

European Forex Technicals: EUR Extending Corrective Gains

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0459 GMT	1.2105	91.50	1.4710	1.1429
3 Day Trend	Bullish	Bullish	Bullish	Bearish
Weekly Trend	Bearish	Range	Range	Range
200 day ma	1.3553	92.03	1.5481	1.0807
3rd Resistance	1.2216	92.08	1.4805	1.1554
2nd Resistance	1.2171	91.98	1.4771	1.1506
1st Resistance	1.2154	91.76	1.4743	1.1463
Pivot*	1.2075	91.22	1.4648	1.1441
1st Support	1.2074	91.43	1.4600	1.1397
2nd Support	1.2032	91.25	1.4514	1.1369
3rd Support	1.2009	90.96	1.4433	1.1268

Intraday EUR/USD: Thursday's push above 1.2074 upgraded the recovery off Monday's 2010 low at 1.1876, and is not too far away from the 1.2154 wave equality target. While projected support at 1.2032 remains intact, there is scope for further strength to meet the 1.2154 target, which would create room for the 1.2216 lower high and the 1.618 extension target at 1.2275. However, such a move would not damage the structure of the medium-term bear trend, which requires 1.2406 to cap corrective strength. Loss of 1.2032, without having met the 1.2154 target, would undermine the near-term bullish outlook, exposing the 1.1957 higher low.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Thursday's recovery off 90.85 keeps Tuesday's low at 90.84 intact, and the probe above 91.67 creates room for further strength to the 91.92 lower high/91.98 1.618 extension target. However, only a break above 92.08 would provide a huge boost, confirming the 90.84 low as a bear failure. Support lies at 91.25 to protect the 90.84/90.85 lows.

Weekly chart USD/JPY trend: Range.

Intraday GBP/USD: Builds on the recovery off Tuesday's low at 1.4349 after forcing a break above 1.4608 Thursday, and is tackling resistance at the 1.4743/71 highs. These highs form part of a larger resistance cluster which has an upper limit at 1.4805, and bears are expected to defend this area in accordance with the dominant medium-term bear trend. The 1.4600 area will look to cushion weakness, and only below the 1.4514 higher low would concern near-term bulls.

Weekly chart GBP/USD trend: Range.

Intraday USD/CHF: Bear momentum is on the increase following Thursday's probe below 1.1417, and projections off Monday's lower high at 1.1673 suggest there is room for more 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: Range.

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second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0528 GMT	0.8228	110.89	1.3854	0.8443
3 Day Trend	Bearish	Bearish	Bearish	Range
Weekly Trend	Bearish	Bearish	Bearish	Range
200 day ma	0.8754	124.72	1.4610	0.8779
3rd Resistance	0.8378	112.02	1.3943	0.8550
2nd Resistance	0.8335	111.85	1.3910	0.8525
1st Resistance	0.8280	111.30	1.3878	0.8507
Pivot*	0.8249	110.17	1.3812	0.8425
1st Support	0.8212	109.89	1.3800	0.8410
2nd Support	0.8198	109.11	1.3770	0.8388
3rd Support	0.8172	108.98	1.3735	0.8357

Intraday EUR/GBP: Extends the setback off Tuesday's high at 0.8335 following Thursday's probe below 0.8230, 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 Thursday's high at 0.8280 is required to question the bearish outlook, opening the 0.8335 high.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Extends the corrective recovery off Monday's 2010 low at 108.06 following the break above 110.60 Thursday, and is tackling resistance in the 111.30 area. The break above 110.60 has created room for further gains towards the 1.618 extension target at 112.02, which is protected by the 61.8% retracement level of the impulsive 114.16/108.06 decline, at 111.85. A break below 109.89 is required to question the validity of the upwave off Thursday's low at 108.98, exposing 109.11 and 108.98.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Builds on the recovery off Wednesday's all-time low at 1.3735 following the push above 1.3850, but sustained strength to Tuesday's high at 1.3910 is required to strengthen the 1.3735 low. Resistance has emerged at 1.3878, and a break below 1.3800 would suggest a return to the 1.3735 low.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Builds strongly on Tuesday's low at 0.8093 following Thursday's push above 0.8357, and is close to testing key resistance in the 0.8525 area. This consists of the June 3 lower high at 0.8522, and would mark the point where price action would be confined within a symmetrical triangle pattern. The May 28 reaction high lies just above there at 0.8550, and more projected resistance lies at 0.8575. Only below 0.8410 would concern near-term bulls and suggest a return to support at 0.8357.

Weekly chart AUD/USD trend: Range.

* 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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