

A Traders Academy International Publication

Euro At 2-Weeks High As On ECB

EUR-USD hit 2-week highs on Thursday after the European Central Bank's chief said the ECB was ready to implement a bond-buying program that would lower borrowing costs for debt-stricken countries. Details about the ECB's bond-buying scheme are not yet known, but it represents a key ingredient in the bank's overall strategy to counter the Euro zone's debt crisis.

ECB President Mario Draghi gave assurance that the ECB has a "fully effective backstop mechanism in place" to implement the plan. No specifics about the scheme were disclosed in his news conference, but the Euro gained in anticipation. Few surprises came in Draghi's news conference after the ECB kept a benchmark interest rate at 0.75 percent. Draghi said the ECB's decision to undertake bond purchases had eased tensions in the region. Draghi also affirmed his commitment to preserving the region's monetary system and currency. He said the "Euro is irreversible," and that he remained firmly committed to keeping the "singleness" of monetary policy in the euro zone. In July, he vowed to do whatever it would take to keep the Euro zone's common currency in place, sparking a rally from 2-year lows. That has helped ease concerns of a Euro-zone breakup.

EUR-USD pulled away from gains of nearly 1 percent on the day after minutes from the U.S. Federal Reserve's September meeting showed broad agreement that more policy stimulus was needed. The bank also talked about adopting numerical thresholds for inflation and unemployment to serve as guideposts on policy.

The trimming of EUR-USD gains preceded tonight's September U.S. employment report, where economists expect a modest increase of 113,000 new jobs, with the U.S. unemployment rate edging up to 8.2 percent from 8.1 percent in August.

At the close of New York trade, EUR-USD pared its early gains of nearly 1 percent. It stood at 1.30161, up 0.88 percent. It hit a high of 1.30300, its strongest level since Sept. 21.

The chance of Spain asking for a bailout and triggering the ECB's bond-buying plan has made traders wary of selling the Euro. At the same time, uncertainty about when Spain is likely to make such a request has limited the currency's gains.

Analysts believed, however, that Spain's budget proposal seemed designed with a bailout request in mind.

Also in focus on Thursday was a debt auction at which Spain raised €4 billion (\$5.2 billion) selling tranches of bonds maturing in 2014, 2015 and 2017. Yields fell from the previous auction.

GBP-USD rose 0.75 percent against the dollar to 1.62001 after the Bank of England kept rates and its quantitative easing total, as expected, on hold.

USD-JPY was broadly sluggish, rising to a 2-week high with traders wary that the Bank of Japan may surprise on Friday by easing policy. USD-JPY was last flat at 78.466.

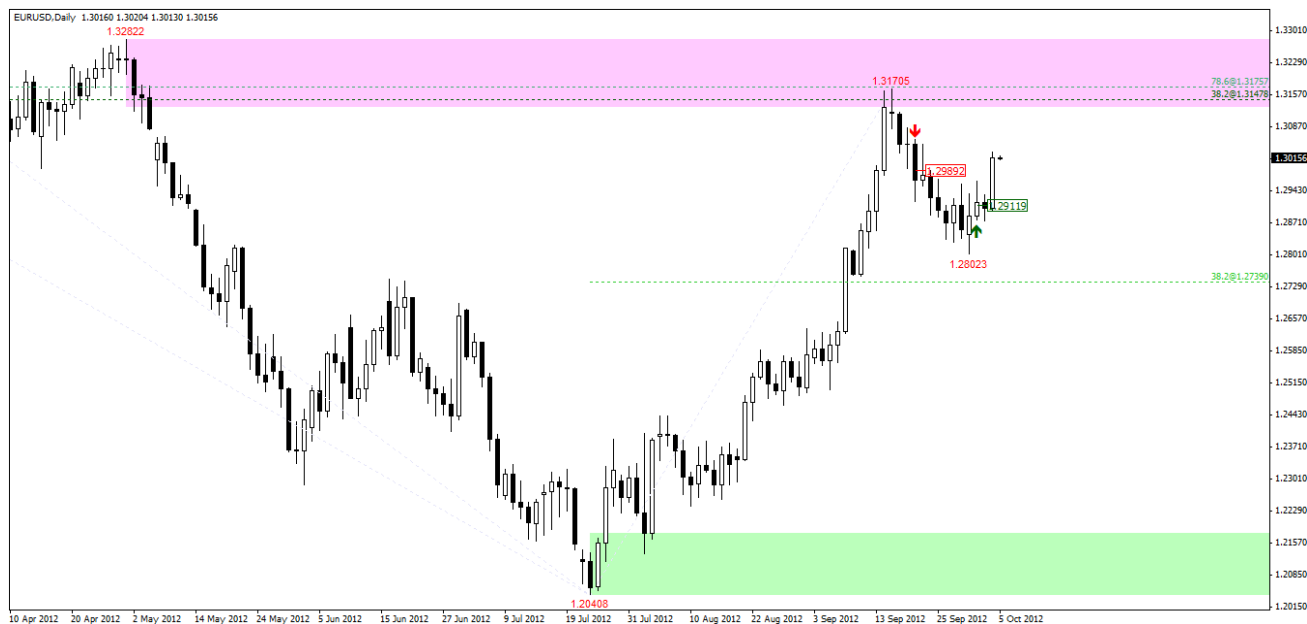
The BoJ, which only last month boosted its asset-buying program, has been under intense political pressure to offer more monetary stimulus to try to spur growth and weaken the Japanese Yen. The BoJ is expected to hold rates unchanged at its Oct. 4-5 meeting in order to gauge the effects of its latest easing. Pressure to ease further was expected to continue ahead of its Oct. 30 policy meeting.

Given that the BoJ just decided on additional easing at its last meeting two weeks ago (Sept. 18-19), analysts think it is likely to remain on hold at its 4-5 October policy meeting, unless the Yen rises sharply for some reason and leads the MoF to consider intervening in the currency markets.

