

A Traders Academy International Publication

Dollar Rose On Good Payroll Expectations

USD-JPY rose while commodity-linked currencies also firmed on Thursday as risk appetite improved after better-than-expected U.S. jobs data, which suggested the US economy was on a more stable path to recovery. The increase in risk appetite weighed on the Japanese Yen overall, as traders sold the Japanese Yen to fund purchases of stocks and other assets with better returns.

USD-JPY rose 0.5 percent to 80.137, having hit a session peak of 80.192 and inching toward the four-month high of 80.364 struck last Friday.

The Japanese Yen was also weighed down by an increasingly grim outlook for the Japanese economy and importers selling the currency. Rumours were many traders were seeking to buy USD-JPY on any dip, targeting a rise to 83.000-84.000 in the coming months as bets grow that the Bank of Japan will have to take additional monetary easing measures to fight off deflation.

Recent Japanese data, and most corporate earnings reports, have been soft and third-quarter gross domestic product, due on Nov. 11, is also likely to contract - all of which should cause the Japanese Yen to cede ground.

Analysts said corporate currency flows tend to favour the US Dollar these days because of Japan's trade deficit - a change from just a few years ago, when exporters' Yen buying dwarfed importers' Yen selling.

EUR-USD, however, slipped 0.1 percent to 1.29403, after hitting a session high of 1.29811. The Court of Auditors in Greece, which vets Greek laws before they are submitted to parliament, said measures such as increasing the retirement age by two years to 67 and cutting pensions by between 5 and 10 percent could be against the constitution, raising concerns about Greece's ability to implement austerity measures needed to secure aid.

EUR-USD had earlier climbed near to the 1.30000 handle after encouraging U.S. economic data, which came a day before the all-important U.S. monthly payrolls report boosted equity prices. Data showed U.S. private-sector employment increased by the most in eight months in October, while initial jobless claims fell more than expected last week.

Tonight brings the U.S. Labour Department report on October employment, with economists expecting 125,000 new jobs and a slightly higher unemployment rate of 7.9 percent. A good jobs report would highlight the favourably growth differentials on the left side of the Atlantic and reduce pressure on the Fed to act in support of the economy.

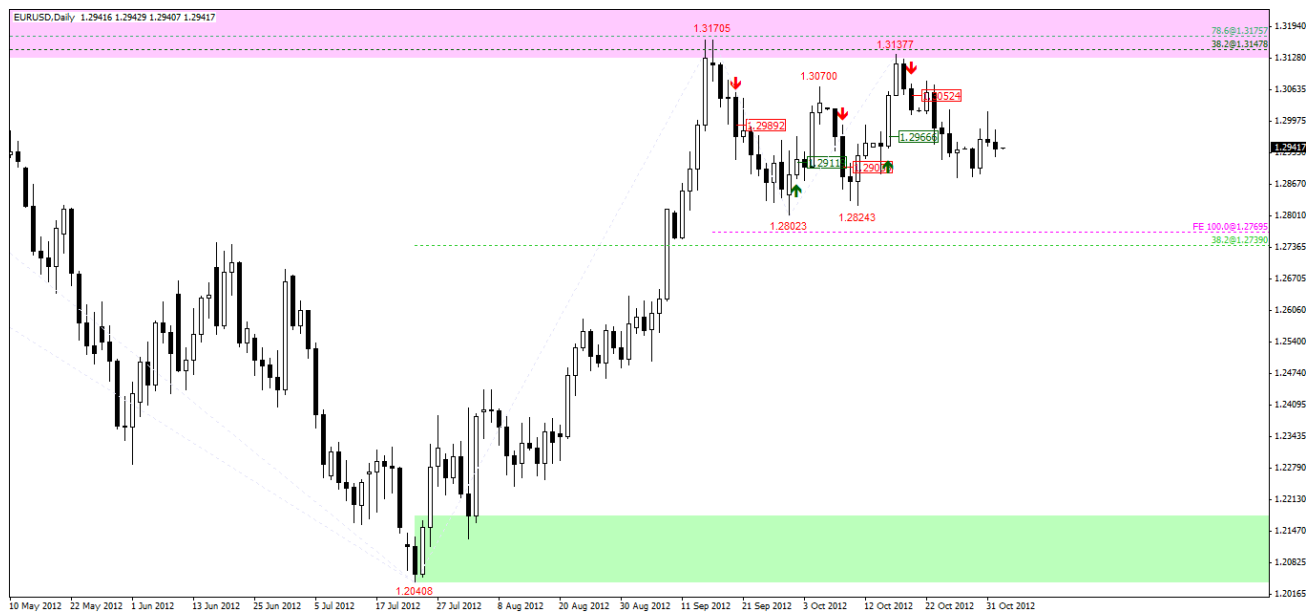
A separate report on Thursday showed U.S. consumer confidence rose in October to its highest in more than four years as Americans were more upbeat about improvements in the labour market.

AUD-USD gained 0.2 percent to 1.03993.

