

FX Technicals

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OVERVIEW: Still a wild trade in Sterling – but with a negative backdrop as long as the combined weekly/July/Q3 resistance at 1.9655/65 to 1.9690 holds. Today's follow-up to the Mon/Tues back and forth action is expected to be neutral. The main breakdown level for the week is still 1.9355. Elsewhere, daily trend in \$/CAD leans bearish under 1.0217/32 today, likely forcing a correction to the larger weekly uptrend/July buy zone at 1.0091/70 to 1.0042. Aussie is still trying to rebound off its monthly uptrend at .9339. Day trend leans bullish above .9398 today; weekly target is still .9534. Euro is seen from 1.5445/25 to 1.5575/85..



JPY/USD, Previous NY Close – 107.96
Daily Resistance – 108.16; 108.55; 108.83
Daily Support – 107.75; 107.23; 106.56

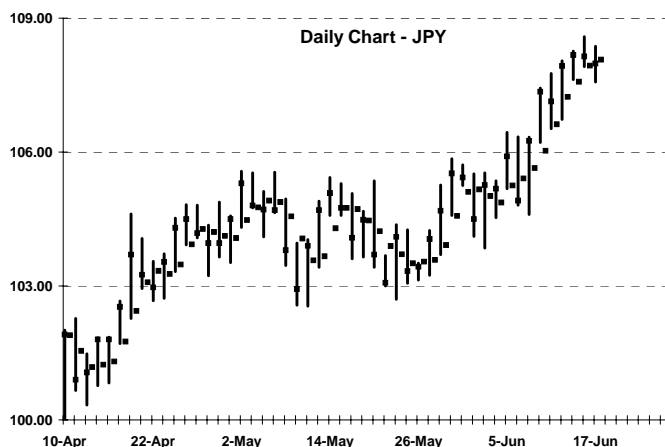
Weekly Resistance – 110.32; 112.14
Weekly Support – 106.64; 105.60/39; 105.27/24; 102.88/80

Projected Daily Range – 107.23 to 108.55

Projected Weekly Range – 105.60 to 110.32

Weekly Outlook – Bullish. Other than the daily uptrend stalling to a near standstill, there has not been a lot of change so far this week. Trend is bullish and the intermediate setup still points higher. Supports are 106.64 weekly level, 105.60/39 weekly uptrend and developing July base at 105.27/24. There is no resistance for the week until 110.32, with expiring June level at 112.14. Strategy remains focused on buying weakness, starting at 106.64 and extending to 105.60/24.

Daily Comments – Bullish to neutral. Daily trend is still officially bullish, but effectively neutral in terms of setup. Resistance today is 108.16, 108.55 and 108.83. Supports are 107.75, 107.23 and the combined weekly buy level/day extreme at 106.64/56. The uptrend ends with settle under 108.01. Expecting a 108.55 to 107.23 day range.



Position Strategy: Currently flat. Move 33% long at 106.64; 75% long at 105.60; 100% long at 105.27/24 – stop on close under 105.00. The target is 112.14 June level. Day Trade: buy 107.23 and 106.64/56; exit day longs at 108.55 and 108.83.



CHF/USD, Previous NY Close – 1.0415
Daily Resistance – 1.0430/40; 1.0510; 1.0540
Daily Support – 1.0390/70; 1.0230

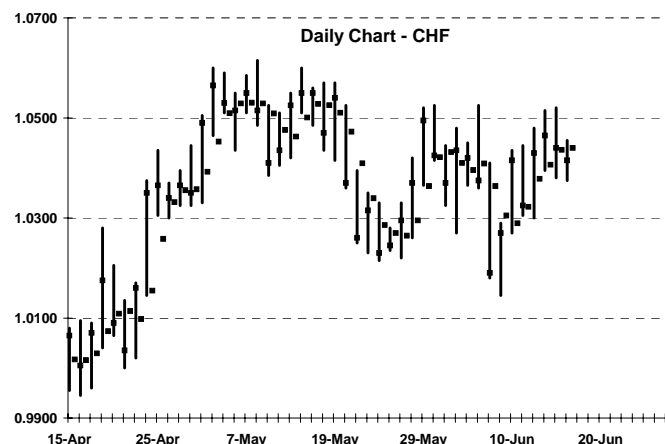
Weekly Resistance – 1.0540/45; 1.0580; 1.0715; 1.0785
Weekly Support – 1.0365; 1.0250/25; 1.0185; 1.0110

Projected Daily Range – 1.0370 to 1.0510

Projected Weekly Range – 1.0225 to 1.0715

Weekly Outlook – Neutral. \$/Swiss continues to wander in a holding pattern, with no directional inclination at the moment. What little bias there was in terms of bullish daily trend, was lost yesterday with the downturn. The setup for the week remains balanced. Support are 1.0365, June zone at 1.0250/25 and 1.0185. Resistance is combined weekly/June area at 1.0540/45 to 1.0580, then skips to the 1.0715 Q3 sell level. Nothing to do at current levels. Strategy is to wait to sell 1.0715/85.

