

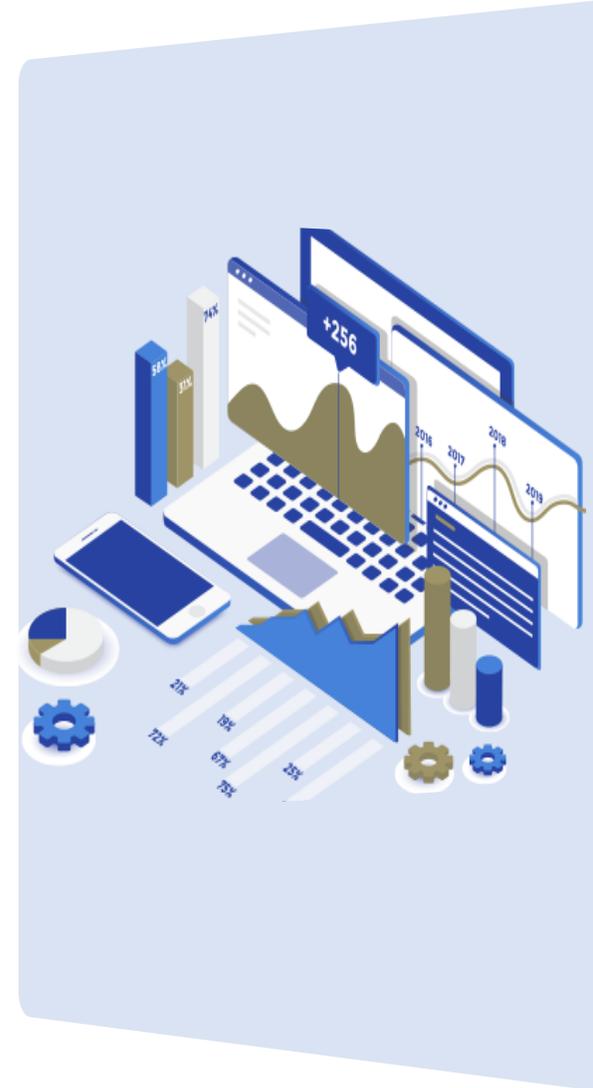


Market News

18/08/2022

NEWS

- The US Dollar Index registered its highest daily close in three weeks on Wednesday and continued to edge higher during the Asian reading hours on Thursday. With the market mood remaining cautious, the dollar continues to outperform its rivals.
- In the European session, Eurostat will release the final version of the July inflation data, which is not expected to show any changes to the flash estimate of the annual HICP of 8.9%. In the second half of the day, July Existing Home Sales and the weekly Initial Jobless Claims data will be featured in the US economic docket.
- Members of the Federal Reserve's monetary policy-setting committee determined at its meeting last month that they would keep increasing its benchmark lending rates until inflation came down substantially and use incoming macroeconomic data to decide the extent of the rate hikes, the minutes released Wednesday showed.
- US retail sales were flat in July, below a 0.1% increase expected in a survey compiled by Bloomberg and after a 0.8% gain in June. However, excluding a 1.6% drop in motor vehicle sales, retail sales rose 0.4%, compared with an expected 0.1% decline. Gasoline station sales fell 1.8% in July, given the retreat in prices.





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EURUSD

+



FOREX



NG



ES



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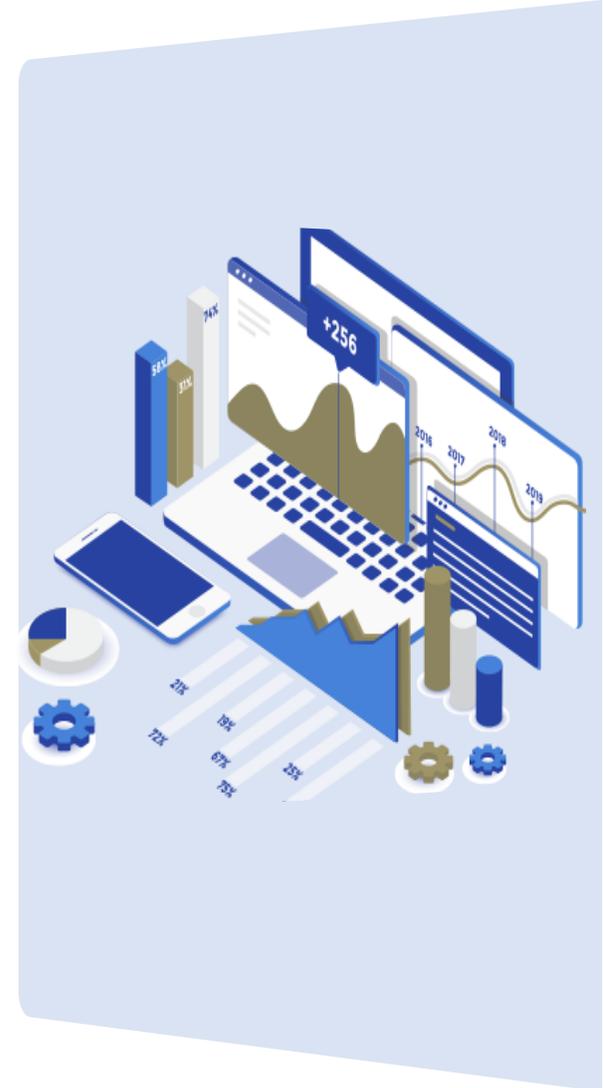


