

ASIA DAILY FOREX OUTLOOK - Majors

SINGAPORE (Dow Jones)--Following are expected trading ranges and outlooks for nine major currency pairs today:

	Immediate Range	Larger Range
USD/JPY	85.19-86.00	84.90-86.28
EUR/USD	1.2775-1.2871	1.2732-1.2906
AUD/USD	0.8888-0.8997	0.8857-0.9035
NZD/USD	0.7003-0.7105	0.6993-0.7183
GBP/USD	1.5551-1.5716	1.5534-1.5866
USD/CHF	1.0348-1.0425	1.0328-1.0534
USD/CAD	1.0366-1.0464	1.0347-1.0503
EUR/JPY	109.15-110.27	107.30-111.12
EUR/GBP	0.8168-0.8227	0.8065-0.8266

(Ranges are calculated using recent high and lows, information on the placement of option strikes, and technical analysis - Fibonacci levels, trendlines and moving averages.)

USD/JPY - to consolidate amid broad-based USD weakness (ICE spot dollar index last 82.445 vs Friday's 82.948 settlement) as worries fester over faltering U.S. economic recovery after below-forecast rise in New York Fed's Empire State business conditions index to 7.10 in August from 5.08 in July (vs 8.50 expected), fall in U.S. NAHB housing market index to 13 in August from 14 in July (lowest since March 2009). USD/JPY also undermined by Japan exporter sales, lower U.S. Treasury yields, ultra-loose U.S. monetary policy. But USD/JPY losses tempered by USD demand for import settlements, continuing fears of Japan FX intervention. No strong cue for yen carry trades from Wall Street overnight after U.S. stocks closed mixed (DJIA off 0.01%, Nasdaq up 0.39%); still, investor fear gauge VIX eased 0.53% to 26.1. Data focus: 1230 GMT U.S. July housing starts & building permits, U.S. July PPI, 1315 GMT U.S. July industrial production & capacity utilization, 1630 GMT Fed's Kocherlakota speaks. USD/JPY daily chart mixed as MACD bullish, but stochastics turning bearish. Support at 85.19 (yesterday's low); breach would target 84.90 (Thursday's low), then 84.71 (Wednesday's 15-year low) - below which would open way down to psychological round-numbered levels from 84.00 down to 80.00, then 79.70 (record low set April 19, 1995). Resistance at 86.00 (hourly chart), then at 86.28 (yesterday's high) and 86.39 (Friday's high); breach would target 86.49 (Aug. 5 high), then 86.93 (July 30 high), 87.51 (July 29 high) and 88.11 (July 28 reaction high).

EUR/USD - to consolidate. Pair underpinned by negative USD sentiment; but topside limited by worries over negative effects of austerity measures on economies of some euro-zone nations, concerns over creditworthiness of Irish banks - investors watching Irish debt auction today for level of private sector demand. Data focus: 0800 GMT June euro-zone balance of payments, 0900 GMT German August ZEW indicator of economic sentiment. EUR/USD daily chart mixed as MACD bearish, but stochastics turning bullish at oversold. Support at 1.2775 (hourly chart), then at 1.2732 (yesterday's low, matching July 21 reaction low); breach would expose downside to 1.2626 (55-day moving average), then 1.2520 (July 13 reaction low) and 1.2478 (July 6 low). Resistance at 1.2871 (yesterday's high); breach would target 1.2906 (Friday's high), then 1.2932 (Thursday's high), psychological 1.3000, and 1.3190 (Wednesday's high).

AUD/USD - to consolidate. Pair underpinned by Aussie-USD yield gap, negative USD sentiment; but gains tempered by softer commodity prices (CRB spot index closed down 0.68 yesterday at 268.11). Data focus: 0130 GMT Australia RBA August monetary policy meeting minutes, 1000 GMT RBA Gov. Glenn Stevens speech. AUD/USD daily chart mixed as MACD bearish, but stochastics turning bullish at oversold. Support at 0.8888 (hourly chart), then at 0.8857 (yesterday's low) and 0.8848 (100-day moving average); breach would expose downside to 0.8748 (55-day moving average), then 0.8735 (July 22 reaction low) and 0.8631 (July 19 reaction low).

Resistance at 0.8997 (yesterday's high); breach would target 0.9035 (Friday's high), then 0.9056 (previous base set Aug. 10), 0.9166 (Aug. 10 high) and 0.9205 (Aug. 9 high).