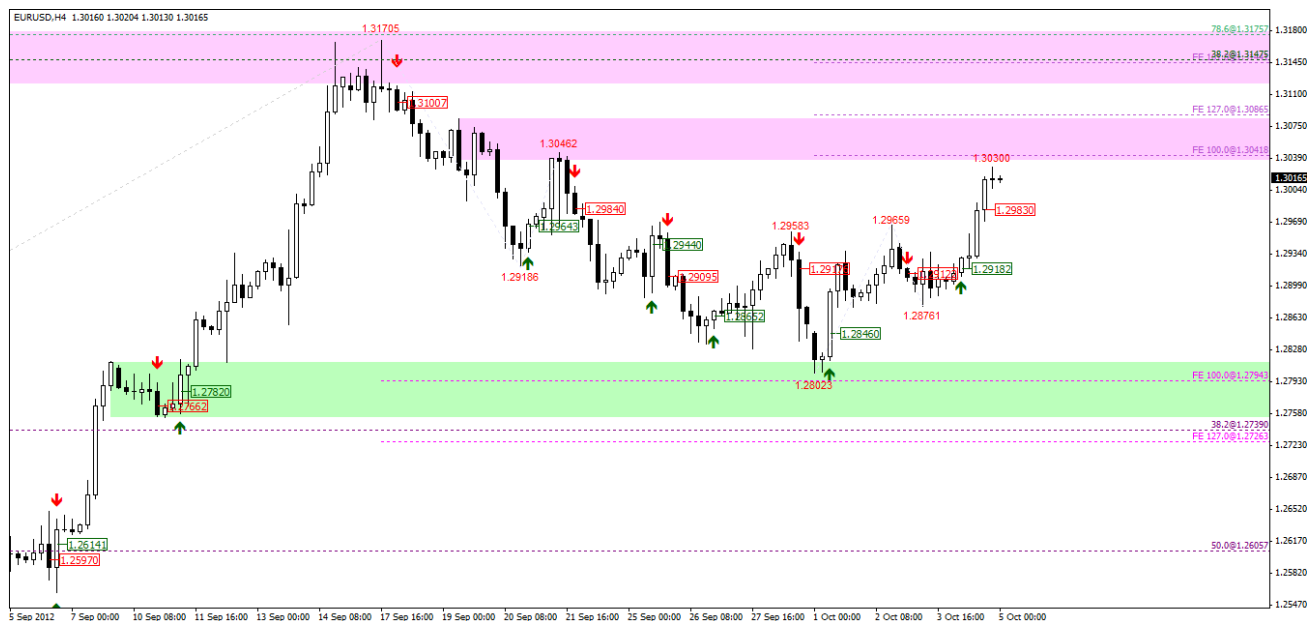
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EUR-USD DAILY



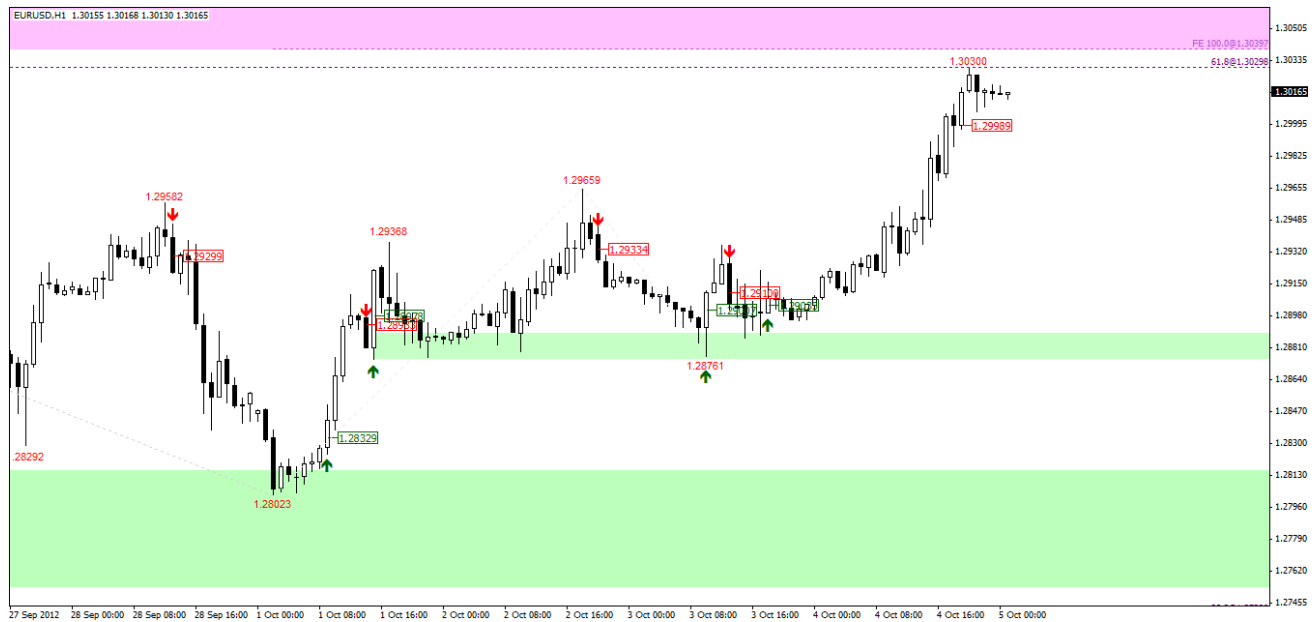
EUR-USD 4-HOURLY



EUR-USD Short to Medium-Term Views

Price action rallied strongly from 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** in overnight trading. Throughout, the fall from 1.31705, 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. Three days ago, traders were alerted to the possibility of another buying opportunity within the minor DZ at **1.28749-1.28886** (H1 chart). Price action indeed fell into this demand pocket and rallied not once but four times. Now that the rally has resumed, focus is now on the major supply pocket at **1.33550-1.34847** with immediate resistance and possibly profit-taking likely to emerge from within the immediate overhead SZs at **1.30390-1.30835** and another at **1.31210-1.31788** respectively.

