

A Traders Academy International Publication

Euro Fell On Likely Bailout Of Spain

EUR-USD fell to a two-year low and EUR-JPY a nearly 12-year trough on Monday on fears Spain is edging closer to needing a full-scale bailout that the Euro zone cannot afford to give. Ten-year Spanish bond yields jumped as high as 7.596 percent, the highest since the Euro was created in 1999. That saw EUR-USD drop for a fourth straight trading day to hit a low of 1.2067, the weakest since June 2010.

Adding to pressure on the Euro was a weekend report that the International Monetary Fund may refuse to contribute further funding for Greece. The IMF dismissed the report, saying it was "supporting Greece in overcoming its economic difficulties."

The European Central bank, the European Commission and the International Monetary Fund -- known as the troika -- will arrive in Greece on Tuesday to push for further cuts needed for the country to qualify for further rescue payments.

EUR-USD last traded at 1.21335, down 0.3 percent. After closing at 1.21552 in New York on Friday, it "gapped" lower to open at 1.21195 in Asia on Monday morning, signifying the market perceived the value of the Euro had dropped over the weekend in response to events in the Euro zone. EUR-JPY dropped to 94.221 - a level not seen since late 2000 -- before rebounding above 95.000 handle.

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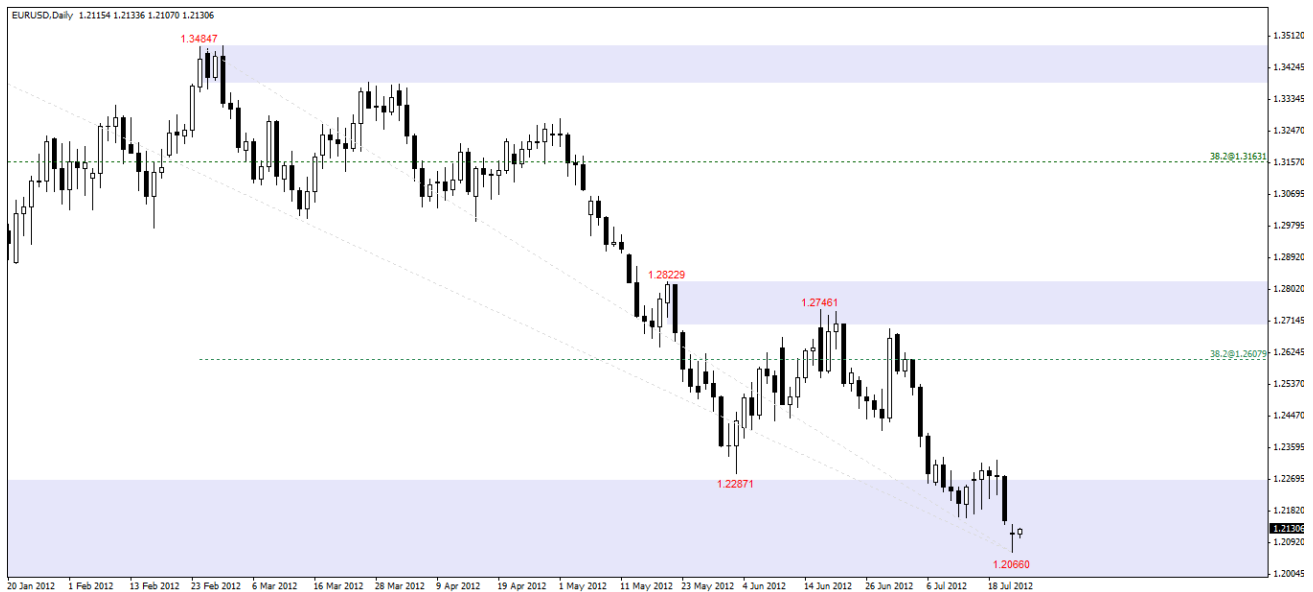
Tiny Murcia was on course to be the second Spanish region to request help from the central government, and media reported half a dozen local authorities were ready to follow in the footsteps of Valencia. Spanish media believe six regions will now seek help after the announcement by the heavily indebted Valencia rattled markets on Friday, complicating Spain's efforts to avoid a full-blown bailout. Catalonia, Spain's biggest region by gross domestic product, also has the highest debt. It said this week it had not decided whether to tap the funding mechanism, though it is an increasingly likely candidate.

The market is pricing in the reality that the Spanish government is now clearly on the hook for the regions' debt. Spain's central government is expected to bail out its regions - and in return may ask for a bailout itself. As long as debt is merely shuffled around, the Euro zone crisis won't be solved. And as long as ever more guarantees are provided - from regional to national governments, from supranational issuers such as the European Stability Mechanism (ESM) to the International Monetary Fund, the more the global financial system as a whole may be at risk.