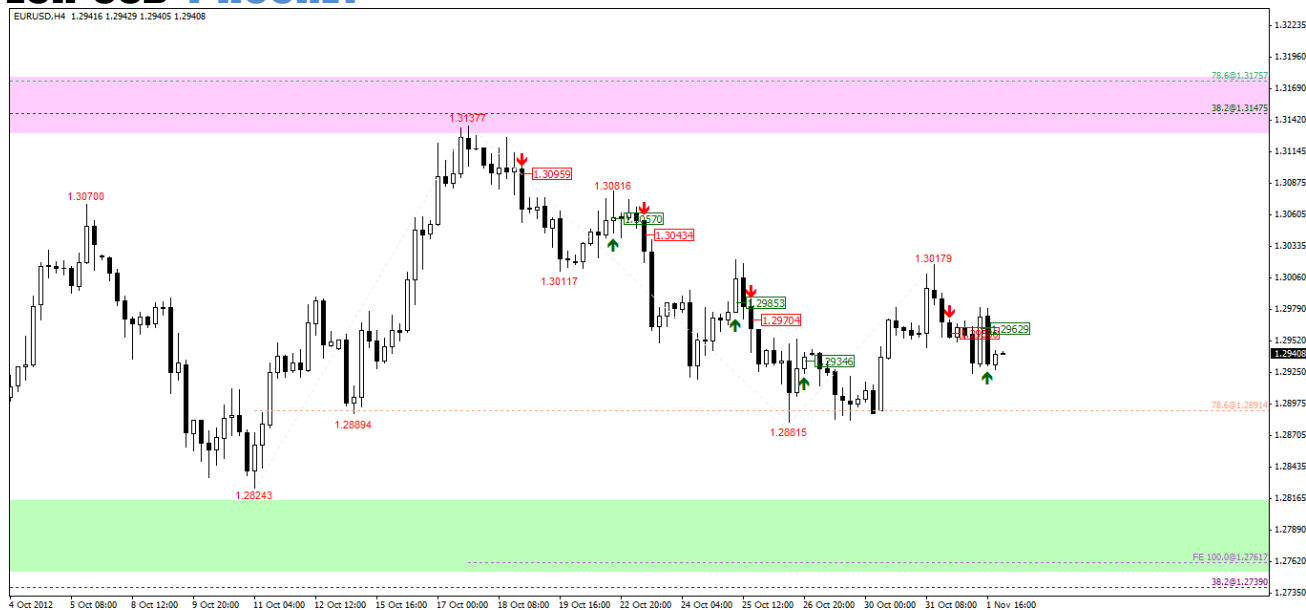
Content:

EUR-USD	2
GBP-USD	4
USD-CHF	6
USD-JPY	8
AUD-USD	10
Performance	11

EUR-USD DAILY



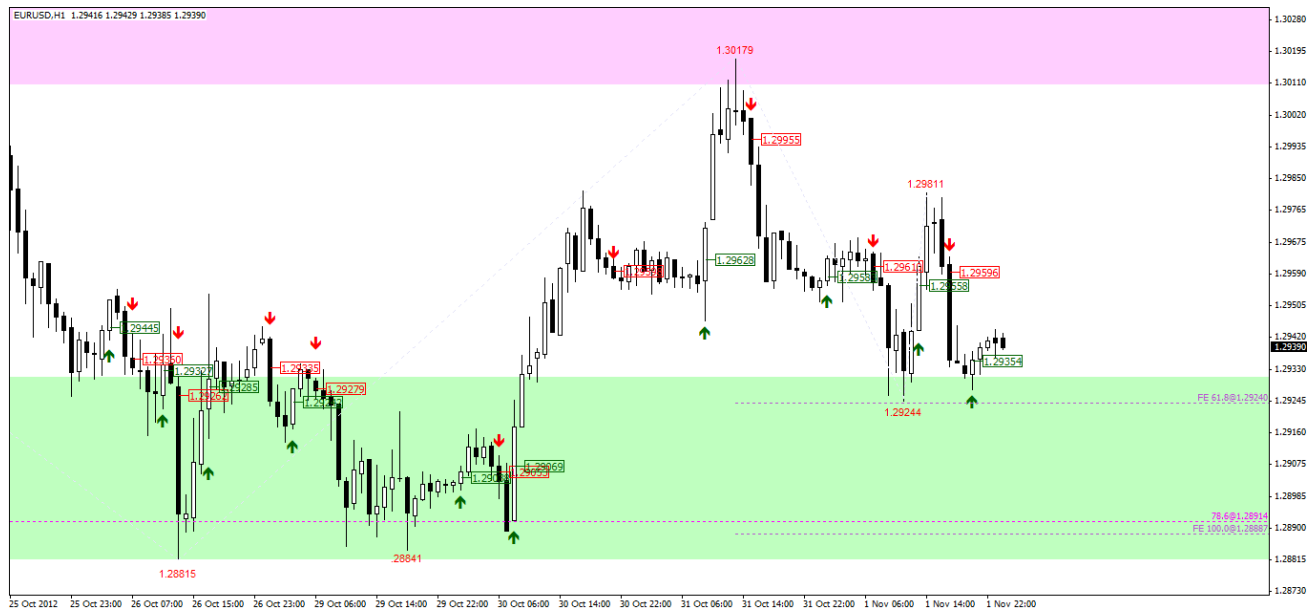
EUR-USD 4-HOURLY



EUR-USD Short to Medium-Term Views

Wednesday's spike into the overhead supply pocket at **1.30103-1.30816** where the 50.0% retracement level of 1.31377 to 1.28815 at **1.30096** was and ending as a long-legged shadow doji at the high in the H1 chart added considerable confidence to the immediate bearish case. By the end of trading on Wednesday, the D1 chart too closed as a long-legged shadow doji added further confidence that this market is setting up for further decline in prices. A subsequent close below **1.29016** (as early as tonight in NY) would confirm this potential sell signal. At any rate, an earlier sell signal at **1.30524** is still dominant despite 2 weeks of trading. Taken together, the immediate outlook is one favoring the short side of this market. There is a possibility that another attempt at the demand pocket at **1.27533-1.28159** which is located just above the 38.2% retracement of 1.20408 to 1.31705 at **1.27390** may be made in the hours ahead. This level is in turn located just below the 100.0% projection of 1.31705 to 1.28023 from 1.31377 at **1.27695** (see D1 chart). Should a buy signal appear there, the idea is to go long at or near the demand pocket at **1.27533-1.28159** with a tight stop just below this zone. Based on the D1 chart, price action since the September 17 high of 1.31705 is clearly a 4th wave, potentially basing for a surge above **1.31705** high in due course.