EUR-USD 1-HOURLY



Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.28329	1.29436 Realized	1.33550	Exit on H4 close below 1.29830
Bought @1.28895 (M5 Chart)	1.30390	1.31408	Exit on H4 close below 1.29830

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 28-09-2012								\$61,075.00
EUR-USD	01-10-2012	1.0	1.28329	02-10-2012	1.0	1.29436	+\$1,107.00	+\$1,107.00	\$62,192.00
EUR-USD	01-10-2012	1.0	1.28329	04-10-2012	1.0	1.30161	+\$1,832.00		
EUR-USD	03-10-2012	1.0	1.28895	04-10-2012	1.0	1.30161	+\$1,266.00		
EUR-USD	03-10-2012	1.0	1.28895	04-10-2012	1.0	1.30161	+\$1,266.00		
Unrealized							+\$4,364.00		

GBP/USD:H4 1.61896 1.61988 1.61873 1.61881

1.62715
1.62518
1.6253
1.62206
1.62705
1.62001
1.61352
1.61278
1.60950
1.60656
1.60072
1.59555

1.63077
1.62013
1.6218
1.61811
1.61455
1.61278
1.60950
1.60656
1.60072
1.59555

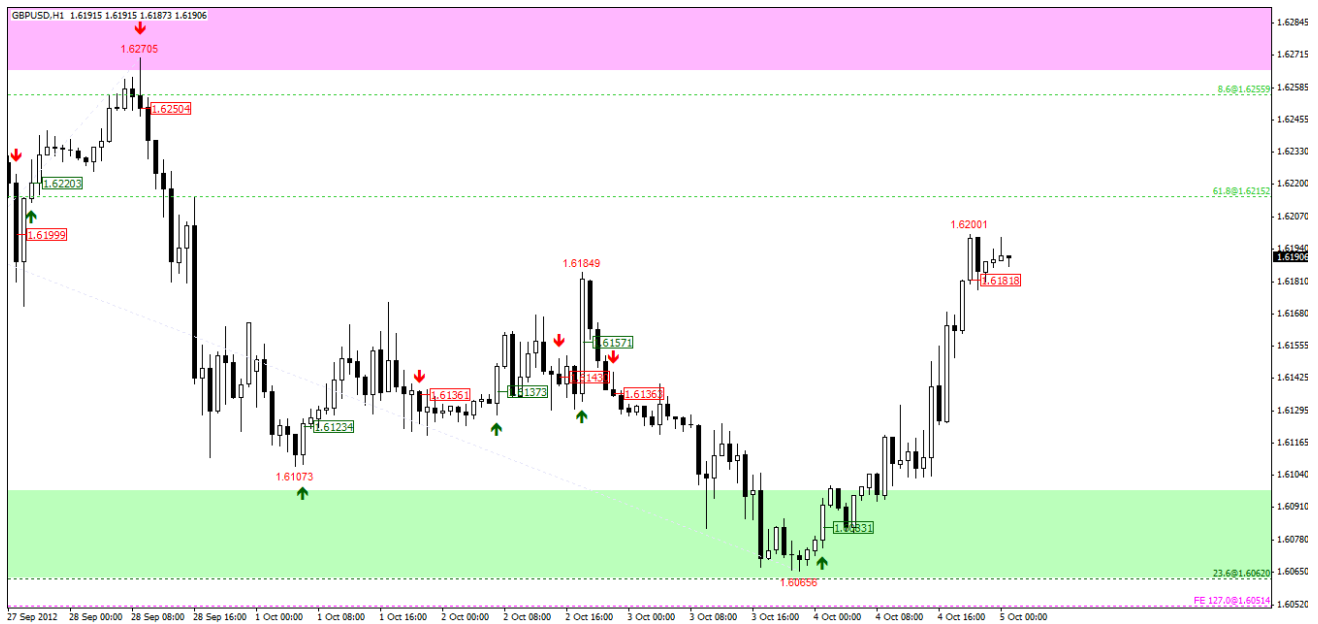
23.681.60620
FE 127.081.60514
38.2@1.59577
38.2@1.59100

5 Sep 2012 7 Sep 00:00 10 Sep 08:00 11 Sep 16:00 13 Sep 00:00 14 Sep 08:00 17 Sep 16:00 19 Sep 00:00 20 Sep 08:00 21 Sep 16:00 25 Sep 00:00 26 Sep 08:00 27 Sep 16:00 1 Oct 00:00 2 Oct 08:00 3 Oct 16:00 5 Oct 00:00

1.63145
1.62900
1.62650
1.62405
1.62160
1.61915
1.61670
1.61425
1.61175
1.60925
1.60680
1.60435
1.60185
1.59940
1.59695
1.59445
1.59200
1.58955
1.58700

As in EUR-USD, price action after falling into in the minor demand pocket at **1.60629-1.60978** some 24 hours ago, rallied strongly overnight in a sign that suggests that the rally from 1.52666 has resumed. As noted, this latest rally has the potential to go beyond the fortnight's high of **1.63077** with the first barrier to higher prices likely to come from the overhead SZ at **1.62272-1.62995**. That said, the confirmation needed for this rather bullish assessment is for price action to rally beyond **1.63077**. Thereafter, a larger degree corrective fall is anticipated; ideally back to the demand pocket at **1.60629-1.60978**.

