



Market News

26/09/2022

NEWS

- The US Dollar Index picked up where it left off last week and surged to its highest level since May 2002 114.52 before retracing a portion of its daily rally in the early European morning. Friday's first readings of the US S&P Global PMIs for September raised concerns about the firmer rate hikes by the US Federal Reserve (Fed) as the numbers were upbeat, as compared to softer figures for Europe. Following the data, Fed Chairman Jerome Powell, Vice Chair Lael Brainard and Atlanta Fed President Raphael Bostic all were mostly bullish and in favor of further rate hikes.
- In the latest geopolitical development, Russian President Vladimir Putin last week announced the first public mobilization since World War II to shore up its faltering Ukraine war.
- Today, the IFO sentiment survey from Germany will be featured in the European economic docket ahead of the Chicago Fed National Activity Index and Dallas Fed Manufacturing Business Index data from the US. European Central Bank (ECB) president Christine Lagarde and several FOMC policymakers will also be delivering speeches on Monday.





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EURUSD
+



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EURUSD

- EUR/USD pares daily losses around 0.9630 heading into Monday's European session, as bears keep reins amid a broad risk-off mood. German Services PMI dropped to the two-year low while its counterpart for Europe tested the lowest levels in 19 months. Looking forward, comments from European Central Bank (ECB) President Christine Lagarde and sentiment numbers from Germany's IFO institute could direct intraday moves.
- Should the price maintains high and crosses today's high around 0.9710, the bulls could aim September 22 low at 0.9800 as an immediate target during the further advances. A breach of the latter will drive the asset towards September 06 low at 0.9860. Alternatively, in case of resumption of slippage and dropping the price below the lower band of daily bearish channel from February 10 low around 0.9550, the major will be reduced to multiple top of June 2002 at 0.9500.



Euro / U.S. Dollar, 1D, O0.96671 H0.97093 L0.95526 C0.96340 -0.00528 (-0.55%)

USD
1.12000
1.10000
1.08000
1.06000
1.04000
1.02000
1.00000
0.99000
0.98600
0.98000
0.97100
0.96340
0.95500
0.95000
0.94000



Mar Apr May Jun Jul Aug Sep Oct

Euro / U.S. Dollar, 4h, O0.96283 H0.96346 L0.96277 C0.96320 +0.00037 (+0.04%)



22 13:00 29 Sep 6 12 13:00 19 13:00 26 13:00



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GBPUSD
+



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GBPUSD

- GBP/USD is making recovery attempt above 1.0500 from the all-time low it touched at 1.0350 earlier in the day. UK Finance Minister, also known as Chancellor, Kwasi Kwarteng announced record tax cuts funded by huge increases in British borrowing on Friday. Also weighed on the GBP/USD could be UK Chancellor Kwarteng's resistance to blaming BOE Governor Andrew Bailey for the recent jump in inflation and economic fears for Britain.
- For more upside, bulls need to surpass today's high at 1.085, which will send the pair to September 22 low surrounding 1.12000. On the contrary, the low of 1985 around 1.0500 restricts the immediate GBP/USD downside ahead of today's low surrounding 1.0350. Should cable drop below 1.0350, the 1.14% Fibo extension from the low of 2020 to high of 2021 around 1.0230 could act as the last defense for the buyers.



British Pound / U.S. Dollar, 1D, O1.07927 H1.08464 L1.03565 C1.05534 -0.02970 (-2.74%)



1.414(1.02338)

1.618(0.96543)

16 Jun 20 Jul 18 Aug 15 Sep 19 Oct

British Pound / U.S. Dollar, 4h, O1.05338 H1.05744 L1.05323 C1.05579 +0.00241 (+0.23%)

