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## All Eyes On Central Banks

EUR-USD languished near a 3-month low on Tuesday as traders kept a wary eye on political developments in Italy, while commodity currencies proved resilient with AUD-USD bouncing off an 8-month trough.

Gains on Wall Street, despite steep losses in many Asian bourses on Monday, helped sparked a revival in risk sentiment that saw AUD-USD jump towards 1.02000 from a low of 1.01135.

By contrast, the other major currencies were much more subdued. EUR-USD settled at 1.30250, finding a steadier footing after Friday's slide to 1.29655. EUR-JPY was little changed at 121.739.

USD-JPY drifted to a 1-week high of 93.709, continuing to recover slowly from last week's violent slide to 90.853. It settled at 93.467.

Traders in Asia took fright on Monday after China announced fresh tightening measures to cool its housing sector, darkening sentiment in a market already fretting about prospects of a new Italian election and U.S. budget spending cuts.

But risk assets were later thrown a lifeline after the U.S. Federal Reserve's influential vice chair, Janet Yellen, said the central bank's aggressive monetary stimulus is warranted given how far below its full potential the economy is operating.

A slew of central bank policy meetings this week will also be closely watched, starting with the Reserve Bank of Australia which makes its announcement at 0330 GMT (11:30AM Singapore time). The RBA is considered almost certain to keep its cash rate unchanged at a record low 3.0 percent, having already lowered it by 175 basis points in the past 15 months. The RBA is expected to reiterate an easing bias if needed, and markets still have at least one quarter-point cut priced in over the next 12 months. Some think it will not have to pull the trigger again.

Later in the week, the Bank of Japan, European Central Bank and Bank of England all hold their respective meetings. The BOJ and the ECB are both expected to hold steady, while the BOE is seen under mounting pressure to re-launch its bond buying programme.

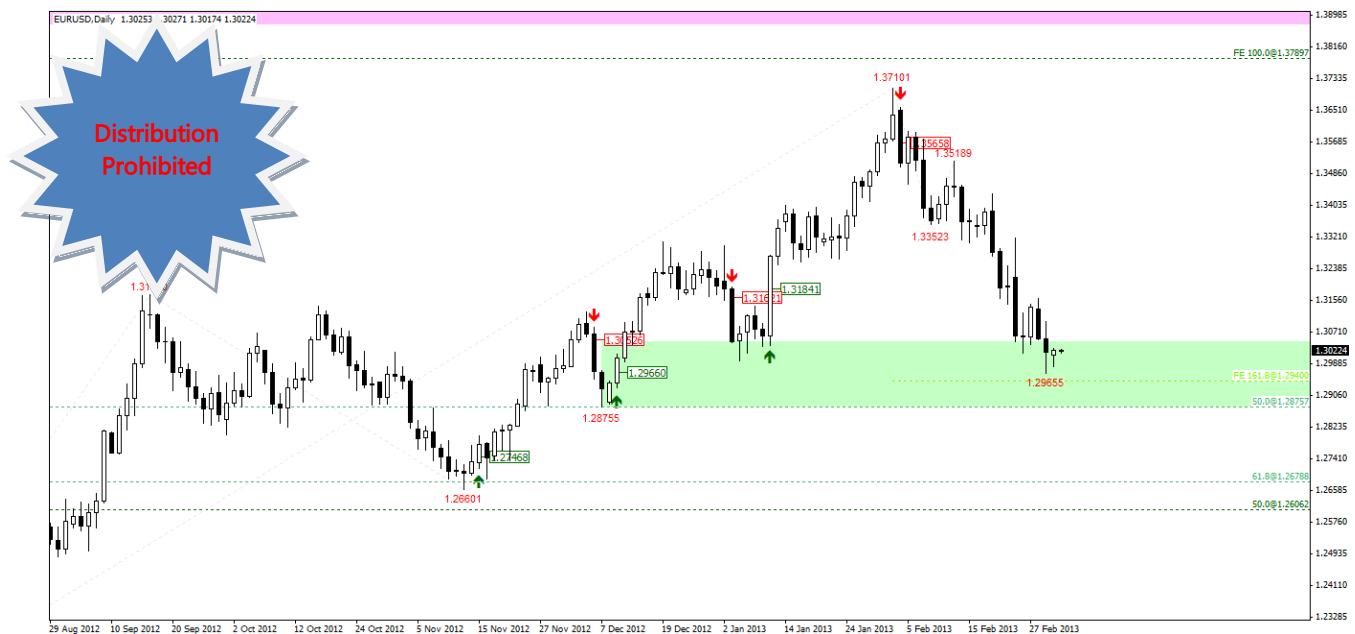
GBP-USD settled at 1.51136, having skidded to a 2-1/2 year low of 1.49843 last Friday.

Analysts said case for further easing by the ECB was also growing. Due to the economic weakness signalled by the poor PMI data for February, the chance of another cut in the refinancing rate appears higher to us than a month ago, especially if the ECB lowers both the growth and inflation outlooks again. Any dovish signal from the ECB could see EUR-USD come under pressure.

