

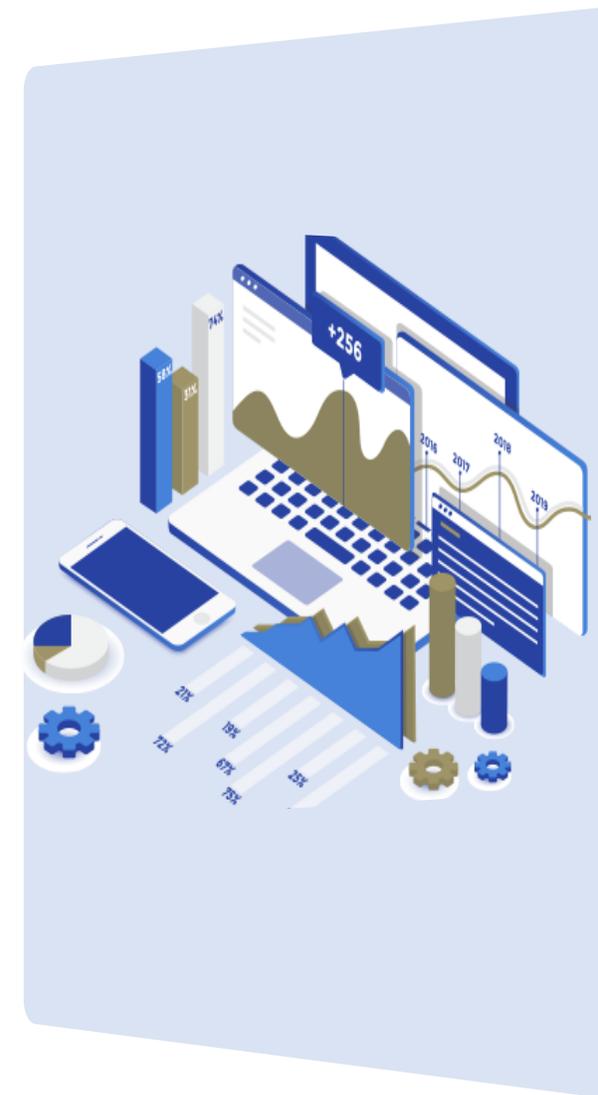


Market News

07/09/2022

NEWS

- The greenback outperformed its rivals on Tuesday on the back of upbeat ISM Services PMI data and preserved its strength early Wednesday with the US Dollar Index reaching a new multi-decade high above 110.50. Investors remain cautious mid-week as focus shifts to central bank events.
- Bank of England (BoE) Monetary Policy Hearings will take place at 0900 GMT and the Bank of Canada (BoC) will announce its interest rate decision at 1400 GMT. Eurostat will release the second-quarter employment change and the Gross Domestic Product (GDP) growth data ahead of the European Central Bank's (ECB) policy announcements on Thursday. During the American trading hours, several FOMC policymakers will be delivering speeches and the Fed will publish its Beige Book.
- The data from Australia showed earlier in the day that the GDP grew at an annualized rate of 3.6% in the second quarter, slightly better than the market expectation of 3.5%. Meanwhile, the data from China revealed that the Exports and Imports expanded at a softer pace than expected on a yearly basis in August.