EUR-USD 1-HOURLY



Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sold @ 1.30261	1.29347 Realized	1.28159	Exit on D1 close above 1.29719
Sold @ 1.29966	1.29347 Realized	1.27390	Exit on D1 close above 1.29719

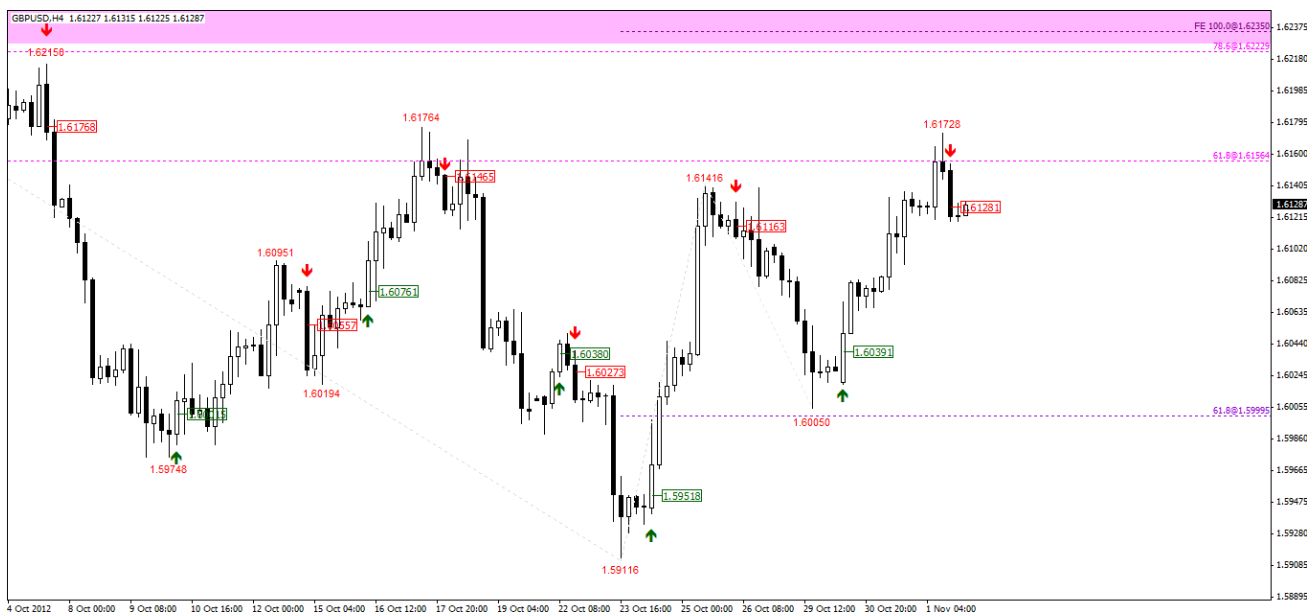
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 26-10-2012								\$70,956.00
EUR-USD	01-11-2012	1.0	1.29403	23-10-2012	1.0	1.30261	+\$858.00		
EUR-USD	01-11-2012	1.0	1.29403	25-10-2012	1.0	1.29966	+\$563.00		
						Unrealized	+\$1,421.00		

GBP-USD DAILY



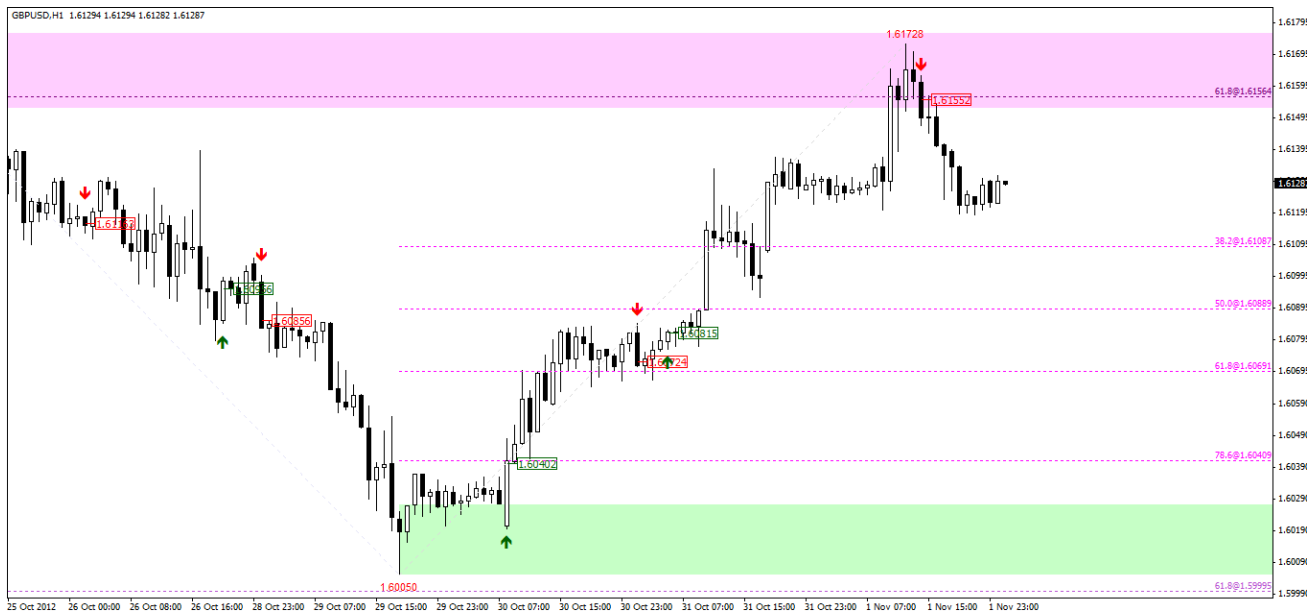
GBP-USD 4-HOURLY



GBP-USD Short to Medium Term Views

While there is a high probability that the rally from 1.52666 has resumed based on the last few sessions of gains, the fact that Thursday ended as a shooting star in the D1 chart dictates caution. This is because a close below **1.60782** would invariably triggers a sell signal. In the meantime, sell signals were triggered in both the H1 and H4 charts with closes below **1.61552** and **1.61281** respectively. That said, while the short-term outlook is favoring the short side, the overall medium-term view is that the rally from 1.52666 is viewed as a potential 5-wave up and price actions from 1.63077 to 1.59116 were treated as a 4th wave correction. This 4th wave correction appears to have terminated at 1.59116 last week and if so, we should witness an extension of this rally beyond the September 21 high of **1.63077** in this latest installment. A sustained rally above **1.61764** in the D1 chart, above the supply pocket at **1.62272-1.60377**, would suggest that the correction phase is truly over.

