

16th June 2009

General Outlook

Oh well... right... The Dollar does really want to rally strongly... Yesterday went pretty much to plan overall in terms of seeing persistent gains over the day and in some areas stalled around the areas I was expecting but the thrust below 1.3805 EURUSD was more than I had expected at this stage. Keeping in my mind the 1.2750-1.2850 target in the 4-6 week time frame I had thought this to be bearish enough for now.

However, there are signs all round that this rally could well follow-through directly... by this I mean that if we see certain resistances break then we could be talking the 1.3613 EURUSD, 1.1095 USDCHF and 1.6006 GBPUSD by the end of this week and by the end of next week even higher (for the Dollar).

However, I don't think we'll see much more today. There is risk of a marginal new high in the first half of the day – could well occur in Asian time – but then we will be due a pullback. We'll have to be a bit flexible on buying into that pullback since this the limit of this correction will be dependent on where the current high actually completes.

So, apart from the earlier part of the day, the main direction should be lower today for the Dollar but I don't think this will be a particularly direct or strong move. More likely it will be choppy so watch your entry levels and stops.

Looking over at USDJPY this came off over yesterday and as I've been writing this outlook it has dipped further. I'm not sure we should turn our heads and become strongly bearish. It should mean extension lower but there is no escaping that it has been a very erratic pair of late and I can still see a scenario where this will continue. The break level to switch to more strongly bearish is at around 96.13 still.

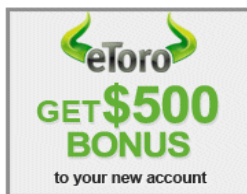
Even the JPY crosses all fell off yesterday and it seems as if they've found a top slightly earlier than anticipated. Indeed, that does look like a trend that will develop but with the expectations of a correction in Dollar-Europe and the fall in USDJPY the risk is that we'll see a pullback soon. In the medium to long term I do feel the direction is lower but if the 96.13 USDJPY support holds it can still move to a new corrective high above 98.87. The downward drive in the crosses is more likely to come from the weakness in the European currencies. If USDJPY drops below 96.00 then this could well imply significant accel

Good luck.

Ian Copsey

The art of forecasting

For the trade set-ups at the highlighted potential trade levels in yesterday's report please see:
<http://www.fx-forecaster.com/DailyForecast.html>



