

A Traders Academy International Publication

Markets Quiet On US Labour Day Holiday

EUR-USD was down about 1.9 percent so far in November and is seen having limited scope for gains even if Greece does receive aid. A bleak economic backdrop in the Euro zone contrasts starkly with an improving U.S. economy and is viewed as a further headwind for the Euro. Also 'favouring' the Dollar is the a looming U.S. fiscal cliff, a combination of big spending cuts and tax hikes if U.S. Congress does not act to curb the budget deficit that some believe has the potential to send the U.S. economy into another recession.

Trading in the United States session was on the light side, with the government bond market closed in observance of the Veterans Day holiday.

Greece was at the forefront of investor concerns as Euro zone governments disagreed on whether to disburse more money to the debt-ravaged country on Monday. Worries persisted even though the Greek government approved a tough 2013 budget, because of the lack so far of a consensus on how to make Greece's debts sustainable into the next decade. Despite the Greek parliament passing an austerity-filled budget this weekend, traders are still concerned that Greece will not receive its next tranche of funds in time to avoid defaulting on its loans.

Greece has to redeem €5 billion (\$6.36 billion) worth of Treasury bills on November 16 and had been counting on cash from the next tranche of aid to help cover that. Greece will get two more years to reach previously agreed budget goals, but the extra time will cost the Euro zone an additional €32.6 billion.

EUR-USD was flat at 1.27081, not far from a 2-month low of 1.26889 touched on Friday. Stop-loss sell orders were reported below 1.26850.

Concerns about Greece trumped trade data in China suggesting it is recovering from slower growth, assuaging concerns about the world's second-largest economy.

Looking ahead, data due later this week is forecast to show a slowdown in German growth in coming quarters and France slipping into recession.

Demand for higher-risk assets has been sluggish as traders fret about the possible impact of some \$600 billion in expiring U.S. tax cuts and spending reductions due to begin to take effect in January without a deal on Capitol Hill.

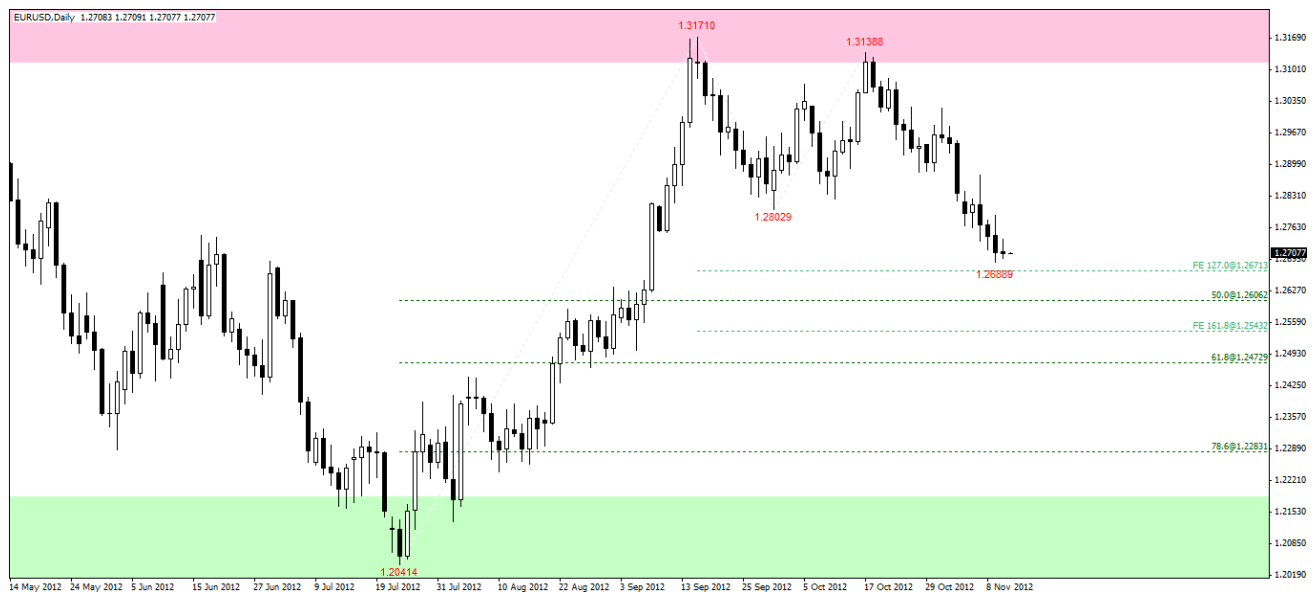
Markets on Monday also shrugged off a 0.9 percent July-September quarter-on-quarter contraction in Japan's economic output, which was in line with forecasts. It was the first negative reading in three quarters, and it added to fears that slowing global growth is pushing the Japanese economy into recession.

USD-JPY was last down 0.1 percent at 79.474, but above Friday's close of 79.061, its weakest since October 18.

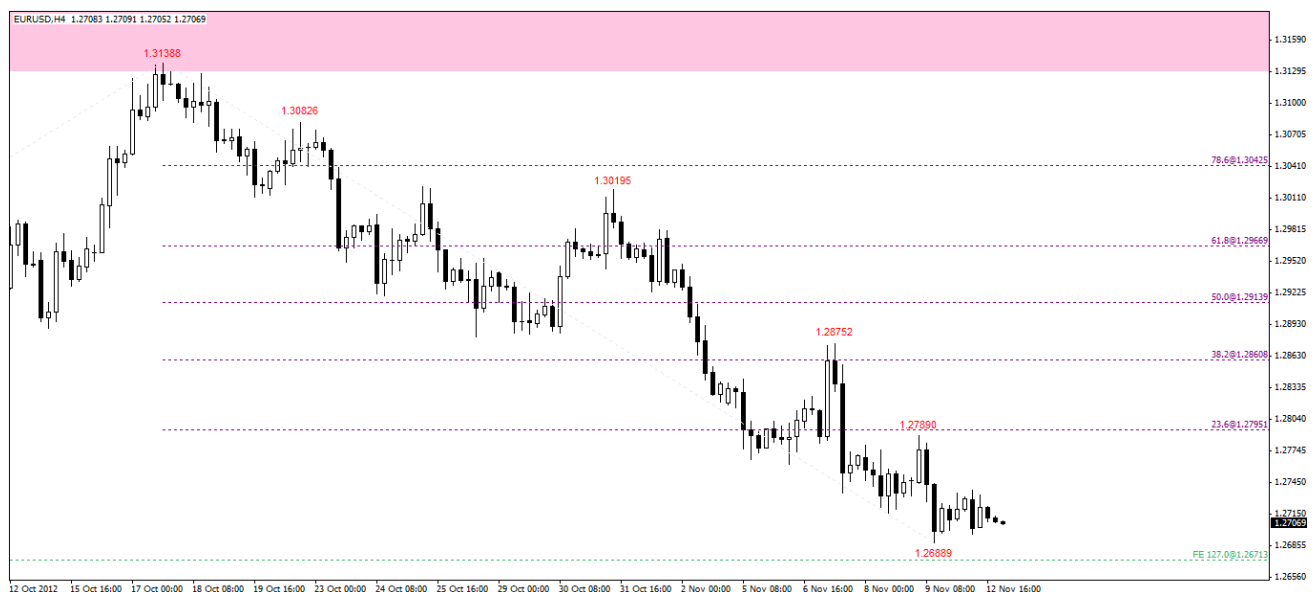
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EUR-USD DAILY