GBP-USD 1-HOURLY



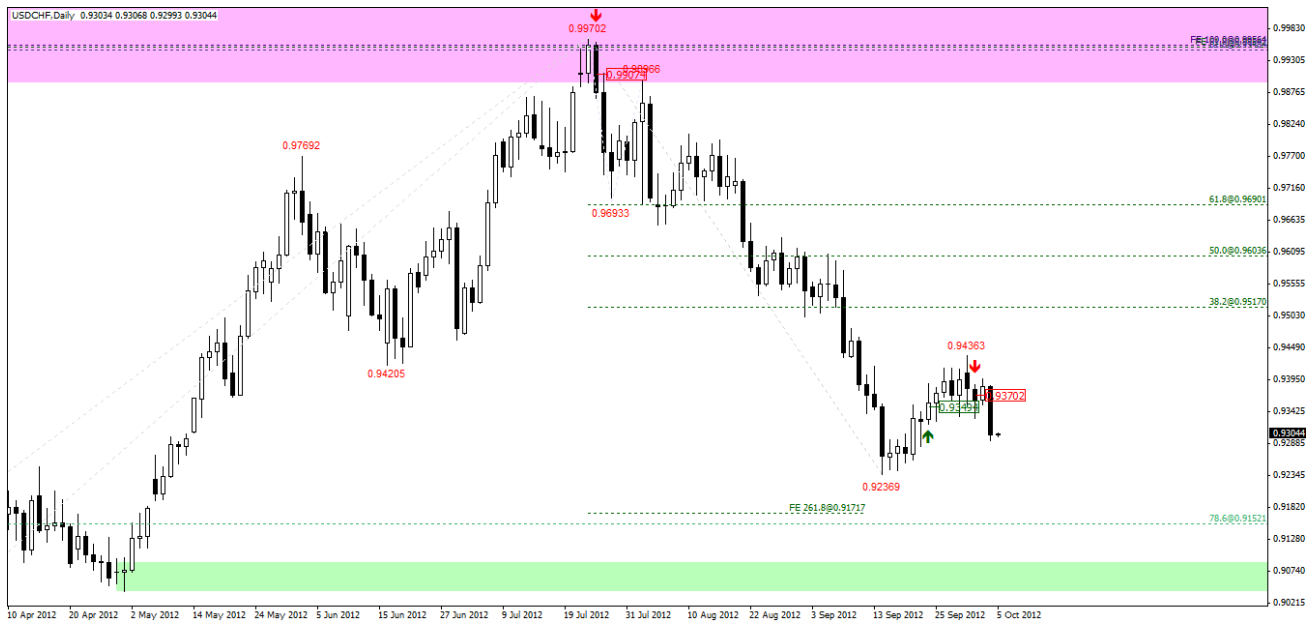
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.60947 (M5 chart)	1.62653	1.63771	Exit n H4 close below 1.61395

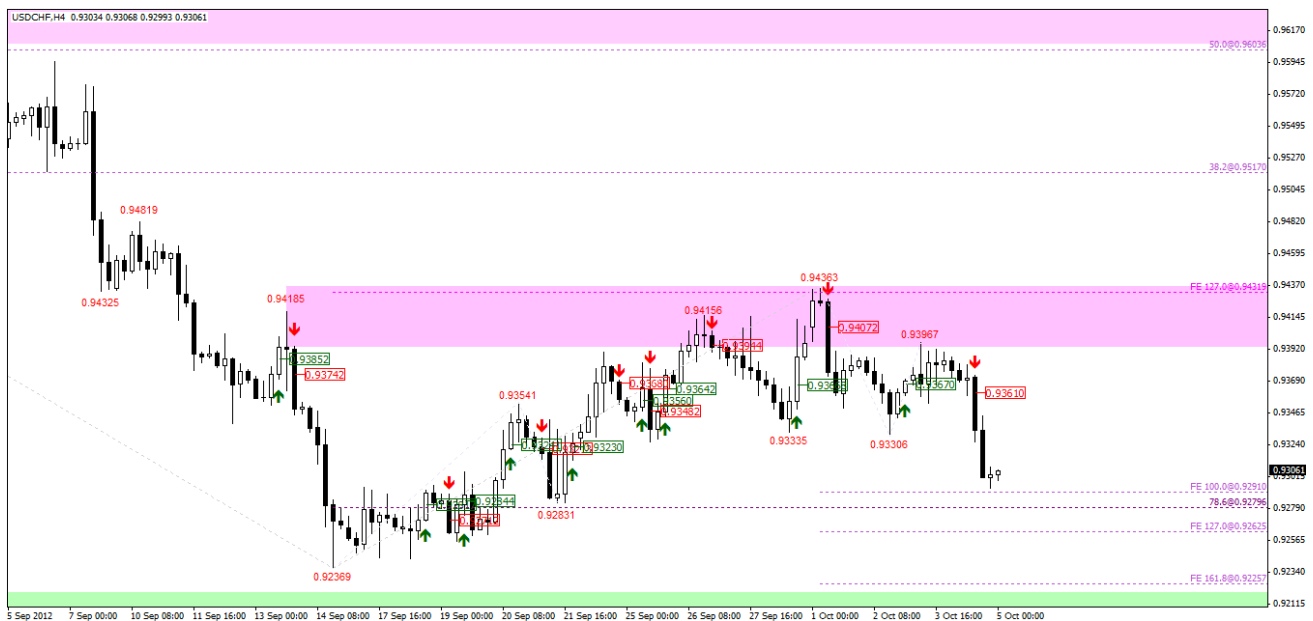
Weekly Performance

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	04-10-2012	1.0	1.61898	+\$951.00		
GBP-USD	03-10-2012	1.0	1.60947	04-10-2012	1.0	1.61898	+\$951.00		
Unrealized							+\$1,902.00		