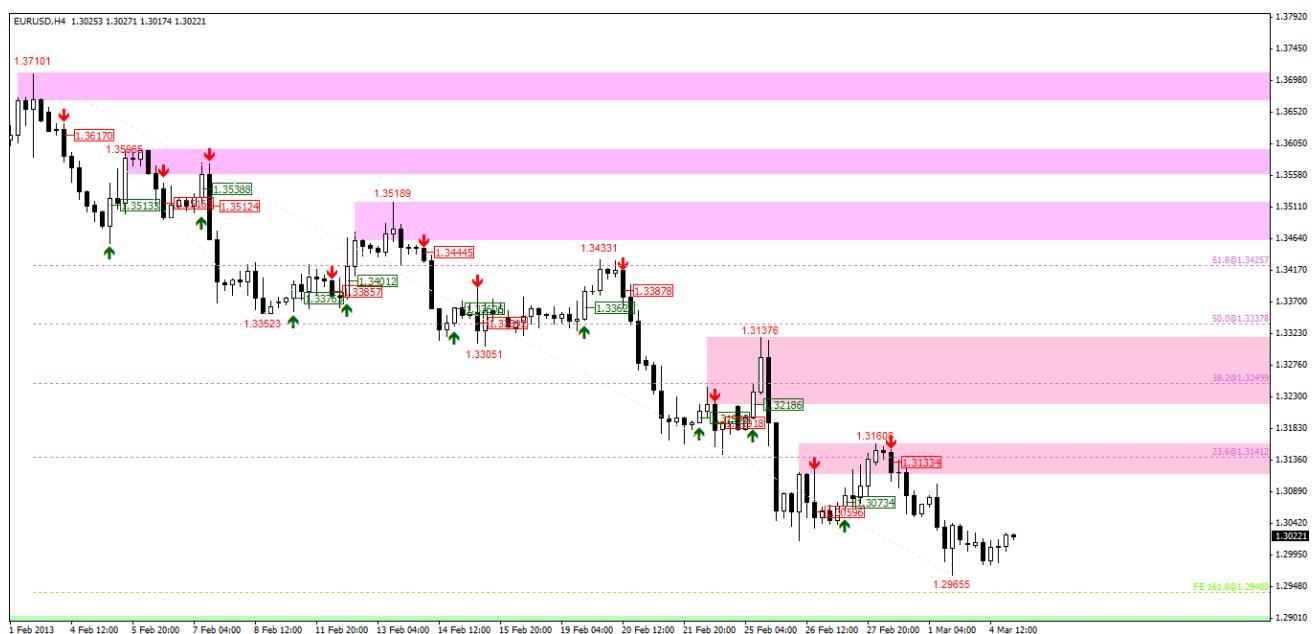
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## EUR-USD DAILY



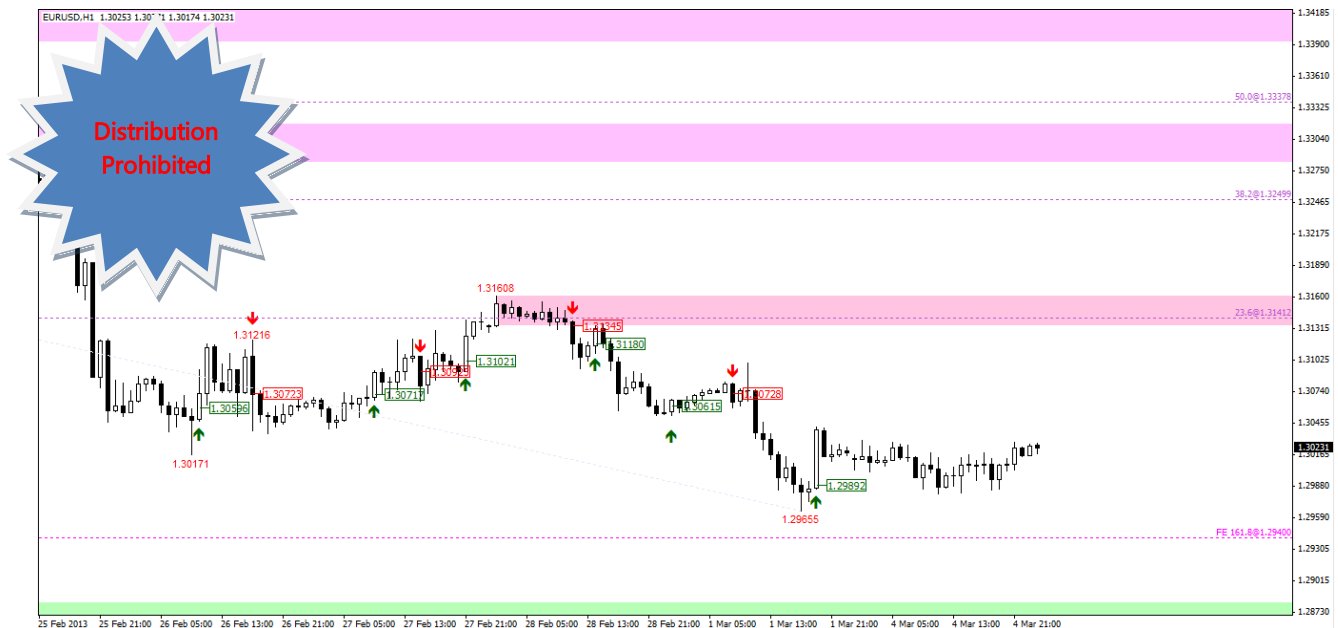
## EUR-USD 4-HOURLY



## EUR-USD Short Term Outlook

It's all quiet in the western front as the Euro marked time – stabilizing after last week's fall from a height of 1.37101. Last Friday saw this market dipping momentarily into the demand zone at **1.2877-1.30475** and spent the entire Monday within this price bracket. (see D1 chart). As mentioned, this fall may be arrested is in between the 161.8% projection of 1.37101 to 1.33523 from 1.35189 at **1.29400** and the 50.0% retracement of 1.20414 to 1.37101 at **1.28758** (see D1 chart) and this was this market did. This is the second time this year prices have dipped below the 1.30000 handle. Going forward, a close above **1.30811** in the H4 chart would shift short-term bias back to the upside. That said, topside potential is probably limited to the 23.6% retracement of 1.37101 to 1.29655 at **1.31412** where a minor supply pocket at **1.31345-1.31608** is located (see H1 chart). If so, a low risk selling opportunity may arise within this price bracket – assuming there is no acceleration in this nascent recovery.

