

FX Technicals

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OVERVIEW: There were no major out-of-bounds moves yesterday. Daily trend did fall from bullish to neutral in both \$/JPY and \$/Swiss, ending the short-term uptrends there for the time being and signaling rotation lower back to combined weekly/June supports at 102.54/50JPY and 1.0250/25CHF – both places to cover existing shorts or set partial longs. Both Sterling and Euro stayed within their weekly breakouts, although Sterling is pressuring its downside boundary at 1.9660/55. A push below there points to 1.9490/80 for the week and 1.9120 for June. \$/CAD leans bullish above .9935/32 and should continue to extend higher to weekly level at 1.0064.



JPY/USD, Previous NY Close – 104.50
Daily Resistance – 104.78; 105.32; 105.79
Daily Support – 102.97; 102.50

Weekly Resistance – 105.54; 105.85; 106.35/59
Weekly Support – 103.56; 102.54/50; 101.15

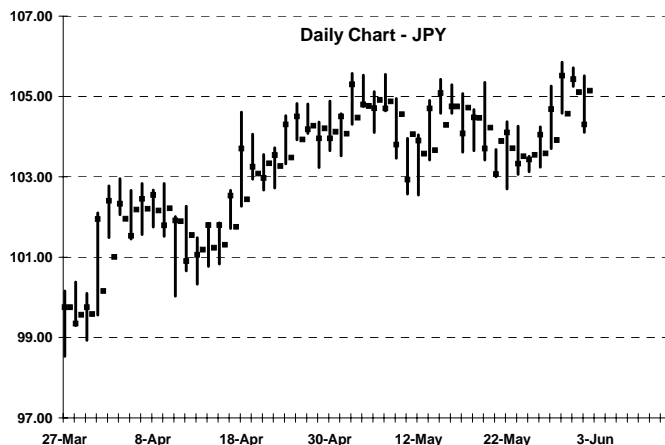
Projected Daily Range – 103.56 to 104.78

Projected Weekly Range – 103.56 to 106.35

Weekly Outlook – Neutral. The only shift yesterday was the loss of bullish daily trend – an event that should force a correction to weekly supports. Likely targets are either the weekly level at 103.56 or the combined weekly/June zone at 102.54/50. Under there is larger drop-off to 101.15. Main resistance is still the trio of long-term sell levels at 105.54 (June), 105.85 (Q2), 106.35 (Q3) and 106.82 (June). Weekly traffic is also at 105.26 and 106.59. Will add/hold shorts against 106.35/82; cover at 120.54/50.

Daily Comments – Neutral to bearish. Daily momentum fell from bullish to neutral Monday, signaling a correction lower. The setup today leans outright lower. Resistance is 104.78 and weekly/day zone at 105.26/32, plus the larger June/Q3 hurdles above there. There is no support until weekly target low at 103.56 and 102.97 day level. Expecting a 104.78 to 103.56 day range.

Position Strategy: Currently 50% short at 105.69 average. Add to 75% short at 106.35; 100% short at 106.82 – stop on close above. Cover shorts at 102.54/50 this week. Day Trade: sell 105.26/32; buy 103.56 and 102.97.



CHF/USD, Previous NY Close – 1.0370
Daily Resistance – 1.0365; 1.0415/30; 1.0475
Daily Support – 1.0235; 1.0125

Weekly Resistance – 1.0540; 1.0595; 1.0715; 1.0785
Weekly Support – 1.0290; 1.0250/25; .9985