USD-CHF DAILY



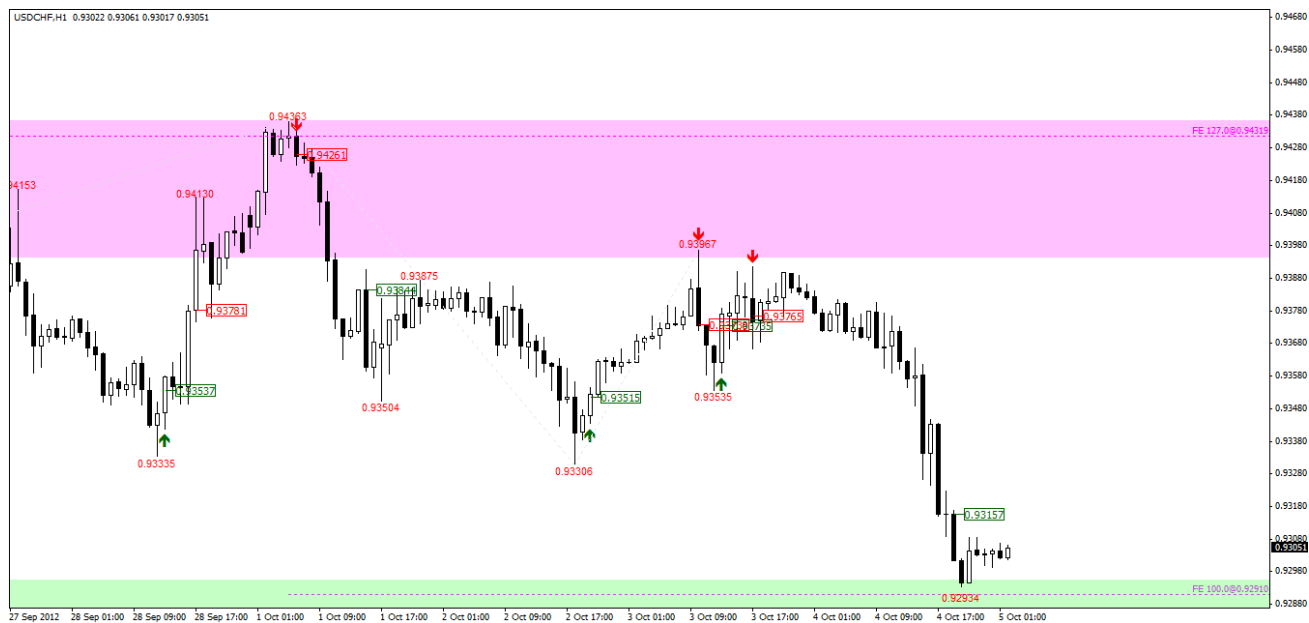
USD-CHF 4-HOURLY



USD-CHF Short to Medium Term View

The fall from 0.94363 on Monday, having hit its initial target some 72 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, hit the secondary target as well in overnight trading on its way towards the next DZ at **0.92831-0.92955**. With D1 chart too having triggered a sell signal with a close below **0.93560**, the odds that the fall from 0.99702 has resumed has increased markedly. As noted, 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). Light profit-taking may emerge in the hours before London opening. This may yet present traders with selling opportunities on any rebound from the overnight low of 0.92934. Therefore, any sell signals from the H1 chart can be taken with reasonably tight stops.

