

A Traders Academy International Publication

Weak US Data Haunts

EUR-USD fell on Thursday as weak U.S. data and fresh warnings from Germany about Spain's banking troubles diminished risk appetite. A slew of soft U.S. economic data reinforced views that recovery in the world's largest economy has stalled, prompting traders to pare back positions in higher yielding assets perceived as risky.

Riskier currencies such as the Australian and New Zealand Dollars were still up on the day against the US Dollar and Euro, but off their peaks.

Comments from German Finance Minister Wolfgang Schaeuble ahead of a German parliamentary vote on aid for Spanish banks did not help the common currency. Schaeuble said Spain's financial troubles are far from over and its government should be ultimately responsible for European aid to its banks. He also said that the mere perception of insolvency risk in Spain could cause contagion in the Euro zone. EUR-USD hit session lows at 1.22271 in the wake of Schaeuble's comments and was last at 1.22760, down 0.1 percent on the day. Spanish 10-year yields climbed back above 7 percent after Schaeuble's comments. Spain sold €3 billion in debt at a higher cost than previous auctions.

Losses in the Euro, however, were capped by news that German Chancellor Angela Merkel ultimately won a parliamentary vote on the Euro zone rescue package for Spanish banks despite growing unease in her centre-right coalition over the rising cost of Europe's debt crisis for German taxpayers. Analysts expect the Euro to retest a two-year low hit last week because traders, discouraged by a lack of progress toward solving the Euro-zone debt crisis, continue to shun the currency in favour of safer havens.

Data on Thursday showing a rise in U.S. jobless claims, an unexpected fall in U.S. existing home sales, and a worse-than-forecast contraction in the mid-Atlantic region's factory activity lent support to the Dollar as a safe haven. However, the positive impact on the Dollar could fade, as the data can be a source of medium-term weakness for the Dollar as traders increase bets the Fed will act to shore up a listless recovery. Another round of quantitative easing by the Federal Reserve would hurt the Dollar because bond-buying by the Fed effectively floods the financial system with Dollars, reducing its value.

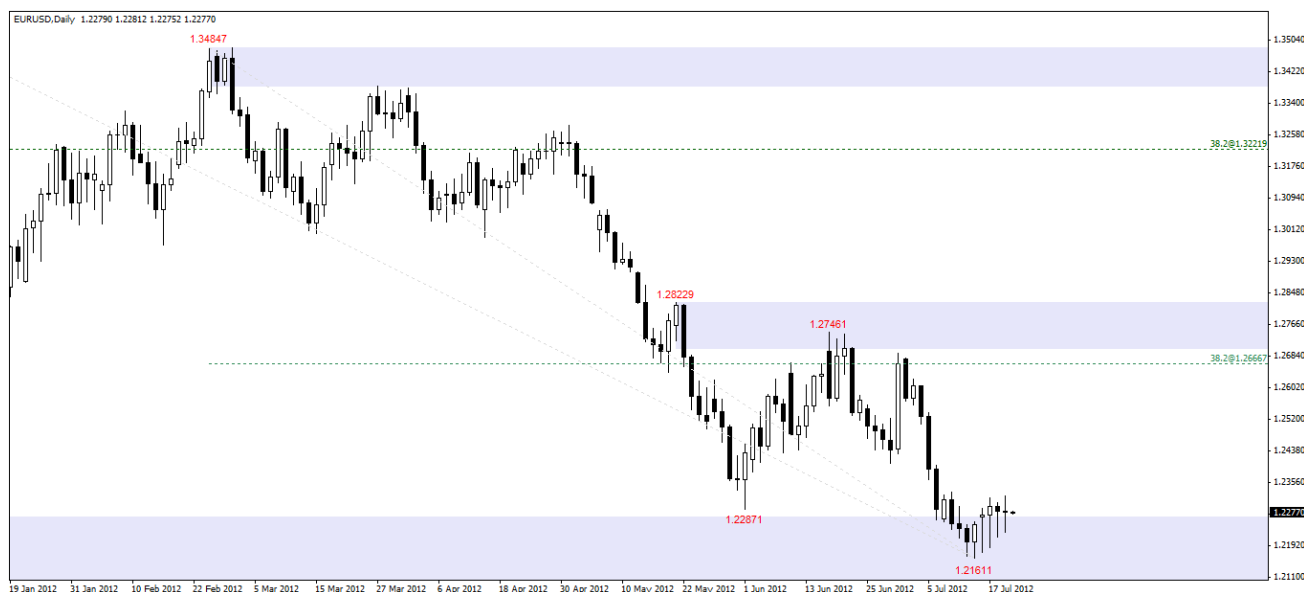
AUD-USD rose broadly, hitting a 2-1/2-month of 1.04421. Traders cited demand from Australian companies to buy the currency as well as talk of central banks looking to diversify their holdings into Australian assets. Falling volatility has spawned carry trades, in which traders borrow in lower-yielding currencies to buy assets with higher returns, at the expense of the Euro and the US Dollar.

USD-JPY fell to a six-week low of 78.419, with investors preferring the Japanese Yen due to the chance of more U.S. monetary easing. It last traded at 78.587, down 0.3 percent on the day.

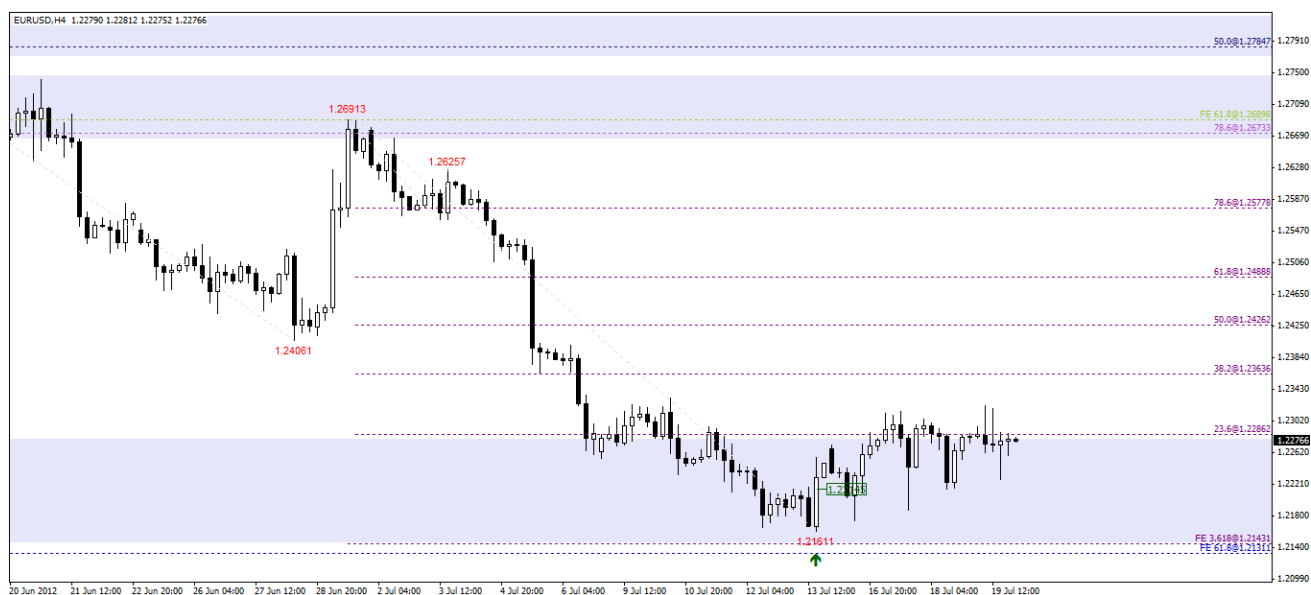
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EUR-USD DAILY



