

2010-04-23_European Forex Technicals

European Forex Technicals: Euro Weakness To Continue

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0508 GMT	1.3231	93.40	1.5368	1.0827
3 Day Trend	Bearish	Bullish	Bearish	Bullish
Weekly Trend	Bearish	Bullish	Bearish	Bullish
200 day ma	1.3993	92.02	1.5802	1.0593
3rd Resistance	1.3358	94.59	1.5474	1.0907
2nd Resistance	1.3324	94.27	1.5441	1.0899
1st Resistance	1.3267	93.73	1.5397	1.0854
Pivot*	1.3325	93.28	1.5399	1.0753
1st Support	1.3200	93.02	1.5326	1.0762
2nd Support	1.3155	92.74	1.5267	1.0720
3rd Support	1.3097	92.50	1.5244	1.0674

Intraday EUR/USD: The dominant bear trend remains intact following a break into fresh 2010 lows below 1.3267 Friday, and further weakness is likely to meet a 1.618 downside projection target at 1.3155. However, scope has been created for a deeper 1.618 target at 1.3097 as bear momentum sharply increases. Regaining ground above the intraday lower high at 1.3324 is required to provide relief, but corrective upside scope is extremely limited.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Thursday's strength produced a bullish outside day off the 92.74 low, and the break above 93.45 brings the focus onto the Apr. 14 lower high at 93.73. With bull momentum on the increase, a break through 93.73 is expected to open the Apr. 7 lower high at 94.27, and the projected upside target at 94.59. This lies close to the 2010 high at 94.78, set in early April. Corrective dips will attract support while above 93.02, and only below there would question the bullish outlook.

Weekly chart USD/JPY trend: Bullish.

Intraday GBP/USD: Thursday's setback off 1.5474 has breached 1.5337 to confirm 1.5474 as a bull failure high, and renewed bear pressure is expected on the 1.5325 low. Below there would create scope for further weakness to the downside target at 1.5267, and also projected support at 1.5244, which needs to hold to protect the week's low at 1.5194. Above 1.5397 is required to provide temporary respite, but the 1.5474 is expected to remain intact.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Extends the strong recovery to force a break above 1.0786 into fresh 7-week highs, and is poised to reach the 1.0854 upside target. However, scope has been created for further strength to test the 2010 high at 1.0899, set in February, and a 1.618 extension target lies at 1.0907. Corrective dips will attract support while above the 1.0720 area.

Weekly chart USD/CHF trend: Bullish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0518 GMT	0.8610	123.64	1.4325	0.9215
3 Day Trend	Bearish	Bearish	Bearish	Bearish
Weekly Trend	Bearish	Bearish	Bearish	Range
200 day ma	0.8861	128.72	1.4806	0.8829
3rd Resistance	0.8750	125.18	1.4379	0.9337
2nd Resistance	0.8697	124.62	1.4362	0.9294
1st Resistance	0.8666	124.05	1.4345	0.9261
Pivot*	0.8658	124.25	1.4334	0.9268
1st Support	0.8603	123.32	1.4322	0.9160
2nd Support	0.8591	123.15	1.4305	0.9116
3rd Support	0.8525	122.83	1.4291	0.9074

Intraday EUR/GBP: Sustains the dominant bear tone following Thursday's break below a long-term bull support line at 0.8680, and the focus is on the 2010 low at 0.8603, set in late January. A break below there is favored, prompting further weakness towards the Aug. 18 2009 higher reaction low at 0.8525. Regaining ground above 0.8666 is required to provide temporary respite, but corrective upside scope is extremely limited.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Extends the setback off Tuesday's reaction high at 125.64, and the dominant threat is for further bear pressure on the week's low at 123.15. A break through there would confirm 125.64 as a lower high, and create room for further weakness to 122.83 and 121.94. The 124.05 area has become intraday pivotal resistance, protecting 124.62.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Tuesday's cap at 1.4362 dominates the near-term, and bear pressure is building on the 1.4322 low. Below there would expose 1.4305, but a return to Wednesday's spike low at 1.4291 cannot be ruled out. Only above 1.4345 would lift the tone and provide an opportunity to retest the week's high at 1.4362.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Extends the setback off Wednesday's high at 0.9337 following the push below 0.9227, and a full retracement to the week's low at 0.9160 is likely. A break below there would upgrade the decline off the Apr. 12 reaction high at 0.9381, creating room for further weakness towards 0.9116 and 0.9074. Keeping 0.9160 intact would maintain the wider bullish picture, but only above the 0.9294 lower high would lift the tone at this stage.

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 Newsires, N/DJTA; Bloomberg, N/DJTA; and Reuters key word search "INSI-DJN"

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