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DAILY TECHNICAL STRATEGIST

EURUSD: EUR Breaks And Holds Above The 1.5842 Level, Opens Up Risk Towards The 1.6018 Level.

EURUSD: After hesitating below the 1.5842 level, its Jun 09'08 high following a run off the 1.5302 low(Jun 13'08 low),EUR turned sharply higher breaking through the mentioned resistance to high of 1.5890 on Wednesday. With the invalidation of the 1.5842 level, risk has now opened up for further higher prices towards the 1.5895/I 5912 area, its Mar 31'08 high/April 10'08 high initially and then its YTD high at 1.6018.Overcoming the latter will pave the way for the resumption of its medium and longer term uptrends.Its weekly studies continue to point higher suggesting further upside strength. However, with overbought condition now weighing on the pair, corrective pullbacks could be seen targeting its eroded resistance at 1.5842 where a break lower if witnessed will bring weakness towards the 1.5650 level, its Jun 20'08 high followed by the 1.5510 level, its April 03'08 low before the 1.5360/64 zone, its .382 Fib Ret/ Jun 05'08 low. More supports are located at its May 08'08 low at 1.5283 and its .50 Ret (1.4309-1.6018 high) at 1.5164.On the whole, EUR has triggered a move which could see it breaking and possibly surpassing its YTD high.

Support

1.5817/42 high	May 27'08/Jun 09'08
1.5650	Jun 20'08 high
1.5593	May 06'08 high
1.5510	April 03'08 low

Comments

Resistance

1.5895/I 5912	Mar 31'08 high/April 10'08 high
1.6018	YTD high

Comments

Daily Chart: EURUSD



GBPUSD: Consolidation To Nearer Term Corrective Pullback Takes Hold On GBP.

GBPUSD: Although GBP traded lower before bouncing off its daily 200 ema to close at 1.9933, it was seen weakening lower towards the mentioned ema currently at 1.9834. This level and its former resistance turned support at 1.9850 now being attacked must hold to keep pair's recovery off the 1.9407 low alive but if these levels are violated, lower prices towards its Jun 09 & 20'08 highs at 1.9800/1.9790 or even the 1.9598, its April 15'08 low can not be ruled out. Breaking and closing below the latter could see more downside pressure aiming at the 1.9407 level, its Jun 13'08 low ahead of the 1.9360/35 zone, its 2008 lows. Overbought condition which is now a factor remains suggestive of further downside losses. Conversely, if the pair's current nearer term corrective pullback is contained by the 1.9850/34 zone, turning higher and trading above its recent high at 2.0004 is envisaged with a loss of there setting the pair up for additional upside gains targeting the 2.0026 level, its April 21 & 28'08 highs followed by the 2.0191 level, its Mar 27'08 high and next the 2.0396 level, its Mar 14'08 high..

Support	Comments
1.9850/34	May 23'08 high/Daily Ema
1.9800/1.9790	Jun 09 & 20'08 highs
1.9598	April 15'08 low
1.9407	Jun 13'08 low

Resistance	Comments
2.0026	April 21 & 28'08 highs
2.0191	Mar 27'08
2.0396	Mar 14'08 high

Daily Chart: GBPUSD



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