

# FX Technicals

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**OVERVIEW:** Neutral upturns in daily momentum in the USD vs JPY, Swiss, Sterling, Euro and Aussie – as well as a bullish upturn vs CAD – all signal a short-term rotation higher. The targets for these moves vary by cross. Both \$/JPY and \$/Swiss likely target developing June sell levels at 105.54/85JPY and 1.0540CH, while \$/CAD and Aussie target weekly trend zones at 1.0002CAD and .9492/70 in Aus\$. Euro, despite the short-term downturn, still has bullish-leaning weekly trend and strong weekly/June support structure to buy at 1.5620/10 to 1.5555. Sterling has breakout risk for the week outside June levels at 1.9755/45 or 1.9870.



JPY/USD, Previous NY Close – 104.23  
Daily Resistance – 105.15; **105.53**  
Daily Support – 103.99; **103.59**; **103.35**; 102.97

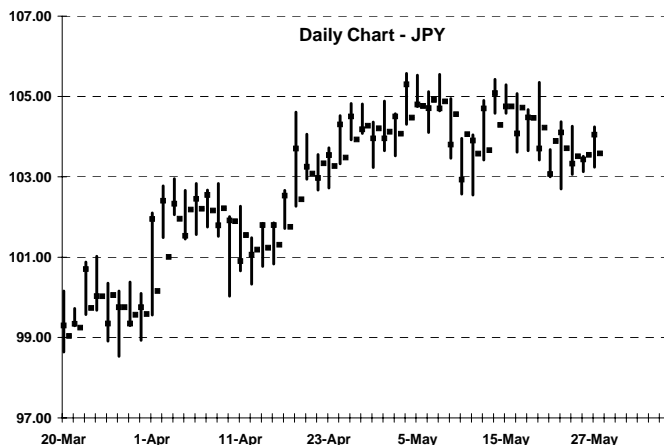
Weekly Resistance – 104.79/90; 105.54; 105.85/106.10  
Weekly Support – 102.49; **102.12**; 99.97

Projected Daily Range – 103.59 to 104.90

Projected Weekly Range – 102.12 to 105.54

**Weekly Outlook** – Neutral. No major changes to start the week. The intermediate battle here is largely between competing June levels forming at 102.12 and 105.54. Price action is viewed as neutral inside there. Additional weekly layers are at 102.49 below and 104.79/90 above. The bigger risk outside 102.12 to 105.54 looks to be to the downside, with drop-off under 102 to at least 99.97 this week. Still projecting a 102.12 to 105.54 week. Will buy 102.12; set shorts against June/Q2 zone at 105.54/85

**Daily Comments** – Neutral to bullish. Daily momentum stayed neutral Tuesday, but with a positive bias today as a result of Tuesday's firm price action. Supports are 103.99, 103.59 and 103.35. There is no day resistance until 105.15, just above the initial weekly zone at 104.79/90 and ahead of June sell level at 105.54. Expecting a 103.59 to 104.90 day range.



**Position Strategy:** Currently flat. On weakness, move 50% long at 102.12 developing June uptrend – stop on close under 102.00. On strength, move 25% short at 105.54; 50% short at 105.85/106.10 – stop on close above 106.20.



CHF/USD, Previous NY Close – 1.0335  
Daily Resistance – 1.0400; **1.0445**  
Daily Support – 1.0310; 1.0270; **1.0205/00**; 1.0160

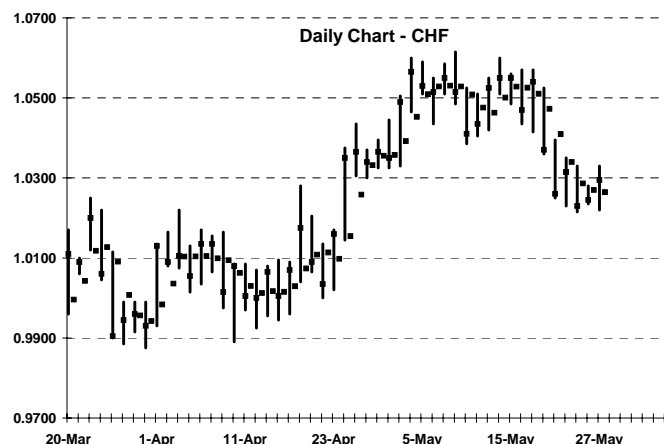
Weekly Resistance – 1.0430; 1.0540; 1.0650  
Weekly Support – 1.0210/05; 1.0025; .9900

