

A Traders Academy International Publication

USD-JPY Surged Past 90.00 Yen

USD-JPY surged to a more than 2-1/2-year low on Thursday on news about potential measures being planned by the Bank of Japan to resuscitate the country's sluggish economy. EUR-USD, meanwhile, advanced gaining after two days of losses, as a strong bond auction in Spain and Portugal's possible return to the fixed-income market appeased worries about the Euro zone 3-year-old debt crisis.

Reports on Thursday that the BoJ will consider removing the 0.1 percent floor on short-term rates interest and commit to open-ended asset buying until the 2 percent inflation target is reached reinforced expectations of aggressive easing by the BoJ at next week's policy meeting.

USD-JPY rose as high as 90.117 and settled at 89.863, up 1.7 percent, marking the biggest rise since late October 2011 when the pair notched gains of more than 3 percent after official BoJ intervention.

The Japanese Yen had fallen earlier fell in Asia after Japan's Economics Minister Akira Amari was quoted as saying that his remarks on Tuesday about the negative impact of excessive Yen weakness had been misinterpreted. On Tuesday, he had said a weak Yen could hurt the livelihood of people by boosting import prices.

EUR-JPY soared as high as 120.598, its highest since May 2011. It settled at 120.200, up 2.36 percent - its best daily gain in about a week.

It has so far been a banner year for the US Dollar and Euro versus the Japanese Yen, notching a nearly 3.2 percent and around a 4.4 percent gain, respectively. The impressive appreciation follows USD-JPY and EUR-JPY gains of about 11.3 percent and roughly 14.3 percent in the fourth quarter.

Analysts said increasing bets on aggressive policy easing by the Bank of Japan would continue to drag the Japanese Yen lower before policymakers meet on January 21-22, when it is widely expected to adopt a 2 percent inflation target and perhaps extend the current asset purchase program. But the Yen could rebound if the Bank of Japan falls short of matching market expectations for implementing a very loose monetary policy.

USD-JPY, meanwhile, pared gains after U.S. data showed factory activity in the U.S. mid-Atlantic region unexpectedly contracted in January. The U.S. data was a surprise for currency traders after better-than-expected numbers on jobless claims and housing starts.

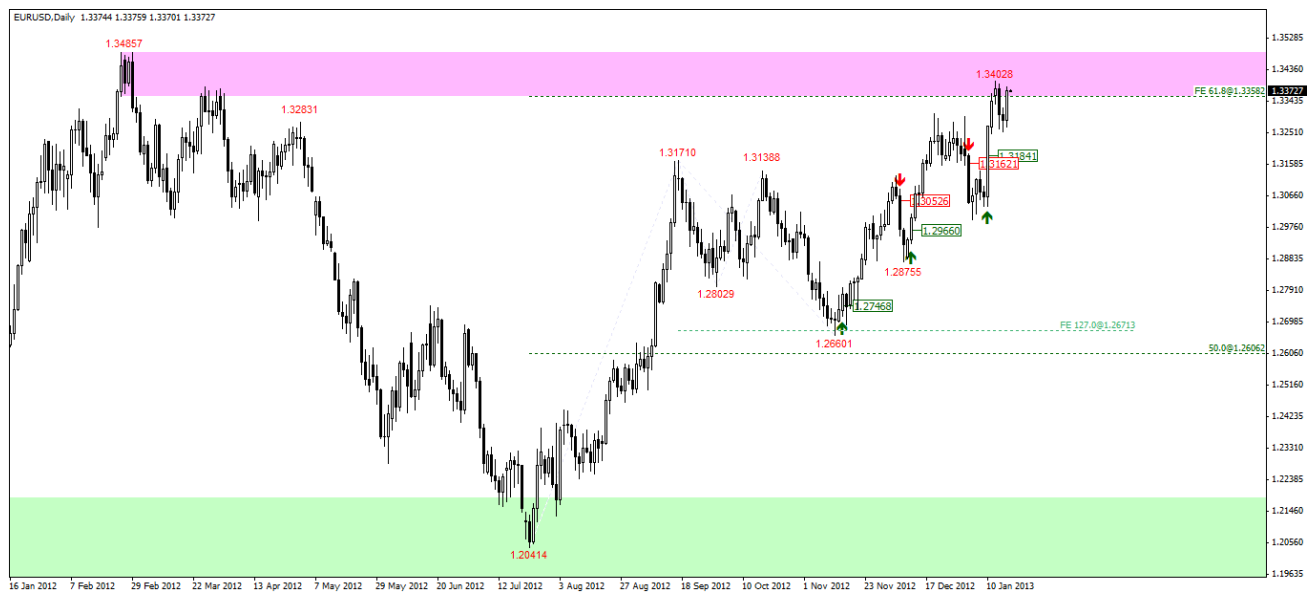
An improved appetite for risk emerged after a solid bond auction from debt-burdened Spain. The auction results buoyed EUR-USD, which settled at 1.33740, up 0.65 percent on the day but below Monday's 11-month high of 1.34028.