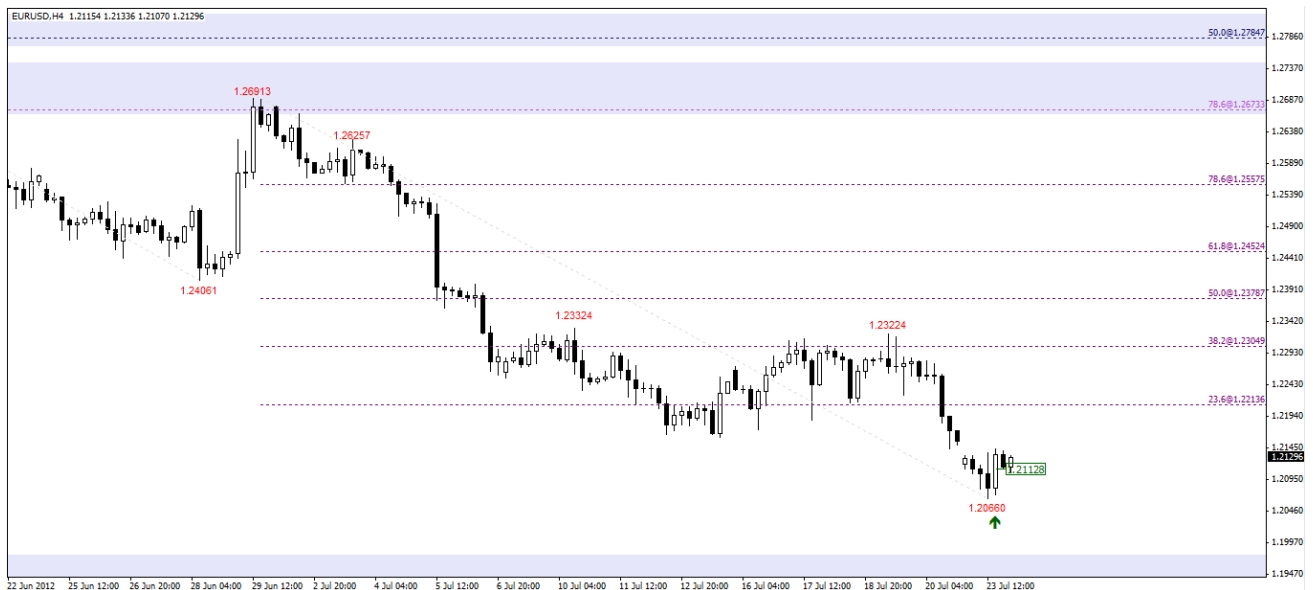
Italy may be under similar pressure, with a newspaper quoting unnamed government specialists as saying that 10 Italian cities including Naples and Palermo face problems managing their finances.

USD-JPY fell to a seven-week low of 77.931, before rebounding to 78.340, little changed on the day. Japan's vice finance minister for international affairs was reported as saying the country will not exclude any options when responding to excessive currency moves, although traders said the authorities were unlikely to consider intervening while the Dollar held above 76 Yen.

EUR-USD DAILY



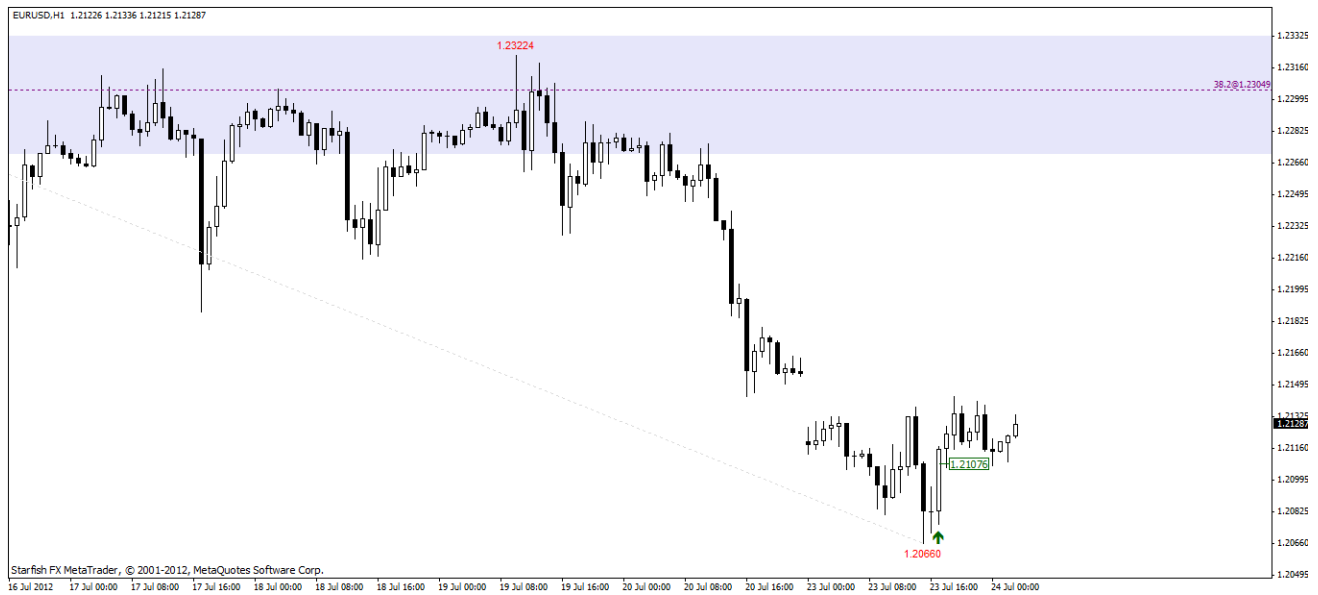
EUR-USD 4-HOURLY



EUR-USD Short to Medium-Term Views

Monday opened with a 36 pips gap to the downside and decayed to a 2-year low at 1.20660 before rebounding strongly to close the day in positive territory as a hammer in the daily chart. Is the turn-around that was anticipated last week? Perhaps. In the D1 chart, a long-legged shadow doji has since appeared; suggesting a possible reversal. In the meantime, both the H1 and H4 charts have reversal signals that triggered buying in overnight trading. As such, short-term pressure is now to the upside with initial selling interests likely to emerge from the overhead SZ at **1.22703-1.23324**. Ideal target is the SZ at **1.26656-1.27461**. On the downside, with the taking out the fortnight's low at **1.21611**; medium-term focus is on the DZ at **1.18760-1.19770** with long-term target at the 61.8% retracement of 0.82250 to 1.60370 at **1.12092**.