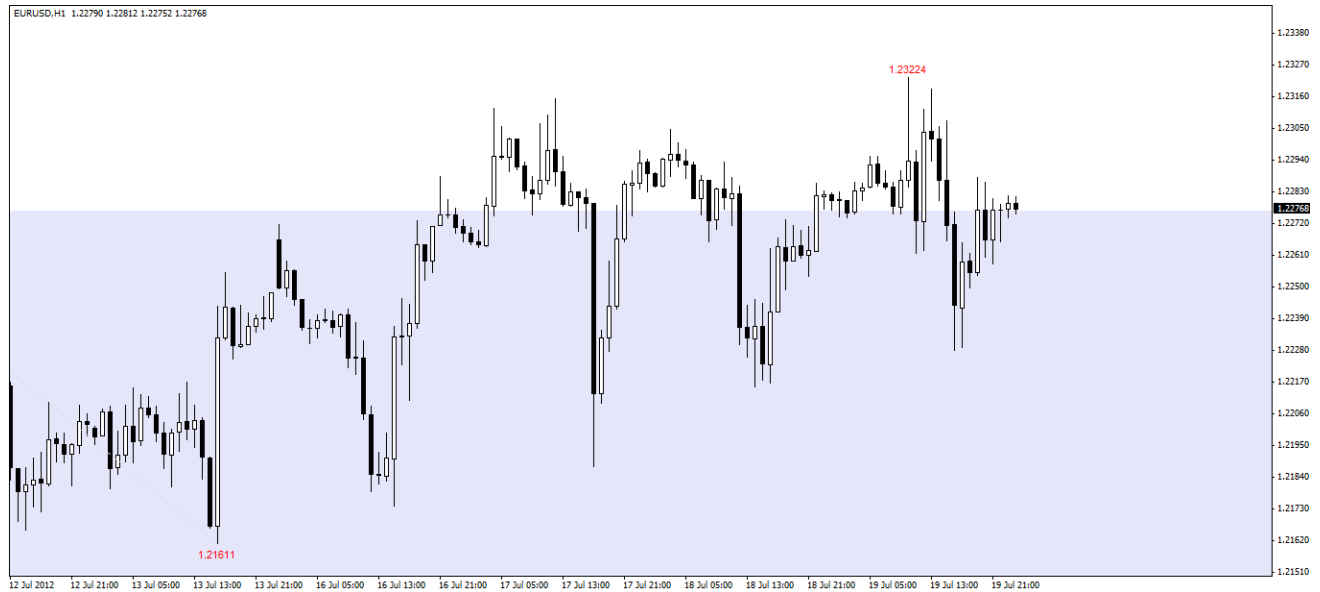
EUR-USD 4-HOURLY



EUR-USD Short to Medium-Term Views

Volatility has practically fallen off the cliff resulting in listless trading conditions the entire week. Despite the gyrations seen over the last 4 trading sessions, price action has remain relatively unchanged on a daily close basis as it struggled for direction. Price action has been zipping in and out of the DZ at **1.21453-1.22794**, in a series of zig-zag 3-wave moves with each successive lows are getting marginally higher, giving rise to the idea that this recovery of sort may yet struggle to the 4th wave of 1 lesser degree to the 38.2% retracement of 1.34847 to 1.21611 at **1.26667** or the SZ at **1.27047-1.28229** (see D1 chart) before unraveling to take out the low at **1.21611**. If so, the idea is to position shorts around these levels for the next leg down. Meanwhile, resistance is likely to emerge from the immediate overhead SZ at **1.23618-1.24000**.

