

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	85.09-85.70	84.90-86.00
EUR/USD	1.2821-1.2932	1.2802-1.3000
AUD/USD	0.8943-0.9020	0.8857-0.9058
NZD/USD	0.7098-0.7192	0.7035-0.7246
GBP/USD	1.5570-1.5629	1.5495-1.5697
USD/CHF	1.0381-1.0453	1.0348-1.0534
USD/CAD	1.0267-1.0340	1.0252-1.0464
EUR/JPY	109.54-110.43	109.05-111.12
EUR/GBP	0.8219-0.8282	0.8181-0.8303

(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 range-trade. Pair weighed by fragile investor confidence in global economy - U.S. stocks ended tad higher overnight (DJIA up 0.09%, Nasdaq up 0.28%); still, VIX fear gauge rose 1.07% to 24.59. USD/JPY also undermined by Japan exporter sales; but downside limited by USD demand for import settlements, continuing fears of Japan FX intervention, speculation of additional easing by BOJ to cap yen's recent strength ahead of meeting between PM Kan & BOJ Gov. Shirakawa early next week. Data focus: 0430 GMT Japan June all-industry activity index, 1230 GMT U.S. weekly jobless claims, 1400 GMT U.S. July leading indicators, August Philadelphia Fed business outlook survey, 1730 GMT Fed's Bullard speaks. USD/JPY daily chart mixed as MACD bullish, stochastics neutral; 5-day moving average meandering sideways. Resistance at 85.70 (Tuesday's high); breach would expose upside to psychological 86.00, then 86.28 (Monday's high), 86.39 (Friday's high), 86.49 (Aug. 5 high) and 86.93 (July 30 high). Support at 85.17-85.09 band (yesterday's low-Tuesday's low); breach would target 84.90 (Aug. 12 low), then 84.71 (15-year low set Aug. 11) - 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).

EUR/USD - to consolidate. EUR sentiment boosted by well-received Portuguese & German government-debt auctions yesterday; but topside limited by subdued investor risk appetite, lingering concerns over Greece's implementation of its austerity programs. Data focus: 0600 GMT German July PPI. EUR/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold. Support at 1.2821 (yesterday's low), then at 1.2802 (Tuesday's low); breach would expose downside to 1.2732 (Monday's low), then 1.2651 (55-day moving average), 1.2520 (July 13 reaction low) and 1.2478 (July 6 low). Resistance at 1.2923-1.2932 band (yesterday's high-Aug. 12 high); breach would expose upside to psychological 1.3000, then 1.3190 (Aug. 11 high).

AUD/USD - to consolidate. Pair underpinned by Aussie-USD yield gap; but topside limited by diminished investor risk appetite, softer commodity prices (CRB spot index settled down 0.29 yesterday at 269.9), Australian company BHP's hostile US\$38.6 billion bid for Canadian fertilizer giant Potash. Data focus: 0130 GMT Australia July international merchandise imports, July official reserve assets. AUD/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold. Support at 0.8943 (Tuesday's low); breach would expose downside to 0.8857 (Monday's low), then 0.8845 (100-day moving average) and 0.8769 (55-day moving average). Resistance at 0.9020 (hourly chart); breach would expose upside to 0.9058 (yesterday's high), then 0.9082 (Tuesday's high), 0.9166 (Aug. 10 high) and 0.9205 (Aug. 9 high).

NZD/USD - to range-trade. Pair underpinned by Kiwi-USD yield gap; but topside limited by waning investor risk appetite, softer commodity prices. No FX reaction to higher-than-expected NZ 2Q PPI data (output price +1.1% vs forecast for +0.7%; input price +1.4% vs forecast for +0.6%). NZD/USD daily chart mixed as MACD bearish, but stochastics bullish at oversold. Support at 0.7098 (yesterday's low, matching 200-day moving average); breach would expose downside to 0.7035 (Tuesday's low), then 0.6993 (Monday's low), 0.6821 (July 6 reaction low) and 0.6791 (July 1 reaction low). Resistance at 0.7192 (yesterday's high); breach would expose upside to 0.7246 (Aug. 11 high), then 0.7291 (Aug. 10 high) and 0.7343 (Aug. 9 high).

