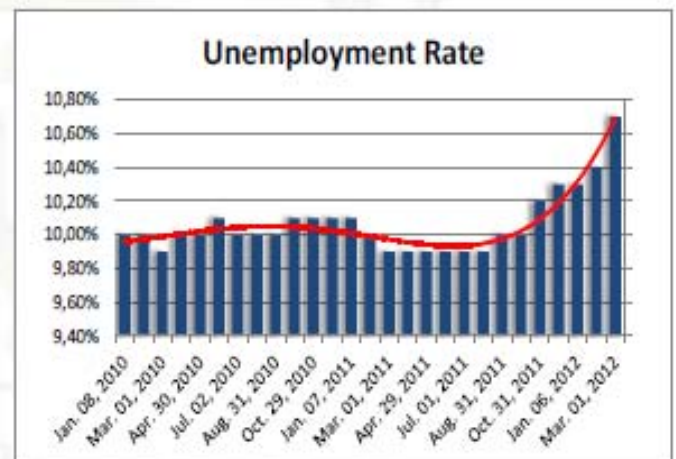


Monday 02.4.2012.

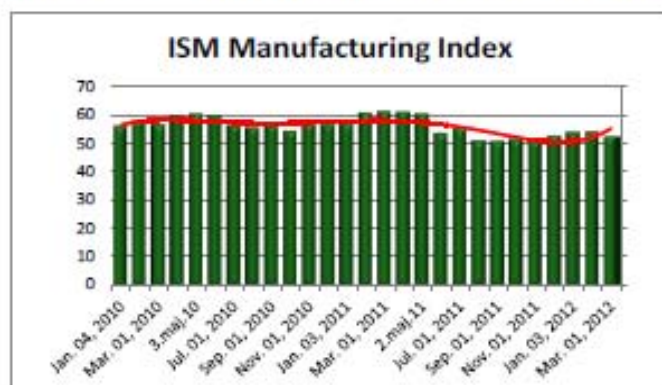
- CFTC: Biggest number of net long positions in USD
- FED: Lacker- No need for QE3
- EU: Euro zone agrees to boost rescue capacity at 800 Bn EUR
- EU: Spain deficit target 5,3% of GDP this year
- AU: Chinese PMI up to 53,1 vs 50,9 expected
- JPN: Tankan Manufacturing Index -4 Q/Q vs 0 expected
- JP Morgan: BOJ will rise inflation target to 2%

- EU: Euro zone finance ministers agreed on Friday to increase their financial firewall to 800 billion euros. The Eurozone agreed to combine two rescue funds to make 500 billion euros of new funds available in case of emergency until mid-2013, on top of 300 billion euros already committed to bailouts for Greece, Ireland and Portugal. The executive European Commission had proposed raising the total to 940 billion euros, with 740 billion in new money, but EU paymaster Germany resisted a bigger increase. The United States and International Monetary Fund chief Christine Lagarde both welcomed the decision. Lagarde said it would help the global lender raise more resources to fight contagion from the European crisis if needed. Washington, which has been pressing European leaders to tackle the problem aggressively, praised their efforts to strengthen confidence in the currency union. The euro rose and Spanish and Italian bond yields fell slightly after the firewall boost and a draconian Spanish austerity budget. Spain unveiled savings worth 27 billion euros (\$35.85 billion) this year, roughly half from spending cuts and half from revenue increases, in a bid to convince European partners and investors it can rein in its budget deficit. French Finance Minister Francois Baroin said the decision put the euro zone in a strong position to persuade other major economies next month to increase IMF resources. The United States, China, Brazil and Britain had all said the euro zone should first do more to help itself. Some bond market players questioned whether the compromise would provide sufficient money to help Spain, the euro zone's number four economy, if it needs a bailout to overcome a banking crisis due to the collapse of a real estate bubble. Spain outlined a budget designed to cut the deficit to 5.3 percent of gross domestic product this year from 8.5 percent in 2011, despite a recession. Details will go to parliament on Tuesday but the government said public sector pay would be frozen, ministries' spending would be cut by 16.9 percent and corporate tax revenue increased by 17.8 percent. Today from European data we have Final Manufacturing PMI and Unemployment Rate. The euro-zone's manufacturing sector has been contracting in the past 8 months according to the purchase managers' index. The initial score of 47.7 points (under 50)

will likely be confirmed now. The average unemployment rate in the euro-zone recently lifted its head and rose to 10.7%. The same rate will likely prevail for another month. In Spain, the unemployment rate is above 23%.