## EUR-USD 1-HOURLY



## TRADE IDEAS

Action	Exit Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Sell	Sell on sell signals between 1.31345-1.31608		1.31708	1.29400	1.27214	3	0.03m

## TRADE JOURNAL

Open Date	Buy (units)	Open Price	Close Date	Sell (units)	Close Price	Unrealized P/L	Realized P/L	Accumulative Balance
						Pips + / - (\$)	Pips + / - (\$)	% \$
2013.03.01								3.02 10,302.10

GBPUSD Daily 1.51125 1.51144 1.51047 1.51104

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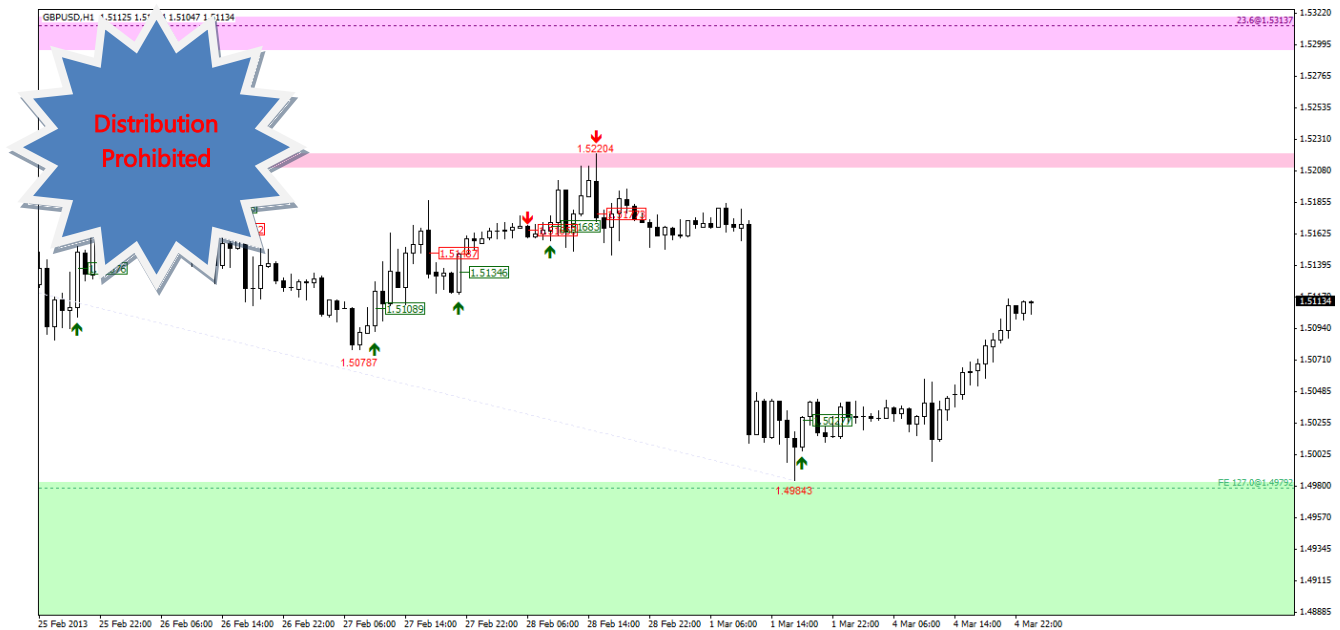
Key price levels and annotations:

- 1.63799 (Peak)
- 1.62019 (Peak)
- 1.60944 (Peak)
- 1.60219 (Peak)
- 1.58768 (Peak)
- 1.58449 (Peak)
- 1.57598 (Peak)
- 1.56721 (Peak)
- 1.56588 (Peak)
- 1.55174 (Peak)
- 1.53137 (Peak)
- 1.51104 (Current Price)
- 1.49843 (Low)
- 1.49792 (Low)

Horizontal dashed lines indicate price levels: 78.68, 61.88, 50.08, 38.28, 23.68, 1.51104, and 1.49792.

Despite losing its prized Aaa rating, this market has held out reasonably well after last week's selloff. This, however, did not come as a surprise as last Friday's update suggested the possibility of this fall being held at the 127.0% projection of 1.63799 to 1.56731 from 1.58768 at **1.49792**; where the demand pockets at **1.48730-1.49830** is located (see H4 chart). The rebound from 1.49843 last Friday was thus a testament to the relevance of this price bracket. However, if the demand pocket at **1.48730-1.49830** fails to hold the line, the medium-term target is the next lower rung demand pocket at **1.42300-1.43422**. To put things in perspective, this market has fallen from a 3-year high in January to a 32-month low in just two months. Such was the ferocity of this fall. Other than the Japanese Yen, the Sterling Pound is now the second weakest major currency. For those who managed to sell on the brief rebound last Friday at the minor supply pocket at **1.52955-1.53161**, a close above **1.51617** in the D1 chart may signal the onset of a more robust recovery. If so, the minor supply pocket at **1.52955-1.53161** is an immediate barrier to higher prices. This is followed by another at **1.54526-1.55481**.

## GBP-USD 1-HOURLY



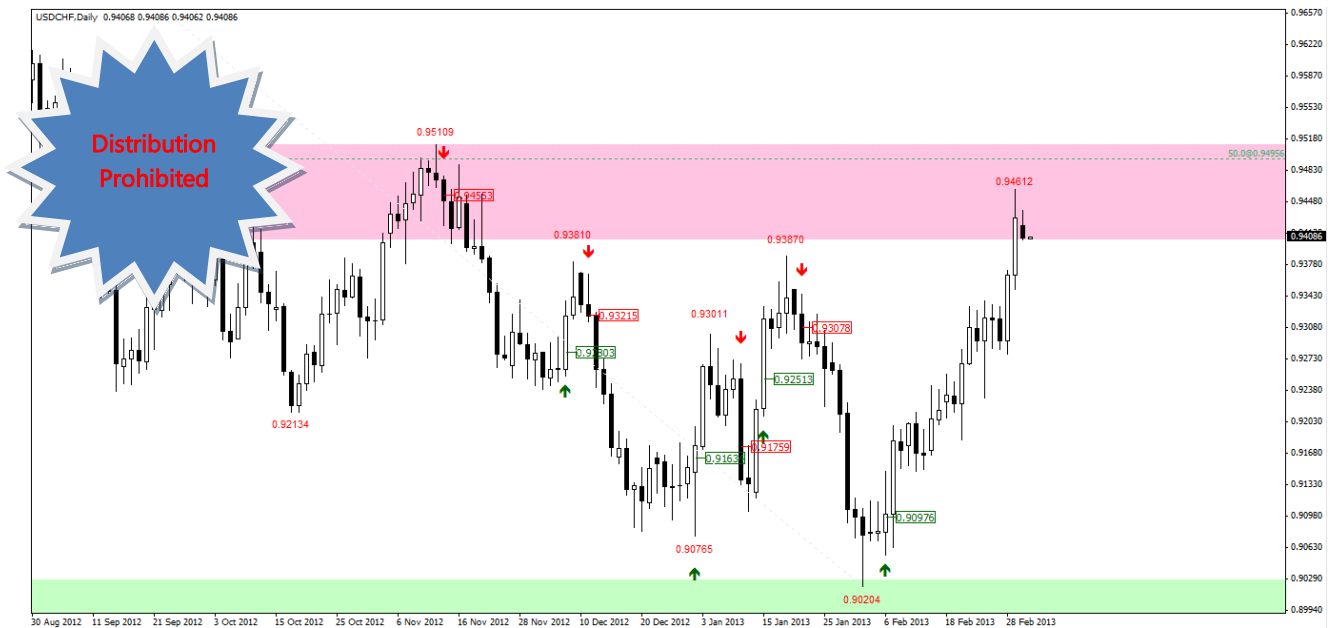
## GBP-USD TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Sold	Exit on D1 close above 1.51617	1.52999		1.50954 Realized	1.43422	3	0.03m

