

# 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	83.40-83.90	82.92-84.41
EUR/USD	1.2964-1.3047	1.2642-1.3149
AUD/USD	0.9542-0.9625	0.9461-0.9660
NZD/USD	0.7394-0.7469	0.7302-0.7536
GBP/USD	1.5483-1.5595	1.5343-1.5646
USD/CHF	0.9922-1.0053	0.9894-1.0183
USD/CAD	1.0228-1.0286	1.0161-1.0339
EUR/JPY	108.33-109.10	108.00-110.70
EUR/GBP	0.8307-0.8399	0.8200-0.8448

(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 trade with risks skewed lower, undermined by unwinding of JPY-funded carry trades amid inflamed risk aversion (VIX fear gauge rose 9.34% to 23.54) on increasing worries over euro-zone sovereign debt and banks, fears of further Chinese monetary policy tightening to combat inflation, overnight Wall Street losses (DJIA down 0.42%, Nasdaq off 1.07%). USD/JPY also weighed by lower U.S. Treasury yields, Japan exporter sales; smaller-than-expected rise in U.S. September S&P/Case-Shiller 20-cities house price index. But USD/JPY losses tempered by USD demand for import settlements, lingering tensions in Korean peninsula; better-than-expected November Chicago PMI of 62.5 (vs 60.0 forecast) and U.S Conference Board's November consumer confidence index of 54.1 (vs 52.5 forecast). Yen crosses vulnerable to any surprises from November China manufacturing PMI data due today. Data focus: 1315 GMT U.S. November ADP national employment report, 1330 GMT U.S. 3Q revised non-farm productivity & unit labor costs, 1500 GMT U.S. October construction spending, 1500 GMT U.S. November ISM manufacturing PMI, 1800 GMT Fed's Fisher speaks, 1900 GMT U.S. Federal Reserve Beige Book. USD/JPY daily chart mixed as MACD bullish, but stochastics turned bearish at overbought. Support at 83.40 (yesterday's low, roughly matching Thursday's low); breach would expose downside to 82.92 (Nov. 24 low), then 82.76 (Nov. 23 low, near 55-day moving average), 82.37 (Nov. 15 low) and 81.63 (Nov. 12 low). Resistance at 83.90 (hourly chart); breach would expose upside to 84.41 (Monday's high), then 85.38 (Sept. 24 high) and 85.94 (Sept. 16 reaction high).

EUR/USD - to trade with bearish bias after hitting 10-week low of 1.2964 yesterday as investors continue to fret Europe's sovereign-debt crisis could widen to Portugal, Spain or Italy, while worries over euro-zone sovereign creditworthiness and soaring European yields raise borrowing costs of banks and corporates in private sector; Bank of Portugal report yesterday that Portuguese banks will face "unbearable" level of risk and find it difficult to refinance their debt if country fails to implement credible measures to consolidate its public finances, adding no Portuguese bank had succeeded in making international debt issue since April when country's sovereign debt rating was downgraded, while net bond issues by Portugueses banks in first 3 quarters of 2010 were negative. EUR sentiment also dented by rise in euro-zone jobless rate to 10.1% in October from revised 10.0% in September; ECB President Trichet leaving open possibility of central bank significantly expanding its government bond purchases. Data focus: 0855 GMT German November manufacturing PMI, 0900 GMT eurozone November manufacturing PMI. EUR/USD daily chart negative-biased as MACD bearish, stochastics stay suppressed at oversold, suggesting sideways or lower EUR/USD trading near-term. Support at 1.2964 (yesterday's low); breach would expose downside with no significant support until 1.2642 (Sept. 10 reaction low), then 1.2584 (Aug. 24 trough). Resistance at 1.3047 (hourly chart); breach would expose upside to 1.3149 (yesterday's high), then 1.3200 (previous base set Friday), 1.3355 (Monday's high) and 1.3386 (Thursday's high).

AUD/USD - to consolidate with bearish bias after hitting 8-week low of 0.9542 yesterday; spotlight on 0030 GMT Australia 3Q GDP (0.4% on-quarter, 3.4% on-year growth expected, according to survey of 18 economists by Dow Jones Newswires). Pair undermined by persistent worries over European debt, lingering concerns over further Chinese monetary policy tightening, softer commodity prices (CRB spot index closed down 1.48 yesterday at 301.41). Aussie also vulnerable to any surprises from November China manufacturing PMI data due today. Other data focus: 0530 GMT Australia November commodity price index. But AUD/USD losses tempered by wide Aussie-USD yield gap. AUD/USD daily chart negative-biased as MACD & stochastics bearish, although latter at oversold, suggesting sideways or lower AUD/USD trading near-term. Support at 0.9542 (yesterday's low, roughly matching Oct. 5 low); breach would expose downside to 0.9461 (Sept. 24 low), then 0.9445 (100-day moving average) and 0.9221 (previous cap set August 6). Resistance at 0.9625 (hourly chart); breach would expose upside to 0.9660 (yesterday's high), then 0.9698 (Monday's high), 0.9816 (Friday's high) and 0.9851 (Nov. 24 high).