EUR-USD 4-HOURLY

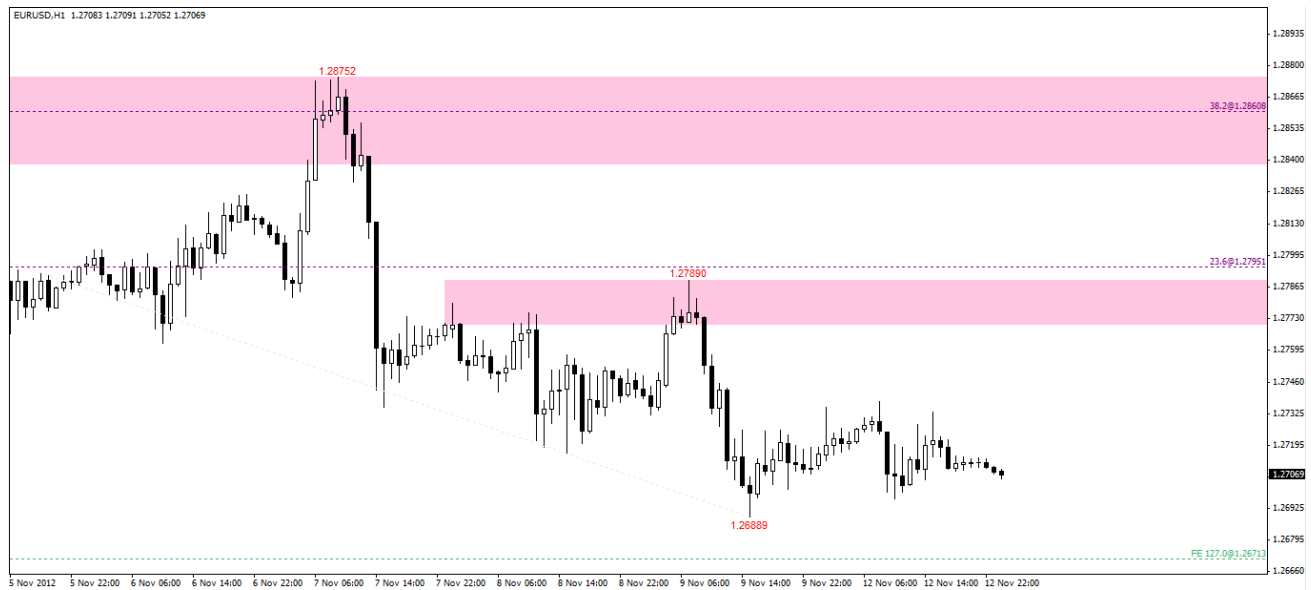


EUR-USD Short to Medium-Term Views

Trading action was uninspired due largely to the US Labor Day holiday. Last week price action fell decisively below the 38.2% retracement of 1.20414 to 1.31710 at 1.27395 with a print at 1.26889 on Friday - clearing the path for an assault on the 161.8% projection of 1.31710 to 1.28029 from 1.31388 at **1.25432**. Though it was noted previously that this market must hold at the 38.2% retracement of 1.20414 to 1.31710 at 1.27395 to keep the 4th wave correction scenario alive, on re-examination, to truly give up on the 4th wave scenario, this market must conclusively break below the 127.0% of 1.31710 to 1.28029 from 1.31388 at **1.26713**. If this happens, the 4th wave scenario is truly dead and what we had was a 5th wave failure and thus this fall we have witnessed from 1.31388 is potentially an aggressive 3rd wave fall. On re-examination, though further weakness is expected (what with the W1 chart too succumbing to a sell signal last Friday, this market is expected to be soft going forward), the extremely bearish scenario is doubtful. This is because, to date, there are no visible 5 waves down sequence prior to or within this fall. Whatever the case, the 127.0% projection of 1.31710 to 1.28029 from 1.31388 at **1.26713** holds the key to future price development. At any rate, should there be a rebound next, the immediate supply pocket at **1.27701-1.27890** may offers an opportunity to re-position shorts although the ideal launchpad of the next fall is located at the 38.2% retracement of 1.31388 to 1.26889 at **1.28608**, within the supply pocket at **1.28381-1.2875**.

Note: Due to a platform upgrade over the weekend, all price levels are recaribrated to reflect the price values seen in the upgraded version.