EUR-USD is up 1.38 percent so far in 2013, largely due to growing optimism about the Euro zone after surprisingly upbeat comments from European Central Bank President Mario Draghi last Thursday. The next important event for financial markets is Chinese data on Friday. Should the world's second-largest economy show strength, riskier currencies, such as the Australian Dollar, should rally.

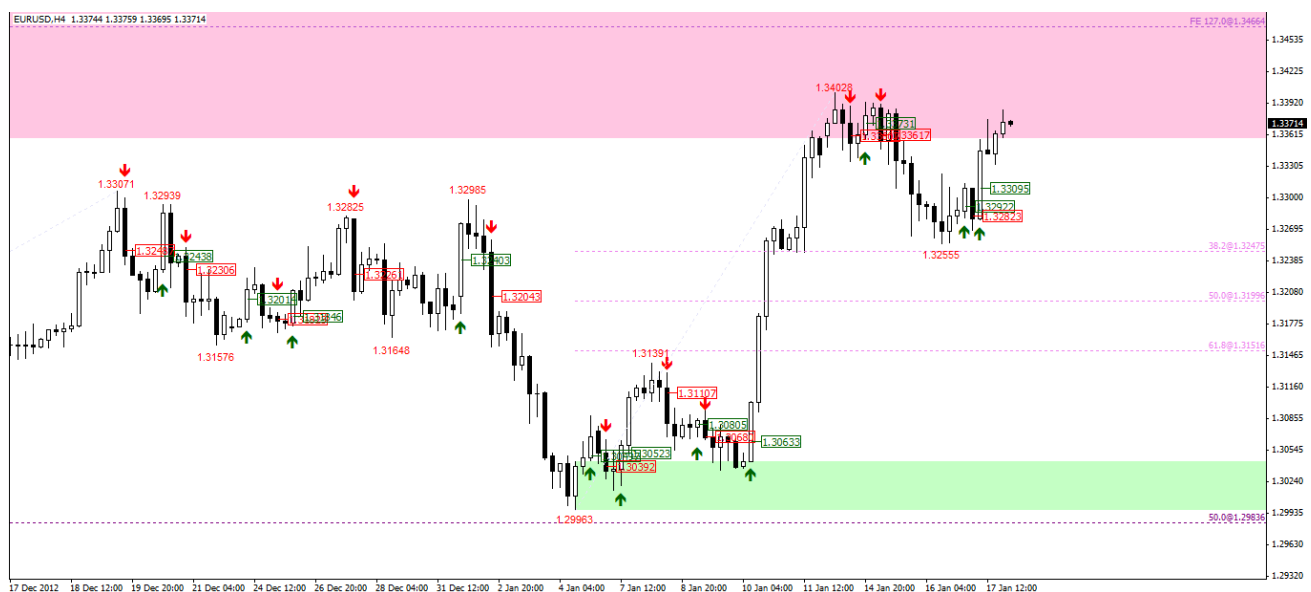
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EUR-USD DAILY