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EURUSD

- EUR/USD turns south after rejection at 1.0200 as risk-off flows dominate. US dollar finds demand, despite weaker yields and cautious Fed minutes. The euro looks vulnerable amid the deepening EU energy crisis and growth risks.
- On Wednesday, the euro bore the brunt of the downward revision to the Eurozone Q2 GDP print, which came in at 0.6% vs. 0.7% booked in the first estimate. Additionally, the cargoes carrying coal, food supplies, etc. have been cut down ever since the water level in the Rhine fell below the critical 40 cm level. Markets are expecting the water level to rise above that level during the weekend, which could bring some relief to the shared currency.
- The euro is expected to display more losses if the asset drops below 1.0150. An occurrence of the same will drag the asset to July 27 low surrounding 1.0100, followed by the level of 1.0000. Alternatively, if the bulls can push the price above the resistance of 1.0200, the main pair will grow to 1.0250.



Euro / U.S. Dollar, 1D, O1.01781 H1.01930 L1.01656 C1.01665 -0.00116 (-0.11%)



Feb

Mar

Apr

May

Jun

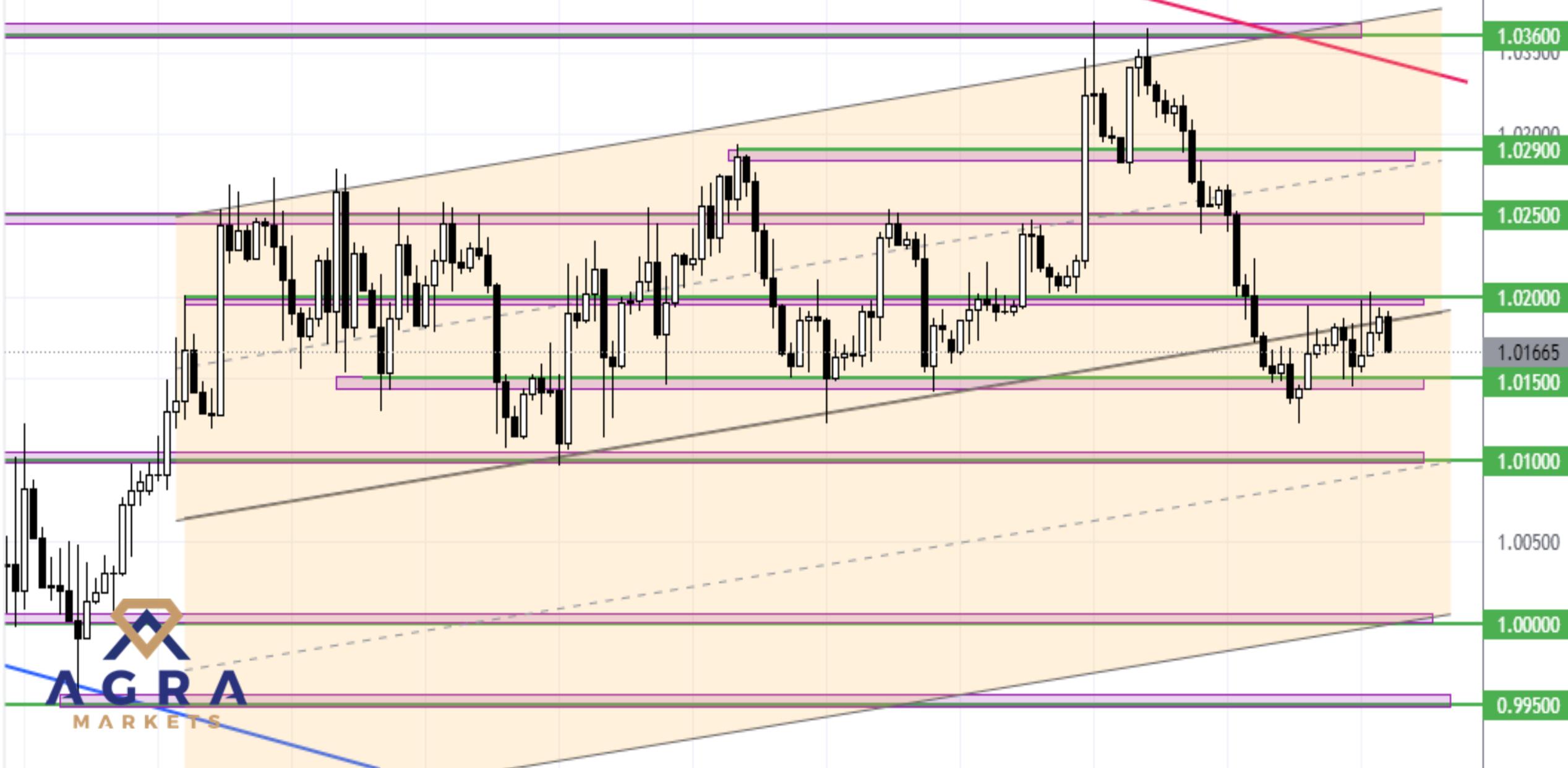
Jul

Aug

USD
1.14000
1.12000
1.10000
1.08000
1.06000
1.04000
1.03600
1.02500
1.02000
1.01665
1.01000
1.00000
0.99500

Euro / U.S. Dollar, 4h, O1.01879 H1.01914 L1.01665 C1.01665 -0.00214 (-0.21%)

