

XFlow MARKETS

PULSE

DAILY-REPORT

06.07.2023



GBP/USD

CMP – 1.26903

GBP/USD is trading at 1.26903, 0.02% down since previous day close. The Pound slightly depreciated against the strong mixed USD post FOMC Meeting Minutes which hinted the hawkish stance over future monetary policy. The Bank of England's move of raising interest rate by raising 50bps higher than expected hike of 25bps led the Pound to trade on higher side to some extent. On data front, the U. K's Final Manufacturing PMI rose to 46.5 from 46.2 whereas the Final Services PMI remained steady at 53.7. The focus will be on the result of Construction PMI data which is to be issued today. As seen in the chart, the pair GBP/USD seems to be trading near MA (10) & MA (20) which acts as a crucial level & hence the cautious trading may be recommended for the day.

Resistance – 1.27301 -1.27560

Pivot -1.27091

Support – 1.26832-1.26662

Expected Trend- Sideways



EUR/USD

CMP- 1.08363

EUR/USD is trading at 1.08363, 0.06% down since previous day close. The strong USD after FOMC Minutes showed the higher chances of interest rate hike in near future led the other currencies to trade on lower side. Last week, the EURO traded on lower side on account of hawkish Fed & other major Central Bank's monetary stance in future course of time. The Euro-zone Manufacturing PMI fell to 43.4 from 43.6 in the previous month & the Services PMI figures fell to 52.0 from 52.4 previously. As seen in the chart, the pair is firmly trading within the converging trend-lines & is hovering near MA (10), MA (20) & MA (100). Slight selling pressure may be suggested for the day in EUR/USD.

Resistance – 1.08917 -1.09284

Pivot – 1.08713

Support – 1.08347-1.08142

Expected Trend- Bearish



US30

CMP- 34400

US30 is trading at 34400, 0.08% down since previous day close. The U.S markets slid down on Thursday after FOMC Minutes showed the higher chances of interest rate hike in upcoming meetings in order to tame down the inflation. Also, the escalating tension between U.S & China after the latter imposes curbs on exports of chipmaking making materials to U.S subdued the US30. The Final Manufacturing PMI remained steady at 46.3 as expected while the result of Services PMI figures will remain into focus today. The market will be looking forward to ADP Non-Farm Employment figures as well. As seen in the chart, the US30 is trading near MA (10) which acts as major support level & hence, the cautious trading may be seen for the day.

Resistance – 34585-34703

Pivot –34509

Support – 34391-34315

Expected Trend-Sideways



CHNIND

CMP- 6255.80

CHNIND is trading at 6255.3, 0.21% down since previous close. The selling bias can be seen in Chinese stocks after U.S FOMC Minutes showed strong chances of rate hike in the next meeting to control the rising inflationary pressure. Escalating trade-tension between U.S & China after China imposed curbs on exports of chipmaking materials to U.S made the indices to trade on lower side. On data front, the Caixin Services PMI fell to 53.9 from 57.1 in the previous month indicating the slowing economic growth, further subdued the index. As seen in the chart, the CHNIND is trading within the bearish trend-lines & crossed down the long-term MA (200) which acts as a major support level. Slight selling bias may be recommended for the day in CHNIND.

Resistance – 6490-6587

Pivot –6435

Support- 6338-6283

Expected trend- Bearish



SILVER

CMP- \$23.094

Silver is trading at \$23.094, 0.24% up since previous close. The slight correction can be seen in silver prices on Thursday post FOMC Meeting Minutes which strengthened the chances of interest rate hike in the near future. The slow-down in Chinese manufacturing & industrial activities further pressurized the silver prices. 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. Wait & watch strategy may be build-up for the day in Silver.

Resistance – \$23.063 -\$23.363

Pivot- \$23.064

Support-\$22.824-\$22.525

Expected Trend- Neutral



WTI OIL

CMP- \$71.67

WTI Oil is trading at \$71.67, 0.02% up since previous day close. The Oil prices inches up on Thursday post U.S American Petroleum Institute (API) report which showed a fall in Oil stocks level by 4.28 mbpd against the expected fall of 1.80 mbpd; as this indicate lesser supplies for the week. The market will be looking forward to the result of U.S Energy Information Administration report which will be issued today. The rising tension between U.S & China as China imposes curbs on exports of chipmaking materials to U.S; may hamper the Oil demand. The outcome of OPEC meeting will remain vital for the prices. Slight buying bias may be established for the day in WTI Oil.

Resistance – \$72.61 -\$73.30

Pivot- \$71.46

Support –\$70.77- \$69.62

Expected Trend- Slight Bullish

GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
JULY THU 06	1.30AM	USD	FOMC Member Williams Speaks	-	-	-
	7.00AM	AUD	Trade Balance	11.79B	10.85B	10.45B
	11.30AM	EUR	German Factory Orders m/m	-	1.1%	-0.4%
	2.00PM	GBP	Construction PMI	-	50.9	51.6
	2.30PM	EUR	Retail Sales m/m	-	0.2%	0.0%
	DAY 2	ALL	OPEC Meetings	-	-	-
	5.45PM	USD	ADP Non-Farm Employment Change		226K	278K
	6.00PM	CAD	Trade Balance		1.4B	1.9B
		USD	Unemployment Claims		247K	239K
		USD	Trade Balance		-68.9B	-74.6B
	6.15PM	USD	FOMC Member Logan Speaks		-	-
	7.15PM	USD	Final Services PMI		54.1	54.1
	7.30PM	USD	ISM Services PMI		51.3	50.3
		USD	JOLTS Job Openings		9.93M	10.10M
	8.30PM	USD	Crude Oil Inventories		-2.0M	-9.6M

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