

A Traders Academy International Publication

Concerns Over Spain Hang Over The Euro

The US Dollar traded in a sideways range before strengthening later on Tuesday after risk appetite rebounded a little following the release of better-than-expected Chinese Manufacturing PMI which rose to 49.5 in June from 48.2 previously. A two basis point rise was also recorded by the Chinese Conference Board Leading Index in June, and the data further confirmed expectations of a soft-landing for the Chinese economy and helped slow the strong sell-off in riskier assets seen on Monday. The Dollar did remain strong as increased concern over Spain and Greece continued to suppress markets and Spanish borrowing costs rose to a new high of 7.60%. On the data front preliminary US Manufacturing PMI's produced by Markit showed a drop to 51.8 in July from 52.5 in June, which was also below the 51.8 expected. The House Price Index rose by 0.8%, which was above the 0.4% expected and 0.7% previous. Richmond Fed Manufacturing, however, showed big drop to -17 when a recovery from -3 to -1 had been the consensus.

The Euro continued to sell-off on Tuesday although not as heavily compared to the previous day due to the release of positive data from China which lifted global risk appetite, particularly during the Asian session helping the euro rebound off its lows. An auction of Spanish 3-month bills showed continuing strong demand but at higher yields with 2.43% versus 2.36% paid for the €3.05 billion of bills. The Euro came under increased pressure again as the debt of Germany, Holland and Luxembourg were all downgraded by Moody's to -AAA because of concerns they might be dragged into a full-scale bailout of Spain and Italy. But the main source of concern came from Spain where benchmark yields reached new highs of 7.625% during the day and as many market players quietly voiced the belief that it was now only a matter of time before Spain would require a bailout. On the data front Euro-zone Composite PMI (Jul) came out at 46.4 as expected; Manufacturing fell to 44.1 versus 45.2 expected and 45.1 previous but Services rose to 47.6 from 47.1 expected and the same figure previously.

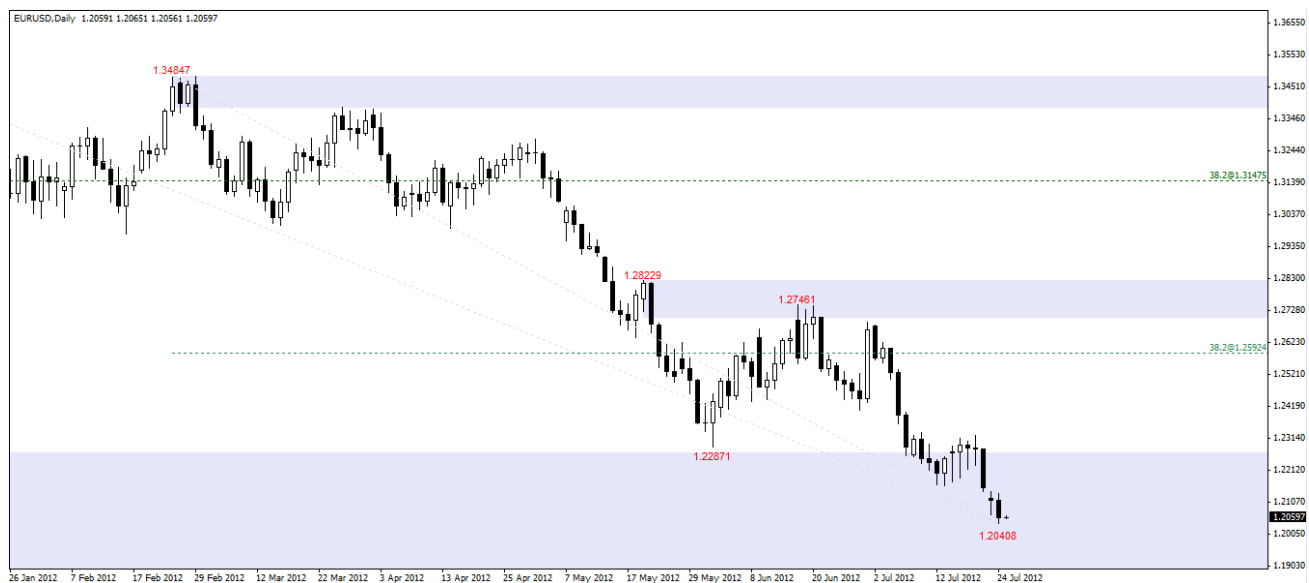
GBP-USD rose on Tuesday after data showed a fall in Euro-zone Manufacturing PMI and U.S Manufacturing also showed a slow-down. Trading was a little muted overall in Sterling as traders were thought to be holding back from taking positions ahead of the key 2nd quarter GDP release later today. There was considerable negative speculation yesterday that the data might reveal an even deeper slow-down that median estimates currently show of -0.2%. If they do, then a deeper sell-off in GBP-USD is expected. However, a stronger print may lead to a rise in GBP-USD as it will compare particularly favourably with Europe where the debt crisis is spiralling out of control. On the data front the British Bankers Association published the Loans for House Purchase which showed a considerable fall in the number of people taking out loans for buying houses, with a fall to 26269 versus 31200 expected and 29567 previous.

The Japanese Yen strengthened on Tuesday after risk appetite continued to erode on Europe crisis fears. Even against the US Dollar, the Yen rose as American manufacturing data showed a slow-down in July. Recent comments by the Japanese Finance Minister may make speculators think twice before buying the Yen after he reiterated that the authorities would intervene to counter excessive speculative moves.