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Summary

USDJPY Losses should continue through to 96.66-80 at least - with some risk of 96.13	Resistance	Support
Breach of 97.43 is bearish and like yesterday now the risk is that we will find it difficult to establish the right entry levels. Watch support at 96.66-80 as this could give rise to a corrective structure which can be sold on any break lower. At the most I feel we can get to 96.13 (but give a little leeway around this.) At this point I feel it will hold and I rather prefer a move back higher from there. Thus any stronger bearish stance will require loss of 96.00-10 which would then imply a move into the 95.40-76 range. Next support at 95.02.	99.48-74	97.08
	98.87	96.66-80
	98.40	96.40
	98.00-05	96.13
	97.80	95.60-76
	97.50	95.02
Go to detailed analysis		
EURUSD While 1.3731 supports I look for a correction back to 1.3888-1.3922 area (max 1.3945-66)	Resistance	Support
Losses have continued more strongly than anticipated and does seem to point to a more direct decline. However, support just below current price at 1.3731 should first hold. From this area I feel we are likely to see a choppy and erratic correction higher which overall I feel can reach the 1.3888-1.3922 area which I feel will cap. Beyond that is possible but I put that as quite low risk. However, if I'm wrong and this is seen then the implication is for a move towards 1.3945-66. Again this does look likely to cap if seen. Note next resistance at 1.4000-10.	1.4000-10	1.3731
	1.3952	1.3706
	1.3888-22	1.3665
	1.3858	1.3644
	1.3822	1.3613
	1.3801	1.3558
Go to detailed analysis		
USDCHE While 1.0977-83 caps I feel we should see a pullback to 1.0840-50 (max 1.0820) before higher again	Resistance	Support
Well, the strength seen yesterday does seem to limit the downside to corrections only and I'm not sure these will be that deep. I do feel the 1.0977 area should cap early on today and generate a pullback that could well be quite choppy back below 1.0905 and to the 1.0840-50 area (allow for 1.0820.) However, while the structure remains bullish I feel this will be the most we see. Thus for any stronger bearish stance wait for a break of 1.0820 and only if seen would it generate a push down to 1.0780-00 at least. Next support is at the 1.0746 corrective low.	1.1125	1.0905
	1.1095	1.0871
	1.1066	1.0840-50
	1.1002-20	1.0800
	1.0977	1.0780
	1.0956	1.0719-46
Go to detailed analysis		
GBPUSD While 1.6201-08 supports I look for a recovery back to 1.6340-60 before lower again	Resistance	Support
Losses developed almost as expected but the structure of the decline looks more bearish than I had anticipated. However, even so I still feel the 1.6201-09 area should support early in the day to generate a correction higher. There is early resistance at 1.6268-82 that should be observed as this could stall on first test. It's not impossible it could provide a key high. However, I feel more likely we should see a slightly deeper correction to the 1.6340-60 area. Here I expect a cap and for losses to resume. Thus, only a break back above 1.6360 would suggest follow-through above 1.6400 and to the 1.6432-70 area. Also note resistance at 1.6523.	1.6523	1.6208
	1.6432-70	1.6162
	1.6400	1.6118
	1.6340-60	1.6075
	1.6328	1.6047
	1.6268-82	1.6006
Go to detailed analysis		
AUDUSD While 0.7860 supports there is risk for a pullback to 0.7990-04 at least and potentially 0.8048	Resistance	Support
Losses were once again dominant with the more conservative 0.7972 support broken which then triggered follow-through to the 0.7861 support which was seen this morning. This should now provide a pullback. There is initial resistance around 0.7920 and this may hold temporarily but overall I feel this recovery should eventually push above 0.7953 to reach 0.7990-04 at least. Take care here as this could hold. If I have any preference then it is for the correction to reach 0.8048. Look for bearish reversal patterns in both areas. Only above 0.8050 implies extension to 0.8110-25.	0.8110-25	0.7860
	0.8070	0.7826
	0.8048	0.7800
	0.7990-04	0.7742
	0.7953	0.7700
	0.7920	0.7682
Go to detailed analysis		
USDCAD While 1.1375-92 caps I feel we'll see a correction lower - maybe even as far as 1.1178	Resistance	Support
The extension higher quickly broke any bearish stance yesterday and while I prefer an earlier correction today we should still be careful. Ideally the 1.1392-11 area should hold. A break below the 1.1305 low should trigger stronger losses back down to 1.1253-65 at least and I suspect the 1.1178 support. Take care from here as even this support may hold but also note the 1.1143-56 area followed by 1.1075-95.	1.1565	1.1305
	1.1533	1.1265
	1.1456-81	1.1210
	1.1432	1.1178
	1.1392-11	1.1143-56
	1.1375	1.1075-95
Go to detailed analysis		
EURJPY While 133.00-20 supports I feel a correction higher to 135.00 & 135.53-70 is possible	Resistance	Support
Well, the losses seen do seem to confirm a larger high here. Thus the risk is lower overall but the 133.00-20 area does represent support that should provide a pullback. Thus, while it holds a move above 134.40 should see gains extend back to 135.00 minimum and probably the 135.53-70 area. However, I feel this will provide the limit for the upside. Thus any stronger bullish stance will require a break above 135.70 and only if seen would it cause extension to 136.28 and possibly closer to 136.90 & 137.60.	137.60	133.00-22
	136.90	132.62
	136.28	132.11
	135.53-70	131.66
	135.00	131.24
	134.40	130.70-00
Go to detailed analysis		
GBPJPY Mixed - waiting for breaks although a correction to 158.94-159.34 seems possible	Resistance	Support
Losses began as expected but then the breach of the 158.50-72 area triggered a much stronger reaction down to 157.03 this morning and I also see support at 156.67. While this lower support holds I feel a correction higher is possible. Initial resistance is at the 157.95 high seen so far and once this breaks we should see follow-through to 158.46 at least and I suspect to 158.94. Take care from here onwards and look for bearish reversal patterns. At the most I feel the 159.34-76 area could be tested but should cap for losses. Only above 159.80 would suggest a deeper recovery to 160.80-21.	160.80-21	157.03
	160.06	156.67
	159.34-76	155.75
	158.94	155.26
	158.46	154.86
	157.95	157.43
Go to detailed analysis		
AUDJPY While 76.06-17 supports we should see a pullback to 77.66-78 at least - possibly 78.12	Resistance	Support
The MT rally appears broken and thus we should expect corrections only. I see support at 76.06-17 and thus I feel the risk today is higher in a correction. A move back above 76.80 would assist and extend the correction to 77.28 and then to 77.66-78 at least. From this point take care. At most I will look for resistance in the 78.12 area. Thus, any bullish stance will require a break above 78.15 and if seen would risk a much deeper correction back to 78.50 and 79.20.	79.20	76.06-17
	78.50	75.47
	78.12	75.10
	77.66-78	74.29
	77.28	73.81
	76.80	72.85
Go to detailed analysis		