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EURUSD

+



FOREX



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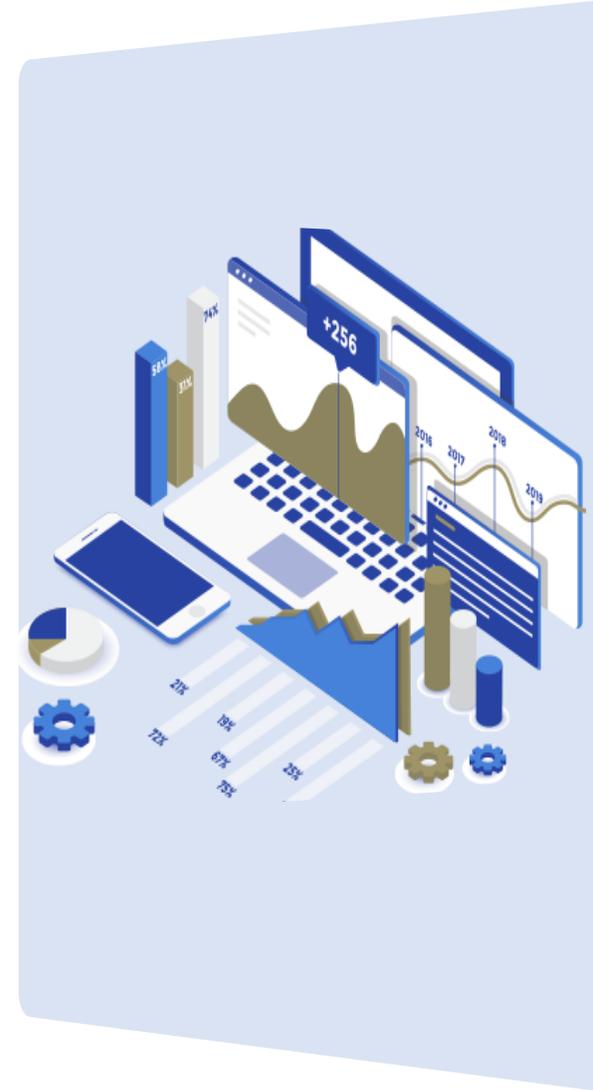


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EURUSD

- EUR/USD pares early Asian session losses around 0.9890, as the US dollar rally takes a breather amid retreating yields and risk-aversion.
- On the eurozone front, investors are awaiting the announcement of the interest rate decision by the European Central Bank (ECB). As per the consensus, ECB President Christine Lagarde will announce a rate hike by 50 basis points (bps). The ECB is required to take informed steps on restrictive monetary policies due to regional imbalance.
- The sellers need to conquer previous day's low around 0.9860 to aim for the swing low of late October 2002 surrounding 0.9800. On the contrary, bulls can take control if the major surpass the downtrend line at 0.9980. This will drive the pair towards August 31 high around 1.0080.



Euro / U.S. Dollar, 1D, O0.99027 H0.99069 L0.98770 C0.98930 -0.00097 (-0.10%)



Euro / U.S. Dollar, 4h, O0.98924 H0.99026 L0.98876 C0.98918 -0.00006 (-0.01%)





+
GBPUSD
+



FOREX



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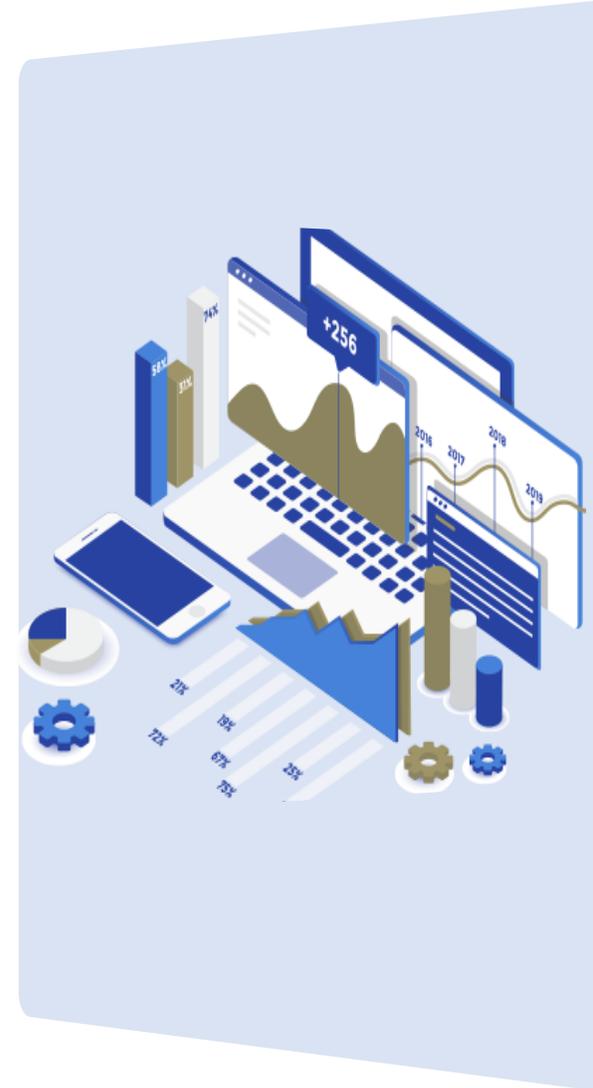


