

A Traders Academy International Publication

Dollar Upbeat on Data But Gains Limited

The U.S. Dollar rose on Wednesday after data showed U.S. companies added more jobs than expected last month, boosting some hopes that the health of the world's largest economy was improving. A separate report showing the vast U.S. services sector gained momentum in September also helped lift USD-JPY to a 2-week high.

Few analysts, however, were ready to say the U.S. job market had improved enough to reduce the jobless rate significantly. That means the Federal Reserve is likely to flood the market with Dollars for years to come, capping the currency's gains.

The ADP National Employment Report showed the private sector added 162,000 jobs last month. But the data has proved a poor indicator of late in predicting job gains in the more comprehensive government payrolls report, which is due Friday. ADP could foreshadow a good number, but even if we exceed expectations, job creation will still be miserable and will give the Fed plenty of scope to keep easing.

Economists expect Friday's data to show the economy added 113,000 jobs last month while the unemployment rate rose to a tenth of a percent to 8.2 percent.

USD-JPY settled up 0.5 percent at 78.480 after hitting its highest level since Sept. 19 following the data.

Traders tied the move partly to Japan's new finance minister saying he was ready to take steps to thwart a strong Yen, which has hurt exports and the economy. There has been an uptick in speculative demand for USD-JPY on an improving technical backdrop. But traders do not see the pair making a run at the 80.000 level.

EUR-USD slipped 0.1 percent to 1.29039, as uncertainty grew about whether and when Spain would seek emergency aid to stem its debt crisis. Prime Minister Mariano Rajoy quashed speculation that his government would apply for a bailout as soon as this weekend.

Data suggesting the 17-country Euro zone likely fell back into recession in the third quarter also hurt the Euro ahead of Thursday's European Central Bank meeting.

Traders expect Spain to ultimately request a bailout, which would free the European Central Bank to buy Spanish government bonds to lower the government's borrowing costs. Such a move was expected to spark only mild Euro gains. The bailout is priced into the market, so an official request would only give the Euro a short-term boost rather than see it trend higher against the Dollar.

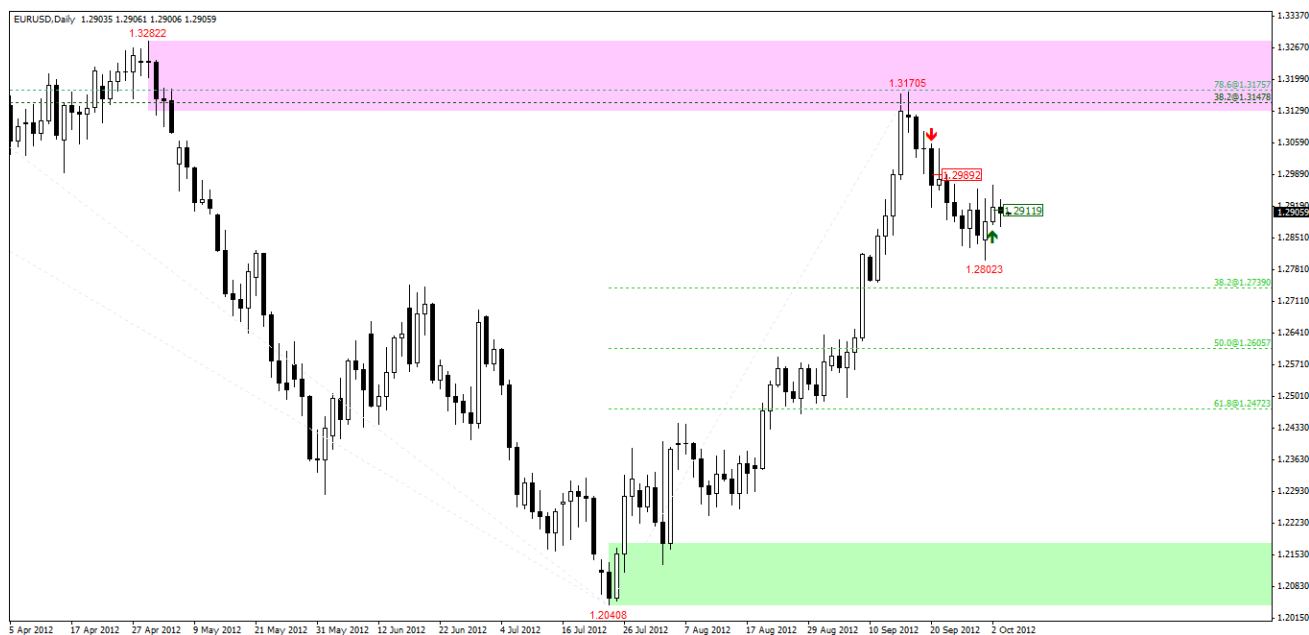
GBP-USD fell 0.3 percent to 1.60740 ahead of a Bank of England meeting on Thursday.

AUD-USD dollar fell 0.6 percent to 1.02147, weighed down by stronger U.S. data and a report showing Australia posted its widest trade deficit in 3-1/2 years as falling iron ore and coal prices dented export earnings. The Aussie was also hurt by expectations that interest rates may fall further after the Reserve Bank of Australia on Tuesday cut its cash rate to 3.25 percent, the lowest in three years.

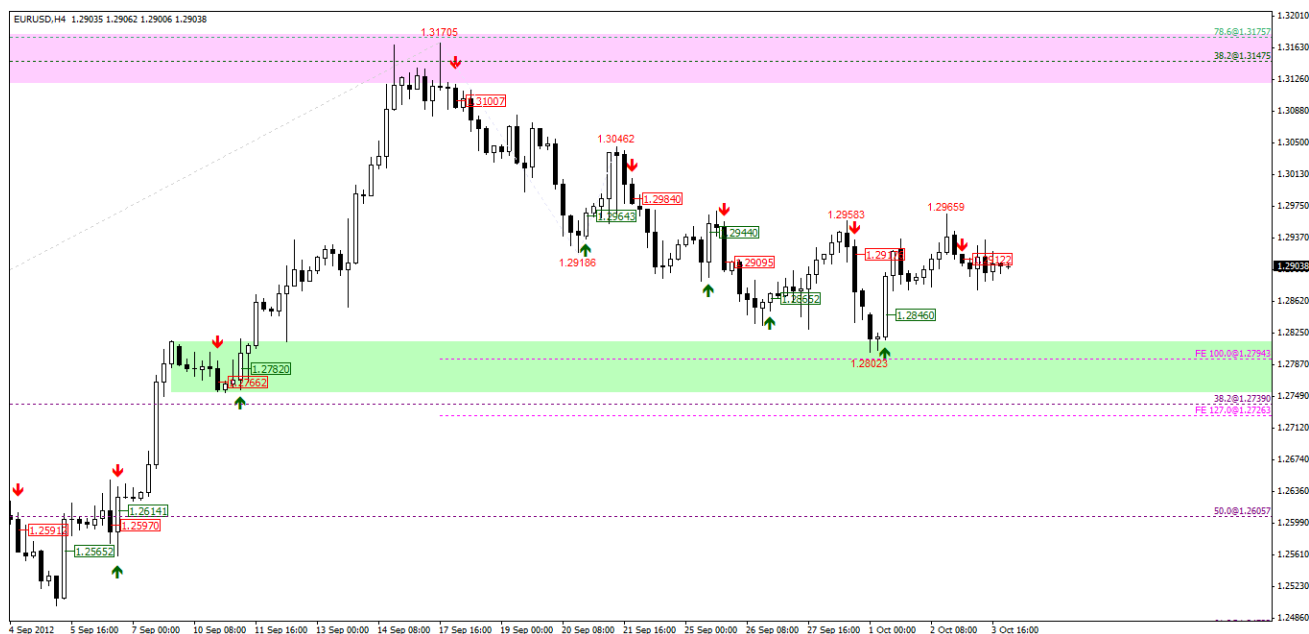
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EUR-USD DAILY