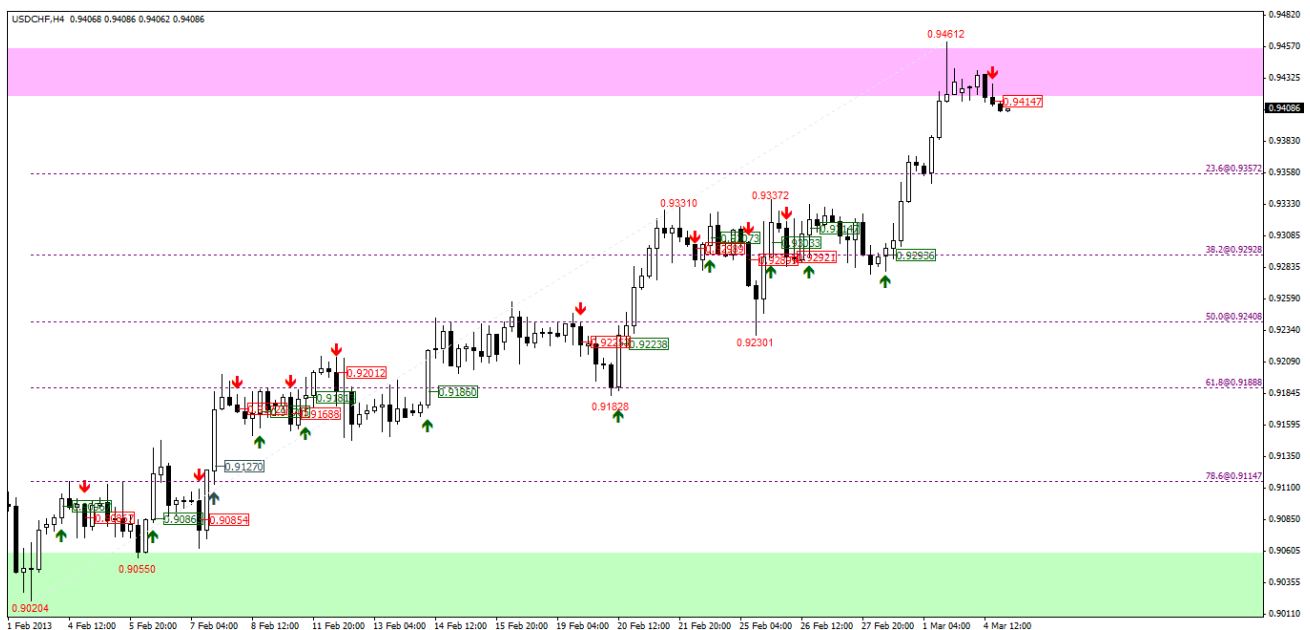
## GBP-USD TRADE JOURNAL

Open Date	Sell (units)	Open Price	Close Date	Buy (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.03.01										15.4	11,544.60
2013.02.22 06:23	0.03m	1.52999	2013.03.01 23:59	0.02m	1.51136	865.8	865.80				

