

XFlow MARKETS

PULSE

DAILY-REPORT

22.09.2023



USD/JPY

CMP – 148.103

USD/JPY is trading at 148.103, 0.12% down since previous day close. The YEN weakened post Bank of Japan (BoJ) meeting wherein an interest rate was held steady at -0.10% while the traders would be expecting an end to negative interest rate cycle. On data front, the Japan's Flash Manufacturing PMI fell to 48.6 from 49.6 in previous month which further dragged down the USD/JPY. Globally, the strong 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 depreciated the major currencies. As seen in the chart, the pair is consistently trading above the short-term MA (10) & MA (20) & hence, further selling in YEN may be expected against the USD on daily basis.

Resistance – 148.297 -148.946 Pivot – 147.808

Support – 147.159-146.670 Expected Trend-**Slight Bearish**



NZD/USD

CMP- 0.59350

NZD/USD is trading at 0.59351, 0.01% up since previous day close. The mixed trading can be seen in Kiwi on Friday against the steady 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. In New Zealand, the Westpac Consumer Sentiment fell to 80.2 from 83.1 in the previous month & the Trade Balance deficit rose to 2291M against the estimated fall of 351M. These slightly subdued the pair NZD/USD. As seen in the chart, the pair is hovering near lower trend-line of channel which indicates a breakdown or a reversal situation & hence, the cautious trading may be recommended for the day.

Resistance – 0.59498 -0.59688

Pivot – 0.59222

Support – 0.59032-0.58765

Expected Trend- **Neutral**



US100

CMP- 14897

US100 is trading at 14897, 0.04% up since previous day close. The flat to lower side trading can be seen in U.S markets on Friday after BoJ & BoE left interest rate steady at -0.10% & 5.25%. On Thursday, the overall U.S markets plunges down 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. Last week, 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 previous lows which acts as a major support level & hence, a breakdown can be seen if breaches the current level otherwise a reversal can be seen.

Resistance – 15043-15235

Pivot –14941

Support – 14749-14647

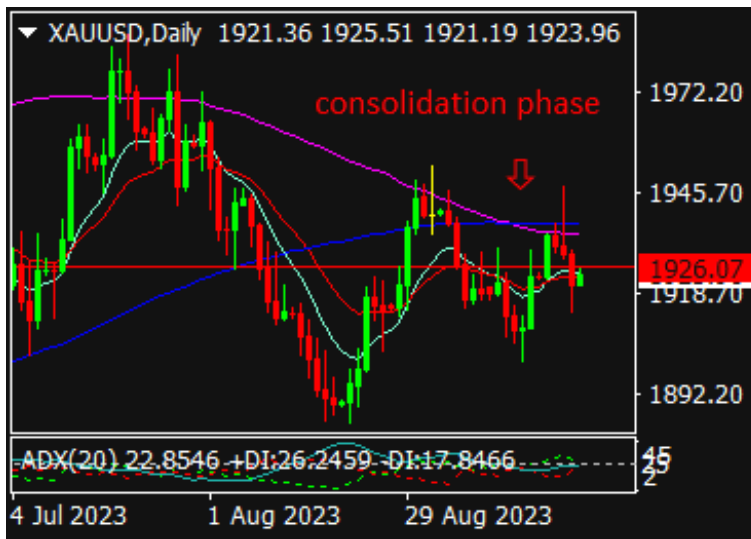
Expected Trend- **Slight Bearish**



UK100 **CMP-7714.3**

UK100 is trading at 7714.3, 0.03% down since previous close. The U.K index seems to be trading range bound after Bank of England (BoE) left an interest rate steady at 5.25% against the expected hike of 25 bps. On global front, the 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 led the selling pressure in equity markets. The result of U.K Flash Services & Manufacturing PMI data will remain in to focus for the day. As seen in the chart, the index is strongly reversed up from cluster support in last week; how-so-ever, it is hovering near bearish trend-line & hence, the cautious trading may be recommended for the day.

Resistance – 7764-7834 **Pivot –7726**
Support- 7656-7648 **Expected trend-Slight Bearish**



GOLD **CMP- \$1926.44**

Gold is trading at \$1926.44, 0.02% down since previous close. The tight range can be seen in gold prices against the mixed USD after negative sentiments arising out to of U.S Fed’s hint for one mor rate hike in this year & two more hikes in the year 2024 in order to control the sticky inflation rate seems to be easing down. 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. The result of PMI figures will help in determining the trend in precious metals. 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 – \$1929.83 - \$1938.42 **Pivot- \$1921.01**
Support- \$1913.42- \$1905.60 **Expected Trend-Sideways**



WTI OIL **CMP- \$90.30**

WTI Oil is trading at \$90.30, 0.21% up since previous day close. The Oil prices rallied on Friday after Russia bans its fuel exports which affects the supplies of Oil throughout the world since Russia is one of the major suppliers of Crude Oil. This outweighs the negative effect emerging out of U.S Fed’s hawkish stance in near future; though keeping an interest rate steady at 5.50% range. The supply cuts from Saudi Arabia & Russia will remain significant for the prices in long-run. The result of U.S Baker Hughes report will remain in focus for the day. As seen in the chart, the Oil seems to be trading firmly near major resistance of previous highs & hence, a breakout can be seen if breaches the level.

Resistance – \$91.01 - \$92.30 **Pivot- \$89.68**
Support – \$88.39- \$87.06 **Expected Trend- Slight Bullish**

GLOBAL ECONOMIC CALENDAR

| DATE | TIME | CURRENCY | DATA | ACTUAL | FORECAST | PREVIOUS |
|-------------|-----------|----------|--------------------------------|--------|----------|----------|
| SEPT FRI 22 | 2.30AM | NZD | Westpac Consumer Sentiment | - | - | 83.1 |
| | 4.15AM | NZD | Trade Balance | - | -351M | -1107M |
| | 4.30AM | AUD | Flash Manufacturing PMI | - | - | 49.6 |
| | | AUD | Flash Services PMI | - | - | 47.8 |
| | 6.00AM | JPY | Flash Manufacturing PMI | - | 49.9 | 49.6 |
| | TENTATIVE | JPY | Monetary Policy Statement | | - | - |
| | TENTATIVE | JPY | BOJ Policy Rate | | -0.10% | -0.10% |
| | 11.30AM | GBP | Retail Sales m/m | | 0.5% | -1.2% |
| | 12.45PM | EUR | French Flash Manufacturing PMI | | 46.2 | 46.0 |
| | | EUR | French Flash Services PMI | | 46.0 | 46.0 |
| | 1.00PM | EUR | German Flash Manufacturing PMI | | 39.5 | 39.1 |
| | | EUR | German Flash Services PMI | | 47.2 | 47.3 |
| | 1.30PM | EUR | Flash Manufacturing PMI | | 44.0 | 43.5 |
| | | EUR | Flash Services PMI | | 47.7 | 47.9 |
| | 2.00PM | GBP | Flash Manufacturing PMI | | 43.3 | 43.0 |
| | | GBP | Flash Services PMI | | 49.3 | 49.5 |
| | 6.00PM | CAD | Core Retail Sales m/m | | 0.5% | -0.8% |
| | | CAD | Retail Sales m/m | | 0.4% | 0.1% |
| | 7.15PM | USD | Flash Manufacturing PMI | | 48.2 | 47.9 |
| | | USD | Flash Services PMI | | 50.7 | 50.5 |
| | 10.30PM | USD | FOMC Member Kashkari Speaks | | | |

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