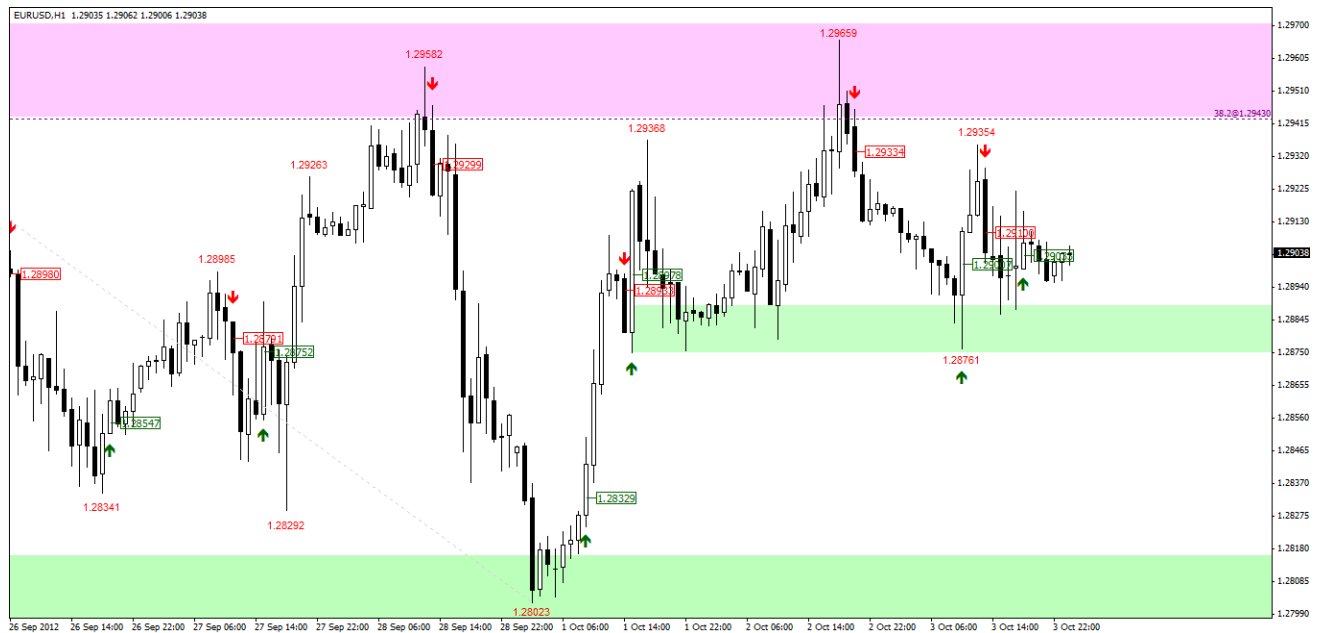
EUR-USD 4-HOURLY



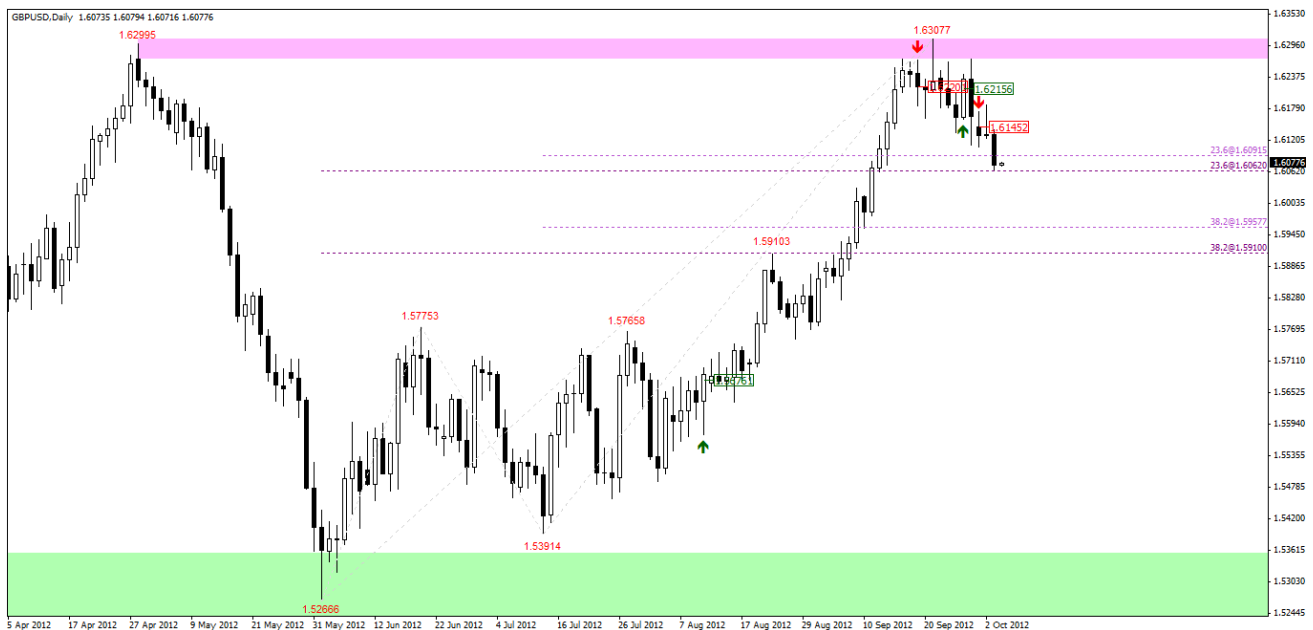
EUR-USD Short to Medium-Term Views

Monday saw price action fall from 1.31705 to just above the 100.0% projection of 1.31705 to 1.29186 from 1.30462 at **1.27943** within the DZ at **1.27535-1.28159** and rebounded. As noted, the fall was viewed as a correction of the rally from 1.20408 and an eventual challenge of the 17 September high of **1.31705** is expected after this correction is over. Since then, prices have been rather firm. Yesterday's update allured to the possibility of another buying opportunity and it did. Traders were alerted to the possibility that such a buying opportunity may emerge within the minor DZ at **1.28749-1.28886** (H1 chart). Price action indeed fell into this demand pocket and rallied but once but four times. As mentioned, focus is now on the major supply pocket at **1.33550-1.34847**.