USD



13:00 18 13:00 25 13:00 Aug 13:00 8 13:00 15 13:00

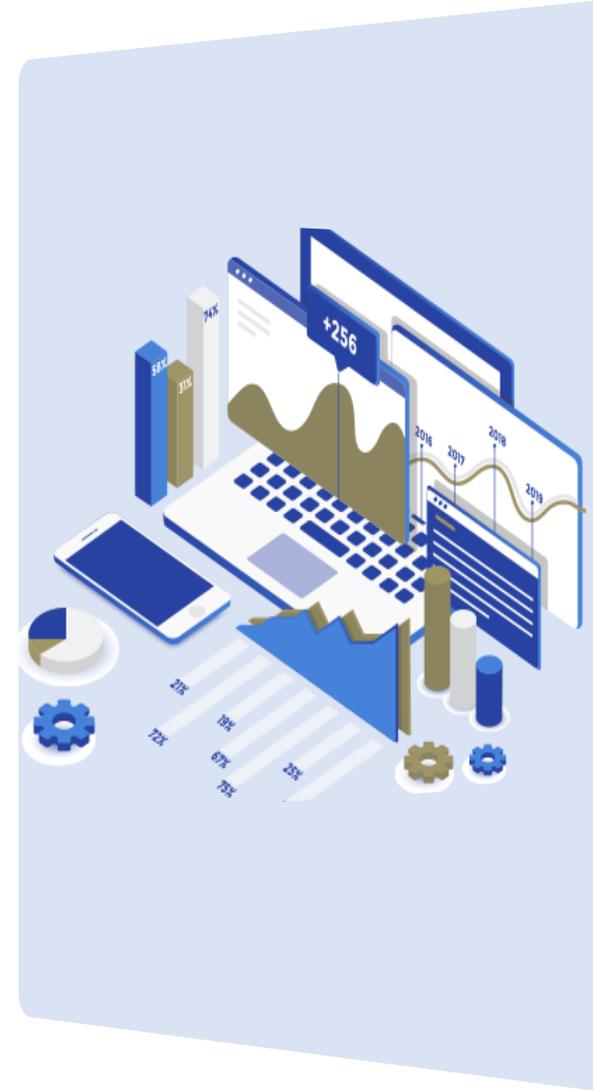


GBPUSD

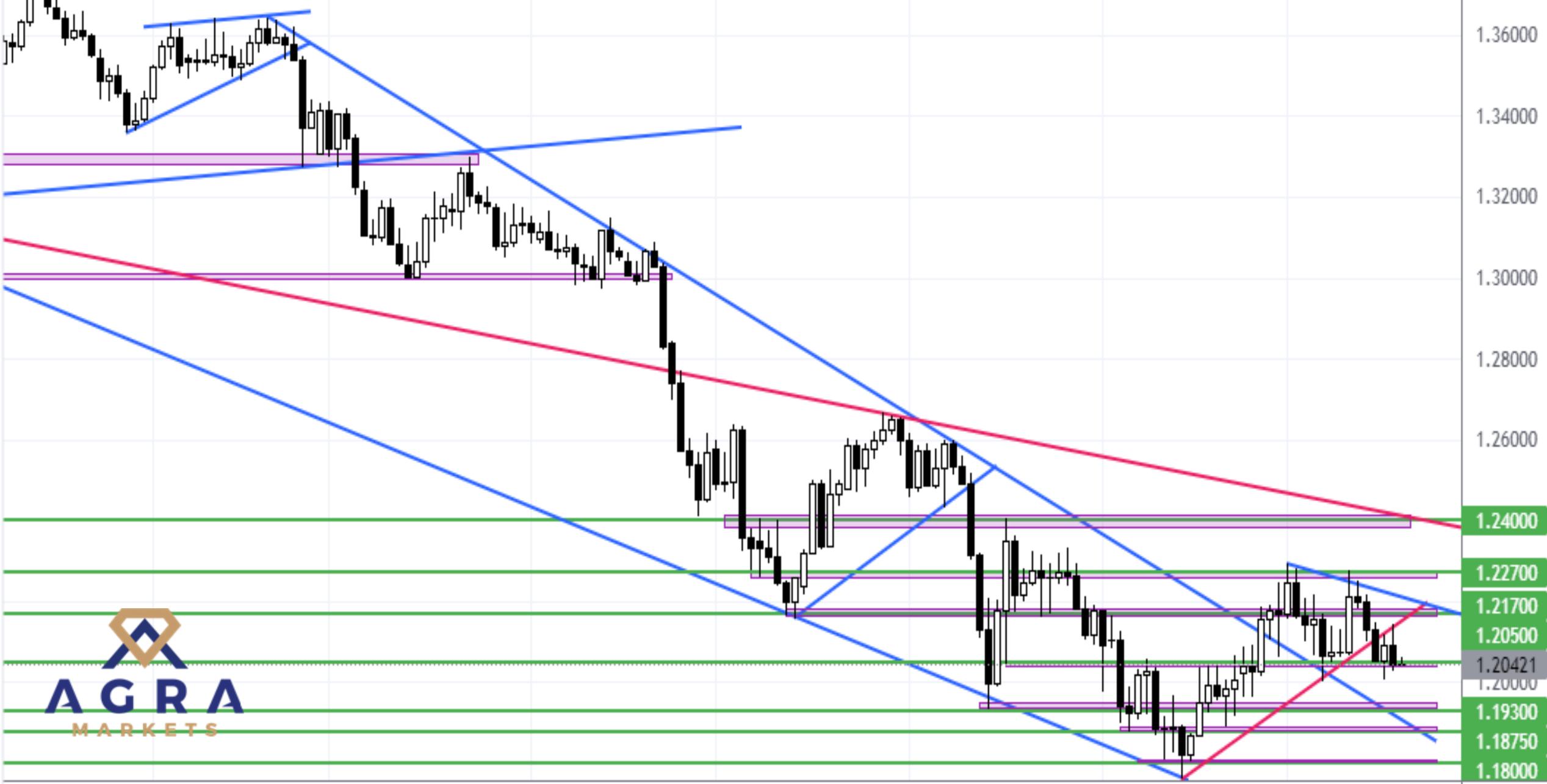


GBPUSD

- GBP/USD stays depressed around 1.2040, keeping the previous day's pullback moves from the short-term downtrend line during Thursday's European session.
- It should be noted that the firmer inflation also pushes the Bank of England (BOE) towards faster rate hikes but the market's lack of confidence over the "Old Lady", as it is informally called, seem to exert downside pressure on the GBP/USD prices. "The potential loss of independence by the BoE could also hurt sterling with Foreign Secretary Liz Truss, the poll leader in the Tory leadership contest promising to review the BoE's remit," said Reuters.
- Technically, the support of 1.2000 restricts immediate GBP/USD downside before directing the bears to June 14 low around 1.1930. Meanwhile, recovery remains elusive until the quote stays below the resistance of 1.2030. Even if the GBP/USD pair rises past 1.2030, it needs to cross the resistance of 1.2170 to recall the buyers.



British Pound / U.S. Dollar, 1D, O1.20463 H1.20604 L1.20395 C1.20421 -0.00042 (-0.03%)



Feb

Mar

Apr

May

Jun

Jul

Aug

USD
1.36000
1.34000
1.32000
1.30000
1.28000
1.26000
1.24000
1.22700
1.21700
1.20500
1.20421
1.20000
1.19300
1.18750
1.18000

British Pound / U.S. Dollar, 4h, O1.20509 H1.20591 L1.20397 C1.20405 -0.00104 (-0.09%)