Projected Daily Range – 1.0270 to 1.0400

Projected Weekly Range – 1.0205 to 1.0540

**Weekly Outlook** – Neutral. The main shift yesterday was the dual neutral upturn in daily trend and close above initial weekly level at 1.0295. Combined, they force a more neutral weekly setup. Resistance for the week is 1.0430, with the primary target the fixed June level at 1.0540 and 1.0650. Main support is still the developing monthly uptrend at 1.0210/05, with drop to 1.0025 under there. Still projecting a trade between June boundaries at 1.0205 to 1.0540. Hold existing longs against 1.0200 to exit at 1.0540.

**Daily Comments** – Neutral to bullish. Daily trend turned from bearish to neutral with Tuesday's rally. The firm close leaves a neutral to bullish setup. Supports are 1.0310, daily trend at 1.0270, combined daily/June zone at 1.0210/00 and 1.0160. Resistance is 1.0400 and weekly/day zone at 1.0430/45. Projecting a 1.0270 to 1.0400 day range.



**Position Strategy:** Currently 50% long at 1.0215/00. Stop longs on close under 1.0175 May level for now. The target is 1.0540. Day Trade: buy 1.0270 and 1.0210/00; exit at 1.0400; sell 1.0430/45.



**Pound**, Previous NY Close – 1.9760  
 Daily Resistance – 1.9790; **1.9855/60**; 1.9930  
 Daily Support – 1.9735; 1.9680; 1.9605

Weekly Resistance – **1.9870**; 2.0065; 2.0335  
 Weekly Support – **1.9755/45**; 1.9545; 1.9355

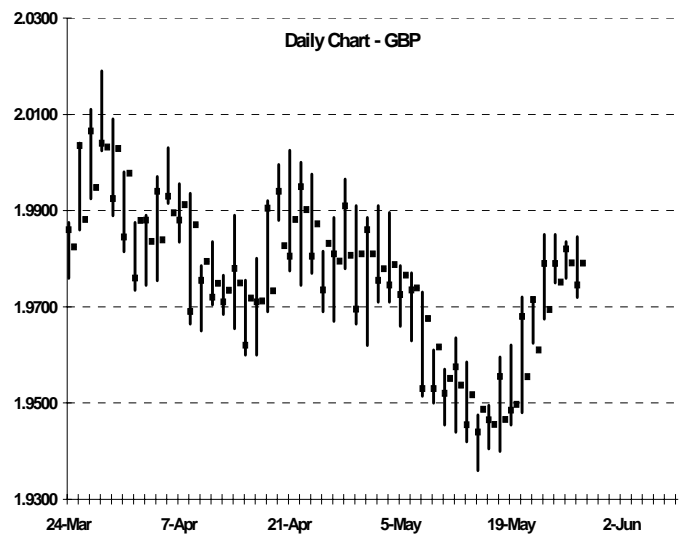
Projected Daily Range – 1.9680 to 1.9855

Projected Weekly Range – 1.9545 to 1.9870

**Weekly Outlook** – Neutral. Sterling remains a tense breakout situation between June/weekly support at 1.9755/45 and June resistance at 1.9870. That said, Tuesday's loss of daily uptrend is the first sign of a potential failure up here. Under 1.9755/45 sees minimum intraweek drop-off to 1.9545 and 1.9355. The closest June support is even deeper at 1.9120. Conversely, above 1.9870 sees jump to 2.0065 and 2.0335. Continue to hold existing shorts against 1.9870, with earliest covers at 1.9545 and 1.9355 this week.