Daily Comments – Neutral. Daily trend fell from bullish to neutral with Tuesday's backslide. That signals a correction lower toward weekly supports. The day setup is neutral once again, however. Supports are combined daily/weekly zone at 1.0370/65 and 1.0250/30. Resistance is 1.0430/40, 1.0510 and the weekly/day area at 1.0540/45. Expecting a 1.0510 to 1.0370/65 day range.



Position Strategy: Currently flat. Wait to move 33% short at 1.0715; 67% short at 1.0785 – stop on close above 1.0800 Day Trade: sell 1.0510 and 1.0540/45; cover day shorts at 1.0370/65; buy 1.0250/30.



Pound, Previous NY Close – 1.9565
 Daily Resistance – 1.9620; 1.9715
 Daily Support – 1.9390; 1.9255

Weekly Resistance – 1.9655/65; 1.9690; 1.9835; 1.9870
 Weekly Support – 1.9355; 1.9120

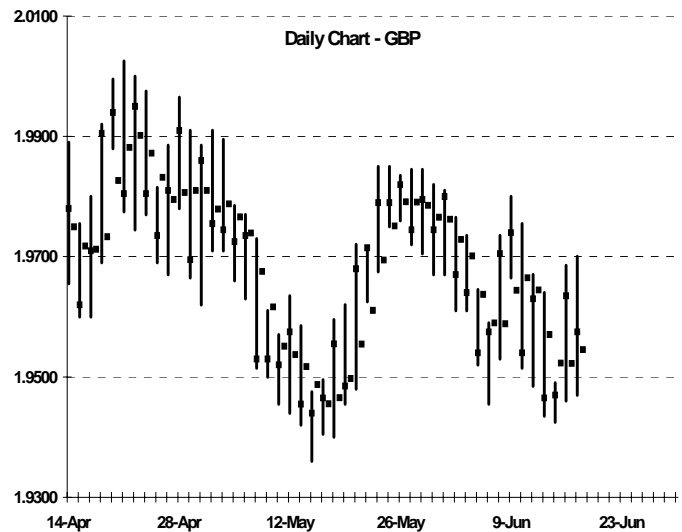
Projected Daily Range – 1.9390 to 1.9620

Projected Weekly Range – 1.9120 to 1.9690

Weekly Outlook – Bearish. Sterling continues to trade all over the map – but importantly, is staying under the key combination of weekly/July/Q3 traffic from 1.9655/65 to 1.9690. As long as it does so, the long-term setups are open-ended lower and the weekly setup is neutral to bearish. Lone nearby support is 1.9355 for the week, before drop to 1.9120. Resistance above 1.9690 jumps to 1.9835/70. Hold existing shorts against 1.9700 to cover at 1.9120.

Daily Comments – Neutral. Daily trend remains neutral here with no lean either way today. But the wide ranges so far this week – up Monday; down Tuesday – leave an equally widespread setup. Day resistance is 1.9620 and 1.9715. Supports are 1.9390, weekly breakdown level at 1.9355 and 1.9255. Expecting a 1.9620 to 1.9390 day range.

Position Strategy: Currently 100% short at 1.9665. Stop on close above 1.9700. Cover ½ at 1.9120. Day Trade: sell against 1.9620 and 1.9655/65; cover day shorts at 1.9390 and 1.9355.



European Currency Unit, Previous NY Close – 1.5510
 Daily Resistance – 1.5575; 1.5755
 Daily Support – 1.5445/25; 1.5395; 1.5340

Weekly Resistance – 1.5585; 1.5865; 1.5910/60
 Weekly Support – 1.5320; 1.5240; 1.5115/00

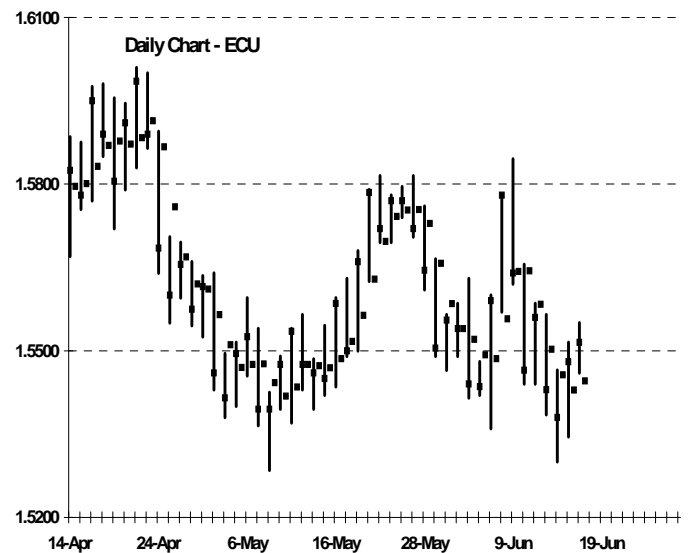
Projected Daily Range – 1.5445 to 1.5575

Projected Weekly Range – 1.5115 to 1.5585

Weekly Outlook – Neutral. Both weekly trend and setup remains neutral here, though with bullish-leaning daily trend edging Euro higher toward weekly resistance. The only nearby weekly hurdle is 1.5585, with gap thru there to 1.5865 and weekly/June zone at 1.5910/60. Supports for the week are still well back at 1.5320 and 1.5240, then the developing Q3 trend at 1.5115/00. Daily momentum can turn bullish above 1.5445 today. No hurry to position this market. Will wait to buy 1.5115/00 for now.