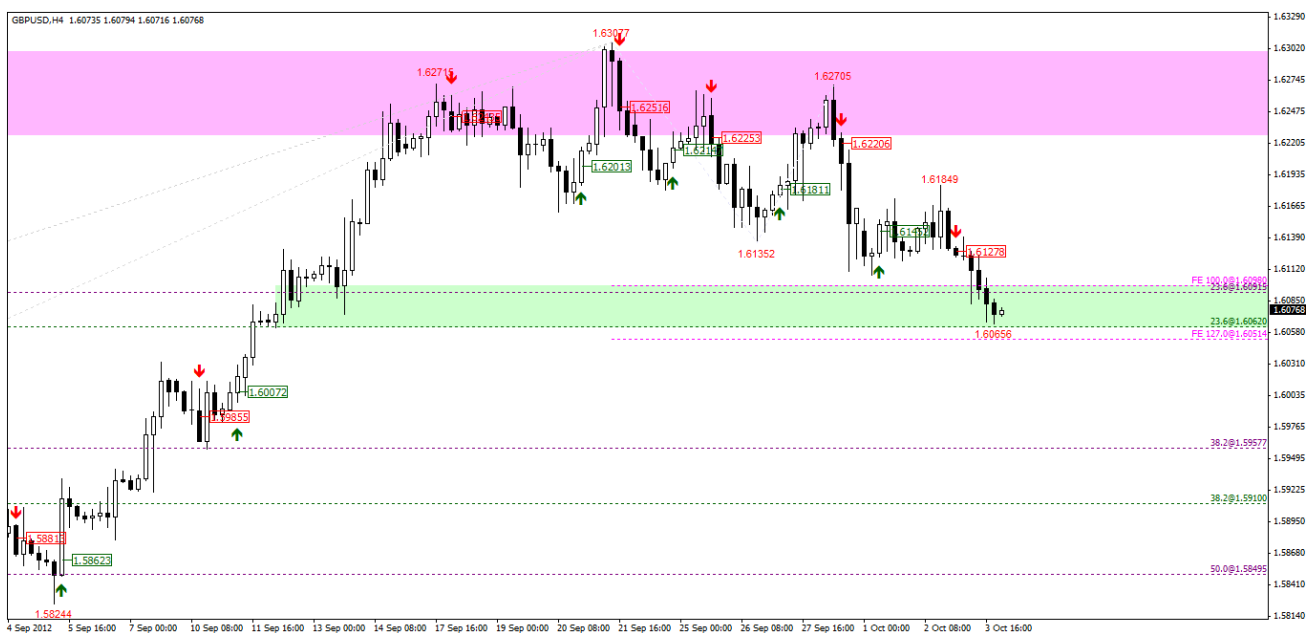
EUR-USD 1-HOURLY



GBP-USD DAILY



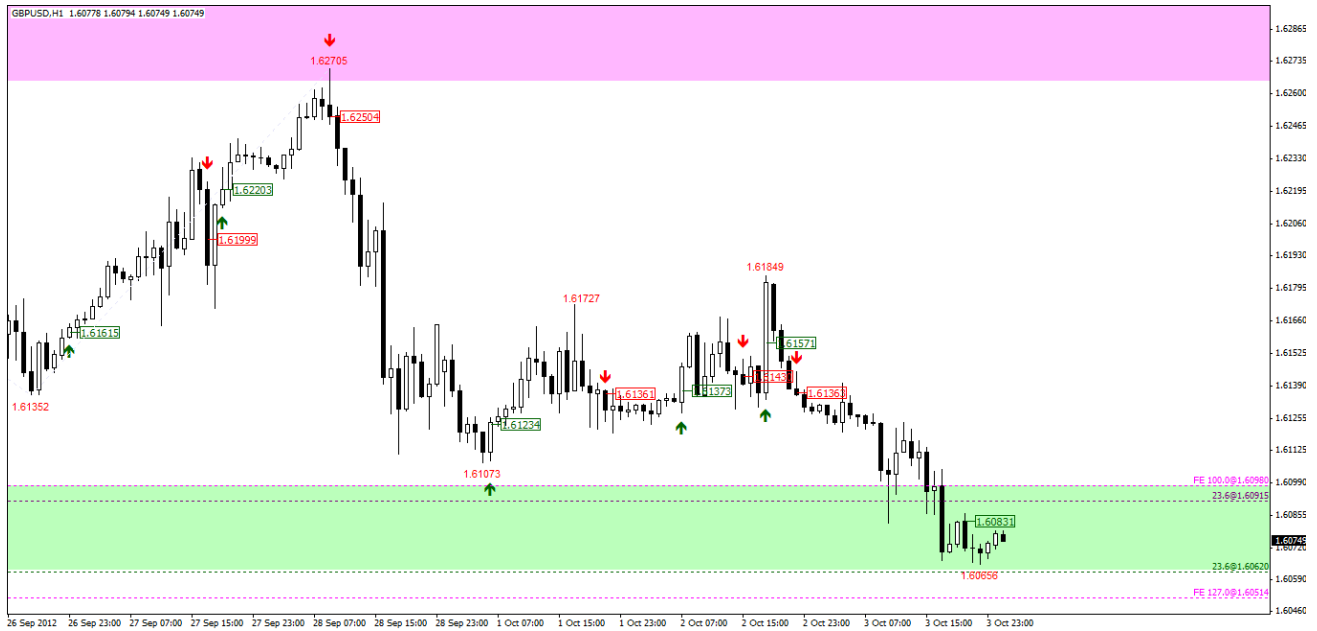
GBP-USD 4-HOURLY



GBP-USD Short to Medium Term Views

As suspected, price action did attempt another fall into in the minor demand pocket at **1.60629-1.60978** in overnight trading. Also noted was the possibility that this pullback may stretch to the secondary target between the 38.2% retracement of 1.53914 to 1.63077 at **1.59577** and the 38.2% retracement of 1.52666 to 1.63077 at **1.59100**. These latter levels represent perhaps the most ideal setup for a medium-term buy position as a strong rally from either of these zones could signal the resumption of the rally from 1.52666 beyond last Friday's high of **1.63077**. That said, the first barrier to higher prices is the overhead SZ at **1.62272-1.62995**. This bullish assessment, assumes, of course price action does not accelerate to the downside in an impulsive fall.