EUR-USD 1-HOURLY



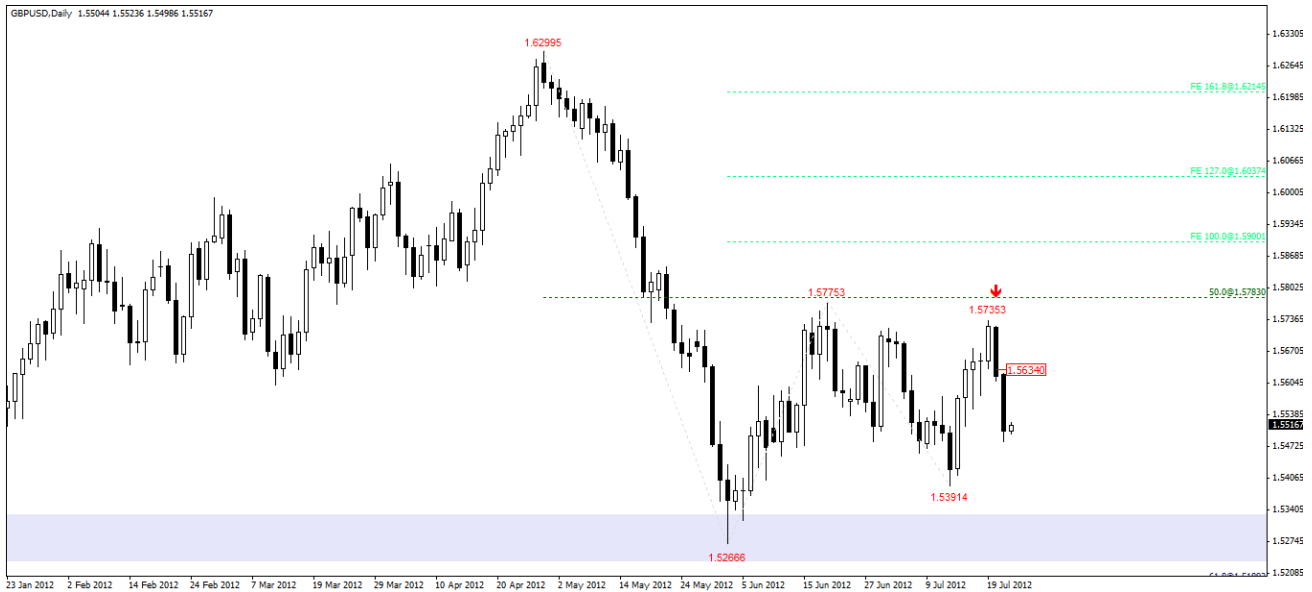
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.21076	1.22703	1.25595	1.20560 STOP

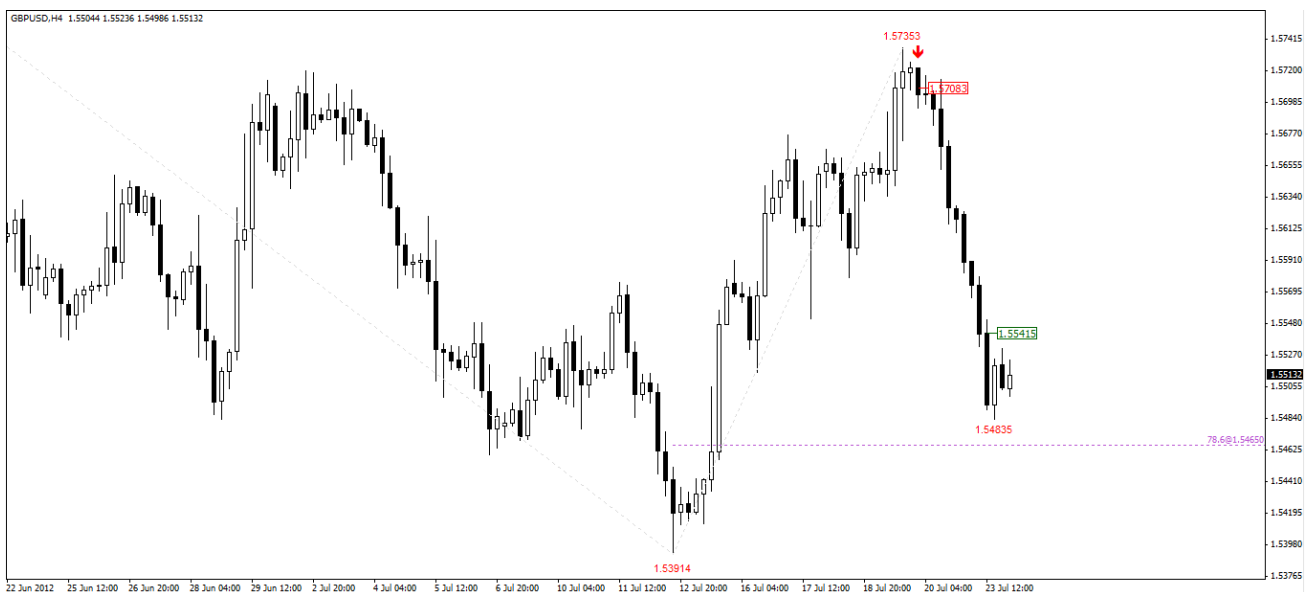
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from								+\$35,190.00
	20-07-2012								
EUR-USD	23-07-2012	1.0	1.21076	23-07-2012	1.0	1.21155	+\$79.00		
EUR-USD	23-07-2012	1.0	1.21076	23-07-2012	1.0	1.21155	+\$79.00		
						Unrealized	+\$158.00		

