

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	84.90-85.91	84.25-86.39
EUR/USD	1.2676-1.2778	1.2648-1.2832
AUD/USD	0.8916-0.9058	0.8842-0.9082
NZD/USD	0.7088-0.7140	0.7012-0.7156
GBP/USD	1.5441-1.5539	1.5387-1.5597
USD/CHF	1.0217-1.0304	1.0127-1.0328
USD/CAD	1.0441-1.0572	1.0378-1.0648
EUR/JPY	108.05-109.62	106.96-110.12
EUR/GBP	0.8175-0.8236	0.8152-0.8248

(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 bullish bias. Pair underpinned by expectations of further BOJ monetary easing measures to stem yen strength as central bank holding emergency board meeting today starting at 0000 GMT, Gov. Shirakawa to hold press conference at 0530 GMT. USD/JPY also supported by fear of Japanese FX intervention, USD demand for import settlements, higher U.S. Treasury yields, JPY-funded carry trades amid positive risk sentiment (VIX fear gauge down 10.67% at 24.45) as Wall Street posted strong gains Friday (DJIA up 1.65%) on Fed Chairman Bernanke's promise U.S. central bank will do what's needed to support economic recovery, though he stopped short of saying it will act; less-severe-than-forecast revision of U.S. 2Q GDP growth to 1.6% from 2.4% (vs 1.3% expected). But USD/JPY gains tempered by Japan exporter sales. Data focus: 2350 GMT Japan provisional trade statistics for 1st 10 days of August, 1230 GMT U.S. July personal income & spending, 1430 GMT August Texas manufacturing outlook survey, 1730 GMT Fed's Bullard speaks. USD/JPY daily chart positive-biased as MACD & stochastics in bullish mode; bullish parabolic stop-and-reverse signal hit at 85.13 Friday. Resistance at 85.91 (Aug. 19 high); breach would expose upside to 86.39 (Aug. 13 high), then 87.30 (55-day moving average), 88.11 (July 28 reaction high) and 89.15 (July 12 reaction high). Support at 84.90 (hourly chart); breach would expose downside to 84.25 (Friday's low), then 84.04 (Wednesday's low), 83.58 (Tuesday's 15-year low), psychological round-numbered levels from 83.00 down to 80.00, and 79.70 (record low set April 19, 1995).

EUR/USD - to trade with risks skewed higher amid improved investor risk sentiment. But EUR/USD gains tempered by lingering concerns about health of some euro-zone economies such as Ireland and Greece as they grapple with austerity measures to resolve fiscal crises. Data focus: 0810 GMT euro-zone August retail PMI, 0900 GMT euro-zone August business & consumer surveys. EUR/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold. Resistance at 1.2778 (Friday's high); breach would expose upside to 1.2832 (Aug. 20 high), then 1.2902 (Aug. 19 high), 1.2923 (Aug. 18 high) and psychological 1.3000. Support at 1.2676 (Friday's low); breach would target 1.2648 (Thursday's low), then 1.2603 (Wednesday's low), 1.2584 (Tuesday's low) and 1.2520 (July 13 reaction low).

AUD/USD - to trade with risks skewed higher. Pair underpinned by AUD demand for long-AUD carry trades on increased investor risk appetite, stronger commodity prices (CRB spot index settled up 3.23 Friday at 267.27). But AUD/USD gains tempered by political uncertainty in Australia. Data focus: 0130 GMT Australia 2Q business indicators. AUD/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold; bullish parabolic stop-and-reverse signal hit at 0.8946 Friday. Resistance at 0.9058 (Aug. 18 high); breach would target 0.9082 (Aug. 17 reaction high), then 0.9166 (Aug. 10 high) and 0.9221 (Aug. 6 reaction high). Support at 0.8916

(hourly chart); breach would expose downside to 0.8842 (Friday's low), then 0.8829 (Thursday's low), 0.8769 (Tuesday's low) and 0.8735 (July 22 low).

NZD/USD - to trade with risks skewed higher. Pair underpinned by NZD demand for long-NZD carry trades on stronger investor risk appetite, firmer commodity prices. But NZD sentiment dented by wider-than-expected NZ July goods trade deficit of NZ\$186 million (vs forecast for NZ\$22 million deficit). Data focus: 0300 GMT August NBNZ business outlook. NZD/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold; bullish parabolic stop-and-reverse signal hit at 0.7088 Friday. Resistance at 0.7140 (Friday's high); breach would target 0.7156 (Aug. 19 high), then 0.7192 (Aug. 18 high), 0.7246 (Aug. 11 high) and 0.7356 (Aug. 4 reaction high). Support at 0.7088 (hourly chart); breach would expose downside to 0.7012 (Friday's low), then 0.6979 (Thursday's low), 0.6944 (Wednesday's low), 0.6882 (July 7 low) and 0.6821 (July 6 reaction low).

