

# European Forex Technicals: CHF To Lose More Ground

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A DOW JONES NEWSWIRES COLUMN

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

Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0458 GMT	1.3150	86.14	1.5884	1.0527
3 Day Trend	Bullish	Bearish	Bullish	Range
Weekly Trend	Bullish	Bearish	Bullish	Bearish
200 day ma	1.3269	90.81	1.5399	1.0773
3rd Resistance	1.3262	87.17	1.6000	1.0587
2nd Resistance	1.3241	86.89	1.5966	1.0555
1st Resistance	1.3183	86.46	1.5940	1.0543
Pivot*	1.3180	85.99	1.5902	1.0489
1st Support	1.3131	85.32	1.5863	1.0519
2nd Support	1.3105	85.24	1.5810	1.0495
3rd Support	1.3056	84.82	1.5750	1.0475

**Intraday EUR/USD:** The push below 1.3183 extends the corrective setback off Tuesday's high at 1.3262, and is looking to test the range floor at 1.3105. However, only a break below there would upgrade the setback and expose the 1.3056 area. Regaining ground above 1.3183 would lift the tone and re-open the 1.3241 lower high, which protects 1.3262. The significant 200-day moving average lies in this area, and a fresh wave of bull pressure is required to force a break through 1.3262, opening 1.3365.

Weekly chart EUR/USD trend: Bullish.

**Intraday USD/JPY:** Wednesday's good recovery off 85.32 temporarily protects the 85.24 downside equality target, and a break above resistance at 86.46 is required to open the key 86.89 intraday lower high. A break above there would confirm 85.32 as a bear failure low, and prompt further gains towards another key upside target at 87.17. While 86.89 remains intact, the threat of a return to the 85.32 low will still exist, and given the dominant bear trend, a break down towards the November 2009 reaction low at 84.82 cannot be ruled out.

Weekly chart USD/JPY trend: Bearish.

**Intraday GBP/USD:** Resistance at Tuesday's 1.5966 high held Wednesday to prompt a corrective setback to test support at 1.5863. Bear pressure is building here to threaten a deeper setback towards 1.5810, although the 1.5750 area will look to limit downside scope. A break above 1.5940 is required to re-open the 1.5966 high, which stands in front of the psychologically-important 1.6000 level.

Weekly chart GBP/USD trend: Bullish.

**Intraday USD/CHF:** Wednesday's strength significantly builds on the recovery off Monday's six-month low at 1.0348, and is consolidating off resistance at 1.0555. Congested support at 1.0475 will look to contain the setback before prompting a recovery back towards the 1.0555 high. Failure to break below support at 1.0519 would prompt a likely push above 1.0555, opening 1.0587.

Weekly chart USD/CHF trend: Bearish.

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0532 GMT	0.8277	113.40	1.3857	0.9160
3 Day Trend	Range	Range	Bullish	Bullish
Weekly Trend	Bearish	Range	Bearish	Bullish
200 day ma	0.8616	120.55	1.4269	0.8778
3rd Resistance	0.8363	114.74	1.3987	0.9271
2nd Resistance	0.8335	114.19	1.3946	0.9238
1st Resistance	0.8318	113.84	1.3876	0.9193
Pivot*	0.8289	113.31	1.3818	0.9150
1st Support	0.8276	113.13	1.3800	0.9100
2nd Support	0.8255	112.70	1.3784	0.9070
3rd Support	0.8232	112.03	1.3729	0.9000

Intraday EUR/GBP: Remains beneath solid resistance at 0.8318, and is putting pressure on support at 0.8276. A break below there is likely to expose Monday's four-week low at 0.8255, threatening further weakness towards downside targets at 0.8232 and 0.8202. Only a break above 0.8318 would lift the tone, opening 0.8335 and the 0.8363 intraday lower high.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Wednesday's rally off 112.70 tests bull pennant resistance at 113.84, but as the pattern is nearing its conclusion, a break above 113.84 looks the most likely outcome. A sustained break would open 114.19 and the pennant high at 114.74, but scope will have been created for 115.62 and a wave equality target at 116.12. Only a break below 112.70 would negate the bullish outlook and expose the July 30 reaction low at 112.03.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Wednesday's push into fresh six-week highs above 1.3819 keeps the short-term bull trend structurally intact, and creates scope for the wave equality target at 1.3946. However, another target highlights room for 1.3987, which lies shy of the significant 1.4000 resistance level. Corrective weakness should be limited to the 1.3784 area, to protect Wednesday's low at 1.3729.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Wednesday's strength negated Tuesday's bearish doji following the break into fresh twelve-week highs above 0.9152, thereby extending the dominant bull trend towards the wave equality target at 0.9193. There is room for a break through there towards 0.9238, but with the daily momentum indicator struggling to keep up, a near-term peak maybe not too far away. Only below Tuesday's low at 0.9070 would question the bullish outlook, prompting a setback towards the 0.9000 level.

Weekly chart AUD/USD trend: Bullish.

\* 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"