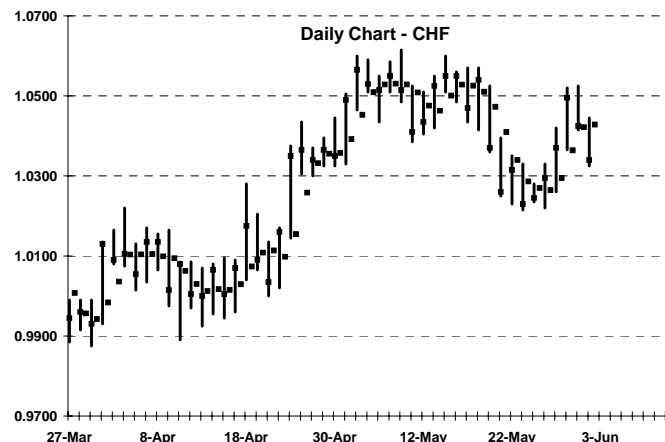
Projected Daily Range – 1.0290 to 1.0415

Projected Weekly Range – 1.0250 to 1.0595

Weekly Outlook – Neutral. Weekly trend remains neutral and the monthly trend just turned from bearish to neutral, both signs the upside correction remains ongoing. The setup for the week is evenly balanced. Resistance is first June level at 1.0540 and weekly hurdle at 1.0595. Above there is jump to larger sell levels at 1.0715 (Q3) to 1.0785 (June). Supports are 1.0290 and the June breakdown zone at 1.0250/25. Expecting a 1.0595 to 1.0250 week. Exit existing longs at 1.0540; reset longs at 1.0250/25.

Daily Comments – Neutral. Daily momentum fell from bullish to neutral Monday, signaling a rotation lower to weekly supports. The setup today points lower to a test of the weekly supports at 1.0290 and 1.0250/25. First day level is 1.0235. Resistance is 1.0365, 1.0415/30 day zone and 1.0475. Expecting a 1.0290 to 1.0415 day range

Position Strategy: Currently 25% long at 1.0215/00. On weakness, reset to 50% long at 1.0250/25 – stop on close under 1.0220. On strength, exit the rest at 1.0540. Day Trade: sell 1.0415/30; cover at 1.0290; buy 1.0250/35.





Pound, Previous NY Close – 1.9670
 Daily Resistance – 1.9695; 1.9720/30; **1.9845/50**
 Daily Support – 1.9545; 1.9415

Weekly Resistance – 1.9765/90; 1.9840; **1.9870/85**
 Weekly Support – **1.9660/55**; 1.9490/80; 1.9120

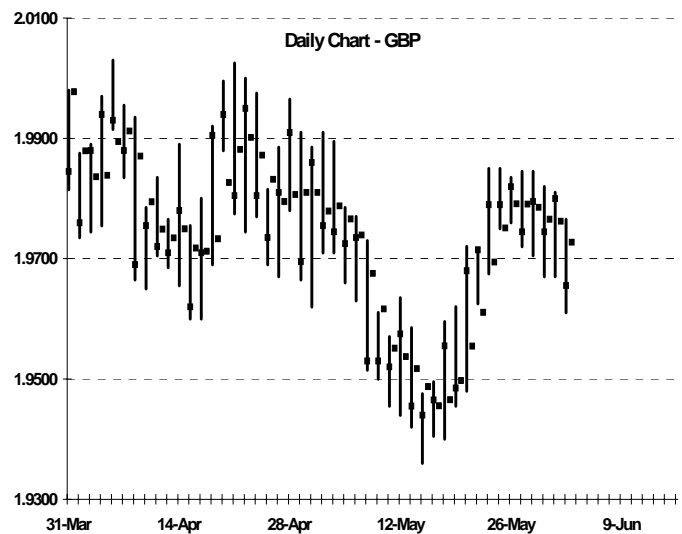
Projected Daily Range – 1.9545 to 1.9720

Projected Weekly Range – 1.9490 to 1.9870

Weekly Outlook – Neutral. Monday's decline in Sterling managed to stay in bounds – though it is challenging the key support for the week at bullish-leaning weekly trend zone of 1.9660/55. If that gives way, then direction does start to resolve lower – first to weekly extreme at 1.9490/80, then much deeper June base at 1.9120. Resistance is still the string of weekly/June levels at 1.9765/90, 1.9840 and 1.9870/85 before opposite upside breakout to 2.0235. Will reset shorts on bounce to 1.9765/90 and 1.9870.

