

European Forex Technicals: EUR On The Back Foot Again

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0458 GMT	1.2305	90.03	1.4352	1.1611
3 Day Trend	Bearish	Bearish	Bearish	Bullish
Weekly Trend	Bearish	Bearish	Bearish	Bullish
200 day ma	1.3750	92.14	1.5613	1.0703
3rd Resistance	1.2470	90.75	1.4528	1.1723
2nd Resistance	1.2417	90.63	1.4458	1.1685
1st Resistance	1.2355	90.31	1.4406	1.1625
Pivot*	1.2434	90.26	1.4436	1.1567
1st Support	1.2271	89.74	1.4317	1.1552
2nd Support	1.2225	89.22	1.4229	1.1514
3rd Support	1.2143	88.95	1.4006	1.1450

Intraday EUR/USD: The steady bear tone off last Friday's high at 1.2673 extends following the push below 1.2345, and is closing in on the 1.2271 downside target. This represents a 1.618 extension off the 1.2599 lower high, but there is scope for further weakness towards 1.2225, and possibly last week's 2010 low at 1.2143. Keeping 1.2271 intact would attract a recovery towards 1.2355, but only a break through 1.2417 would lift the dominant bear tone.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Consolidates beneath Monday's bearish doji high at 90.75, and support at 89.74 is set for renewed bear pressure. Bear momentum will look to increase once below 89.74, exposing the 89.22 higher low and the May 20 reaction low at 88.95. A break above 90.63 is required to question the bearish outlook, and re-open the 90.75 peak.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: Monday's higher high, lower close highlights the dominant bear momentum in this market, and the setback off 1.4528 is set to extend towards the 1.4317 high low. A break below there would confirm 1.4528 as a bull failure, and bring the focus sharply onto the 2010 low at 1.4229, set last week. Regaining ground above 1.4458 is required to question the bearish outlook, but scope for corrective gains is extremely limited.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Keeping consolidation to a minimum at 1.1450 has prompted a fresh wave of bull pressure into fresh 13-month highs above 1.1587, and is tackling a 25-year bear resistance line above the 1.1600 level. However, with dominant bulls in the ascendency, a sustained break above 1.1625 would open 1.1685 and the 1.1723/42 lower highs from April 2009. Only below support at 1.1552 would question the bullish outlook and expose the 1.1450 low.

Weekly chart USD/CHF trend: Bullish.

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Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0521 GMT	0.8572	110.63	1.4281	0.8189
3 Day Trend	Bearish	Bearish	Bearish	Bearish
Weekly Trend	Range	Bearish	Bullish	Bearish
200 day ma	0.8808	126.64	1.4691	0.8840
3rd Resistance	0.8704	113.20	1.4440	0.8454
2nd Resistance	0.8650	112.38	1.4365	0.8364
1st Resistance	0.8628	111.18	1.4323	0.8248
Pivot*	0.8603	112.37	1.4371	0.8281
1st Support	0.8551	110.25	1.4255	0.8102
2nd Support	0.8494	109.58	1.4228	0.8065
3rd Support	0.8445	109.47	1.4175	0.8000

Intraday EUR/GBP: Sharply extends the setback off last Friday's high at 0.8771 to correct the strong recovery off the May 19 bear trap low at 0.8494, and is closing in on the 0.8551 downside target. This represents a 1.618 extension target projected from the 0.8740 lower high, and bulls will be keen to keep this level intact to protect the 0.8494 low. Regaining ground above 0.8628 would lift the tone, although 0.8650 will provide greater resistance.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: Extends the setback off last Friday's bull failure high at 114.40, and the break below 111.05 highlights the dominant bear trend is still intact. The 2010 low at 109.47 is now the immediate focus, and a 1.618 downside extension target lies close by, at 109.58. This support area is the last line of defence against a wider bear threat for fresh eight-year lows towards 105.00. Above the 112.38 intraday lower high is required to lift the tone, but scope for corrective upside is limited.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Extends the setback off last week's strong advance to 1.4589 to meet the 1.4255 target, but there is scope for more weakness towards 1.4228 as bear momentum builds. A sustained break below 1.4228 would expose the 1.4138 lower high and the 1.618 downside extension target at 1.4118. Significant resistance lies at 1.4365, and should limit the scope for corrective gains.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: Monday's high at 0.8358 is likely to be confirmed as a truncated high, having failed to break above 0.8364, and the subsequent bear move is looking to renew pressure on last Friday's 2010 low at 0.8102. At break below there is favored at this stage, exposing 0.8065 and a major support cluster just above the psychologically-important 0.8000 level. A push into fresh session highs above 0.8248 Tuesday is required to provide respite.

Weekly chart AUD/USD trend: Bearish.

* 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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