

2010-04-27_European Forex Technicals

European Forex Technicals: EUR/USD To Rally To 1.3490
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LONDON (Dow Jones)--Rolling 24-hour chart levels:

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0519 GMT	1.3379	93.90	1.5454	1.0732
3 Day Trend	Bullish	Bullish	Bullish	Bearish
Weekly Trend	Bearish	Bullish	Bullish	Bullish
200 day ma	1.3981	92.06	1.5794	1.0595
3rd Resistance	1.3490	94.78	1.5573	1.0810
2nd Resistance	1.3447	94.59	1.5524	1.0787
1st Resistance	1.3417	94.37	1.5498	1.0748
Pivot*	1.3357	94.06	1.5448	1.0743
1st Support	1.3347	93.66	1.5397	1.0688
2nd Support	1.3291	93.31	1.5375	1.0651
3rd Support	1.3269	92.74	1.5296	1.0642

Intraday EUR/USD: Stages a good recovery off Monday's low at 1.3291 to build on the recovery off last Friday's 2010 low at 1.3201, and resistance at 1.3417 is set for renewed bull pressure. Near-term bulls are on course to extend the push towards projected resistance in the 1.3490 area before facing a likely cap. The 1.3347 area will look to cushion corrective weakness, and only a break below 1.3291 would concern near-term bulls.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Monday's setback off 94.37 is correcting the advance off the Apr. 22 higher low at 92.74, and is looking to test support at 93.66. However, this level is expected to hold to maintain the solid bull structure of the advance off the Apr. 19 reaction low at 91.60, and the dominant threat is for renewed bull pressure on the 94.37 high. Above there would break the top of an Ichimoku cloud on the weekly chart, opening the 2010 high at 94.78, set in January. Only below 93.66 would question the bullish outlook and expose 93.31.

Weekly chart USD/JPY trend: Bullish.

Intraday GBP/USD: Last Friday's recovery off 1.5296 has extended to force a break above 1.5474, and the Apr. 15 recovery high at 1.5524 is under threat. The higher low at 1.5296 suggests a break through 1.5524 is likely to build on the wider recovery off the Apr. 19 low at 1.5194, prompting fresh 2-month highs towards 1.5573. Corrective dips have room to 1.5375, but only below 1.5296 would question the bullish outlook.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: The bear tone off last Friday's high at 1.0850 has extended following the break below 1.0718, and further weakness is expected to test 1.0688 and the downside target at 1.0651. The 50% retracement level of the 1.0435/1.0850 rally lies near there at 1.0642, and this area is expected to contain near-term weakness. Monday's high at 1.0787 has been confirmed as a lower high, and only regaining ground above there would negate the bearish outlook.

Weekly chart USD/CHF trend: Bullish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0545 GMT	0.8659	125.77	1.4355	0.9253
3 Day Trend	Range	Bullish	Bullish	Bullish
Weekly Trend	Bearish	Range	Bearish	Range
200 day ma	0.8856	128.66	1.4797	0.8838
3rd Resistance	0.8750	126.30	1.4387	0.9337
2nd Resistance	0.8718	126.14	1.4374	0.9312
1st Resistance	0.8669	125.97	1.4363	0.9288
Pivot*	0.8649	125.70	1.4352	0.9280
1st Support	0.8603	125.34	1.4335	0.9242
2nd Support	0.8591	125.06	1.4322	0.9233
3rd Support	0.8525	124.81	1.4291	0.9206

Intraday EUR/GBP: Stages a good recovery off Monday's bear-trap 13-week low at 0.8604 as near-term bulls desperately defend the 2010 low at 0.8603, and there is room for further gains back to last Friday's high at 0.8718. However, only a sustained break above there would halt the wider dominant bear trend, and there is still risk of renewed bear pressure on what is becoming a key support area around 0.8603.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Remains below Monday's high at 126.30 to consolidate the rally off the Apr. 22 higher low at 123.32, and dips have scope for the support cluster between 124.62 and 124.81. However, this area is expected to cushion weakness, and only a sustained break below 124.62 would put bears in near-term control. Regaining ground above 125.97 is required to re-open the 126.30 high.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Maintains the recovery off the Apr. 21 spike low at 1.4291 to put pressure on Monday's high at 1.4363, and is threatening a break through there to open the Apr. 14 lower high at 1.4387. 1.4291 has become a bear failure low, and a break above 1.4387 is required to shift longer-term sentiment to a more positive outlook. Below 1.4335 would stifle the bullish outlook, and expose the 1.4322 higher low.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Suffers a setback off Monday's high at 0.9312, and the break below 0.9261 prompts further weakness towards a key support cluster between 0.9233 and 0.9242. However, this area is expected to contain dips to protect last Friday's bull hammer low at 0.9172, and once a near-term base has been formed, the 0.9288 lower high is likely to be targeted. Above there is required to re-open the 0.9312 high.

Weekly chart AUD/USD trend: Range.

* The pivot is the sum of the high, low and close divided by 3.

For more technical analysis see: Dow Jones Newsires, N/DJTA; Bloomberg, NI DJTA; and Reuters key word search "INSI-DJN"

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