Daily Comments – Neutral to bearish. Daily trend is neutral, but the setup today points lower under the weekly trend zone at 1.9660/55. Getting under there sees drop to 1.9545 for the day and 1.9490/80 weekly extreme. Resistance is 1.9695, 1.9720/30 and June sell zone at 1.9765/90. Expecting a 1.9720 to 1.9545 day.

Position Strategy: Currently flat after covering the 1.9780 short at 1.9660/55 weekly trend Monday. Will reset to 50% short at 1.9765/90; 100% short at 1.9870/85 – stop on close above 1.9885. Day Trade: sell 1.9720/30; cover shorts at 1.9545.



European Currency Unit, Previous NY Close – 1.5540
 Daily Resistance – 1.5540; 1.5590/**1.5605**; 1.5715
 Daily Support – 1.5515/1.5495; **1.5415**

Weekly Resistance – 1.5620/25; **1.5750**; 1.5960
 Weekly Support – **1.5440/30**; 1.5400; 1.5115/00

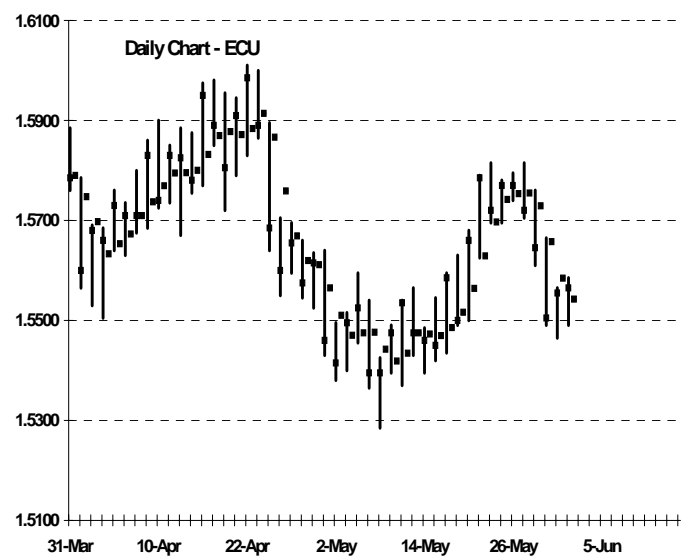
Projected Daily Range – 1.5440 to 1.5590

Projected Weekly Range – 1.5400 to 1.5750

Weekly Outlook – Neutral. Although yesterday's decline did close under the level that turns weekly trend neutral this Friday at 1.5605, Euro did not break outside either of the key boundaries this week. The focus below is on the combined weekly/June zone at 1.5440/30 to 1.5400. Below there is drop-off to 1.5115. Resistance is June level at 1.5620/25 and weekly breakout at 1.5750, before an opposite jump to 1.5960. Strategy is to go with a break/close under 1.5400 for decline to 1.5115/00.

Daily Comments – Bearish to neutral. Daily trend is still bearish, but with a neutral setup after Monday's sideways range. Main resistance is 1.5590/1.5605 to the June zone at 1.5620/25. Above there is jump to 1.5715. Day support is 1.5515 and 1.5495, with the larger June/weekly breakdown area at 1.5440/30 to 1.5400. Expect a 1.5590 to 1.5440/30 day range.

Position Strategy: Currently flat. Move 50% short on close under 1.5400 (limit 1.5370). The target is 1.5115/00 this week. Day Trade: sell 1.5590/1.5605 and 1.5620/25; cover at 1.5440/30 and 1.5415/00.