USDJPY		Price					97.20	16th June 2009	
Resistance	97.50	97.80	98.00-05	98.40	98.87	99.48-74			
Support	97.08	96.66-80	96.40	96.13	95.60-76	95.02			
Bias	Losses should continue through to 96.66-80 at least - with some risk of 96.13								
<p>The underlying MT direction is neutral while the daily bias is bearish. Caution is advised but there is a mild preference for losses within a consolidation. However, be aware of the risk of choppy price action that could hit stops. Therefore take note of both daily & MT S&R and confirm any bearish trade with bearish set up patterns. It would also be advisable to study both lower and higher time frame charts for evidence to support bearish trades.</p> <p>Consider buy set ups at: 96.66-80 or at 96.13 Consider sell set ups at: 96.65 or 96.00-10</p>									
Daily Bullish	Following the break of 97.43-57 today looks more bearish so emphasis should be on identifying where the lows may develop. I see two support areas which have the greatest risk of causing a reversal back higher. The first is at 96.66-80 and the second around 96.13. Thus watch for bullish reversal patterns in these areas. Only an earlier break back above the 97.50 pivot resistance would provide an earlier recovery to the next pivot area at 98.00-10. To cause a larger follow-through this resistance must break and then we can begin to look at 98.56-87 again.								
Med Term Bullish	16th June: While we are seeing losses today price has still not broken away from the recent consolidation and would even allow a dip to 96.66-80 or 96.13 even within a bullish structure. Back above 98.00-10 would help and if seen would revisit 98.56-87 and later to 99.64-74 at most.								
Daily Bearish	Breach of 97.43 is bearish and like yesterday now the risk is that we will find it difficult to establish the right entry levels. Watch support at 96.66-80 as this could give rise to a corrective structure which can be sold on any break lower. At the most I feel we can get to 96.13 (but give a little leeway around this.) At this point I feel it will hold and I rather prefer a move back higher from there. Thus any stronger bearish stance will require loss of 96.00-10 which would then imply a move into the 95.40-76 range. Next support at 95.02.								
Med term Bearish	10th June: I still see this decline as more corrective in nature and only a break of 96.02-13 would cause me to revert to a bearish stance for a move back to 95.02, maybe 94.44-56 en route 93.84 and below.								
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY	GBPJPY	AUDJPY