EUR-USD 1-HOURLY



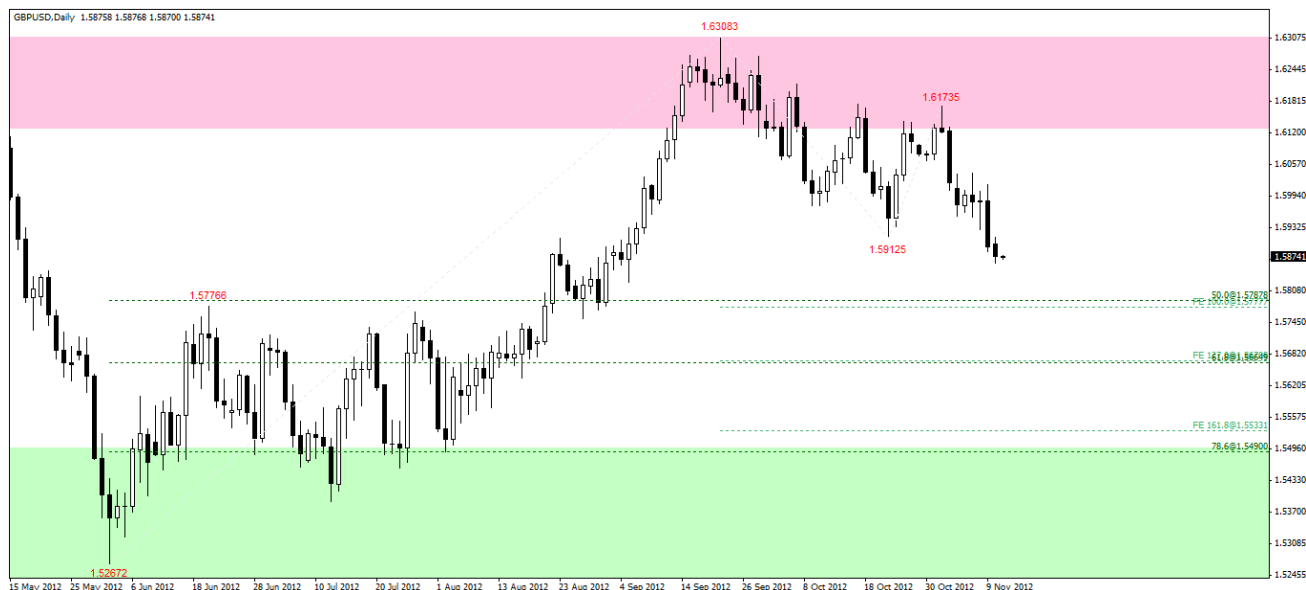
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sell on sell signal within 1.27701-1.27890	1.25933	1.24729	1.28051 STOP

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 09-11-2012								\$73,059.00
Unrealized							\$0.00		

GBP-USD DAILY



GBP-USD 4-HOURLY

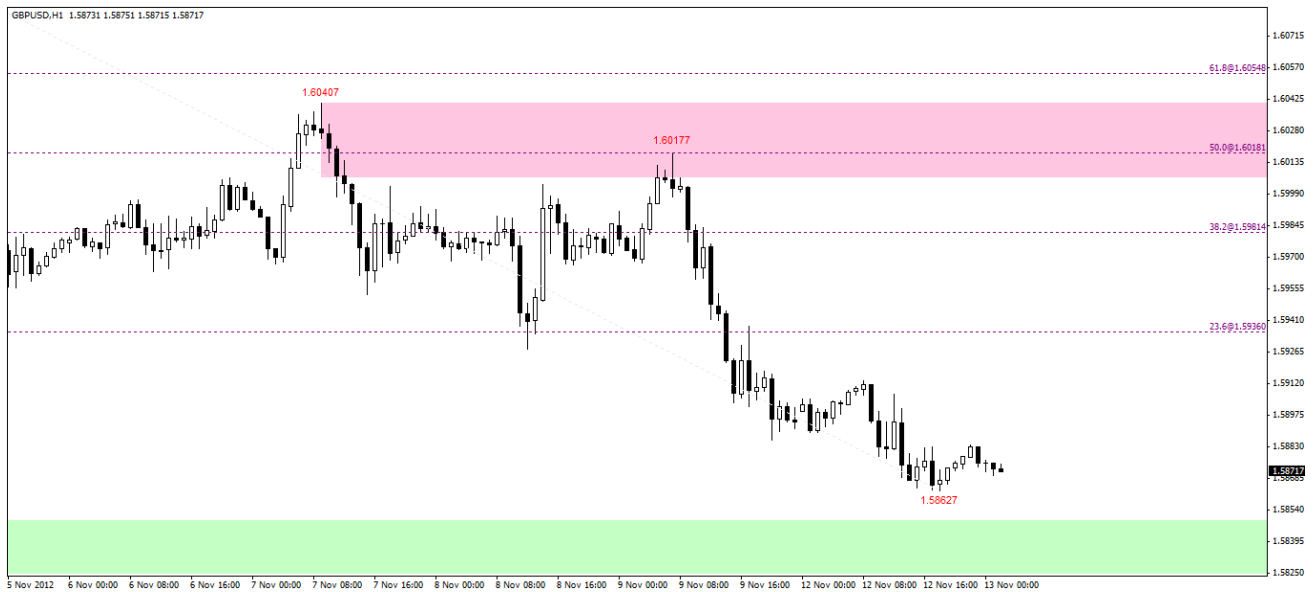


GBP-USD Short to Medium Term Views

Just like the EUR-USD, price actions since the peak at 1.63083 on September 21 were viewed as part of a wave 4. This bullish bias is now canned with the lowest weekly closing in 10 weeks. As noted in previous updates, a fall below **1.59125** essentially killed all expectations of an eventual rally above the September 21 peak of 1.63083. In terms of potential, one only has to look at the W1 chart to get a sense of where this market may potentially falls to. The nearest DZ is at **1.52327-1.54978**. That's a good 400 pips away. In the meantime, should the overnight fall extends; the nearest pocket of demand is at **1.57247-1.57293**. Below this lies a more significant demand pocket at **1.57531-1.57823** where a confluence of 2 Fibonacci ratios lies in wait. There are the 50.0% retracement of 1.52672 to 1.1.63083 at **1.57878** and the 100.0% projection of 1.63083 to 1.59125 from 1.61735 at **1.57777**. Ideally, a rebound can occur first and if so, an ideal area to position shorts is within the window between the 38.2% and 50.0% retracement of 1.61735 to 1.58627 at **1.59814** and **1.60181** respectively. This is also where a minor supply pocket is located at **1.60063-1.60407**.