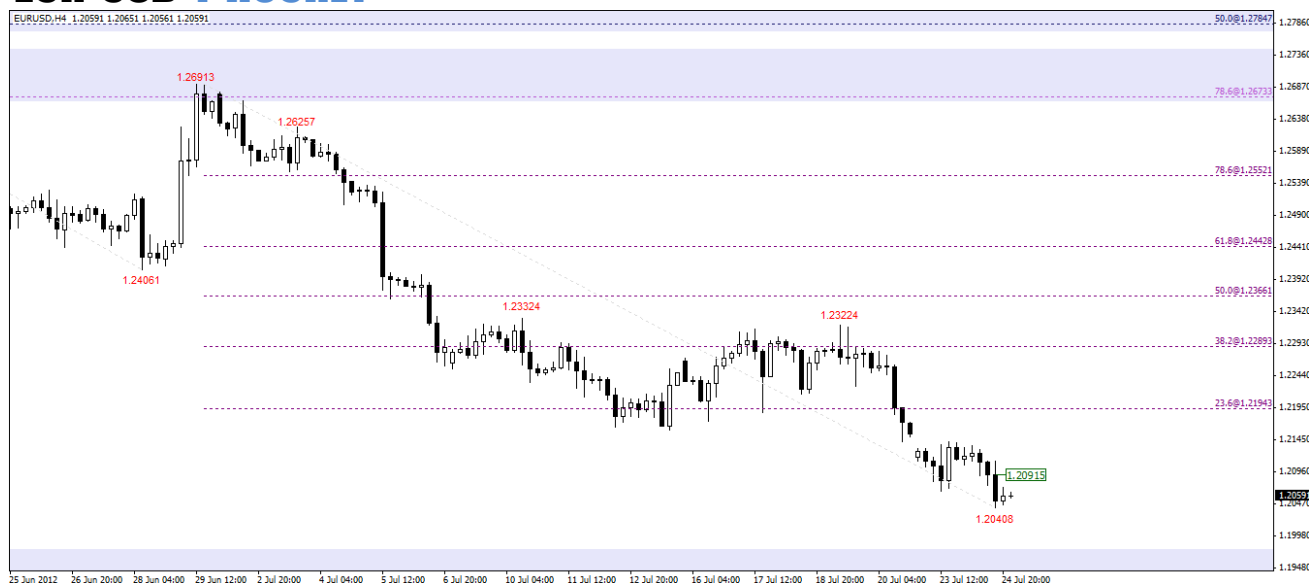
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EUR-USD DAILY



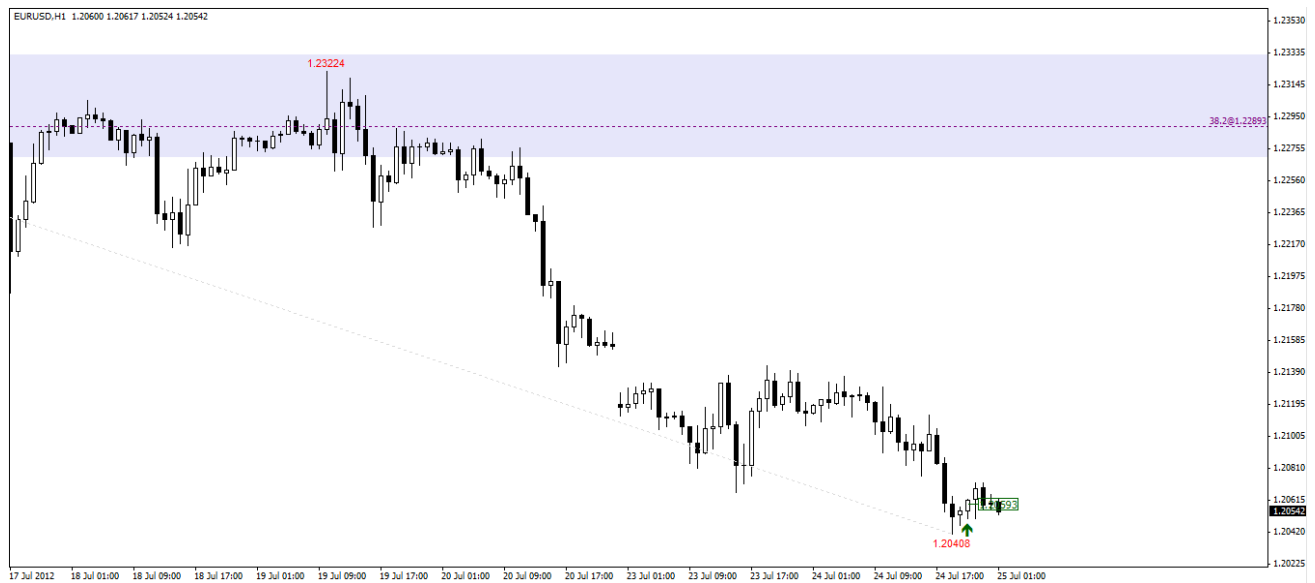
EUR-USD 4-HOURLY



EUR-USD Short to Medium-Term Views

After basing for most of the European session, price action traded into yet another marginal low at 1.24080. This 2-year low is also the 5th consecutive day of losses. The reversal signals seen in yesterday's update were negated and with them the anticipated correction. Perhaps, this correction may only materialize from within the DZ at **1.18760-1.19770**. In the meantime, another buy signal was triggered with a close above **1.20593** in the H1 chart in the NY session. Should this correction materialize, initial selling interests are likely to emerge from the overhead SZ at **1.22703-1.23324** with the potential to extend towards the SZ at **1.26656-1.27461**.