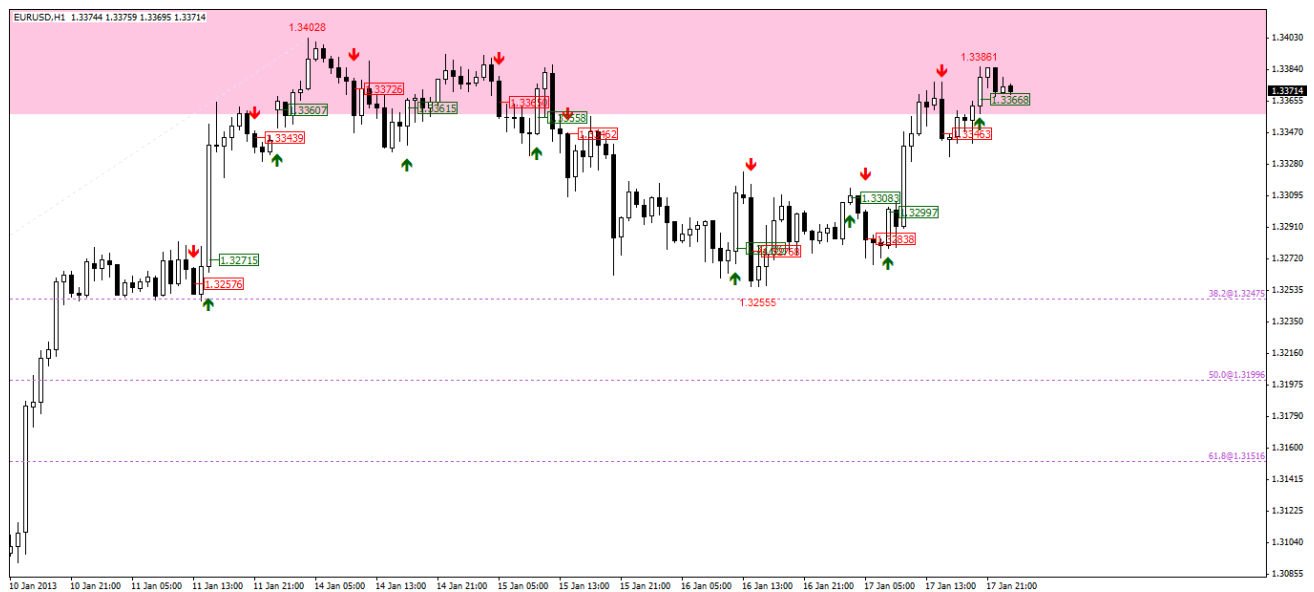
EUR-USD 4-HOURLY



EUR-USD Short Term Outlook

The pullback from 1.34028 may have terminated having retraced to near the 38.2% retracement of 1.29963 to 1.34028 at **1.32475** with a print of 1.32555 on Tuesday. Earlier last week, price action rose from 1.29963 into the overhead SZ at **1.33575-1.34857** where selling emerged. This is second time this week that price action is within this price pocket and it looks set to surge past Monday's high of 1.34028. However, as noted, only a sustained rally above the overhead SZ at **1.33575-1.34857** would pave the way towards the 1.50000 psychological level. Immediate focus is the 127.0% projection of 1.26601 to 1.31254 from 1.28755 at **1.34664**.

EUR-USD 1-HOURLY



TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Bought		1.32692	Break-even	1.33820 Realized	1.34664	3	0.03m

TRADE JOURNAL

Open Date	Sell (units)	Open Price	Close Date	Buy (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.01.04											9,698.50
2013.01.14 09:48	0.03m	1.33726	2013.01.15 20:53	0.01m	1.33069			65.7	65.70	0.68	9,764.20
2013.01.14 09:48	0.03m	1.33726	2013.01.15 20:57	0.02m	1.32716			202.0	202.00	2.07	9,966.20
Open Date	Buy (units)	Open Price	Close Date	Sell (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
2013.01.16 15:10	0.01m	1.32692	2013.01.17 20:56	0.01m	1.33820			112.8	112.80	1.13	10,079.00
2013.01.16 15:10	0.02m	1.32692	2013.01.17 23:56	0.02m	1.33740	209.6	209.60				