USD



00 18 13:00 25 13:00 Aug 13:00 8 13:00 15 13:00

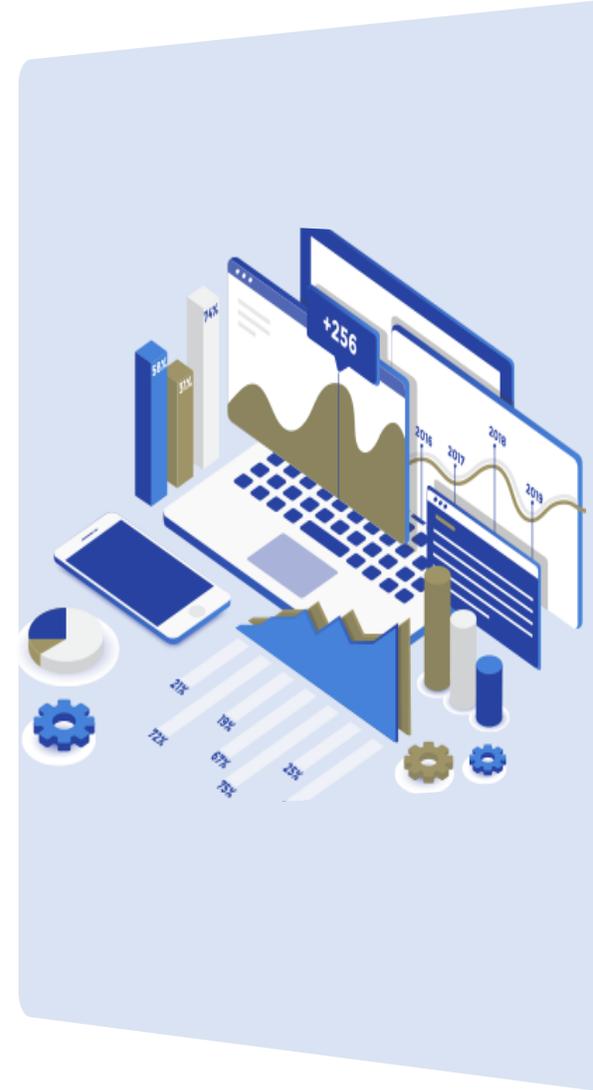


USDJPY



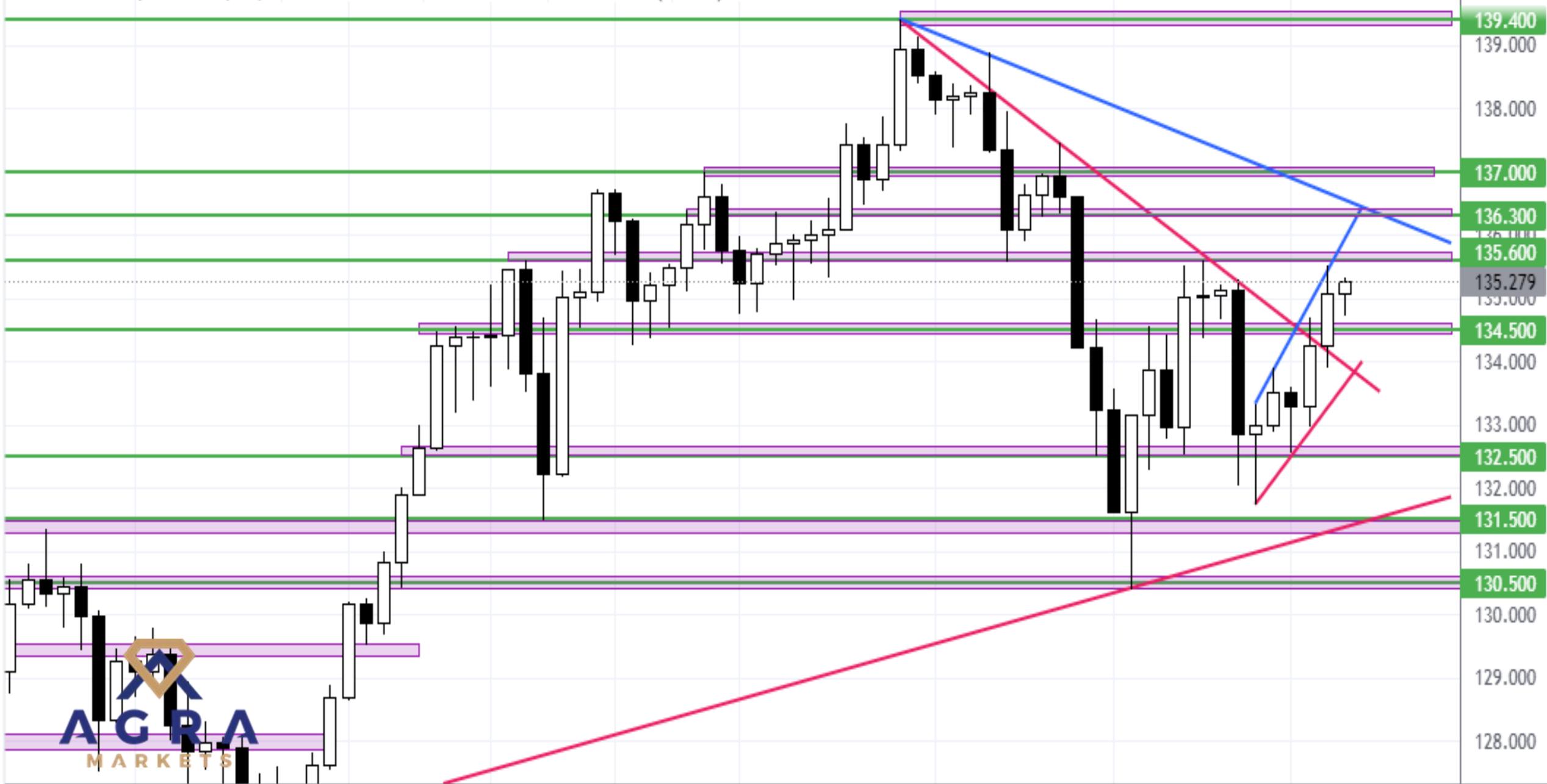
USDJPY

- The USD/JPY pair after crossing the resistance-turned-support of 134.50 rallied to the 135.60 neighborhood, though lacked follow-through buying and edged lower. However, the yen pair takes offers to renew intraday high near 135.33 during early Thursday. The yen pair's latest weakness could be linked to the chatters surrounding the Japan-China ties and employment conditions in the Asian major.
- For more upside, bulls need to surpass the resistance of 135.60, which will send the pair to the downtrend line from July 14 high around 136.30. On the contrary, the pullback can initially aim the 134.50 support ahead of challenging the short-term uptrend line at 133.50.