GBP/USD - to trade with risks skewed higher; UK markets closed today for holiday. Pair underpinned by positive investor risk sentiment, upwardly revised 1.2% growth in UK 2Q GDP (vs forecast for no change). But GBP/USD gains tempered by lingering concerns over negative impact of fiscal tightening on UK economic growth (UK June budget detailed combined GBP113 billion of spending cuts and tax increases by 2015, which will weigh heavily on private demand). GBP/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold. Resistance at 1.5539 (Friday's high); breach would expose upside to 1.5597 (Thursday's high), then 1.5620 (Aug. 23 high), 1.5672 (Aug. 19 high), 1.5688 (Aug. 18 high) and 1.5707 (Aug. 16 high). Support at 1.5441 (Friday's low); breach would expose downside to 1.5387 (Wednesday's low), then 1.5370 (Tuesday's low), 1.5352 (55-day moving average), 1.5325 (38.2% Fibonacci correction of advance from May 20 low of 1.4230 to Aug. 6 high of 1.6002) and 1.5123 (July 21 reaction low, matching 100-day moving average and 50% correction).

USD/CHF - to consolidate with risks skewed higher. Pair supported by short-CHF carry trades on improved investor risk appetite, below-forecast Swiss August KOF leading indicator (slipped to 2.18 from 2.22 last, vs 2.20 expected), fears of SNB CHF-selling intervention - SNB's Jordan said Sunday in interview with Swiss weekly Sonntagzeitung that central bank watching CHF moves against EUR very closely. Daily chart still negative-biased as 5-day moving average below 15-day and falling; MACD & stochastics bearish, but latter at oversold. Resistance at 1.0304 (Friday's high), then at 1.0320-1.0328 band (Thursday's high-Wednesday's high); breach would expose upside to 1.0452 (Tuesday's high), then 1.0465 (Aug. 19 high), 1.0534 (Aug. 16 high) and 1.0551 (Aug. 13 high). Support at 1.0217 (Thursday's 7-month low); breach would expose downside to 1.0127 (Jan. 11 reaction low), then parity, 0.9958 (Dec. 3, 2009 low) and 0.9914 (Nov. 26, 2009 trough).

USD/CAD - to trade with risks skewed lower. Pair undermined by increased investor risk appetite, firmer commodity & oil prices (Nymex crude settled up \$1.81 Friday at \$75.17/bbl). But USD/CAD losses tempered by decreased expectations for BOC rate hike in September. Data focus: 1230 GMT Canada July industrial product & raw materials price indexes, 2Q balance of payments. USD/CAD daily chart mixed as MACD bullish, but stochastics bearish at overbought. Support at 1.0441 (Aug. 23 low); breach would expose downside to 1.0378 (Aug. 20 low), then 1.0241 (Aug. 19 low) and 1.0141 (Aug. 6 low). Resistance at 1.0572 (hourly chart); breach would expose upside to 1.0648 (Friday's high), then 1.0667-1.0677 band (Wednesday's high-July 6 reaction high) and 1.0851 (May 25 reaction high).

EUR/JPY - to trade with risks skewed higher. Cross underpinned by stronger investor risk appetite, expectations of BOJ monetary easing today. Daily chart mixed as MACD bearish, but stochastics bullish at oversold; bullish parabolic stop-and-reverse signal hit this morning at 108.90. Resistance at 109.62 (Aug. 20 high); breach would target 110.12 (Aug. 19 high), then 110.43 (Aug. 17 high), 111.12 (Aug. 13 high, matching 55-day moving average) and 113.93 (Aug. 9 high, matching 100-day moving average). Support at 108.05 (hourly chart); breach would expose downside to 106.96 (Friday's low), then 105.90 (Wednesday's low), 105.44 (Tuesday's 9-year low) and psychological 105.00.

EUR/GBP - to trade with upward bias. Daily chart positive-biased as stochastics rising from oversold, MACD staging bullish crossover against its exponential moving average. Resistance at 0.8232-0.8236 band (Friday's high-Wednesday's high), then at 0.8248 (Aug. 19 high); breach would target 0.8282 (Aug. 18 high), then 0.8293 (55-day moving average), 0.8321 (Aug. 11 high) and 0.8364 (Aug. 10 reaction high). Support at 0.8175 (Friday's low), then at 0.8152 (Thursday's low) and 0.8139 (Aug. 23 low); breach would expose downside to 0.8065 (19-month low when hit June 29), then psychological 0.8000.