

European Forex Technicals: USD Set To Extend Recovery

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A DOW JONES NEWSWIRES COLUMN

LONDON (Dow Jones)--Rolling 24-hour chart levels:

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0502 GMT	1.2261	91.31	1.4686	1.1311
3 Day Trend	Range	Bearish	Bearish	Bullish
Weekly Trend	Bearish	Range	Bullish	Bearish
200 day ma	1.3502	92.01	1.5451	1.0831
3rd Resistance	1.2454	91.96	1.4891	1.1397
2nd Resistance	1.2406	91.82	1.4854	1.1380
1st Resistance	1.2354	91.51	1.4755	1.1350
Pivot*	1.2307	91.45	1.4770	1.1300
1st Support	1.2255	91.08	1.4684	1.1250
2nd Support	1.2239	90.84	1.4645	1.1215
3rd Support	1.2190	90.54	1.4600	1.1181

Intraday EUR/USD: Wednesday's bearish hanging man is a sign of waning bull momentum, and bears are looking to extend the setback off 1.2354 by putting pressure on support at 1.2255. A break below there would prompt further weakness towards the 1.2190 area, but with a support cluster between 1.2168/78 and short-term pivotal support at 1.2150, downside scope looks to be limited at this stage. Failure to meet the 1.2239 downside target would provide a near-term boost, and prompt a return to the 1.2354. Key projected resistance lies at 1.2406.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Bear pressure is building on Tuesday's low at 91.08, and is threatening to extend the setback off Monday's high at 92.12. The June 8 recovery low at 90.84 would be the immediate target on a break below 91.08, and create downside potential for 90.07 on a sustained break. To question the bearish feel, a break above 91.51 is required, opening 91.82.

Weekly chart USD/JPY trend: Range.

Intraday GBP/USD: Wednesday's bearish engulfing candle off the 1.4854 high has tempered the recovery off the June 8 higher low at 1.4349, and suggests projected support around 1.4600 is set for a retest. However, while 1.4600 holds, the positive structure remains intact, and would prompt a return to the 1.4854 level. The 1.4891 upside target needs to be met before a break below 1.4600. Loss of 1.4600 would put bears in control of the near-term, exposing 1.4506 and threatening a return to the 1.4349 higher low.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: Stages a good recovery off 1.1250 Wednesday to leave a bull hammer on the daily chart, and looks to regain the 1.1350 near-term pivotal resistance level. However, sterner resistance lies in the 1.1380/97 area, and only a break above there would strengthen basing thoughts. Negating the bull hammer by extending the setback below 1.1250 would expose the 1.618 downside extension target at 1.1181.

Weekly chart USD/CHF trend: Bearish.

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second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0532 GMT	0.8338	112.04	1.3873	0.8598
3 Day Trend	Bullish	Range	Bearish	Range
Weekly Trend	Bearish	Bearish	Bearish	Bullish
200 day ma	0.8737	124.22	1.4584	0.8772
3rd Resistance	0.8458	114.16	1.3940	0.8725
2nd Resistance	0.8411	113.39	1.3927	0.8691
1st Resistance	0.8378	112.81	1.3894	0.8675
Pivot*	0.8333	112.55	1.3920	0.8632
1st Support	0.8315	111.74	1.3850	0.8582
2nd Support	0.8288	111.54	1.3816	0.8506
3rd Support	0.8263	111.23	1.3770	0.8480

Intraday EUR/GBP: Extends the recovery off Tuesday's low at 0.8263 following Thursday's probe into fresh two-week highs above 0.8359, and is set to test the June 2 lower high at 0.8378. Projected resistance at 0.8411 lies above there, but the double-bottom measured objective at 0.8458 is back on the agenda. Below 0.8315 is required to question the validity of the upside break, exposing 0.8288 and the 0.8263 higher low.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Left a bearish hanging man candle Wednesday shy of key resistance in the 113.39 area, and the 111.55/74 support area is set for a retest. Forcing a break below there would put bears in control of the near-term, prompting a deeper setback towards 111.23 and Tuesday's low at 110.87. Failure to meet 111.23, combined with a break above 112.81 would lift the tone and re-open the 113.39 resistance area.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Extends the setback off Tuesday's high at 1.4041, and is set to meet the downwave equality target at 1.3850. However, there is scope for a deeper setback as near-term bear momentum increases, exposing the 1.618 extension target at 1.3770. Only above 1.3927 would question the bearish outlook, opening 1.3980.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Wednesday's higher high, lower close doji candle suggests the near-term uptrend has been exhausted, and consolidation is underway off 0.8675 back to the upside gap at 0.8506. The 0.8480 area provides backup. Only a break above 0.8675 would negate the bearish outlook, opening 0.8691 and 0.8725.

Weekly chart AUD/USD trend: Bullish.

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

Dow Jones Newswires, N/DJTA; Bloomberg, NI DJTA; and Reuters key word search "INSI-DJN"

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