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GBPUSD

- The GBP/USD pair is displaying a minor correction after printing an intraday low of 1.1451, as the retreat in the US Treasury yields drags the dollar lower. Investors assess the impact of UK PM Liz Truss's energy relief plans amid a dire economic outlook.
- Reports suggesting that incoming UK Prime Minister Liz Truss was planning to freeze energy prices for households for 18 months helped the British pound stay resilient against its major rivals. In a speech delivered on Tuesday, Truss reiterated that she will cut taxes to reward hard work and added that she will take action on the energy crisis and unveil her plan as early as this week.
- The cable is expected to display more losses if the asset drops below Monday's low around 1.1445. An occurrence of the same will drag the asset to 20 March 2020 around 1.1410. Alternatively, the support of 1.1530 restricts immediate GBP/USD upside before directing the bulls to the downtrend line at 1.1600.



British Pound / U.S. Dollar, 1D, O1:15165 H1.15211 L1.14511 C1.14784 -0.00381 (-0.33%)



British Pound / U.S. Dollar, 4h, O1.14780 H1.14838 L1.14716 C1.14768 -0.00012 (-0.01%)



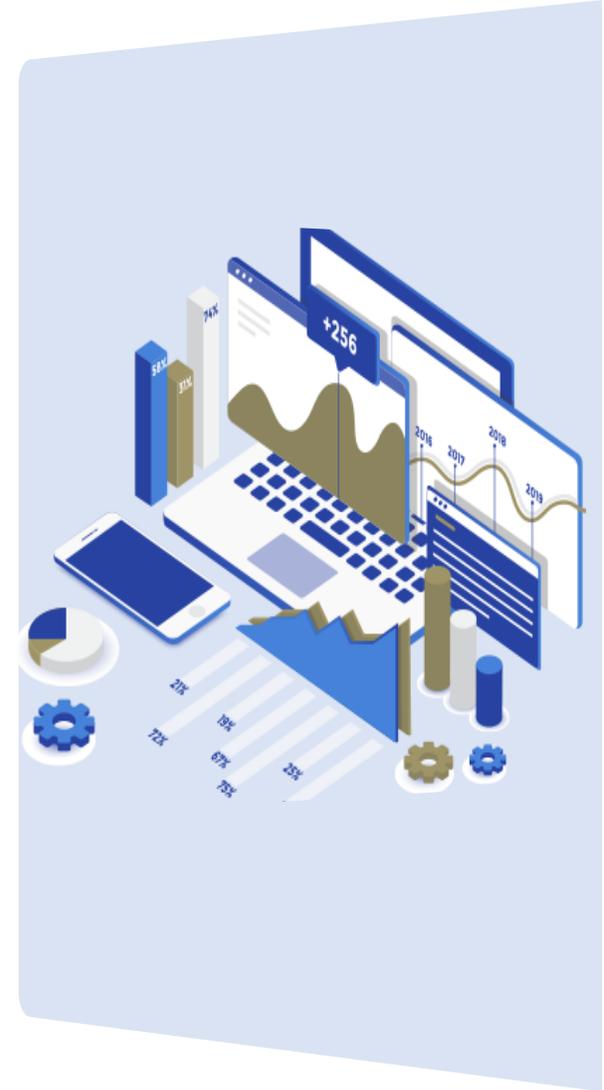


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USDJPY
+



USDJPY

- The unabated JPY selloff continued early Wednesday and USD/JPY reached a fresh multi-decade high at 144.39. When asked about currency intervention, "we will take necessary steps," Japanese Finance Minister Shunichi Suzuki said on Wednesday.
- The yield on US Treasuries have taken off with the 2s as high as 3.522% and the 10s to 3.363% around trend highs on expectations of an aggressive Federal Reserve.
- An upward sloping resistance line from April 28, near 145.00, restricts immediate upside if yen pair before directing the bulls to 11 August 1998 low surrounding 146.00. Meanwhile, pullback moves could aim for the resistance-turned-support of 143.00.





