

## 2010-06-10\_European Forex Technicals

European Forex Technicals: USD Bull Momentum Waning

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A DOW JONES NEWSWIRE COLUMN

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

Spot 0459 GMT	1.2052	91.20	1.4590	1.1439
3 Day Trend	Bearish	Bearish	Bearish	Bearish
Weekly Trend	Bearish	Range	Bearish	Bullish
200 day ma	1.3568	92.04	1.5489	1.0801
3rd Resistance	1.2145	92.08	1.4743	1.1575
2nd Resistance	1.2100	91.67	1.4680	1.1554
1st Resistance	1.2074	91.51	1.4608	1.1506
Pivot*	1.1992	91.34	1.4512	1.1485
1st Support	1.1957	91.06	1.4514	1.1417
2nd Support	1.1901	90.84	1.4475	1.1369
3rd Support	1.1876	90.54	1.4443	1.1268

Intraday EUR/USD: Thursday's strength is approaching Wednesday's doji candle high at 1.2074, but resistance here should be strong enough to protect higher resistance levels at 1.2100 and 1.2145. This would suggest a return to Thursday's current session low at 1.1957 is on the cards, in accordance with the wider dominant bear trend, and below 1.1957 would expose Tuesday's higher low at 1.1901.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Wednesday's inside day left a near-term bull failure at 91.67, and renewed bear pressure is expected on 91.06. A break below there would expose Tuesday's low at 90.84, but bear momentum is increasing for a push towards wave equality at 90.16. Only a break above 91.67 would negate the bearish outlook, opening 92.08.

Weekly chart USD/JPY trend: Range.

Intraday GBP/USD: Builds on the recovery off Tuesday's reversal low at 1.4349, and is tackling resistance at Wednesday's high at 1.4608. While downside scope is limited to the 1.4475 area, there is room for a break above 1.4608 towards the June 4 lower high at 1.4680. Below 1.4514 would extend consolidation to the 1.4475 area, where a 1.618 extension target at 1.4443 provides backup support.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Bear pressure is building on Wednesday's marginal low at 1.1417, and projections off Monday's lower high at 1.1673 suggest there is room for corrective weakness to 1.1369 and 1.1268. However, good backup support lies at 1.1215 and the 1.618 extension target at 1.1181. Only above 1.1506 would lift the tone and open 1.1554.

Weekly chart USD/CHF trend: Bullish.

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second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0524 GMT	0.8258	109.79	1.3775	0.8367
3 Day Trend	Bearish	Bearish	Bearish	Range
Weekly Trend	Bearish	Bearish	Bearish	Bearish
200 day ma	0.8759	124.86	1.4618	0.8793
3rd Resistance	0.8378	112.00	1.3850	0.8522
2nd Resistance	0.8335	111.22	1.3818	0.8475
1st Resistance	0.8278	110.60	1.3806	0.8400
Pivot*	0.8257	109.62	1.3766	0.8278
1st Support	0.8212	108.98	1.3735	0.8290
2nd Support	0.8198	108.35	1.3699	0.8260
3rd Support	0.8172	108.06	1.3535	0.8203

Intraday EUR/GBP: Extends the setback off Tuesday's high at 0.8335 following the probe below 0.8247, and edges towards Monday's 2010 low at 0.8212. This level is being defended for now, but the greater risk is for a break below there, exposing a large support cluster lies between 0.8172 and 0.8198. A break above 0.8278 is required to question the bearish outlook, opening the 0.8335 high.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Wednesday's high at 110.60 has become a near-term bull failure, and the risk is for renewed bear pressure on support at Thursday's current session low at 108.98. A break through there would expose the 108.35 higher low, but would also leave Monday's low at 108.06 vulnerable. Only above 110.60 would negate the bearish outlook and open 111.22.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: The bear trend remains entrenched as another all-time low was set at 1.3735 Wednesday, and brings the 1.3699 target ever closer. However, near-term bear momentum is on the wane as a consolidation pattern gets underway, but corrective gains should be limited to the 1.3850 area. Resistance at 1.3806 and 1.3818 will look to cap gains.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Builds strongly on Tuesday's bullish outside day low at 0.8093 following Thursday's push above 0.8357, and is putting pressure on the 0.8400 level. However, upside scope has been created for further strength towards 0.8475 and the June 3 lower high at 0.8522. Only below 0.8290 would concern near-term bulls and suggest a return to support at 0.8260.

Weekly chart AUD/USD trend: Bearish.

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

Dow Jones Newswires, N/DJTA; Bloomberg, N/DJTA; and Reuters key word search "INSI-DJN"

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