

2010-04-08_European Forex Technicals

European Forex Technicals: EUR/GBP Bears In Control

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A DOW JONES NEWSWIRES COLUMN

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0614 GMT	1.3335	93.21	1.5225	1.0744
3 Day Trend	Bearish	Bearish	Bullish	Bullish
Weekly Trend	Bearish	Bullish	Range	Bullish
200 day ma	1.4052	91.89	1.5851	1.0587
3rd Resistance	1.3460	94.27	1.5381	1.0825
2nd Resistance	1.3410	93.85	1.5320	1.0810
1st Resistance	1.3378	93.45	1.5283	1.0771
Pivot*	1.3360	93.59	1.5223	1.0722
1st Support	1.3314	93.15	1.5132	1.0680
2nd Support	1.3267	92.85	1.5045	1.0645
3rd Support	1.3170	92.24	1.4958	1.0584

Intraday EUR/USD: Drifts lower to extend the setback off the Apr. 1 high at 1.3592, and is looking to force a break below 1.3314 to expose the 2010 low at 1.3267, set in late March. However, with intraday momentum indicators signalling waning bear momentum, there is the potential for a corrective recovery towards 1.3410 and 1.3460 before attracting renewed bear pressure.
Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Wednesday's setback off 94.27 extends the corrective decline off the Apr. 5 reaction high at 94.78, and the 93.15 is under fresh bear pressure. A break below there is expected to prompt further weakness to 92.85, and congested support between 92.24 and 92.30. Significant support lies just below there at 92.04. Regaining ground above 93.45 is required to question the bearish outlook, opening the 93.85 lower high.
Weekly chart USD/JPY trend: Bullish.

Intraday GBP/USD: Remains in a strong position after keeping Tuesday's low at 1.5132 intact, and the focus is back on Monday's high at 1.5320. 1.5132 represents a mere 38.2% corrective retracement, and a break above 1.5320 would open the 1.5381/1.5398 resistance levels. Failure to break through 1.5320 would question the bullish outlook, and prompt a return to the 1.5132 low.
Weekly chart GBP/USD trend: Range.

Intraday USD/CHF: Wednesday's strength has extended into Thursday's session to force a break into fresh 4-5 week highs above 1.0752, and the threat is for further gains through 1.0771 to test the Mar. 5 lower high at 1.0810. A 1.618 extension target at 1.0825 lies just above there. The 1.0680 higher low protects pivotal support at 1.0645.
Weekly chart USD/CHF trend: Bullish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0655 GMT	0.8757	124.41	1.4326	0.9277
3 Day Trend	Bearish	Bearish	Range	Range
Weekly Trend	Bearish	Bullish	Bearish	Bullish
200 day ma	0.8872	129.10	1.4865	0.8770
3rd Resistance	0.8859	126.94	1.4412	0.9404
2nd Resistance	0.8845	126.16	1.4354	0.9330
1st Resistance	0.8819	125.40	1.4343	0.9297
Pivot*	0.8775	125.06	1.4334	0.9272
1st Support	0.8697	124.17	1.4324	0.9245
2nd Support	0.8669	123.64	1.4315	0.9217
3rd Support	0.8656	123.43	1.4306	0.9167

Intraday EUR/GBP: The sharp downtrend remains intact following Wednesday's setback off 0.8819, and there is scope for further weakness towards the downside target at 0.8697. Key support lies at 0.8669 from a trendline of a 15-month bull pennant seen clearly on the weekly chart, and this will look to protect the Feb. 12 higher low at 0.8656. To question the dominant bear tone, a break above 0.8819 and 0.8845 is required.
Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Wednesday's sharp setback off 126.16 extends the downwave off the Apr. 2 reaction high at 127.95, and creates room for further weakness to the 123.43/64 projected downside target area. This lies close to the 38.2% retracement level of the 121.05/127.95 advance, and suggests good support is likely to emerge in this area. Regaining ground above 125.40 is required to lift the tone and open the 126.16 lower high.
Weekly chart EUR/JPY trend: Bullish.

Intraday EUR/CHF: Left a bear-trap at 1.4354 Wednesday before retesting the 1.4324 support level, and the dominant risk is for a break below 1.4324 to expose the range floor at 1.4306. Only a sustained break above 1.4354 would extend the recovery towards the Apr. 1 spike high at 1.4412.
Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Consolidates beneath 0.9297 as Wednesday's higher high, lower close sparks a corrective setback towards support at 0.9217. However, the underlying bull tone is strong, and renewed pressure on 0.9297 would threaten further gains towards the 2010 high at 0.9330. Only a sustained break below 0.9217 would extend the corrective setback towards the Apr. 6 higher low at 0.9167.
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"

(END) Dow Jones Newswires
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