

XFlow MARKETS

PULSE

DAILY-REPORT

29.12.2023



USD/JPY

CMP – 141.413

USD/JPY is trading at 141.413, 0.28% up since previous day close. An upside continued to be prevailed in YEN gained the momentum against the weaker USD as traders expect U.S interest rate cut in the month of March; as hinted by few Fed officials. 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 – 141.984-142.529

Pivot – 141.118

Support – 140.573-139.707

Expected Trend- Bullish



EUR/USD

CMP- 1.10665

EUR/USD is trading at 1.10665, 0.21% up since previous day close. The EURO widely appreciated against the soft USD after U.S issued weaker than expected Jobless Claims & Goods Trade Balance data on Thursday. The rising chances of rate cut in near term as hinted by Fed Chair Powell in early December further led the buying pressure in EURO. The hawkish ECB monetary stance may remain supportive for EUR/USD in future course of time. Besides this, the decline in Oil prices & mixed Chinese economic outlook will remain vital for major currencies. As seen in the chart, the pair is trading near MA (200) which acts as major resistance level & hence, buying on dips may be recommended for the day.

Resistance – 1.11198– 1.11719

Pivot – 1.10875

Support – 1.10354-1.10031

Expected Trend- Bullish



US30

CMP- 38047

US30 is trading at 38047, 0.18% up since previous day close. The U.S markets witnesses an upside on Friday despite poor outcome of Jobless Claims & Goods Trade Balance data issued on Thursday. Majorly, an optimism looms over interest rate cut in the month of March on account of strong global factors which pushed up the US30. 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. 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 – 38115-38184

Pivot – 38018

Support – 37949-37852

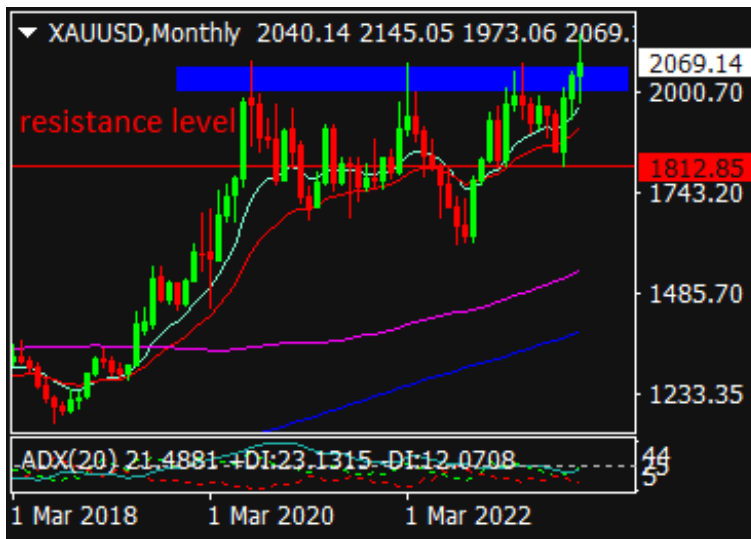
Expected Trade- Slight Bullish



UK100 **CMP-7752.3**

UK100 is trading at 7752.3, 0.19% up since previous close. Like U.S & European markets, the UK100 surges up in early trade on Friday as global sentiments improved on U.S interest rate cut chances 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 BoE left an interest rate steady at 5.25% as expected however hinted for a rate hike in near future if required & hence, pushed up the UK100. As seen in the chart, the index UK100 crossed over major resistance level with heavy trading volume & hence, buying bias may be recommended for the day on each & every corrective dip.

Resistance – 7774-7807 **Pivot –7750**
Support- 7717-7693 **Expected trend- Bullish**



GOLD **CMP- \$2069.44**

Gold is trading at \$2069.44, 0.02% up since previous close. The slight profit-booking can be seen in gold prices on Friday after rallying to record-high levels earlier in this week. The soft USD as U.S PCE Price Index showed poor result & hence, increases the chances of interest rate cut-down in near term led the rally in precious metals. 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. As seen in chart, the gold is still hovering near major resistance level & hence, a breakout is expected if breaches the level. Sideways trading may be suggested.

Resistance – \$2081.83 - \$2097.42 **Pivot- \$2073.01**
Support- \$2057.42- \$2049.60 **Expected Trend- Sideways**



WTI OIL **CMP- \$72.08**

WTI Oil is trading at \$72.08, 0.21% down since previous day close. The Oil prices soars down despite bearish U.S EIA estimates which showed a drop-down in Oil inventory levels by 7.1 mbpd against the expected fall of 2.7 mbpd. The slowing demand from China on account of weak economic growth led the selling pressure in Oil prices since China is a top consumer of Oil. Ongoing tension between Middle-East after Yemen’s Iran-aligned Houthi group attacked the ships in Red Sea may remain vital for Oil prices. The thin trading volume amid New Year Eve may suppress the prices for the day. Selling on rallies may be recommended in WTI Oi since the commodity crossed down the MA (10) & MA (20).

Resistance – \$73.70- \$75.39 **Pivot- \$72.70**
Support – \$71.01- \$70.01 **Expected Trend- Slight Bearish**

GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
DEC FRI 29	12.30PM	GBP	Nationwide HPI m/m	-	0.1%	0.2%
	1.30PM	CHF	KOF Economic Barometer	-	96.9	96.7
		EUR	Spanish Flash CPI y/y	-	3.2%	3.2%
	8.15PM	USD	Chicago PMI	-	50.1	55.8

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