CAD/USD, Previous NY Close – 1.0012
 Daily Resistance – 1.0083; 1.0183
 Daily Support - .9989; .9935/32; .9889

Weekly Resistance – 1.0064; 1.0124; 1.0160/66
 Weekly Support - .9943/41; .9917; .9830; .9700

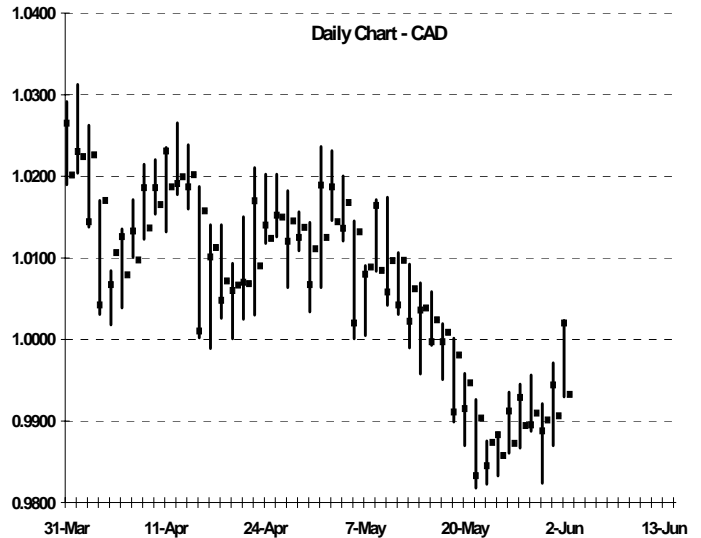
Projected Daily Range – 0.9935 to 1.0064

Projected Weekly Range – 0.9830 to 1.0064

Weekly Outlook – Bearish to neutral. Weekly momentum is still officially bearish, but can turn neutral with Friday close above .9941/44. The setup for the week is neutral overall, but with bullish-leaning daily trend (above .9935/32 today) pointing higher short-term. Weekly resistance is 1.0064 and 1.0124, with the June target and sell zone at 1.0160/66. Supports are the .9943/41 weekly trend zone, .9917 and .9830. Expecting a 1.0064 to .9830 day range. Strategy is to reset shorts at 1.0160/66.

Daily Comments – Neutral to bullish. Daily trend leans bullish with settle above .9935/32 today and the setup for the day leans higher. Supports are .9989, the daily trend zone at .9935/32 and .9889. There is no resistance until the combined weekly/day zone at 1.0064 to 1.0083. Expect a .9935/32 to 1.0064 day range.

Position Strategy: Currently flat after being stopped from shorts on the break/close above .9944 weekly trend. Reset to 50% short at 1.0160/66 June/Q3 zone – stop on close above. Day Trade: buy .9935/32 daily trend zone; sell 1.0064/83.



Australian Dollar, Previous NY Close - .9545
 Daily Resistance - .9553/55; .9605
 Daily Support - .9491; .9425

Weekly Resistance - .9566; .9617; .9757
 Weekly Support - .9515/11; .9445; .9404; .9339

Projected Daily Range – 0.9491 to 0.9566

Projected Weekly Range – 0.9445 to 0.9617

Weekly Outlook – Bullish to neutral. Although both weekly and monthly trend are bullish here, the short-term picture has turned a little noisy with the downtrend on the day chart. Supports are weekly/June zone at .9515/11 (it held Monday), .9445 and main June uptrend base at .9404 to .9339. Resistance this week is .9565/66 and .9617, before upside gaps to .9757. Projecting a .9445 to .9617 weekly range. Hold new longs with tight stop against .9511; if stopped, will reset at .9404/.9339.

Daily Comments – Bearish to neutral. This is a complex setup, with bearish daily trend (.9553/55) vying against the weekly/June support zone at .9515/11 today. The result is an overall neutral setup. An additional day support is at .9491, with weekly level at .9445. Additional resistance is .9566 and .9605/17. Expecting a .9491 to .9555/66 day range.

Position Strategy: Current 50% long at .9526 average after adding longs at .9511 Monday. Stop on close under .9511 or intraday break of .9490. Day Trade: buy .9511 and .9491; sell .9605/17.

