

European Forex Technicals: USD/JPY Back Near Key 80 Support

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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 0452 GMT	1.3895	80.64	1.5935	0.9863
3 Day Trend	Bearish	Bearish	Bullish	Bullish
Weekly Trend	Range	Bearish	Bearish	Bullish
200 day ma	1.3311	87.48	1.5536	1.0403
3rd Resistance	1.4000	81.20	1.6104	0.9930
2nd Resistance	1.3952	81.10	1.6000	0.9900
1st Resistance	1.3918	80.91	1.5977	0.9875
Pivot*	1.3880	81.22	1.5893	0.9849
1st Support	1.3845	80.53	1.5919	0.9804
2nd Support	1.3797	80.41	1.5900	0.9775
3rd Support	1.3778	80.00	1.5860	0.9750

Intraday EUR/USD: remains choppy, but still within the confines of a bull-flag correction following Friday's cap at 1.3952. However, while support around 1.3845 holds, a return to the session high at 1.3952 is likely, threatening scope for further upside to 1.4000 and the flag resistance line at 1.4026. Only a sustained break below 1.3845/50 would extend the directionless tone, exposing 1.3797.

Weekly chart EUR/USD trend: Range.

Intraday USD/JPY: extends the setback off Wednesday's high at 81.99 to force a break below 81.00 and the week's low at 80.41 is back within striking distance. The main threat is for a break below 80.41, setting fresh 15-year lows toward the psychologically-important 80.00 level and the April 1995 all-time low at 79.75. The 81.10/81.20 resistance area limits the scope for corrective strength and only a sustained break above the latter would provide a boost for the USD.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: the upside break through 1.5900 creates scope for strength above 1.5977 to the 1.6000 level. However, a sustained break above 1.6000 is required to open the Oct. 15 reaction high at 1.6104. Corrective weakness has scope for the 1.5860 area, but GBP bulls will look to keep weakness limited to the 1.5900 level.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: recovers off 0.9804 to challenge resistance at 0.9875. Success in keeping the 0.9775 bear target protected underpins the positivity to the recovery and there is room for a break through 0.9875 to the 0.9900 level. Wednesday's 0.9930 high lies above there. Downside risk would be increased on a break below 0.9804, exposing 0.9775 and 0.9750.

Weekly chart USD/CHF trend: Bullish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0526 GMT	0.8712	112.00	1.3694	0.9764
3 Day Trend	Bearish	Bearish	Bullish	Bullish
Weekly Trend	Bearish	Bearish	Bullish	Range
200 day ma	0.8566	116.42	1.3825	0.9093
3rd Resistance	0.8805	112.99	1.3825	0.9900
2nd Resistance	0.8770	112.75	1.3740	0.9821
1st Resistance	0.8752	112.45	1.3710	0.9796
Pivot*	0.8736	112.69	1.3674	0.9775
1st Support	0.8703	111.89	1.3675	0.9742
2nd Support	0.8670	111.57	1.3645	0.9700
3rd Support	0.8628	110.81	1.3605	0.9651

Intraday EUR/GBP: bear pressure is building on Thursday's low at 0.8703 and is threatening to extend the dominant bear wave to 0.8670. Such a move would strengthen Monday's peak at 0.8941 and create scope for more weakness to the Oct. 5 higher low at 0.8628. Regaining ground above 0.8770 is required to provide respite, opening 0.8805.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: bears have regained control of the near-term following Friday's push below 112.17 and retesting the Oct. 20 reaction low at 111.57 is the main objective. The weak tone has negated a bull flag pattern, highlighting the lack of bull momentum in this cross rate, increasing risk of a break below 111.57 toward the psychologically-important 110.00 area next week. Resistance lies at 112.45 and 112.75 and only above the latter would re-open Friday's current session high at 112.99.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: consolidates off Friday's current session high at 1.3740 and threatens a setback to Wednesday's low at 1.3605 on a break below 1.3675. However, projected support at 1.3645 will look to intercept the corrective setback, before prompting a recovery back to resistance at 1.3710. Regaining ground above 1.3710 is required to re-open the 1.3740 peak, threatening further gains towards 1.3825.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: consolidates off key resistance at 0.9821 within a bull flag and the main threat is to put 0.9821 under renewed bull pressure. While support lies at 0.9742, a break above 0.9821 is likely, creating room for projected resistance at 0.9900/0.9912. Loss of 0.9742 would defer the bullish outlook, but only below 0.9700 would bring Wednesday's low at 0.9651 back into the picture.

Weekly chart AUD/USD trend: Range.

\* 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"

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