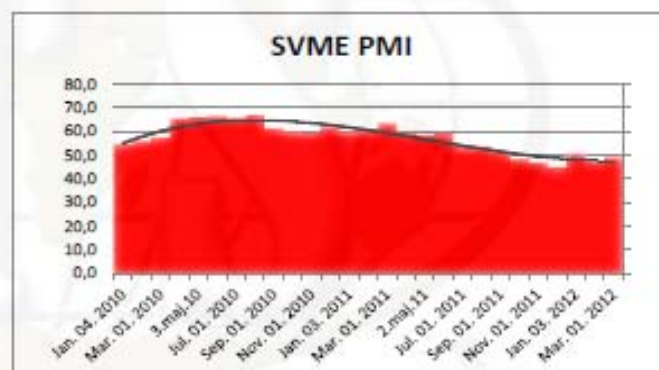
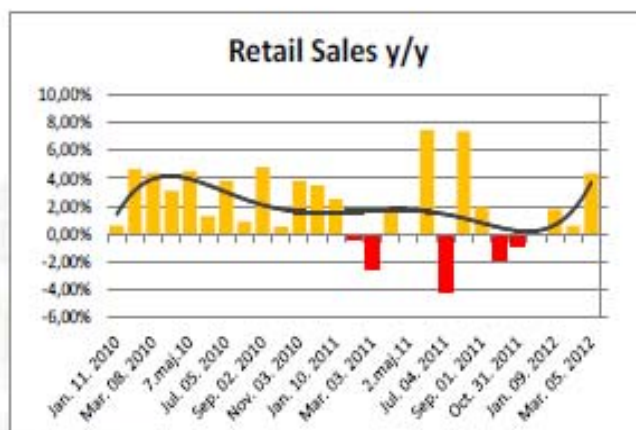


- US:** US consumer spending increased by the most in seven months in February as households shook off a rise in gasoline prices. Even with gasoline around \$4 a gallon, Americans were more optimistic about the economy's prospects this month than at any other time over the past year, from a firming labor market. The Commerce Department said on Friday that consumer spending rose 0.8 percent in February as demand for long-lasting goods, like automobiles, rose sharply. It also said spending in January was double the previously reported 0.2 percent gain. Separately, the Consumer Sentiment of University of Michigan's final March reading for the overall consumer sentiment index rose to 76.2, the highest level since February 2011, from 75.3 in February. Fears that the economy was going to slow substantially this quarter were overdone. The economy is doing fairly well, given the headwinds from Europe. U.S. stocks rose on the spending and sentiment reports, which were both stronger than expected, while U.S. Treasury debt prices were little changed. The dollar fell against a basket of major currencies. Goldman Sachs raised their first-quarter GDP forecasts. Goldman Sachs now expects GDP to rise at a 2.3 percent annual rate in the first quarter, up from 2 percent. The economy expanded at a 3 percent pace in the final three months of 2011. The growth in factory activity in the U.S. Midwest slowed in March, another report showed on Friday. The Institute for Supply Management-Chicago's business barometer slipped to 62.2 from 64.0 in February. Fed's Lacker says on Friday there is no need to consider QE3. He sees growth of 2-3% in 2012, faster in 2013. He also noted that there are good chances to unemployment rate fall below 8% by 2013. Currency speculators boosted their bets in favor of the U.S. dollar in the latest week to their largest since January, according to data from the Commodity Futures Trading Commission, CFTC, released on Friday. The value of the dollar's net long position rose to \$19.58 billion in the week ended March 27, from \$11.67 billion the previous week. We have ISM Manufacturing PMI today. US manufacturing activity slowed in February to 52.4 in from 54.1 in January despite analysts' predictions of a 0.5 points rise. Nevertheless this is a positive reading indicating expansion.