GBPUSD, Daily 1.59927 1.60048 1.59914 1.60028

FE 61.8@1.64707

1.63083

1.58273

1.53621

1.63799

1.62113

1.61558

1.61558

1.60216

1.59535

GBPUSD:H4 1.59927 1.60048 1.59914 1.60008

1.63799

1.63059

1.62916

1.61779

1.61270

1.60890

1.60568

1.6028

1.60139

1.60653

1.6078

1.59906

1.59535

78.6@1.62930

61.8@1.62345

50.0@1.61760

78.6@1.59456

1.64120

1.63825

1.63320

1.62935

1.62640

1.62345

1.62045

1.61750

1.61455

1.61155

1.60860

1.60655

1.60265

1.60000

1.59675

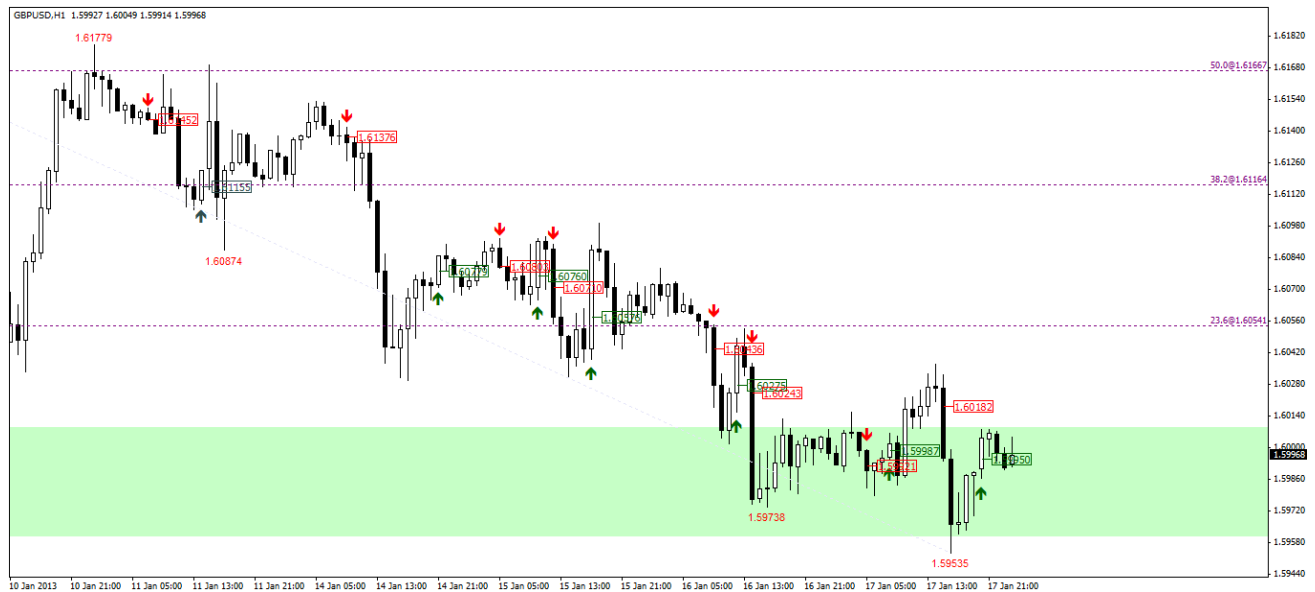
1.59375

1.59080

17 Dec 12:00 18 Dec 12:00 19 Dec 20:00 21 Dec 04:00 24 Dec 12:00 26 Dec 20:00 28 Dec 04:00 31 Dec 12:00 2 Jan 20:00 4 Jan 04:00 7 Jan 12:00 10 Jan 20:00 13 Jan 04:00 16 Jan 12:00 17 Jan 20:00

This market edged lower to just above the 78.6% retracement of 1.58273 to 1.63799 at 1.59456 with a print at 1.59935 and rebounded. This was also just below the immediate demand pocket at **1.59875-1.60105**. The fact that price action did not close outside this price pocket and ended as a hammer in the H1 chart suggest that buying interests are present. This does not change the original assessment that another rise is imminent. That being the case, focus remains at the supply zone at **1.63012-1.63799** which sits just above the 78.6% retracement of 1.63799 to 1.59906 at **1.62966**. Sustained rally above this price pocket would suggest a challenge of the upper trend-line of the triangle formation seen in the W1 chart. On the downside, a break below **1.59906** would bring further weakness to the November low of **1.58273** which is situated within the demand zone at **1.57531-1.58303** and should hold.

GBP-USD 1-HOURLY



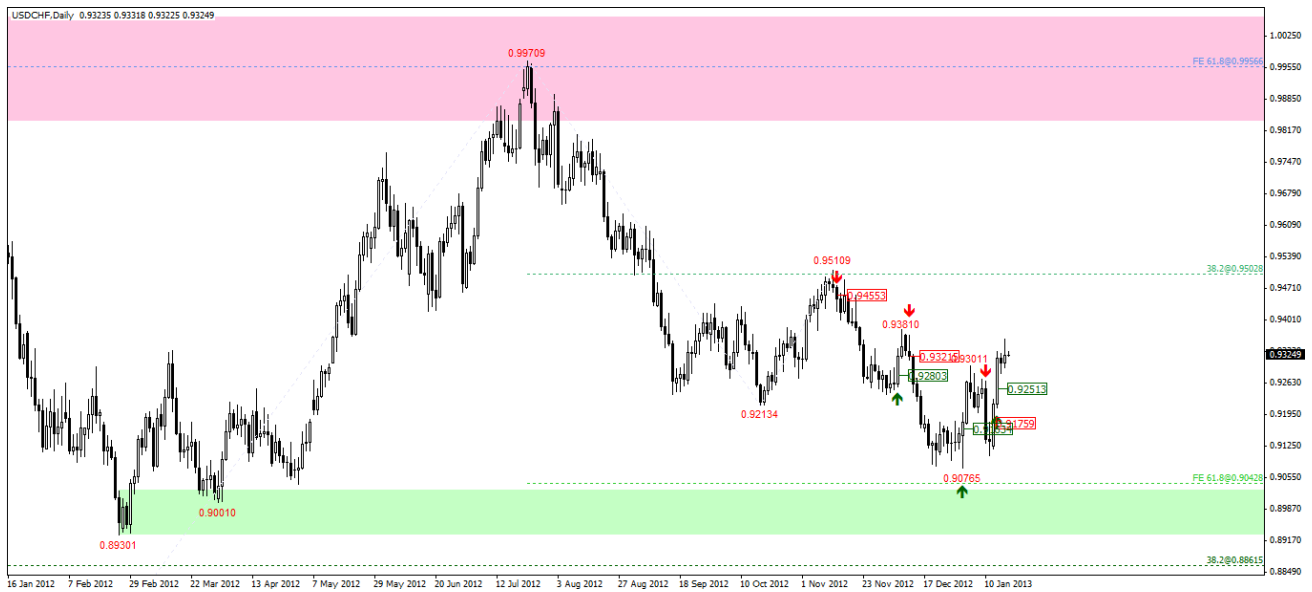
GBP-USD TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Bought		1.59830	1.59505	1.61769	1.63012	3	0.03m