USD



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USDJPY



USDJPY

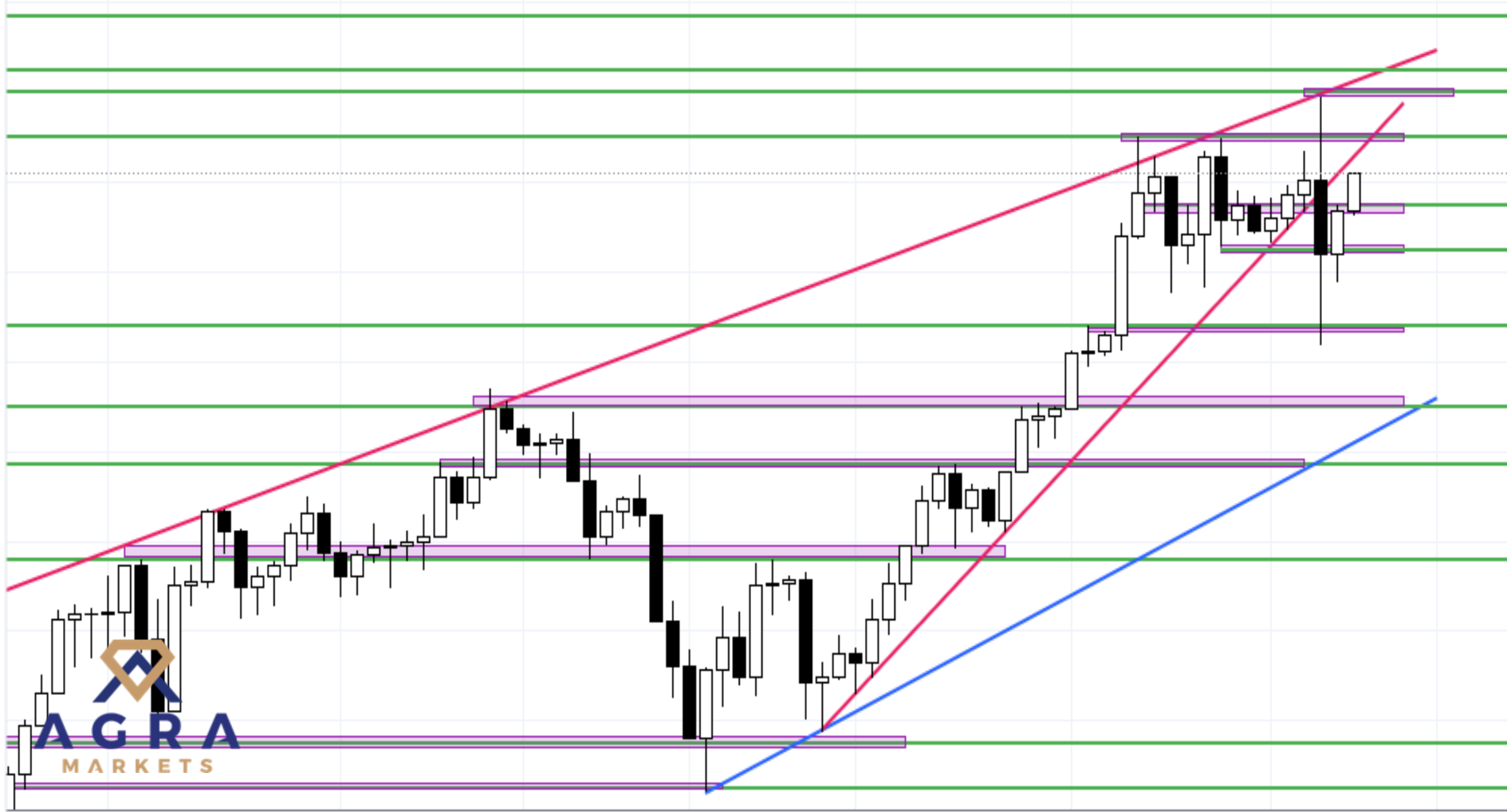
- USD/JPY renews intraday high around 144.22 as Tokyo opens for Monday, extending Friday's recovery moves. In doing so, the yen pair also reverses the previous day's pullback from the 24-year high, triggered by Japan's intervention to defend the national currency.
- For an ideal short build-up, investors should use the pullback towards the resistance of 145.00 as a selling opportunity. This will drag the yen pair towards the level of 140.80 near last week's low. On the flip side, greenback bulls will dominate the asset if it oversteps the 145.00 resistance. This will push the asset to reclaim September 22 high around 146.00. However, the upward sloping resistance line from April 28, around 146.50 will be a tough nut to crack for the pair bulls afterward.