EUR-USD 1-HOURLY



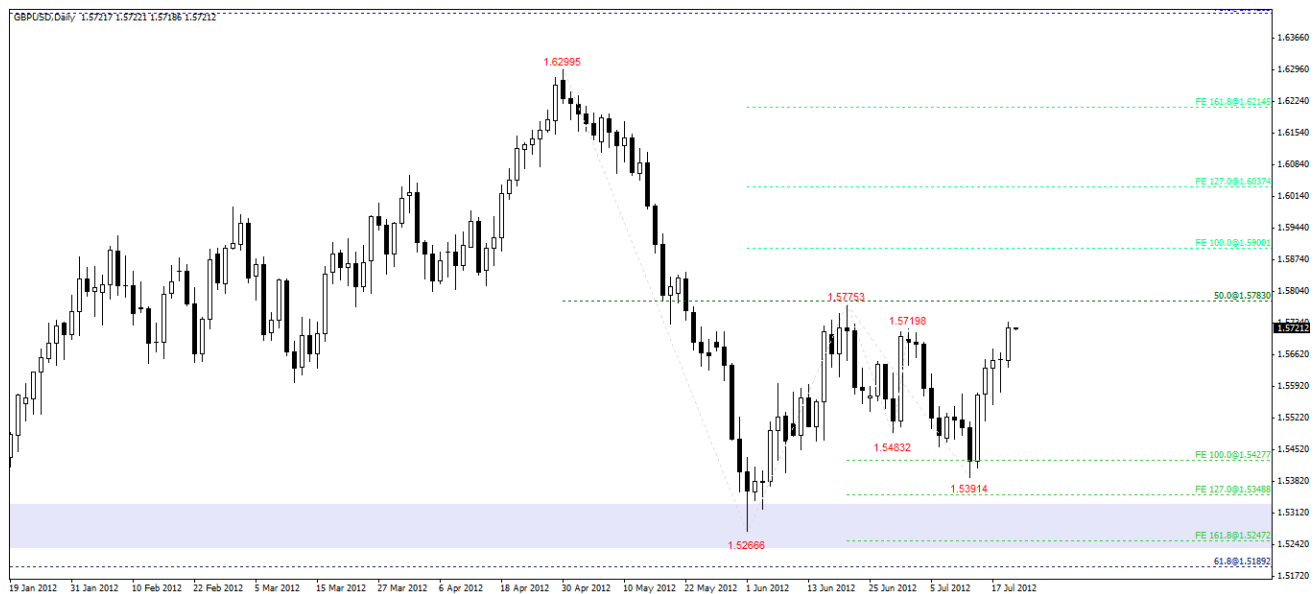
Trade Ideas

ACTION	Target 1	Target 2	EXIT
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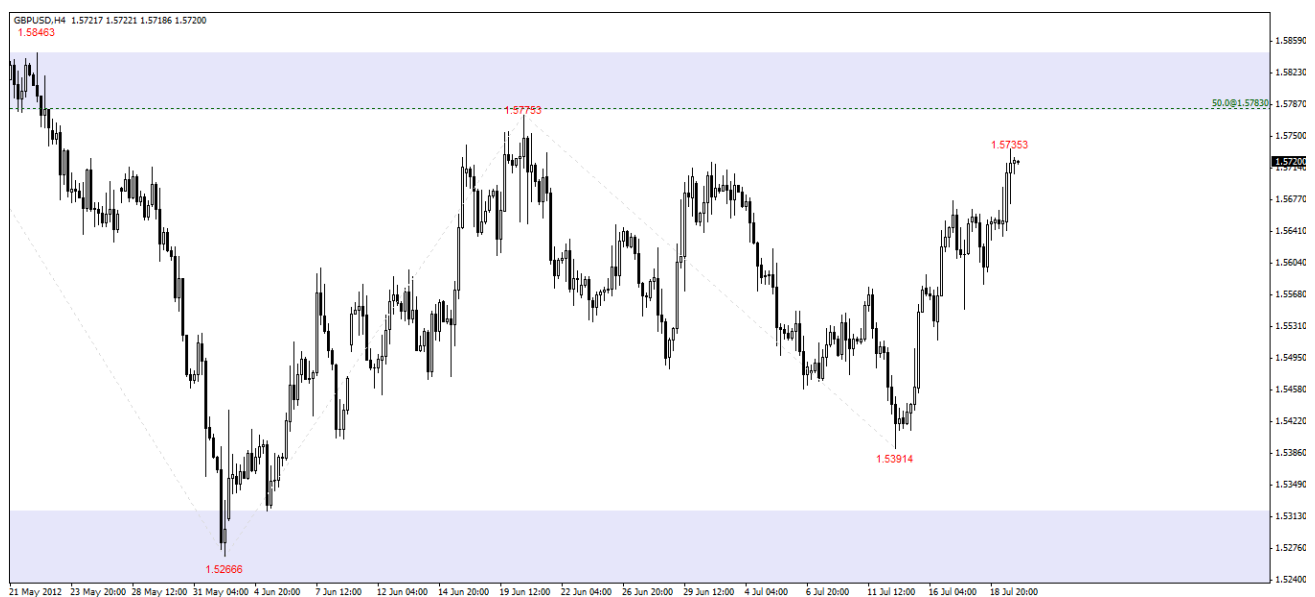
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 13-07-2012								+\$33,286.00
EUR-USD	12-07-2012	1.0	1.21872	17-07-2012	1.0	1.22824	+\$952.00		+\$34,238.00
EUR-USD	12-07-2012	1.0	1.21872	17-07-2012	1.0	1.22824	+\$952.00	+\$1,904.00	+\$35,190.00
Unrealized							\$0.00		

GBP-USD DAILY



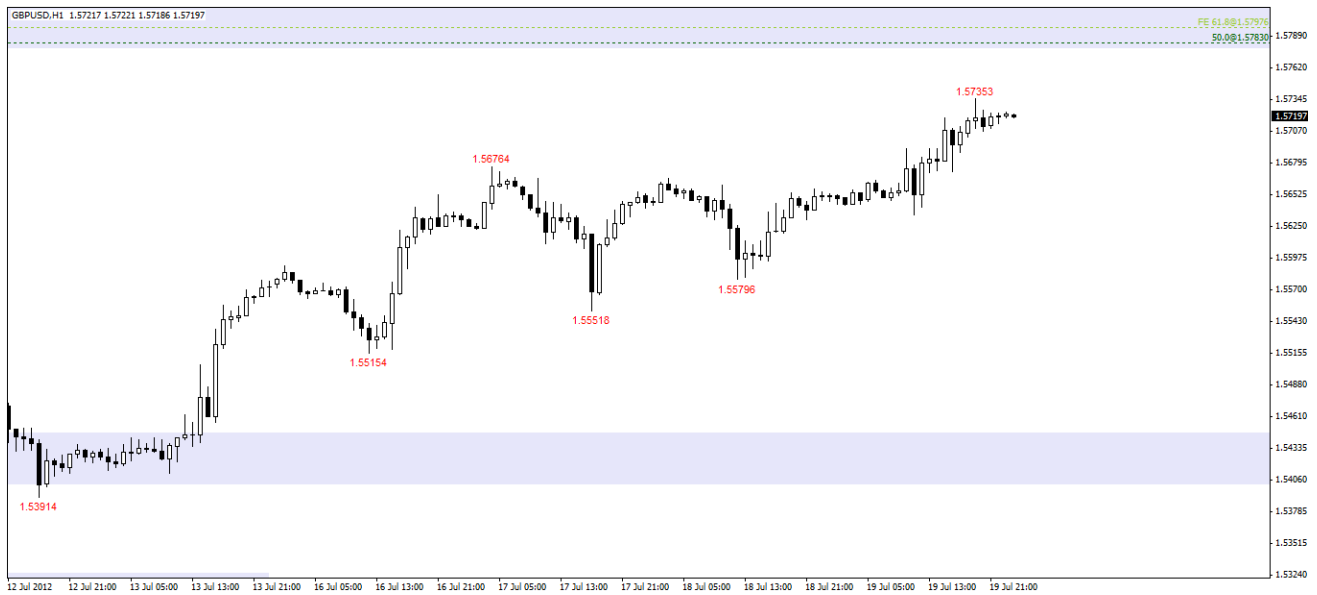
GBP-USD 4-HOURLY



GBP-USD Short to Medium Term Views

Unlike EUR-USD, price action in GBP-USD is trending higher through a series of short pullbacks and rallies with each successive lows too getting marginally higher since the low of 1.53914 established last Thursday. Overnight trading activities saw price action gunning for the SZ at **1.57505-1.58463**; where the 50.0% retracement of 1.62995 to 1.52666 at **1.57830** is sited. (see D1 chart) Chart wise, this rally may yet extend into a larger degree 3-wave correction targeting the 100.0% projection of 1.52666 to 1.57753 from 1.53914 at **1.59001**. Though premature, this move has the potential to also develop into a 5-wave up to as high as the 1.618% projection at **1.62145**. As the market edges towards the SZ at **1.57505-1.58463**, selling interests may emerge this SZ and 100.0% projection of 1.52666 to 1.57753 from 1.53914 at **1.59001**. Traders should look out for sell signals from within this area and position for a trade that may yet challenge the June low of **1.52666** again.