GBP-USD 1-HOURLY



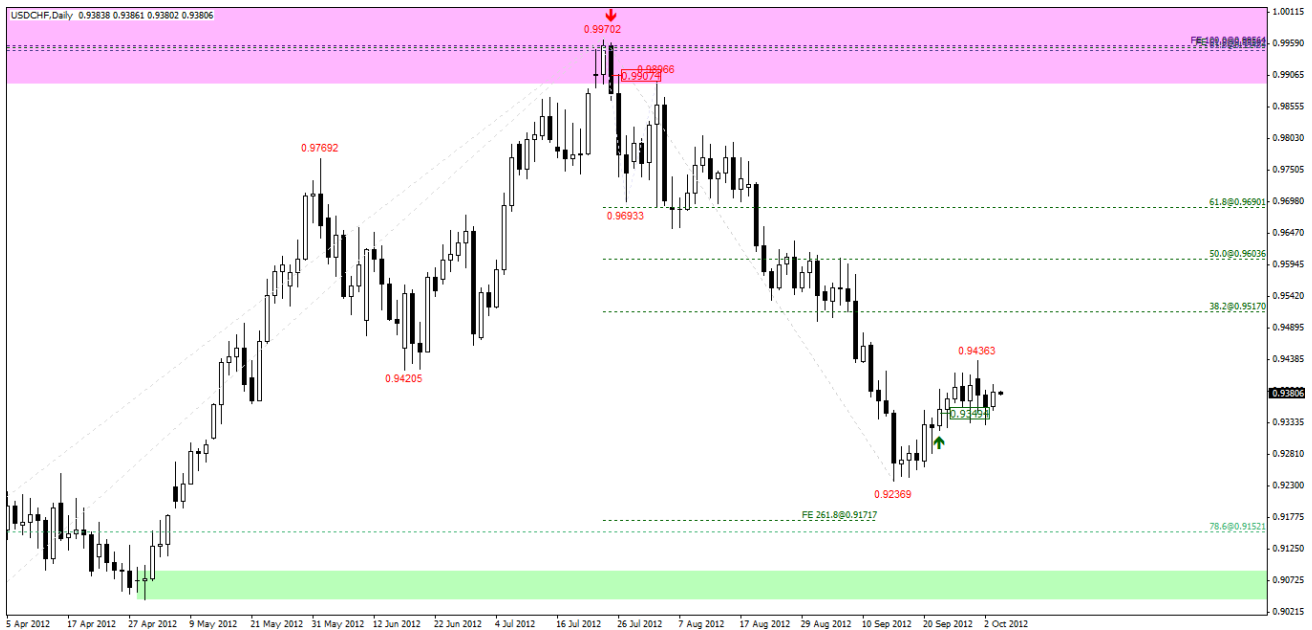
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.60947 (M5 chart)	1.62653	1.63771	1.60520 STOP

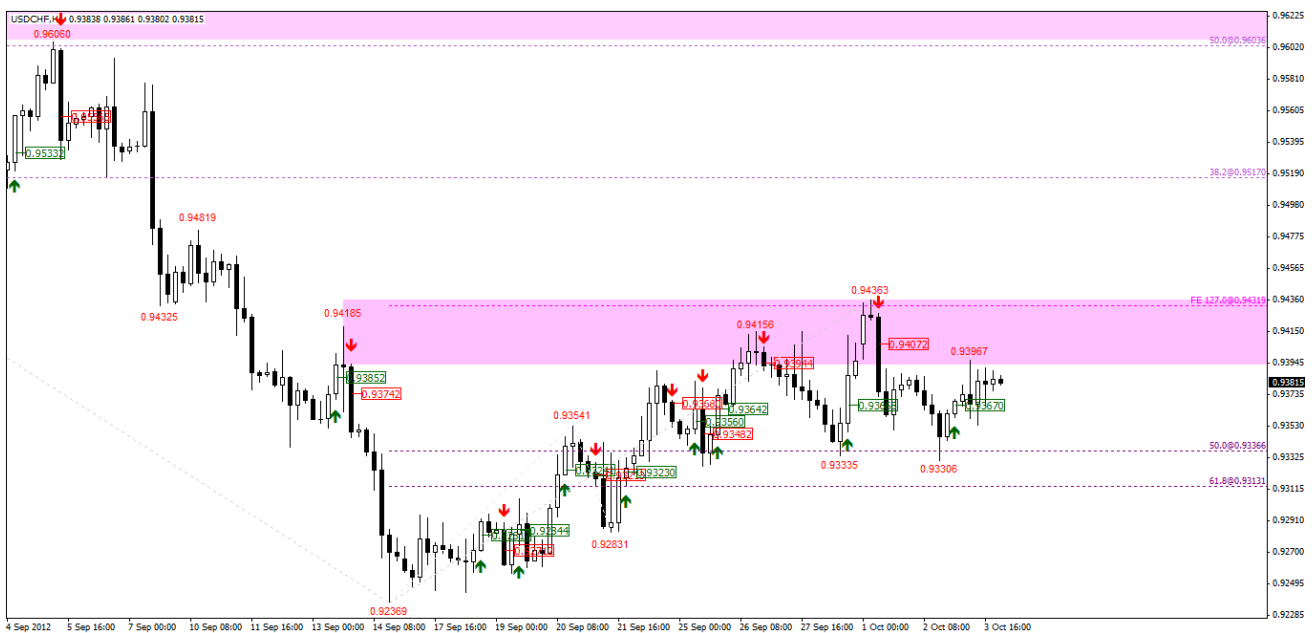
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 28-09-2012								\$41,916.00
GBP-USD	01-10-2012	1.0	1.61452	28-09-2012	1.0	1.62504	+\$1,049.00	+\$1,049.00	\$43,505.00
GBP-USD	03-10-2012	1.0	1.60915	28-09-2012	1.0	1.62504	+\$1,589.00	+\$1,589.00	\$45,094.00
GBP-USD	03-10-2012	1.0	1.60947	03-10-2012	1.0	1.60740	-\$207.00		
GBP-USD	03-10-2012	1.0	1.60947	03-10-2012	1.0	1.60740	-\$207.00		
Unrealized							-\$414.00		