GBP-USD TRADE JOURNAL

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USD-CHF DAILY



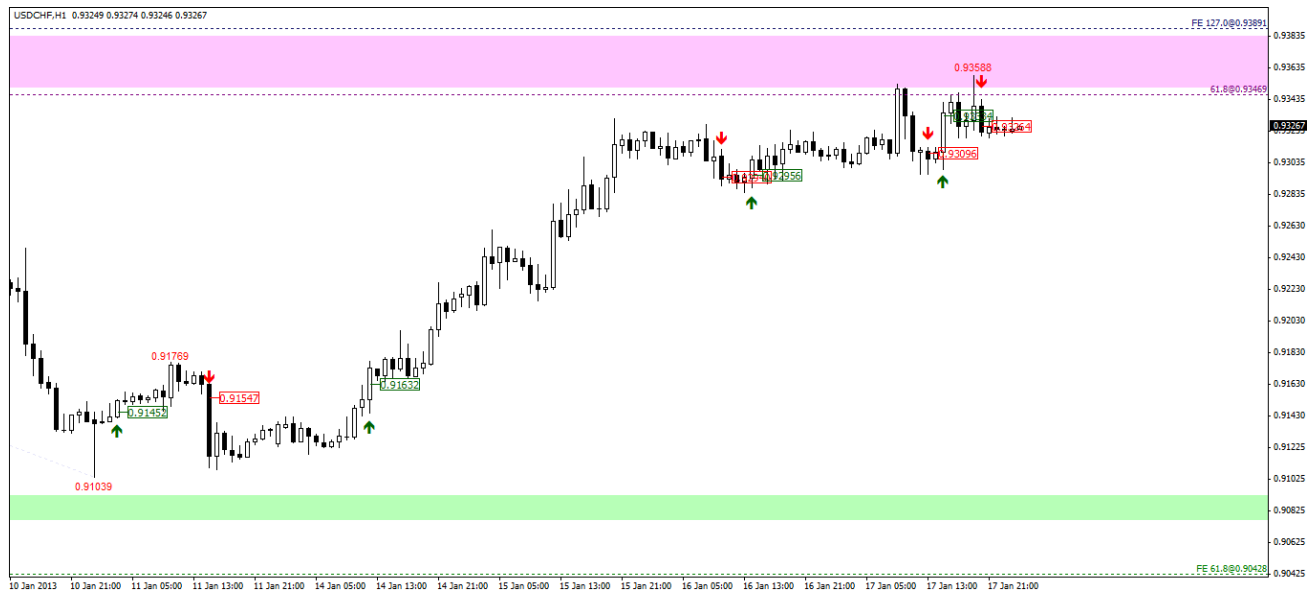
USD-CHF 4-HOURLY



USD-CHF Short Term Outlook

The rebound from 0.91039 finally edged into the supply pocket at **0.93407-0.93810** and hit the 61.8% retracement of 0.95109 to 0.90765 at **0.93450** with a print at 0.93588 and eased. The idea that this rally may be capped within this price pocket is still valid. Only sustained trading above the 127.0% projection of 0.90765 to 0.93011 from 0.91039 at **0.93891** would cast doubt on this bearish scenario. Immediate focus is last Friday's low of **0.91039** and the area around the 61.8% projection of 0.99709 to 0.92134 from 0.95109 at 0.90428 as well as the demand zones at **0.90010-0.90587** and **0.89211-0.89847**.

USD-CHF 1-HOURLY



USD-CHF TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Sold	Sell on sell signal within 0.93407-0.93810.	0.93520	0.93910	0.90587	0.89847	3	0.03

USD-CHF TRADE JOURNAL

Open Date	Sell (units)	Open Price	Close Date	Buy (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.01.04										0.74	10,073.91
2013.01.11 15:12	0.03m	0.91547	2013.01.14 16:32	0.03m	0.91869			-96.6	-105.15	-1.04	9,968.76
2013.01.17 20:44	0.03m	0.93520	2013.01.17 23:59	0.03m	0.93243	83.1	89.13				