GBP-USD 1-HOURLY



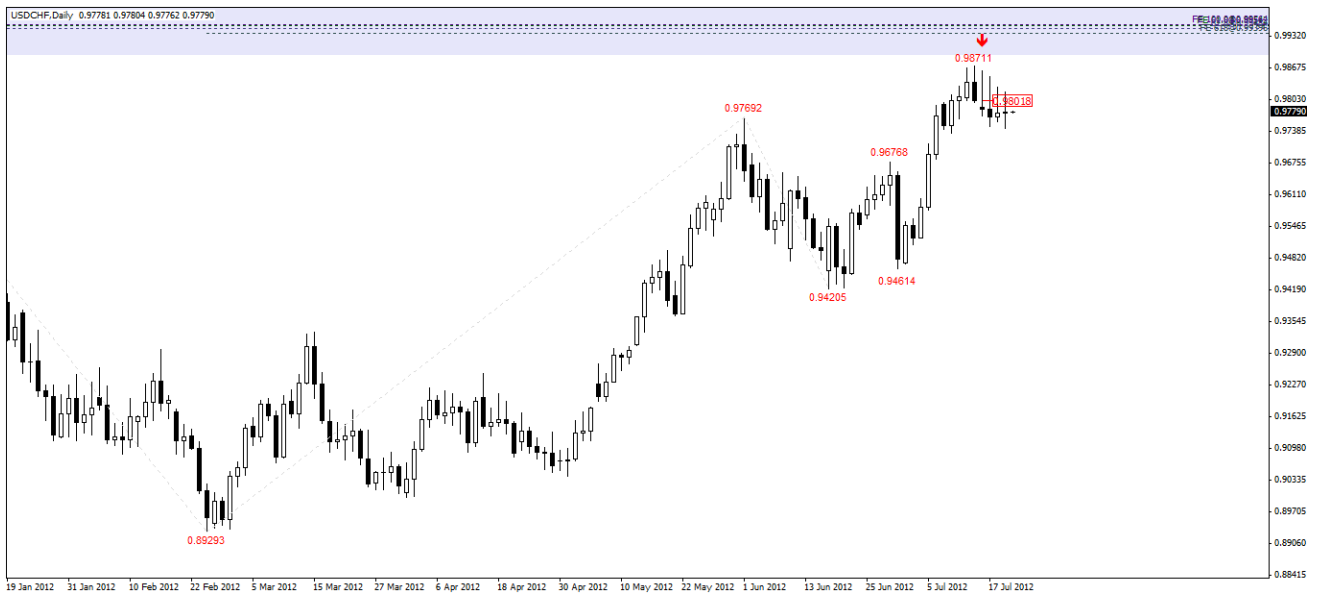
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Lookot for sell signal within the SZ at 1.57505-1.58463			

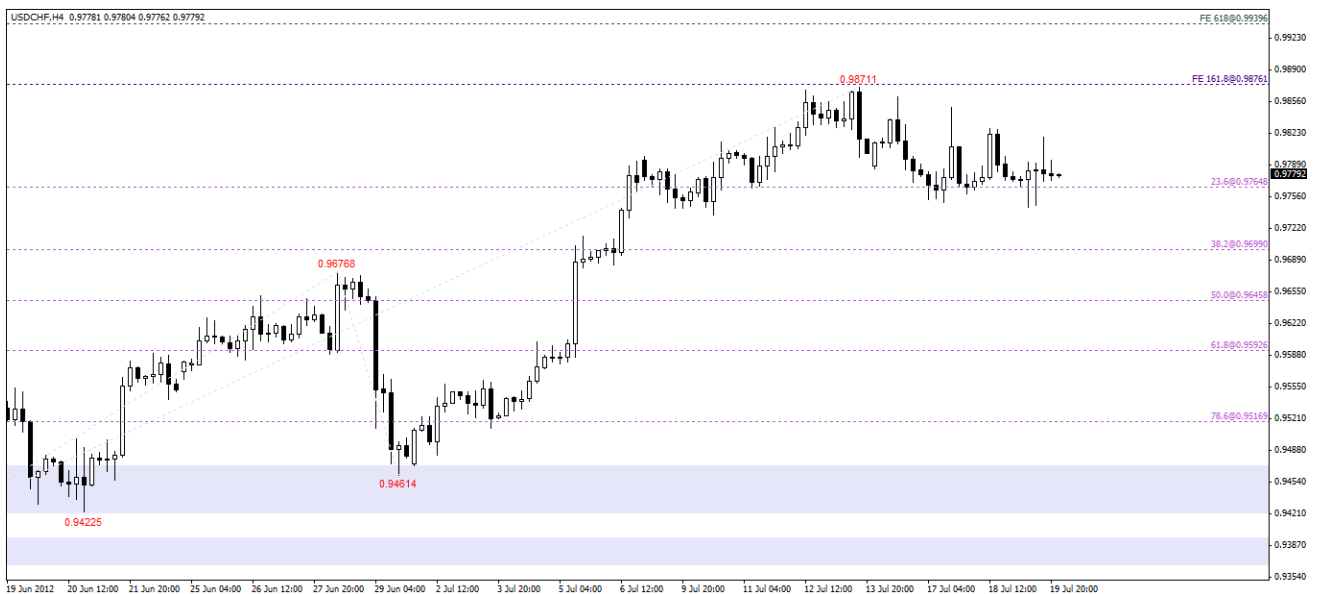
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 13-07-2012								+\$29,285.00
GBP-USD	13-07-2012	1.0	1.54420	16-07-2012	1.0	1.55479	+\$1,059.00		+\$30,344.00
GBP-USD	16-07-2012	1.0	1.55373	16-07-2012	1.0	1.56495	+\$1,122.00	+\$2,181.00	+\$31,466.00
GBP-USD	16-07-2012	1.0	1.55373	17-07-2012	1.0	1.56454	+\$1,081.00	+\$1,081.00	+\$32,547.00
Unrealized							\$0.00		