EUR-USD 1-HOURLY



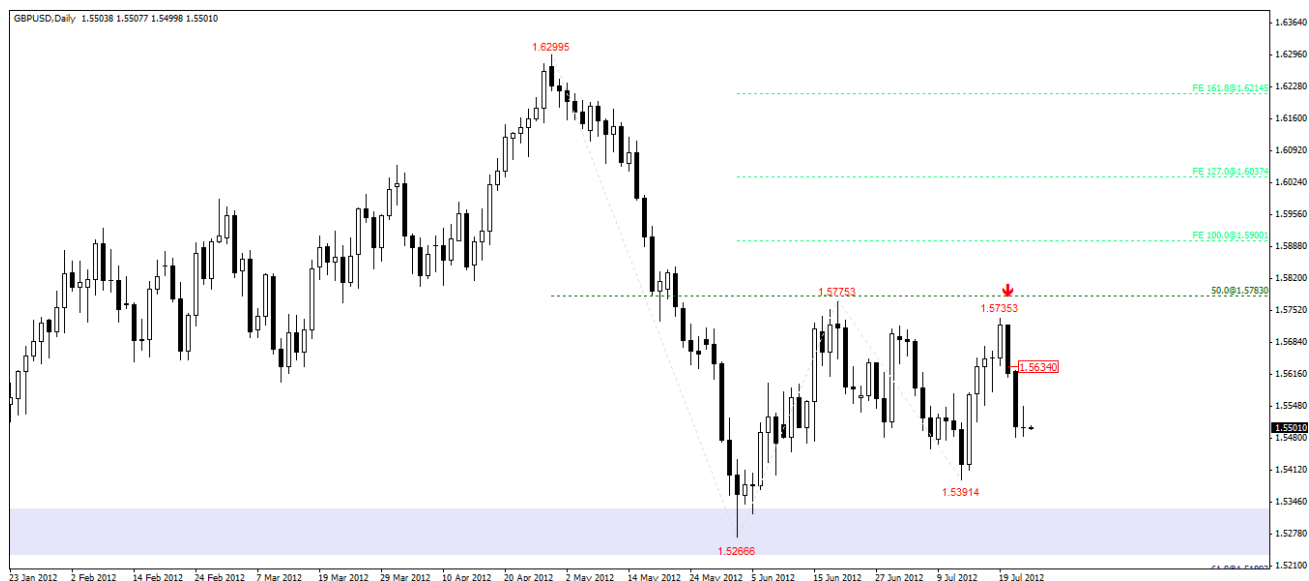
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.20593	1.22703	1.25595	1.20308 STOP

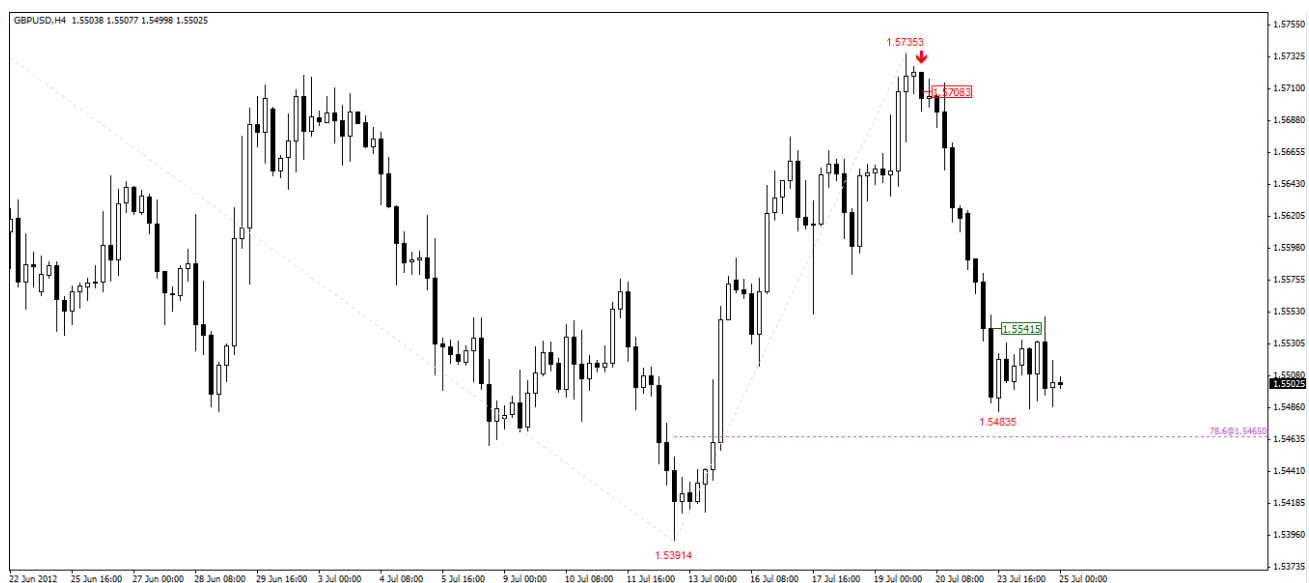
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade +/-	Realized +/-	Accumulative +/-
	B/F from 20-07-2012								+\$35,190.00
EUR-USD	23-07-2012	1.0	1.21076	24-07-2012	1.0	1.20560	-\$516.00		+\$34,674.00
EUR-USD	23-07-2012	1.0	1.21076	24-07-2012	1.0	1.20560	-\$516.00	-\$1,032.00	+\$34,158.00
EUR-USD	24-07-2012	1.0	1.20593	24-07-2012	1.0	1.20586	-\$7.00		
EUR-USD	24-07-2012	1.0	1.20593	24-07-2012	1.0	1.20586	-\$7.00		
Unrealized							-\$14.00		