U.S. Dollar / Japanese Yen, 1D, O143.358 H144.220 L143.231 C144.205 +0.847 (+0.59%)

JPY

147.680
 146.500
 146.000
 145.000
 144.205
 143.500
 142.500
 142.000
 140.800
 140.000
 139.000
 138.000
 137.700
 136.000
 135.600
 134.000
 132.000
 131.500
 130.500



13 Jul 18 Aug 15 Sep 19 Oct

U.S. Dollar / Japanese Yen, 4h, O144.168 H144.220 L144.090 C144.172 +0.004 (+0.00%)

JPY



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+

XAUUSD

+



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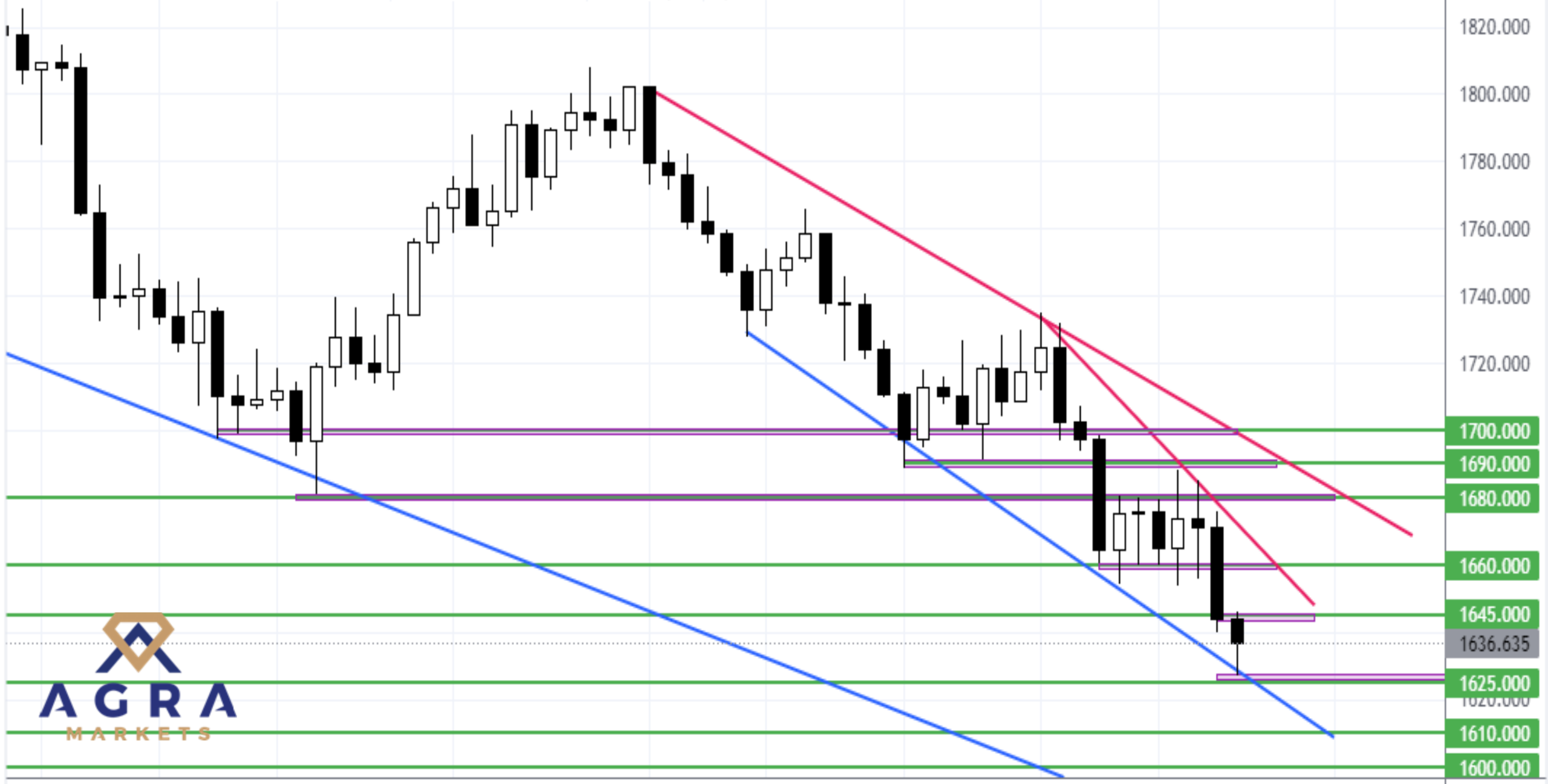


