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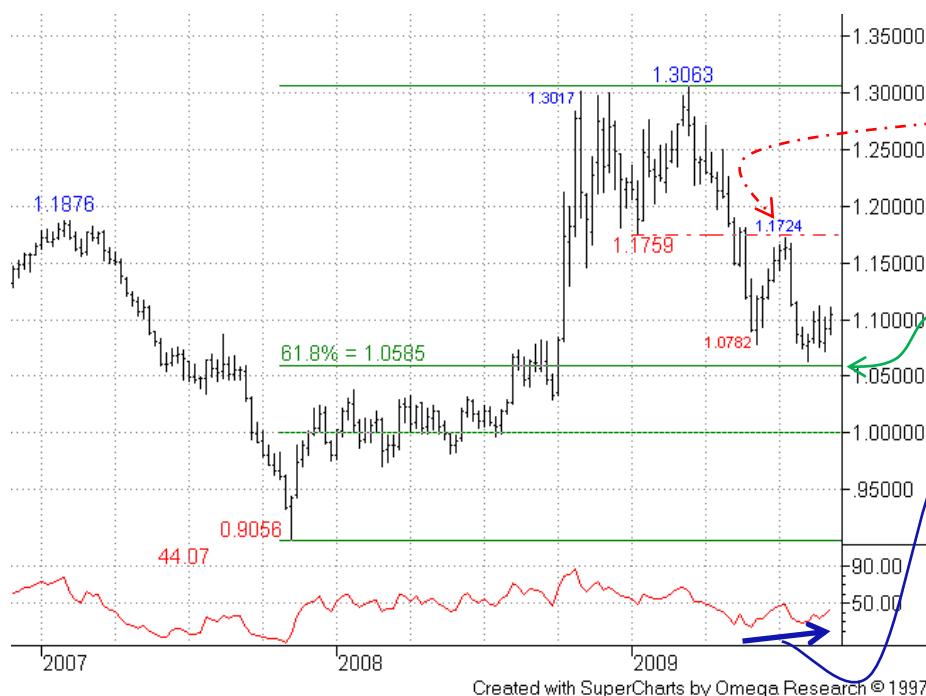
## Market Update

03<sup>rd</sup> September 2009

### USD/CAD – A Recovery from Fibonacci Support?

In early June a recovery attempt proved short-lived, with a new downtrend low made at the start of August. This was just above a long term 61.8% retracement level and support is emerging here. It is worth considering recovery possibilities now.

#### The FX Trader's view



#### WEEKLY CHART:

The Jun/Jul bounce found clear resistance from near the 1.1759 Jan low.

Subsequent weakness has found support just above the 1.0585 61.8% retracement.

In the **FX Trading Guide** we have pointed out initial evidence of a positive divergence on the weekly RSI – are bears tiring?

SEVEN DAYS AHEAD

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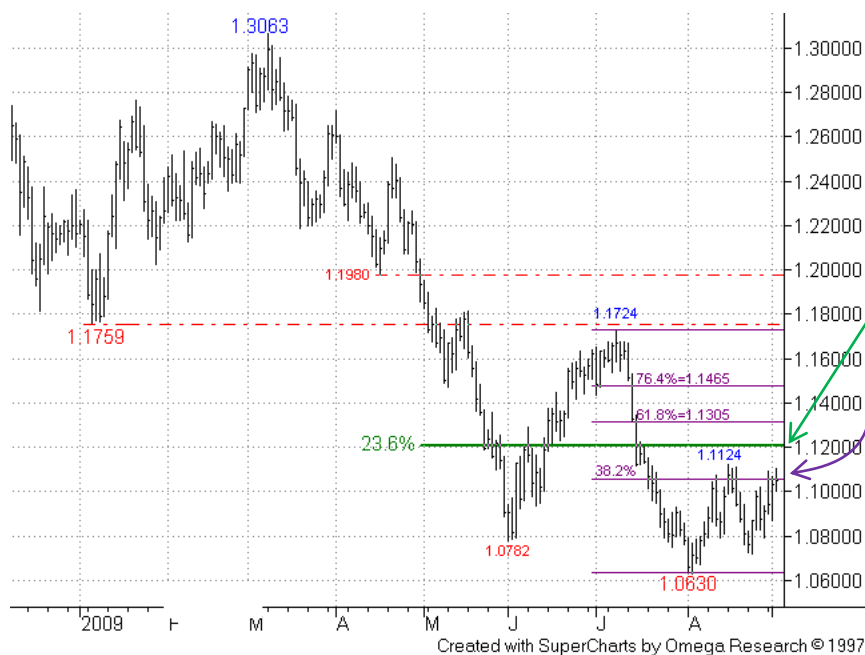
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#### DAILY CHART:

So far, the breach of the 1.0782 01-Jun low has proved short-lived.

Initial resistance has come from around a 38.2% bounce level –also note the 23.6% level of the whole 1.3063/1.0630 decline just above 1.1200.

*A recovery through this would be s/term positive, and at least enough to put bears on the sidelines.*

Ultimately a further recovery above the 1.1465 76.4% level would be needed to strongly suggest that a medium term recovery phase was underway.

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