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GBP-USD 1-HOURLY



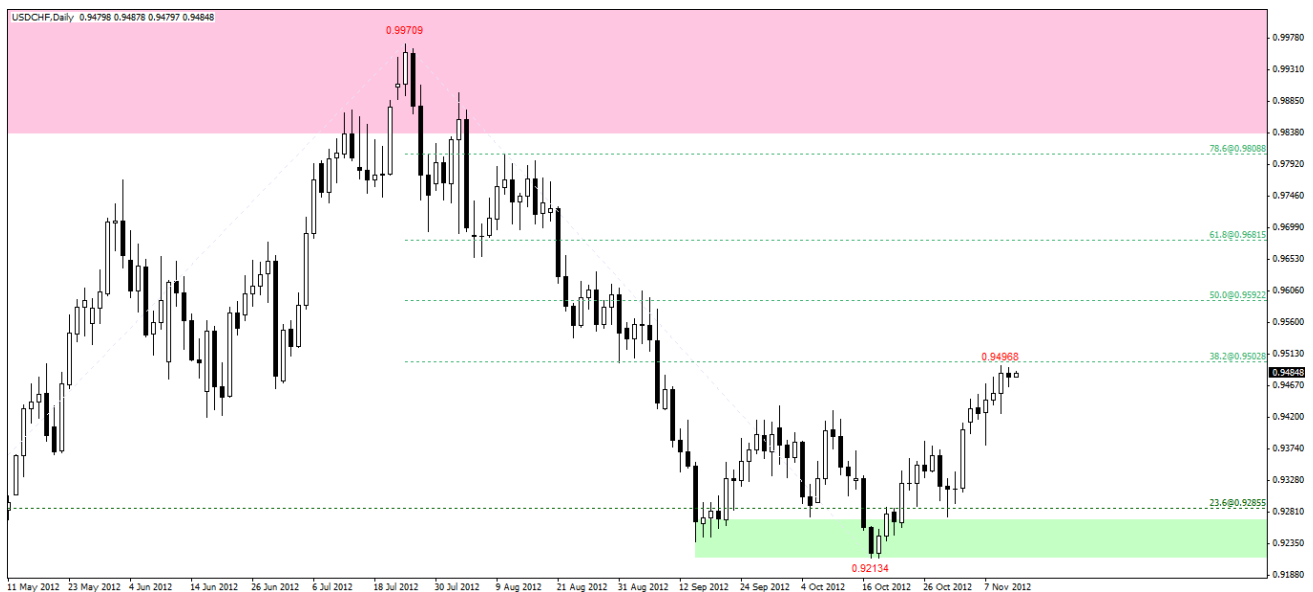
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Buy on buy signal between 1.57777 and 1.57878	1.59814	1.60181	1.57431 STOP

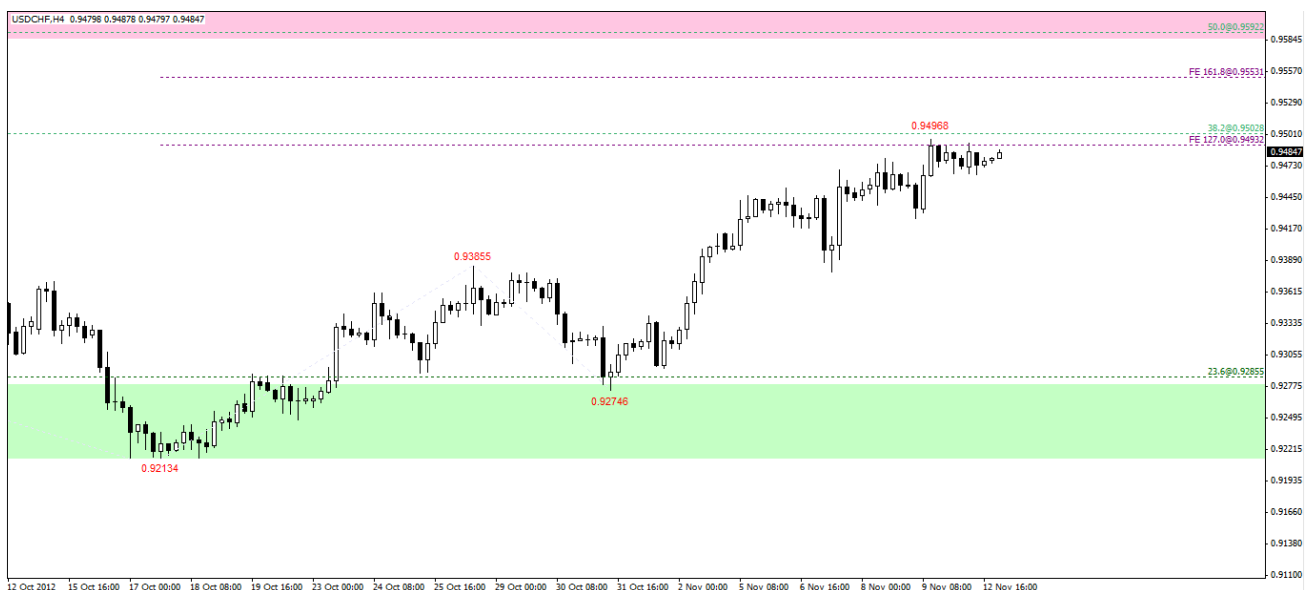
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 09-11-2012								\$50,069.00
Unrealized							\$0.00		