USD-CHF DAILY



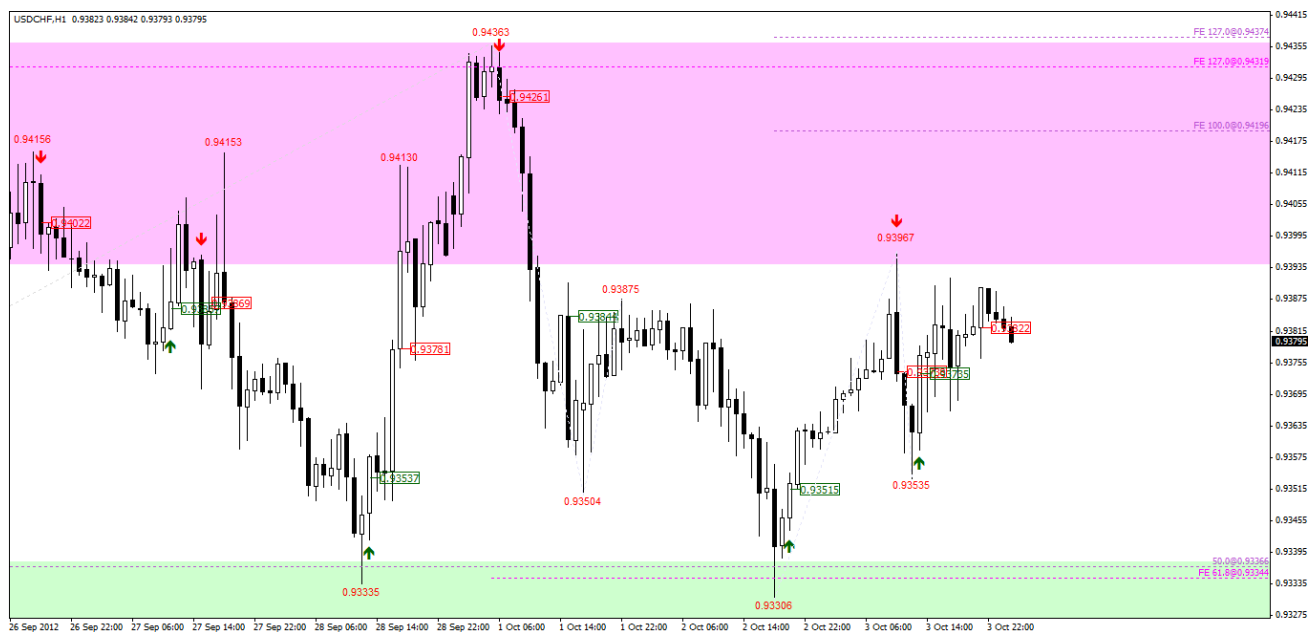
USD-CHF 4-HOURLY



USD-CHF Short to Medium Term View

The fall from 0.94363 on Monday, having hit its initial target some 48 hours ago where the 50.0% retracement of 0.92369 to 0.94363 at **0.93366** and the 61.8% projection of 0.94363 to 0.93504 from 0.93875 at **0.93344** were, briefly flirted with the overhead SZ at **0.93941-0.94363** once more. As noted, even though price action has rebounded somewhat, another fall is anticipated. It is also likely to fall towards the next DZ at **0.92831-0.92955**. A close below **0.93560** in the D1 chart would, in turn, increase confidence that this bearish count is in progress. Somewhere between the 261.8% projection of 0.99702 to 0.96933 from 0.98966 at **0.91717** and the 78.6% retracement of 0.89293 to 0.99702 at **0.91521** is the area in which real demand may re-emerge. From there, a larger degree rebound is likely to unfold; ideally taking price action back to the revised SZ at **0.93941-0.94363** (see D1 chart). Though somewhat unlikely at this stage, in the event that a rally does punches through the overhead SZ at **0.93941-0.94363**, the next area of potential supply lies somewhere in between the 38.2% and the 50.0% retracement of 0.99702 to 0.92369 at **0.95170** and **0.96036**.

USD-CHF 1-HOURLY



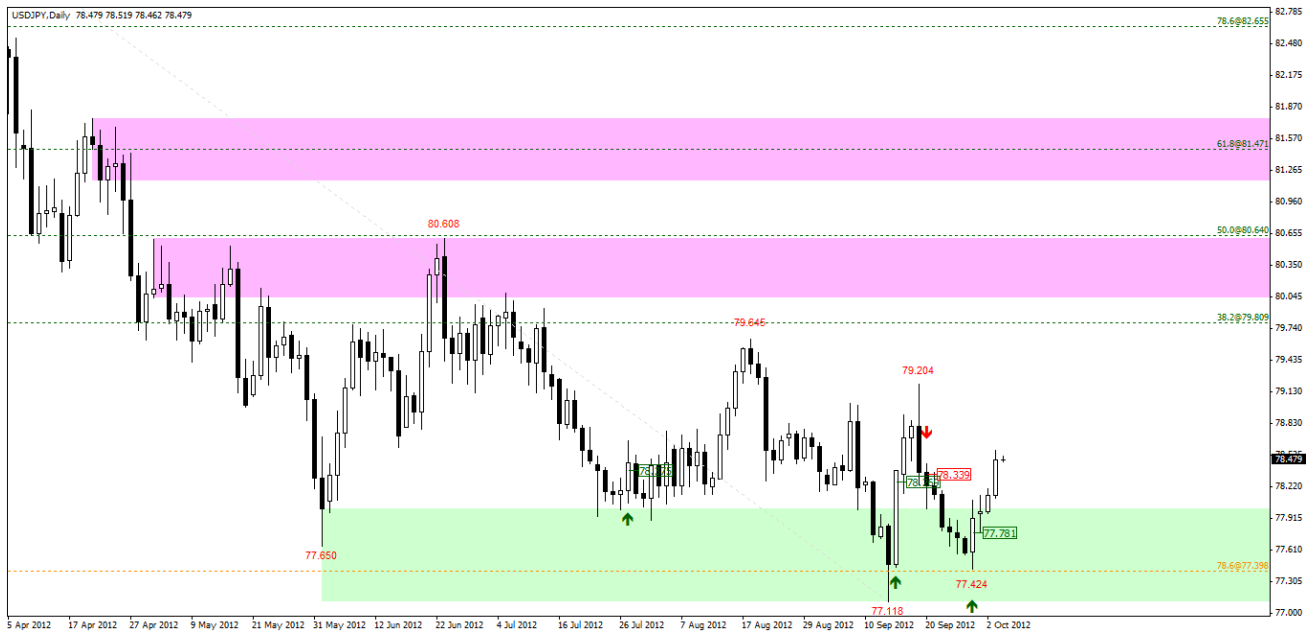
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sold @ 0.94261	0.93376 Realized	0.92955	Break-even