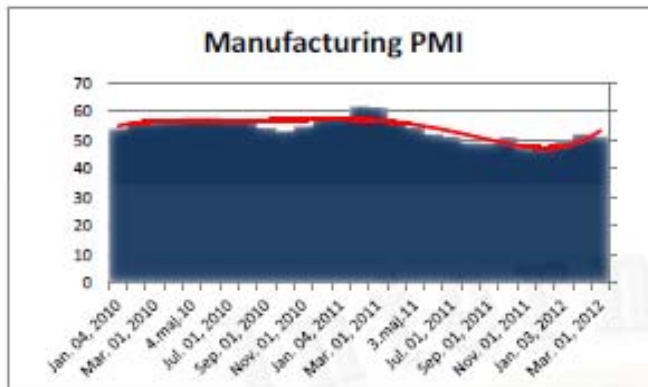
The growth trend is expected to continue in the next months as well with a 53.3 reading.

- CH:** Pair USD/CHF trading down at Friday lost momentum closing the month. Traders seemed to look for more risk, after Euro-zone finance ministers meeting in Copenhagen agreed to temporarily boost the size of the firewall designed to contain the spread of the region's debt. Swiss Retail Sales is considered one of the most important indicators of consumer spending. The indicator's release in the first week of the month provides analysts and traders with their first look at consumer spending for the previous month. A reading that is higher than the market forecast is bearish for the US dollar.



Consumer spending is one of the most important components of the economy, and strong numbers in this sector signify growth and a stronger economy. The Retail Sales indicator sparkled in March, jumping 4.4%. This was the indicator's best reading since August 2011. The market forecast for April calls for a increase of 3.2%. SVME PMI index is based on a survey of purchasing managers. The March reading came in at 49,5 and little change is predicted for this month.

- UK:** Despite bad economic data coming out of the UK, the pound has showed great strength in 2012, gaining almost five cents against the greenback. GBP/USD moved upwards last week. The upcoming week is quite busy, with nine releases. We saw GfK Consumer Confidence at -31 last Friday, weaker than forecasted -29, one more bad indicator from UK. We have release Manufacturing PMI. This diffusion index is based on a survey of purchasing managers in the manufacturing sector



The indicator recorded a reading of 51.2 in March, and little change is forecast for this month, 50.6. This will be an important indicator of the manufacturing sector, the data worse than expected could be another in a series of bad news coming from Britain in recent weeks and may have negative impact on pound.

- JPN:** Tonight have been released information about Japanese Tankan Manufacturing index which shows a value of -4 for last quarter while it was expected to stay at 0. That represent second consecutive month in negative theory which indicating that a large Japanese manufacturers remain concerned about the strong yen exchange rate. Investment bank JPMorgan predicts that BOJ could increase the program of buying securities for additional 5 trillion yen and they will increase inflation target on 2% at the next meeting scheduled for 27 April. Prime Minister Noda said he expects that the BOJ will continue to act towards achieving the inflation of 1% and that it will take the appropriate steps. Yamaguchi BOJ official said it was too early to determine the impact of the February incentives he added that this had a positive impact on the economy and that the yields on two-year and five-year bonds fell. The report shows that the BOJ yen sales postponed in March, so she had no part in the weakening of currencies in the last month. After submitting legislation to increase VAT to 20 lawyers from the office of Prime Node has resigned in protest.

