

The yen continued to be the strongest currency

The euro fell to a 13-month low against the dollar after the European Central Bank President Jean-Claude Trichet said yesterday policy makers discussed cutting the main refinancing rate. Yesterday ECB left the interest rate unchanged at 4.25%. The euro experienced suspense from the speculations that European financial authorities may be slower than their U.S. counterparts to react to the worldwide credit crunch. Europe's currency has slid 5.4 % against the dollar this week, which is the biggest four-day drop since the euro started trading in 1999.

The yen rose against all the major currencies yesterday as stocks in the U.S., U.K., Japan, Germany and Brazil plunged, encouraging investors to sell higher-yielding assets and pay back low-cost loans in Japan. Yesterday the euro reached 144.88 against the yen, which is the lowest level since June 2006. The sterling fell to 1.8473 versus the Japanese currency and remained a step away from new 5 year low.

Even the not so positive fundamental news from U.S. could not restrict the dollar's gains. Initial jobless claims increased to 497,000 in the week that ended Sept. 27, the highest since September 2001, the Labor Department announced. August factory orders fell 4.0%, which followed an advance of 0.7% for the prior month. Economists, on average, expected factory orders to decline 3.0% in August.

EUR/USD

The euro continued to fall against the dollar, registering seventh consecutive drop. The picture remains negative, and first support is seen at the key 1.3881 level. In the short-term first resistance is seen at 1.4380, which is 61.8% Fibonaci retracement of the 1.3360-1.6035 movement and 23.6% Fibonaci of the 1.6035-1.3881 movement. Next resistances are

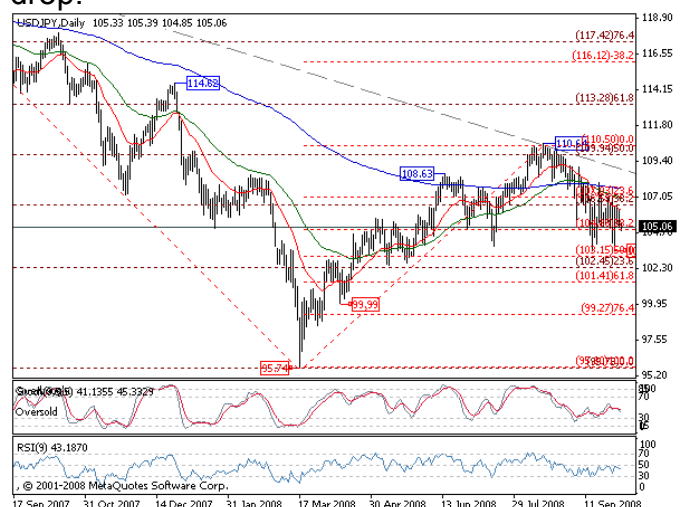
expected at 1.4700 and 1.4900, as the first one is 50.0% Fibonaci of the mentioned upsurge.



Support	1.3545	1.326	1.3040
Resistance	1.4380	1.4700	1.4900

USD/JPY

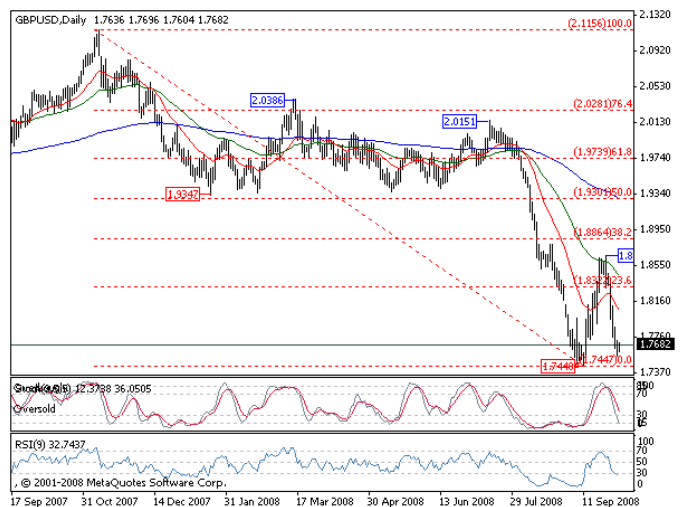
The dollar slid lightly against the yen reaching day low at 105.32. The short-term picture remains negative, and to renovate the positive trend the dollar must break above 110.00. Intermediate resistances are seen at 106.60, 107.70 and 108.40, as the first one is 38.2% Fibonaci retracement of the 124.9575 movement and the second one is 23.6% Fibonaci of the 95.75-110.64 movement. On the opposite side supports are expected at 103.50 and 102.45, as the last one is 23.6% Fibonaci of the mentioned drop.



Support	103.50	102.50	100.30
Resistance	106.60	107.70	108.40

GBP/USD

The sterling continued to decline against the dollar passing below the support at 1.7750. The picture remains negative, as the sentiment oscillators RSI and Stochastic give us a good signal for this statement. Today first support is seen at 1.7450, which is the lowest level for the past 2 years. A break below that level will move the target on 1.7220 and 1.7030. On the opposite direction first resistance is seen around 1.8100, which coincides with 20 SMA, followed by 1.8323 and 1.8660.



Support	1.7450	1.7220	1.7030
Resistance	1.8050	1.8323	1.8660

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