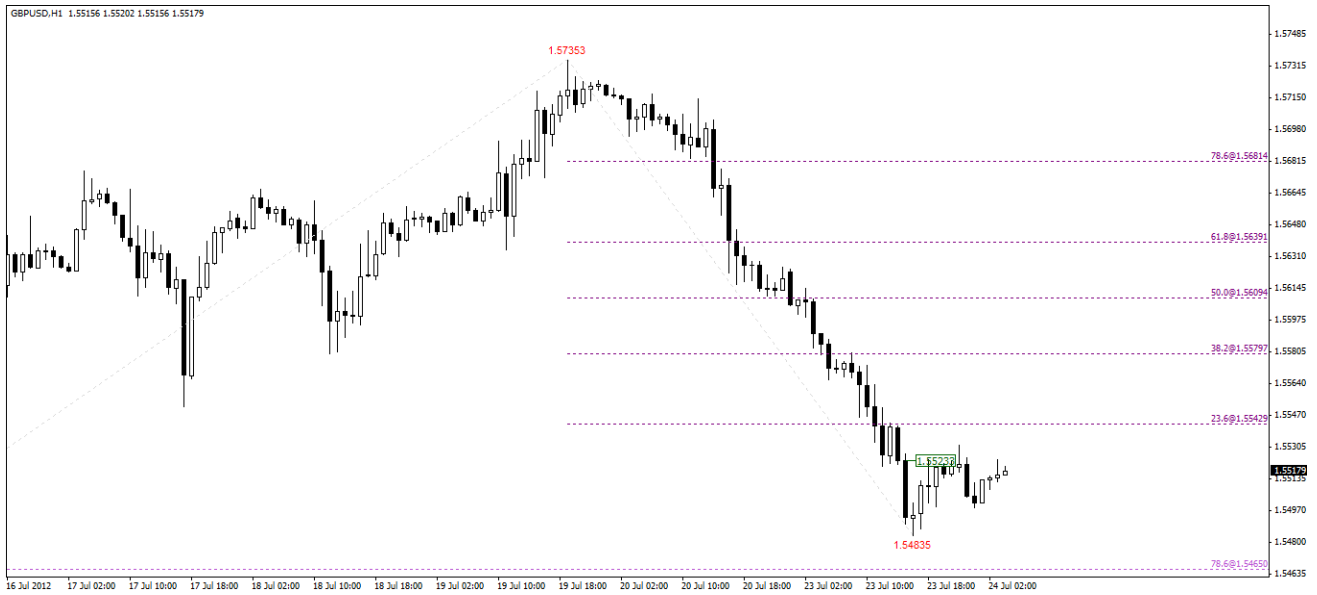
GBP-USD DAILY



GBP-USD 4-HOURLY



GBP-USD 1-HOURLY



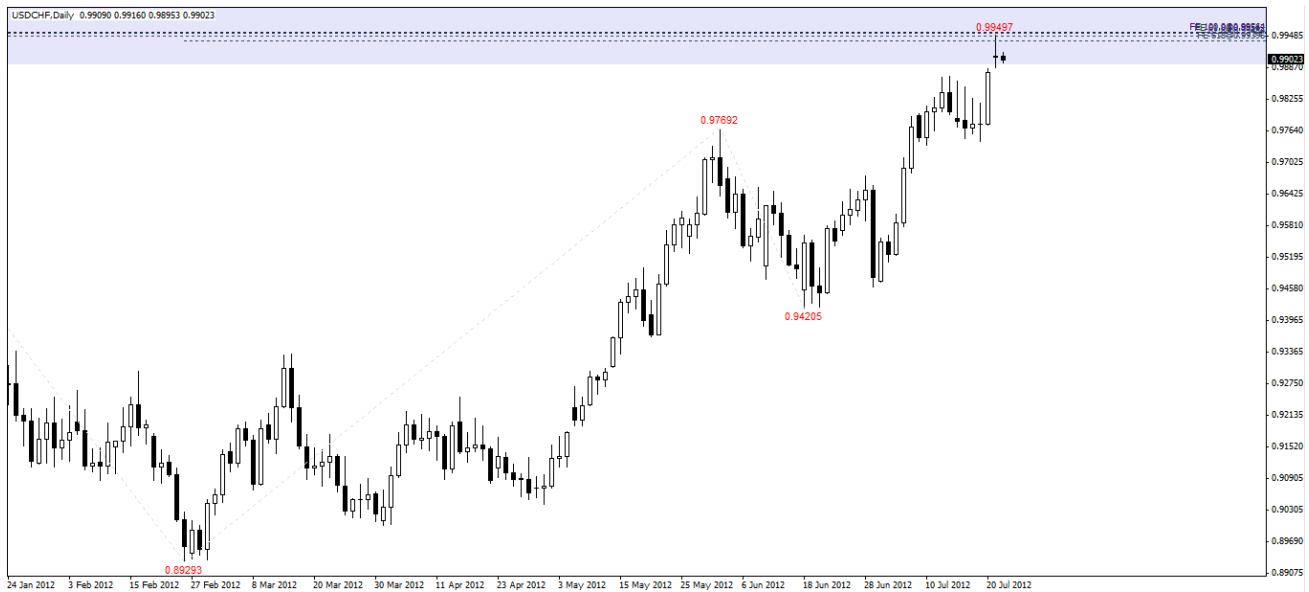
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Buy on H1 close above 1.55233	1.55797	1.56094	1.54735 STOP