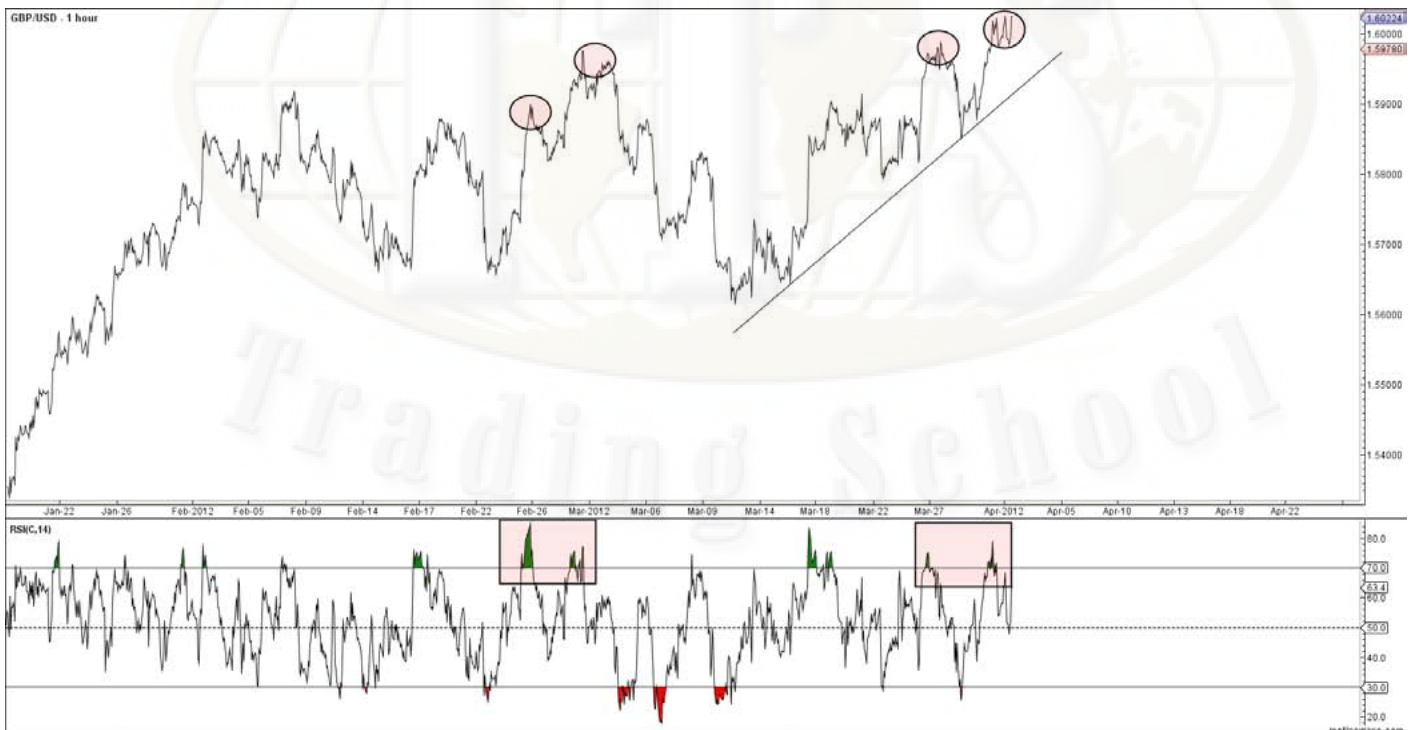
- AU:** A\$ started trading this week with a 100 pips gap after better than expected data for Chinese Manufacturing PMI showing a value of 53.1 for month of March. China is the largest trade partner of Australia and any change in the second largest world economy affects Australian economy as well. On the other hand, data for Building Approvals were far worse than expected showing a decline of 7.8% m/m while analysts expected growth of 0.4%. This represents a decline of 15.2% y/y. Bad news for building permit pushed A\$ down towards closing the gap which has not been closed yet. Tomorrow, RBA will announce cash rate which is expected to stay at the same level of 4.25%. RBA will probably wait for the April CPI data before making a decision to cut rates which is expected to happen in next three months. Even though the cash rate stays unchanged, it could happen that RBA officials take a more dovish standpoint due to the slowdown in the Chinese economy which will push A\$ as well. Analysts expect AUD/USD to end the year around 0,95 level following cash rate cuts.