USD-CHF DAILY



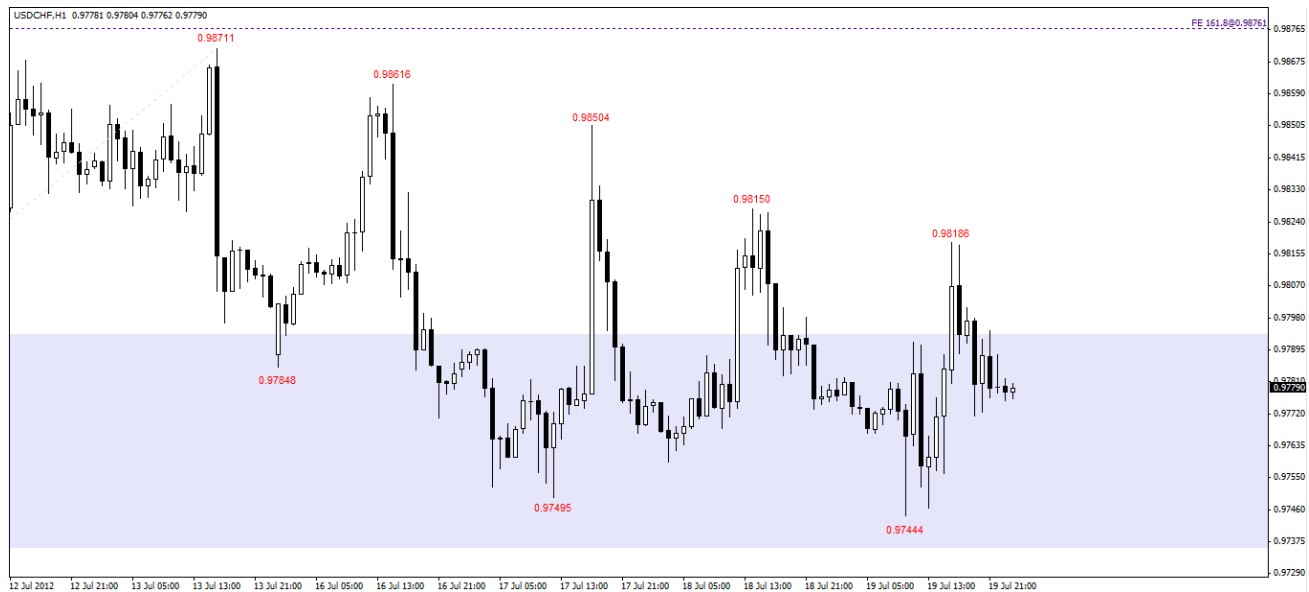
USD-CHF 4-HOURLY



USD-CHF Short to Medium Term View

In moves mirroring those seen in the EUR-USD, this market too is making a series of 3-waves moves with each successive highs lower than the previous since last Friday's high at 0.98711. Likewise, price action too has been zipping in and out of the DZ at **0.97358-0.97938**, where the 23.6% retracement of 0.94205 to 0.98711 at **0.97648** is - to an overnight high of 0.98186 before falling back into the DZ. Sustained trading below this DZ may see this correction extending to the 38.2% retracement of 0.94205 to 0.98711 at **0.96990**. As noted, the rally from 0.89293 has, strictly speaking, completed a 5-wave rally from the February 24 low and remains vulnerable to a more robust correction which may potentially take price action back to the 4th wave of a lesser degree - to the window between the June 18 low of **0.94205** and the June 29 low of **0.94614** before mounting another challenge on the long-term target between the 61.8% retracement of 1.17296 to 0.70677 at **0.99488**; which is incidentally near the 61.8% projection of 0.70677 to 0.93132 from 0.85669 at **0.99546**.

