

European Forex Technicals: CHF To Extend Bull Trend

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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 0455 GMT	1.2697	84.38	1.5381	1.0156
3 Day Trend	Bearish	Bearish	Bearish	Bearish
Weekly Trend	Bearish	Bearish	Bearish	Bearish
200 day ma	1.3196	89.83	1.5435	1.0704
3rd Resistance	1.2780	84.92	1.5505	1.0249
2nd Resistance	1.2744	84.84	1.5460	1.0225
1st Resistance	1.2709	84.58	1.5416	1.0182
Pivot*	1.2683	84.23	1.5384	1.0183
1st Support	1.2661	84.25	1.5329	1.0136
2nd Support	1.2625	84.05	1.5295	1.0100
3rd Support	1.2588	83.83	1.5225	1.0075

Intraday EUR/USD: Tuesday's setback off 1.2744 keeps euro strength capped, and suggests support at 1.2661 is likely to face a fresh attack. Action has been largely corrective and directionless since the August 24 low at 1.2588, but a break below 1.2661 would put bears in control of the near-term, exposing 1.2625 and threatening to put pressure on the 1.2588 low. A sustained push above 1.2709 would point the spotlight at 1.2744 and the August 27 peak at 1.2780.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Tuesday's recovery off 83.83 has been maintained, and resistance at 84.58 is likely to face renewed pressure. However, gains look limited to the 84.84 lower high and the pivotal 84.92 area. Failure to break above 84.58 would prompt a setback to 84.25 and the 84.05 area, where the right-hand shoulder of an inverse head-and-shoulders base would be found.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: GBP weakness is likely to continue following the break into fresh five-week lows below 1.5371, and the key 1.5225/30 support level is set for a test. However, a fresh wave of bear pressure is required to force a break below there, creating scope for the 1.5113/26 area on a sustained break below 1.5225. Corrective upside scope is limited to the 1.5460 area.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Another lurch lower below 1.0220 Tuesday keeps the dominant bear trend intact, and support at 1.0136 is set to face renewed pressure Wednesday. The downwave equality target at 1.0075 is likely to be met, which coincides with a 29-month bull support line, suggesting a likely area to attract a significant recovery. Only a break above 1.0225 would question the bearish outlook.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0525 GMT	0.8255	107.14	1.2900	0.8986
3 Day Trend	Bullish	Bearish	Bearish	Bullish
Weekly Trend	Range	Bearish	Bearish	Range
200 day ma	0.8548	118.61	1.4105	0.8813
3rd Resistance	0.8362	108.00	1.3007	0.9133
2nd Resistance	0.8325	107.78	1.2990	0.9079
1st Resistance	0.8288	107.42	1.2970	0.9029
Pivot*	0.8240	106.89	1.2905	0.8907
1st Support	0.8215	106.60	1.2850	0.8915
2nd Support	0.8172	106.16	1.2806	0.8880
3rd Support	0.8163	105.44	1.2765	0.8861

Intraday EUR/GBP: Tuesday's push through 0.8235 puts bulls in control of the near-term, and resistance at 0.8288 is under threat. Tuesday's action confirms the August 20 low at 0.8137 as a bear failure, and a break above 0.8288 would attract further strength to 0.8325. Corrective weakness is limited to the 0.8215 area, and only a sustained break below there would question the bullish outlook.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: The rally off Tuesday's low at 106.16 is corrective, and will likely be capped beneath the 108.00 level. Once a near-term top has been formed, the dominant threat is for renewed bear pressure towards 106.16, leaving the August 24 reaction low at 105.44 vulnerable to a retest. Only a sustained break above 108.00 would question the bearish outlook.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Dominant bears set a fresh all-time low at 1.2850 Tuesday, and new lows are expected for Wednesday's session. The downwave equality target lies at 1.2806, but there is room for a deeper setback towards the 1.2765 area. Corrective strength will be capped beneath solid resistance between 1.2970 and 1.2990.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Support emerged at 0.8861 Tuesday to prompt a strong recovery, and Monday's high at 0.9029 is under threat. A break above there would lift near-term prospects, opening the August 17 lower high at 0.9079 and leaving the August 25 reaction low at 0.8770 as a bear failure in the process. Only a break below 0.8915 would question the bullish outlook and expose the 0.8861 low.

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