

# FX Technicals

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**OVERVIEW:** Nothing major in the USD right now, as short-term action – the loss of bullish trend in \$/JPY and bearish turns in daily trend vs. CAD and Aussie – argue for a correction lower. In \$/JPY, the earliest target for a downtrend is developing weekly uptrend at 106.41/40, with the larger magnitude buy zone at 105.24/104.91 July base. \$/CAD is also working lower toward its July/weekly zone at 1.0042/20; Aussie to either developing weekly trend at .9493 or July hurdle at .9570 – both places to exit out of current longs. Sterling remains contained for now, but with a negative backdrop below July/Q3 trio from 1.9610 to 1.9665/90.



JPY/USD, Previous NY Close – 107.82  
Daily Resistance – 108.05; 108.39/49; 109.29  
Daily Support – 107.67; 107.05

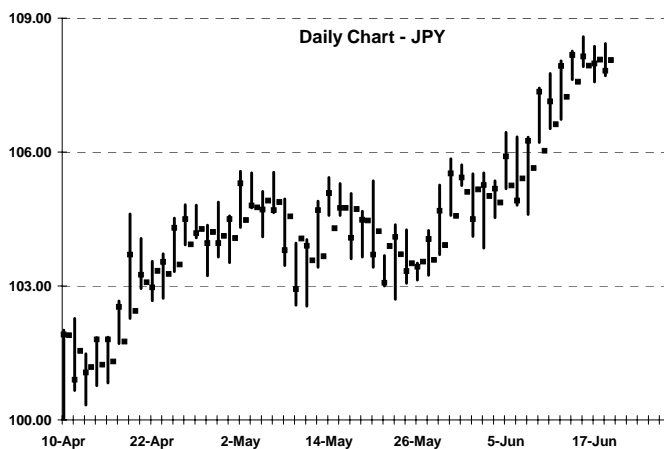
Weekly Resistance – 110.32/52; 112.14  
Weekly Support – 106.41/40; 105.60/39; 105.24/104.91

Projected Daily Range – 107.05 to 108.39

Projected Weekly Range – 105.60 to 110.32

**Weekly Outlook** – Bullish to neutral. Two shifts happening in opposite directions at the same time. Short-term, Wednesday's loss of bullish daily trend signals a correction lower. At the same time, bullish weekly trend is going to move higher from 105.60/39 this week to developing level at 106.41/40 for next. That is the first target for any correction lower, with the larger July base at 105.24 to 104.91 below there. Resistance for next week is high at 110.52. The aggressive buy is to set longs at 106.41/40.

**Daily Comments** – Neutral. Daily trend fell from bullish to neutral with the downtrade Wednesday. The resulting setup is evenly balanced. Resistance today is 108.05, 108.39/49 and 109.29. Supports are immediate day level at 107.69, 107.05, then the developing weekly uptrend (buy zone) at 106.41/40. Expecting a 108.39 to 107.05 day range.



**Position Strategy:** Currently flat. Move 50% long at 106.41/40 – stop on close under 106.40. If stopped, will reset at 105.24/104.91 July zone. Day Trade: buy 107.05 and 106.41; sell against 108.39/49.



CHF/USD, Previous NY Close – 1.0360  
Daily Resistance – 1.0370; 1.0420; 1.0480/85  
Daily Support – 1.0335; 1.0255

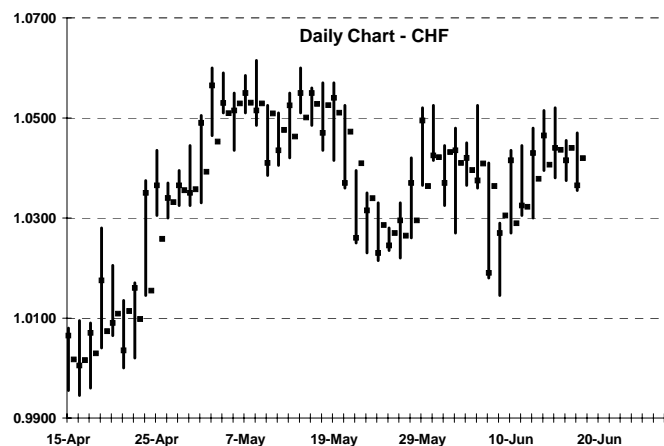
Weekly Resistance – 1.0380; 1.0520/40; 1.0565; 1.0715  
Weekly Support – 1.0365; 1.0250/25; 1.0185/75

Projected Daily Range – 1.0255 to 1.0420

Projected Weekly Range – 1.0225 to 1.0540

**Weekly Outlook** – Neutral. \$/Swiss is still neutral in terms of weekly trend and setup, but with bearish-leaning daily trend applying pressure. Support is now the expiring June zone at 1.0250/25, with developing weekly base at 1.0175 (to go with this week's 1.0185 level). Resistance for next week is initial level at 1.0380, then weekly/June zone at 1.0520/40 and 1.0565. Not a lot new in terms of strategy – will wait to sell against 1.0715 Q3 level. But the near-term pressure likely forces test lower to 1.0250/1.0175 first.