USD-CHF DAILY



USD-CHF 4-HOURLY

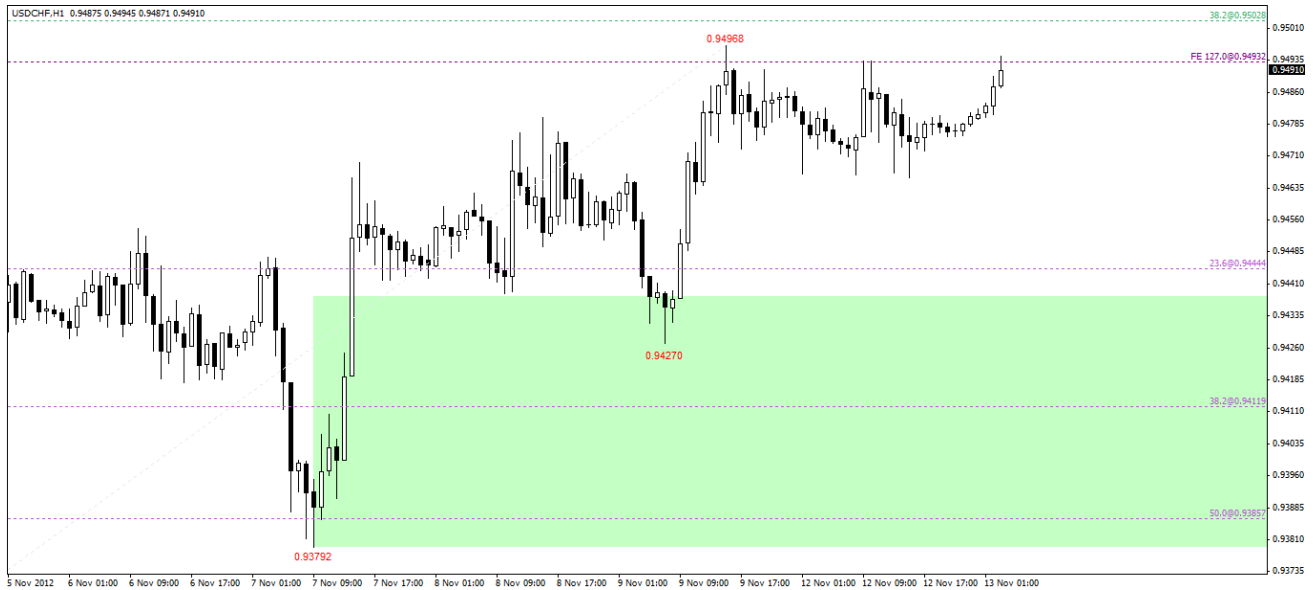


USD-CHF Short to Medium Term View

With price action closing near a 10-week high in the W1 chart, suggesting the resumption of the long-term counter-trend rally from 0.70667, the original idea that price actions since October 17 low of 0.92134 was part of a 4th wave is probably doomed. If the alternatively view that the fall from the July 24 high of 0.99709 is deemed 'completed', then price action should rally from here. Previous updates mentioned that this rally has the potential to rally to the window between the 127.0% projection of 0.92134 to 0.93855 from 0.92746 at **0.94932** and the 38.2% retracement of 0.99709 to 0.92134 at **0.95028** (see H4 chart). This was exactly what happened. This confluence of Fibonacci ratios makes this price window very sensitive to reversal. Though a short position there has a higher probability of success in the short-term, the overall structure now looks bullish. To be fair, at this stage, both bullish and bearish views are at an even keel; meaning this market can still swing in either direction. A close below **0.94650** in the H4 chart would favor the bears – at least in the short-term. If so, this may give us another chance to anchor long positions for the next ride higher. A 38.2% pullback 0.92746 to 0.94968 at **0.94119** would take price action to a minor demand pocket at **0.93792-0.94380** resides. On the upside, the medium-term potential includes the supply pocket at **0.95858-0.96586**.

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USD-CHF 1-HOURLY



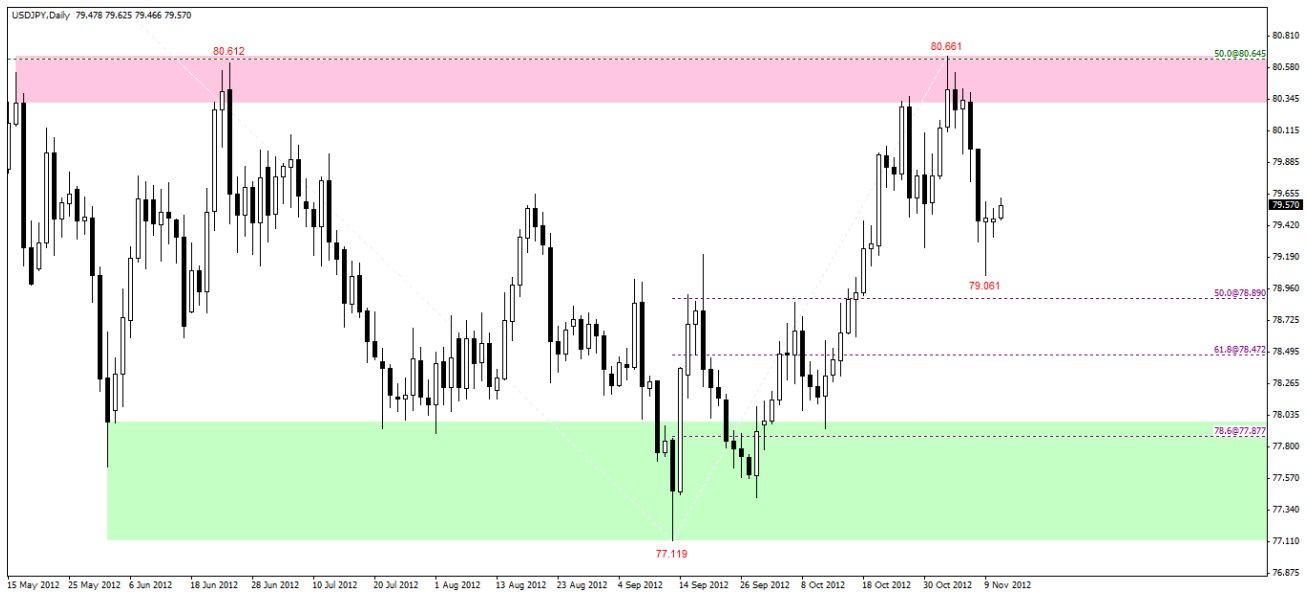
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Buy on buy signals between 0.94272-0.94469	0.94939	0.95915	0.94122 STOP

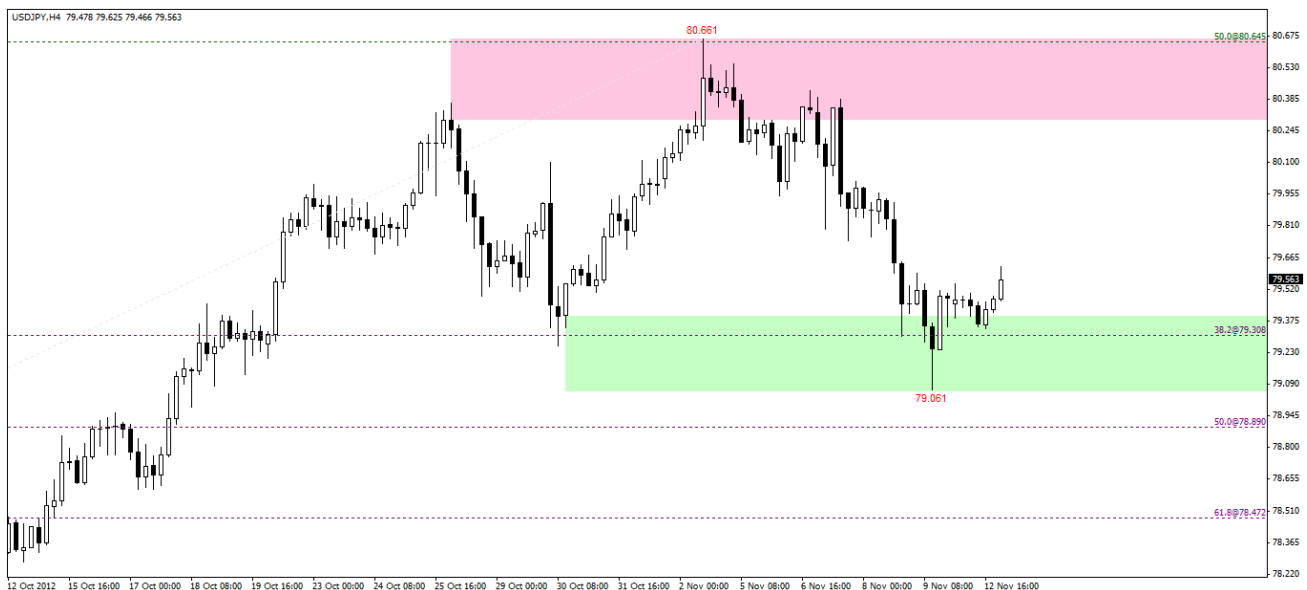
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 09-11-2012								\$33,811.41
Unrealized							\$0.00		