JPY
146.000
145.000
144.009
15:18:44
143.000
142.000
141.500
141.000
140.600
140.000
139.000
138.000
137.000
136.000
135.000
134.000
133.000
132.000
131.000
130.000
129.000
128.000
127.000
126.000
125.000
124.000
123.000

Apr 18 May 16 Jun 13 22 Jul 18 Aug 15 Sep 12 21





XAUUSD

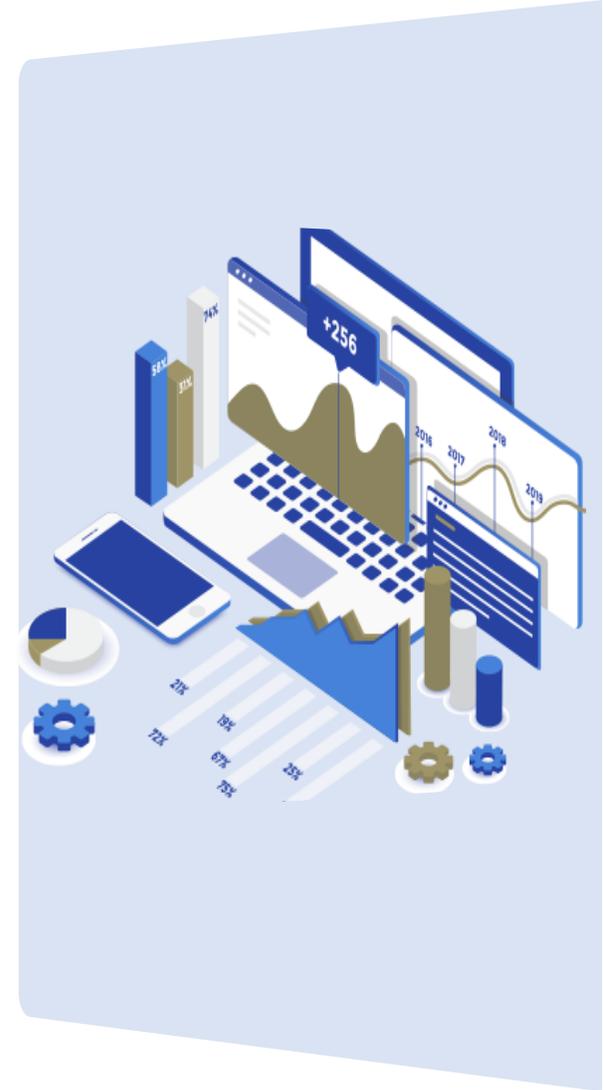


MetaTrader4



XAUUSD

- XAU/USD made a sharp U-turn in the second half of the day on Tuesday and suffered heavy losses amid surging US Treasury bond yields. However, Gold Price is making a minor recovery attempt from its intraday low around \$1,691.
- The USD Index, which measures the greenback's performance against a basket of currencies, hits a fresh two-decade high amid expectations for a more aggressive policy tightening by the Fed.
- Should the Gold bulls cross the \$1,700 hurdle, the resistance of \$1,710 challenges the advances before highlighting August 22 low around \$1,730. On the other hand, a sustained move below the \$1,690 level will send the precious metal to July 21 low surrounding \$1,680.