**Daily Comments** – Neutral. Daily momentum fell from bullish to neutral yesterday. The outside range leaves a widespread, neutral setup. Resistance is 1.9790 and daily/June area at 1.9855/70. Supports are June/weekly breakdown at 1.9755/45, day level at 1.9735 and 1.9680. Projecting a 1.9855 to 1.9680 day range.

**Position Strategy:** Currently 50% short at 1.9780 average. Stop on close above 1.9870. Cover ½ at 1.9545; rest at 1.9355. Day Trade: sell 1.9855/70; cover day shorts at 1.9755/35 and 1.9680.



**European Currency Unit**, Previous NY Close – 1.5690  
 Daily Resistance – 1.5755; 1.5810; 1.5835  
 Daily Support – 1.5685; **1.5630**; 1.5575

Weekly Resistance – 1.5860; 1.6035; **1.6205**  
 Weekly Support – 1.5620/10; 1.5555; 1.5385

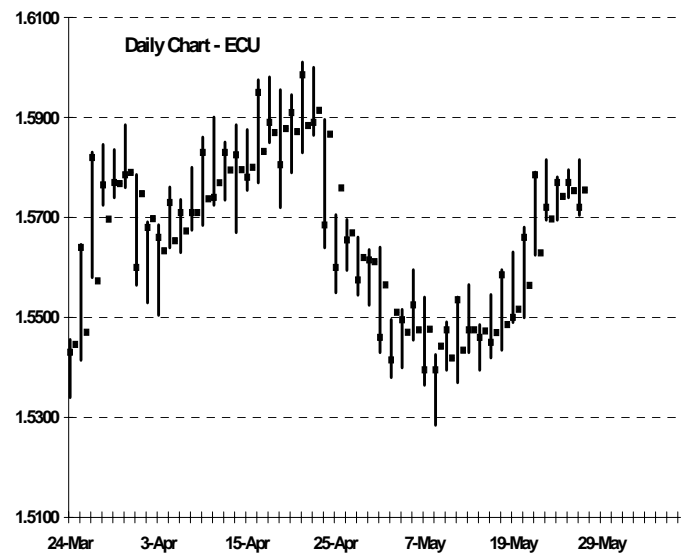
Projected Daily Range – 1.5630 to 1.5755

Projected Weekly Range – 1.5610 to 1.6035

**Weekly Outlook** – Neutral to bullish. Weekly trend still leans bullish with Friday settle above 1.5555, and both the June and weekly setups point higher above 1.5620/10. Combined, those two factors are expected to force Euro higher this week. That said, Tuesday's loss of bullish daily trend signals a near-term correction lower into the support base/buy zone at 1.5615/10 to 1.5555. Under there is intraweek drop to 1.5385. On the upside, resistance is an expiring May level at 1.5860, then weekly level at 1.6035 and June level at 1.6205. Look to buy 1.5620/1.5555 for 1.6035 target.

**Daily Comments** – Neutral. Daily trend fell from bullish to neutral with Tuesday's pullback, signaling correction to weekly/June supports. The outside range leaves a widespread, neutral day setup. Resistance is 1.5755, 1.5815, 1.5835 and May level at 1.5860. Supports are 1.5635 and 1.5630, plus the developing June/weekly buy zone at 1.5620/10. Expecting a 1.5630 to 1.5755 day range.

**Position Strategy:** Currently flat. Move to 50% long at 1.5620/10; 100% long at 1.5555 – stop on close under 1.5550. Target is 1.6035 this week. Day Trade: buy 1.5630/10; sell against 1.5815 and 1.5835.





