

ASIA DAILY FOREX OUTLOOK - Majors

SINGAPORE (Dow Jones)--Following are expected trading ranges and outlooks for nine major currency pairs today:

	Immediate Range	Larger Range
USD/JPY	82.11-82.56	82.00-83.02
EUR/USD	1.3855-1.4030	1.3797-1.4197
AUD/USD	0.9755-0.9918	0.9692-1.0000
NZD/USD	0.7465-0.7592	0.7454-0.7634
GBP/USD	1.5827-1.6017	1.5771-1.6069
USD/CHF	0.9555-0.9701	0.9500-0.9737
USD/CAD	1.0070-1.0212	1.0058-1.0272
EUR/JPY	114.22-115.66	113.85-116.00
EUR/GBP	0.8730-0.8807	0.8682-0.8847

(Ranges are calculated using recent high and lows, information on the placement of option strikes, and technical analysis - Fibonacci levels, trendlines and moving averages.)

USD/JPY - to consolidate amid broadly firmer USD undertone (ICE dollar index last 77.40 after rebounding from 9-month low of 76.906 yesterday, vs Wednesday's 77.386 settlement) as market participants trim short-USD positions before U.S. September jobs data due 1230 GMT: non-farm payrolls expected to have fallen by 10,000, while unemployment rate likely rose to 9.7% from August's 9.6%. USD/JPY also supported by USD demand for import settlements, fear of further Japan MOF JPY-selling intervention, positions adjustment before weekend, IMF & G7 meetings. But USD/JPY topside limited by expectations of further quantitative easing measures from U.S. Federal Reserve at Nov. 2-3 meeting, lower U.S. Treasury yields (2- & 5-year hit all-time lows yesterday), Japan exporter sales, unwinding of JPY-funded carry trades on higher investor risk aversion (CBOE volatility index VIX up 0.33% at 21.56), mixed Wall Street close (DJIA off 0.17%, Nasdaq up 0.13%) despite surprise 11,000 drop in latest U.S. weekly jobless claims (vs forecast for 2,000 increase) as jitters set in ahead of quarterly earnings reports. Other data focus: 2350 GMT Japan provisional trade statistics for 1st 20 days of September, September international transactions in securities, August balance of payments, revised 2Q balance of payments, BOJ monetary policy meeting minutes, 0430 GMT Japan August revised industrial production, 0500 GMT Japan September economy watchers survey, 1400 GMT U.S. August wholesale trade. USD/JPY daily chart still negative-biased as MACD & stochastics bearish, although latter at oversold; meanwhile, 5- & 15-day moving averages falling. Support at 82.11 (fresh 15-year low set yesterday); breach would target psychological round-numbered levels from 82.00 down to 80.00, then 79.75 (record low set April 19, 1995). Resistance at 82.56 (hourly chart), then at 83.02 (yesterday's high) and 83.26 (Wednesday's high); breach would expose upside to 83.98-84.07 band (Tuesday's high-Sept. 29 high), then 84.39 (Sept. 27 high), 84.84 (55-day moving average) and 85.38 (Sept. 24 high).

EUR/USD - to consolidate after setting 9-month high of 1.4030 yesterday as markets await U.S. non-farm payrolls report. EUR supported after ECB yesterday left its main interest rates unchanged, Trichet expressed unwillingness to contemplate easing monetary policy despite saying risks to economic outlook "slightly tilted to the downside". EUR/USD also buoyed by expectations of more QE measures from U.S. Federal Reserve; EUR demand from sovereign central banks. But EUR/USD topside limited by higher investor risk aversion, positions adjustment before weekend, IMF & G7 meetings; lingering concerns over economic & fiscal health of several euro-zone nations. Data focus: 0600 GMT German August manufacturing turnover, German August foreign trade. EUR/USD daily chart still positive-biased as MACD bullish, while stochastics stay elevated at overbought; but spinning-top candlestick pattern completed yesterday. Resistance at 1.4030 (yesterday's high); breach would expose upside to 1.4197 (Jan. 25 high), then 1.4216 (previous base set Dec. 22, 2009) and psychological 1.4500. Support at 1.3855 (yesterday's low); breach would expose downside to 1.3797 (Wednesday's low), then 1.3635 (Tuesday's low), 1.3617 (Oct. 1 low), 1.3558 (Sept. 30 low) and 1.3506 (previous cap set Sept. 27).

AUD/USD - to consolidate after setting post-float high of 0.9918 yesterday as markets await U.S. non-farm payrolls report. Pair underpinned by Aussie-U.S. yield gap, lingering effect from yesterday's much-better-than-expected Australian September jobs report, expectations of more QE measures from U.S. Federal Reserve; but gains tempered by heightened risk aversion, softer commodity prices (CRB spot index closed down 1.85 yesterday at 287.3); positions adjustment before weekend; IMF & G7 meetings. Data focus: Australia September official reserve assets. AUD/USD daily chart still positive-biased as MACD bullish, while stochastics stay elevated at overbought, 5- & 15-day moving averages rising. Resistance at 0.9918 (yesterday's high); breach would expose upside to parity, then psychological round-numbered levels of 1.0100 to 1.0600, then 1.0639 (161.8% Fibonacci projection of advance from May 25 low of 0.8065 to Aug. 6 high of 0.9221, starting from Aug. 25 low of 0.8769). Support at 0.9755 (yesterday's low); breach would expose downside to 0.9692 (Wednesday's low), then 0.9540 (Tuesday's low), 0.9461 (Sept. 24 low) and 0.9439 (Sept. 21 low).

