: EURUSD



GBPUSD: Maintains Its A Second Week Of Lower Close, Continues To Focus On Further Weakness.

GBPUSD-GBP closed lower for a second week in a row following its failure at 1.9847. Continued negative closes imply further moves lower targeting the 1.9360/35 area, its 2008 lows is likely with a break through there triggering its medium term downtrend and bringing further weakness towards the 1.9180 level, representing its Mar'07 low. The pair's daily, weekly and monthly studies are heading lower suggesting further losses. On the upside, the 1.9598 level, its April 15'08 comes in as the immediate target followed by the 1.9674/53 level, its April 25'08 low/Aug 17'07 ahead of the 1.9847/63 zone (May 23'08/weekly 50 ema) and then the 1.9965/2.0027 zone, its Feb 27'08/April 21 & 28'08 highs. Above there will aim at its Mar 27'08 high at 2.0191. All in all, with continued downside pressure dominating, odds of further losses remains a possibility.

Directional Bias:

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

Performance in %:

Past Week: -1.19%
Past Month: -0.22%
Past Quarter: -0.14 %
Year-To-Date: -1.95%

Weekly Range:

High -1.9802
Low -1.9410

Weekly Chart: GBPUSD



AUDUSD: Looks To Its LT Rising Trendline To Provide Support.

AUDUSD- AUDUSD lost momentum and turned sharply lower the past week to close at 0.9383 on Friday. While this might have been triggered by its recent upside gains and overbought condition on the daily time frame, further weakness looks to continue as its weekly RSI is negative suggesting additional downside pressure. In such a case, its rising LT trendline currently at 0.9291 which coincides with its May 15'08 will be targeted initially followed by its weekly 50 ema at 0.8955. On the other hand, if a recovery is seen at this stage, its Jun 04'08 low at 0.9487 should be aimed at ahead of its YTD high at 0.9654. On the whole, although weakness started at 0.9648 may not be over yet, such weakness is seen as corrective of its medium term uptrend which is now on hold.

Directional Bias:

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

Performance in %:

Past Week: -2.55%
Past Month: +3.31%
Past Quarter: +4.07%
Year-To-Date: +7.04%

Weekly Range:

High -0.9648
Low -0.9328

Weekly Chart: AUDUSD



Charts: Courtesy of Prorealtime

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