**CAD/USD**, Previous NY Close – .9933  
 Daily Resistance - .9955; 1.0029  
 Daily Support - .9925; .9895; .9873; .9844

Weekly Resistance – .9896/.9905; 1.0002; 1.0055  
 Weekly Support - .9782; .9700/.9685

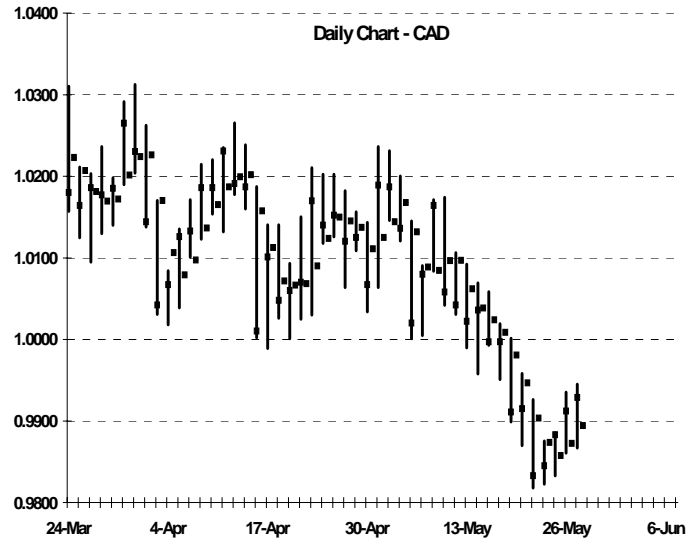
**Projected Daily Range – 0.9895 to 1.0002**

**Projected Weekly Range – 0.9700 to 1.0002**

**Weekly Outlook** – Bearish to neutral. Weekly trend is still bearish and presents the main resistance for the week at 1.0002. But the combined price action of the past couple days – Monday's settle above the initial weekly/June zone at .9896/.9905 and Tuesday's bullish turn in daily trend – relieves the pressure and signals a more neutral setup here. Upside targets are 1.0002 trend and 1.0055 above there. Support under .9905/.9896 is still deep at the May level of .9782 and Q2 level of .9700. Will reset shorts against 1.0002 for .9782/00 target.

**Daily Comments** – Bullish to neutral. The battle today is between bullish daily trend at .9895 and the bearish weekly trend at 1.0002. The overall setup is neutral. Initial day hurdle is .9955, then 1.0020 and 1.0029. Supports are .9895 uptrend. .9873 and .9844. Projecting a .9895 to 1.0002 day range.

**Position Strategy:** Currently flat after stopping the remainder of 1.0160 shorts on close above .9905. Reset to 50% short at 1.0002 weekly trend – stop on close above there. Day Trade: sell 1.0002 and 1.0029; buy .9895 and .9873.



**Australian Dollar**, Previous NY Close - .9588  
 Daily Resistance - .9620; .9646; .9686  
 Daily Support - .9580/65; .9540

Weekly Resistance - .9594/.9614; .9731/50; 1.0011  
 Weekly Support - .9492/70; .9360; .9333

**Projected Daily Range – 0.9540 to 0.9620**

**Projected Weekly Range – 0.9470 to 0.9731**

**Weekly Outlook** – Bullish to neutral. Weekly trend is still bullish in Aussie, but is clearly wavering at the Q2 target high of .9594/.9614. The setup for the week remains neutral overall, with risk spread evenly to both sides. Main resistance above there is .9731/50, then 1.0011. Supports under .9594 are weekly uptrend at .9492 to .9473/70, then the developing June trend base at .9360. Neutral daily trend favors a short-term backup to .9492/70. Still projecting a .9470 to .9731 week. Will sell .9731 on strength; wait to buy .9360 on weakness.

**Daily Comments** – Neutral. Daily trend failed to turn bullish Tuesday, and the resulting setup is neutral and balanced. Resistance today is .9620, .9646 and .9686 day extreme. Supports are .9580/65, .9540 day extreme, then weekly uptrend at .9492. Expecting a symmetrical day from .9620 to .9540.

**Position Strategy:** Current flat. Move to 50% short at .9731 – stop on close above .9750. On weakness, will wait to buy .9360 June trend support. Day Trade: sell against .9620/46; cover day shorts at .9540; buy .9492/70.

