Weekly Technical Views
Weeks from 24 to 28 January 2011

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Overall Situation

Stock Indices : Overbought Short Term

- The expected EUR/USD consolidation occurred last Monday only but my 1.3165 target hasn’t been reached. On a contrary, the European currency rallied strongly since Tuesday to finish the week well above the 1.3525 resistance. This level represents now the major support and would give a great opportunity to buy EUR again if/once reached. The targets now hold at 1.3720 & 1.4000.

- Although I am very bullish on a long term view (12-18 months), the S&P500 looks overbought on the very short term (1-2 weeks). Indeed, the price didn’t improve since the recent 1’283 resistance’s breakout. Worse, the DeMark indicator showed a sell signal recently. I expect the American index to consolidate in the coming days, with a test of the 1’250 support. In the meantime, the Nasdaq experienced a “bearish engulfing” pattern, confirmed by a RSI’s support breakout. Last but not least, the European indices are very close to major resistances and the SMI tried too many time (without success) to break its 6’587 resistance. In conclusion, I am technically extremely cautious for the coming days.

- As expected the price of Gold depreciated last week but our 1’326 target hasn’t been reached as the lowest level observed was 1’338.0. We turn neutral this week.
CURRENCIES

“EUR/USD : 1.3520 or the New Buying Level”
Dollar Index

Current Level: 78.286
Target: 77.474
Major Resistances: 78.41 & 78.75
EUR/USD

Current Level: 1.3592
Target: 1.3718
Major Support: 1.3514

Positive MACD

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USD/JPY

Current Level: 82.78
Major Resistances: 83.04 & 83.68
Major Support: 82.49

JAPANESE YEN SPOT (JPY Currency)

Daily Candlestick M20 M40

Update Professional Data of Bloomberg
C: 82.784 -0.218 (0.26%)
T: 08:48:02

Charts and analysis by Enrico Chinabudini

24 Jan 2011 JPY Currency

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GBP/USD

Current Level: 1.5974
Target: 1.6196
Major Support: 1.5357

Weekly Candlestick M200

Enrica Chianchini

24 Jan 2011 GBP Currency

Positive MACD
USD/CAD

Current Level: 0.995
Major Resistance: 1.0064
Major Support: 0.9746
EUR/CHF

Current Level: 1.3048
Major Resistance: 1.3164
Major Support: 1.2986

EUR-CHF X-RATE (EUR/CHF Currency)
Enrico Chiribudini

Daily Candlestick: 1/2000
Update Professional Data for Bloomberg
C: 1.3048 - 0.0007 (-0.057%) T: 08:52:58

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EUR/JPY

Current Level: 112.49
Target: 114.83
Major Support: 106.6

Weekly Candlestick M80

Update Professional: Daily Showers
C: 112.49 ~0.012 (0.015%)
T: 08:57:02

24 Jan 2011 EUR/JPY Chart

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WORLD INDICES

“Overbought Short Term”
Current Level: 6'567.31
Target: 6'383.79
Major Resistance: 6'587.17
Current Level: 2,970.56
Target: 2,900.07
Major Resistance: 3,026.89
DAX30

Current Level: 7,080.8
Major Resistance: 7,275.98
Major Support: 6,963.16

Weekly Candlestick Chart

Enrico Chinubudini

Update Professional / Data by Barchart
C: 7,060.6 - 10.38 (0.26%)
T: 09:03:10

The chart shows the weekly price movements of the DAX30 index, with key price levels marked, including current level, major resistance, and major support.
CAC40

Current Level: 4'028.99
Target: 3'914.0
Major Resistance: 4'084.14

Weekly Candlestick M50

Update Professional Data by Bloomberg
C: 4028.99 -4.39 (-0.11%)
T: 09:05:30

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Current Level: 5'911.87
Target: 5'820.01
Major Resistance: 5'985.63

FOOTSIE100

FTSE 100 INDEX (UKX Index)
Enrico Chimbudini

Daily Candlestick M20 Bollinger Bands 2.0 std dev

Update: Professional - Daily - Ohlc Dates
C: 5'911.87 -11.67 (0.28%)
T: 09:07:53

24 Jan 2011 UKX Index

<-Back to Menu
S&P500

Current Level: 1'283.35
Target: 1'250.67
Major Resistance: 1'296.06

Daily Candlestick: M80
21 Jan 2011 SPX Index
Update Professional: Data by Bloomberg
C: 1283.35 -0 (0.05)
T: 09:10:36
NASDAQ COMPOSITE

Current Level: 2'689.54
Target: 2'609.0
Major Resistance: 2'766.17

RSI's Breakout

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Weekly Candlestick M60

Current Level: 2'689.54 -40 (0.0%)
BONDS

“(still) Bearish”
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EUROPEAN BUND

Current Level: 123.57
Target: 122.02
Major Resistances: 123.77 & 124.5

Negative MACD
COMMODITIES

“Neutral”
Current Level: 333.99
Major Resistance: 345.72
Major Support: 327.5

REUTERS/JEFFERIES CRB X (CRY Index)
Enrico Chiminelli

21 Jan 2011  CRY Index Ar

Weekly Candlesick M208
Update Professional - Global Bloomberg
C 333.68 +0 (0.07%) T 08:20:57

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CRUDE OIL

Current Level : 89.43
Major Resistance : 98.72
Major Support : 82.37

WTI Crude Future (continuous) (CL1 Comdty)  Enrico Chiarudini

Weekly Candlestick M88
Option Professional (data by Bloomberg)
G: 89.43 = 0.30 (0.35%)
T: 09:21 AM

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