EURUSD		Price					1.3771	16th June 2009	
Resistance	1.3801	1.3822	1.3858	1.3888-22	1.3952	1.4000-10			
Support	1.3731	1.3706	1.3665	1.3644	1.3613	1.3558			
Bias	While 1.3731 supports I look for a correction back to 1.3888-1.3922 area (max 1.3945-66)								
<p>The underlying direction is bearish while the daily bias is bullish. Therefore it is likely that any gains are corrective only. Note resistance levels that could stall any rally. Consider bearish set up patterns at key resistance levels or should price threaten to break below any key support levels that would indicate a possible resumption of the move lower. Only consider a possible larger reversal higher should key MT resistance break.</p> <p>Consider buy set ups at: 1.3731-40 or 1.3613 Consider sell set ups at: 1.3888-1.3922 or 1.3730</p>									
Daily Bullish	Losses have continued more strongly than anticipated and does seem to point to a more direct decline. However, support just below current price at 1.3731 should first hold. From this area I feel we are likely to see a choppy and erratic correction higher which overall I feel can reach the 1.3888-1.3922 area which I feel will cap. Beyond that is possible but I put that as quite low risk. However, if I'm wrong and this is seen then the implication is for a move towards 1.3945-66. Again this does look likely to cap if seen. Note next resistance at 1.4000-10.								
Med Term Bullish	16th June: The losses have been stronger than expected and it seems to imply very limited corrections. Only back above 1.4010-40 would open the question of a deeper correction now.								
Daily Bearish	Losses came right on cue but then became stronger than my conservative estimate by breaking below 1.3805... This morning has touched 1.3747 and I see support at 1.3731 which I feel will contain the current move. More likely we shall be provided with a better selling opportunity around the 1.3888-1.3922 area so watch this for bearish reversal patterns. Only an earlier breach of 1.3730 would risk more direct losses today and if seen would likely extend losses through 1.3706 and 1.3665 to move to the 1.3613 target. Again, this point should provide a pullback.								
Med term Bearish	16th June: The break of 1.3805 and the bearish structure appears to suggest more direct losses than I had thought. We should have an opportunity to sell in the 1.3888-1.3922 area for losses to 1.3613. This should also provide a correction but once complete will send price lower again.								
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY	GBPJPY	AUDJPY

USDCHF		Price					1.0932	16th June 2009	
Resistance	1.0956	1.0977	1.1002-20	1.1066	1.1095	1.1125			
Support	1.0905	1.0871	1.0840-50	1.0800	1.0780	1.0719-46			
Bias	While 1.0977-83 caps I feel we should see a pullback to 1.0840-50 (max 1.0820) before higher again								
<p>The underlying direction is bullish while the daily bias is bearish. Therefore it is likely that any losses are corrective only. Note support levels that could stall any decline. Consider bullish set up patterns at key support levels or should price threaten to break above any key resistance levels that would indicate a possible resumption of the move higher. Only consider a possible larger reversal lower should key MT support break.</p> <p>Consider buy set ups at: 1.0840-50 or 1.0980 Consider sell set ups at: 1.0977 or at 1.0780</p>									
Daily Bullish	Gains were persistent and in line with expectations to reach the 1.0953-85 area. I still see this - and more precisely the 1.0977 level) as providing a cap in the first part of the day. More likely we shall get a better buying opportunity around the 1.0840-50 area (max 1.0820) from where a push back above 1.0977-85 should be seen. Only a more direct break through 1.0977-85 would imply immediate gains through 1.1020 and up to the 1.1095 area. Take care there as this is the next larger resistance which can cause a slightly stronger correction.								
Med Term Bullish	16th June: Yesterday's very direct rally certainly gives a more bullish structure to price and while 1.0820-50 supports I still look for follow-through to 1.1095 initially and after a correction even further - possibly the 1.1265 area - though will update once we have finished the correction.								
Daily Bearish	Well, the strength seen yesterday does seem to limit the downside to corrections only and I'm not sure these will be that deep. I do feel the 1.0977 area should cap early on today and generate a pullback that could well be quite choppy back below 1.0905 and to the 1.0840-50 area (allow for 1.0820.) However, while the structure remains bullish I feel this will be the most we see. Thus for any stronger bearish stance wait for a break of 1.0820 and only if seen would it generate a push down to 1.0780-00 at least. Next support is at the 1.0746 corrective low.								
Med term Bearish	16th June: With yesterday's rally I feel we should place any bearish stance on hold. Only back below 1.0700-15 would undermine this rally now.								
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY	GBPJPY	AUDJPY