GBP-USD DAILY



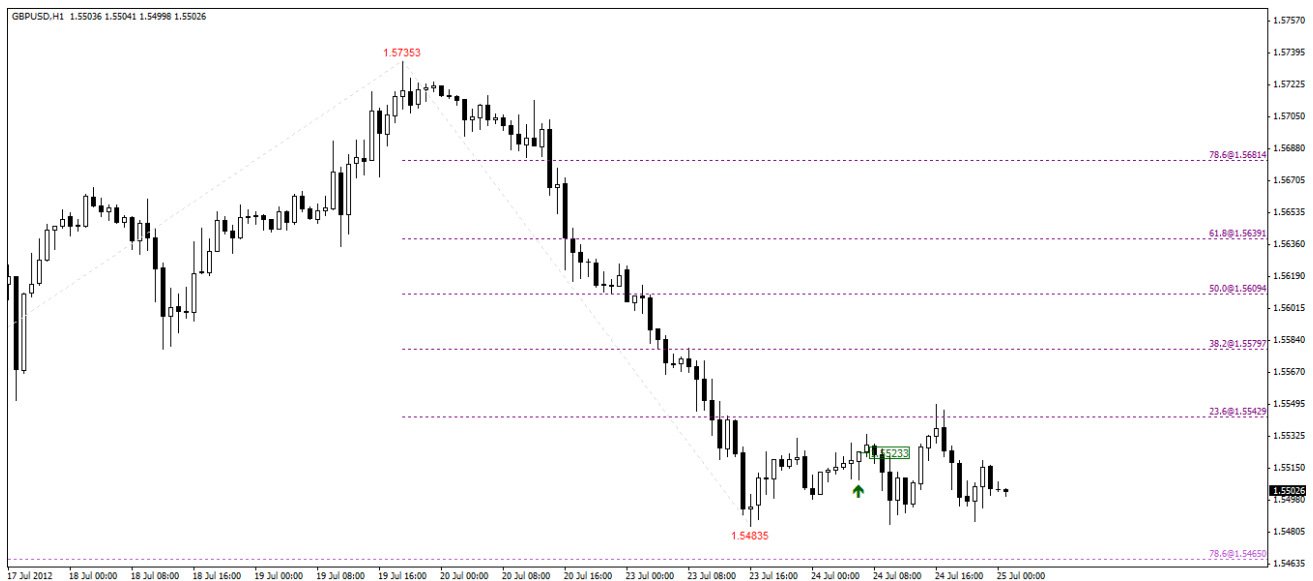
GBP-USD 4-HOURLY



GBP-USD Short to Medium Term Views

Compared to Monday, yesterday was a relatively tame affair in GBP-USD with trading range locked within the shadow of the previous day. In fact, the session ended as a long-legged shadow doji in the D1 chart. In the medium-term, trading is likely to be confined to between the June 20 high of **1.57753** and June 1 low of **1.52666**. Conversely, trading will most likely be restricted to the area between the DZ at **1.52302-1.53195** and the SZ at **1.57505-1.58463**. With persistent selling pressure, price action is clearly favoring the downside with short-term support likely to come from the minor DZ at **1.53914-1.54427**; bearing in mind that this market may ultimately challenge the June low of **1.52666** once again. As such, any rebound should be capitalized and be deemed as selling opportunity. One such level is perhaps the 38.2% retracement of 1.57353 to 1.54835 at **1.55797** - assuming Monday's low holds out.