U.S. Dollar / Japanese Yen, 1D, O135.063 H135.332 L134.732 C135.279 +0.216 (+0.16%)

JPY



16

Jun

13

22

Jul

18

Aug

15

128.000

129.000

130.000

130.500

131.000

131.500

132.000

132.500

133.000

134.000

134.500

135.000

135.279

135.600

136.300

137.000

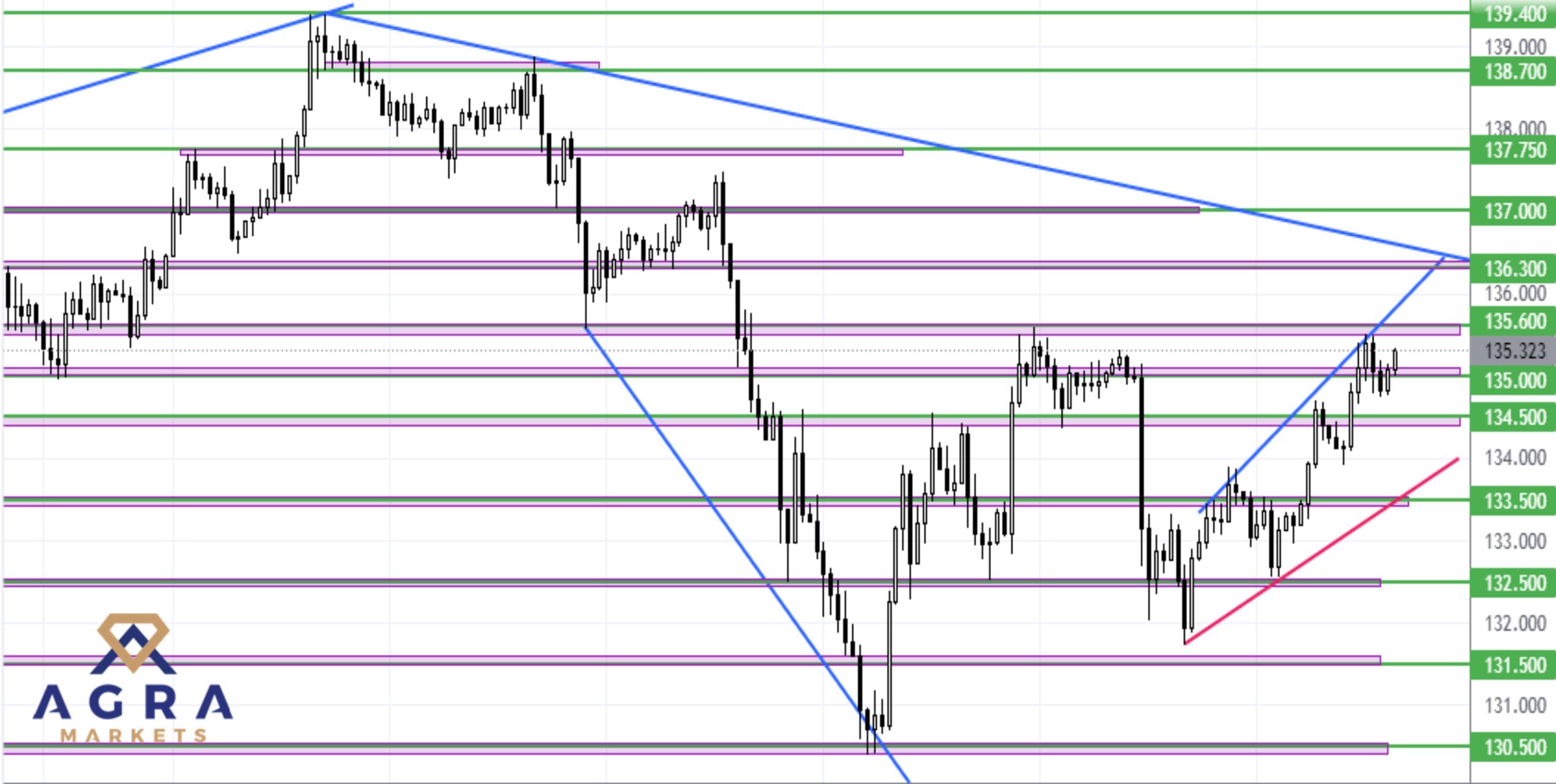
138.000

139.000

139.400

U.S. Dollar / Japanese Yen, 4h, O135.072 H135.332 L134.990 C135.323 +0.250 (+0.19%)