GBPUSD		Price					1.6246		16th June 2009	
Resistance	1.6268-82	1.6328	1.6340-60	1.6400	1.6432-70	1.6523				
Support	1.6208	1.6162	1.6118	1.6075	1.6047	1.6006				
Bias	While 1.6201-08 supports I look for a recovery back to 1.6340-60 before lower again									
<p>The underlying direction is bearish while the daily bias is bullish. Therefore it is likely that any gains are corrective only. Note resistance levels that could stall any rally. Consider bearish set up patterns at key resistance levels or should price threaten to break below any key support levels that would indicate a possible resumption of the move lower. Only consider a possible larger reversal higher should key MT resistance break.</p> <p>Consider buy set ups at: 1.6370 or 1.6006 Consider sell set ups at: 1.6340-60 possibly only 1.6268-82</p>										
Daily Bullish	Losses developed almost as expected but the structure of the decline looks more bearish than I had anticipated. However, even so I still feel the 1.6201-09 area should support early in the day to generate a correction higher. There is early resistance at 1.6268-82 that should be observed as this could stall on first test. It's not impossible it could provide a key high. However, I feel more likely we should see a slightly deeper correction to the 1.6340-60 area. Here I expect a cap and for losses to resume. Thus, only a break back above 1.6360 would suggest follow-through above 1.6400 and to the 1.6432-70 area. Also note resistance at 1.6523.									
Med Term Bullish	16th June: The decline is developing well and only a move back above 1.6432 and 1.6543 would put us back on a more bullish track.									
Daily Bearish	Losses were a little different than expected but actually appear to make the structure more directly bearish. This doesn't stop a correction back to the 1.6340-60 area but I feel this should provide a good selling opportunity. Only an earlier reversal from the 1.6268-82 area would cause a move back directly through 1.6201-08 and then down through 1.6118 and 1.6075 en route the 1.6006 area.									
Med term Bearish	15th June: We should have seen the high now and we should be seeing a larger decline back to the 1.5801 low and lower. However, the broad 1.5801 area should provide a pullback before the additional losses...									
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY	GBPJPY	AUDJPY	

AUDUSD		Price					0.7910		16th June 2009	
Resistance	0.7920	0.7953	0.7990-04	0.8048	0.8070	0.8110-25				
Support	0.7860	0.7826	0.7800	0.7742	0.7700	0.7682				
Bias	While 0.7860 supports there is risk for a pullback to 0.7990-04 at least and potentially 0.8048									
<p>The underlying direction is bearish while the daily bias is bullish. Therefore it is likely that any gains are corrective only. Note resistance levels that could stall any rally. Consider bearish set up patterns at key resistance levels or should price threaten to break below any key support levels that would indicate a possible resumption of the move lower. Only consider a possible larger reversal higher should key MT resistance break.</p> <p>Consider buy set ups at: 0.8070 Consider sell set ups at: Between 0.8004 & 0.8048 or 0.7860</p>										
Daily Bullish	Losses were once again dominant with the more conservative 0.7972 support broken which then triggered follow-through to the 0.7861 support which was seen this morning. This should now provide a pullback. There is initial resistance around 0.7920 and this may hold temporarily but overall I feel this recovery should eventually push above 0.7953 to reach 0.7990-04 at least. Take care here as this could hold. If I have any preference then it is for the correction to reach 0.8048. Look for bearish reversal patterns in both areas. Only above 0.8050 implies extension to 0.8110-25.									
Med Term Bullish	15th June: The failure at 0.8236 does seem more bearish and thus only a break back above 0.8165 would begin to suggest room for a recycling of the correction to the 0.8234-62 area.									
Daily Bearish	The lower target at 0.7861 was achieved this morning and while I remain overall bearish I feel we'll get a better selling opportunity either at 0.7990-04 or the 0.8048 area - which is my preference. Look for a bearish reversal pattern there. Only an earlier break below 0.7860 would trigger direct losses and follow-through below 0.7826 and probably down into the 0.7700-42 area. Take care as this area could generate a further correction. Note next support at 0.7682.									
Med term Bearish	16th June: Losses are developing quite nicely and close to expectations and while 0.8050 caps these can still continue through this morning's low at 0.7861 and onto 0.7700-42 and below.									
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY	GBPJPY	AUDJPY	