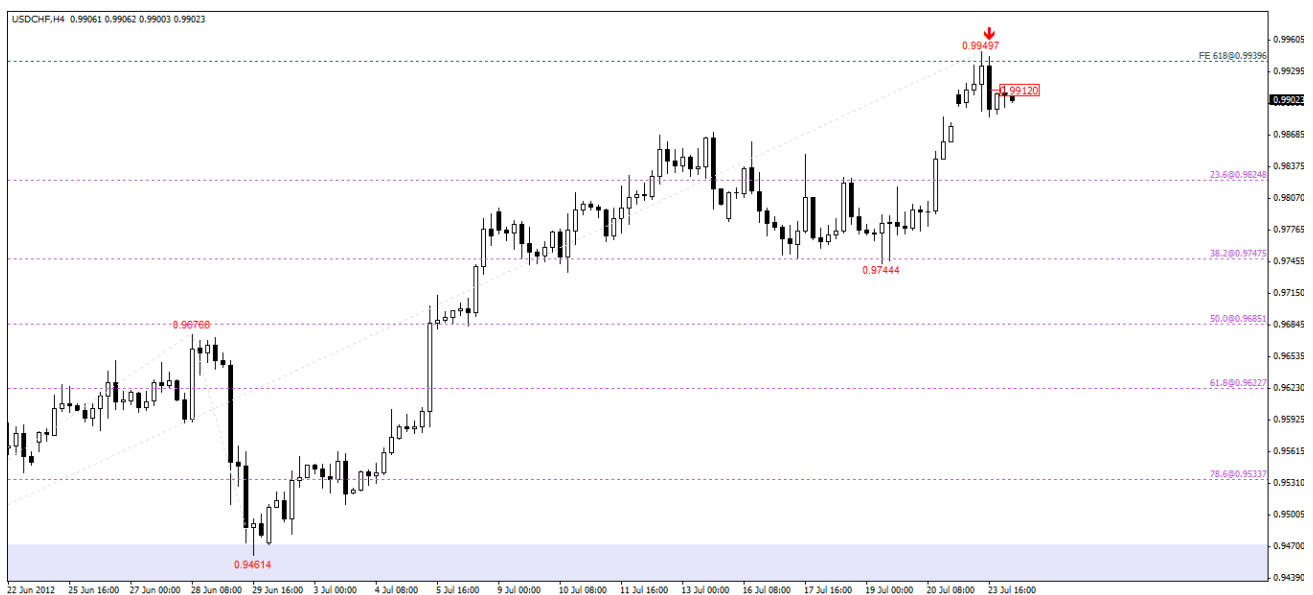
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 20-07-2012								+\$32,547.00
Unrealized							\$0.00		

USD-CHF DAILY



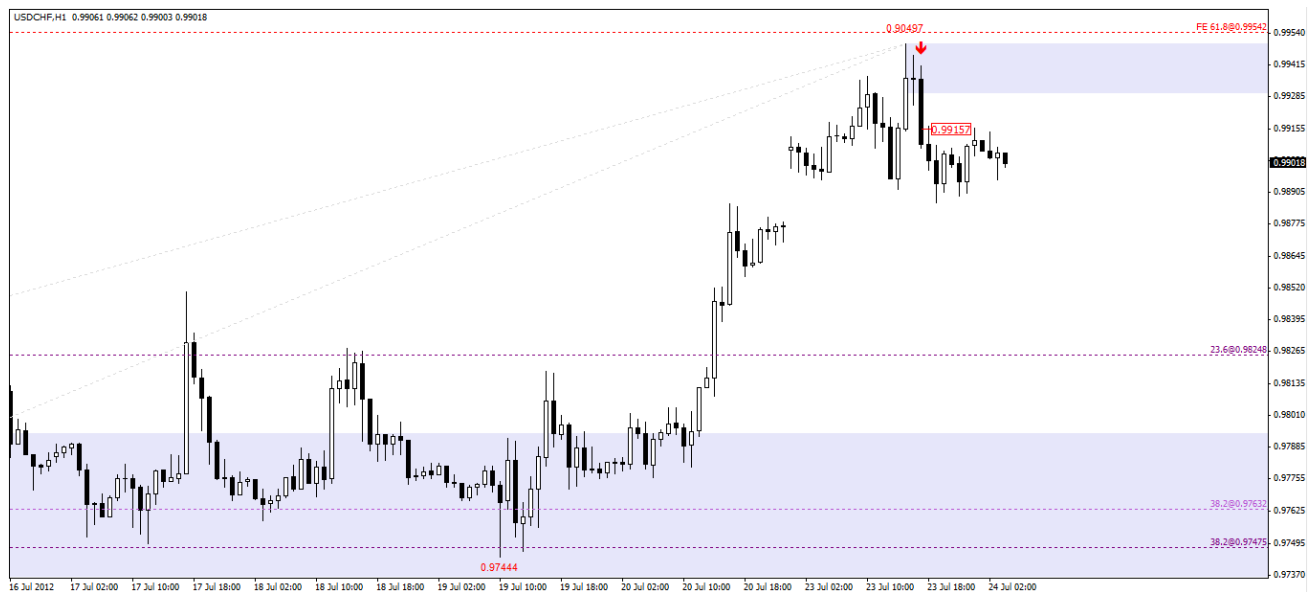
USD-CHF 4-HOURLY



USD-CHF Short to Medium Term View

Inversely, price action opened the week with a gap of some 30 pips to the upside and progressed to hit 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**. Interestingly, the day ended as a long-legged shadow doji; suggesting a possible reversal. This can be significant. A correction now may potentially see a pullback to the June 18 low of **0.94205** or the June 29 low of **0.94614**. Odds now favor the short-side.