USD-CHF 1-HOURLY



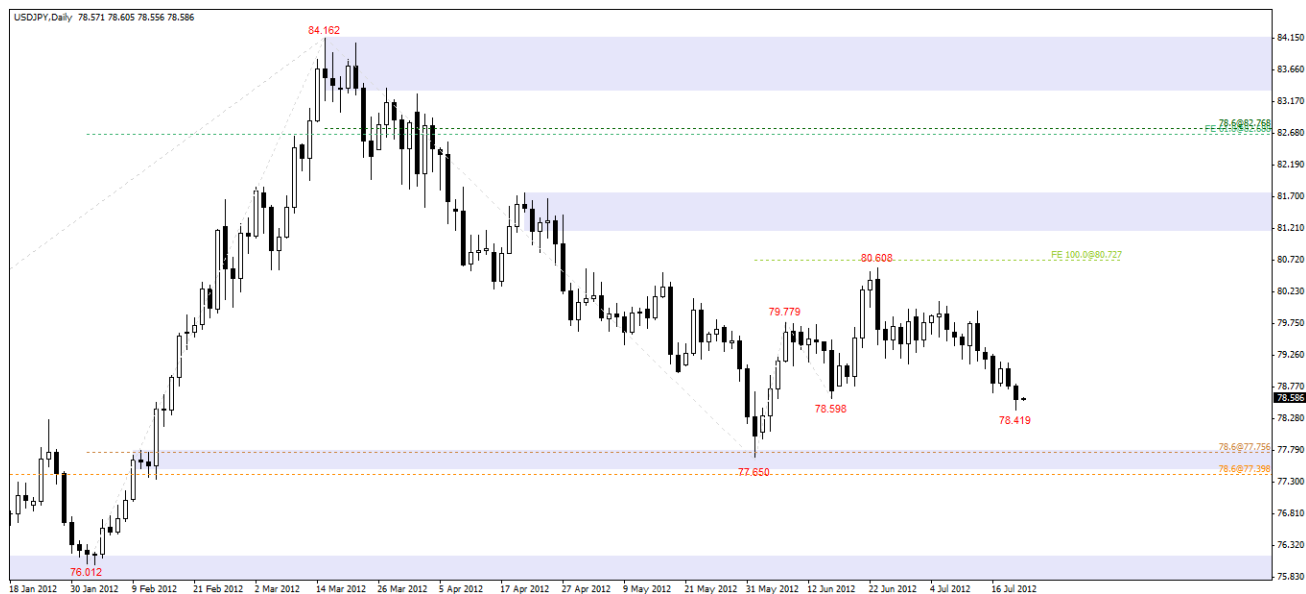
Trade Ideas

ACTION	Target 1	Target 2	EXIT
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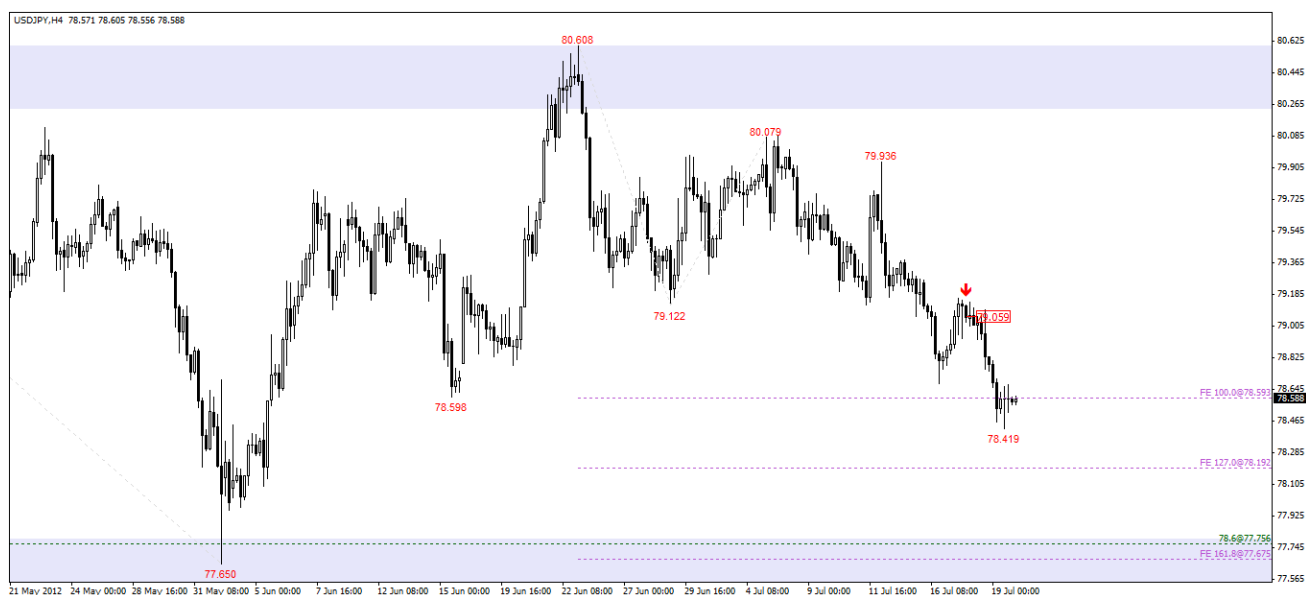
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 13-07-2012								+\$20,910.24
USD-CHF	16-07-2012	1.0	0.97721	12-07-2012	1.0	0.98506	+\$803.31	+\$803.31	+\$21,713.55
USD-CHF	17-07-2012	1.0	0.97852	12-07-2012	1.0	0.98506	+\$668.36		+\$22,381.91
USD-CHF	17-07-2012	1.0	0.97757	17-07-2012	1.0	0.97776	+\$19.43		+\$22,401.34
USD-CHF	17-07-2012	1.0	0.97757	17-07-2012	1.0	0.97776	+\$19.43	+\$707.22	+\$22,420.77
Unrealized							\$0.00		

USD-JPY DAILY



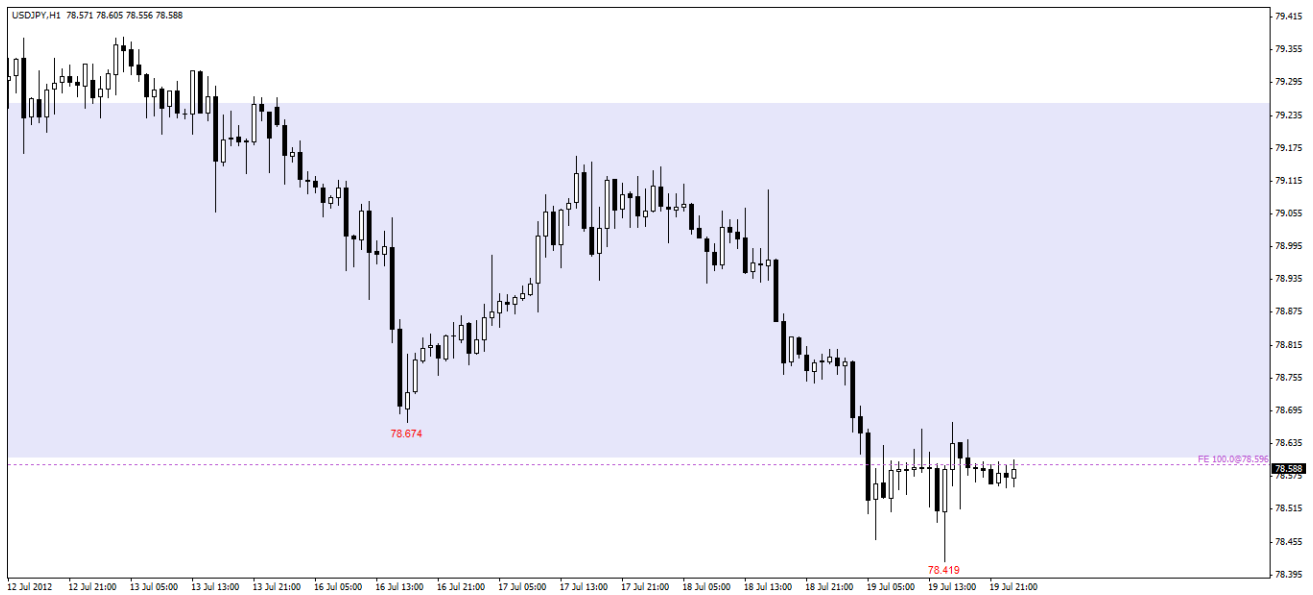
USD-JPY 4-HOURLY



USD-JPY Short to Medium Term Views

For most of the trading session, price action has stayed below the DZ at **78.595-78.795** and registered a fresh 5-weeks' low at 78.417. It now appears price action may be gunning for the next DZ at **77.353-77.792** where the 78.6% retracement of 76.012 to 84.162 at **77.756** as well as the 161.8% projection of 80.608 to 79.122 from 80.079 at **77.675** is located. With the bullish case discarded, the fall from 80.608 is now expected to resumes its fall towards the June low of **77.650**.