GBP-USD 1-HOURLY



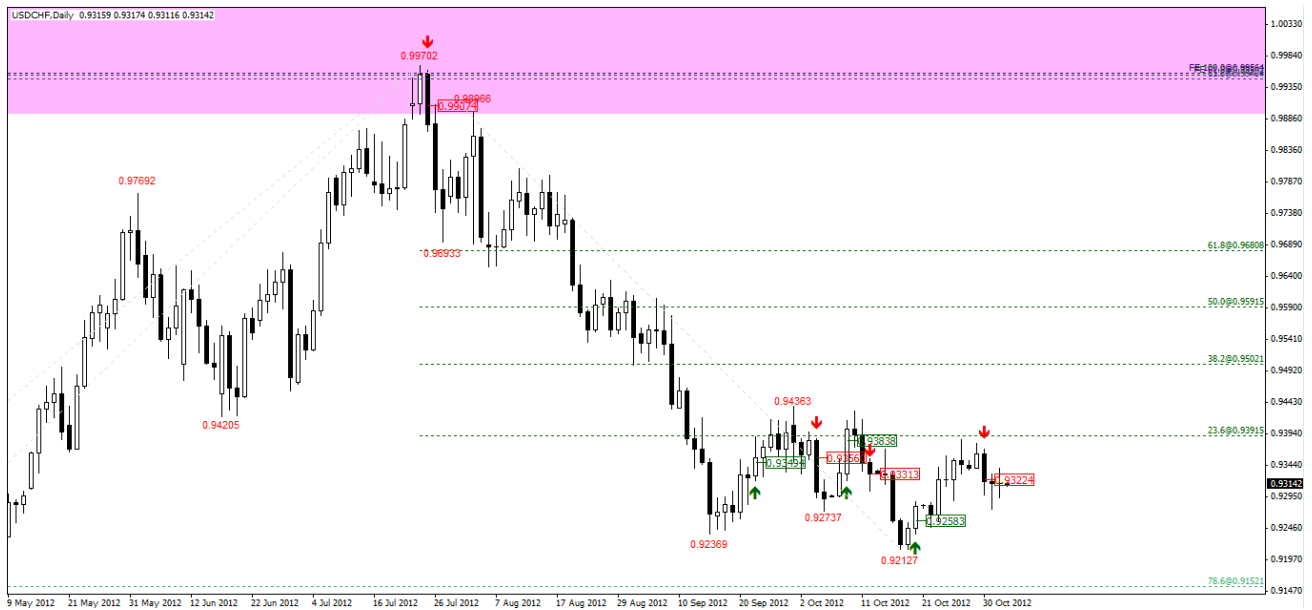
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.60402	1.61281 Realized	1.64208	Exit of D1 close below 1.60782

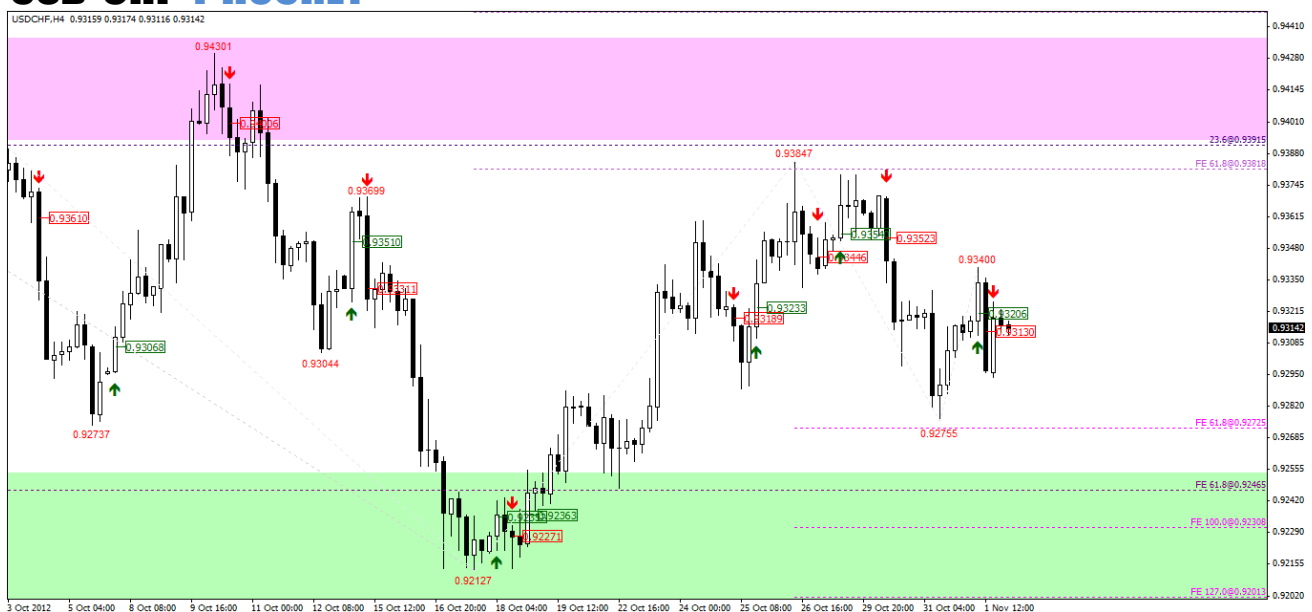
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from								\$48,810.00
	26-10-2012								
GBP-USD	30-10-2012	1.0	1.60402	01-11-2012	1.0	1.61281	+\$879.00	+\$879.00	\$49,689.00
GBP-USD	30-10-2012	1.0	1.60402	01-11-2012	1.0	1.61228	+\$826.00		
						Unrealized	+\$826.00		

