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European Forex Technicals: GBP/USD Rally On Track For 1.5000

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0621 GMT	1.2396	90.86	1.4840	1.1117
3 Day Trend	Bullish	Bearish	Bullish	Bearish
Weekly Trend	Range	Range	Bullish	Bearish
200 day ma	1.3491	92.00	1.5445	1.0834
3rd Resistance	1.2500	91.82	1.4968	1.1250
2nd Resistance	1.2454	91.42	1.4891	1.1185
1st Resistance	1.2414	91.08	1.4854	1.1149
Pivot*	1.2348	90.99	1.4770	1.1188
1st Support	1.2339	90.51	1.4775	1.1095
2nd Support	1.2283	90.07	1.4715	1.1065
3rd Support	1.2242	90.00	1.4647	1.1037

Intraday EUR/USD: The EUR continues its convalescence following Thursday's break above 1.2354 to leave a bullish outside day, and temporary resistance at Friday's session high at 1.2414 is likely to be broken. The 1.1876 low has become a potential bear failure low, and there is room for further strength towards the May 28 lower high at 1.2454. Only a break below 1.2339 would question the near-term bullish outlook, exposing Thursday's low at 1.2242.

Weekly chart EUR/USD trend: Range.

Intraday USD/JPY: Near-term bears probed below 90.84 Thursday to extend the setback off the June 4 reaction high at 92.89, and pressure is building on support at 90.51. There is scope for further weakness towards downwave equality at 90.07, which is part of a support cluster incorporating 90.00 and 89.82. The 91.08 level reverts to resistance, and only a sustained break through there would question the bearish outlook, opening 91.42.

Weekly chart USD/JPY trend: Range.

Intraday GBP/USD: An impressive reversal off the 1.4647 low Thursday leaves a bullish engulfing candle, and the week's high at 1.4854 is set to be broken. Above there opens an equality target at 1.4891, but there is scope for further strength towards 1.4968 and the psychologically-important 1.5000 level. Only below 1.4775 would defer the bullish outlook, but corrective downside should be limited to the 1.4715 area.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: Definitive weakness Thursday upgrades the decline off the June 1 peak at 1.1730 following the break below 1.1250, and support at 1.1095 is set for a retest. Although there is risk for a corrective rally, the dominant threat is for further weakness below 1.1095, exposing retracement levels at 1.1037 and 1.1065 which protect the psychologically-important 1.1000 level. Resistance lies at 1.1185, but with more solid resistance at 1.1250.

Weekly chart USD/CHF trend: Bearish.

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second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0647 GMT	0.8352	112.44	1.3763	0.8683
3 Day Trend	Bullish	Range	Bearish	Bullish
Weekly Trend	Bearish	Bearish	Bearish	Bullish
200 day ma	0.8733	124.10	1.4576	0.8771
3rd Resistance	0.8458	113.32	1.3890	0.8830
2nd Resistance	0.8411	113.19	1.3865	0.8791
1st Resistance	0.8380	112.81	1.3809	0.8725
Pivot*	0.8359	112.53	1.3815	0.8652
1st Support	0.8335	111.88	1.3735	0.8607
2nd Support	0.8325	111.63	1.3700	0.8582
3rd Support	0.8288	110.87	1.3640	0.8507

Intraday EUR/GBP: Resistance has emerged at 0.8380 to leave a bearish doji Thursday, but the underlying positivity suggests there is room for further strength to the 1.618 extension target at 0.8411. Last week's double-bottom highlights 0.8458 as a measured objective. Immediate support lies in the 0.8325/35 area, and only a break below Tuesday's low at 0.8265 would concern near-term bulls.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Thursday's recovery off 111.63 has left the market range bound, consolidating beneath Wednesday's near-term peak at 113.32. While the near-term tone remains positive, there is more likelihood for bull pressure on 112.81, opening the 113.19/32 highs on a break. Loss of 111.88 would create risk for renewed bear pressure on 111.63, which protects Tuesday's low at 110.87.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Thursday's sharp setback brings the focus sharply back onto the recent all-time low at 1.3735. A break below there would expose projected targets at 1.3700 and 1.3640, but longer-term bears will be targeting the 1.3500. Regaining ground above 1.3809 would defer the bearish outlook, but corrective gains should be limited to the 1.3865 area.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Thursday's strength negated a bearish doji, and the push above 0.8675 is now putting pressure on resistance at 0.8725. This represents 50% retracement of the dominant 0.9381/0.8068 decline, and also the low of a former range, reverting to resistance to protect 0.8791. Only below 0.8582 would question the bullish outlook, exposing Tuesday's 0.8507 reaction low.

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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