

European Forex Technicals: USD Set For Further Strength

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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 0601 GMT	1.3508	90.50	1.4944	1.0631
3 Day Trend	Bearish	Bullish	Bearish	Bullish
Weekly Trend	Bearish	Range	Bearish	Range
200 day ma	1.4137	91.76	1.5956	1.0580
3rd Resistance	1.3696	91.09	1.5164	1.0733
2nd Resistance	1.3627	90.81	1.5130	1.0675
1st Resistance	1.3548	90.72	1.5032	1.0648
Pivot*	1.3553	90.53	1.5087	1.0596
1st Support	1.3460	90.33	1.4930	1.0592
2nd Support	1.3433	90.05	1.4875	1.0534
3rd Support	1.3385	89.75	1.4785	1.0507

Intraday EUR/USD: Last week's bearish engulfing and bearish outside week sets the tone as the break below 1.3530 puts the Mar. 2 recovery low at 1.3433 under pressure. Failure to keep this low intact would prompt fresh 2010 lows towards 1.3385, and create scope for 1.3000 on a longer-term basis. Regaining ground above Friday's high at 1.3627 is required to lift the tone, but corrective upside looks minimal at this stage.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Looks to build on last week's recovery off 89.75, and the 90.81 high looks set for a retest. Above there would weaken the impact of the diagonal triangle on the daily chart and open the triangle high at 91.09. Only a sustained break below 90.05 would suggest a return to the Mar. 18 low at 89.75.

Weekly chart USD/JPY trend: Range.

Intraday GBP/USD: Friday's sharp setback extends the weak tone off last week's high at 1.5381, and the Mar. 10 higher low at 1.4875 is set for a retest. However, the power behind this setback suggests there is room for a return to the 2010 low at 1.4785, set on Mar. 2. Corrective gains will face resistance up to the 1.5164 lower high.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Continues to put pressure on pivotal resistance at 1.0648, and a break through there is expected to extend the recovery off last week's reaction low at 1.0507. The initial upside target lies at 1.0675, but scope for the 1.0733 lower high cannot be ruled out on a sustained move. The 1.0534/1.0540 lows provide a downside limit for corrective weakness.

Weekly chart USD/CHF trend: Range.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0633 GMT	0.9031	122.24	1.4357	0.9140
3 Day Trend	Bullish	Bearish	Bearish	Bearish
Weekly Trend	Bullish	Range	Bearish	Bullish
200 day ma	0.8868	129.69	1.4938	0.8718
3rd Resistance	0.9117	123.75	1.4458	0.9224
2nd Resistance	0.9064	123.20	1.4409	0.9180
1st Resistance	0.9049	122.69	1.4383	0.9169
Pivot*	0.8983	122.71	1.4363	0.9170
1st Support	0.8984	122.17	1.4318	0.9104
2nd Support	0.8941	121.64	1.4308	0.9092
3rd Support	0.8917	121.46	1.4300	0.9057

Intraday EUR/GBP: Friday's strength builds on the recovery off last week's low at 0.8917 to regain a foothold above 0.9000, and the 0.9064 lower high is under pressure. However, last week's close in the upper half of the bar suggests the 0.9132 lower high and the key 0.9148/0.9153 resistance area is set for a retest. Only below 0.8984 would defer the bullish outlook and expose the 0.8941 higher low.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: Maintains the dominant bear tone following the break below 123.24, and further weakness is threatened to meet the 1.618 Fibonacci extension target at 121.64. The Mar. 9 higher low at 121.46 provides backup support to protect 121.01. The 123.20 area is likely to cap corrective gains, and only regaining ground above the 123.75 lower high would negate the bearish outlook.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Bear pressure is back on Friday's low at 1.4318 as the rate of bear momentum continues to increase steadily. A break below 1.4318 would set fresh 16-17 month lows, and the key October 2008 all-time low at 1.4300 is now within striking distance. An equality target at 1.4308 will attempt to defend the 1.4300 low. However, only regaining ground above 1.4409 would provide respite.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Continues to consolidate off last week's doji high at 0.9252, and there is increased risk of a deeper setback towards 0.9104 and the Mar. 15 higher low at 0.9092. However, corrective weakness is expected to be cushioned above 0.9092. Regaining ground above 0.9180 is required to provide a boost, to re-open the 0.9224 lower high.

Weekly chart AUD/USD trend: Bullish.

* The pivot is the sum of the high, low and close divided by 3.