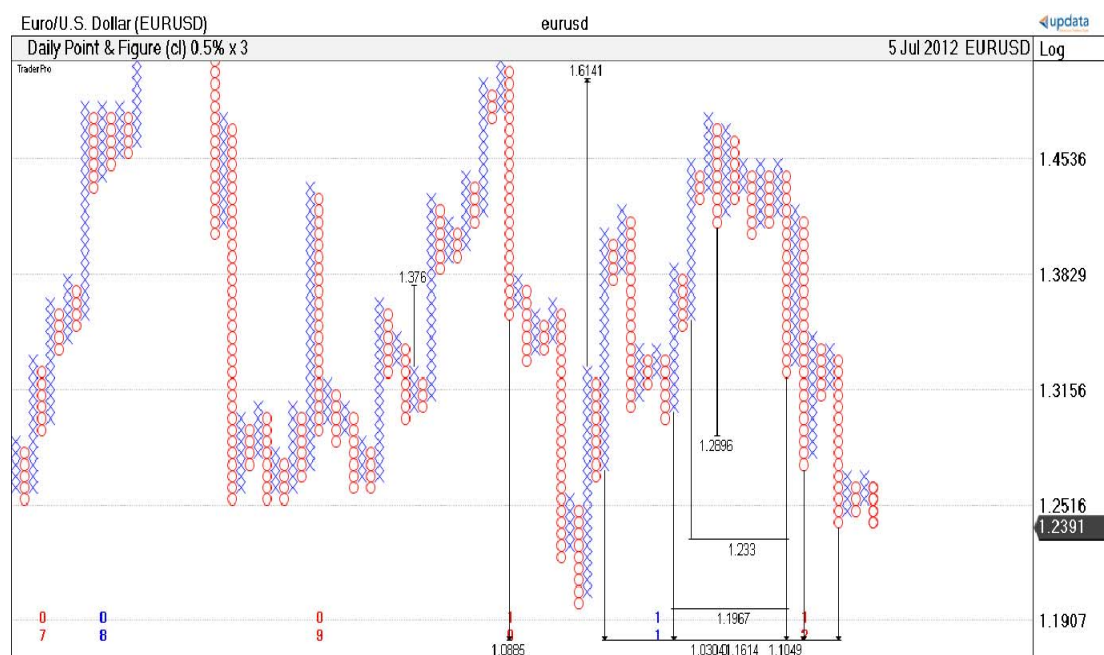


Monday, 09 July 2012

EURUSD is in a very sorry state indeed. Any feelgood factor following the Brussels summit has long since dissipated. It is now back at levels last seen at the bottom in the summer of 2010. This time round, however, there is no obvious sign of a bottom occurring. Indeed, I'd bet against that for now. There is plenty of scope for more weakness, both in the near-term and further out. The last two really significant lows in EURUSD – in 2008 and 2010 – formed only once the single currency had become very oversold on its weekly chart, something that it has not yet done this time.

The accompanying point-and-figure chart highlights an important target for EURUSD down at \$1.1967.



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GOLD



IG Index chart

With gold back below my key lines on both its daily and intraday charts, I am looking for shorts once more. My next target at **\$1551.22** is well within sight, and I feel there's a good chance of a drop to **\$1525**. I'd allow for a temporary intraday revival here before trying to go short once more.

I'd like to short a reversal at the 13-fourhourly EMA (\$1592.16).

SUPPORT	RESISTANCE
\$1581.68	\$1664.91
\$1562.35	\$1642.80
\$1551.22	\$1624.44
\$1538.07	\$1595.83

SILVER



IG Index chart

Renewed weakness towards the major lows at **\$26.15** is on the cards for silver. Without further action to counter the Eurozone crisis, I can easily see it going through that level. In the near-term, I'd be looking for shorting opportunities as the semi-precious metal reaches its 21-fourhourly EMA and drops back through.

A move failing around the 21-fourhourly EMA would be a shorting opportunity (\$27.513).

SUPPORT	RESISTANCE
\$26.76	\$27.99
\$26.15	\$27.69
\$25.61	\$27.49
\$24.99	\$27.15

BRENT CRUDE (AUGUST)



IG Index chart

I didn't buy on Friday, as I wanted to see the release of US employment data out of the way before acting. That was a good move, as Brent spilled lower following the disappointing jobs numbers. Still, the price remains above its 55-fourhourly EMA (\$97.48). As such, I would be willing to go long on a continuing rally today, targeting a return to the high at **\$102.34**.

A strong rally above the 13-fourhourly EMA (\$98.87) would get me interested here.

SUPPORT	RESISTANCE
\$98.14	\$102.32
\$97.91	\$100.41
\$97.02	\$99.71
\$96.02	\$99.06

HIGH-GRADE COPPER



IG Index chart

The sharp drop on Friday took copper through two important levels: the 55-EMA on its fourhourly and daily charts respectively. As such, I have had to switch to neutral for now. And I would seek shorts if the next attempt at revival failed to regain the 55-fourhourly EMA (358.59¢), targeting a return to **332¢**.

I'd short a reversal around the 55-fourhourly EMA (358.59¢).

SUPPORT	RESISTANCE
339.01¢	352.12¢
335.67¢	347.87¢
331.76¢	345.18¢
329.32¢	342.43¢

EURO/US DOLLAR



IG Index chart

EURUSD is back at two-year lows following its wilt on Friday. Its momentum reading remains above oversold (RSI 36%) on the daily chart, which leaves plenty of room for the selling to continue. That said, the single currency is deeply oversold on its fourhourly chart, so a brief jump may be in order first. The near-term objective lies at **\$1.2141**.

I'd still allow for a rally to the 21-fourhourly EMA (\$1.2383) and short a further reversal.

SUPPORT	RESISTANCE
\$1.2214	\$1.2420
\$1.2191	\$1.2403
\$1.2141	\$1.2360
\$1.2116	\$1.2284

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