

## EXCHANGE RATES

Instrument	Trend	Support II	Support I	Spot	Resistance I	Resistance II
EUR/USD	↓	1.2886	1.2950	<b>1.3010</b>	1.3281	1.3416
GBP/USD	↔	1.4890	1.5120	<b>1.5155</b>	1.5520	1.5825
EUR/GBP	↓	0.8472	0.8575	<b>0.8580</b>	0.8719	0.8743
USD/CHF	↔	1.0717	1.0785	<b>1.1018</b>	1.1023	1.1250
USD/JPY	↑	91.59	92.81	<b>94.36</b>	94.70	97.50
USD/CAD	↓	0.9930	0.9960	<b>1.0220</b>	1.0260	1.0303
EUR/CHF	↓	1.4237	1.4290	<b>1.4323</b>	1.4366	1.4466
EUR/JPY	↔	1.1970	1.2160	<b>123.26</b>	1.2640	1.2730
Gold	↑	1123	1146	<b>1172</b>	1195	1226
Silver	↑	17.45	17.80	<b>18.47</b>	19.44	21.44

## EVENTS

- ✓ The RBA increased Australian interest rates by 25 basis points to 4.5%
- ✓ UK PMI increased to 58, vs. the 57.5 expected
- ✓ EMU PPI increased to .6% month over month compared to the .7% increase expected
- ✓ US Pending Home Sales increased by 5.3%, compared to 8.3% in February
- ✓ US Factory Orders increased by 1.3% compare to the flat reading that was expected

## VIEW & TRADING IDEAS

### EUR/USD

Investor's reaction to the Greek aid package was evident today, as market participants punished riskier assets. Greek 2-year yields have surged 379 basis points today to over 14%, while Portugal's was up 67 basis points. The Euro slipped below support at 1.315, to a low near 1.3000.

### GBP/USD

The pound was dragged down by solvency issues related to Europe, but was able to bounce near support at 1.5080. Prior to elections on May 6<sup>th</sup>, short position in the Pound are very risky.

### EUR/CHF

The Euro slipped slightly vs. the Swiss Franc but remains in the tight 1 big figure range.

### USD/JPY

The USD/JPY tested resistance levels near 97.40 but was rebuffed as investors looked for safe haven areas to park their capital. Given the fear that has gripped most markets, the dollar has held up impressively against the Yen.

## FINANCIAL CALENDAR

Currency	Time (GMT)	Release	Month	Consensus	Prior
EUR	8:00	EMU Services PMI	April	55.5	55.5
EUR	9:00	EMU Retail Sales	Mar	-6%	-1.2%
US	7:55	US ADP Employment Report	April	30k	-23k
US	14:00	US ISM Services	April	56	55.4

## TECHNICAL OPPORTUNITY

EUR





## Daily Market Review

May 5, 2010

**General Overview** The Euro continues to remain under pressure as solvency issues remain the main market topic. As periphery countries yields continue to spike relative to the German market, the Euro will be a target of shorts.

**Trading Advice** Sell the Euro at a pullback near 1.3150, stop out above near 1.34, and look for weekly lows near 1.25 as a take profit level.