USD-CHF DAILY



USD-CHF 4-HOURLY



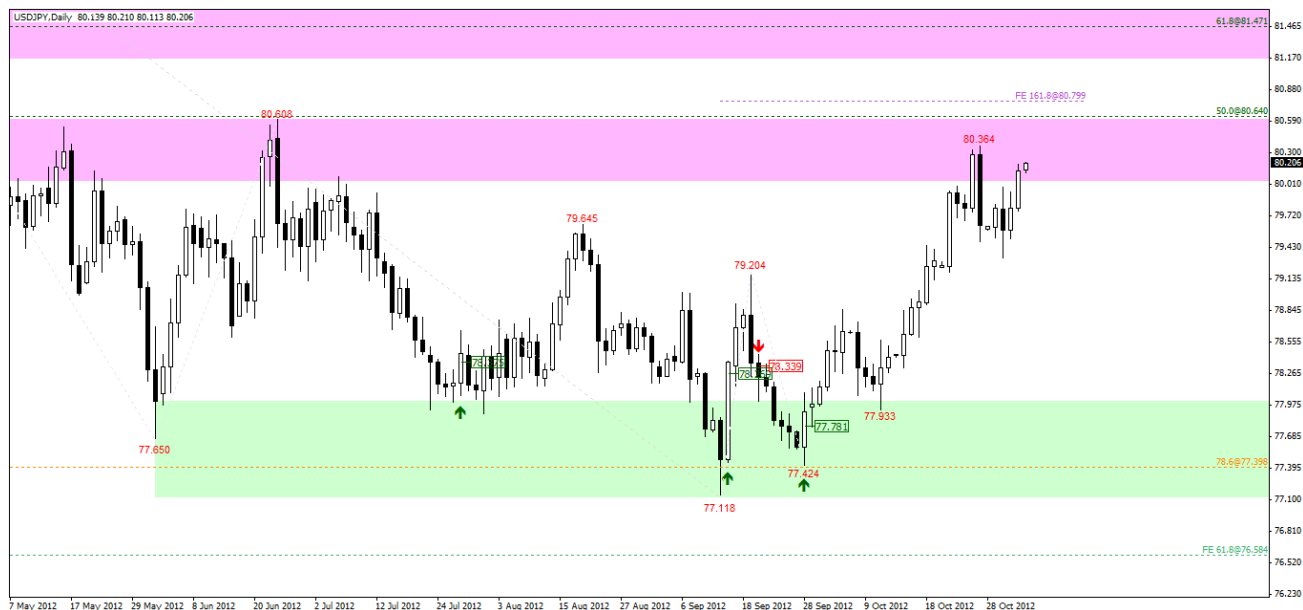
USD-CHF Short to Medium Term View

The outlook in this market is decidedly muddled with conflicting signals across the time frames. While structurally, Tuesday's fall suggested the resumption of the fall from the July 24 high of 0.99702 may have started in the form of another set of 3-waves to possibly the 100.0% or 127.0% projection of 0.94363 to 0.92127 from 0.93847 at **0.91611** or **0.91007** respectively. Alternatively, if the fall from the July 24 high of 0.99702 is deemed 'completed' (it has a clear 5-wave down) then price action should rally from here onwards. These alternate views created a dilemma and can only be resolved if we have an immediate rally above last Friday's high of **0.93847**. Taken together, even if the 5-wave down scenario is correct, the resulting rally is probably corrective in nature. A possible target is the 38.2% retracement of 0.99702 to 0.92127 at **0.95021**. Either way the downside is rather limited at the current level. In view of this, traders may wish to stand aside and observe.

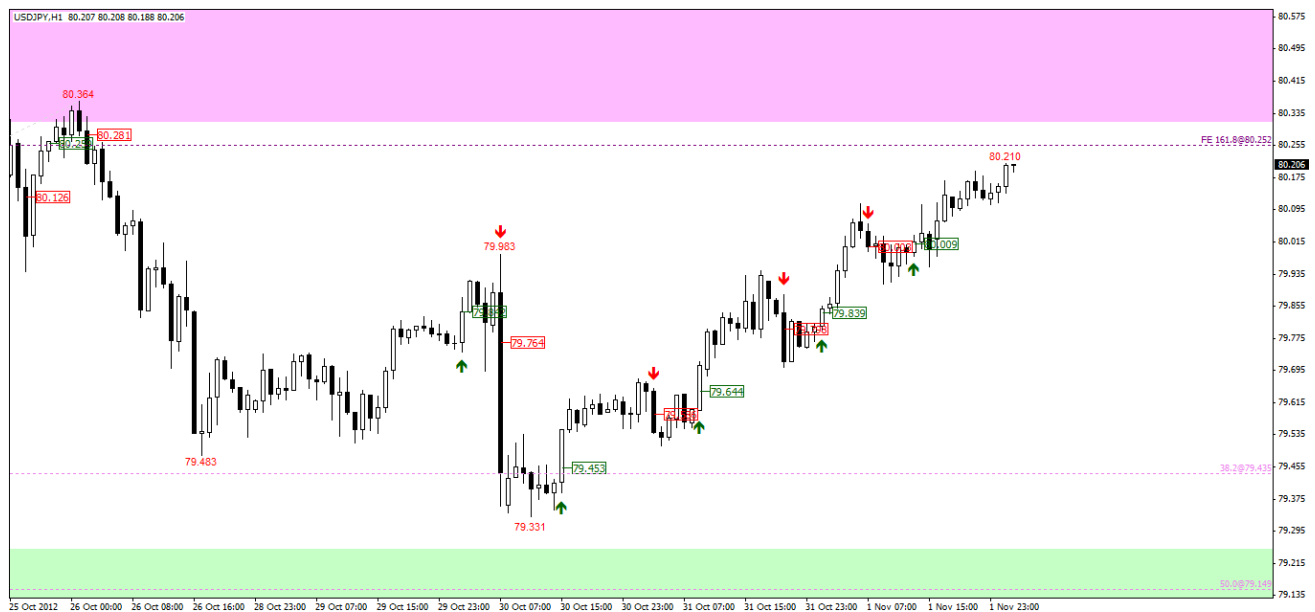
ACTION	Target 1	Target 2	EXIT
--------	----------	----------	------