**Daily Comments** – Neutral to bearish. Daily trend leans bearish with settle under 1.0420 today. The setup leans lower as well. Resistance is daily/weekly zone at 1.0370/80, 1.0420 and 1.0480/85. An initial day support is at 1.0335, but with the more likely target at day extreme/June zone of 1.0255/35. Expect a 1.0420 to 1.0255 day.



**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 against bearish-leaning daily trend at 1.0420; cover at 1.0255/50.



**Pound**, Previous NY Close – 1.9585  
 Daily Resistance – 1.9680; 1.9750  
 Daily Support – 1.9520; **1.9480**; 1.9250

Weekly Resistance – **1.9610**; 1.9655/65; 1.9690; 1.9755  
 Weekly Support – 1.9460; 1.9120

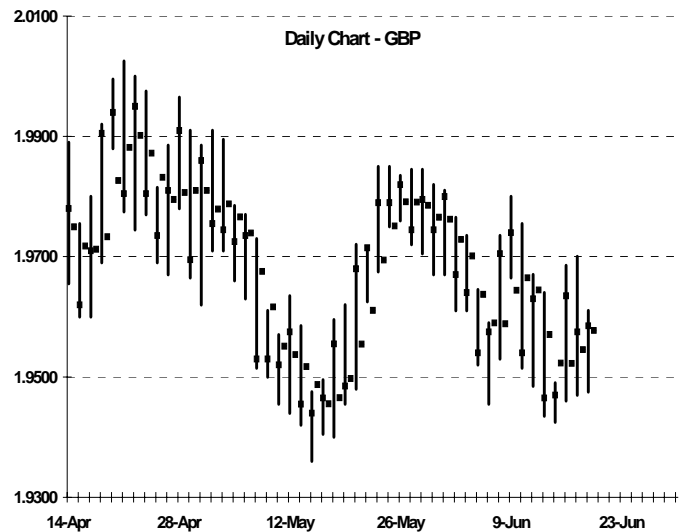
**Projected Daily Range – 1.9460 to 1.9665**

**Projected Weekly Range – 1.9120 to 1.9690**

**Weekly Outlook** – Neutral to bearish. Sterling continues to have a devil of a time trying to breakout on the downside. Still, the developing July and Q3 setups are both open-ended lower, with the developing weekly setup looking no better than neutral. Main resistance is the trio of July/Q3 levels at 1.0610, 1.9655/65 and 1.9690, with additional weekly level at 1.9755 for next week. Main support is a developing weekly level at 1.9460, before drop to expiring June level at 1.9120. Hold existing shorts against 1.9700.

**Daily Comments** – Neutral. Daily trend is officially bullish, but with an overall neutral setup. The main focus above is the trio of Q3/July levels at 1.9610, 1.9665 and 1.9690. Day resistance is at 1.9680. Supports are 1.9520 and combined daily/weekly breakdown level at 1.9480/60. Expecting a 1.9665 to 1.9460 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 1.9665 and 1.9680/90; cover day shorts at 1.9460/80.



**European Currency Unit**, Previous NY Close – 1.5530  
 Daily Resistance – 1.5530; 1.5620  
 Daily Support – 1.5490; 1.5440; 1.5370

Weekly Resistance – 1.5535; 1.5585; 1.5800; 1.5960  
 Weekly Support – 1.5320; 1.5255/40; 1.5115/00

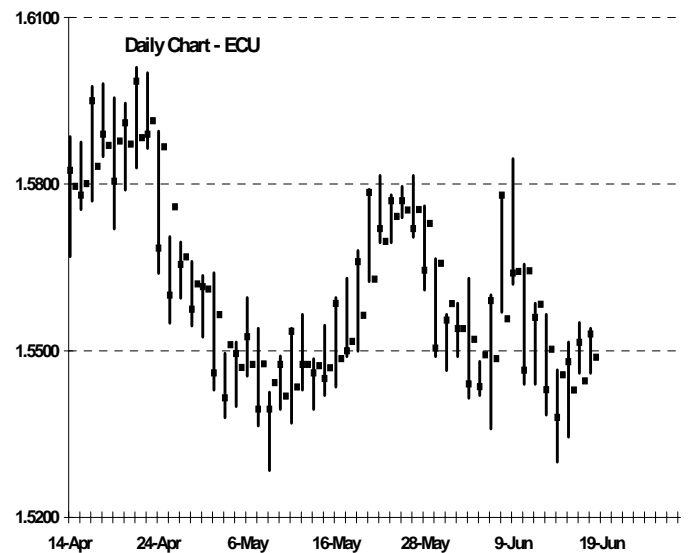
**Projected Daily Range – 1.5490 to 1.5585**

**Projected Weekly Range – 1.5115 to 1.5585**

**Weekly Outlook** – Neutral. Weekly trend is going to stay neutral in Euro, but the setup remains an awkward trade. Supports are forming at 1.5390 and 1.5255, then drops to the Q3 trend zone at 1.5115/00. Upside is a little more difficult to gauge. Straight ahead is developing weekly trend at 1.5535 and current weekly level at 1.5585. Above there, however, sees gap to 1.5800 for next week and 1.5960 monthly level. This is a tough trade to call – for now nothing to do until buying against Q3 uptrend at 1.5115/00.