USD-JPY DAILY



USD-JPY 4-HOURLY

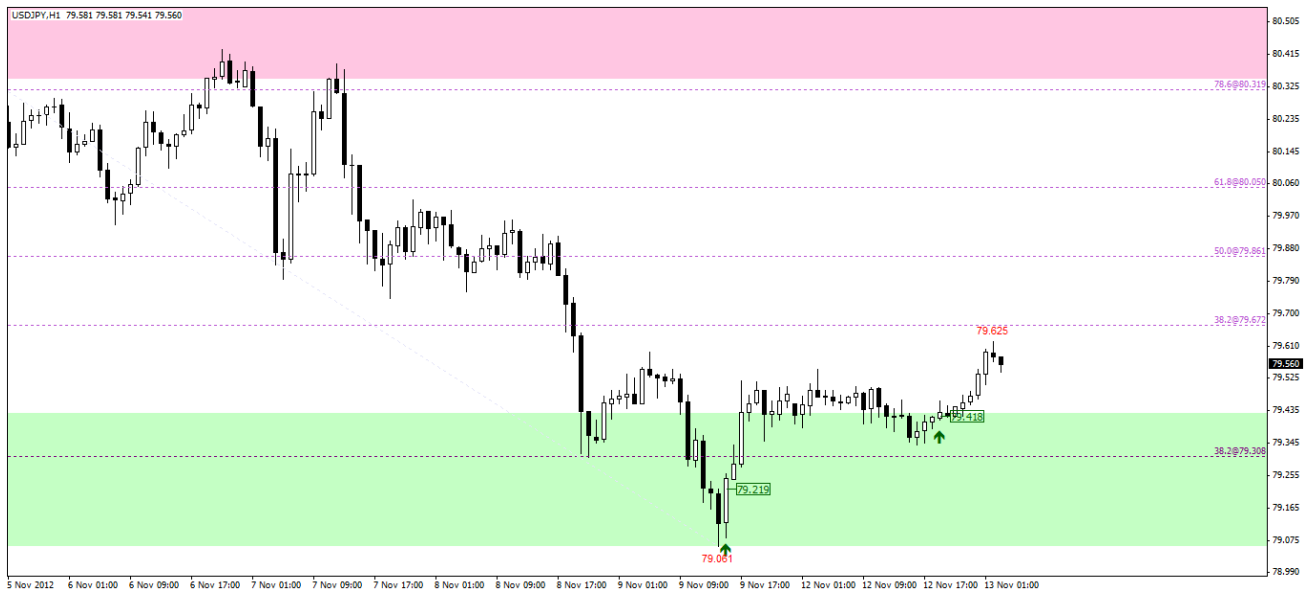


USD-JPY Short to Medium Term Views

Since spiking to a 6-month high at 80.661 a fortnight ago, this market have come under profit-taking. Last Friday saw price action fell into the minor demand pocket at **79.061-79.400** and rebounded. Yesterday saw another dip into this zone with a low at 79.341 and again price rebounded. In the medium-term, price action needs to rally above the immediate supply pocket at **80.291-80.661** to add confidence to this bullish bias. A strong closing above there would pave the way for an attempt at the year's high **84.172** last seen in March. As mentioned, this bullish bias has a potential for a 5 yen or 500 pips rally. A possible target is the 100.0% projection of 75.563 to 84.172 from 77.119 at **85.728** which incidentally sits within a known supply zone. Previous updates have suggested buying on pullbacks. Last Friday's low at **79.061** could well be the bottom for this run. Previously, rallies were met with persistent selling from within the minor supply pocket at **80.291-80.661**. It is, therefore, a barrier to overcome. As such, expect selling interests to emerge from there.

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USD-JPY 1-HOURLY



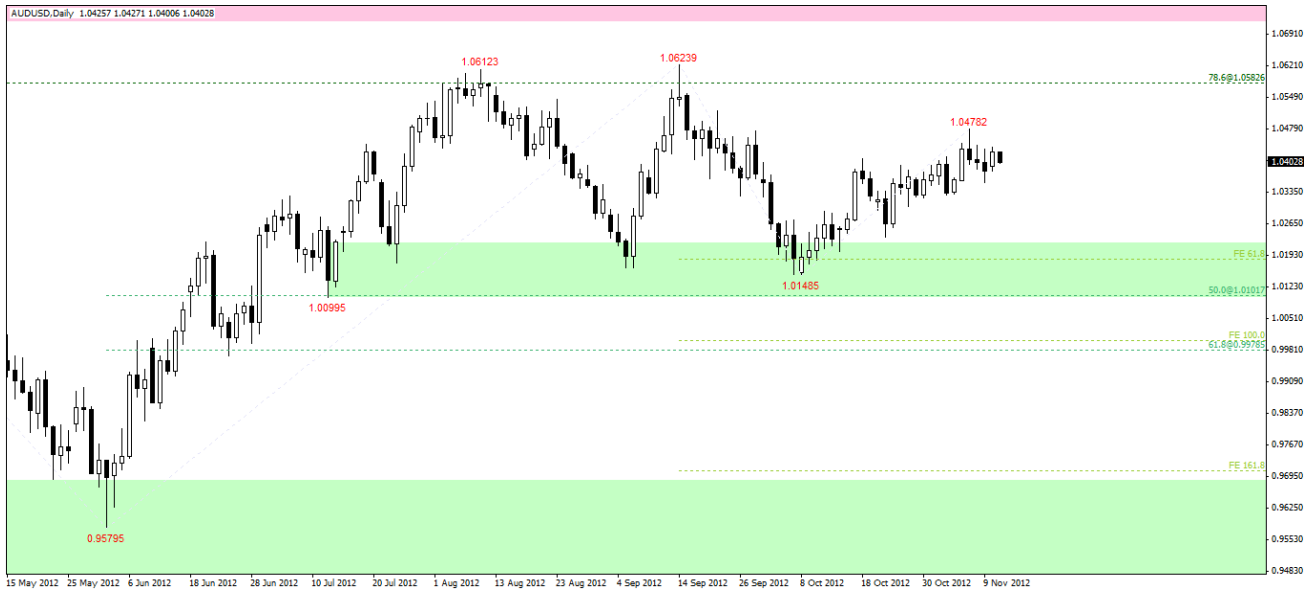
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 79.222	79.862	80.313	79.050 STOP