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 26-10-2012								\$33,516.33
USD-CHF	18-10-2012	1.0	0.92352	30-10-2012	1.0	0.93224	+\$935.38	+\$935.38	34,451.71
USD-CHF	25-10-2012	1.0	0.93079	30-10-2012	1.0	0.93079			
						Unrealized	\$0.00		

USD-JPY DAILY



USD-JPY 1-HOURLY



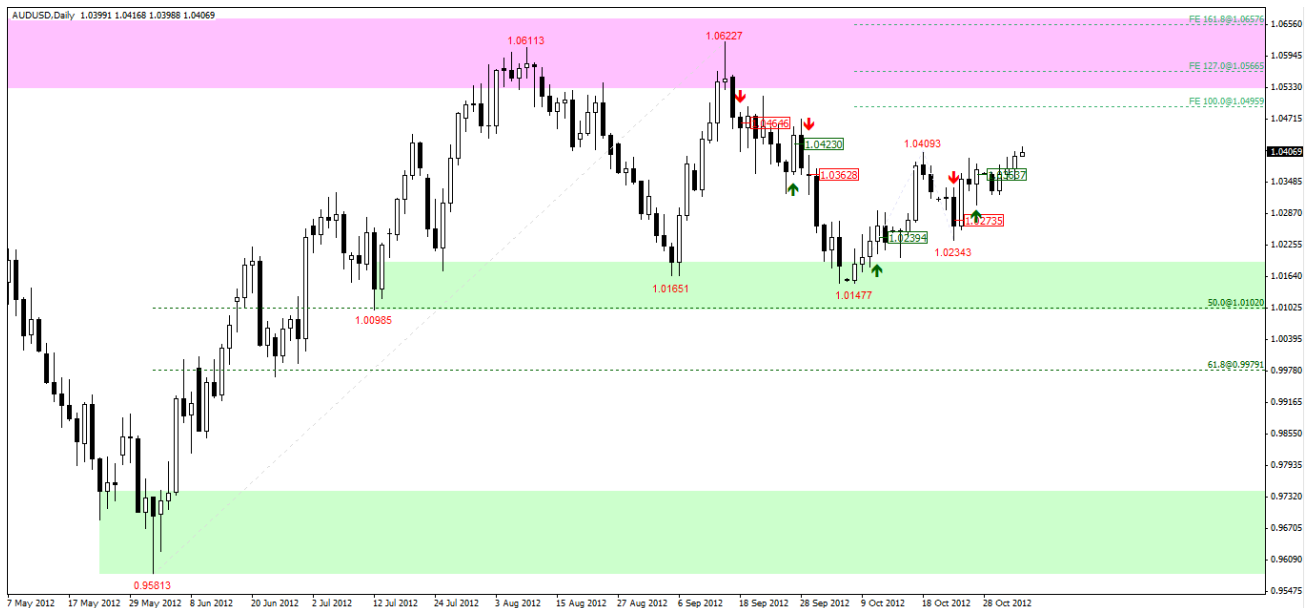
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 79.453	81.469	83.711	Exit on D1 close below 79.790

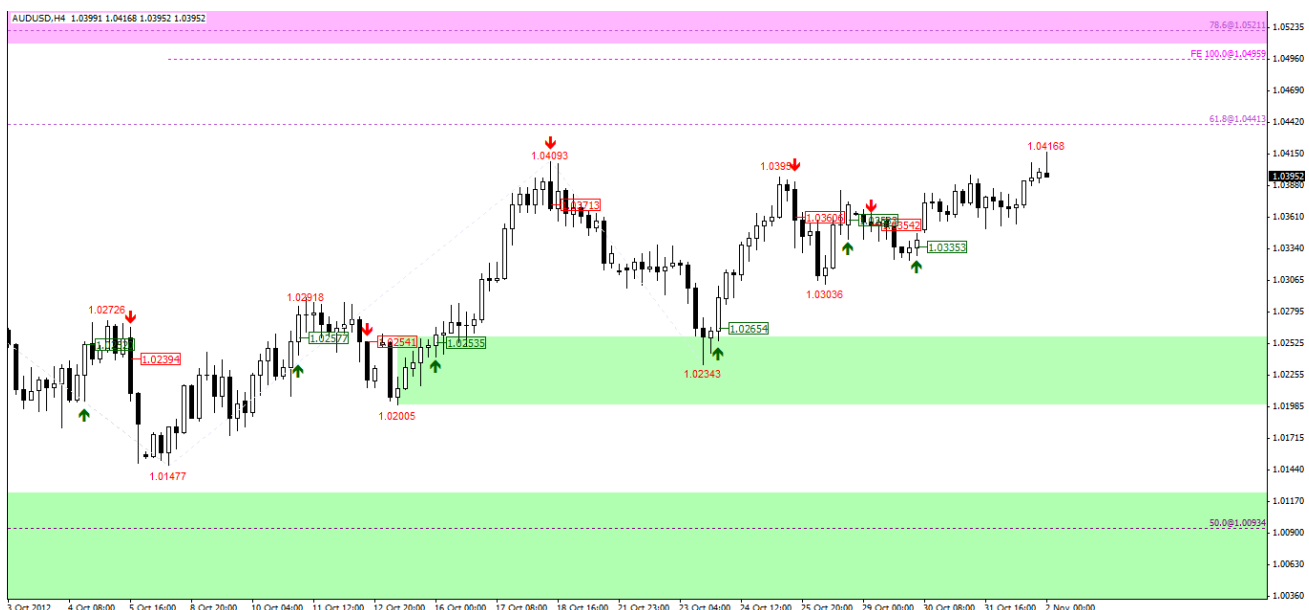
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 26-10-2012								\$25,464.19
USD-JPY	30-10-2-12	1.0	79.842	26-10-2012	1.0	80.281	+\$549.84	+\$549.84	\$26,014.03
USD-JPY	30-10-2-12	1.0	79.453	01-11-2012	1.0	80.137	+\$853.54		
USD-JPY	30-10-2-12	1.0	79.453	01-11-2012	1.0	80.137	+\$853.54		
Unrealized							+\$1,707.08		