## USD-CHF DAILY



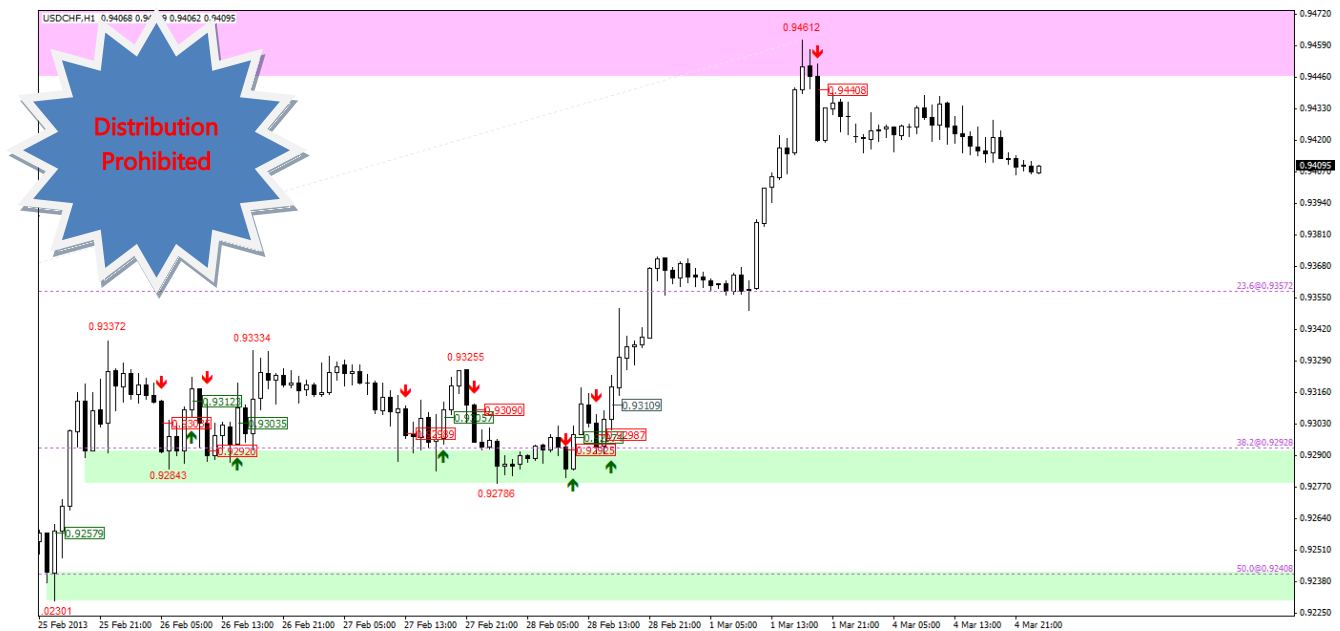
## USD-CHF 4-HOURLY



## USD-CHF Short Term Outlook

This week saw this market finally resolved to the upside after two weeks of consolidation. Over the last two days, there appears to be an acceleration in the rally from the February 1 low of 0.90204. At this rate of climb, this market is poised to challenge the supply zone at **0.94058-0.95109** where the 50.0% retracement of 0.99709 to 0.90204 at **0.94956** is located. If so, this may present a selling opportunity. In perspective, this market is bounded by the demand zone at **0.90010-0.90587** and the supply zone at **0.94058-0.95109** (see D1 chart). Unless and until this rally from 0.90204 accelerates beyond the supply zone at **0.94058-0.95109**, positioning speculative short positions there made sense; especially near the 50.0% retracement of 0.99709 to 0.90204 at **0.94957** (see D1 chart). Should this scenario pan out; primary target is the demand pocket at **0.92641-0.92825**, with the possibility of this market testing the demand pocket at **0.90010-0.90587** in due time.

## USD-CHF 1-HOURLY



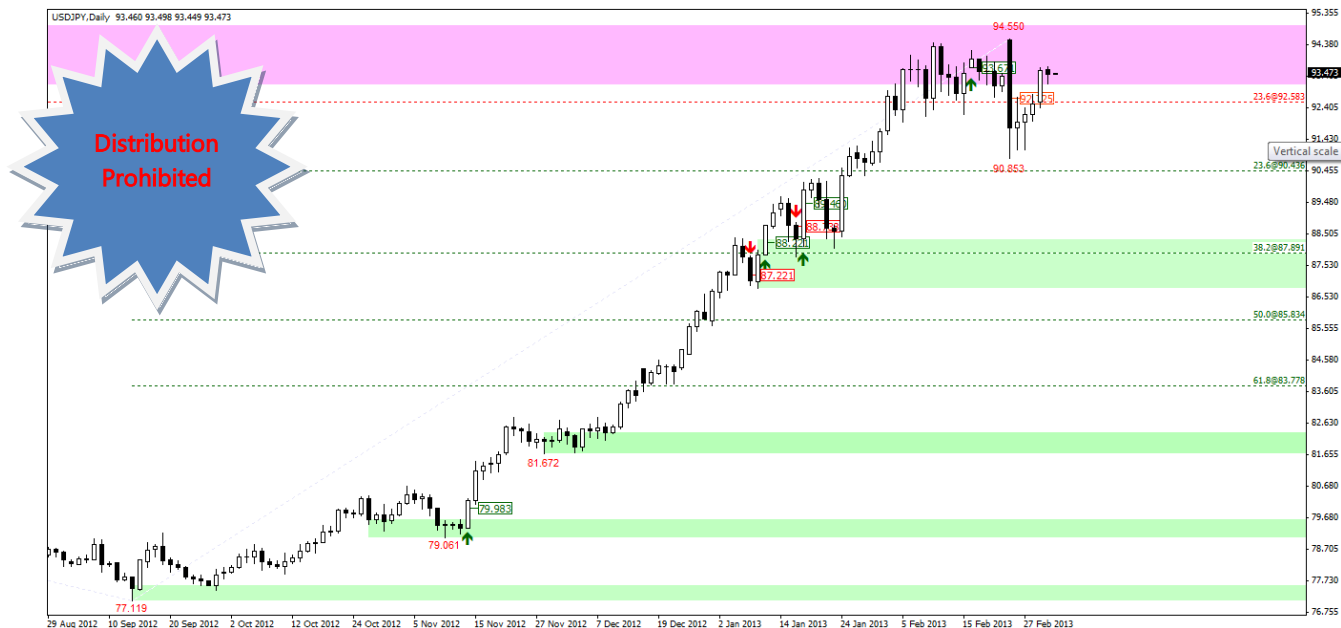
## USD-CHF TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Sold		0.94491	0.95209	0.93572	0.92928	2	0.02m