USD-CHF 1-HOURLY



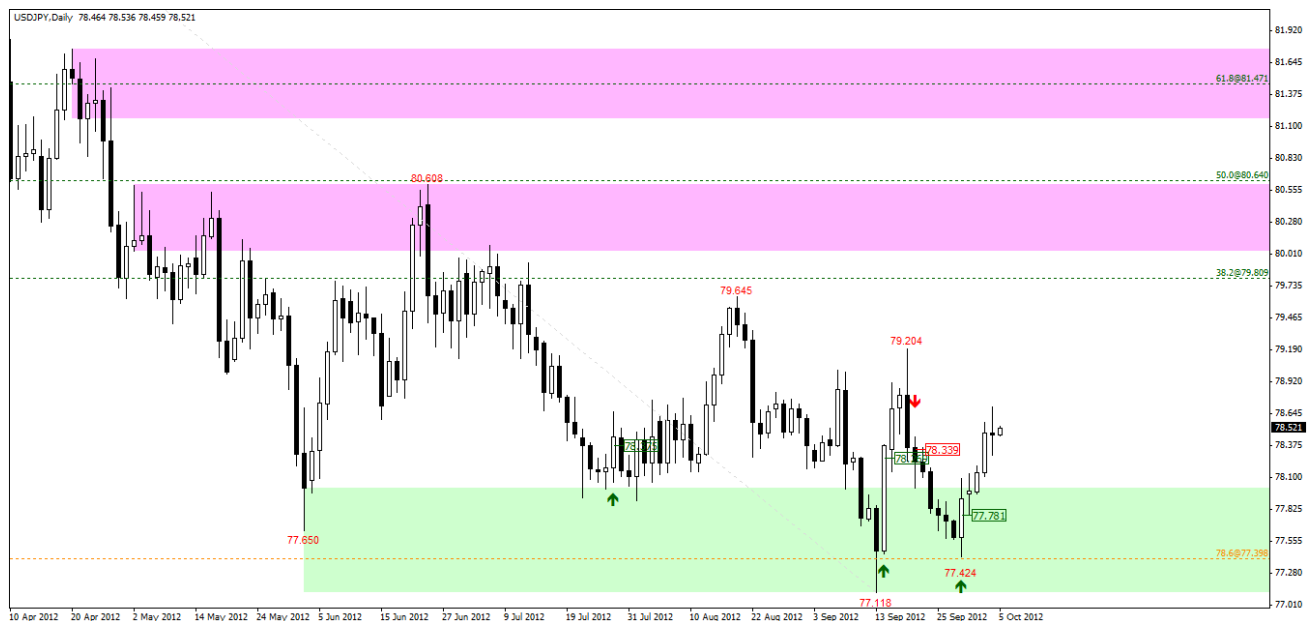
Trade Ideas

ACTION	Target 1	Target 2	EXIT
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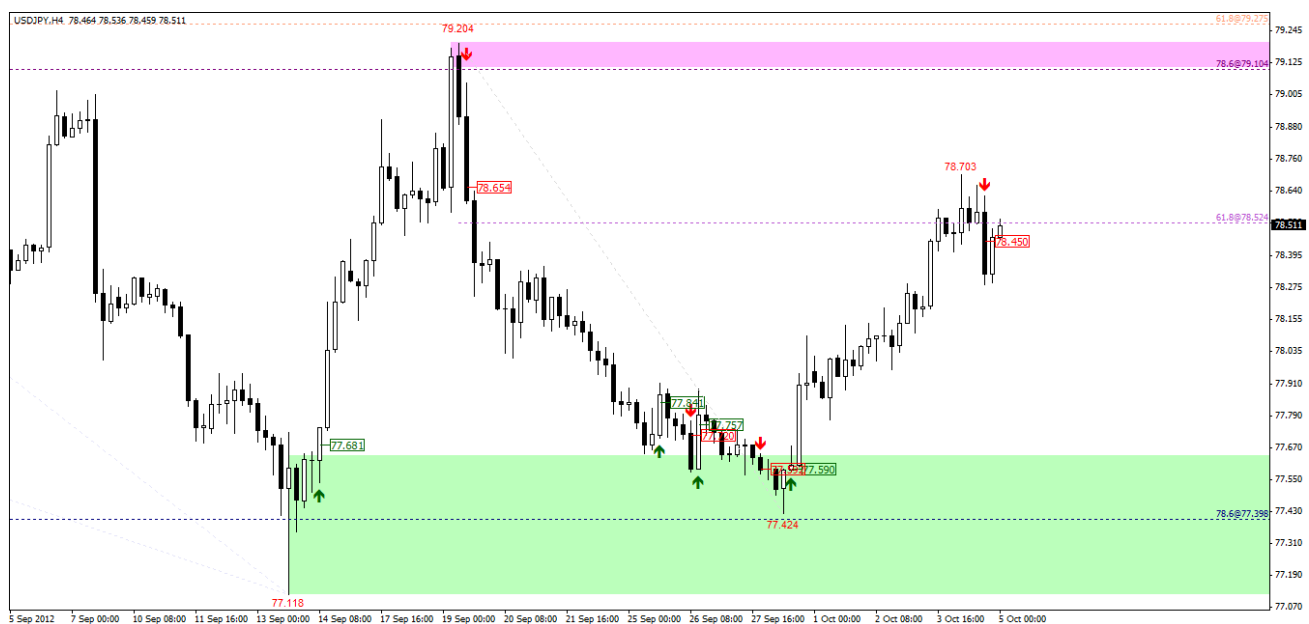
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 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	04-10-2012	1.0	0.92955	01-10-2012	1.0	0.94261	+\$1,404.98	+\$1,404.98	\$31,307.15
						Unrealized	\$0.00		

USD-JPY DAILY



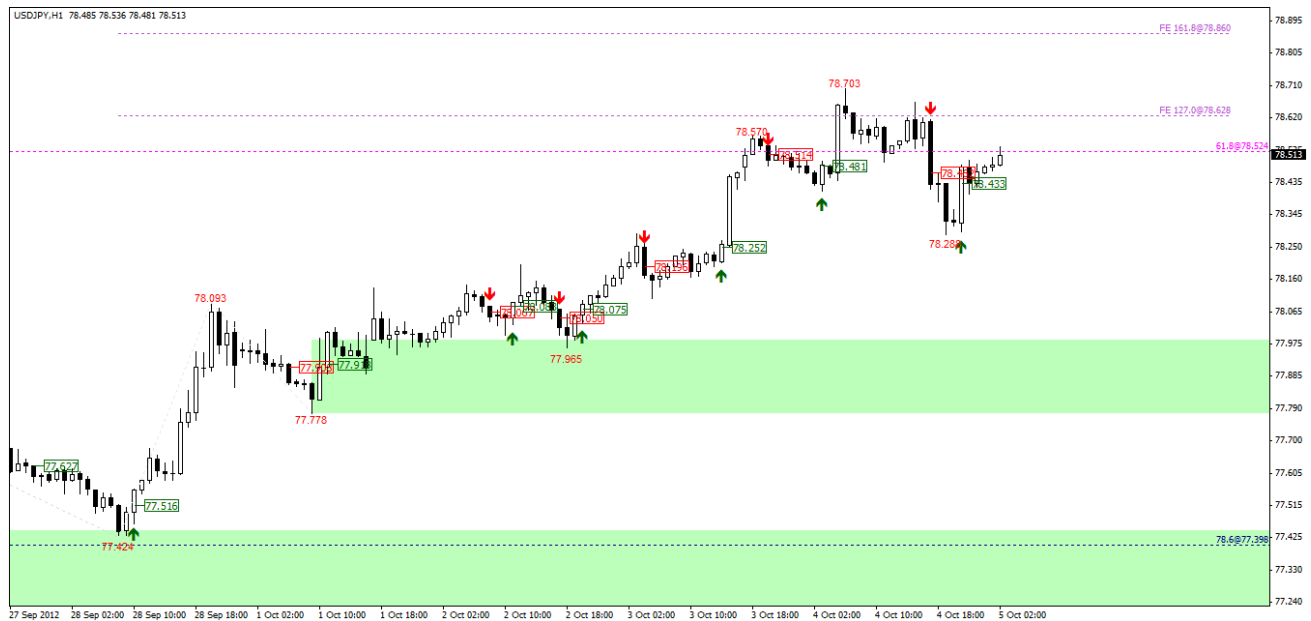
USD-JPY 4-HOURLY



USD-JPY Short to Medium Term Views

Profit-taking was featured in overnight trading after the rally from the demand pocket at **77.118-77.640** registered an overnight high at 78.703; just beyond the 61.8% retracement of 79.204 to 77.424 at **78.524**. As noted in previous update, a close below **78.450** in the H4 chart would suggest weakness brought on by sustained profit-takings. Now that this scenario has happened, this pullback may potentially correct all the way to the minor demand pocket at **77.778-77.986** (see H1 chart). Overall, 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**. As such, the idea is still to look for buying opportunities as and when they may present themselves; especially in the shorter-time frame charts.