JPY



6 11 18 25 Aug 8 15



XAUUSD

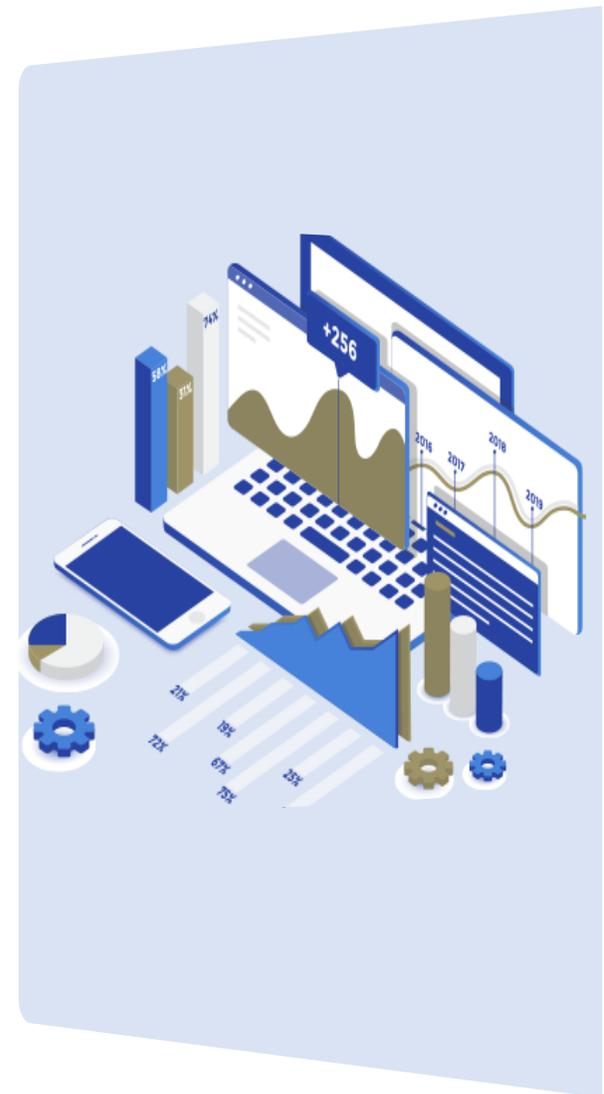


MetaTrader4



XAUUSD

- XAU/USD stretched its losing streak into a third day on Wednesday and reached the lowest level in two weeks at \$1,760 amid the extended recovery in the US dollar, as well as, the Treasury yields.
- The downside risks remain intact for the bullion should risk-aversion deepen and trigger another leg higher in the dollar against its major rivals. Traders will also take cues from the US weekly jobless claims and Philly Fed Manufacturing Index data for fresh signs on the health of the economy. Speeches from Fed officials Esther George and Neil Kashkari will be closely eyed for fresh trading opportunities in the USD-priced gold.
- Gold price is fading the early bounce this Thursday, as the US dollar is seeing renewed buying interest amid the extension of risk-off flows. The sellers need to conquer the support of \$1,755 to aim July 22 high around \$1,740. Alternatively, the resistance of \$1,722 challenges the short-term upside of precious metal.



Gold Spot / U.S. Dollar, 1D, O1762.240 H1767.605 L1761.875 C1762.765 +0.525 (+0.03%)



Feb Mar Apr May Jun Jul Aug

Gold Spot / U.S. Dollar, 4h, O1765.465 H1767.605 L1761.875 C1762.805 -2.660 (-0.15%)



USD
1810.000
1800.000
1790.000
1785.000
1780.000
1772.000
1762.805
1760.000
1755.000
1750.000
1740.000
1730.000
1720.000
1715.000
1710.000
1700.000
1690.000
1680.000

13:00 18 13:00 25 13:00 Aug 13:00 8 13:00 8 13:00 15 13:00





S&P

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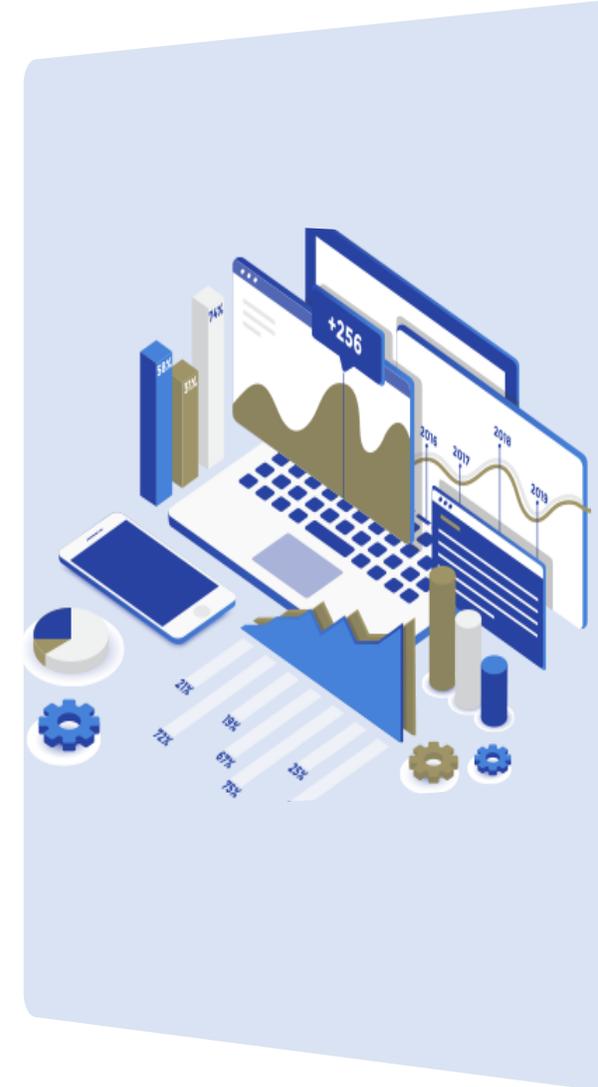
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MetaTrader4