Economic Calendar

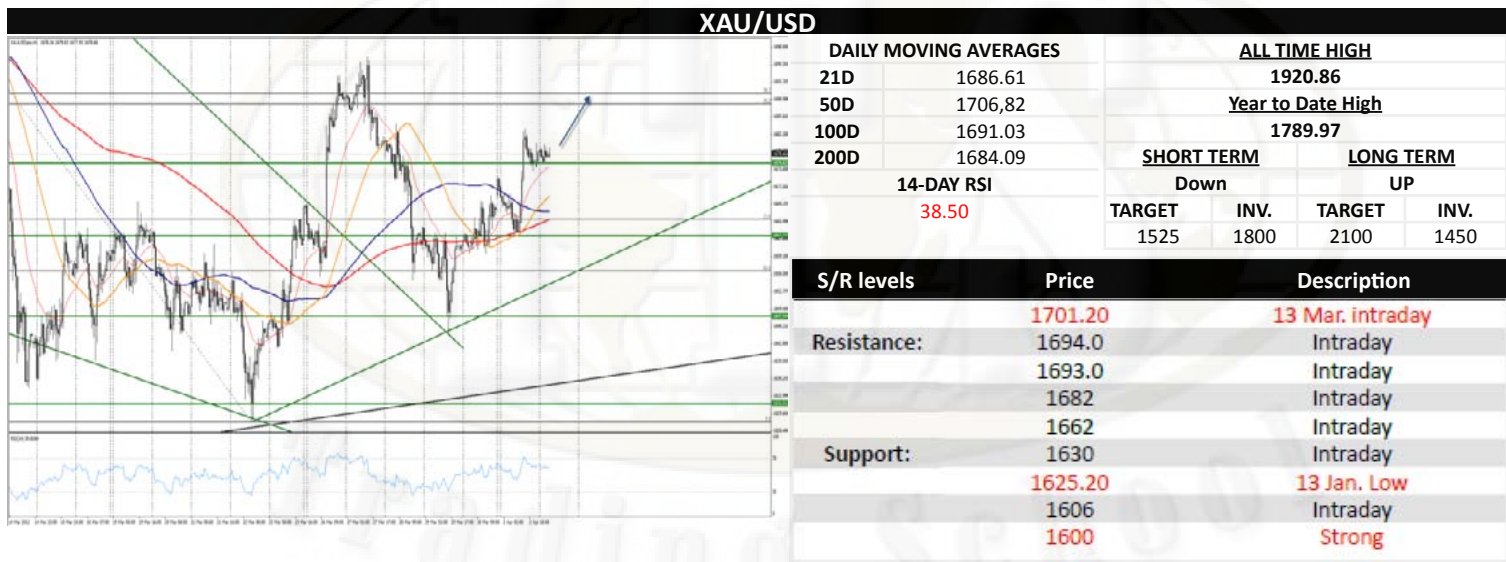
Date	Belgrade Time	Currency	Impact	News	Forecast	Previous V.
Monday 2.4.2012	1:50	JPY	Medium	Tankan Manufacturing Index	0	-4
	1:50	JPY	Medium	Tankan Non-Manufacturing Index	5	4
	All Day	CNY		Bank Holiday		
	3:30	AUD	Strong	Building Approvals m/m	0,6%	0,9%
	2nd-7th	GBP	Strong	Halifax HPI m/m	-0,3%	-0,5%
	9:15	CHF	Strong	Retail Sales y/y	3,2%	4,4%
	9:30	CHF	Medium	SVME PMI	49,5	49,0
	10:30	GBP	Strong	Manufacturing PMI	50,5	51,2
	11:00	EUR	Medium	Unemployment Rate	10,7%	10,7%
	16:00	USD	Strong	ISM Manufacturing PMI	53,3	52,4
	18:35	USD	Medium	FOMC Member Pinalto Speaks		

