

EUR & GBP stage a recovery - The euro and the British pound posted a modest recovery yesterday while the yen weakened against the dollar following two days of intense selling. Without a follow through here, the recovery is likely to be short lived. For the EURUSD, a close above 1.11 is needed to test 1.120 resistance levels. In GBPUSD, the price needs to break out above 1.34 - 1.348 in order to fill last Friday's gap at 1.3677 while in USDJPY prices are caught within 103 - 101 range. Gold is easing back to \$1300 support which could spell another leg to the upside if the support level is validated.

EURUSD Daily Analysis



EURUSD (1.106): EURUSD has established a range of 1.120 and 1.110 as the levels of resistance and support. While a retest of the resistance at 1.120 is pending, support has been clearly established at 1.10. The euro closed bullish yesterday, marking the second day of gains after last Friday's (23/06/16) selloff which saw the euro testing the lows of 1.0911 but resulting in a strong rejection with price action similar to the one seen on 10th of March 2016 (ECB meeting). On the 4-hour time frame, the levels from the daily chart are marked at 1.12, 1.10 with 1.11 likely to see consolidation. The declines could be limited to above the 1.10 support level which could maintain the

upside bias and could gain a conviction on a bullish close above

1.110. USDJPY Daily Analysis



USDJPY (102.3): USDJPY is reversing off the 102 support with price action posting two days of bullish close. A retest to 102.0 is likely to establish support with the daily chart showing USDJPY to move in the range of 106 - 102. The 4-hour chart shows USDJPY remaining in a consolidation mode. To the upside, above 103.0 minor resistance, USDJPY could look towards targeting 104 - 105 region, while a breakout below 101.267 - 101.0 could signal further downside for the dollar with the scope of a retest back to 99.0 level. **GBPUSD Daily Analysis**



GBPUSD (1.331): GBPUSD has attempted to post a recovery yesterday and briefly tested highs above 1.340. The unfilled gap from Friday's close at 1.3677 still remains a ripe target if the upside strength gains conviction. For the moment, GBPUSD remains range bound within 1.34, and 1.32 with further gains or declines followed

only after a break out off these levels. The support at 1.32 looks strong enough to keep a hold on the declines, which increases the probability of an upside breakout above 1.34 for a test to 1.36 and eventually 1.3677. In the longer term, GBPUSD could see further gains that could test 1.380. The inside bar formation yesterday could be an early indicator of a breakout from the range of 1.34884 - 1.34196 high and 1.32041 - 1.31211 low. **Gold Daily Analysis**



XAUUSD (1317.72): Gold prices closed bearish yesterday closing at 1311.94. Prices remain caught within 1350 and 1300 levels on the daily chart. On the 4-hour time frame, gold has managed to find minor support at 1310 which saw a modest bounce. Price action needs to challenge the recent at 1328 - 1330 in order to extend the gains to 1350. While 1300 remains a key support of interest, there is scope for a move lower. A break below 1300 in gold could signal further downside to 1272.50 which would then mark the retest if the bullish pennant pattern breakout, but could also weaken the pattern.

Source: [Orbex Forex Broker \(Review and Forex Rebates Up to 85%\)](#)