

**XFlow** MARKETS

# PULSE

DAILY-REPORT

17.01.2024



### GBP/USD

**CMP – 1.26702**

GBP/USD is trading at 1.26702, 0.01% up since previous day close. The Sterling Pound slightly inches up post release of CPI data which grew by 4.0% higher than expectation 3.8% which might increase the chances of interest rate hike in upcoming BoE's meet. However, the pair traded weaker in first half of the session against the recovering USD after Fed official Waller hinted for less possibility for rate cut in the month of March. The U.K Claimant Count Change rose by 11.7K from 0.6K in the previous month while the Average Earnings Index grew by just 6.5% against the expectation of 6.8%. As seen in the chart, the pair is firmly trading near the major Fibo level of 50.0 which strongly indicates an either side breakout & hence, wait & watch strategy may be build-up for the day in GBP/USD.

**Resistance – 1.26962-1.27551**

**Pivot – 1.26578**

**Support – 1.25989-1.25605**

**Expected Trend- Sideways**



### USD/CAD

**CMP- 1.35133**

USD/CAD is trading at 1.35133, 0.06% down since previous day close. The Canadian Dollar (CAD) traded weaker against the strong USD as chances looms over less-dovish FOMC future monetary stance; as hinted by Fed official Waller on Tuesday. Also, the declining Oil prices further weigh down the CAD since they are directly correlated. On data front, the Canada's CPI rate fell by 0.3% as expected which weakened the pair to some extent. The market will be looking forward to the result of Foreign Securities Purchases data which is to be issued today. As seen in chart, the pair USD/CAD is firmly trading near MA (10) & MA (20) which indicates an either side breakout. Slight selling bias may be established for the day in CAD.

**Resistance – 1.35157– 1.35418**

**Pivot – 1.34756**

**Support – 1.34495-1.34094**

**Expected Trend- Slight Bearish**



### GER30

**CMP- 16418**

GER30 is trading at 16418, 0.22% down since previous day close. The European shares slid down following the downside in U.S markets amid weak Chinese economic outlook & mixed bet over rate cut stance in Fed's future monetary policy meet; as hinted by Fed official on Tuesday. Last week, the equity markets traded at higher levels as optimism looms on AI hype & exposure. On data front, the German ZEW Economic Sentiment climbed to 15.2 from 12.8 in the previous month which failed to create any positive impact on GER30. As seen in the chart, the index corrected till Fibonaci level 23.6 which acts as an immediate support level; signaling for a breakdown if breached otherwise a reversal can be noticed. The cautious trading can be recommended for the day in GER30.

**Resistance – 16607-16676**

**Pivot – 16543**

**Support – 16474-16410**

**Expected Trade- Slight Bearish**



### US100

**CMP-16716.3**

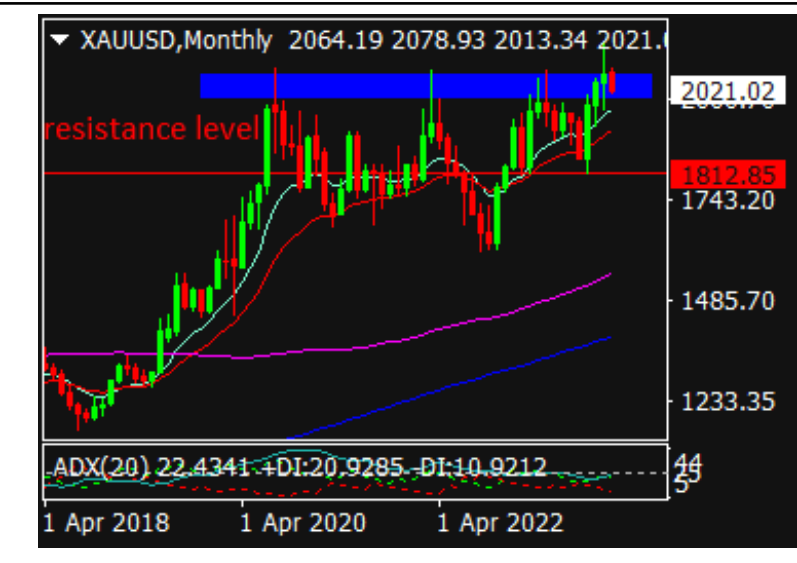
US100 is trading at 16716.3, 0.11% down since previous day close. The U.S markets slid down on Wednesday after the Fed Governor Christopher Waller hinted for less chances of rate cut in the month of March with a concern over resilient economy phase. Also, the weak Chinese outlook as its key economic figures posted poor result; subdued the global equity market. The USD climbed to one-month highs & the rising bond yields contributed selling pressure in US100. The result of Retail Sales data will remain in focus for the day. As seen in the chart, the index US100 is consistently trading near Fibo level 23.6 while the ADX line is hovering below the level 25 which indicates the sideways trading in an index on an intraday basis.