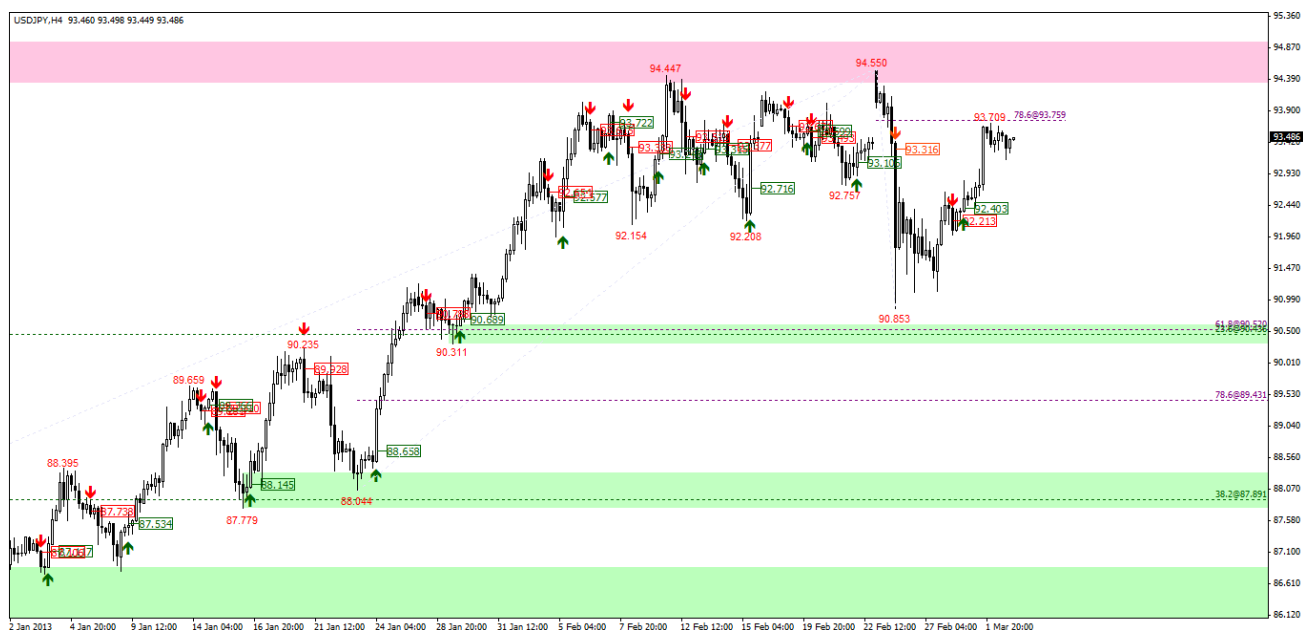
## USD-CHF TRADE JOURNAL

Open Date	Sell (units)	Open Price	Close Date	Buy (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.03.01										4.93	10,493.17
2013.03.01 17:27	0.02m	0.94491	2013.03.01 23:59	0.02m	0.94072	83.8	89.08				

## USD-JPY DAILY



## USD-JPY 4-HOURLY



## USD-JPY Short Term Outlook

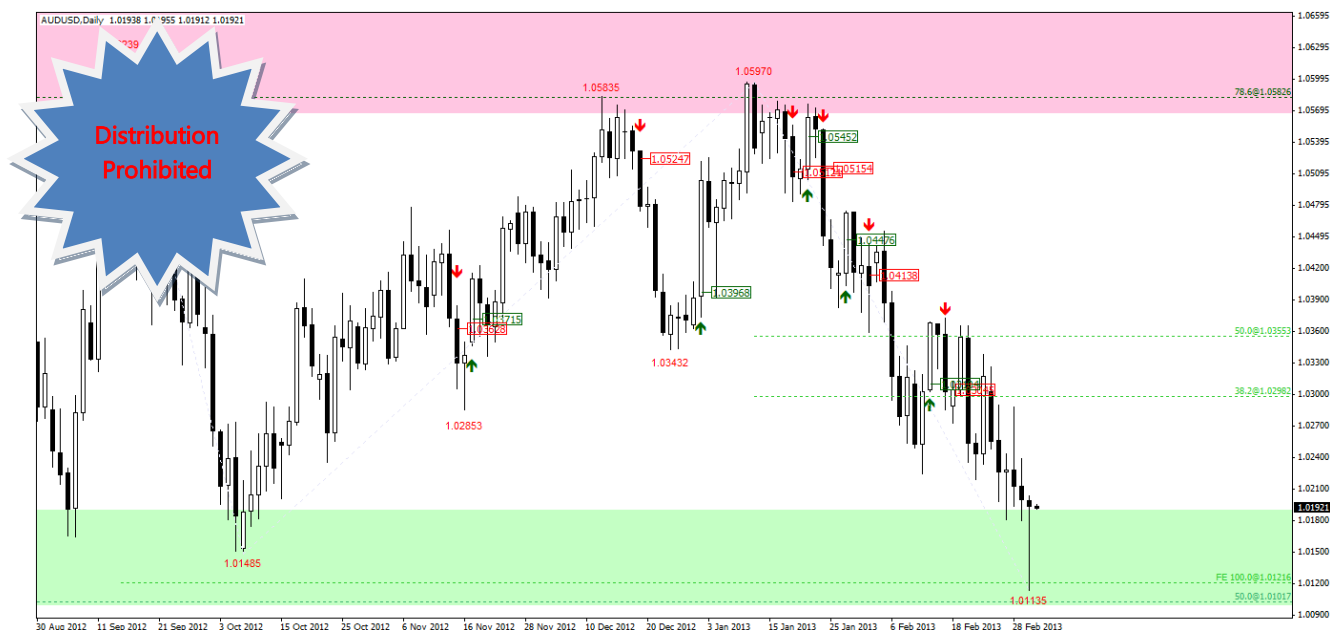
This market managed to hold on to most its gains from the sharp rebound from last Monday low of 90.853. However, this recovery has stalled just under the 78.6% retracement of 94.550 to 90.853 at **93.759** throughout the day, managing only a high at 93.709 during London session. Though the odd of this market testing the 34-month high at 94.550 again remains, last Monday massive fall may have damaged the incredible rally from 77.119 some 6 months back. As mentioned in the weekend update, despite the rather impressive recovery, the back of this almost 6-month rally may be broken. After all, the D1 chart has turned negative with a successful close below **92.72** last Monday. Only a sustained rally above the SZ at **93.129-94.979** would suggest the resumption of the log-term rally. Should this market fail to clear the SZ at **94.330-94.970** next; another round of selling may be in store (see H4 chart). Should this market take out last Monday's low at **90.853** as well as the 61.8% retracement of 88.044 to 94.550 at **90.529** and the 23.6% retracement of 77.119 to 94.550 at **90.436** including the minor demand pocket at **90.272-90.420** (see H1 chart), this may signals the resumption of a more robust correction of the rally from 77.119. Ultimately, the resulting fall has the potential to correct all the way back to the demand zone at **86.908-88.326** where the 38.2% retracement of 77.119 to 94.447 at **87.828** is located (see D1 chart).



