

XFlow MARKETS

PULSE

DAILY-REPORT

21.09.2023



GBP/USD **CMP – 1.23194**

GBP/USD is trading at 1.23194, 0.12% down since previous day close. The Pound depreciated in early trade on Thursday against the USD after U.S Fed Powell hinted for one more rate hike in this year; although keeping an interest rate steady at 5.50% in its recent meeting. On data front, the U. K’s CPI rate grew by 6.7% lower than expectation of 7.0% which failed to cushion the pair GBP/USD. The Bank of England (BoE) is to hold its meeting today with an expectation of 25 bps rate hike stance. As seen in the chart, the pair GBP/USD slid down below long-term Moving Averages of period 100 & 200 & is trading near the lower levels of previous lows which acts as a next support level. Slight selling bias may be recommended for the day in GBP/USD.

Resistance – 1.23907 -1.24546 Pivot – 1.23572
Support – 1.22933-1.22598 Expected Trend-Slight Bearish



NZD/USD **CMP- 0.59080**

NZD/USD is trading at 0.59080, 0.06% down since previous day close. The Kiwi weakened against the strong USD after U.S Fed left an interest rate unchanged at 5.50% range as expected; however, hinted for one more rate hike in this year followed by two more in the year 2024. This hawkish stance led selling pressure in currencies & equity markets. The traders will be looking forward to the outcome of BoE & BoJ meets scheduled today & Friday respectively. In New Zealand, the CPI rate grew by 0.9% higher than expectation 0.4% & the Current Account deficit fell to 4.21B from 4.66B in the previous month. As seen in the chart, the pair is hovering near lower trend-line of channel & hence, the cautious trading may be recommended.

Resistance – 0.59658 -0.60078 Pivot – 0.59432
Support – 0.59012-0.58786 Expected Trend- Neutral



US100 **CMP- 15094**

US100 is trading at 15094, 0.18% down since previous day close. The overall U.S markets plunges down in early trade on Thursday after U.S Fed showed hawkish stance over future rate hike in this year followed by two more hikes in the year 2024; leaving the rate steady at 5.50% range in its latest meeting. The traders will be eyeing the outcome of Bank of England (BoE) & Bank of Japan (BoJ) meeting in this week. Other than this, the market sentiments improved over Chinese stimulus measures ECB’s hawkish move of raising interest rate by 25bps against the expectation of no-change. As seen in the chart, the index is trading near Fibon level 61.8 which acts as a major support level & hence, a breakdown can be expected if breaches the current level otherwise a reversal can be seen.

Resistance – 15329-15545 Pivot –15219
Support – 15003-14893 Expected Trend- Slight Bearish



JAP225

CMP-32409.3

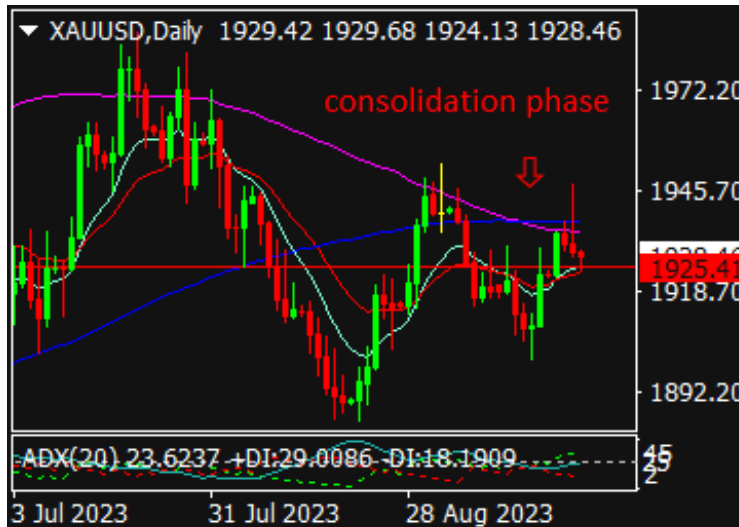
JAP225 is trading at 32409.3, 0.09% down since previous close. The Asian shares slid down following the momentum in other global peers amid hawkish U.S Fed stance over raising an interest rate once in this year & two more hikes in next year; although keeping an interest rate steady at 5.50% range in its latest meeting. Also, the traders will be eyeing upcoming BoJ meet which is to be held on Friday with a hope of rate hike & ending the negative rate cycle. In Japan, the Trade Balance data showed a fall in surplus by 0.56T against the expected fall of 0.44T which slightly lowered down the JAP225. As seen in the chart, the index is firmly trading near the MA (10) & MA (20) which signals for a breakdown if breached or a reversal if sustained. Wait & watch strategy may be adopted for the day.

Resistance – 32923-33196

Pivot –32786

Support- 32513-32376

Expected trend-Slight Bearish



GOLD

CMP- \$1928.44

Gold is trading at \$1928.44, 0.09% down since previous close. The Gold slid down from one-week's high on Thursday against the strong USD & rising U.S treasury bond yield as U.S Fed hinted for one more rate hike in this year & two more hikes in the year 2024 in order to control sticky inflation rate. Though the Fed left an interest rate steady at 5.50% as expected; still the overall Fed decision weakened the precious metals. Earlier in this week, the news spurred in over U.S government shutdown amid fiscal deficit concern & hence, pushed up safe haven instruments like gold & YEN. As seen in the chart, the Gold seems to be trading firmly within the short- & long-term Moving Averages & hence, sideways trading may be expected.

Resistance – \$1941.83 -\$1954.42

Pivot- \$1934.01

Support-\$1922.42-\$1915.60

Expected Trend-Sideways



WTI OIL

CMP- \$89.01

WTI Oil is trading at \$89.01, 0.19% down since previous day close. The downside can be seen in Oil prices against the strong USD after U.S Fed hinted for hawkish stance later in this year; though keeping an interest rate steady at 5.50% range. The U.S Energy Information Administration report showed a mild drop-down in Oil inventories level by 2.1 mbpd against the expected 1.3 mbpd. The U.S API report showed a fall in Oil stocks level by 5.250 mbpd against the expected fall of 2.667 mbpd. The supply cuts from Saudi Arabia & Russia will remain significant for the prices in long-run. As seen in the chart, the Oil seems to be showing a reversal from major resistance of previous highs & hence, slight selling bias may be seen further.

Resistance – \$90.54 -\$91.84

Pivot- \$89.73

Support –\$88.40- \$87.62

Expected Trend-Bearish

GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
SEPT THU 21	4.15AM	NZD	GDP q/q	-	0.4%	-0.1%
	11.30AM	GBP	Public Sector Net Borrowing	-	9.8B	3.5B
	1.00PM	CHF	SNB Monetary Policy Assessment	-	-	-
		CHF	SNB Policy Rate	-	2.00%	1.75%
	1.30PM	EUR	German Buba President Nagel Speaks	-	-	-
	TENTATIVE	CHF	SNB Press Conference		-	-
	4.30PM	GBP	Monetary Policy Summary		-	-
		GBP	Official Bank Rate		5.50%	5.25%
	TENTATIVE	GBP	BOE Inflation Letter		-	-
	6.00PM	CAD	NHPI m/m		0.0%	-0.1%
		USD	Unemployment Claims		224K	220K
		USD	Philly Fed Manufacturing Index		-1.1	12.0
		USD	Current Account		-220B	-219B
	7.30PM	EUR	ECB President Lagarde Speaks			
		EUR	Consumer Confidence		-16	-16
		USD	Existing Home Sales		4.10M	4.07M
		USD	CB Leading Index m/m		-0.5%	-0.4%
	8.00PM	USD	Natural Gas Storage		65B	57B

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