**Resistance – 16947-17038**

**Pivot –16817**

**Support- 16726-16598**

**Expected trend- Neutral**



### GOLD

**CMP- \$2021.44**

Gold is trading at \$2021.44, 0.04% down since previous close. The strong USD & rising bond yields after U.S Fed Governor Waller showed the lesser probability of rate cut in the month of March turned out to be negative for precious metals. The weak Chinese economic outlook as its GDP rate cooled down to 5.2% lower than expectation suppresses the gold prices; for China is a top consumer of metals. The U.S posted weaker Empire State Manufacturing Index data which further pushed up the USD & weakened the gold prices. As seen in chart, the gold is still hovering near major resistance level & hence, a breakout is expected if breaches the level. Wait & watch strategy may be adopted.

**Resistance – \$2047.83 -\$2065.42 Pivot- \$2035.01**

**Support-\$2016.42-\$2005.60 Expected Trend- Slight Bearish**



### WTI OIL

**CMP- \$71.42**

WTI Oil is trading at \$71.42, 0.16% down since previous day close. The flat to lower side trading can be seen in Oil prices as USD strengthened amid lesser chances of interest rate cut in the month of March. The rising conflicts in the Middle-East regions with more attacks on Gaza & supply disruption from Red Sea made the Oil prices volatile. Earlier, the prices retreated after the Saudi Arabia, world's largest Oil exporter cut-down the prices of its exports to Asia & parts of Europe. The U.S is to issue its Energy Information Administration (EIA) report on Wednesday. Slight selling bias may be suggested for the day in Oil prices since the commodity is trading below the short-term MA (10) & MA (20).

**Resistance – \$73.07-\$74.23**

**Pivot- \$72.38**

**Support –\$71.22- \$70.53**

**Expected Trend-Bearish**

## GLOBAL ECONOMIC CALENDAR

DATE	TIME	CURRENCY	DATA	ACTUAL	FORECAST	PREVIOUS
JAN WED 17	7.30AM	CNY	Industrial Production y/y	6.8%	6.6%	6.6%
		CNY	GDP q/y	5.2%	5.3%	4.9%
		CNY	Retail Sales y/y	7.4%	7.9%	10.1%
		CNY	Fixed Asset Investment ytd/y	3.0%	2.9%	2.9%
	12.30PM	GBP	CPI y/y	4.0%	3.8%	3.9%
		GBP	Core CPI y/y	5.1%	4.9%	5.1%
	1.15PM	EUR	French Gov Budget Balance	-198.0B	-	-177.7B
	TENTATIVE	CNY	Foreign Direct Investment ytd/y	-	-	-10.0%
	DAY 3	ALL	WEF Annual Meetings		-	-
	3.30PM	EUR	Final Core CPI y/y		3.4%	3.4%
		EUR	Final CPI y/y		2.9%	2.9%
	7.00PM	CAD	Foreign Securities Purchases		-	-15.75B
		USD	Core Retail Sales m/m		0.2%	0.2%
		USD	Retail Sales m/m		0.4%	0.3%
	7.30PM	USD	FOMC Member Barr Speaks		-	-
		USD	FOMC Member Bowman Speaks		-	-
	7.45PM	USD	Industrial Production m/m		-0.1%	0.2%
		USD	Capacity Utilization Rate		78.7%	78.8%
	8.30PM	USD	NAHB Housing Market Index		39	37
	8.45PM	EUR	ECB President Lagarde Speaks			

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