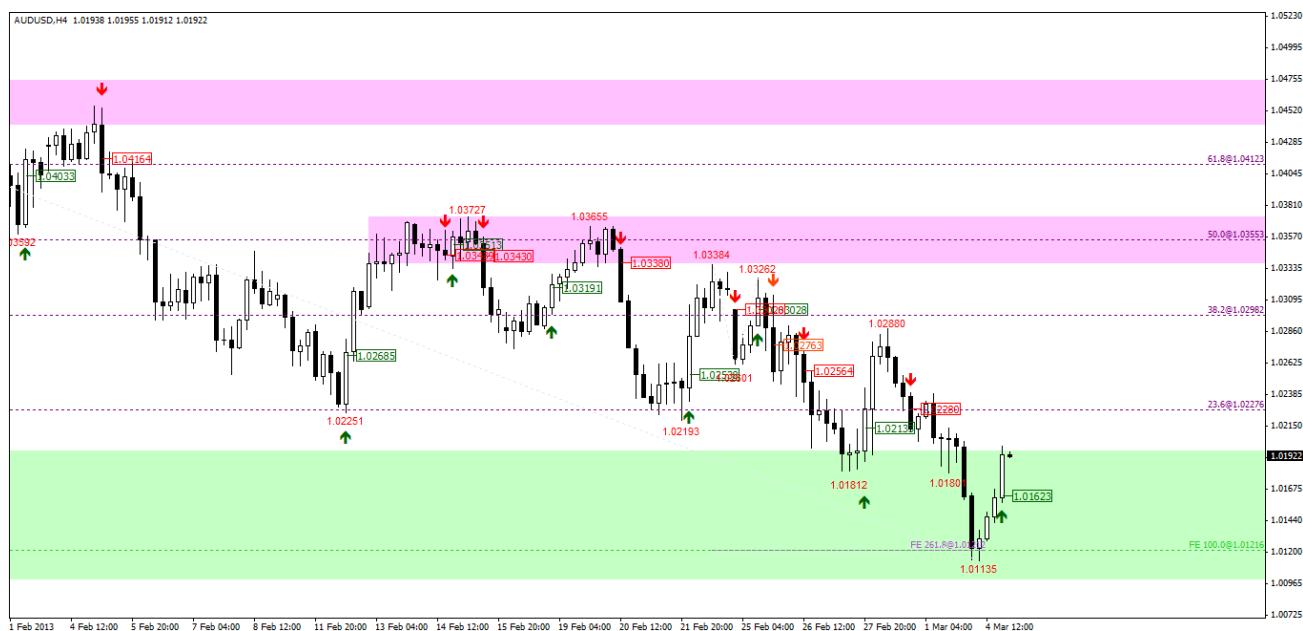


Action	Exit Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Sold		93.560	95.070	92.173	90.529	1	0.01
Sell	Sell on sell signals between <b>94.330-94.970</b>		95.070	92.173	90.529	2	0.02

Open Date	Sell (units)	Open Price	Close Date	Buy (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.03.01										25.28	12,528.38
2013.03.04	0.01	93.560	2013.03.04 10:40	0.01	93.467	9.3	9.95				