Daily Comments – Neutral to bullish. Daily trend leans bullish with settle above 1.5445/25 today, prompting what should be a run at the main weekly hurdle of 1.5585. The first day resistance of 1.5575 happens to intersect at that same area. Above there is jump to 1.5755. Supports are 1.5445/25 trend, 1.5395 and 1.5340. Expecting a 1.5445/25 to 1.5575/85 range.

Position Strategy: Currently flat. On weakness, will wait to move 50% long at 1.5115/00 – stop on close under 1.5100. Day Trade: buy weakness against the 1.5445/25 trend zone; sell daily/weekly zone at 1.5575/85.





CAD/USD, Previous NY Close – 1.0180
 Daily Resistance – 1.0195; 1.0217/32; 1.0293
 Daily Support – 1.0133; 1.0035

Weekly Resistance – 1.0332; 1.0362; 1.0424
 Weekly Support – 1.0169; 1.0091/70; 1.0042; .9925

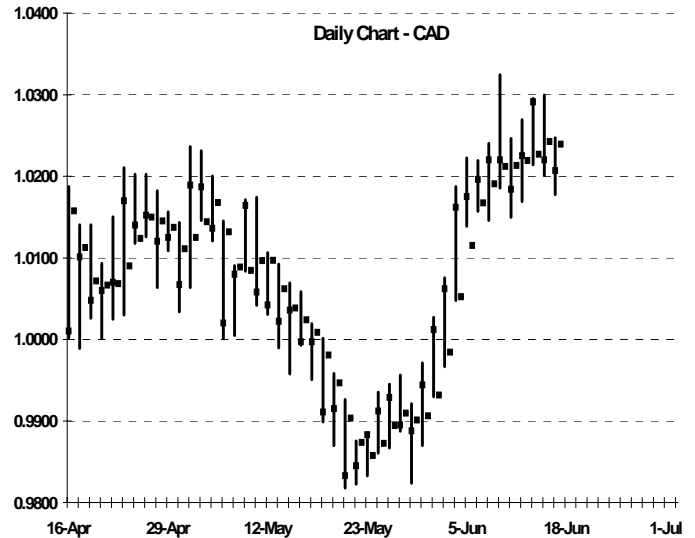
Projected Daily Range – 1.0133 to 1.0217

Projected Weekly Range – 1.0091 to 1.0362

Weekly Outlook – Bullish to neutral. Weekly trend is still bullish, with solid weekly/July supports at 1.0091/70 to 1.0042. That said, the bearish lean in daily trend today (under 1.0232) suggests a short-term correction lower to base supports. The initial Q3 level at 1.0169 was hit Tuesday. The 1.0091/70 and 1.0042 levels are places to set longs against. Resistance for the week – other than daily trend – remain high at 1.0332 and 1.0362. Strategy is to buy 1.0091/70 and 1.0042.

Daily Comments – Neutral to bearish. Daily trend leans bearish today with settle under 1.0232, and the day setup does point modestly lower. Resistance is 1.0195 and 1.0217/32 trend zone, before skipping to 1.0293. Day support is 1.0133, then the first weekly buy area at 1.0091/70. Expecting a 1.0217 to 1.0133 day range.

Position Strategy: Currently flat after cover the 1.0323/32 short at the 1.0169 Q3 level on Tuesday. On further weakness, move to 50% long at 1.0091/70; 100% long at 1.0042 – stop on close under 1.0020. Day Trade: sell 1.0217/32; buy 1.0091/70.



Australian Dollar, Previous NY Close - .9433
 Daily Resistance - .9481; .9547
 Daily Support - .9413/09; .9398; .9343

Weekly Resistance - .9421; .9534; .9651; .9762
 Weekly Support - .9339; .9175; .9107

Projected Daily Range – 0.9409 to 0.9481

Projected Weekly Range – 0.9339 to 0.9529

Weekly Outlook – Neutral to bearish. Aussie continues to try to mount a rally off the bullish monthly trend level of .9339. The overall setup this week is neutral as long as that holds, with the bullish-lean in daily trend above .9398 today pointing higher in the short-term. The primary weekly resistance target for the week is .9534, with jump to .9651 above there. Other than .9339, support drops away to .9175 for the week and .9107 Q3 trend level. Strategy is to hold existing longs against .9339 for .9534 target.

Daily Comments – Neutral to bullish. Daily trend leans bullish with settle above .9398 today. The setup is neutral to modestly bullish. Supports are .9413/09 to .9390, then the key monthly breakdown zone at .9339. Day resistance is .9481, with the weekly target at .9534 above there. Projecting a .9413/09 to .9481 day range.

Position Strategy: Current 50% long at .9370 average. Stop on close under .9339 or intraday break of .9310. Target to exit is .9534 this week. Day Trade: buy .9413/09 to .9398; exit day longs at .9481; sell .9534/47.

