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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](#)

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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

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