Gold Spot / U.S. Dollar, 1D, O1711.860 H1703.970 L1691.460 C1697.350 -4.510 (-0.27%)



14 Mar 14 Apr 18 May 16 Jun 20 Jul 18 Aug 15 Sep 19

USD
2040.000
2020.000
2000.000
1980.000
1960.000
1940.000
1920.000
1900.000
1880.000
1860.000
1840.000
1820.000
1800.000
1780.000
1760.000
1740.000
1720.000
1697.350
14:39:44
1690.000
1680.679
1670.000
1660.000

Gold Spot / U.S. Dollar, 4h, O1693.760 H1698.055 L1693.625 C1697.205 +3.445 (+0.20%)



27 Aug 3 8 10 15 17 22 24 29 Sep 5 7

USD
1800.000
1795.000
1790.000
1785.000
1780.000
1775.000
1770.000
1765.000
1760.000
1755.000
1750.000
1745.000
1740.000
1735.000
1730.000
1725.000
1720.000
1715.000
1710.000
1705.000
1700.000
1697.205
02:37:55
1690.000
1685.000
1680.679
1675.000



S&P

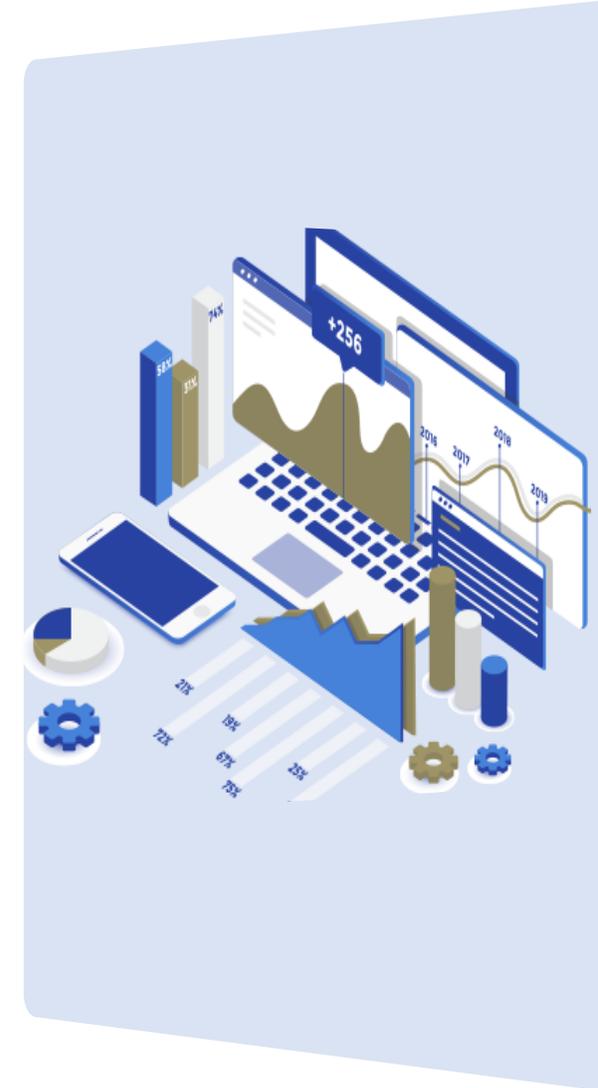


MetaTrader4



S&P

- After having opened slightly higher on the day, Wall Street's main indexes closed in negative territory on Tuesday as investors ramped up hawkish Fed bets after stronger-than-expected PMI reading. Real estate and utilities were the top gainers, while communication services and energy were the worst performers.
- The S&P 500 slipped 0.4% to 3,908.20. Should the quote drops below last day's low at 3,886, further fall will be expected for index. An occurrence of the same will drag S&P 500 to May 20 low surrounding 3,800. On the other hand, if the bulls can push the price above the resistance of 4,000, they will aim the downtrend line from August 16 high, near 4,070.
- In company news, Enphase Energy said it expanded its global partnership with BayWa r.e., a renewable energy company, to distribute Enphase's IQ7 microinverters and IQ batteries for solar systems in Germany, Belgium, the Netherlands and Luxembourg. Shares of Enphase jumped 4.9%, the second-highest on the S&P 500.



S&P 500 Index, 1D, O3930.89 H3942.55 L3886.75 C3908.20 -16.07 (-0.41%)

USD



16 Apr May Jun Jul Aug 16 Sep

S&P 500 Index, 4h, O3897.52 H3919.39 L3894.45 C3908.20 +10.41 (+0.27%)



13

22

Jul

18

Aug

15

23

Sep



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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