AUD-USD DAILY



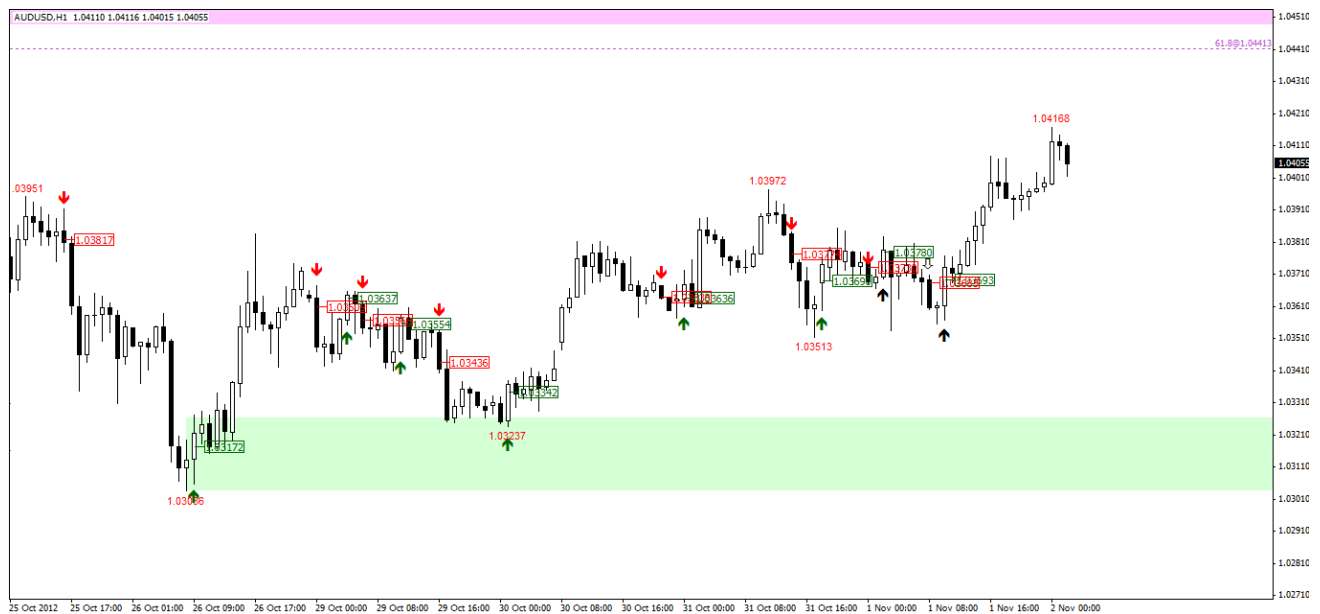
AUD-USD 4-HOURLY



AUD-USD Short to Medium Term Views

It now appears that after trading within a narrow band for more than a week and between two well defined medium-term boundaries marked by the demand pocket at **1.00985-1.01911** and the supply pocket at **1.05317-1.06677**, this market is resolving to the upside. Price actions finally cleared the minor supply pocket **1.03722-1.04011** and if this rise can sustain above **1.04093**, we may see price action challenging the September 14 peak of **1.06227**. Traders will do well to bear in mind the larger time frame and triangle pattern in the W1 chart. Unless and until this market breaks out of either boundaries marked by the demand pocket at **1.00985-1.01911** and the supply pocket at **1.05317-1.06677**, range trading is probably the way to go. This kind of trading strategy is as mentioned not the kind preferred by this author.

