

European Forex Technicals: More 15-Year Lows For USD/JPY

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0450 GMT	1.2883	83.34	1.5407	1.0027
3 Day Trend	Bullish	Bearish	Range	Bearish
Weekly Trend	Range	Bearish	Bearish	Bearish
200 day ma	1.3160	89.33	1.5434	1.0655
3rd Resistance	1.2975	84.10	1.5489	1.0115
2nd Resistance	1.2920	83.85	1.5475	1.0088
1st Resistance	1.2893	83.50	1.5434	1.0072
Pivot*	1.2817	83.88	1.5433	1.0118
1st Support	1.2845	83.25	1.5365	1.0008
2nd Support	1.2810	82.85	1.5344	0.9995
3rd Support	1.2793	82.55	1.5297	0.9916

Intraday EUR/USD: The Sep. 6 reaction high at 1.2920 is the focus following Monday's strong gains. Resistance at 1.2893 is under threat as EUR bulls look to build on the recovery off last Friday's low at 1.2642 and re-open the 1.2920 peak. 1.2969/75 would become the target area on a break above 1.2920. Corrective weakness will attract support while above 1.2793 and only below there would concern near-term bulls.

Weekly chart EUR/USD trend: Range.

Intraday USD/JPY: Sets fresh 15-year lows Tuesday following the probe below 83.34, and pressure is building on support at 82.85. A 21-month bull trendline of a diagonal triangle pattern lies at 82.85, but there is scope for an overshoot as a downwave equality target lies at 82.55. The 83.85 has become pivotal resistance for the near-term, but only above 84.10 would provide a boost.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: A bear pennant appears to be forming on the daily chart, with the support line at 1.5365 under threat. This bear pennant suggests the positive effect of the bear trap at the Sep. 7 low at 1.5297 has been nullified and a break below 1.5365 would prompt a return to the 1.5297 low. Regaining ground above 1.5434 would prompt a recovery toward pennant resistance at 1.5475.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Parity is under threat as the dominant bear trend extends. Fresh eleven-month lows are being set following Tuesday's break below 1.0060 and a break below 0.9995 would prompt further weakness toward the November 2009 reaction low at 0.9916. Only above 1.0072 would lift the tone, although corrective gains are limited to the 1.0115 area.

Weekly chart USD/CHF trend: Bearish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0522 GMT	0.8364	107.40	1.2907	0.9336
3 Day Trend	Bullish	Bullish	Bearish	Bullish
Weekly Trend	Range	Range	Bearish	Bullish
200 day ma	0.8526	117.64	1.4005	0.8846
3rd Resistance	0.8465	108.15	1.3039	0.9404
2nd Resistance	0.8443	107.94	1.3017	0.9381
1st Resistance	0.8390	107.55	1.2975	0.9362
Pivot*	0.8327	107.59	1.2990	0.9337
1st Support	0.8325	106.99	1.2892	0.9320
2nd Support	0.8305	106.70	1.2864	0.9295
3rd Support	0.8275	105.80	1.2821	0.9268

Intraday EUR/GBP: Monday's strength is set to extend as the spotlight turns onto the Sep. 6 reaction high at 0.8390. Resistance at 0.8390 protects the July 22 lower high at 0.8465, but with near-term upside momentum overstretched, there is risk of downside consolidation toward 0.8305 before a break above 0.8390 can be achieved. Corrective weakness is likely to be limited to the 0.8275 area.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: Resistance has emerged at 107.94 stalling the recovery off 105.80, and support in the 106.70/106.99 area is under threat. This support cluster incorporates the 50% retracement level and only a break below 106.70 would leave the 105.80 low vulnerable. Above 107.55 would lift the tone and re-open the 107.94 high, but significant resistance lies in the 108.15 area.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Weakness below 1.2920 puts bears in control of the near-term, bringing the downwave equality target at 1.2892 into the picture. Below 1.2892 lies last Friday's low at 1.2864, which protects the Sep. 9 higher low at 1.2821. Failure to meet 1.2892, combined with a break above 1.2975 would be required to lift the tone, opening Monday's high at 1.3039.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Consolidates beneath Monday's five-month high at 0.9362, as AUD bulls build a platform from which to attack the key 0.9381/0.9404 long-term double-top. Dominant bulls will look to keep the upside gap at 0.9268 intact, although only below last Friday's low at 0.9207 would prompt a sharper setback towards 0.9180.

Weekly chart AUD/USD trend: Bullish.

* 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"

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