NZD/USD - to consolidate. Pair underpinned by Kiwi-USD yield gap, negative USD sentiment; but gains tempered by softer commodity prices. NZD/USD daily chart mixed as MACD bearish, but stochastics turning bullish at oversold. Support at 0.7003 (hourly chart), then at 0.6993 (yesterday's low); breach would expose downside to 0.6821 (July 6 reaction low), then 0.6791 (July 1 reaction low). Resistance at 0.7105 (yesterday's high); breach would expose upside to 0.7183 (Friday's high), then 0.7246 (Wednesday's high), 0.7291 (Aug. 10 high) and 0.7343 (Aug. 9 high).

GBP/USD - to trade with risks skewed lower. Pair undermined by concerns over negative impact of fiscal tightening on UK economic growth, 1.7% on-month drop in Rightmove mid-August UK house price index (biggest monthly decline since December 2009). But GBP/USD losses tempered by weaker USD sentiment. Data focus: 0830 GMT UK July CPI & retail price index. GBP/USD daily chart still negative-biased as MACD & stochastics in bearish mode. Support at 1.5551 (hourly chart), then at 1.5534 (yesterday's low); breach would expose downside to 1.5497 (200-day moving average), then 1.5471 (previous cap set July 15), 1.5325 (38.2% Fibonacci correction of advance from May 20 low of 1.4230 to Aug. 6 high of 1.6002), and 1.5199 (55-day moving average). Resistance at 1.5707-1.5716 band (yesterday's high-Thursday's high); expose upside to 1.5866 (Wednesday's high), then 1.5910 (Aug. 10 high) and 1.6002 (Aug. 6 high).

USD/CHF - to range-trade. Pair weighed by negative USD sentiment, CHF demand on falling EUR/CHF cross. Daily chart mixed as MACD bullish, but stochastics in bearish mode, 5- & 15-day moving averages meandering sideways. Resistance at 1.0425 (hourly chart); breach would expose upside to 1.0534 (yesterday's high), then 1.0551 (Friday's high), 1.0626 (Wednesday's high) and 1.0640 (July 27 reaction high). Support at 1.0348 (yesterday's low); breach would target 1.0328 (Aug. 6 low), then 1.0127 (Jan. 11 reaction low) and parity.

USD/CAD - to consolidate. Pair supported by weaker commodity & oil prices (Nymex crude settled down 15 cents yesterday at \$75.24/bbl); but topside limited by negative USD sentiment. Data focus: 1230 GMT Canada June international transactions in securities, June manufacturing survey. USD/CAD daily chart positive-biased as MACD bullish, while stochastics stay elevated at overbought, suggesting sideways or higher USD/CAD trading near-term. Resistance at 1.0464 (yesterday's high); breach would target 1.0494-1.0503 band (Thursday's high-July 22 high), then 1.0586 (July 20 reaction high), 1.0677 (July 6 reaction high) and 1.0851 (May 25 reaction high). Support at 1.0366 (yesterday's low), then at 1.0347 (Friday's low); breach would target 1.0300 (Wednesday's low), then 1.0252 (Aug. 9 low), 1.0141 (Aug. 6 low) and 1.0102 (Aug. 5 low).

EUR/JPY - to consolidate. Daily chart still negative-biased as MACD bearish, while stochastics stay suppressed at oversold, suggesting sideways or lower EUR/JPY trading near-term. Support at 109.15 (yesterday's low, matching July 6 low); breach would expose downside with no significant support until 107.30 (9-year low set June 29), then 106.76 (Nov. 8, 2001 reaction low). Resistance at 110.27 (yesterday's high); breach would expose upside to 111.12 (Friday's high), then 111.54 (55-day moving average), 112.66 (Wednesday's high), 113.93 (Aug. 9 high) and 114.17 (Aug. 2 high).

EUR/GBP - to consolidate. Daily chart still negative-biased as MACD bearish, while stochastics stay suppressed at oversold, although inside-day-range pattern completed yesterday. Support at 0.8175-0.8168 band (yesterday's low-Friday's low); breach would expose downside to 0.8065 (19-month low when hit June 29), then psychological 0.8000 and 0.7807 (Oct. 21, 2008 reaction low). Resistance at 0.8227 (yesterday's high); breach would target 0.8259-0.8266 band (Friday's high-Thursday's high), then 0.8321 (Wednesday's high), 0.8364

(Aug. 10 high) and 0.8379 (July 30 high).