

European Forex Technicals: EUR Bulls Remain In Control

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By Francis Bray
A DOW JONES NEWSWIRES COLUMN
LONDON (Dow Jones) Rolling 24-hour chart levels:

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0456 GMT	1.3763	83.61	1.5812	0.9778
3 Day Trend	Bullish	Bearish	Bearish	Range
Weekly Trend	Bullish	Bearish	Bullish	Bearish
200 day ma	1.3185	88.69	1.5472	1.0556
3rd Resistance	1.4000	84.35	1.5998	0.9860
2nd Resistance	1.3896	84.12	1.5923	0.9844
1st Resistance	1.3819	83.88	1.5870	0.9806
Pivot*	1.3735	83.32	1.5943	0.9768
1st Support	1.3715	83.15	1.5745	0.9767
2nd Support	1.3675	82.87	1.5706	0.9725
3rd Support	1.3640	82.68	1.5671	0.9708

Intraday EUR/USD: The strong upward bias continues, and is looking to regain a foothold above 1.3800, from which to open the March 17 lower high at 1.3819. The 61.8% retracement level of the 1.5145/1.1876 decline lies above there at 1.3896, and is the last line of defence protecting the psychologically important 1.4000 level. There is consolidation risk to the 1.3640 support area, which is protected by 1.3675, but corrective weakness is limited at this stage.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: The corrective recovery off Friday's marginal low at 83.15 will struggle, and is likely to be limited to resistance at 84.12. 84.12 represents former range lows that have reverted to resistance, and has become a short-term pivotal level. In accordance with the dominant bear trend, the greater risk is for a break below 83.15, prompting further weakness towards the mid-Sep. 15-year low at 82.87.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: The tone remains bearish following Friday's cap at 1.5870, and support at 1.5745 is likely to be tested. The setback off the September 30 reaction high at 1.5923 defines the near-term tone, and a break below 1.5745 is favoured, putting the spotlight back onto the September 30 low at 1.5671. Only a break above 1.5870 would question the bearish outlook, opening 1.5923.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: Consolidates above last week's 30-month low at 0.9708 within a bear pennant/flag, and is close to resistance at 0.9806. However, with Friday's high at 0.9844 looming, and projected bear flag resistance at 0.9860, corrective gains are limited. A break below 0.9767 would prompt weakness back to the 0.9725/0.9708 lows.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0534 GMT	0.8707	115.02	1.3459	0.9689
3 Day Trend	Bullish	Bullish	Bullish	Bullish
Weekly Trend	Bullish	Bullish	Bullish	Bullish
200 day ma	0.8521	117.00	1.3902	0.8938
3rd Resistance	0.8771	115.60	1.3650	0.9791
2nd Resistance	0.8740	115.29	1.3550	0.9750
1st Resistance	0.8725	115.11	1.3482	0.9732
Pivot*	0.8702	114.47	1.3420	0.9703
1st Support	0.8645	114.61	1.3406	0.9675
2nd Support	0.8600	114.40	1.3360	0.9625
3rd Support	0.8562	114.20	1.3295	0.9590

Intraday EUR/GBP: Bulls remain in control following the break above 0.8644, and are looking to regain a foothold above 0.8700. There is scope for more upside to 0.8725 and 0.8740 - the latter being 50% retracement of the 0.9412/0.8067 bear wave, protecting the 0.8771/0.8807 lower highs. Short-term pivotal support lies at 0.8600, which is protected by the 0.8645 support area.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: Resistance has emerged at 115.29 to prompt a corrective setback Monday, and support at 114.61 is under threat. However, former range highs at 114.20 have reverted to support, and 114.20 is likely to limit the scope for corrective weakness. A break above 115.11 is required to re-open the 115.29 high, threatening 115.60.

Weekly chart EUR/JPY trend: Bullish.

Intraday EUR/CHF: Bulls retain control of the short-term to close in on resistance at 1.3482. 1.3482 represents a four-month bear resistance line connecting reaction highs at 1.4589 and 1.3925, and is also the 61.8% Fibonacci retracement level of the 1.3925/1.2765 bear wave. However, with a key higher low at 1.3072 firmly in place, there is scope for 1.3550 and a longer-term target at 1.3699. Good support lies at 1.3360, and only below 1.3295 would concern bulls.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: Consolidates beneath Friday's 26-month high at 0.9750 as dominant bulls pause for breath. However, support at 0.9675 is expected to hold, attracting fresh bull pressure on 0.9732 and the 0.9750 peak. Only a break below the September 30 higher low at 0.9625 would question the bullish outlook.

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"

By Francis Bray; Dow Jones Newswires; +44 (0)207 842 9249; francis.bray@dowjones.com

Francis Bray is Dow Jones' chief technical analyst for Europe, and has worked as a technical analyst and trader for 20 years in London, Barcelona and Guernsey.

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