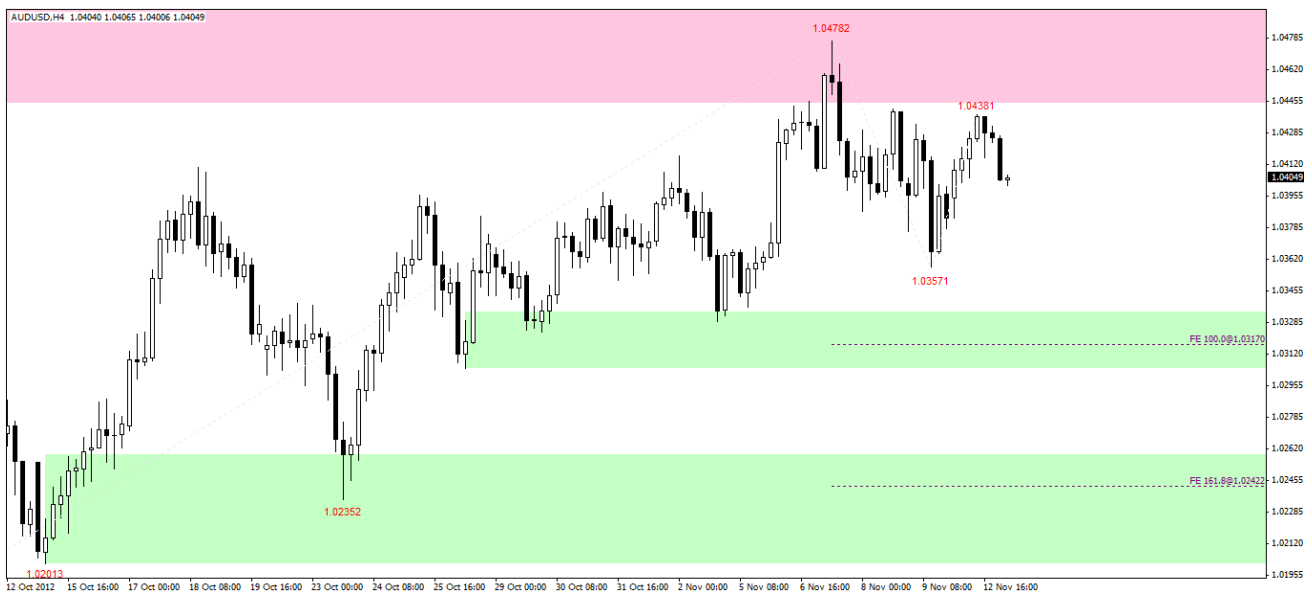
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 09-11-2012								\$27,155.39
USD-JPY	09-11-2-12	1.0	79.222	12-11-2012	1.0	79.474	+\$317.08		
USD-JPY	09-11-2-12	1.0	79.222	12-11-2012	1.0	79.474	+\$317.08		
Unrealized							+\$634.16		

AUD-USD DAILY



AUD-USD 4-HOURLY

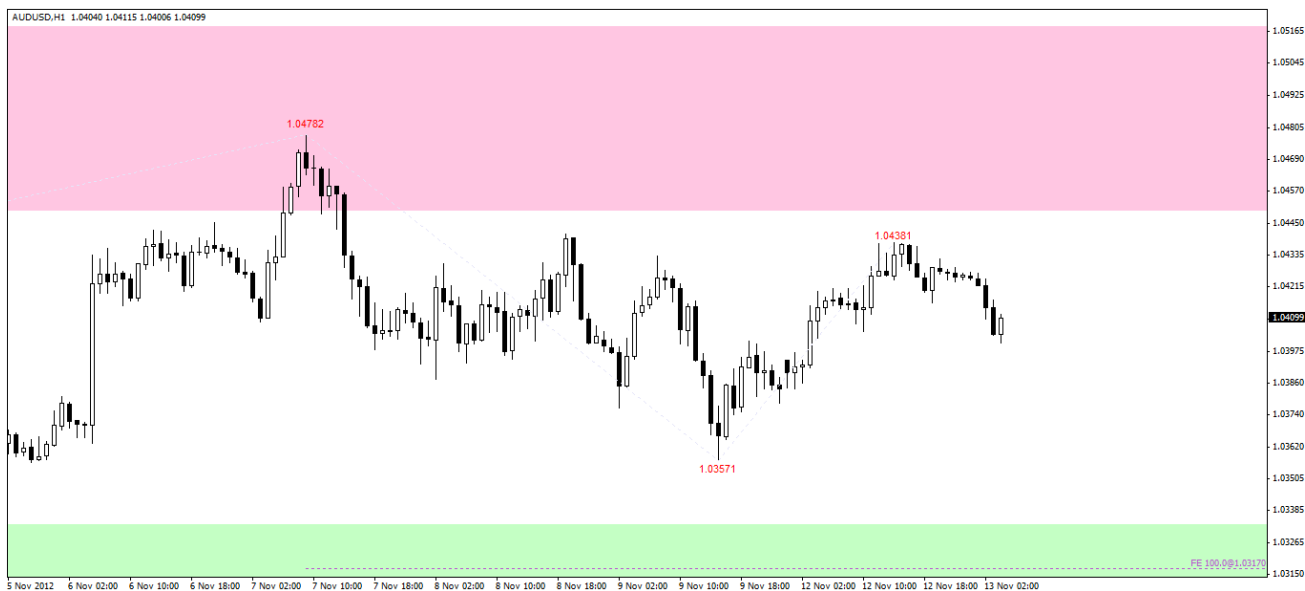


AUD-USD Short to Medium Term Views

Last Wednesday saw the appearance of a *Bearish Harami* within the minor supply pocket at **1.04486-1.04722** following the spike to the week's high at 1.04782. This was immediately followed by the same in the H4 shortly after. By the end of Wednesday's trading, even the D1 chart has a potential reversal signal even though the anticipated sell-off has yet to materialize. Structurally, the short-term charts are less than encouraging with yet another attempt to rally yesterday. An eventual close below **1.03628** in the D1 chart would add confidence to this bearish stance. If so, all important time frames will have sell signals triggered and that can only mean further weakness going forward. If this happens, immediate target is the demand pocket at **1.03044-1.03332** and if this zone cannot hold, an obvious medium-term target is the demand pocket at **0.99680-1.00207**. Alternatively, the 61.8% and 100.0% projection of 1.06239 to 1.01485 from 1.04782 at **1.01844** and **1.00028** respectively are also viable targets. On the flip side, another spike towards the the overhead SZ at **1.05796-1.06239** cannot be ruled out. This is also where the 78.6% retracement of 1.08557 to 0.95795 at **1.05826** resides.