GBP/USD - to consolidate. GBP sentiment boosted by less-dovish-than-expected BOE August MPC meeting minutes; but topside limited by moderating investor risk appetite, lingering concerns over negative impact of fiscal tightening on UK economic growth. Data focus: 0830 GMT BOE August lending trends report, UK July CML mortgage lending figures, UK July retail sales, July public sector finances, 1000 GMT August CBI industrial trends survey. GBP/USD daily chart still negative-biased as MACD & stochastics in bearish mode, although spinning-top candlestick pattern completed yesterday. Support at 1.5570 (hourly chart); breach would expose downside to 1.5495 (yesterday's low, roughly matching 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 1.5233 (55-day moving average). Resistance at 1.5629 (hourly chart); breach would expose upside to 1.5688-1.5697 band (yesterday's high-Tuesday's high), then 1.5707-1.5716 band (Monday's high-Aug. 12 high), 1.5866 (Aug. 11 high) and 1.5910 (Aug. 10 high).

USD/CHF - to range-trade, weighed by unwinding of short-CHF carry trades amid subdued investor risk tolerance. Data focus: 0615 GMT Swiss July trade balance, 0900 GMT August ZEW-Credit Suisse indicator of Swiss economic sentiment. Daily chart mixed as MACD bullish, but stochastics in bearish mode, 5- & 15-day moving averages meandering sideways. Resistance at 1.0453 (yesterday's high); breach would expose upside to 1.0534 (Monday's high), then 1.0551 (Friday's high), 1.0626 (Aug. 11 high) and 1.0640 (July 27 reaction high). Support at 1.0381 (yesterday's low), then at 1.0356-1.0348 band (Tuesday's low-Monday's low); breach would target 1.0328 (Aug. 6 low), then 1.0127 (Jan. 11 reaction low) and parity.

USD/CAD - to consolidate. Pair undermined by news of Australian company BHP's hostile US\$38.6 billion bid for Canadian fertilizer giant Potash; but losses tempered by softer commodity & oil prices (Nymex crude settled down 35 cents yesterday at \$75.42/bbl), diminished investor risk appetite. Data focus: 1230 GMT Canada July composite leading indicators, June wholesale trade. USD/CAD daily chart mixed as MACD bullish, but stochastics falling from overbought. Resistance at 1.0340 (yesterday's high); breach would expose upside to 1.0464 (Monday's high), then 1.0494-1.0503 band (Aug. 12 high-July 22 high) and 1.0586 (July 20 reaction high). Support at 1.0267 (yesterday's low); breach would target 1.0252 (Aug. 9 low), then 1.0141 (Aug. 6 low) and 1.0102 (Aug. 5 reaction low).

EUR/JPY - to be rangebound. Daily chart mixed as MACD bearish, but stochastics bullish at oversold. Support at 109.54 (yesterday's low), then at 109.05 (Tuesday's low); breach would expose downside to 107.30 (9-year low set June 29), then 106.76 (Nov. 8, 2001 reaction low). Resistance at 110.39-110.43 band (yesterday's high-Tuesday's high); breach would expose upside to 111.12 (Friday's high), then 111.45 (55-day moving average), 112.66 (Aug. 11 high), 113.93 (Aug. 9 high) and 114.17 (Aug. 2 high).

EUR/GBP - to range-trade. Daily chart mixed as MACD bearish, but stochastics rising from oversold. Resistance at 0.8282 (yesterday's high, matching Tuesday's high); breach would target 0.8303 (55-day moving average), then 0.8321 (Aug. 11 high), 0.8364 (Aug. 10 reaction high) and 0.8395 (July 29 high). Support at 0.8219 (yesterday's low); breach would expose downside to 0.8181 (Tuesday's low), then 0.8168 (Friday's low), 0.8065 (19-month low when hit June 29) and psychological 0.8000.