GBP-USD 1-HOURLY



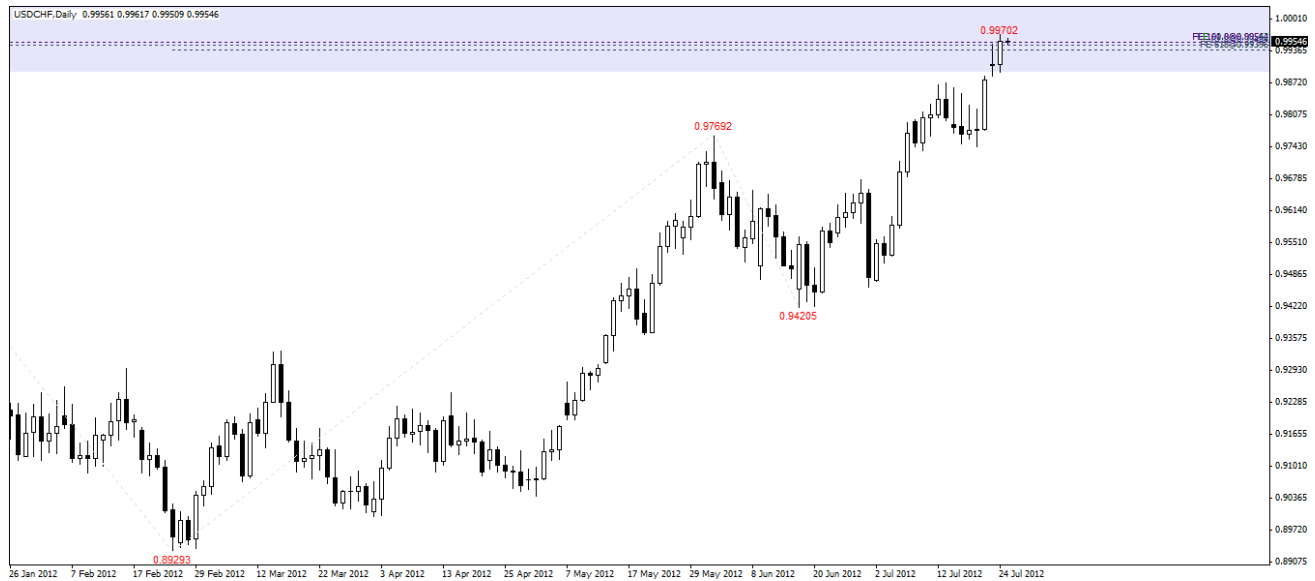
Trade Ideas

ACTION	Target 1	Target 2	EXIT
Bought @ 1.55233	1.55797	1.56094	1.54735 STOP

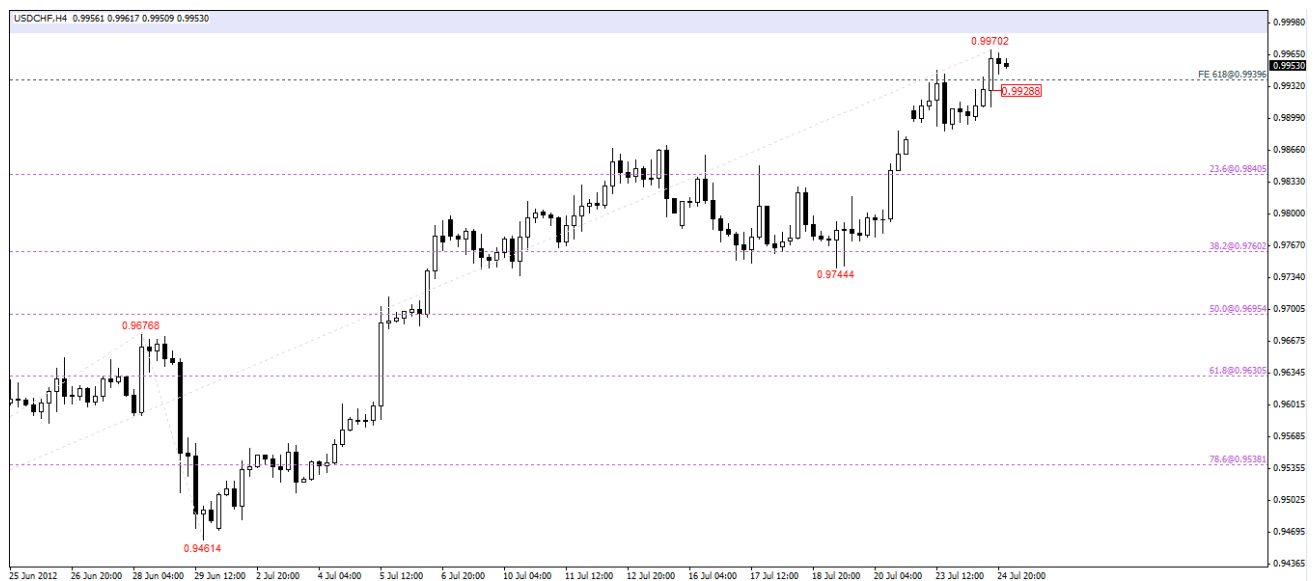
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 20-07-2012								+\$32,547.00
GBP-USD	24-07-2012	1.0	1.55233	24-07-2012	1.0	1.55039	-\$194.00		
GBP-USD	24-07-2012	1.0	1.55233	24-07-2012	1.0	1.55039	-\$194.00		
						Unrealized	-\$388.00		