USD-CHF 1-HOURLY



Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sold @ 0.99157	0.97938	0.94716	0.99597 STOP

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 20-07-2012								+\$22,420.77
USD-CHF	23-07-2012	1.0	0.99089	23-07-2012	1.0	0.99157	+\$68.63		
USD-CHF	23-07-2012	1.0	0.99089	23-07-2012	1.0	0.99157	+\$68.63		
						Unrealized	+\$137.26		

[illegible]

The week opened lower and was quickly sold to below the 78.00 handle to a 7-weeks low at 77.931 before buying interests emerged to take the market back above the 78.00 level; ending the day significantly higher relative to its day's low. Price action missed the 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 by a whisker. (see H4 chart) In the short-term, a rally into the immediate SZ at **78.705-78.789** (if ever) may yet present a chance for shorts to position for the next down leg. On the downside, buying opportunities may yet present itself from within the DZ at **77.353-77.792**.

USDJPY, H1 78.276 78.277 78.213 78.248

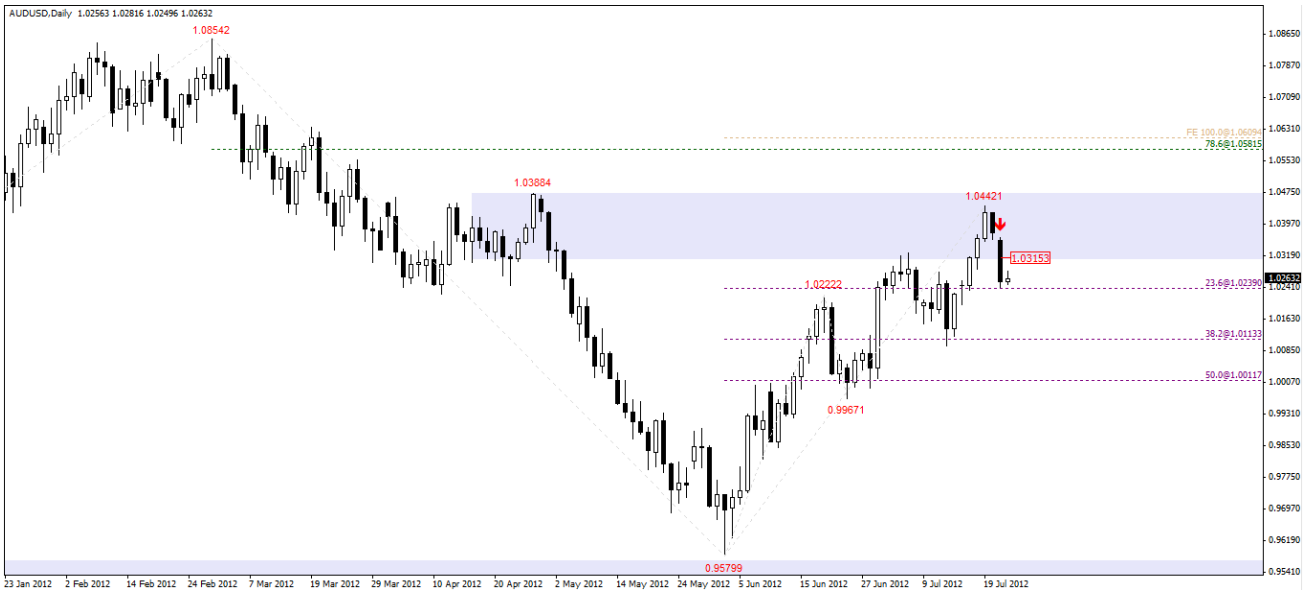
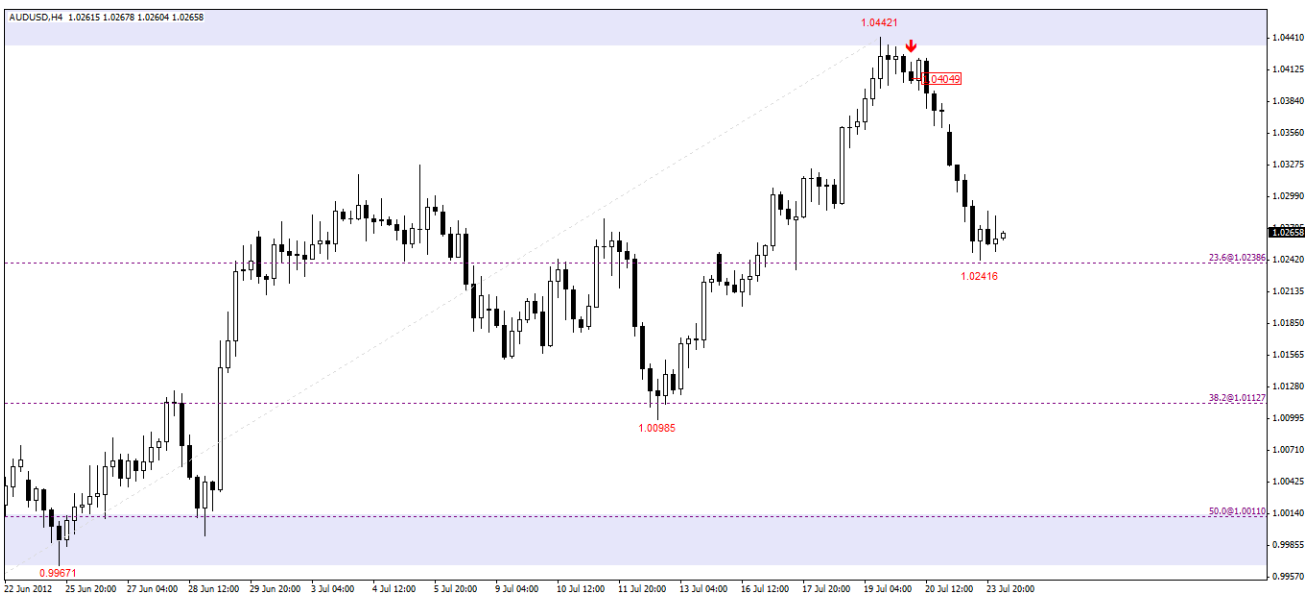
79.440
79.335
79.230
79.125
79.020
78.915
78.810
78.705
78.600
78.500
78.395
78.290
78.248
78.185
78.080
77.975
77.870
77.765
77.660

