

European Forex Technicals: USD Recovery Gathering Pace

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Forex spot:	EUR/USD	USD/JPY	GBP/USD	USD/CHF
Spot 0559 GMT	1.4058	81.76	1.6014	0.9217
3 Day Trend	Bullish	Bullish	Bearish	Bullish
Weekly Trend	Bullish	Range	Bearish	Bearish
200 day ma	1.3514	84.13	1.5815	0.9810
3rd Resistance	1.4188	82.47	1.6218	0.9314
2nd Resistance	1.4111	82.00	1.6160	0.9263
1st Resistance	1.4097	81.96	1.6100	0.9230
Pivot*	1.4112	81.23	1.6061	0.9163
1st Support	1.4021	81.49	1.5984	0.9196
2nd Support	1.3965	81.30	1.5964	0.9155
3rd Support	1.3904	81.06	1.5872	0.9123

Intraday EUR/USD: The setback off last week's 20-week high at 1.4249 has turned nasty, and the loss of 1.4053 brings projected support at 1.3965 into the picture. Downside projections off the 1.4220 lower high have created scope for a break below 1.3965, as a 1.618 Fibonacci extension target lies at 1.3904. However, keeping 1.3965 intact is required to maintain the eleven-week uptrend, and euro bulls will look to defend 1.3965 vigorously. Regaining ground above 1.4188 is required to negate the bear threat, which is protected by 1.4097/1.4111.

Weekly chart EUR/USD trend: Bullish.

Intraday USD/JPY: The push above 81.49 brings the post-intervention high at 82.00 back within striking distance. However, a breakthrough 82.00 is not expected during Monday's current session, as a 1.618 Fibonacci extension target lies just below there, at 81.96. Corrective weakness should be limited to the 81.49 area, but downside risk is limited.

Weekly chart USD/JPY trend: Range.

Intraday GBP/USD: The 1.5964/1.5984 lows are likely to be tested, as the short-term trend threatens to turn negative. A push below 1.5964 would leave the March 22 14-month high at 1.6401 stranded, and create scope for further weakness towards 1.5872 and 1.5795. Corrective gains are likely to be limited to the 1.6160 area, which is protected by 1.6100.

Weekly chart GBP/USD trend: Bearish.

Intraday USD/CHF: The short-term rally is approaching layers of resistance at 0.9230 and 0.9263. However, a strong across-board USD revival creates upside scope to the more significant 0.9314/0.9330 resistance area before peaking, and a 1.618 Fibonacci extension target lies at 0.9368. Congestion between 0.9123 and 0.9155 limits the scope for corrective weakness.

Weekly chart USD/CHF trend: Bearish.

Second Table

Forex spot:	EUR/GBP	EUR/JPY	EUR/CHF	AUD/USD
Spot 0628 GMT	0.8776	114.97	1.2956	1.0260
3 Day Trend	Bullish	Range	Bullish	Bullish
Weekly Trend	Bullish	Range	Bullish	Bullish
200 day ma	0.8543	113.63	1.3240	0.9696
3rd Resistance	0.8841	116.00	1.3041	1.0425
2nd Resistance	0.8810	115.56	1.3031	1.0400
1st Resistance	0.8805	115.22	1.3000	1.0300
Pivot*	0.8789	114.78	1.2927	1.0248
1st Support	0.8750	114.42	1.2919	1.0231
2nd Support	0.8725	114.15	1.2880	1.0200
3rd Support	0.8706	113.55	1.2850	1.0160

Intraday EUR/GBP: The corrective setback off Friday's 0.8810 high is expected to extend to the 0.8750 area. There is technical scope for the 0.8706 area, but euro bulls are expected to keep 0.8706 intact, and prompt a return to the 0.8810 high. The powerful eleven-week uptrend remains intact, and will continue to influence the near-term direction while 0.8706 holds.

Weekly chart EUR/GBP trend: Bullish.

Intraday EUR/JPY: Recovers strongly off 114.15 to put Friday's 115.22 high back under pressure. To put bulls in control, a break through 115.22 is required, opening the March 18 high at 115.56 initially, but creating scope for the March 4 reaction high at 116.00. Support lies at 114.42 to protect Monday's current session low at 114.15.

Weekly chart EUR/JPY trend: Range.

Intraday EUR/CHF: Bulls are poised to extend the short-term uptrend to challenge the 1.3000 level, after testing and holding support at 1.2880. A 1.618 Fibonacci extension target lies at 1.3031, close to the March 18 high at 1.3041 as the longer-term picture traces out a rectangle or bearish descending triangle pattern. Only a clean break below 1.2880 would question the positive near-term outlook, exposing 1.2850.

Weekly chart EUR/CHF trend: Bullish.

Intraday AUD/USD: Pushes into fresh 29-year highs to challenge resistance at 1.0300. With good support lying at 1.0200 to limit corrective weakness, there is scope for more gains towards the projected 1.0400/1.0425 area as the powerful uptrend looks to extend. Failure to hold 1.0200 would deepen corrective weakness towards 1.0160, and potentially 1.0065.

Weekly chart AUD/USD trend: Bullish.

* 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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