USDCAD		Price					1.1343		16th June 2009	
Resistance	1.1375	1.1392-11	1.1432	1.1456-81	1.1533	1.1565				
Support	1.1305	1.1265	1.1210	1.1178	1.1143-56	1.1075-95				
Bias	While 1.1375-92 caps I feel we'll see a correction lower - maybe even as far as 1.1178									
<p>The underlying direction is bullish while the daily bias is bearish. Therefore it is likely that any losses are corrective only. Note support levels that could stall any decline. Consider bullish set up patterns at key support levels or should price threaten to break above any key resistance levels that would indicate a possible resumption of the move higher. Only consider a possible larger reversal lower should key MT support break.</p> <p>Consider buy set ups at: 1.1392-11 or at 1.1178 Consider sell set ups at: 1.1392-11 or 1.1456</p>										
Daily Bullish	What I had thought to be a sideways structure turned out to be very bullish... There are still a few ambiguities here and while I feel we should be seeing a correction lower we have to remain cautious. Overall I feel we may just get a buying opportunity at 1.1178. However, in case this is too far then keep in mind the 1.1392-11 resistance. An earlier break back above here would see direct gains that should move through to 1.1456 at least. Take care here as if this occurs early in the day we could see the anticipated pullback from that area. Above 1.1456 would extend gains to 1.1533.									
Med Term Bullish	16th June: The bullish move has been more direct than expected and while 1.1143-78 supports I still feel there is more to go on the upside. Note initial resistance at 1.1456 and then 1.1533 above which opens up 1.1565 and probably 1.1654 and 1.1727.									
Daily Bearish	The extension higher quickly broke any bearish stance yesterday and while I prefer an earlier correction today we should still be careful. Ideally the 1.1392-11 area should hold. A break below the 1.1305 low should trigger stronger losses back down to 1.1253-65 at least and I suspect the 1.1178 support. Take care from here as even this support may hold but also note the 1.1143-56 area followed by 1.1075-95.									
Med term Bearish	16th June: Only below 1.1050 would risk deeper corrections at this point.									
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY	GBPJPY	AUDJPY	

EURJPY		Price		133.82		16th June 2009	
Resistance	134.40	135.00	135.53-70	136.28	136.90	137.60	
Support	133.00-22	132.62	132.11	131.66	131.24	130.70-00	
Bias	While 133.00-20 supports I feel a correction higher to 135.00 & 135.53-70 is possible						
<p>The underlying direction is bearish while the daily bias is bullish. Therefore it is likely that any gains are corrective only. Note resistance levels that could stall any rally. Consider bearish set up patterns at key resistance levels or should price threaten to break below any key support levels that would indicate a possible resumption of the move lower. Only consider a possible larger reversal higher should key MT resistance break.</p> <p>Consider buy set ups at: 135.75 Consider sell set ups at: 135.00-53 or at 133.00</p>							
Daily Bullish	Well, the losses seen do seem to confirm a larger high here. Thus the risk is lower overall but the 133.00-20 area does represent support that should provide a pullback. Thus, while it holds a move above 134.40 should see gains extend back to 135.00 minimum and probably the 135.53-70 area. However, I feel this will provide the limit for the upside. Thus any stronger bullish stance will require a break above 135.70 and only if seen would it cause extension to 136.28 and possibly closer to 136.90 & 137.60.						
Med Term Bullish	Yesterday's break lower appears to break the entire uptrend and thus any upside is likely to be for a correction only. Thus only above 135.70 would risk follow-through to 137.60. Then I will review.						
Daily Bearish	Losses were aggressive and broke quickly below 136.80-86 followed by 135.90-97 and even the 135.28 swing low. As suggested this says losses to the 133.40-87 area and just below at 133.20. Indeed, the 133.00-20 area does look like providing support for a while but for a correction only. I see two areas where we should look for bearish reversal patterns - at 135.00 and more likely 135.53-70. From there I will look for losses to resume. Only an earlier breach of 133.00 would imply direct losses through to 131.66 at least. Take care there. Next support is at 130.70-00.						
Med term Bearish	16th June: Break lower has been seen and overall this should imply a decline to the 126.96 corrective low. On the way the 135.53-70 area should cap. Take note of supports where we may see a reaction at 133.00 and 131.66...						
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY GBPJPY AUDJPY