USD-JPY 1-HOURLY



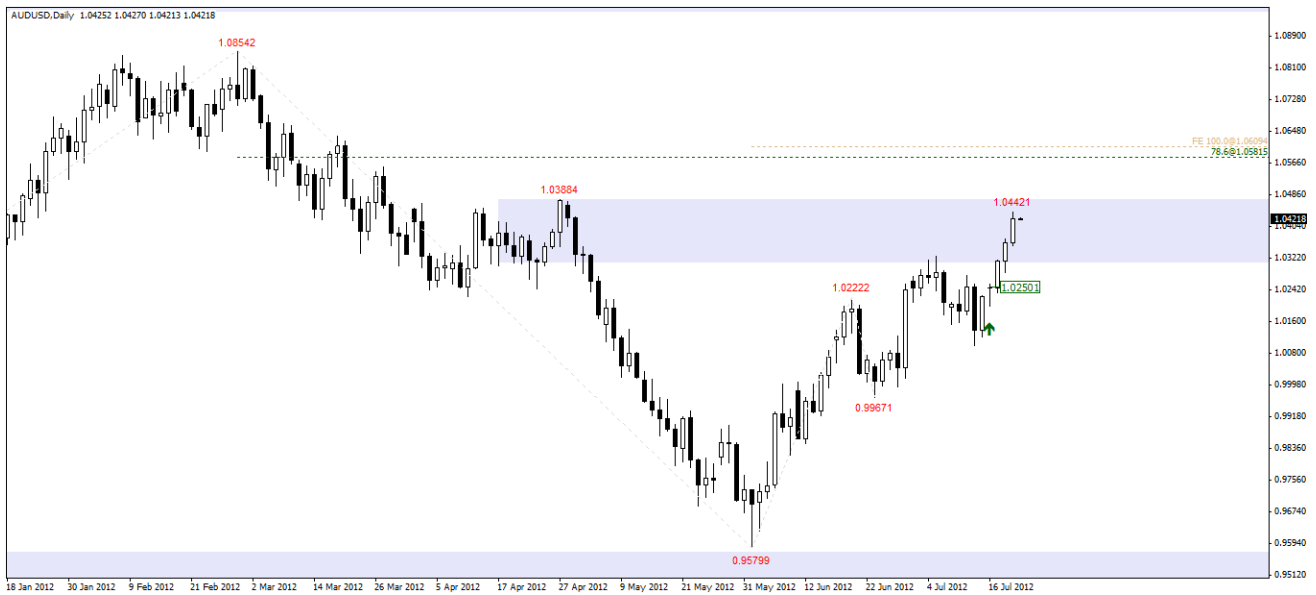
Trade Ideas

ACTION	Target 1	Target 2	EXIT
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Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 13-07-2012								+\$13,623.64
USD-JPY	13-07-2012	1.0	79.339	16-07-2012	1.0	79.022	-\$401.15		
USD-JPY	13-07-2012	1.0	79.339	16-07-2012	1.0	79.022	-\$401.15	-\$802.30	+\$12,821.34
Unrealized							\$0.00		

AUD-USD DAILY



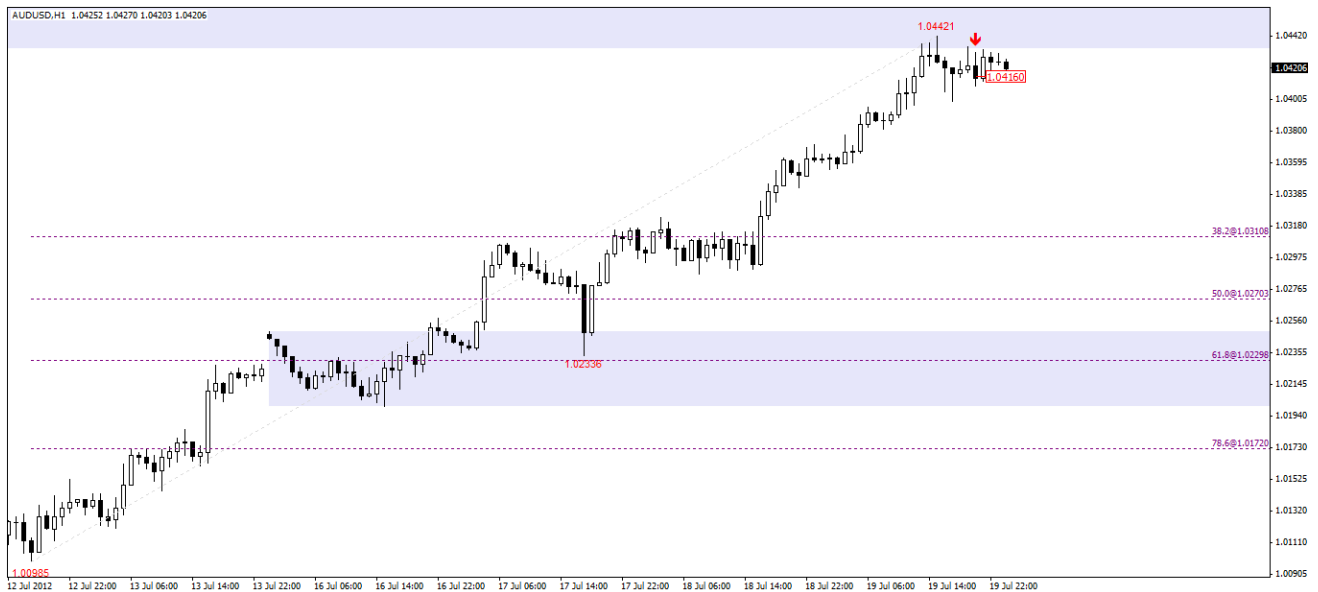
AUD-USD 4-HOURLY



AUD-USD Short to Medium Term Views

Price action breezed through a Fibonacci cluster make up of the 61.8% projection of 0.95799 to 1.02222 from 0.99671 at **1.03640** and the 61.8% retracement of 1.08542 to 0.95799 at **1.03674** in overnight trading and into a SZ at **1.04341-1.04723** and eased. Interestingly, a shooting star has appeared at the day's high of 1.04421 in the H1 chart. As such, a close below **1.02930** would invariably triggers a sell signal. In the medium-long term, the rally from 0.95799 has the potential to test the upper band of the converging triangle formation currently at around 1.06932 (see W1 chart). Traders should be cautious in chasing this market higher at current level. They should only do so on buy signal *after* a pull-back, perhaps to the window between the 38.2% and 50.0% retracement of 1.00985 to 1.04421 at **1.03108** and **1.02703** respectively. At this rate of climb, the next targets are the 78.6% projection of 1.08542 to 0.95813 at **1.05818** or the 100.0% projection of 0.95799 to 1.02222 from 0.99671 at **1.06094** besides the upper band of the converging triangle formation (currently at 1.06392).