USDJPY Daily 89.861 90.082 89.794 90.057

Indicators

FE 161.80991.048

84.172

80.612

77.119

81.672

79.061

79.983

87.221

88.738

89.450

90.117

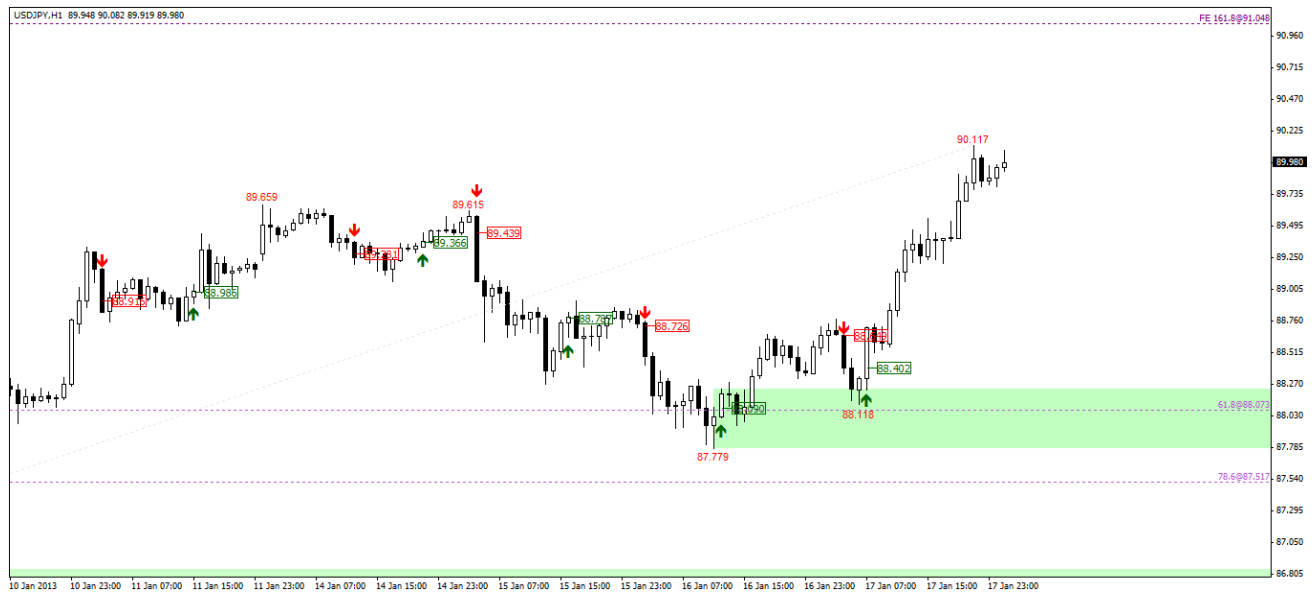
30 Dec 2011 23 Jan 2012 14 Feb 2012 7 Mar 2012 29 Mar 2012 30 Apr 2012 14 May 2012 5 Jun 2012 27 Jun 2012 19 Jul 2012 10 Aug 2012 3 Sep 2012 25 Sep 2012 17 Oct 2012 8 Nov 2012 30 Nov 2012 17 Dec 2012 3 Jan 2013

90.057 89.775 88.850 87.925 87.025 86.100 85.175 84.250 83.350 82.425 81.500 80.575 79.675 78.750 77.825 76.900 75.975 75.075

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This market continues its amazing run from 77.119 to register yet another 2 1/2 year high at 90.117 in overnight actions. Now that this market has hit the psychological level of **90.000**, this rally is expected to gun for the 161.8% projection of 75.563 to 84.172 from 77.119 at **91.048** (see D1 chart). Beyond this level focus would shift to the 38.2% retracement of 147.680 to 75.563 at **103.11** next. This bull-run could well continue until the next BoJ meeting on 21-22 January. If BoJ does not give what the market now expects it to do, that is to adopt a 2 percent inflation target and extends the current asset purchase program, the ensuing sell-off can be horrendous. Risk of a massive unwinding of long USD-JPY positions may happen even if the BoJ does what the market expects and the sole reason for holding long positions would no longer exists. Whatever the case, the downside risk is now very pronounced. Do not chase this market any higher at current level if you have not already done so.

USD-JPY 1-HOURLY



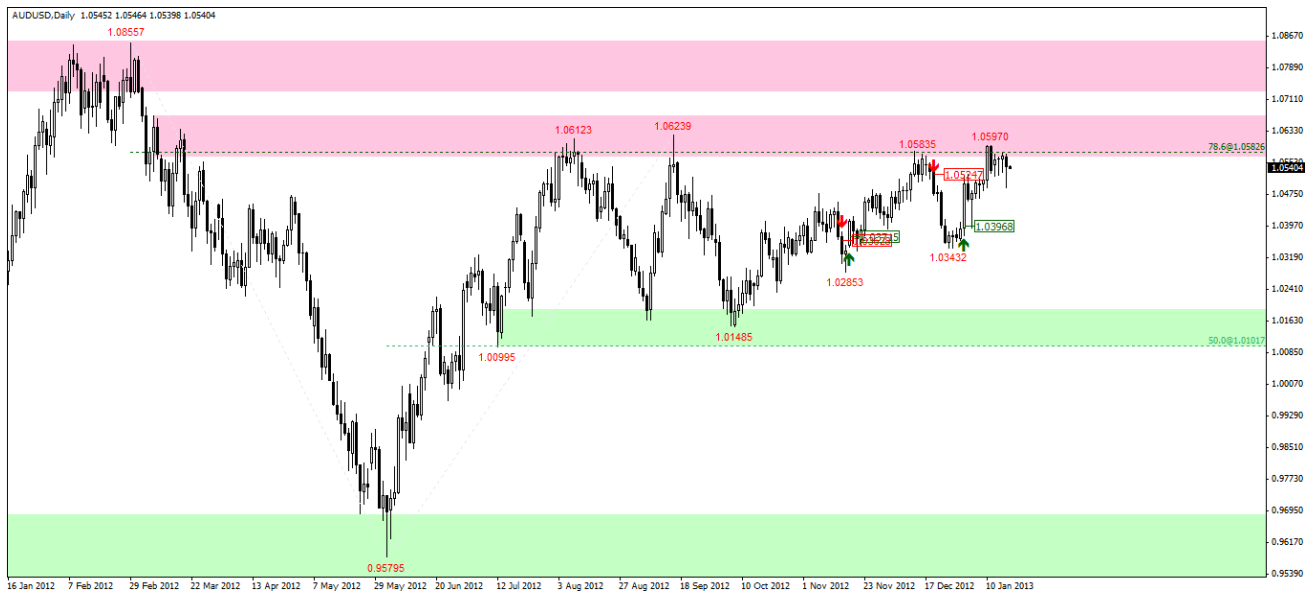
USD-JPY TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Bought		88.090	87.679	89.295 Realized	91.048	3	0.03

