



Wednesday, 16th of Oct, 2008
DAILY TECHNICAL STRATEGIST

Mohammed Isah
Technical Strategist
m.isah@fxtechstrategy.com

HIGHLIGHTS:

■ **EURUSD: Keeps Focus On Its Year-To-Date Low** – Price acceleration was seen through the 1.3682/66 zone, its April'07/Dec'04 highs on Wednesday pushing the pair to a low of 1.3424 before closing at 1.3436.... [Learn more](#)

■ **GBPUSD: Shooting Star Triggers Sell Off**- GBP sold off sharply on the back of a formation of the shooting star candle pattern referenced in our Wednesday analysis ... [Learn more](#)

This is an excerpt from our 9 page new subscription service and a 7 currency model analysis covering EURUSD,GBPUSD,USDJPY,EURJPY,EURGBP,USDCAD,AUDUSD and the Dollar Index available to our paid subscribers..
[Learn more](#)

[Click here for disclaimer](#)

www.FXTechstrategy.com
Providing Balanced Independent Research

EUR Keeps Focus On Its Year-To-Date Low.



EURUSD: Price acceleration was seen through the 1.3682/66 zone, its April'07/Dec'04 highs on Wednesday pushing the pair to a low of 1.3424 before closing at 1.3436. This is coming on the back of a collapse ahead of the 1.3786 level, its Oct 09'08 high as well as the formation of a shooting star candle on Tuesday. With its recent nearer term corrective recovery halted and price action turned lower, the 1.3312/1.3264 zone, its .618 Ret (1.1640-1.6038 rally)/Jun'07 low will now be challenged at first as it prepares to retest its YTD low at 1.3259. A clearance of here will resume the pair's medium term decline towards its .618 Ret (0.8231-1.6038 rally, monthly chart) at 1.3058 followed by the 1.2980 level, its Jun'06 high and beyond. The daily RSI has turned lower supporting this view. In the meantime, recovery if seen should target the 1.3682/66 level, its April'07/Dec'04 highs firstly before the 1.3786 level and then the 1.3852/82 zone, its Sept 11'08 low/July'07 high. On the whole, EUR looks to resume its medium term weakness started at the 1.6038 level in mid-July'08.

Support

1.3366/61
1.3312/1.3264
1.2980
1.3058

Comments

Dec'04 high/August'07 low
.618 Ret (1.1640-1.6038 rally)/Jun'07 low
Jun'06 high
.618 Ret(0.8231-1.6038 rally, monthly chart)

Resistance

1.3682/66
1.3852/82
1.4015
1.4073

Comments

April'07/Dec'04 highs
Sept 11'08 low/July'07 high
Oct'07 low
Sept 16'08 low

Shooting Star Triggers Sell Off.



GBPUSD: GBP sold off sharply on the back of a formation of the shooting star candle pattern referenced in our Wednesday analysis. This development has now turned risk lower targeting the 1.7049 level, its Nov'05 low initially and subsequently the 1.6857 level, its June'03 high with a loss of there turning attention to the 1.6786 level, its Oct 10'08 low, Below the latter will put the pair in position to resume its medium/longer decline triggered off the 2.1161 towards the 1.6576 level, its Jan, 03 high. Upside objectives are seen at its April'06 low at 1.7251 and the 1.7447 level, its YTD high. Others reside at 1.7735 level, its Sept 16'08 low and the 1.7840 level, its Oct 03'08 high. All in all, GBP is now poised to push towards 1.6786 level having sold off on the formation of a shooting star candle pattern on Wednesday.

Support

1.7049
1.6857
1.6786
1.6576

Comments

Nov'05 low
June'03 high
Oct 10'08 low
Jan, 03 high

Resistance

1.7251
1.7447
1.7735
1.7840

Comments

April'06 low
YTD high
Sept 16'08 low
Oct 03'08 high

This report is prepared solely for information and data purposes. Opinions, estimates and projections contained herein are those of FXTechstrategy.com own as of the date hereof and are subject to change without notice. The information and opinions contained herein have been compiled or arrived at from sources believed to be reliable but no representation or warranty, express or implied, is made as to their accuracy or completeness and neither the information nor the forecast shall be taken as a representation for which FXTechstrategy.com incurs any responsibility. FXTstrategy.com does not accept any liability whatsoever for any loss arising from any use of this report or its contents. This report is not construed as an offer to sell or solicitation of any offer to buy any of the currencies referred to in this report. [Click here for full disclaimer](#)