USD-CHF DAILY



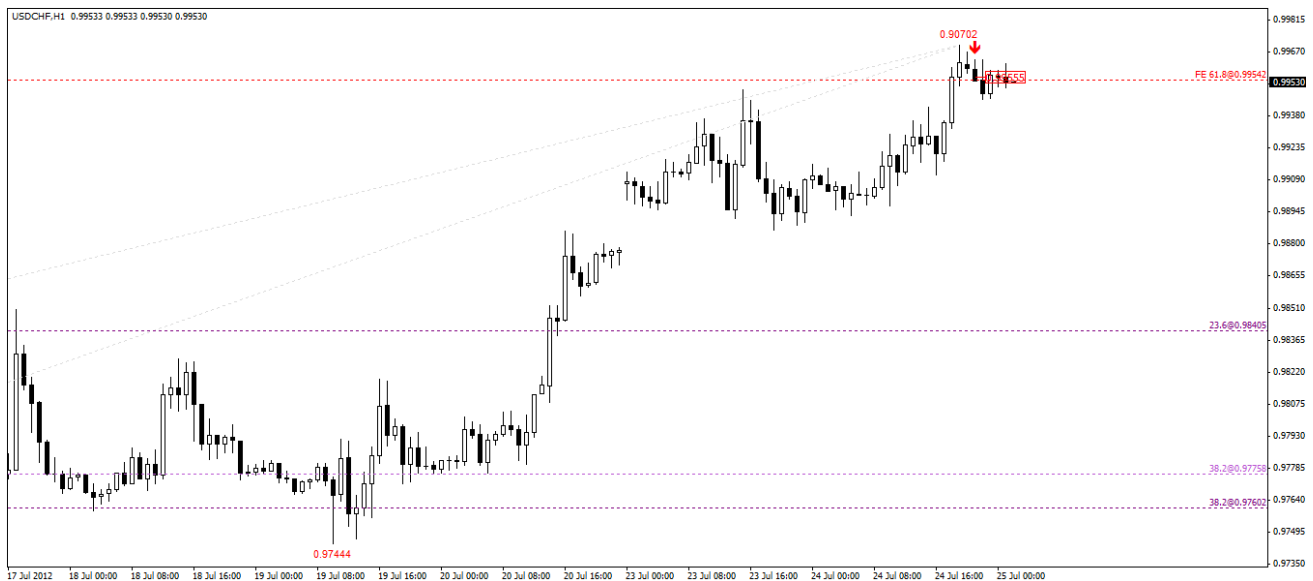
USD-CHF 4-HOURLY



USD-CHF Short to Medium Term View

Price action continued its relentless rally into yet another marginal high at 0.99702 in overnight action within a cluster of Fibonacci numbers. (see D1 chart) Incidentally, the overnight high is now just below an ancient SZ (November 2010) at **0.99880-1.00650**. As such, odd of a reversal is high. The long-legged shadow doji in the D1 chart mentioned in yesterday's update was negated and with it the potential sell signal. Should a correction ensue; the pullback may potentially see a correction to the June 18 low of **0.94205** or the June 29 low of **0.94614**.

USD-CHF 1-HOURLY



Trade Ideas

ACTION	Target 1	Target 2	EXIT
Sold @ 0.99555	0.98858	0.97938	0.99802 STOP

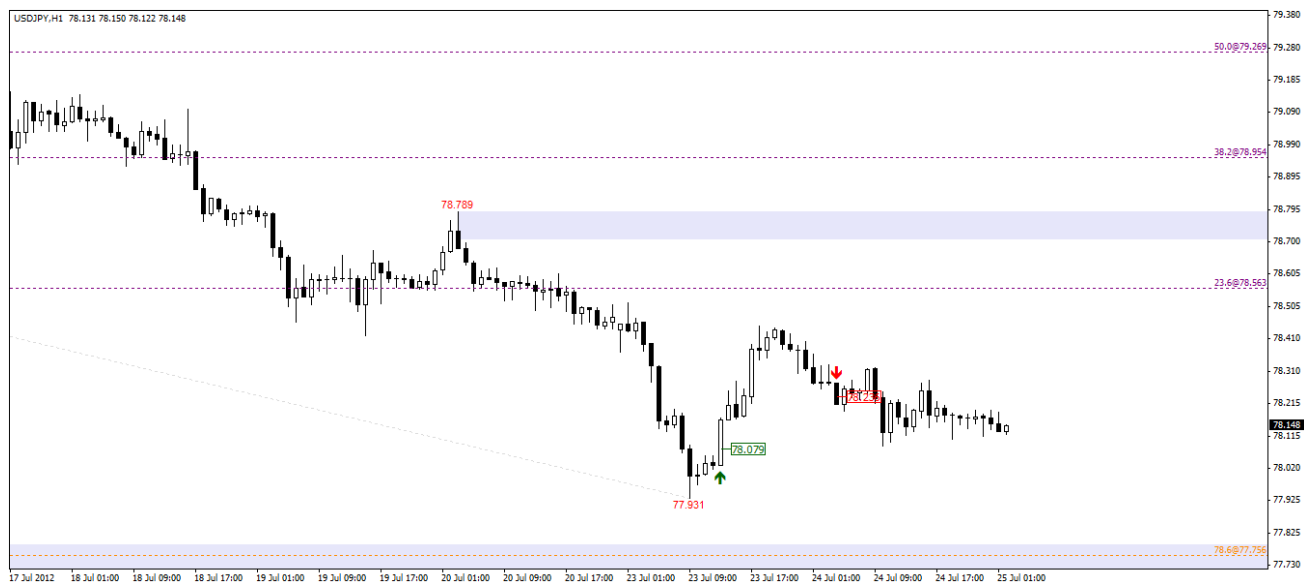
Weekly Performance

Currency	Date	Buy	Price	Date	Sell	Price	Per Trade + / -	Realized + / -	Accumulative + / -
	B/F from 20-07-2012								+\$2,420.77
USD-CHF	24-07-2012	1.0	0.99597	23-07-2012	1.0	0.99157	-\$441.78		+\$21,978.99
USD-CHF	24-07-2012	1.0	0.99597	23-07-2012	1.0	0.99157	-\$441.78	-\$883.56	+\$21,537.21
USD-CHF	24-07-2012	1.0	0.99564	24-07-2012	1.0	0.99555	-\$9.04		
USD-CHF	24-07-2012	1.0	0.99564	24-07-2012	1.0	0.99555	-\$9.04		
						Unrealized	-\$18.08		

[illegible]

The nascent correction from Monday's low of 77.931 has stalled. Overnight trading activity was relatively tame but retains the possibility for this correction to extend to the immediate SZ at **78.705-78.789**. If so, this area presents yet another opportunity for shorts to position for the next leg down. Monday saw price action just missed hitting 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. (see H4 chart) On the downside, should price action take out Monday's low instead; buying opportunities may be had from within the DZ at **77.353-77.792**.