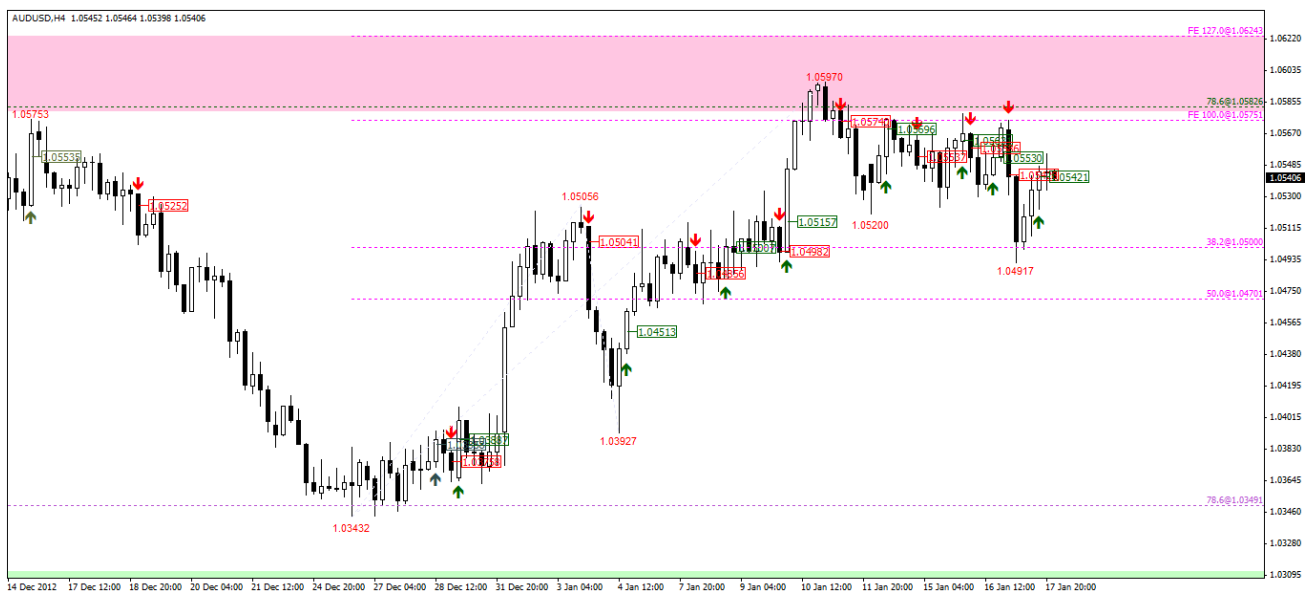
USD-JPY TRADE JOURNAL

Open Date	Buy (units)	Open Price	Close Date	Sell (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.01.04											10,045.48
2013.01.02 15:06	0.02m	86.882	2013.01.16 01:14	0.02m	88.738			371.2	418.31	4.16	10,463.79
2013.01.16 12:10	0.01m	88.090	2013.01.17 12:37	0.01m	89.295			120.5	134.95	1.29	10,598.74
2013.01.16 12:10	0.02m	88.090	2013.01.17 23:59	0.02m	89.863	354.6	394.60				

