

XFlow MARKETS

PULSE

DAILY-REPORT

23.06.2021



GBP/USD

CMP – 1.39369

GBP/USD is trading at 1.39369, 0.03% up since Tuesday. The Sterling Pound appreciated against the USD after FOMC Powell showed a cautious approach towards interest rate hike on Tuesday. Last week, the sudden hawkish stance hinted by Fed regarding two interest rate hikes in the year 2023 turned out to be positive for USD & negative for other currencies. The U.K Public Sector Net Borrowing dropped to 23.6B from 28.3B in the previous month & the CBI Industrial Order Expectations rose to 19 against the estimation 16. The result of PMI figures will remain into focus for the day. As seen in the chart, the pair GBP/USD formed a double bottom at major support of previous lows & hence, slight buying may be recommended for the day.

Resistance – 1.39855 -1.40261

Pivot – 1.39228

Support – 1.38822-1.38195

Expected Trend- Slight Bullish



NZD/USD

CMP- 0.70004

NZD/USD is trading at 0.70004, 0.07% up since Tuesday. The Kiwi seems to be trading flat to higher side against the steady post FOMC Powell speech with a focus on gradual interest rate hike approach. However, the pair lost momentum in the last week after Fed hinted for two interest rate hikes in the year 2023 in order to control rising inflation fear. On data front, the country's Westpac Consumer Sentiment climbed to 107.1 from 105.2 in the previous month which again cushioned the pair NZD/USD. The result of Trade Balance data will remain in focus. As seen in the chart, the pair formed a double support level near 0.69200 & hence, buying may be continued in NZD/USD on daily basis.

Resistance – 0.70517–0.70809

Pivot -0.70076

Support – 0.69767 -0.69369

Expected Trend- Slight Bullish



GER30

CMP-15610

GER30 is trading at 15610, 0.07% up since Tuesday. The sideways trading can be seen in European shares due to mixed global cues. The Fed Powell said to adopt gradual interest rate hike approach in the wake of rising inflation fears which turned out to be supportive for GER30. Also, the optimism towards global recovery from pandemic period & evenly distribution of Covid-19 vaccine doses cushioned the GER30. Last week, the hawkish FOMC stance over interest rate hikes & tapering down talks soars down the major equity markets. The traders will be looking forward to the result of Manufacturing PMI figures on Wednesday. Slight buying may be initiated for the day in GER30 since an index took a support of lower trend-line of channel pattern.

Resistance – 15668-15727

Pivot –15580

Support –15525-15433

Expected Trend- Bullish



FRA40

CMP- 6594

FRA40 is trading at 6594, 0.01% up since previous day close. The FRA40 is expected to open on higher side on Wednesday following other global peers post Fed Powell's speech in front of Congress which showed an adoption of cautious approach towards interest rate hikes in the future course of time. Last week, the FOMC hinted a rate hike chances & also, may hit tapering talks which widely slid down the FRA40. Besides this, easing down of lockdown restrictions in the country amid progressive vaccine supplies remains a positive factor on long term basis. The result of PMI figures will be closely monitored on Wednesday. Further buying may be suggested for the day in FRA40 since an index is strongly trading within the bullish channel pattern.

Resistance – 6656-6701
Support- 6525 - 6439

Pivot – 6570
Expected trend- Bullish



GOLD

CMP- \$1780.99

Gold is trading at \$1780.99, 0.06% up since previous close. The range bound trading can be seen in Gold prices amid steady USD after Fed Powell showed no hurries in raising interest rate with a concern of inflation factor. Last week, the FOMC's hawkish stance of increasing interest rate twice in the year 2023 remained supportive for USD & negative for precious metals. Besides this, the mixed market sentiments on account of ongoing M &A deals in Europe & global recovery remain vital for Gold today. The result of PMI figures will remain into focus for the day. As seen in the chart, the commodity is strongly trading near Fibon level 61.8 which indicates a make or break situation on short to medium term basis.

Resistance – \$1788.67-\$1798.89
Support –\$1770.57-\$1762.69

Pivot- \$1780.79
Expected Trend- Sideways



WTI OIL

CMP- \$73.15

WTI Oil is trading at \$73.15, 0.28% up since Tuesday. The Oil prices seems to be trading stronger post release of API report which showed a drop-down in Oil stocks level by 7.19 mbpd against the expected fall of 3.62 mbpd. Besides this, optimism towards global recovery increases & hence, this raises consumption demand of Oil. Also, the clearance over Iranian nuclear deal remains suspicious curtaining the output level from the country which reduces supplies & hence, made the oil more expensive. The result of U.S EIA report will remain into focus for the day. As seen in the chart, the Oil is trading near major resistance of multi-year highs & hence, buying on corrective dips may be recommended for the day.

Resistance – \$73.54-\$74.00
Support –\$72.53- \$71.98

Pivot- \$72.99
Expected Trend- Bullish

GLOBAL ECONOMIC CALENDAR

| DATE | TIME | CURRENCY | DATA | ACTUAL | FORECAST | PREVIOUS | DETAILS | IMPACT |
|-------------------|---------|----------|--------------------------------|--------|----------|----------|---------|--------|
| WED JUNE 23 | 4.30AM | AUD | Flash Manufacturing PMI | 58.4 | - | 60.4 | - | |
| | | AUD | Flash Services PMI | 56.0 | - | 58.0 | - | |
| | 6.00AM | JPY | Flash Manufacturing PMI | 51.5 | 53.2 | 53.0 | | |
| | 12.45PM | EUR | French Flash Manufacturing PMI | - | 59 | 59.4 | | |
| | | EUR | French Flash Services PMI | - | 59.6 | 56.6 | | |
| | 1.00PM | EUR | German Flash Manufacturing PMI | - | 63.0 | 64.4 | | |
| | | EUR | German Flash Services PMI | | 55.8 | 52.8 | | |
| | 1.30PM | EUR | Flash Manufacturing PMI | | 62.4 | 63.1 | | |
| | | EUR | Flash Services PMI | | 58.1 | 55.2 | | |
| | 2.00PM | GBP | Flash Manufacturing PMI | | 64.1 | 65.6 | | |
| | | GBP | Flash Services PMI | | 62.9 | 62.9 | | |
| | 6.00PM | CAD | Core Retail Sales m/m | | -4.4% | 4.3% | | |
| | | CAD | Retail Sales m/m | | -5.1% | 3.6% | | |
| | | USD | Current Account | | -205B | -188B | | |
| | 7.15PM | USD | Flash Manufacturing PMI | | 61.5 | 62.1 | | |
| | | USD | Flash Services PMI | | 70.0 | 70.4 | | |
| | 7.30PM | USD | New Home Sales | | 864K | 863K | | |
| | 8.00PM | USD | Crude Oil Inventories | | -3.6M | -7.4M | | |
| | 8.30PM | USD | FOMC Member Bostic Speaks | | | | | |
| | 9.30PM | EUR | ECB President Lagarde Speaks | | | | | |

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