

European Forex Technicals: EUR/CHF Close To 1.3073 Record Low

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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 0506 GMT	1.2721	85.37	1.5572	1.0336
3 Day Trend	Bearish	Range	Bearish	Bearish
Weekly Trend	Bearish	Bearish	Bearish	Bearish
200 day ma	1.3233	90.22	1.5433	1.0735
3rd Resistance	1.2903	86.25	1.5672	1.0425
2nd Resistance	1.2833	85.92	1.5625	1.0393
1st Resistance	1.2780	85.68	1.5595	1.0364
Pivot*	1.2736	85.54	1.5537	1.0341
1st Support	1.2664	85.18	1.5525	1.0305
2nd Support	1.2605	84.89	1.5465	1.0286
3rd Support	1.2500	84.72	1.5433	1.0257

Intraday EUR/USD: Bears are in control of the short-term following Friday's push into fresh five-week lows below 1.2734, and support at 1.2664 is likely to face renewed pressure. The setback off the Aug. 6 peak at 1.3334 has been upgraded, and a main threat is for further weakness towards the 1.2605 area. Key support lies in the 1.2500 area should 1.2605 fail to hold. Resistance lies at 1.2780, but only regaining ground above 1.2833 would question the bearish outlook.

Weekly chart EUR/USD trend: Bearish.

Intraday USD/JPY: Action remains rangebound within a seven-day bear pennant continuation pattern, and there is room for corrective strength Monday towards resistance at 85.92. However, upside looks limited to the 86.25 area, which will look to protect the pennant high at 86.39. A break below the Aug. 19 low at 84.89 would leave the Aug. 11 15-year low at 84.72 vulnerable, completing the bear pennant and threatening a sharper bear wave towards 83.45.

Weekly chart USD/JPY trend: Bearish.

Intraday GBP/USD: The recovery off Friday's bear trap low at 1.5465 is looking to push higher to test resistance at 1.5595. However, the 1.5625 area will look to limit the recovery, in order to protect the 1.5672/87 lower highs from last week. Loss of 1.5525 would re-expose the 1.5465 low, and a break below 1.5465 would extend the short-term bear trend towards 1.5350.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: Resistance emerged at 1.0393 Friday to halt the corrective recovery off 1.0257, and weakness is expected to meet the 1.0305 target. However, a break below the 1.0286 higher low is required to bring the focus back onto the Aug. 19 seven-month low at 1.0257. Failure to meet the 1.0305 downside target,

combined with a break above 1.0364 would lift the tone and re-open the 1.0393 high.

Weekly chart USD/CHF trend: Bearish.

second table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0536 GMT	0.8168	108.49	1.3137	0.8906
3 Day Trend	Bearish	Bearish	Bearish	Bearish
Weekly Trend	Bearish	Bearish	Bearish	Bearish
200 day ma	0.8573	119.44	1.4184	0.8807
3rd Resistance	0.8281	110.13	1.3354	0.9017
2nd Resistance	0.8245	109.63	1.3244	0.8980
1st Resistance	0.8206	109.08	1.3200	0.8938
Pivot*	0.8173	108.92	1.3176	0.8906
1st Support	0.8161	108.25	1.3073	0.8883
2nd Support	0.8095	107.30	1.2988	0.8856
3rd Support	0.8086	106.81	1.2960	0.8835

Intraday EUR/GBP: Bears have regained control of the short-term following Monday's probe into fresh seven-month lows below 0.8176, and bear wave equality targets at 0.8086 and 0.8095 are the immediate target. However, these targets will look to attract support in order to protect the June 29 reaction low at 0.8067. Regaining ground above 0.8206 would provide temporary respite, but the 0.8245 lower high provides the limit for corrective upside scope.

Weekly chart EUR/GBP trend: Bearish.

Intraday EUR/JPY: Bears have found the impetus to force a break below 109.07, and pressure is building on support at 108.25. The wider focus is back on the June 29 reaction low at 107.30, and a break below there is looking increasingly likely in the coming sessions, threatening fresh eight-and-a-half year lows towards 106.81. Regaining ground above 109.08 is required to provide respite, creating potential for 109.63.

Weekly chart EUR/JPY trend: Bearish.

Intraday EUR/CHF: Bears have the July 1 all-time low at 1.3073 within striking distance as the short-term downtrend off 1.3925 continues unabated. A break below there would expose minor projection targets at 1.2988 and 1.2960, but the main target would be the downwave equality target at 1.2806, achievable on a bout of sustained weakness. Resistance lies at 1.3200 and the 1.3244 intraday lower high.

Weekly chart EUR/CHF trend: Bearish.

Intraday AUD/USD: Monday's strength looks to leave a key bear trap low at 0.8835, as resistance at 0.8938 is under threat. A break above there would prompt further strength towards 0.8980 and the Aug. 19 high at 0.9017. Loss of 0.8856 would question the positive outlook and bring the focus back onto the 0.8835 low.

Weekly chart AUD/USD trend: Bearish.

* 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"