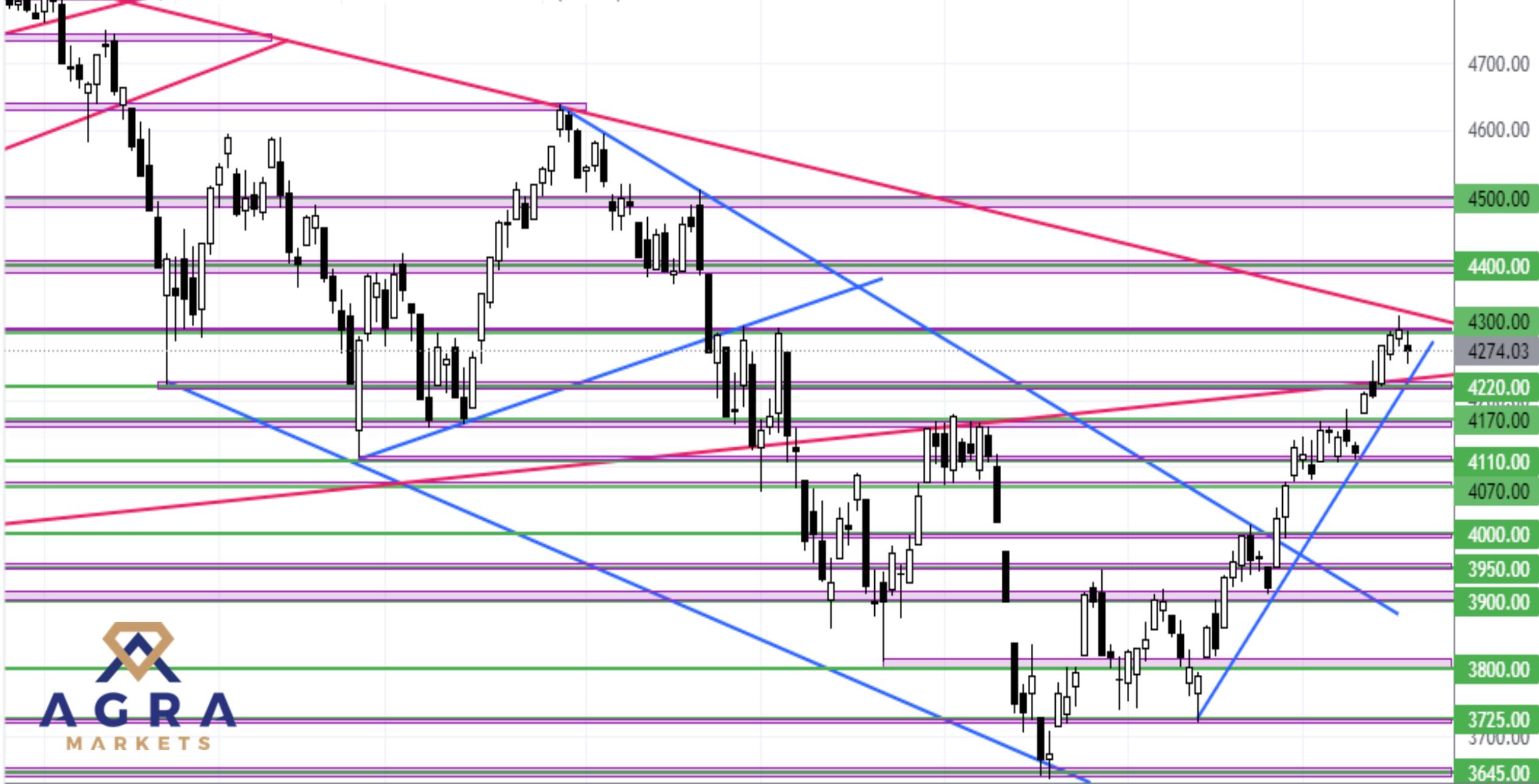
S&P

- U.S. stocks closed lower on Wednesday, with indexes volatile after minutes from the Federal Reserve's meeting in July suggested policymakers may be less aggressive than previously thought when they raise interest rates in September.
- The sellers need to conquer the support of 4,220 to aim August 03 high around 4,170. Alternatively, bulls could regain control if the asset oversteps the downtrend line from January 04 high around 4,300 confidently. This will drive the index towards the level of 4,400.
- In company news, Agilent Technologies A lifted full-year sales and earnings guidance as orders continued to outpace revenue and the outlook improved amid a faster-than-expected recovery in China, which, together with higher prices, helped the company beat Wall Street's consensus in the fiscal third quarter. Shares jumped 7.2%, the most on the S&P 500.
- Moderna MRNA said it named James Mock chief financial officer, effective Sept. 6. Shares of the healthcare company declined nearly 6%, the second-worst performer on the S&P 500 and the Nasdaq 100.



S&P 500 Index -1D, O4280.40 H4302.18 L4253.08 C4274.03 -31.16 (-0.72%)

USD



2022 Feb Mar Apr May Jun Jul Aug

S&P 500 Index, 4h, O4276.41 H4302.18 L4269.61 C4274.03 -2.44 (-0.06%)



May 16 Jun 13 Jul 18 Aug 15



Trading futures, options or foreign currencies involves the risk of loss. You may lose more than the amount originally invested and, in respect of these products traded on margin, you may have to pay additional funds later. You should not invest in such products unless satisfied that they are suitable for you.

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