

XFlow MARKETS

PULSE

DAILY-REPORT

05.07.2023



AUD/USD

CMP – 0.66846

AUD/USD is trading at 0.66846, 0.12% up since previous day close. The mixed USD ahead of the FOMC Meeting Minutes due today remains supportive for other basket of currencies. The country's Retail Sales remained steady at 0.7% same as previous reading while the result of Trade Balance data will remain into focus on Thursday. On Tuesday, the Reserve Bank of Australia (RBA) left an interest rate unchanged as expected at 4.10%. Last week, the pair traded on lower side amid mixed USD on rising fear over higher rate hike stance in near future as mentioned by FOMC Chair Powell. As seen in the chart, the pair AUD/USD seems to be showing a reversal phase from Fibo level 61.8 which acted as major support level & hence, slight buying may be suggested for the day.

Resistance – 0.67184 -0.67438

Pivot -0.66799

Support – 0.66545-0.66160

Expected Trend- Bullish



EUR/USD

CMP- 1.08784

EUR/USD is trading at 1.08784, 0.04% down since previous day close. The range bound trading can be seen in EUR/USD amid steady USD as traders waits for FOMC Minutes release due today; giving more cues over future monetary policy. Last week, the pair remained sluggish on account of hawkish Fed & other major Central Bank's monetary stance in future course of time. The Euro-zone Final Manufacturing PMI fell to 43.4 from 43.6 in the previous month while the focus will be on Final Services PMI figures which will be out today. As seen in the chart, the pair is firmly trading within the converging trend-lines & is hovering near MA (10), MA (20) & MA (100). Sideways trading may be recommended for the day.

Resistance – 1.08857 -1.08965

Pivot – 1.08802

Support – 1.08697-1.08640

Expected Trend- Neutral



US100

CMP- 15344

US100 is trading at 15344, 0.01% up since previous day close. The thin trading can be seen in U.S markets on account of national holiday amid Independence Day. Escalating tension between U.S & China after the latter imposes curbs on exports of chipmaking making materials to U.S remains crucial for US100. Earlier in this week, the US100 traded on higher side as traders seem to be digesting the negative effect of hawkish monetary stance by Central Banks. The Final Manufacturing PMI remained steady at 46.3 as expected while the result of Services PMI figures will remain into focus. As seen in the chart, the US100 is firmly trading near major resistance of previous highs & hence, a strong breakout can be expected if breached otherwise a reversal can be seen.

Resistance – 15360-15381

Pivot –15347

Support – 15326-15313

Expected Trend-Bullish



CHNIND

CMP- 6428.80

CHNIND is trading at 6428.3, 0.11% down since previous close. The Chinese stocks retreated heavily on Wednesday amid escalating trade-tension between U.S & China after China imposed curbs on exports of chipmaking materials to U.S. On data front, the Caixin Services PMI fell to 53.9 from 57.1 in the previous month which further subdued the index. Earlier, the traders digested the negative effect of hawkish outlook over monetary policy in near future as mentioned by major Central Banks chiefs; how-so-ever, the outcome of FOMC Minutes will remain in focus for the day. As seen in the chart, although the CHNIND is trading within the trend-lines yet it is still hovering near MA (200) which acts as a major support level. Wait & watch strategy may be build-up for the day in CHNIND.

Resistance – 6563-6611

Pivot –6522

Support- 6474-6433

Expected trend- Sideways



SILVER

CMP- \$22.920

Silver is trading at \$22.920, 0.12% up since previous close. The mixed USD ahead of FOMC Meeting Minutes due to be released today made the precious metals expensive. The rising tension between U.S & China pushed up the safe haven instruments. Earlier, the traders took a sigh of relief over panic aroused from hawkish U.S Fed Chair Powell speech regarding more rate hikes in this year which cushioned the Silver. Last week, the China's PBoC cuts down its Prime Lending Rate (PLR) by 10 bps lower than expectation which dragged down the silver prices; for China is a major consumer of silver. Buying on corrective dips may be recommended for the day in Silver.

Resistance – \$23.053 -\$23.144

Pivot- \$22.965

Support-\$22.872-\$22.783

Expected Trend- Bullish



WTI OIL

CMP- \$70.86

WTI Oil is trading at \$70.86, 0.02% down since previous day close. Rally in Oil prices seems to be paused on Wednesday after tension between U.S & China escalated as China imposes curbs on exports of chipmaking materials to U.S; which may hamper the Oil demand as well. Also, the traders will be looking forward to the OPEC meeting which is to be concluded today; with a focus on changes in Oil output levels. Earlier in this week, the Oil traded above \$70 level amid colling down of negative effect aroused from Fed's hawkish monetary outlook over future course of time. As seen in the chart, the Oil is trading near short-term Moving Averages of period 10 & 20 & hence, the cautious trading may be recommended for the day.

Resistance – \$71.62 -\$72.22

Pivot- \$70.75

Support –\$70.15- \$69.28

Expected Trend- Sideways

GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
JULY WED 05	6.30AM	NZD	ANZ Commodity Prices m/m	-	-	0.3%
	7.00AM	AUD	Retail Sales m/m	-	0.7%	0.7%
	7.15AM	CNY	Caixin Services PMI	-	56.2	57.1
	12.15PM	EUR	French Industrial Production m/m	-	-0.3%	0.8%
	1.20PM	EUR	French Final Services PMI	-	48.0	48.0
	1.25PM	EUR	German Final Services PMI	-	54.1	54.1
	1.30PM	EUR	Final Services PMI		52.4	52.4
	2.00PM	GBP	Final Services PMI		53.7	53.7
	2.30PM	EUR	PPI m/m		-1.7%	-3.2%
	ALL DAY	ALL	OPEC Meetings			
	TENTATIVE	USD	Factory Orders m/m		0.7%	0.4%
	11.30PM	USD	FOMC Meeting Minutes			

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