Chart of the day

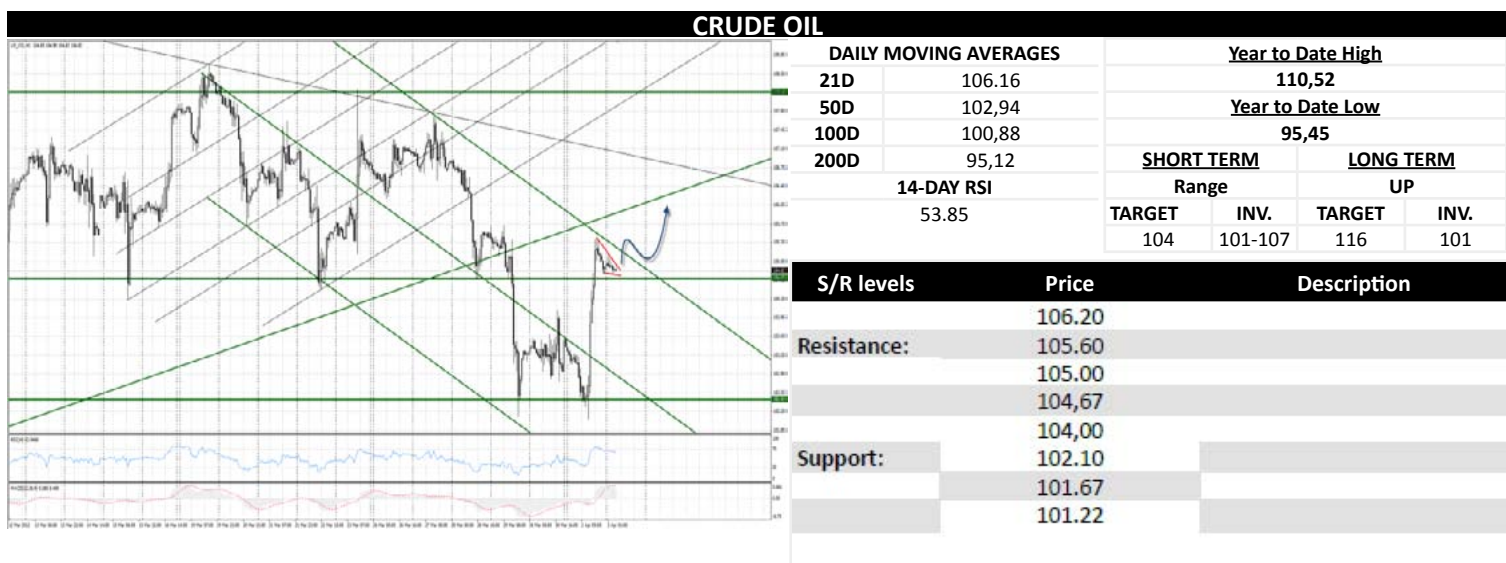
GBP/USD 1 Hour overbought levels and price action



GOLD and Crude OIL: US President Barack Obama have approved the introduction of new sanctions, Iran's oil customers. Obama concluded that the world market has enough oil to make the avoidance of negative consequences boycott of oil from Iran. Obama said in a statement that it will continue to watch global market, to be sure that it can stand a reduction in oil supply from Iran. The US president made this decision based on law that was signed in December, which had to confirm by 31 March and decide whether the market can submitted "significantly" reduce the income of oil from Iran. In accordance new law about sanctions, which aims to increase the pressure on the government in Tehran to suspend its nuclear program, the U.S. will be punished foreign financial institution if they perform financial transactions with the Central Bank of Iran, which takes place over the payment of export products of that state. Gold prices were little changed on Monday in the first trading day of the second quarter, waiting for fresh cues from the currency market as investors digest data from China and the United States as well as developments in the euro zone. The dollar index hovered above a near one-month low hit last Friday after the euro rallied on hopes that Spain could stick to an austerity plan. China's manufacturing data over the weekend painted a mixed picture, showing accelerated activities at big factories but continued struggles for the smaller ones. Most participants in the physical market remained sidelined.



Gold has continued to move in a narrow range on Friday and now we need a break of 1676 level in order to see growth to 1695 and 1702. Contrary to this scenario, a break through of 1648 level would lead firstly to a drop to 1631.50 and then to 1626.



The price of oil entered into sideways movement during trading on Friday and now we need a break of 104.00 level to see growth towards 104.68 and 105.50. Break through 102.40 level would lead to further decline towards 101.67 and 101.00 while the 100.00 level should be extreme support for now.