USD-JPY 1-HOURLY

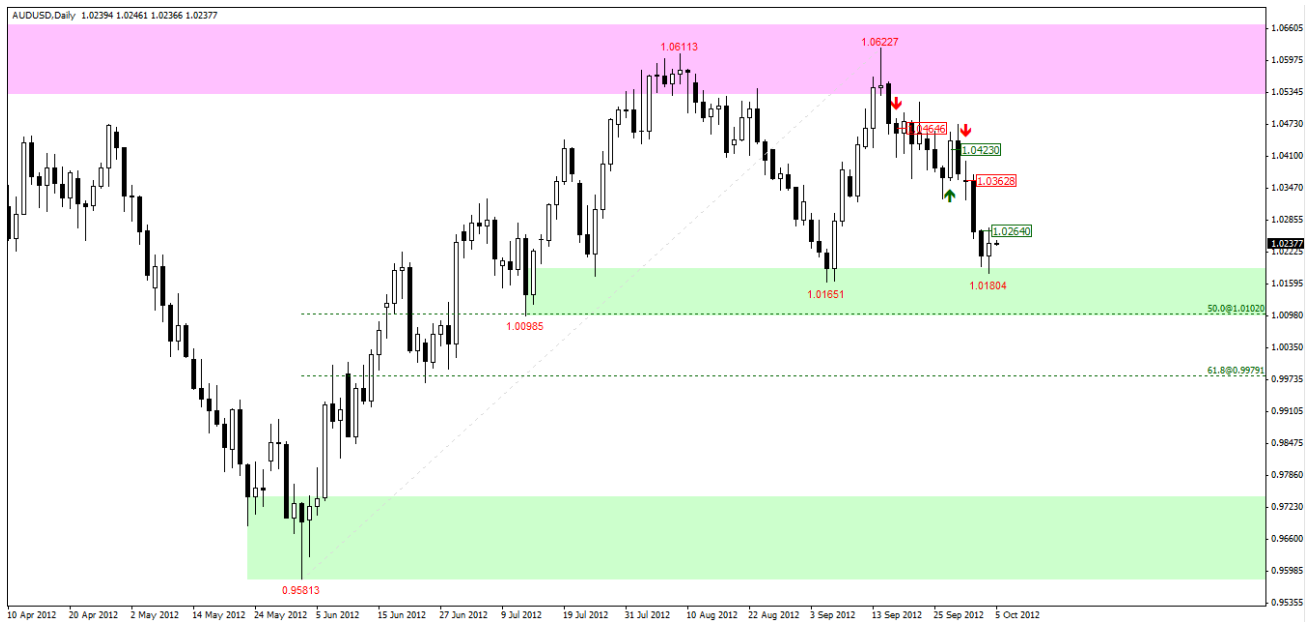
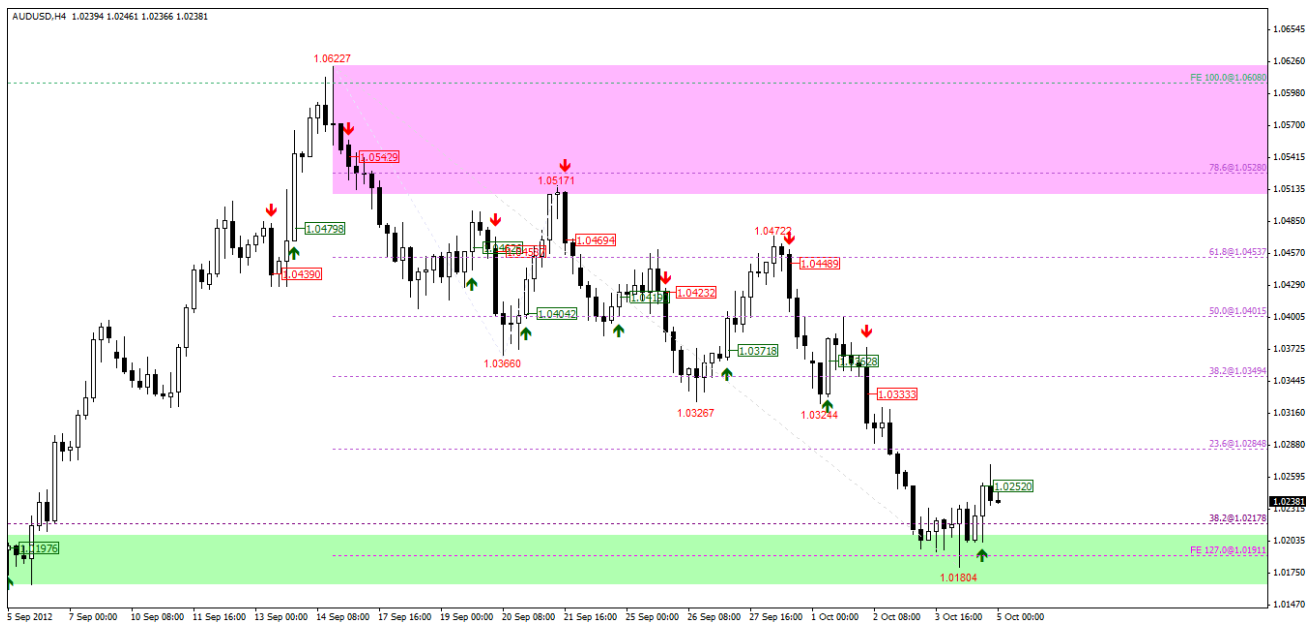


Trade Ideas

ACTION	Target 1	Target 2	EXIT
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Weekly Performance