AUD-USD 1-HOURLY

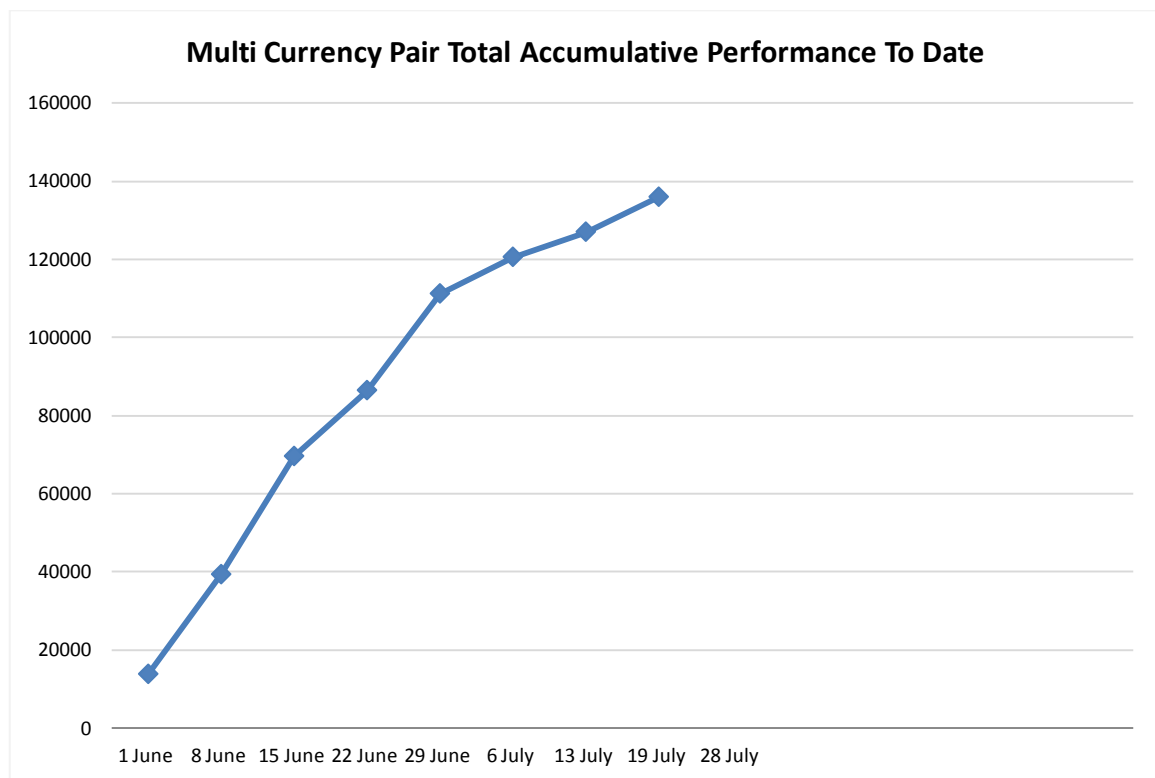
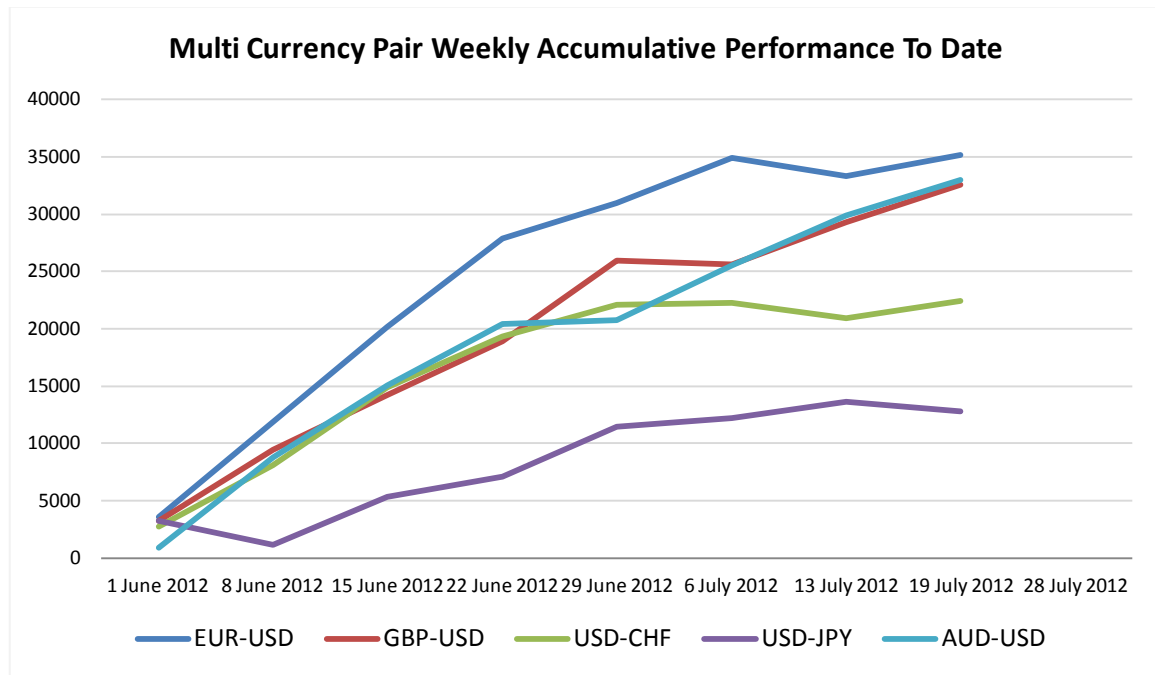


Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sold @ 1.04160	1.03108	1.02492	1.04521 STOP

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 13-07-2012								+\$29,899.00
AUD-USD	13-07-2012	1.0	1.01441	16-07-2012	1.0	1.02159	+\$718.00		+\$30,617.00
AUD-USD	13-07-2012	1.0	1.01441	16-07-2012	1.0	1.02159	+\$718.00		+\$31,335.00
AUD-USD	16-07-2012	1.0	1.02135	16-07-2012	1.0	1.02159	+\$24.00		+\$31,359.00
AUD-USD	16-07-2012	1.0	1.02135	16-07-2012	1.0	1.02159	+\$24.00	+\$1,460.00	+\$31,383.00
AUD-USD	16-07-2012	1.0	1.02135	17-07-2012	1.0	1.02927	+\$792.00		+\$32,175.00
AUD-USD	16-07-2012	1.0	1.02135	17-07-2012	1.0	1.02927	+\$792.00	+\$1,584.00	+\$32,967.00
AUD-USD	19-07-2012	1.0	1.04251	19-07-2012	1.0	1.04160	-\$91.00		
AUD-USD	19-07-2012	1.0	1.04251	19-07-2012	1.0	1.04160	-\$91.00		
Unrealized							-\$182.00		



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.