

**XFlow** MARKETS

# PULSE

DAILY-REPORT

31.07.2023



**GBP/USD** **CMP – 1.28501**

GBP/USD is trading at 1.28501, 0.06% down since previous day close. The tight range can be seen in Sterling Pound amid mixed global cues. Also, the traders remain cautious ahead of Bank of England (BoE) meeting which is to be scheduled in this week; with a hope of 25bps rate hike stance. Last week, the soft USD amid ECB's 25bps interest rate hike move & BoJ's future dovish monetary stance led other currencies to trade on positive note. The result of U.K.'s Mortgage Approvals & Net Lending to Individuals data will remain into focus for the day. As seen in the chart, the pair GBP/USD is trading near lower trend-line of channel pattern indicating make-or-break situation & hence, the sideways momentum can be seen for the day.

**Resistance – 1.29015-1.29565** **Pivot -1.28321**  
**Support – 1.27771-1.27077** **Expected Trend- Sideways**



**USD/JPY** **CMP- 141.813**

USD/JPY is trading at 141.813, 0.13% down since previous day close. The mixed USD ahead of the U.S Non-farm Payroll data due later in this week turned out to be slightly suppressive for YEN on Monday. Last week, the Bank of Japan (BoJ) left interest rate unchanged at -0.10% as expected; however, hinted for dovish stance in future course of time in order to boost an economic growth. This widely cushioned the pair USD/JPY. Besides this, the FOMC & ECB hiked a rate by 25bps which remained slightly suppressive for YEN. As seen in the chart, the pair reversed up from Fibon level 50.0 & is now trading at Fibon level 23.6. The cautious trading may be seen for the day in USD/JPY.

**Resistance – 142.216 -143.254** **Pivot – 140.138**  
**Support – 139.095-137.022** **Expected Trend-Neutral**



**CHNIND** **CMP- 6985**

CHNIND is trading at 6985, 0.18% up since previous day close. The Chinese shares showed a strong upside despite mixed release of PMI figures. The Manufacturing PMI rose to 49.3 from 49.0 in the prior month whereas the Non-Manufacturing PMI fell to 51.5 from 53.2. The effect has been outweighed by optimism looming over chances of more stimulus measures to be offered to Beijing in order to boost the economic growth. On global front, the expected hawkish stance from ECB & Fed & BoJ's futuristic dovish monetary stance made the world indices to trade on higher side. Buying on lower levels may be suggested for the day in CHNIND since an index successfully crossed over upper converging trend-line which indicates further buying pressure if sustained.

**Resistance – 7040-7149** **Pivot –6826**  
**Support – 6717-6503** **Expected Trend-Bullish**



**AUS200** **CMP-7338.3**

AUS200 is trading at 7338.3, 0.16% down since previous close. The slight downside pressure can be witnessed in Asian shares after China issued weaker than expected PMI figures; since Australia & China are the trading partners. At end of the last week, the USD surges on account of better U.S GDP data & steady BoJ monetary stance. On data front, the PPI rate grew by just 0.5% lower than previous figure 1.0% & the Retail Sales fell by 0.8% higher than expectation. These slightly weigh down the AUS200. The traders will be looking forward to the result of Reserve Bank of Australia (RBA) meeting which is to be held on Tuesday. Buying on lower levels may be suggested in AUS200 if index sustains the MA (10) which acts as a major support level.

**Resistance – 7416-7456** **Pivot –7360**  
**Support- 7320-7264** **Expected trend- Sideways**



**SILVER** **CMP- \$24.233**

Silver is trading at \$24.233, 0.02% down since previous close. The tight range can be seen in silver prices against the mixed global factors & steady USD ahead of the U.S Non-farm Payroll data release event which is due later in this week. Earlier to this, the BoJ maintained an interest rate steady at -0.10%; however, hinted for dovish stance in future course of time which turned out to be positive for safe haven instruments. Last week, the Fed hiked an interest rate by 25bps leading to 5.50% from the range of 5.25%; as expected & hinted for a one more rate hike later in this year which pushed up the precious metals. Wait & watch strategy may be adopted for the day in Silver.

**Resistance – \$24.452-\$24.584** **Pivot- \$24.280**  
**Support-\$24.154-\$23.976** **Expected Trend- Neutral**



**WTI OIL** **CMP- \$80.25**

WTI Oil is trading at \$80.25, 0.29% up since previous day close. The Oil prices seems to be trading flat to higher side as China shows progressive talks over stimulus measures in order to support an economy. This may support the Oil prices since China is a major Oil consuming country. Globally, the FOMC raised an interest rate by 25 bps as expected & stated for lower likelihood of recession hitting the U.S economy which further pushed up the prices. The Saudi Arabia & Russia's Oil output cut for the month of August remains supportive for Oil prices. Buying bias may be recommended for the day in WTI Oil since the commodity is expected to test long-term MA (100) if upside prevailed further.

**Resistance – \$81.10-\$81.72** **Pivot- \$80.07**  
**Support –\$79.45- \$78.42** **Expected Trend- Bullish**

## GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
<b>JULY MON 31</b>	5.20AM	JPY	Prelim Industrial Production m/m	2.0%	2.5%	-2.2%
		JPY	Retail Sales y/y	5.9%	5.4%	5.8%
	7.00AM	CNY	Manufacturing PMI	49.3	48.9	49.0
		CNY	Non-Manufacturing PMI	51.5	52.9	53.2
	10.30AM	JPY	Consumer Confidence		36.1	36.2
		JPY	Housing Starts y/y	-	-0.4%	3.5%
	11.30AM	EUR	German Import Prices m/m	-	-0.8%	-1.4%
		EUR	German Retail Sales m/m		-0.3%	0.4%
	12.00PM	CHF	Retail Sales y/y		-0.7%	-1.1%
	2.00PM	GBP	Mortgage Approvals		49K	51K
		GBP	Net Lending to Individuals m/m		1.3B	1.1B
	2.30PM	EUR	CPI Flash Estimate y/y		5.3%	5.5%
		EUR	Core CPI Flash Estimate y/y		5.4%	5.5%
		EUR	Prelim Flash GDP q/q		0.2%	-0.1%
	TENTATIVE	EUR	EU Economic Forecasts		-	-
	7.15PM	USD	Chicago PMI		43.3	41.5

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