AUD-USD DAILY



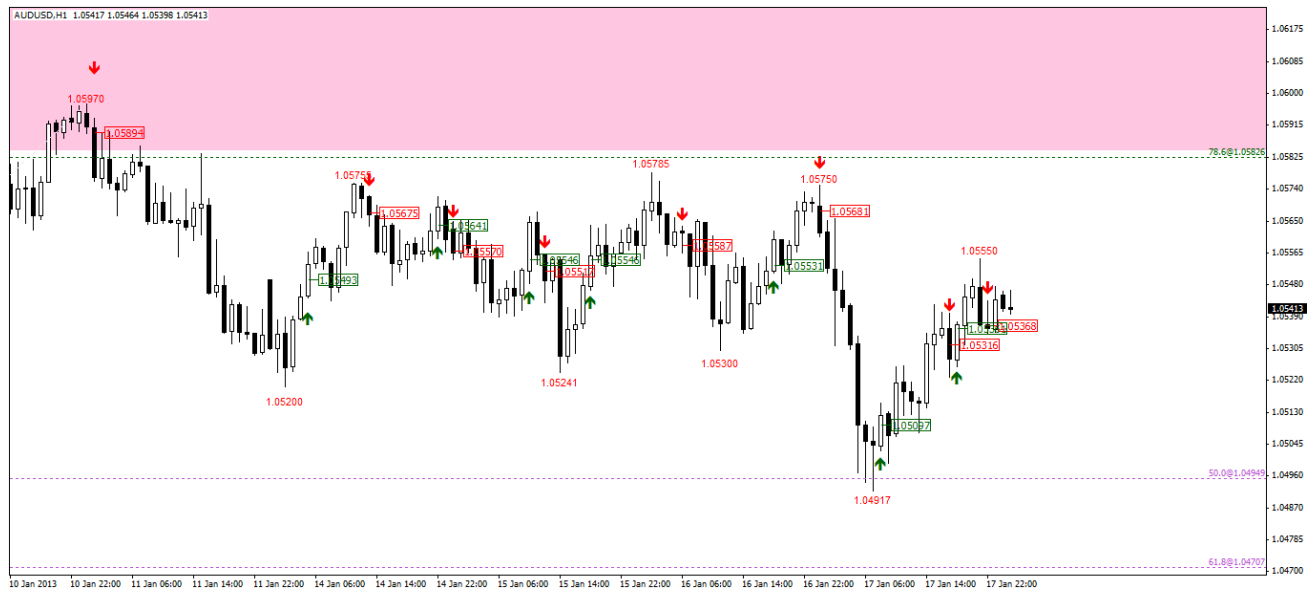
AUD-USD 4-HOURLY



AUD-USD Short Term Outlook

This market continues to consolidate and unless this market starts to turn down soon, the original idea of selling into the overhead supply pocket at **1.05796-1.06239** may not happen. The 3-wave corrective price to the overnight low of 1.04917 may well be the bottom of this run and this market may be poised to resume its rally from 1.01485. However only a rally above the supply pocket at **1.05796-1.06239** would the correction phase be deemed as over and the rally has resumed. On the downside, the 100.0% or 127.0% projection of 1.05970 to 1.05200 from 1.05755 at **1.04985** or **1.04777** are of interests as they coincide with the 50.0% and 61.8% retracement level of 1.03927 to 1.05970 at **1.04949** and **1.04707** respectively.

AUD-USD 1-HOURLY



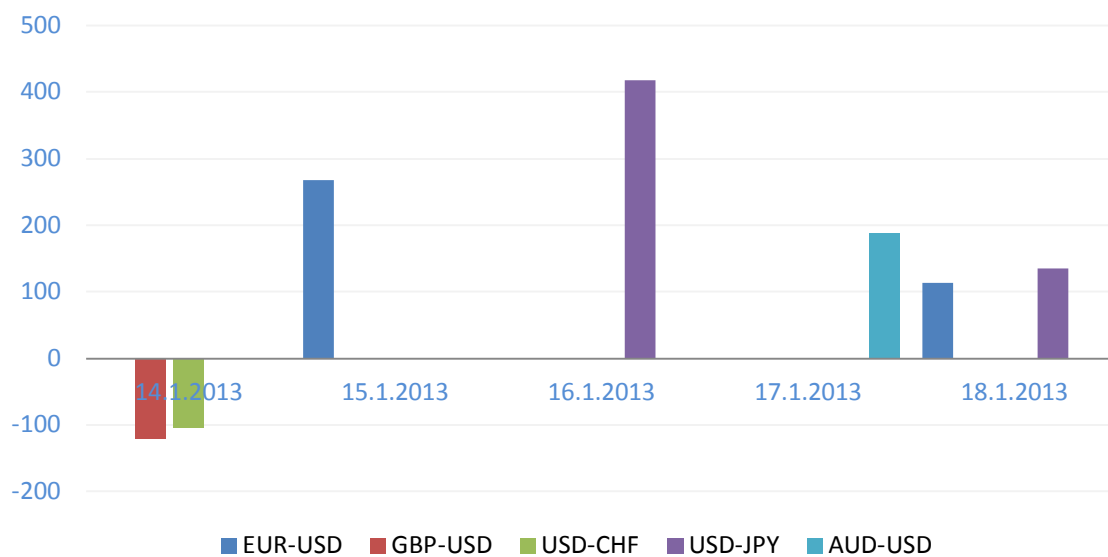
AUD-USD TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
						3	0.03

AUD-USD TRADE JOURNAL

Open Date	Sell (units)	Open Price	Close Date	Buy (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.01.11											10,165.30
2013.01.11 01:20	0.02m	1.05894	2013.01.17 06:39	0.02m	1.04949			189	189.00	1.86	10,354.30

Daily Realized P/L



Accumulative Realized % Gain



Traders Academy International

Check out our website at
www.tradersacademyonline.com



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 substance. 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.