**Daily Comments** – Neutral to bullish. Daily trend did manage to turn bullish Wednesday, but faces an awkward neutral setup with weekly levels at 1.5535 (developing) and 1.5585 (current) above. Day extreme is at 1.5620. Supports are daily trend level at 1.5490, 1.5440 and 1.5370. Looking for a 1.5490 to 1.5585 day 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 1.5490 daily trend; sell 1.5585 weekly level and 1.5620 day extreme.





CAD/USD, Previous NY Close – 1.0175  
 Daily Resistance – 1.0189/92; **1.0205**; 1.0246  
 Daily Support – 1.0161; **1.0081**

Weekly Resistance – 1.0238; 1.0275; **1.0332**  
 Weekly Support – 1.0091/70; **1.0042/20**; .9925

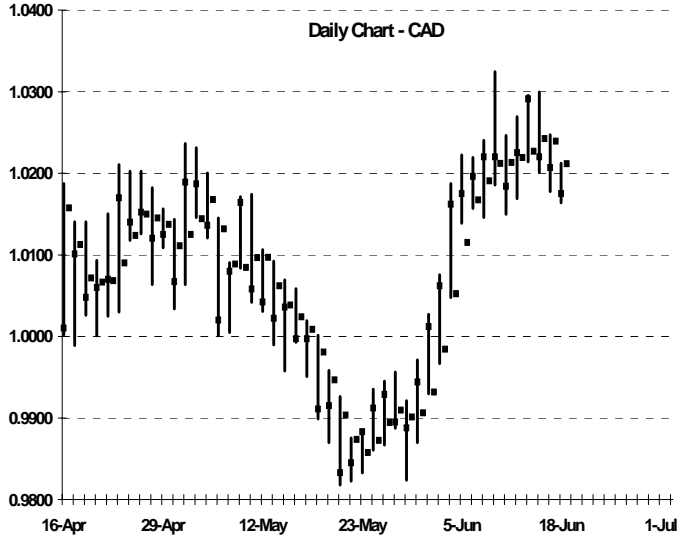
Projected Daily Range – 1.0091 to 1.0205

Projected Weekly Range – 1.0042 to 1.0362

**Weekly Outlook** – Bullish to neutral. Daily trend turned bearish yesterday, confirming the short-term correction lower. Although weekly momentum is still bullish above 1.0091/70, it will be shifting higher for next week – removing the immediate target. The result is a slight adjustment lower of the main support base to July/developing weekly zone at 1.0042/20. At this point, resistance for next week is forming at 1.0194 trend, 1.0238 and 1.0275. Strategy is to set longs on weakness to 1.0042/20.

**Daily Comments** – Bearish. Daily trend is bearish and the setup for the day tilts lower. Resistance is the daily trend zone at 1.0189/92 to 1.0205, with developing weekly/day zone at 1.0238/46 above there. Initial support is 1.0161, then drop to expiring weekly uptrend/day extreme at 1.0091/81. Expecting a 1.0205 to 1.0091 day.

**Position Strategy:** Currently flat. On weakness, move to 50% long at 1.0042/20 – stop on close under 1.0000. Day Trade: sell against 1.0205 and 1.0238/46; buy weakness to 1.0191/81.



Australian Dollar, Previous NY Close - .9468  
 Daily Resistance - **.9488**; .9557  
 Daily Support - .9445; **.9422/15**; .9374

Weekly Resistance - **.9493**; .9534; **.9570**; .9651  
 Weekly Support - **.9339**; .9175; **.9107**

Projected Daily Range – 0.9422 to 0.9493

Projected Weekly Range – 0.9339 to 0.9529

**Weekly Outlook** – Neutral to bearish. The intermediate situation remains neutral here as long as the monthly uptrend at .9339 holds. Next week's setup is shaping up as a battle between there and what should be bearish-leaning weekly trend at .9493. A developing July hurdle is also forming at .9570. Support for next week is primarily the .9339 monthly trend, but with fixed weekly level at .9292 under there. Will exit part of the existing long at .9493; the rest at .9570.

**Daily Comments** – Bullish to neutral. Daily trend did turn bullish yesterday, leaving a neutral to bullish setup. Supports are .9445, the daily trend zone at .9422/15 and day extreme at .9374. Main resistance is combined daily level and developing weekly trend at .9488/93, with existing weekly level at .9534 above there. Looking for an up day from .9422 to .9488/93 day.

**Position Strategy:** Current 50% long at .9370 average. Stop on close under .9339 or intraday break of .9310. Exit ½ at .9488/93 today; exit the rest at .9570 July level. Day Trade: buy daily trend at .9422/15; sell .9488/93.