AUD-USD 1-HOURLY

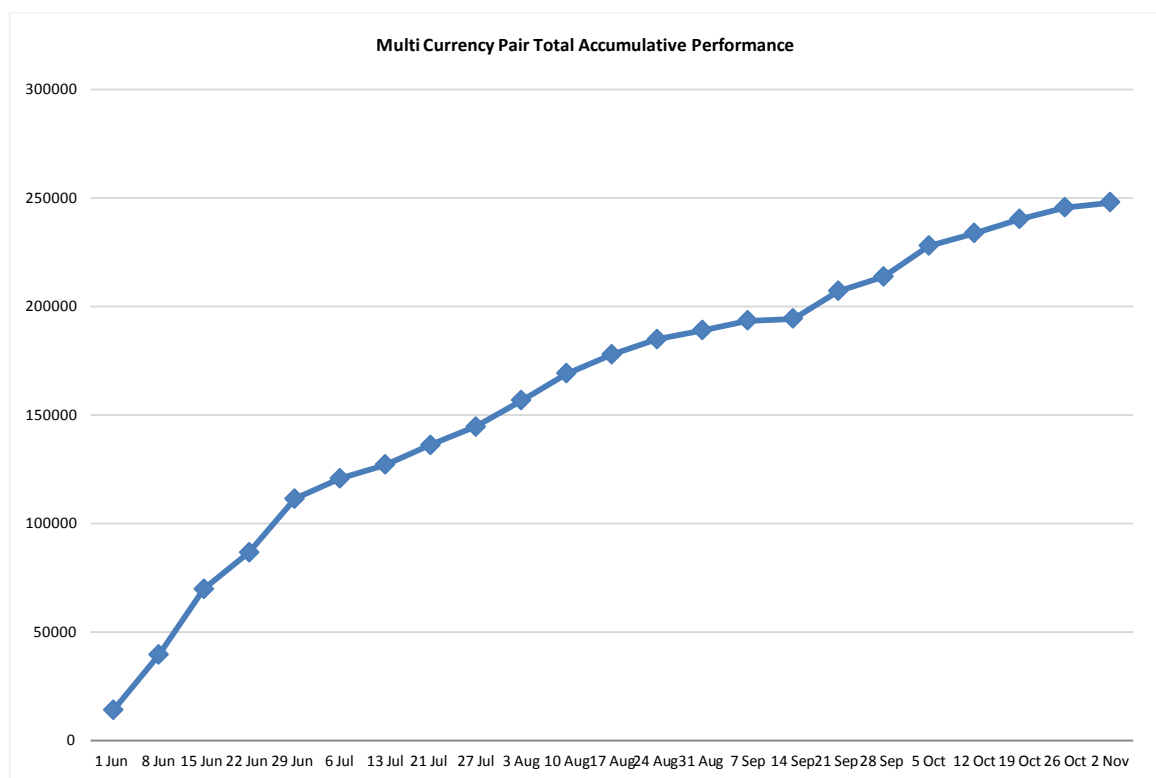
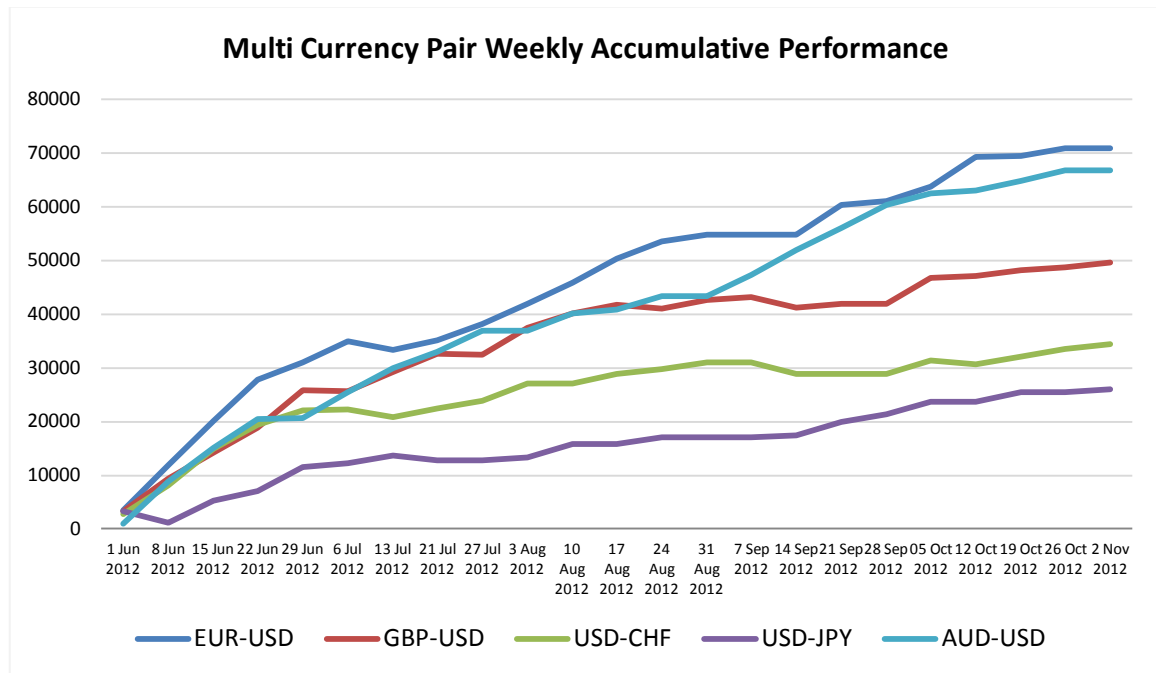


Trade Ideas

ACTION	Target 1	Target 2	EXIT
--------	----------	----------	------

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 26-10-2012								\$66,845.00
Unrealized							\$0.00		



Website under development

Traders Academy International

Traders Academy International is an independent organization with no affiliation with any brokers or organizers of our events. From the onset, this policy of non-affiliation has served us well as we do not believe our students' interests will be served if we have a separate agenda. This is in contrast with industry practice. Our objective has been and will continue to be to educate the trading public our time-tested and highly effective methodologies to take on the markets in an easy-to-understand format.

We have never advertised our services but words of mouth have spread far and wide. Over the last three years or so, demands for our trading workshops are so high that we have to turn away some due to scheduling.

Non Affiliation Policy

The people behind Traders Academy International are seasoned veterans in the financial service industry. Our trainers have individually over 25 years in both exchange-traded and OTC derivative financial products including but not limited to the foreign exchange market.

They bring with them unique market insights from their years in the brokerage and hedge fund business and education is a natural progression for traders as their accumulated knowledge of the market should be shared and continue to benefit those who are keen to learn the secrets and techniques used by successful traders.

One of who is still active in the hedge fund business.

The rise of the retail traders has also given rise to the demand for professionally run coaching courses on the art of trading the financial markets. This is a healthy and natural development. However, most of these so-called coaching courses are doing more harm and good. This is because students enrolled in such courses have unrealistic expectations. This is made worse by the quality of such courses.

Most, if not all, teach some form of technical analysis. In our humble opinion, they are more hype than sustenance. Over the years, we realized the methodologies touted by most traders and coaches alike are inherently ineffective to the point the signals generated by technical indicators lag so badly behind price action that they cannot beat the markets on a consistent basis.

We believe, trading methodologies and strategies should be simple and easy to implement on a daily basis that laymen with basic numeric ability should be able to grasp.