EUR/USD



DAILY MOVING AVERAGES		Year to Date High			
21D	1,3230	1,3484			
50D	1,3139	Year to Date Low			
100D	1,3196	1,2626			
300D	1,3627	SHORT TERM		LONG TERM	
14-DAY RSI		Down		UP	
54.86		TARGET	INV.	TARGET	INV.
		1,2930	1,3245	1,3550	1,2870

S/R levels	Price	Description
Resistance:	1.3555	Strong Intraday
	1.3507	Trend Line + Fibo
	1.3484	2012 High
	1.3425	Intraday
Support:	1.3376	Intraday
	1.3333	Strong Intraday
	1.3245	Change in trend lvl.
	1.3192	13 Mar high
	1.3180	Intraday

On hourly chart we see that the pair is having problems to break the 1.3380 zone. Before the next try we expect to see a consolidation to 1.33 level, a break of this level would lead to further decline towards 1.3275 and 1.3230. Breaking through 1.3380 level we will see 1.3410 and than 1.3447 where we expect to see pressure on the par.

GBP/USD



DAILY MOVING AVERAGES		Year to Date High			
21D	1,5804	1,5990			
50D	1,5725	Year to Date Low			
100D	1,5689	1,5233			
200D	1,5857	SHORT TERM		LONG TERM	
14-DAY RSI		Down		UP	
56.59		TARGET	INV.	TARGET	INV.
		1,5500	1,5930	1,6100	1,5400

S/R levels	Price	Description
Resistance:	1,6150	Intraday
	1,6085	Intraday
	1,6050	Intraday
	1,6020	Intraday
Support:	1,5993	EX 2012 High
	1,5930	Intraday + Weekly trend line
	1,5905	Intraday
	1,5870	Intraday
	1,5800	Intraday

Pair continues to move in its upward trend and the current motion of this pair could be characterized as stop loss hunting on both sides due to high pressure on both sides. Despite many predictions, we believe that pair cannot break through 1.6150 barrier. The break through this level would lead us further to 1.63. For decline it is necessary for the pair to break through 1.5980.

EUR/GBP



DAILY MOVING AVERAGES		Year to Date High			
21D	0,8372	0,8504			
50D	0,8355	Year to Date Low			
100D	0,8411	0,8220			
200D	0,8591	SHORT TERM		LONG TERM	
14-DAY RSI		Down		Down	
49.69		TARGET	INV.	TARGET	INV.
		0,8230	0,8405	0,8230	0,8600

S/R levels	Price	Description
Resistance:	0,8480	Intraday
	0,8454	Weekly trend line
	0,8445	Intraday
	0,8424	14 Mar High
Support:	0,8400	Intraday
	0,8350	Intraday
	0,8340	Intraday
	0,8296	Intraday high volume
	0,8277	16 Feb low

The pair is still under pressure from a very volatile movements in GBP/USD pair. Break through 0.8330 zone is critical for the further decline. Only break of this level will lead to further decline to 0.83 and 0.8280. Conversely, it is necessary to break through 0.8370 in order to see the price around 0.84 and than 0.8420.

EUR/JPY



DAILY MOVING AVERAGES		Year to Date High			
21D	108.52	111.15			
50D	104.22	Year to Date Low			
100D	103,49	97,01			
200D	106,44	SHORT TERM		LONG TERM	
14-DAY RSI		UP		UP	
73.73		TARGET	INV.	TARGET	INV.
		110,30	105,00	117,50	102,00

S/R levels	Price	Description
Resistance:	112.50	Strong Intraday
	111.90	Intraday
	111,56	31 Oct 2011 High
	110,80	Intraday
Support:	110.55	Intraday
	110,30	Intraday Strong
	109,92	EX 2012 High
	109,05	Intraday Strong
	108.70	Intraday Strong

As with the pair GBP/JPY after the test on neck line on 108.70 level we have seen tremendous price pressure and price managed to recovered to 111.00. For further growth is necessary to breakthrough this level and 111.50 level to see price moving towards 112.50. Contrary to this scenario for further decline, it is necessary to breakthroughs 110.10 and 109.90 levels to see price testing on 108.70 zone.