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AUD-USD 1-HOURLY

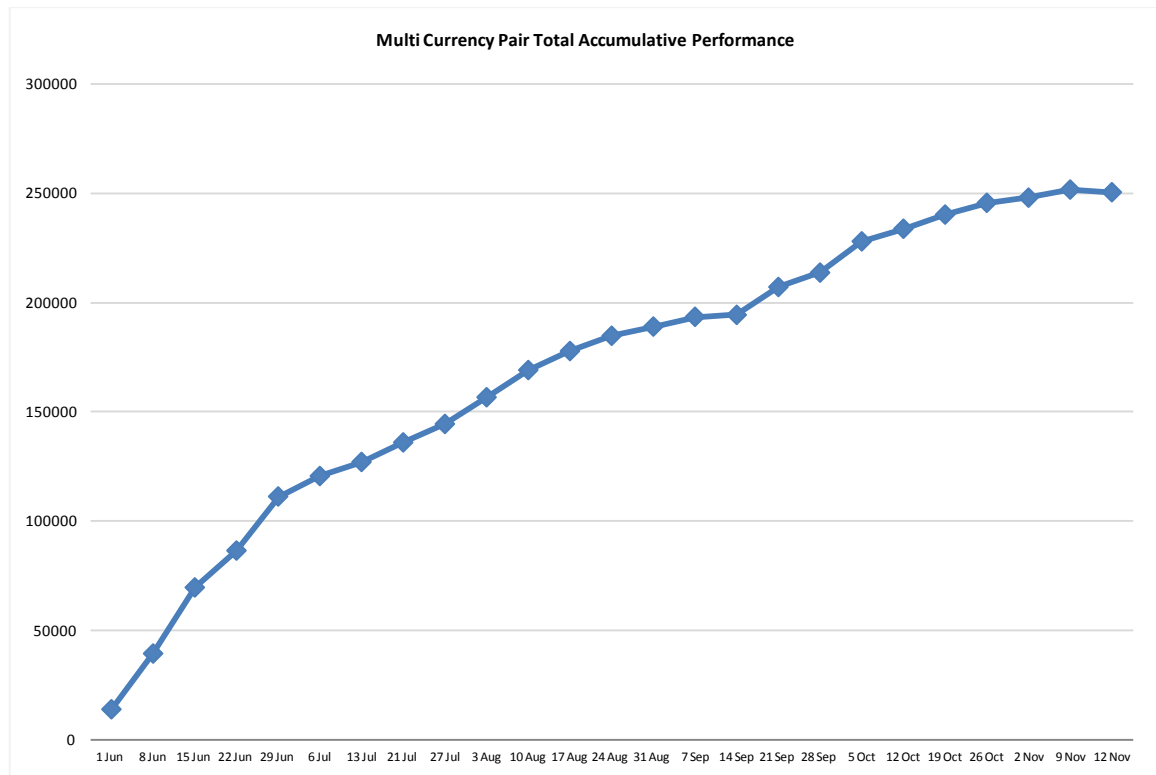
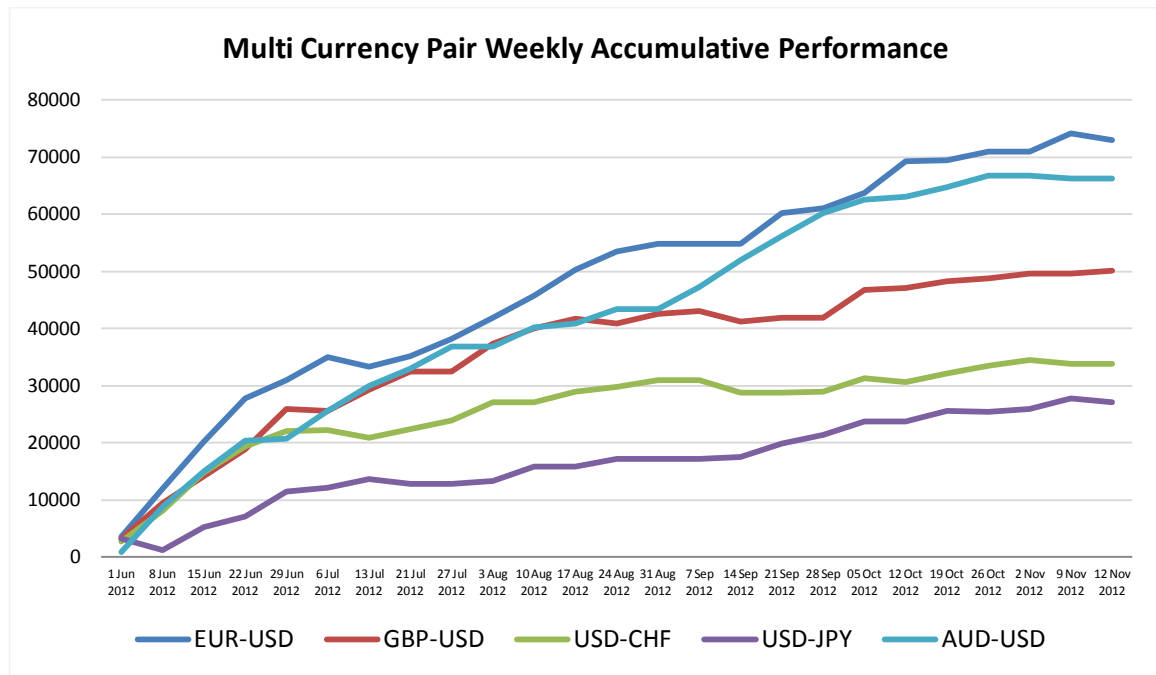


Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sold @ 1.04589	1.03262	1.01911	Break-even

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 09-11-2012								\$66,343.00
AUD-USD	12-11-2012	1.0	1.04260	07-11-2012	1.0	1.04589	+\$329.00		
AUD-USD	12-11-2012	1.0	1.04260	07-11-2012	1.0	1.04589	+\$329.00		
						Unrealized	+\$658.00		



Website under development

Traders Academy International

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.

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.