78.674
79.160
78.789
77.931
78.238
78.072

16 Jul 2012 16 Jul 22:00 17 Jul 06:00 17 Jul 14:00 17 Jul 22:00 18 Jul 06:00 18 Jul 14:00 18 Jul 22:00 19 Jul 06:00 19 Jul 14:00 19 Jul 22:00 20 Jul 06:00 20 Jul 14:00 20 Jul 22:00 23 Jul 06:00 23 Jul 14:00 23 Jul 22:00

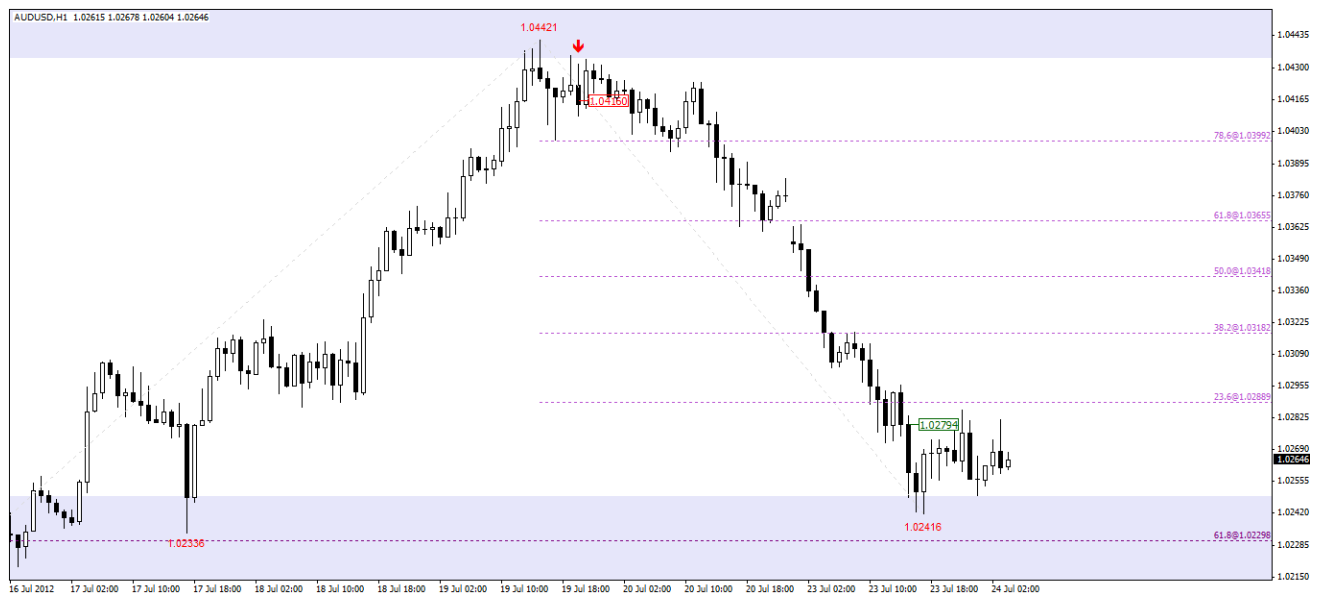
ACTION	Target 1	Target 2	EXIT
Bought @ 78.079	78.705	80.238	Exit on Break-even

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 20-07-2012								+ \$12,821.34
USD-JPY	23-07-2012	1.0	78.079	23-07-2012	1.0	78.374	+ \$376.40		
USD-JPY	23-07-2012	1.0	78.079	23-07-2012	1.0	78.374	+ \$376.40		
						Unrealized	+ \$752.80		

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

Since trading into the SZ at **1.04341-1.04723** and ending as a shooting star at Thursday's high of 1.04421 in the H1 chart, the ensuing correction has fallen to the immediate DZ at **1.02004-1.02492**. With the overnight selloff, the medium-term outlook may now see price action correcting a little deeper to perhaps the 50.0% retracement of 0.95799 to 1.04421 at **1.00110** which is located within the DZ at **0.99671-1.00136**. Ideally, this correction terminates there and rally. In order to maintain the overall bullish bias with medium-term 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 1.06914), price action must not close below **1.01967** for the week. Failure to contain this correction above the June 25 low of **0.99671** could see price action falling back to the DZ at **0.95799-0.97031**.