GBPJPY		Price		157.61		16th June 2009	
Resistance	157.95	158.46	158.94	159.34-76	160.06	160.80-21	
Support	157.03	156.67	155.75	155.26	154.86	157.43	
Bias	Mixed - waiting for breaks although a correction to 158.94-159.34 seems possible						
<p>The underlying direction is bearish while the daily bias is bullish. Therefore it is likely that any gains are corrective only. Note resistance levels that could stall any rally. Consider bearish set up patterns at key resistance levels or should price threaten to break below any key support levels that would indicate a possible resumption of the move lower. Only consider a possible larger reversal higher should key MT resistance break.</p> <p>Consider buy set ups at: 156.67-03 Consider sell set ups at: between 158.94-159.76</p>							
Daily Bullish	Losses began as expected but then the breach of the 158.50-72 area triggered a much stronger reaction down to 157.03 this morning and I also see support at 156.67. While this lower support holds I feel a correction higher is possible. Initial resistance is at the 157.95 high seen so far and once this breaks we should see follow-through to 158.46 at least and I suspect to 158.94. Take care from here onwards and look for bearish reversal patterns. At the most I feel the 159.34-76 area could be tested but should cap for losses. Only above 159.80 would suggest a deeper recovery to 160.80-21.						
Med Term Bullish	16th June: the reversal lower came earlier than anticipated but overall it does look as if the uptrend has reversed. Thus, only back above 159.80 would open the risk of a deeper correction at least while above 162.58 is required to generate follow-through higher.						
Daily Bearish	All supports gave way one by one to reach the 157.03 level this morning. I also note support at 156.67. Until that lower support breaks there seems more risk of a correction higher. Thus only look for renewed losses on a break of 156.60. If seen then the downtrend can extend further through 155.75 and 155.26 en route 154.86. Around here there appears to be a risk of a correction.						
Med term Bearish	16th June: The medium picture appears to have turned bearish although 156.68 should be the most we see on this move. Wait for a pullback but overall the major swing low at 143.02 becomes a natural target.						
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY GBPJPY AUDJPY

AUDJPY		Price		76.57		16th June 2009	
Resistance	76.80	77.28	77.66-78	78.12	78.50	79.20	
Support	76.06-17	75.47	75.10	74.29	73.81	72.85	
Bias	While 76.06-17 supports we should see a pullback to 77.66-78 at least - possibly 78.12						
<p>The underlying direction is bearish while the daily bias is bullish. Therefore it is likely that any gains are corrective only. Note resistance levels that could stall any rally. Consider bearish set up patterns at key resistance levels or should price threaten to break below any key support levels that would indicate a possible resumption of the move lower. Only consider a possible larger reversal higher should key MT resistance break.</p> <p>Consider buy set ups at: 76.06-17 Consider sell set ups at: between 77.68 - 78.12 or 76.00</p>							
Daily Bullish	The MT rally appears broken and thus we should expect corrections only. I see support at 76.06-17 and thus I feel the risk today is higher in a correction. A move back above 76.80 would assist and extend the correction to 77.28 and then to 77.66-78 at least. From this point take care. At most I will look for resistance in the 78.12 area. Thus, any bullish stance will require a break above 78.15 and if seen would risk a much deeper correction back to 78.50 and 79.20.						
Med Term Bullish	16th June: The uptrend looks complete and thus only back above 78.20 would risk a deeper correction - then take care as 79.20 and 80.08-44.						
Daily Bearish	Losses have developed very rapidly but I feel the 76.06-17 area is probably enough for this first move and therefore a correction higher is possible. Look for potential bearish reversal patterns in the 77.68-78.12 area. Only an earlier break below 76.00 would trigger additional direct losses through 75.47, 75.10 and down into the 73.81-74.29 area. Next support is at 72.85.						
Med term Bearish	16th June: The decline has been strong but has stalled this morning just above 76.06. While 78.12 caps I feel we shall see this decline continue but wait for breach of 76.00 that should imply losses close to the natural target at 70.50.						
Summary	USDJPY	EURUSD	USDCHF	GBPUSD	AUDUSD	USDCAD	EURJPY GBPJPY AUDJPY