XAUUSD

- After having dropped to its weakest level in over two years around \$1,625 during the Asian trading hours, Gold staged a rebound and advanced beyond \$1,645.
- The market sentiment remains fragile amid growing recession fears. Investors remain worried that a faster policy tightening by major central banks will lead to a deeper global economic downturn. This, along with the risk of a further escalation in the Russia-Ukraine conflict, helps limit losses for the XAU/USD. Apart from this, headwinds stemming from China's zero-covid policy take a toll on the risk sentiment.
- A sustained move above the \$1,645 level will send the precious metal to the downtrend line from September 12 high around \$1,660. On the other hand, sellers need to conquer the support of \$1,625 to aim for 08 January 2020 high of \$1,610. A breach of the latter will drag the asset towards 01 April 2020 high at \$1,600.



Gold Spot / U.S. Dollar, 1D, O1643.925 H1646.070 L1626.770 C1636.635 -7.290 (-0.44%)



Jul 11 19 Aug 15 23 Sep 12 20 Oct

USD
1820.000
1800.000
1780.000
1760.000
1740.000
1720.000
1700.000
1690.000
1680.000
1660.000
1645.000
1636.635
1625.000
1620.000
1610.000
1600.000

Gold Spot / U.S. Dollar, 4h, O1635.490 H1637.960 L1634.715 C1635.930 +0.440 (+0.03%)

USD
1760.000
1740.000
1720.000
1700.000
1690.000
1680.000
1660.000
1645.000
1640.000
1635.930
1625.000
1620.000
1610.000
1600.000