AUD-USD 1-HOURLY

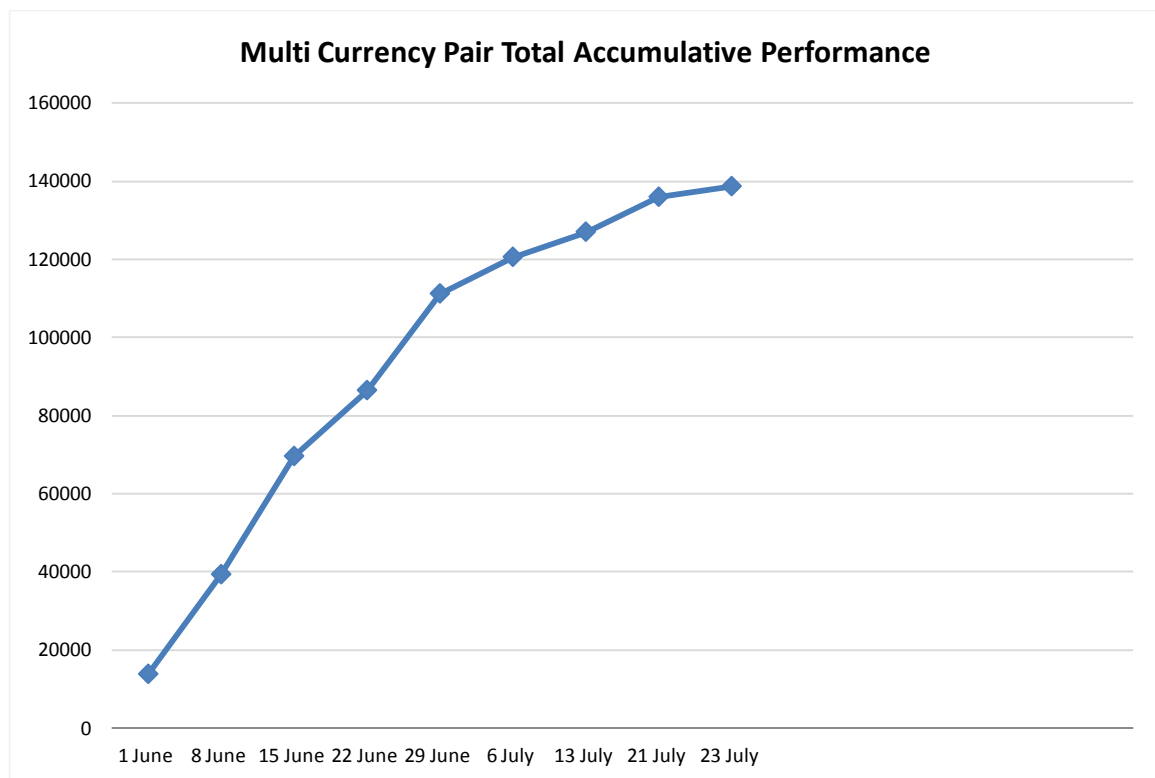
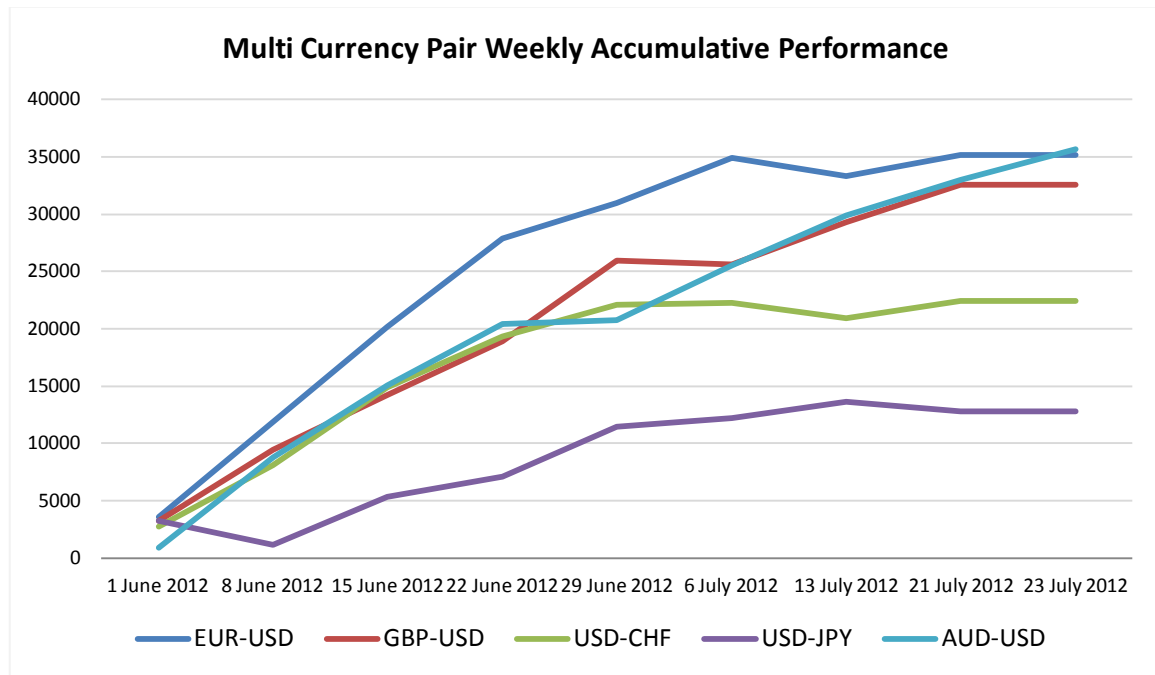


Trade Ideas

ACTION	Target 1	Target 2	EXIT
Buy on H1 close above 1.02794	1.03038	-	1.02316 STOP

Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 20-07-2012								+\$32,967.00
AUD-USD	23-07-2012	1.0	1.03108	19-07-2012	1.0	1.04160	+\$1,052.00		+\$34,019.00
AUD-USD	23-07-2012	1.0	1.02492	19-07-2012	1.0	1.04160	+\$1,668.00	+\$2,720.00	+\$35,687.00
Unrealized							\$0.00		



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.