NZD/USD - to consolidate before U.S. non-farm payrolls report. Pair underpinned by Kiwi-USD yield gap, expectations of more QE measures from U.S. Federal Reserve. But NZD/USD topside limited by weaker investor risk tolerance, softer commodity prices, positions adjustment before weekend, IMF & G7 meetings. NZD/USD daily chart mixed as MACD bullish, but stochastics turning bearish at overbought; bearish shooting-star candlestick pattern completed yesterday. Support at 0.7465 (yesterday's low), then at 0.7454 (Wednesday's low); breach would expose downside to 0.7354 (Tuesday's low), then 0.7325 (Oct. 1 low), 0.7302 (Sept. 30 low), and 0.7268-0.7259 band (Sept. 24 low-Sept. 23 low). Resistance at 0.7592 (yesterday's high); breach would reinstate near-term positive bias, exposing upside to 0.7634 (Oct. 21, 2009 reaction high), then 0.7759 (July 15, 2008 reaction high).

GBP/USD - to consolidate before U.S. non-farm payrolls report. GBP sentiment soft after BOE yesterday left its monetary policy unchanged, but speculation mounted whether it would eventually enact further quantitative easing measures. GBP/USD also weighed by diminished investor risk appetite; reports suggesting UK government plans to reschedule its fiscal cuts at more even pace over next 5 years; Halifax reporting UK house prices fell 3.6% in September for largest ever monthly drop since records started in 1983; positions adjustment before weekend; IMF & G7 meetings. But GBP/USD loses tempered by strong UK August manufacturing output of +6.0% on year (vs +5.8% forecast); expectations of more QE measures from U.S. Federal Reserve. Data focus: 0830 GMT UK September producer prices. GBP/USD daily chart mixed as MACD bullish, but stochastics turned bearish at overbought; bearish shooting-star candlestick pattern completed yesterday. Support at 1.5827 (yesterday's low); breach would expose downside to 1.5771 (Tuesday's low), then 1.5748 (Monday's low), 1.5702 (Oct. 1 low), 1.5667 (Sept. 30 low) and 1.5638 (Sept. 24 low). Resistance at 1.6017 (yesterday's high); breach would expose upside to 1.6069 (Feb. 3 high), then 1.6276 (Jan. 28 high).

USD/CHF - to consolidate after setting record low of 0.9555 yesterday as markets await U.S. non-farm payrolls report. Pair undermined by expectations of more QE measures from U.S. Federal Reserve. But USD/CHF downside limited by lingering fears of SNB's CHF-selling intervention, unwinding of short-CHF carry trades on lower investor risk tolerance, positions adjustment before weekend, IMF & G7 meetings. Data focus: 0545 GMT Swiss September unemployment. Daily chart mixed as MACD bearish, but stochastics turned bullish at oversold, bullish key-reversal-day pattern completed yesterday. Resistance at 0.9701 (yesterday's high); breach would target 0.9737 (Tuesday's high), then 0.9789 (Monday's high), 0.9843 (Oct. 1 high), 0.9877 (Sept. 28 high) and 0.9905 (Sept. 23 high). Support at 0.9555 (yesterday's low); breach would reinstate near-term negative bias, exposing downside to psychological round-numbered levels from 0.9500 down to 0.9000.

USD/CAD - to consolidate with risks skewed higher before 1100 GMT Canada September labor force survey, 1230 GMT U.S. non-farm payrolls report. Pair underpinned by decreased investor risk appetite, softer commodity & oil prices (Nymex crude settled down \$1.56 yesterday at \$81.67/bbl), positions adjustment before weekend, IMF & G7 meetings. But USD/CAD topside limited by expectations of more QE measures from U.S. Federal Reserve. Other data focus: 1215 GMT Canada September housing starts. USD/CAD daily chart mixed as MACD bearish, but stochastics turned bullish at oversold. Resistance at 1.0212 (yesterday's high); breach would

expose upside to 1.0272 (Tuesday's high), then 1.0313 (Oct. 1 high), 1.0346 (Sept. 30 high, near confluence of 55-day & 200-day moving averages) and 1.0361 (Sept. 28 high). Support at 1.0070 (yesterday's low), then at 1.0058 (Wednesday's low); breach would tilt near-term outlook toward negative, targeting 1.0010 (April 29 low), then 0.9926 (April 21 low), 0.9816 (May 21, 2008 reaction low) and 0.9708 (Feb. 28, 2008 reaction low).

EUR/JPY - to consolidate with risks skewed lower before U.S. non-farm payrolls report. Cross undermined by diminished investor risk appetite, positions adjustment before weekend, IMF & G7 meetings; but losses tempered by threat of further JPY-selling intervention by Japan. Daily chart mixed as MACD bullish, but stochastics turned bearish at overbought, bearish key-reversal-day pattern completed yesterday. Support at 114.22 (Wednesday's low); breach would expose downside to 113.85 (Tuesday's low), then 113.72 (Monday's low), 112.95 (Sept. 30 low) and 112.64 (Sept. 28 low). Resistance at 115.66 (yesterday's high); breach would reinstate near-term positive bias, exposing upside to psychological levels of 116 and 117, then 117.61 (200-day moving average).

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EUR/GBP - to consolidate after setting 5-month high of 0.8805 yesterday, roughly matching May 7 reaction high. Daily chart still positive-biased as MACD & stochastics bullish, although latter at overbought, spinning-top candlestick pattern yesterday. Resistance at 0.8807 (May 7 reaction high); breach would target 0.8847 (April 19 high), then 0.8864 (April 14 reaction high) and psychological 0.9000. Support at 0.8730 (yesterday's low); breach would expose downside to 0.8682 (Wednesday's low), then 0.8624 (Tuesday's low), 0.8559 (Sept. 30 low), 0.8460 (Sept. 22 low) and 0.8387 (Sept. 21 low).