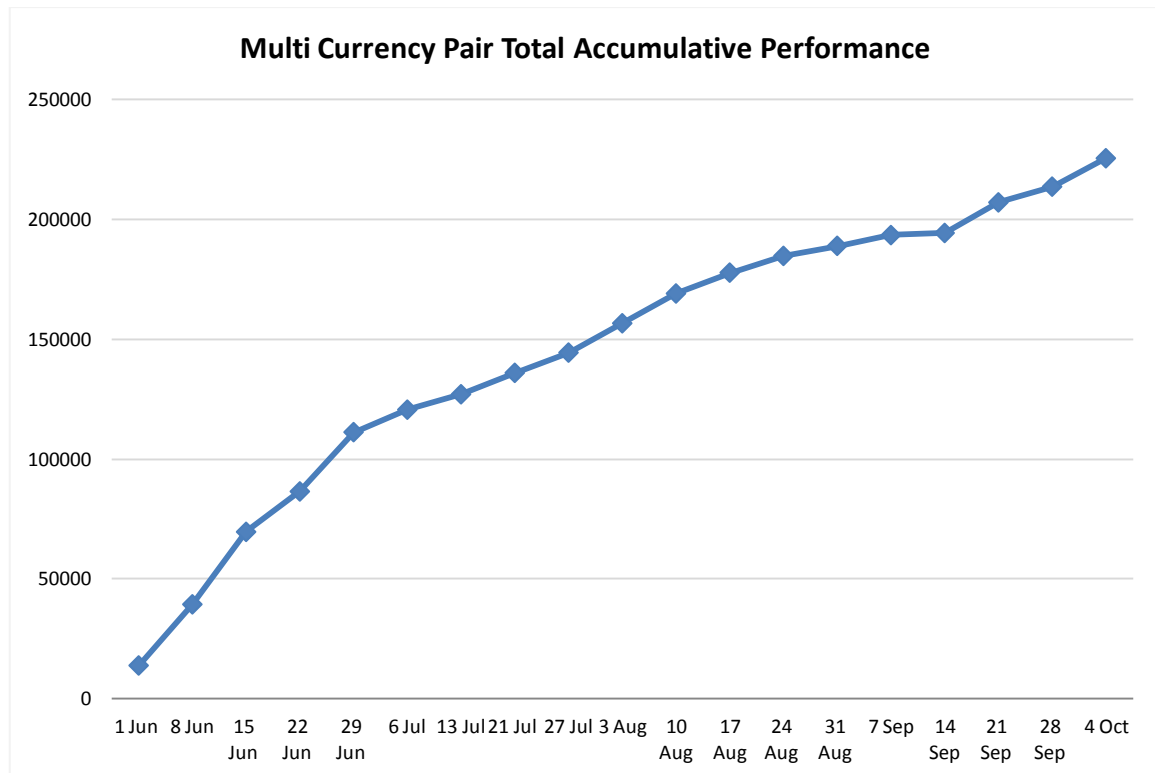
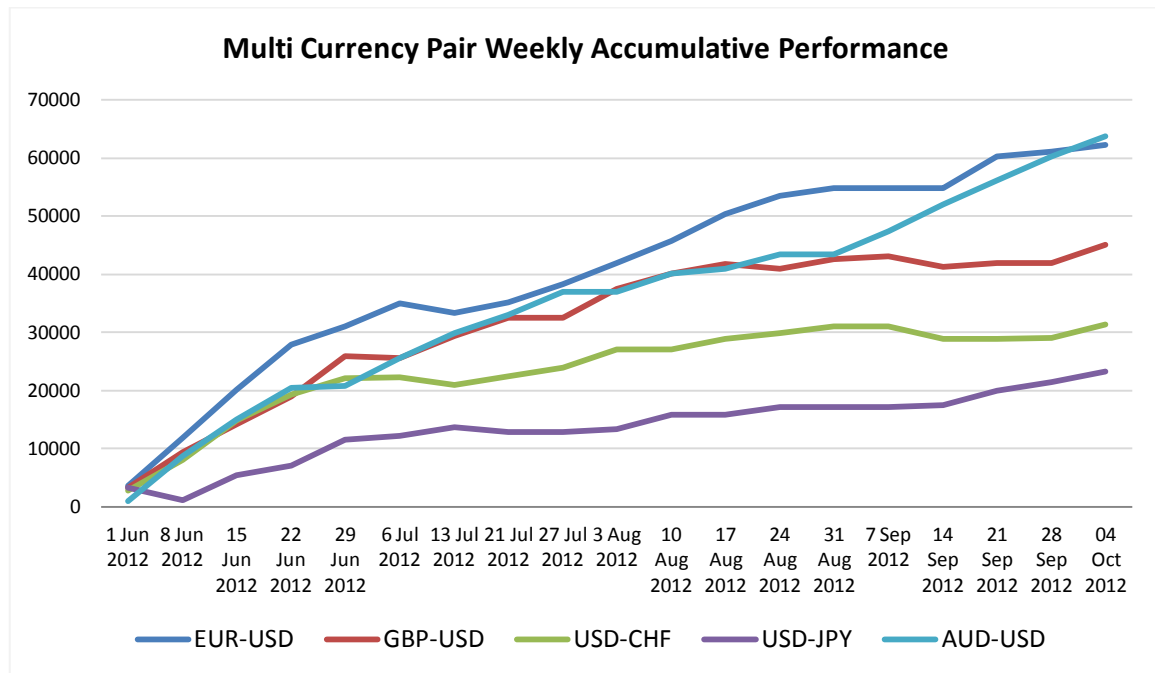
Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 28-09-2012								\$21,414.24
USD-JPY	26-09-2012	1.0	77.683	03-10-2012	1.0	78.301	+\$789.26	+\$789.26	\$22,203.50
USD-JPY	26-09-2012	1.0	77.683	04-10-2012	1.0	78.450	+\$977.69	+\$977.69	\$23,181.19
						Unrealized	\$0.00		

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

After lingering in the demand pocket at **1.01651-1.02087** (where the 127.0% projection of 1.06227 to 1.03660 from 1.05171 at **1.01911** is) for almost 48 hours, price action finally decided the path of less resistance is to the upside. Though the odds of a rebound increases, there is little danger of this market 'running away'. This is because this market is in a large corrective pattern. As noted, 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 – assuming, of course, there is no wholesale collapse below the DZ at **1.00985-1.01911**.

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

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	04-10-2012	1.0	1.02393	+\$256.00		
AUD-USD	03-10-2012	1.0	1.02137	04-10-2012	1.0	1.02393	+\$256.00		
						Unrealized	+\$512.00		



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.