GBP/JPY



DAILY MOVING AVERAGES		Year to Date High			
21D	129.65	133.02			
50D	124,75	Year to Date low			
100D	122,95	117,27			
200D	123,85	SHORT TERM		LONG TERM	
14-DAY RSI		UP		UP	
74.44		TARGET	INV.	TARGET	INV.
		137,40	126,50	141,00	122,00

S/R levels	Price	Description
Resistance:	134.00	Intraday
	133.70	Intraday
	133.45	Intraday
	132.95	Intraday
Support:	132.69	Intraday
	132,30	Intraday
	131,69	EX 2012 High
	131,40	Intraday
	131,03	Intraday

On hourly chart, we see that after testing 130.00 level big bulls-pressure on this level is made and considering that a breakthrough of this zone will form Double Top Formation to see price lower to 129.50 and 128.20. For further growth, it is necessary to see a breakthrough of 133.47 level which is today's intraday pivot.

USD/JPY



DAILY MOVING AVERAGES		Year to Date High			
21D	82.02	84,17			
50D	79,30	Year to Date Low			
100D	78,42	76,01			
200D	78,11	SHORT TERM		LONG TERM	
14-DAY RSI		UP		UP	
72.60		TARGET	INV.	TARGET	INV.
		85,50	81,50	90	78,00

S/R levels	Price	Description
Resistance:	84.80	Intraday
	84.15	Intraday
	83.80	Intraday
	83.35	Intraday
	83.00	Intraday
Support:	82,85	Intraday
	82,65	Intraday
	82,52	Intraday
	82,05	Intraday

Level of 81.80 proved to be an extraordinary support and barrier to further decline, and after testing, we saw very strong pressure and return of price to 83.30. For further growth, it is necessary to break 83.35 level, to see price at 83.80 and 84.15 levels, while breakout of YTD high price will led to 85.00. In contrast, breakthrough of 81.80 level would lead to further decline to 81.20 and 80.70.

USD/CHF



DAILY MOVING AVERAGES		Year to Date High			
21D	0,9116	0,9593			
50D	0,9188	Year to Date Low			
100D	0,9226	0,8935			
200D	0,8826	SHORT TERM		LONG TERM	
14-DAY RSI		Down		UP	
45.10		TARGET	INV.	TARGET	INV.
		0,8980	0,9450	1,0000	0,8700

S/R levels	Price	Description
	0,9250	Intraday
Resistance:	0,9190	13 Mar Low
	0,9170	Intraday
	0,9130	Intraday
	0,9080	Intraday
Support:	0,9030	Intraday
	0,9003	FIBO Strong Res.
	0,8980	Intraday
	0,8935	Intraday

On hourly chart, we see that pair has problems to break barrier on 0.9. After a phase of consolidation and test on 0.9080 we can see new attempt to break this level which would lead to further decline to 0.8970 and 0.8920. Contrary to this scenario breakthrough of 0.9080 level would lead to further rise to 0.9130 and 0.9170. While a breakthrough of 0.9250 will lead to test on 0.9330.

AUD/USD



DAILY MOVING AVERAGES		Year to Date High			
21D	1,0622	1,0855			
50D	1,0617	Year to Date Low			
100D	1,0387	1,0144			
200D	1,0404	SHORT TERM		LONG TERM	
14-DAY RSI		UP		UP	
42.74		TARGET	INV.	TARGET	INV.
		1,0710	1,0280	1,1	1,0280

S/R levels	Price	Description
	1,0580	Intraday
Resistance:	1,0530	Intraday
	1,0450	Intraday High Volume
	1,0401	DMA 200
	1,0380	3 Jan High
Support:	1,0330	Intraday
	1,0280	Intraday
	1,0255	Intraday
	1,0225	Intraday

A \$ is after testing upward trend line manage to recover and we saw test of 1.0448 level. For further recovery is necessary price to break 1.0480 barrier in order to see test on 1.0540 and 1.0580. Breakthrough of these levels can lead to test of 1.0620 and further to 1.0680. Contrary to this scenario, it is necessary to break 1.03 level in order to see price on 1.0280 and 1.0225.





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