

WED, Jun 04'08 6:26 am EST
DAILY TECHNICAL STRATEGIST

EURUSD: Weakens Further, Eyes The 1.5283 Level

EURUSD: Having maintained downside momentum since turning off the 1.5817 level (May 27'08 high), EUR reversed its intra day attempt at higher prices Tuesday weakening further through the 1.5510 level, its April 03'08 low and closing the session at 1.5451, slightly above its 100 daily ema. Downside risk continues to point toward its May 08'08 low at 1.5283 with a clean break below there opening the door for lower prices aiming at its .50 Ret (1.4309-1.6018 high) at 1.5164. Its short term bearish structure and declining daily studies are supportive of this view. Initial upside targets now reside at 1.5510 level, its April 03'08 low and the 1.5817 high, its May 27'08 high followed by the 1.5895/I 5912 area, its Mar 31'08 high/April 10'08 high and then its YTD high at 1.6018. On the whole, while its medium term uptrend is now on hold, a break and close above the 1.6018 will be required to trigger that trend

Support

1.5360/41
1.5283
1.5164

Comments

.382 Fib Ret/Mar 24'08 low/May 02'08
May 08'08 low
.50 Ret (1.4309-1.6018 high)

Resistance

1.5510
1.5593
1.5817 high
1.5895/I 5912

Comments

April 03'08 low
May 06'08 high
May 27'08 high
Mar 31'08 high/April 10'08 High

Daily Chart: EURUSD



GBPUSD: GBP Drives Back Into Its Invalidated Falling Channel.

GBPUSD: GBP was seen pushing back into its broken falling channel in early trading today having weakened and traded above the said channel following its loss of upside momentum at 1.9850 on May 23'08. This development now suggests further decline could be seen towards the 1.9360/35 area, its 2008 lows with a loss of there activating its medium term trend resumption towards the 1.9180 level (Mar'07 low). The daily Stochastics and RSI continue to support this view. On the upside, the 1.9598 level, its April 15'08 will come in as the immediate resistance followed by the 1.9674/53 level, its April 25'08 low/Aug 17'07 high before the 1.9727/19 zone, its Mar 05'08/April 01'08 lows. Above there will put the pair in position to head further higher targeting the 1.9850 level, its May 23'08 high and next the 1.9963/ 2.0026 levels, its Feb 27'08/April 21 & 28'08 highs. All in all, with persisting weakness, the pair looks to pressure its 2008 lows at 1.9360/35 or even lower.

Support	Comments
1.9360/35	2008 lows.
1.9180	Mar'07 Low
1.9045	1.272 Fib Ext

Resistance	Comments
1.9598	April 15'08 low
1.9674/53	April 25'08 low/Aug 17'07 high
1.9727/19	Mar 05'08/April 01'08 lows
1.9963/2.0026	Feb 27'08/April 21 & 28'08 highs

Daily Chart: GBPUSD



Please register and have the Daily Technical Strategist Newsletter delivered to your in box each time it is produced.

Mohammed Isah
Technical Strategist
m.isah@fxstrategy.com
www.fxtechstrategy.com

This report is prepared solely for information and data purposes. Opinions, estimates and projections contained herein are those of FXTechstrategy.com own as of the date hereof and are subject to change without notice. The information and opinions contained herein have been compiled or arrived at from sources believed to be reliable but no representation or warranty, express or implied, is made as to their accuracy or completeness and neither the information nor the forecast shall be taken as a representation for which FXTechstrategy.com incurs any responsibility. FXTstrategy.com does not accept any liability whatsoever for any loss arising from any use of this report or its contents. This report is not construed as an offer to sell or solicitation of any offer to buy any of the currencies referred to in this report.

