

XFlow MARKETS

PULSE

DAILY-REPORT

28.12.2023



USD/JPY

CMP – 141.313

USD/JPY is trading at 141.313, 0.21% up since previous day close. The YEN gained the momentum against the weaker USD as traders expect trimming of U.S interest rates in the month of March; as hinted by few Fed officials. On data front, the Japan's Prelim Industrial Production fell by 0.9% lower than expected fall of 1.7% & the Retail Sales grew by 5.3% from 4.1% in the previous month. These factors further cushioned the pair USD/JPY. Last week, the Bank of Japan (BoJ) left an interest rate steady at -0.10%; turning ultra dovish & hence, dragged down the YEN widely. As seen in the chart, the pair USD/JPY sustained & reversed down the Fibo level 61.8 which indicates further buying in YEN against the USD on short to medium term basis.

Resistance – 142.396 -143.354

Pivot – 141.889

Support – 140.931-140.424

Expected Trend- Bullish



GBP/USD

CMP- 1.28096

GBP/USD is trading at 1.28096, 0.21% up since previous day close. The soft USD amid rising chances of rate cut in near term led the buying pressure in other basket of currencies. Regionally, the U. K's CPI rate grew by just 3.9% lower than expected rise of 4.3% in the previous month & the Retail Sales rose by 1.3% from 0.0% previously. The decline in Oil prices & mixed Chinese economic outlook will remain vital for GBP/USD. The result of U.S Jobless Claims data will remain vital for USD & other currencies. As seen in the chart, the pair is successfully crossed over the Fibo levels 61.8 which indicates a strong breakout if sustained above the levels. Buying on dips may be recommended for the day in GBP/USD.

Resistance – 1.28353– 1.28709

Pivot – 1.27653

Support – 1.27314-1.26631

Expected Trend- Bullish



US30

CMP- 38027

US30 is trading at 38027, 0.17% up since previous day close. The record high levels can be seen in U.S markets; formed in the previous session as optimism hovers over interest rate cut in the month of March on account of strong global factors. The weak U.S PCE Price Index & recovering technology sector in U.S raises interest rate cut chances. Other than this, the factors like volatile Crude Oil prices & ceasefire talks between Israel & Hamas remains significant for global markets. The result of Jobless Claims & Pending Home Sales data remains in focus for the day. As seen in the H4 chart, the index strongly crossed an upper trend-line of channel pattern along with ADX line trading at higher levels. Buying on lower levels may be recommended for the day in US30.

Resistance – 38067-38142

Pivot –37943

Support – 37862-37738

Expected Trade- Slight Bullish



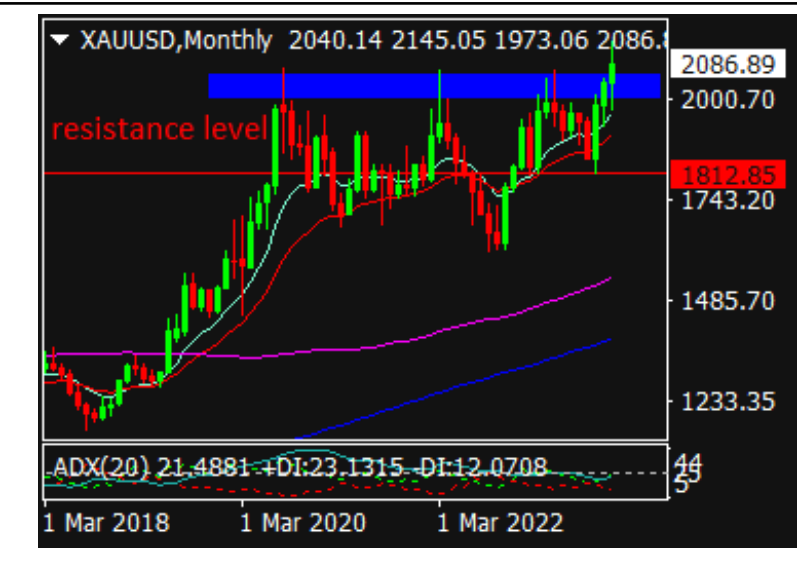
GER30

CMP-16971.3

GER30 is trading at 16971.3, 0.19% up since previous close. The global equity markets are trading at higher levels as positive sentiments emerges amongst the traders & investors remain optimistic over U.S rate cut in the first quarter of year 2024. The weaker than expected U.S PCE Price Index data increased the chances of interest rate cut in the upcoming Fed meeting & hence, cushioned the global indices. The German Import Prices fell by 0.1% lower than expectation -0.4% which may impact the GER30 to some extent. As seen in the chart, the index is strongly trading above the major resistance level & hence, further bullishness may be maintained if upward momentum prevailed. Buying bias may be recommended for the day in GER30.

Resistance – 16983-17036
Support- 16878-16823

Pivot –16924
Expected trend- Bullish



GOLD

CMP- \$2086.44

Gold is trading at \$2086.44, 0.22% up since previous close. A strong buying pressure seems to be building up in gold prices against the soft USD as U.S PCE Price Index showed poor result & hence, increases the chances of interest rate cut-down in near term. Earlier, the ultra-dovish BoJ stance & leaving its interest rate steady at -0.10% led the selling pressure in gold. Uncertain Chinese economic outlook will remain significant for gold prices; for China is a top consumer of metals. The result of US Jobless Claims data will be closely monitored today. As seen in chart, the gold is on the verge of crossing over the major resistance level & hence, a breakout is expected if breaches the level. Slight buying may be initiated for the day.

Resistance – \$2088.83 -\$2098.42
Support-\$2065.42-\$2052.60

Pivot- \$2075.01
Expected Trend- Bullish



WTI OIL

CMP- \$73.99

WTI Oil is trading at \$73.99, 0.18% down since previous day close. The selling pressure can be seen in Oil prices in early trade on Thursday after U.S API report showed a build-up in Oil stocks level by 1.837 mbpd against the previous rise of 0.939 mbpd. The focus will be on the result of U.S EIA estimates which are to be issued today. Ongoing tension between Middle-East after Yemen's Iran-aligned Houthi group attacked the ships in Red Sea may remain vital for Oil prices. Last week, the prices traded on higher side after Angola announced its exit from OPEC, although it accounts for small portion of overall oil output & supplies by the cartel. Selling on rallies may be recommended for the day in WTI Oil.

Resistance – \$75.19-\$76.38
Support –\$73.28- \$72.56

Pivot- \$74.47
Expected Trend- Slight Bearish

GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
DEC THU 28	5.20AM	JPY	Prelim Industrial Production m/m	-0.9%	-1.7%	1.3%
		JPY	Retail Sales y/y	5.3%	5.1%	4.1%
	7.00PM	USD	Unemployment Claims	-	211K	205K
		USD	Goods Trade Balance	-	-88.6B	-89.6B
		USD	Prelim Wholesale Inventories m/m		-0.2%	-0.4%
	8.30PM	USD	Pending Home Sales m/m		0.8%	-1.5%
	9.00PM	USD	Natural Gas Storage		-80B	-87B
	9.30PM	USD	Crude Oil Inventories		-2.7M	2.9M

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