USD-JPY 1-HOURLY

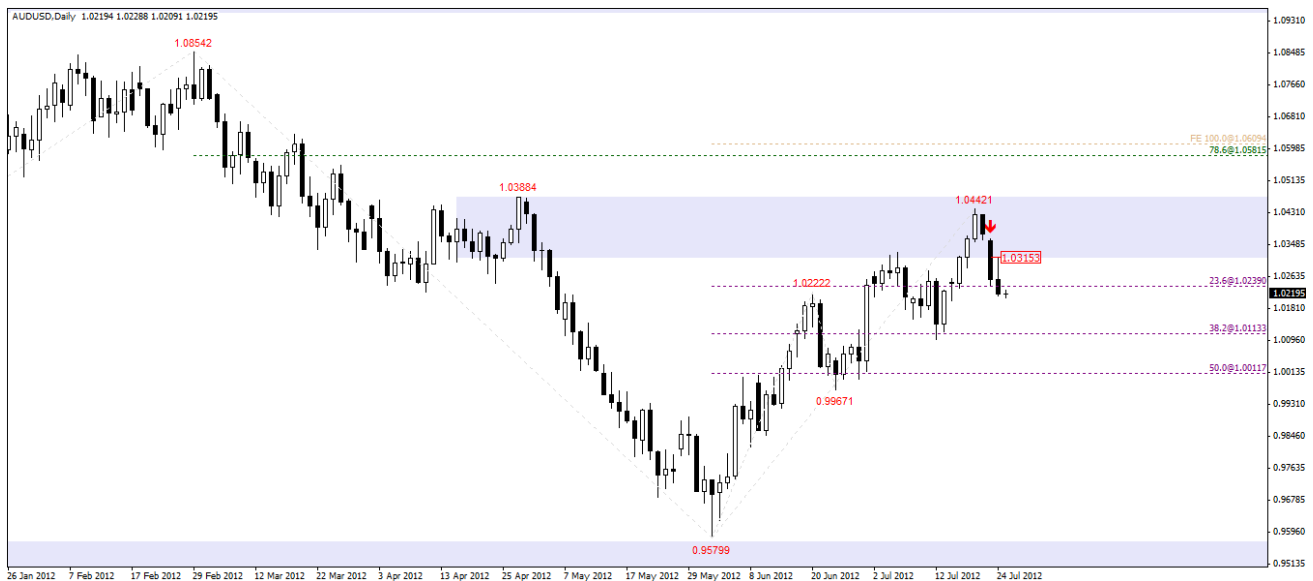


Trade Ideas

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

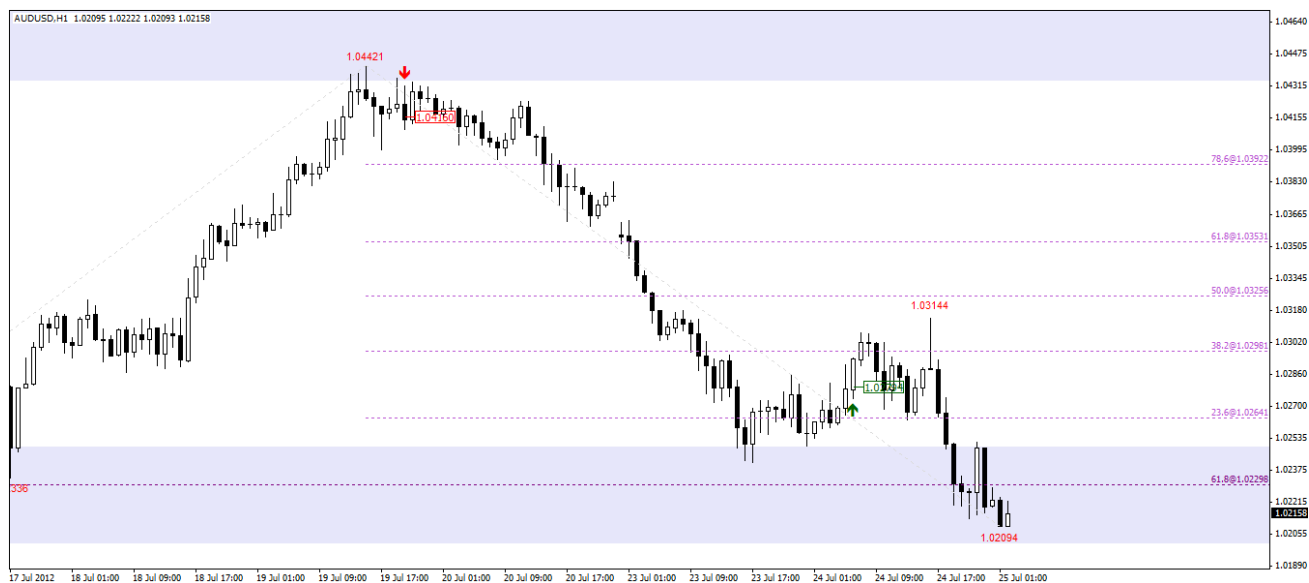
Weekly Performance

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	24-07-2012	1.0	78.173	+\$120.25		
USD-JPY	23-07-2012	1.0	78.079	24-07-2012	1.0	78.173	+\$120.25		
						Unrealized	+\$240.50		

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

The rebound from the immediate DZ at **1.02004-1.02492** on Monday has relatively shallow and price action is back into this minor DZ after trading into a marginal low at 1.02133 in overnight trading. As noted, the medium-term outlook may ultimately 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 rallies. 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