13:00 29 Sep 6 12 13:00 19 13:00 26 13:00



S&P



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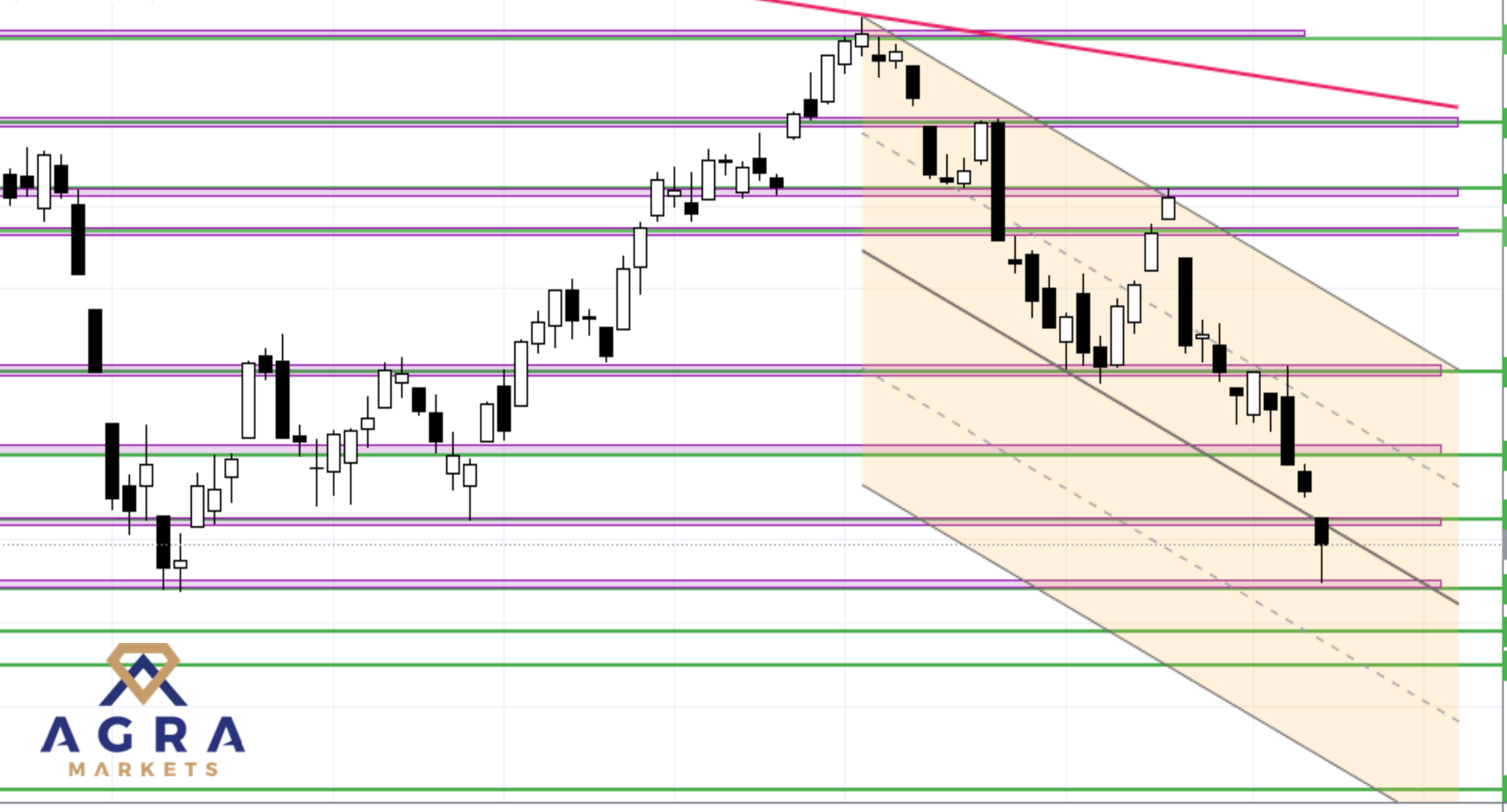
S&P

- Wall Street's main indexes slumped to close well down on Friday, as rattled investors continued repositioning themselves to reflect fears the U.S. Federal Reserve's hawkish rate policy to curb inflation will push the American economy into recession.
- The S&P 500 lost 64.76 points, or 1.72%, to 3,693.22. Bears need to conquer the support of 3,640, to accelerate the downside moves towards 02 September 2020 high around 3,590. A breach of the latter will drag the index towards 12 October 2020 high around 3,550. Meanwhile, the resistance of 3,725 restricts pullback moves ahead of the round-level of 3,800.
- All the 11 major S&P sectors declined, led by a 6.8% slide in energy shares. Oil and gas-related stocks were pummeled by the decline in crude prices, which fell in response to concerns about demand in a recessionary environment and the strong U.S. dollar.



S&P 500 Index, 1D, O3727.14 H3727.14 L3647.47 C3693.22 -64.78 (-1.72%)

USD
4300.00
4200.00
4120.00
4100.00
4070.00
4000.00
3900.00
3800.00
3725.00
3693.22
3640.00
3590.00
3550.00
3500.00
3400.00



13 Jul 18 Aug 15 Sep 19 Oct

S&P 500 Index, 4h, O3672.30 H3695.49 L3647.47 C3693.22 +21.00 (+0.57%)

USD



13 Jul 18 Aug 15 Sep 19 Oct



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