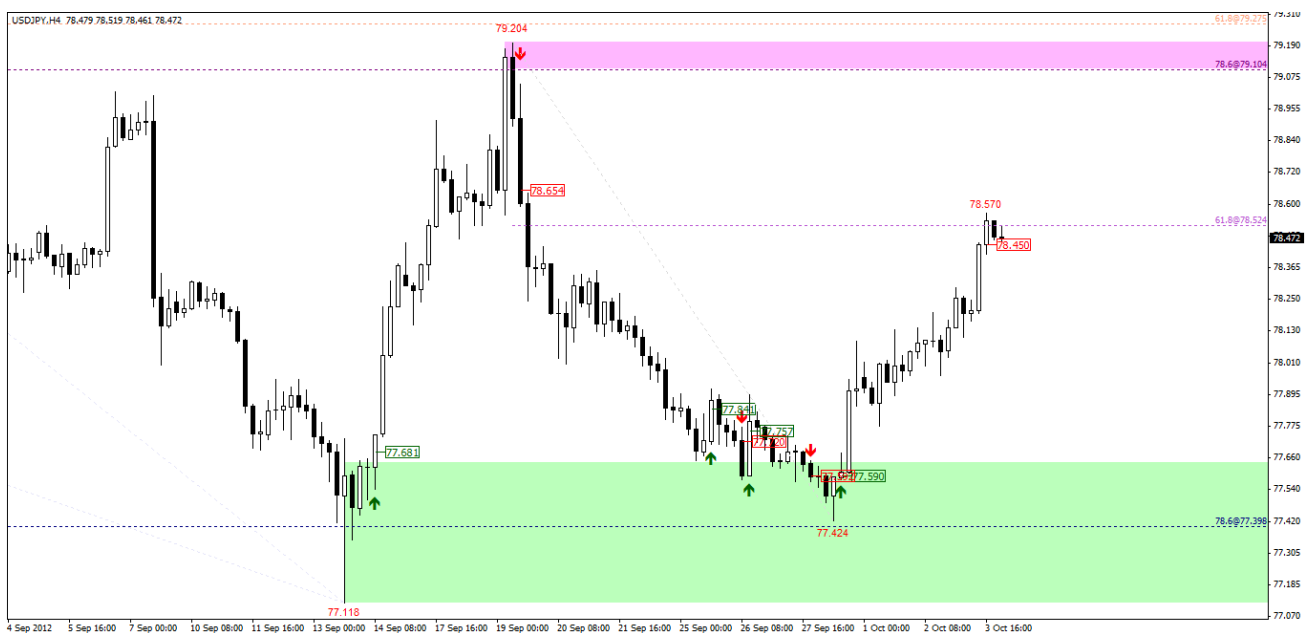
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 28-09-2012								\$28,954.39
USD-CHF	02-10-2012	1.0	0.93376	01-10-2012	1.0	0.94261	+\$947.78	+\$947.78	\$29,902.17
USD-CHF	03-10-2012	1.0	0.93837	01-10-2012	1.0	0.94261	+\$451.85		
						Unrealized	+\$451.85		

USD-JPY DAILY



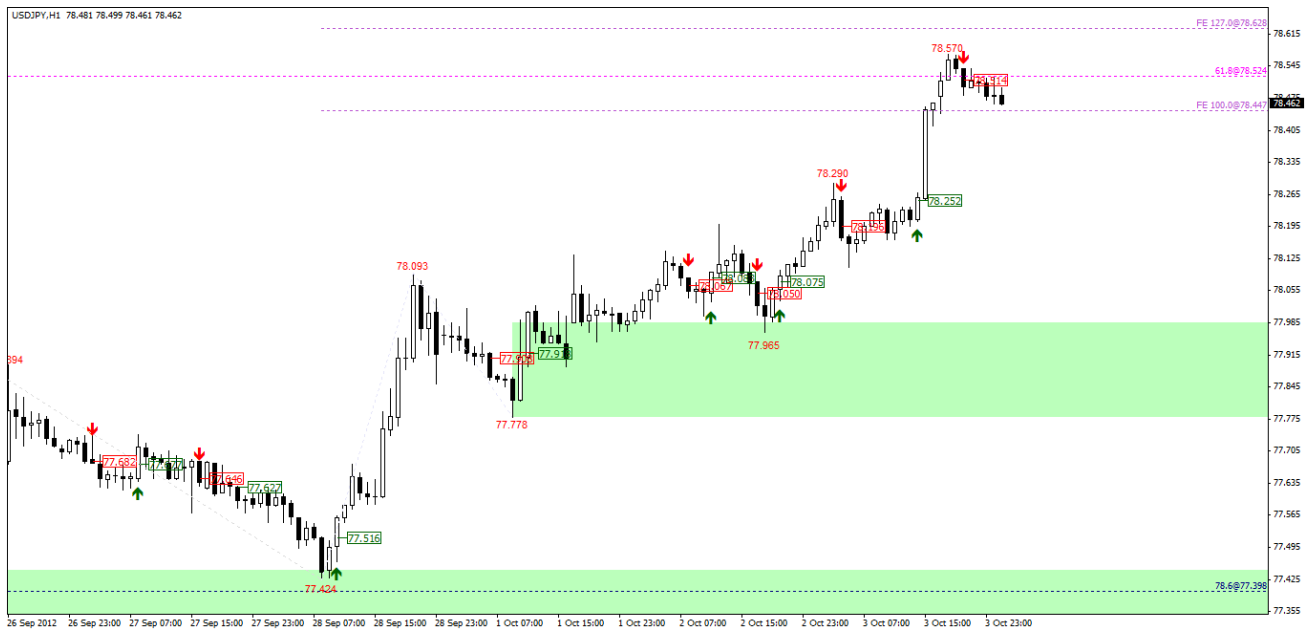
USD-JPY 4-HOURLY



USD-JPY Short to Medium Term Views

The rally from the demand pocket at **77.118-77.640** experienced a strong boost overnight by taking out the immediate target is the minor supply pocket at **78.301-78.446**. Price action hit the 61.8% retracement of 79.204 to 77.424 at **78.524** overnight and eased. Though strong, short-term signals are beginning to suggest the advent of profit-takings. In the H1 chart, a sell signal was triggered with a close below **78.514**. Should the H4 chart too triggers a sell signal with a close below **78.450**, weakness is seen in the hours ahead. Sustained profit-takings, if any, could possibly target the minor demand pocket at **77.778-77.986** (see H1 chart). Looking ahead, the medium-term outlook favors a challenge of the next supply pocket at **79.106-79.204**, located just above the 78.6% retracement of 77.118 to 79.645 at **79.104**.