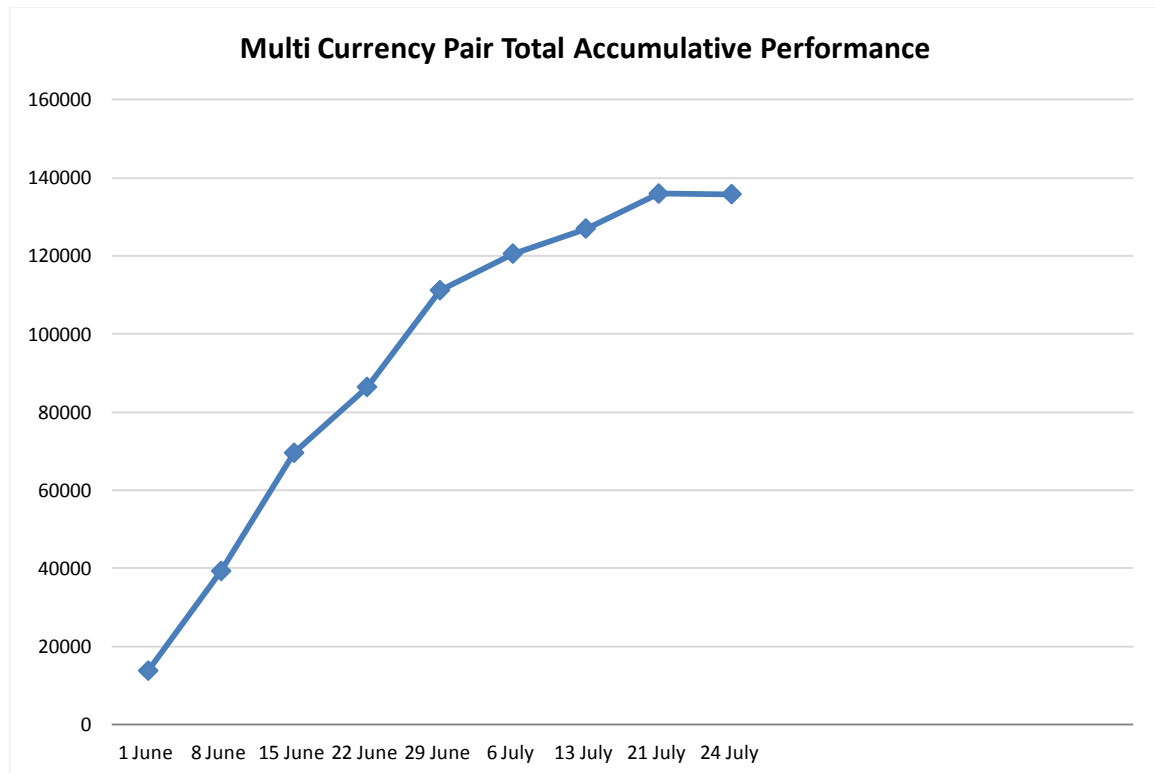
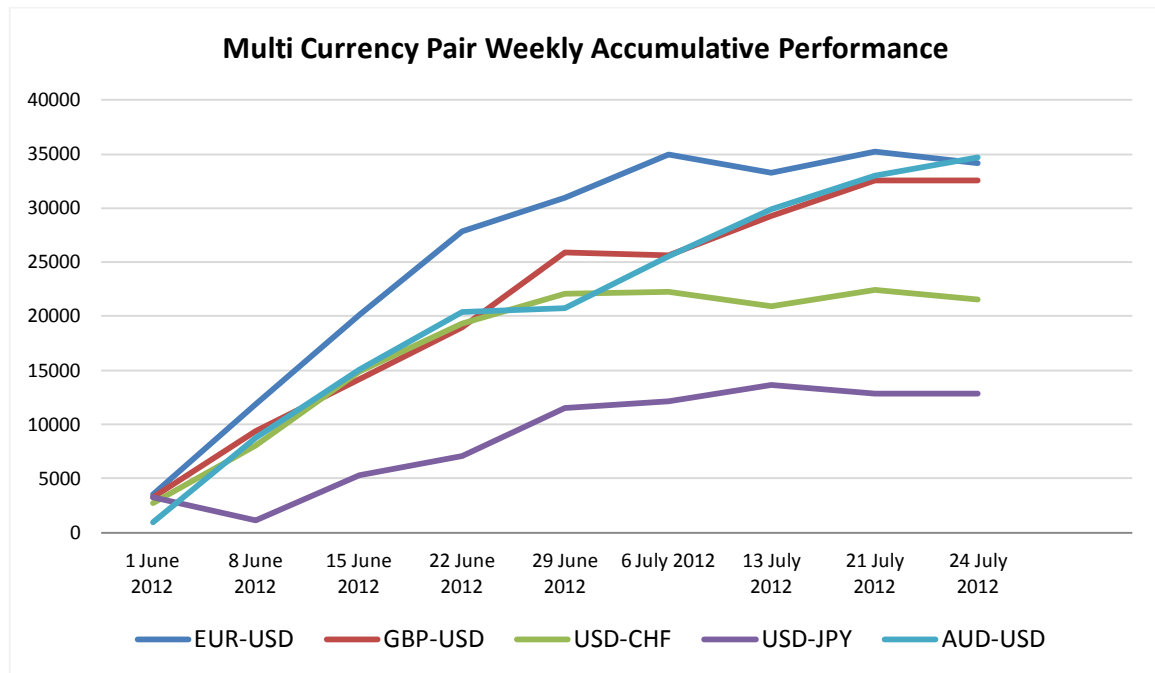


Trade Ideas

ACTION	Target 1	Target 2	EXIT
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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
AUD-USD	24-07-2012	1.0	1.02794	24-07-2012	1.0	1.02316	-\$478.00		+\$35,209.00
AUD-USD	24-07-2012	1.0	1.02794	24-07-2012	1.0	1.02316	-\$478.00	-\$956.00	+\$34,731.00
						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.

