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European Forex Technicals: GBP/USD Eyes Break Above 1.5230

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0440 GMT	1.2651	88.35	1.5183	1.0519
3 Day Trend	Bullish	Bullish	Bullish	Bearish
Weekly Trend	Bullish	Bearish	Bullish	Bearish
200 day ma	1.3347	91.60	1.5390	1.0833
3rd Resistance	1.2788	89.06	1.5391	1.0637
2nd Resistance	1.2765	88.77	1.5288	1.0579
1st Resistance	1.2700	88.50	1.5230	1.0528
Pivot*	1.2619	87.50	1.5164	1.0554
1st Support	1.2620	88.11	1.5147	1.0481
2nd Support	1.2600	87.89	1.5082	1.0435
3rd Support	1.2553	87.63	1.5070	1.0400

Intraday EUR/USD: Wednesday's inside day consolidation has prompted a push into fresh seven-week highs above 1.2663, and is looking to tackle resistance near 1.2700. The main objective lies at the wave equality target at 1.2765, which is close to the long-term bear resistance line at 1.2788 for the current session Thursday. Corrective weakness will attract support around 1.2600, and only below 1.2553 would concern near-term bulls.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: Keeping the July 1 reaction low at 86.96 intact has prompted a good recovery off 87.02 Wednesday, and is extending above 88.22 as resistance at 88.50 is being challenged. A sustained break above there is required to open the 1.618 extension target at 89.06. There is consolidation risk to the 87.63 area, but only below there would suggest a return to the 86.96/87.02 lows.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: The key resistance level around 1.5230 is under attack again Thursday after three days of rangebound consolidation above 1.5070. The odds have improved for a break above 1.5230, completing a rectangle and creating room for further strength towards the April 30 lower high at 1.5391. The rectangle's measured objective also lies in this area. Failure to break through 1.5230 would prompt a retest of the range floor at 1.5070/82.

Weekly chart GBP/USD trend: Bullish.

Intraday USD/CHF: Sustains the break below 1.0562 Wednesday, and has extended into fresh three-month lows to probe beneath 1.0500 Thursday. The April 1 higher reaction low at 1.0435 is now the focus, and there is scope for a measured target at 1.0400, based on recent consolidation earlier this week. The 1.0579 area will look to cap corrective gains, which protects the 1.0637 lower high.

Weekly chart USD/CHF trend: Bearish.

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second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0516 GMT	0.8329	111.76	1.3304	0.8720
3 Day Trend	Bullish	Bullish	Bearish	Bullish
Weekly Trend	Range	Range	Bearish	Bearish
200 day ma	0.8669	122.29	1.4425	0.8748
3rd Resistance	0.8380	113.43	1.3389	0.8858
2nd Resistance	0.8367	112.56	1.3377	0.8775
1st Resistance	0.8340	112.09	1.3346	0.8745
Pivot*	0.8317	110.37	1.3315	0.8586
1st Support	0.8291	111.14	1.3260	0.8626
2nd Support	0.8250	110.85	1.3218	0.8558
3rd Support	0.8218	110.42	1.3172	0.8496

Intraday EUR/GBP: Maintains the strong recovery off last week's 2010 low at 0.8067, and is challenging Tuesday's high at 0.8340. Above there would open the June 22 lower high at 0.8367, which protects the key June 17 reaction high at 0.8380, and an inverse head-and-shoulders base appears to be forming on the daily chart. Corrective weakness will attract support at 0.8291, and only below there would begin the formation of the right-hand shoulder, exposing 0.8250 and 0.8218.

Weekly chart EUR/GBP trend: Range.

Intraday EUR/JPY: Forces a break into fresh two-week highs following Thursday's push above 111.00, and is looking to meet the 1.618 extension target at 112.09. Above there would open the wave equality target at 112.56, projected off Tuesday's higher low at 109.14. The 110.85 level reverts to support to contain dips, and only a sustained break below there would concern bulls.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Wednesday's setback met a downside target at the day's 1.3260 low, but the dominant threat is for further weakness below there as part of a downside extension off Tuesday's high at 1.3413. The initial target will be the July 2 higher low at 1.3218, but with scope for the 1.618 extension target at 1.3172 thereafter. Corrective strength should be limited to the 1.3346 area, and only a sustained break above there would lift the tone, opening 1.3377.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Strongly extends the recovery off Tuesday's bullish outside day low at 0.8318, and the June 28 lower high at 0.8775 is within striking distance. The underlying strength in this recovery also suggests the key June 21 reaction high at 0.8858 could face a retest during Thursday's session, as it lies close to a 1.618 extension target. Corrective weakness will attract support while above 0.8626, which protects the 0.8558 level.

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, NI DJTA; and Reuters key word search "INSI-DJN"

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