USD-JPY 1-HOURLY

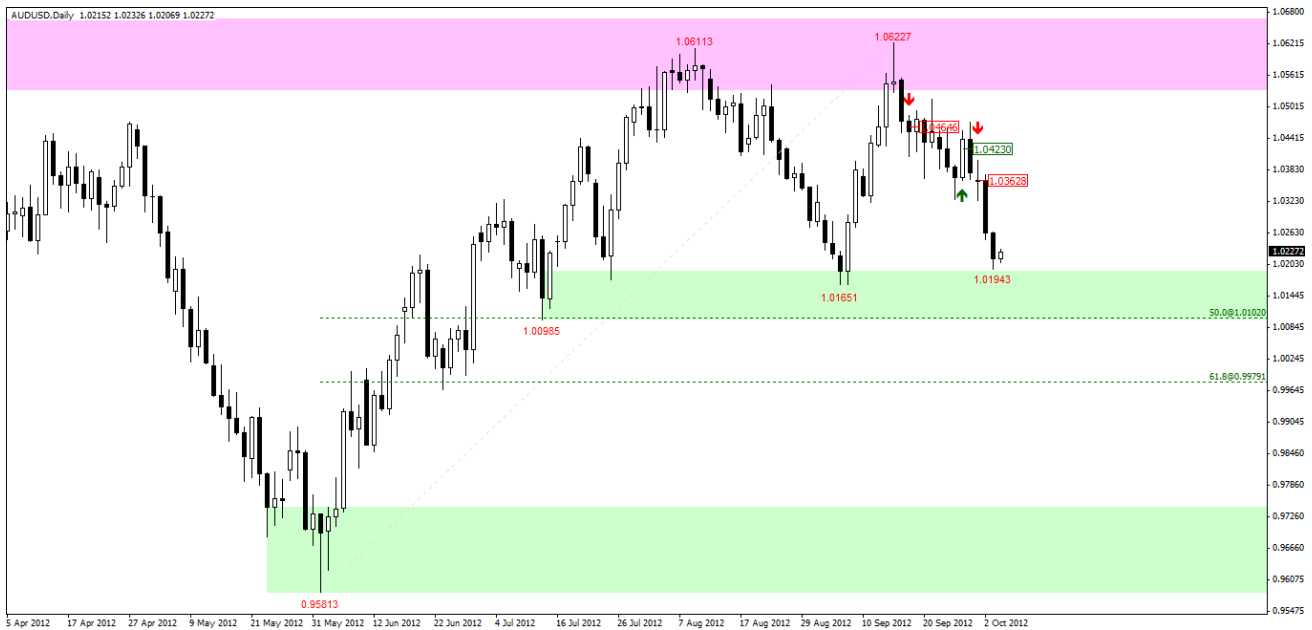
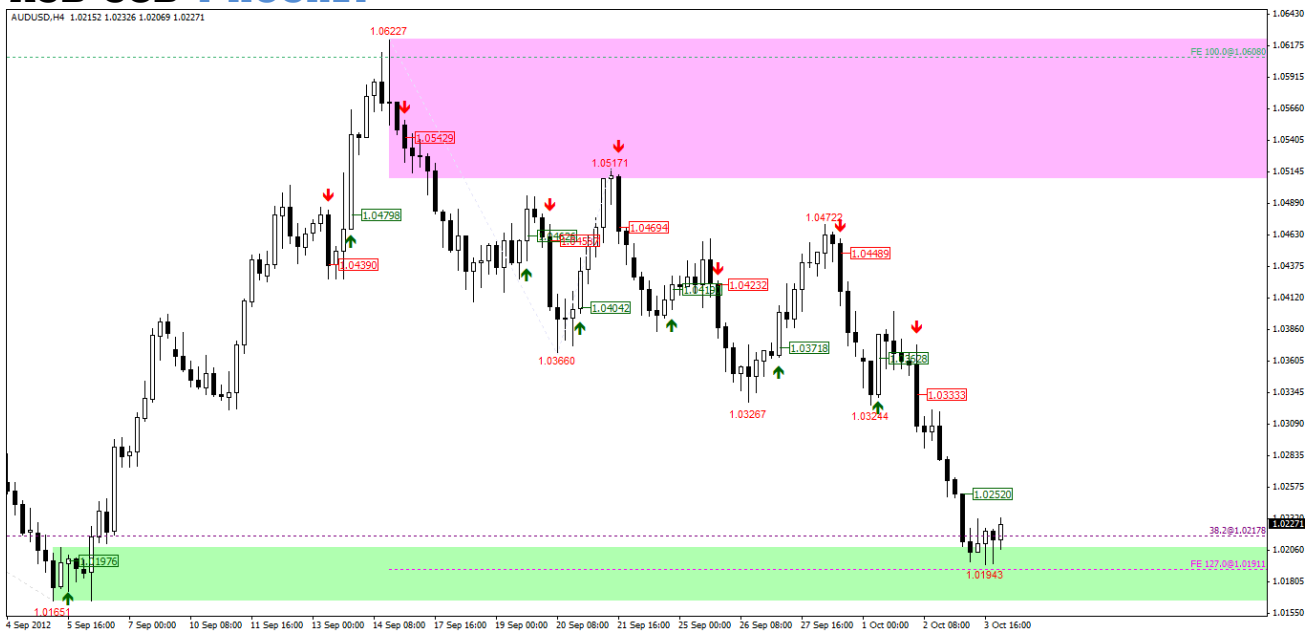


Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @77.683	78.301 Realized	79.104	Exit on H4 close below 78.450

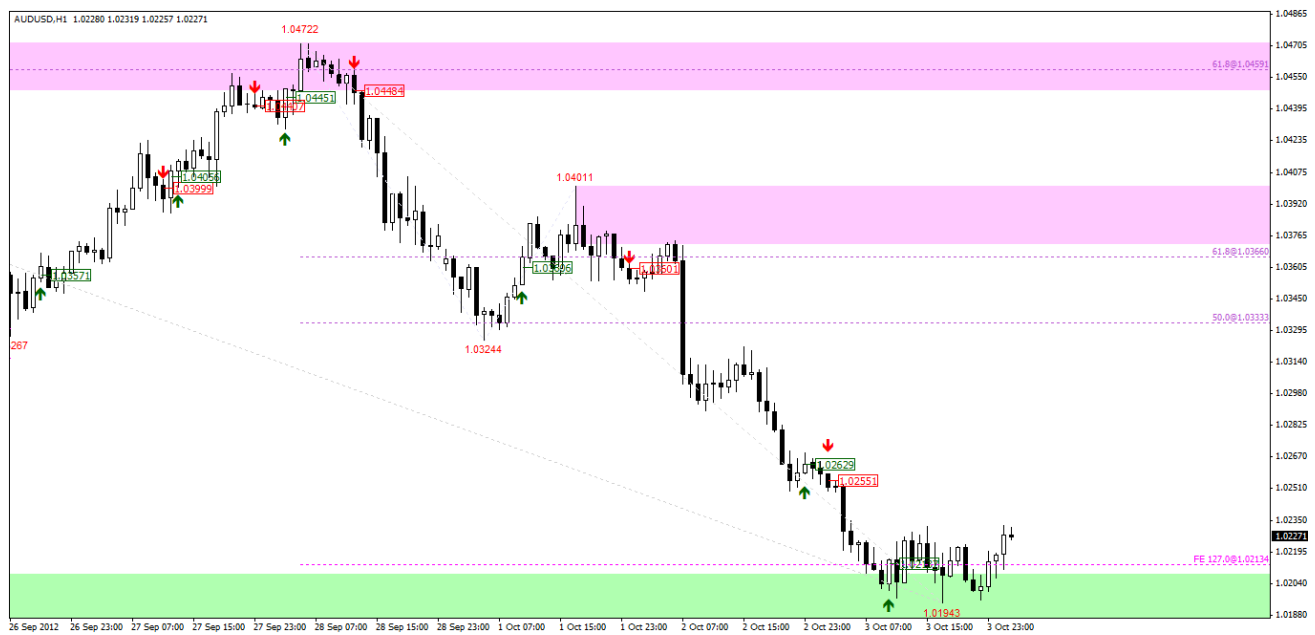
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 28-09-2012								\$21,414.24
USD-JPY	26-09-2012	1.0	77.683	03-10-2012	1.0	78.301	+\$789.26	+\$789.26	\$22,203.50
USD-JPY	26-09-2012	1.0	77.683	03-10-2012	1.0	78.480	+\$1,015.55		
						Unrealized	+\$1,015.55		

AUD-USD DAILY**AUD-USD 4-HOURLY****AUD-USD Short to Medium Term Views**

The fall from 1.06227, as expected, fell into the demand pocket at **1.01651-1.02087**; which incidentally is where the 127.0% projection of 1.06227 to 1.03660 from 1.05171 at **1.01911** is (see H4 chart). The overnight low of 1.01943 represents a 10-week low. As noted, unless this fall accelerates below **1.00985**, buy signals within the demand pocket at **1.01651-1.02087** should not be ignored. As we have it, a buy signal has been triggered in the H1 chart and should the H4 chart too have a close above **1.02520** (at the point of writing), the odds of a rally increases. There is, however, no danger of this marketing 'running away'. In perspective, price action is expected to trade between the long-term SZ at **1.05317-1.06677** and the DZ at **1.00985-1.01911** (see D1 chart) for awhile yet.

