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WEEKLY TECHNICAL STRATEGIST

EURUSD: EUR Fails Above The 1.5844 Levels, Turns Back Into Its Sideways Trading Range.

EURUSD- A failed third attempt above the 1.9800/44 levels was recorded the past week with the remaining two occurring on May 27'08 and Jun 09'08 respectively. EUR's sideways trading range is now a refuge following the mentioned failure where a follow-through to the downside should push it lower towards the 1.5652 level, its Jun 20'08 high ahead of its Jun 23'08 low at 1.5468. Penetrating and negating the latter will put the pair position to move towards its May 08'08 low at 1.8285 where a break if seen will trigger the resumption of its short term downtrend towards its .50 Ret (1.4309-1.6018 high) at 1.5164. The weekly RSI is negative suggesting further weakness. On the upside, a return back above the 1.5844 level, its Jun 09'08 high will be required to put the pair on the path to further upside gains towards the 1.5895/I 5912 area, its Mar 31'08 high/April 10'08 high and next its YTD high at 1.6018. On the whole, although the pair's medium term upside is still valid, its return back into its trading range suggests that trend will continue to be on hold as it could face more downside pressure in the days ahead.

Directional Bias:

Nearer Term -Bearish
Short Term -Mixed
Medium Term -Bullish

Performance in %:

Past Week: -0.53%
Past Month: +1.32.45%
Past Quarter: +0.01%
Year-To-Date: +7.68%

Weekly Range:

High -1.5910
Low -1.5656

Weekly Chart: EURUSD



GBPUSD: GBP Embarks On A Corrective Pullback, The 1.9800/1.9790 Zone To Provide Support.

GBPUSD-GBP weakened the past week halting its recovery off the 1.9410 level started in June 13'08. It has turned below the 1.9847 level, its May 23'08 high in the process and has now started pressuring its price level at 1.9800 and the 1.9791 level, its Jun 20'08 high where a break could see the pair tumbling further towards the 1.9598, its April 15'08 low accompanied by the 1.9407 level, its Jun 13'08 low and later the 1.9360/35 zone, its 2008 lows. Its weekly RSI continues to support this view as it is currently trending lower. Resistance now runs through the 1.9847 level and the 1.9965/2.0027 zone, its Feb 27'08/April 21 & 28'08 highs with a loss of the latter exposing its Mar 27'08 high at 2.0191 before its Mar 14'08 high at 2.0398. All in all, GBP must hold above the 1.9800/1.9790 zone to prevent the present weakness from worsening further lower

Directional Bias:

Nearer Term -Bearish
Short Term -Mixed
Medium Term -Bearish

Performance in %:

Past Week: -0.60%
Past Month: +0.52%
Past Quarter: +0.50 %
Year-To-Date: -0.15%

Weekly Range:

High -2.0007
Low -1.9796

Weekly Chart: GBPUSD



USDJPY: While The USDJPY Holds Above The 105.88/70 Levels, Risk Remains For The Resumption Of Its Medium Term Recovery

USDJPY- USDJPY halted its decline off 108.59 high the past week testing a low of 104.99 before recovering higher to close the week at 106.81 on Friday. This is coming on the back of a break below its rising daily channel and a second week of lower closes the previous week. The current price action saw the pair knocking on the back of its daily broken channel on Friday and if those gains are sustained this week, the USDJPY should target further higher prices towards the 107.13 level, its Jun 20'08 low at first and then the 108.42/59 zone, representing its Jun 16 & 25'08 highs followed by its Jan 09'08 high at 110.12. Though the weekly stochastics remains in the overbought territory, its daily studies have turned higher supporting the present price recovery. Conversely, losing its past week upside momentum could suggest a turn back lower aiming at the 105.88/70 levels where a break could set the pair up for a run at its .382 Fib Ret at 103.73 before the 102.73/58 area, its May 12 & 22'08 lows. On the whole, while USDJPY continues to trade and maintain above the 105.88/70 levels, it looks to resume its medium term upmove which is now on hold.

Directional Bias:

Nearer Term -Bullish

Short Term -Mixed

Medium Term -Bullish

Performance in %:

Past Week: +0.63%

Past Month: +0.51%

Past Quarter: +6.27%

Year-To-Date: -4.41%

Weekly Range:

High -106.93

Low -104.99

Weekly Chart: USDJPY



Charts: Courtesy of Prorealtime

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