NZD/USD - to consolidate with bearish bias after hitting 8-week low of 0.7394 yesterday. Pair undermined by continued worries over European debt, lingering fears China may tighten monetary policy further, softer commodity prices. But NZD/USD losses tempered by Kiwi-USD yield differential. NZD/USD daily chart negative-biased as MACD bearish, stochastics stay suppressed at oversold, suggesting sideways or lower NZD/USD trading near-term. Support at 0.7394 (yesterday's low, matching uptrend line from June 8 low of 0.6569, and just above 100-day moving average); breach would expose downside to 0.7302 (Sept. 30 low), then 0.7259 (Sept. 23 low), 0.7211 (Sept. 16 low) and 0.7199 (200-day moving average). Resistance at 0.7469 (yesterday's high); breach would temper near-term negative outlook, targeting 0.7536 (Monday's high), then 0.7553 (55-day moving average), 0.7620-0.7627 band (Friday's high-Thursday's high) and 0.7643 (Nov. 24 high).

GBP/USD - to consolidate with bearish bias after hitting 10-week low of 1.5483 yesterday. Pair undermined by continued worries over European debt; GfK NOP survey showing drop in UK consumer confidence to minus 21 in November (vs minus 20 forecast) from minus 19 in October. But GBP/USD losses tempered by GBP demand on soft EUR/GBP cross. Data focus: 0700 GMT UK November Nationwide housing review, 0930 GMT UK November CIPS manufacturing PMI. GBP/USD daily chart negative-biased as MACD & stochastics bearish, although latter at oversold, suggesting sideways or lower GBP/USD trading near-term. Support at 1.5483 (yesterday's low); breach would expose downside to 1.5343 (Sept. 10 reaction low, roughly matching 200-day moving average), then 1.5294 (Sept. 7 reaction low), 1.5123 (July 21 reaction low) and psychological 1.5000. Resistance at 1.5595 (yesterday's high); breach would temper near-term negative outlook, exposing upside to 1.5646 (Monday's high), then 1.5770 (Friday's high), 1.5793 (Thursday's high) and 1.5835 (Nov. 24 high).

USD/CHF - to consolidate with risks skewed higher. Pair supported by broadly stronger USD undertone (ICE spot dollar index last 81.29 vs 80.87 early Tuesday); but gains tempered by CHF demand on soft EUR/CHF cross. Data focus: 0830 GMT Swiss November SVME PMI. Daily chart positive-biased as MACD bullish, stochastics stay elevated at overbought, suggesting sideways or higher USD/CHF trading near-term. Resistance at 1.0053 (Friday's high, near 100-day moving average); breach would expose upside to 1.0183 (Sept. 17 reaction high), then 1.0277 (Sept. 10 reaction high) and 1.0329 (38.2% Fibonacci correction of decline from June 1 high of 1.1730 to Oct. 14 record low of 0.9463). Support at 0.9922 (yesterday's low); breach would target 0.9894 (Nov. 24 low), then 0.9844 (Nov. 23 low), 0.9826 (Nov. 16 low) and 0.9801 (55-day moving average).

USD/CAD - to trade with risks skewed higher. Pair underpinned by weaker commodity and oil prices (Nymex crude settled down \$1.62 yesterday at \$84.11/bbl), strong global dollar; disappointing Canada 3Q GDP growth of 1.0% (vs +1.4% forecast) which crimps speculation of earlier-than-expected BOC rate hikes. USD/CAD daily chart positive-biased as MACD & stochastics bullish, although latter near overbought. Resistance at 1.0286 (yesterday's high, matching 200-day moving average); breach would expose upside to 1.0339 (Oct. 27 reaction high), then 1.0372-1.0379 band (Oct. 19 high-Sept. 23 high), 1.0509 (Sept. 8 high) and 1.0569 (Sept. 3 high). Support at 1.0228 (hourly chart); breach would expose downside to 1.0168-1.0161 band (yesterday's low-Monday's low), then 1.0081-1.0073 band (Friday's low-Thursday's low) and 1.0051 (Nov. 15 low).

EUR/JPY - to trade with bearish bias. Cross undermined by Japan exporter sales, euro-zone debt crisis; but losses tempered by Japan importer demand. Daily chart negative-biased as MACD & stochastics bearish, although latter at oversold; meanwhile, 5- & 15-day moving averages falling. Support at 108.33 (yesterday's low); breach would target psychological 108 and 107 levels, then 106.71 (Sept. 14 low). Resistance at 109.10 (hourly chart); breach would expose upside to 110.70 (yesterday's high), then 111.77 (100-day moving average), 111.90 (Monday's high) and 112.23 (previous base set Nov. 16).

EUR/GBP - to trade with risks skewed lower. Daily chart negative-biased as MACD & stochastics bearish, although latter at oversold; meanwhile, 5- & 15-day moving averages falling. Support at 0.8307 (Sept.16 reaction low); breach would expose downside to 0.8200 (Sept. 8 reaction low), then 0.8139 (Aug. 23 trough). Resistance at 0.8399 (hourly chart); breach would expose upside to 0.8448 (yesterday's high), then 0.8542 (Nov. 23 high, just below 200-day moving average), 0.8595 (Nov. 22 reaction high) and 0.8618 (55-day moving average).