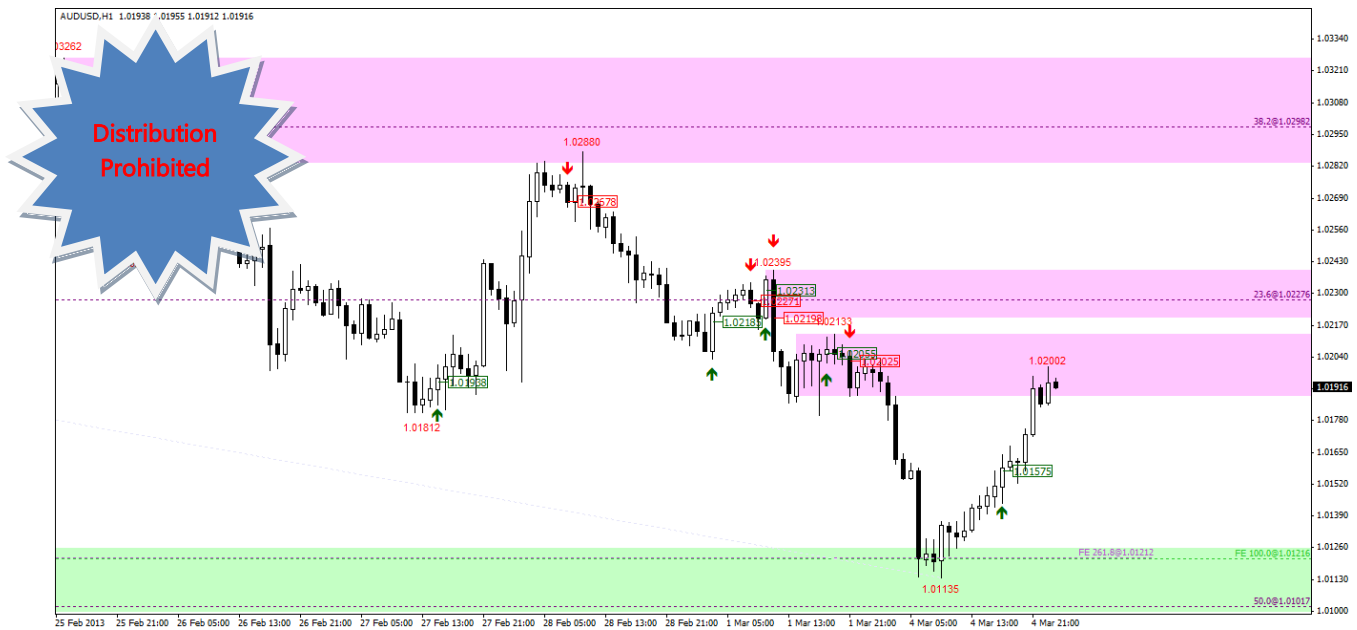


## AUD-USD 4-HOURLY



## AUD-USD Short Term Outlook

This market began the week by extending its fall falling from last Thursday and took out the 20-week low at 1.01812 with a print at 1.01135 and hit the the price bracket between the 100.0% projection of 1.06239 to 1.01485 from 1.05970 at **1.01216** cum the 261.8% projection of 1.03384 to 1.02601 from 1.03262 at **1.01212** and the 50.0% retracement of 0.95795 to 1.06239 at **1.01017** within the demand pocket at **1.00995-1.01917**. As mentioned in the weekend report, this is an excellent area to position a counter-trend trade by going long. Despite the massive fall, this market is, as noted locked between the demand pocket at **1.00995-1.01917** and the supply pocket at **1.05675-1.06692** (see D1 chart). In the short-term, the immediate barrier to higher prices are the minor supply pockets at **1.01881-1.02133** (where the market s right now) as well as **1.02198-1.02395** which is incidentally where the 23.6% retracement of 1.05970 to 1.01135 at **1.02276** is located (see H1 chart). In the medium-term, the litmus test for this overnight rebound is the supply pocket at **1.03372-1.103727** where the 50.0% retracement of 1.05970 to 1.01135 at **1.03553** is sited (see H4 chart).



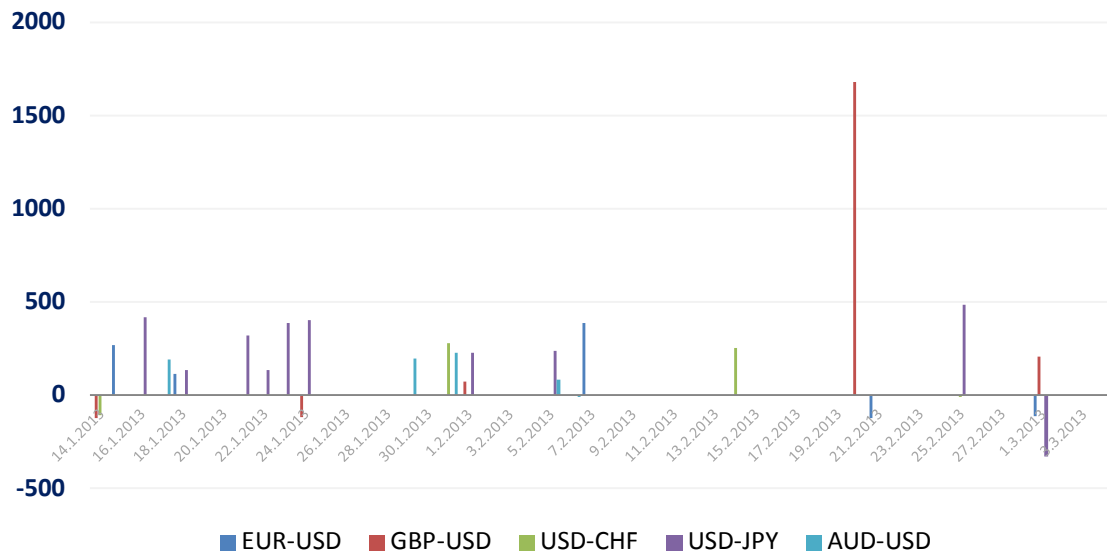
## AUD-USD TRADE IDEAS

Action	Entry Condition	Entry Price	Stop-Loss	Profit Target 1	Profit Target 2	Exposure %	Exposure Units
Bought		1.01205	1.00895	1.03156	1.04416	3	0.03m

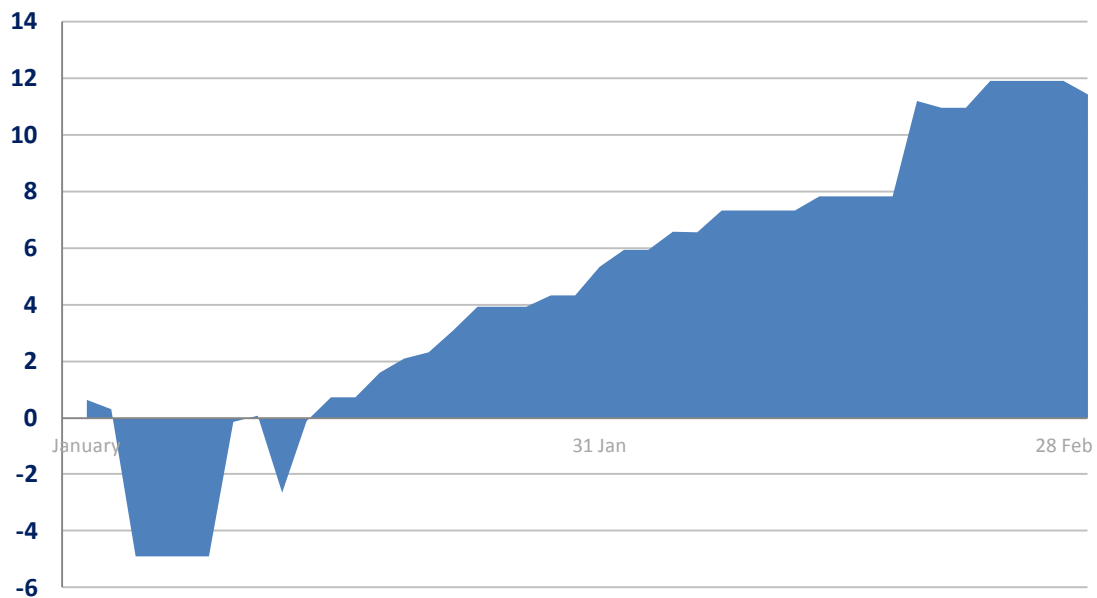
## AUD-USD TRADE JOURNAL

Open Date	Buy (units)	Open Price	Close Date	Sell (units)	Close Price	Unrealized P/L		Realized P/L		Accumulative Balance	
						Pips	+ / - (\$)	Pips	+ / - (\$)	%	\$
2013.03.01										8.49	10,849.00
2013.03.01 09:33	0.03m	1.01205	2013.03.01 23:59	0.03m	1.01935	219.0	219.00				

## Daily Realized P/L



## Accumulative Percentage P/L



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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.