AUD-USD 1-HOURLY

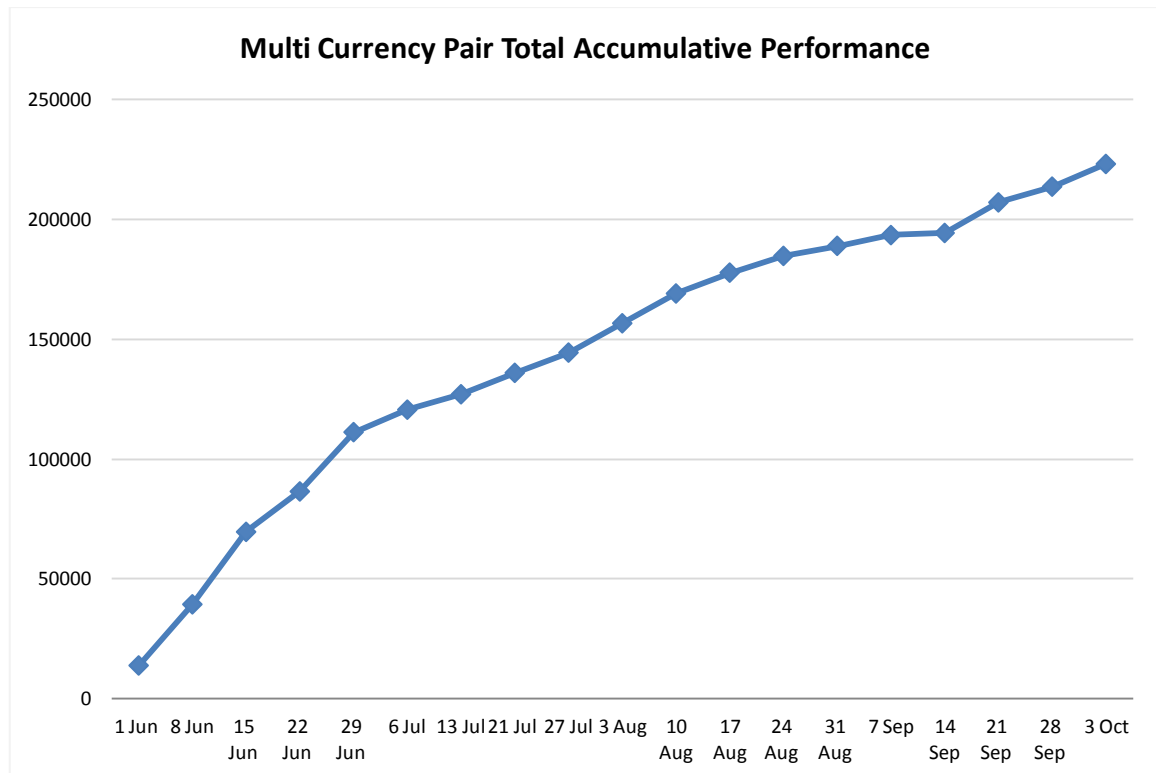
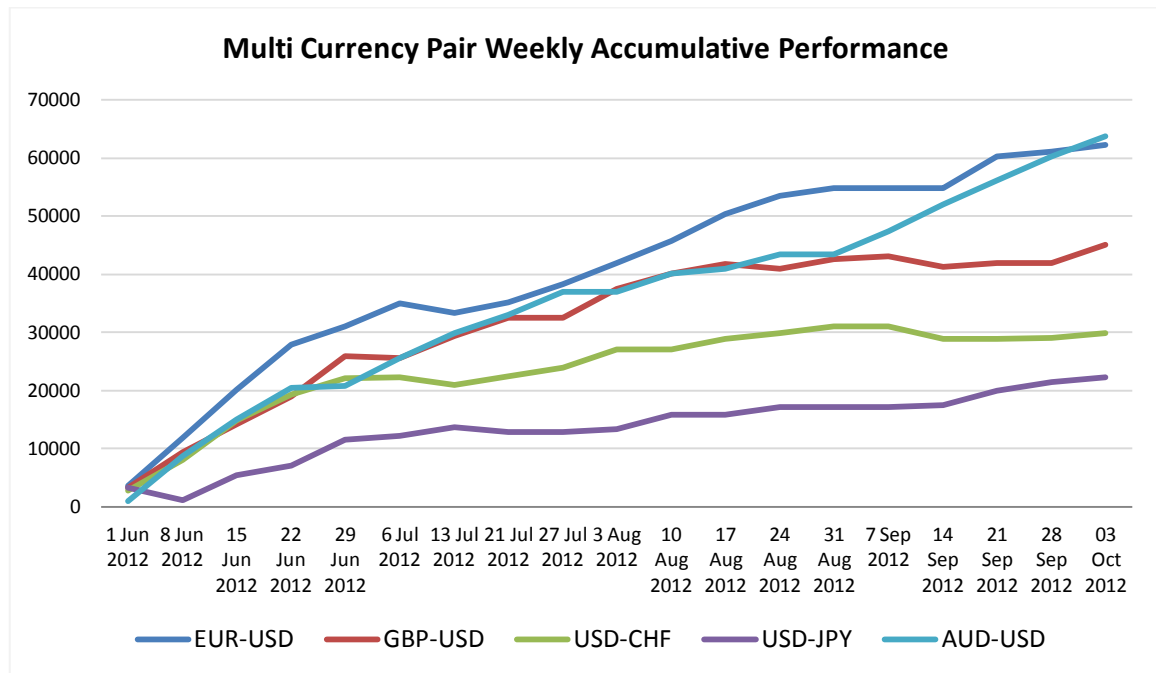


Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.02137	1.03722	1.04486	1.01551 STOP

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 28-09-2012								+\$60,295.00
AUD-USD	01-10-2012	1.0	1.03407	28-09-2012	1.0	1.04484	+\$1,077.00	+\$1,077.00	\$61,372.00
AUD-USD	03-10-2012	1.0	1.02137	28-09-2012	1.0	1.04484	+\$2,347.00	+\$2,347.00	\$63,719.00
AUD-USD	03-10-2012	1.0	1.02137	03-10-2012	1.0	1.02147	+\$10.00		
AUD-USD	03-10-2012	1.0	1.02137	03-10-2012	1.0	1.02147	+\$10.00		
Unrealized							+\$20.00		



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.