

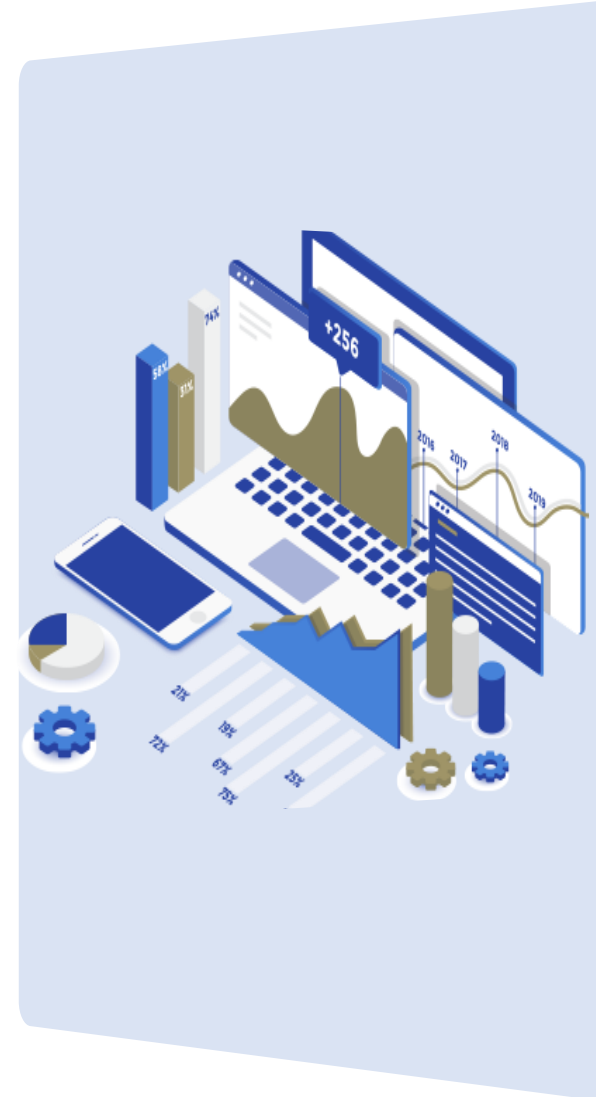


# Market *Analysis*

10/03/2023

# NEWS ANALYSIS

- The dollar index steadied around 105.2 on Friday as investors cautiously awaited the monthly US jobs report which is expected to show that hiring slowed in February, but another strong reading could push the currency higher.
- Fed Chairman Jerome Powell has made sure there is a heightened focus on today's U.S. payrolls data. In his speech to Congress, Powell curiously mentioned this data point as one among a couple of indicators framing the Fed's thinking around how far and fast interest rates need to rise.
- Surprisingly high U.S. jobless claims have offered a weak entree for broader U.S. employment data later on Friday, putting some pressure on recent dollar gains. The figures loom as a crucial barometer of the health of the U.S. labour market and the direction of interest rates after Fed Chair Jerome Powell warned rates could rise further and faster if data shows that is needed to get a grip on inflation.
- Key developments that could influence markets on Friday: U.S. February payrolls. U.K. January industrial production.





**+**  
**EURUSD**  
**+**



FOREX



NG



ES



CT



BB



# EURUSD

- EUR/USD grinds higher slightly while printing an intraday high around 1.0600 in the Asian session. The major currency pair snapped a two-day losing streak the previous day as mixed US data joined a retreat in the US Treasury bond yields.
- ECB policymaker Francois Villeroy de Galhau said on Thursday that they will bring inflation back to 2% by end-2024 or end-2025.
- In addition, bank of Italy Governor Ignazio Vizco said the central bank has decided to go “meeting by meeting” without forward guidance, and added he does not appreciate comments from his colleagues about the outlook of interest rates.
- The confluence of red trendlines is expected to challenge buyers and drag the main pair to the support of 1.055, followed by the lower band of daily bullish channel. On the flip side, euro bulls could regain control if the asset oversteps this resistance area confidently. This will drive the quote towards 1.0700, followed by Feb 14 high around 1.0800.



Euro / U.S. Dollar, 1D, O1.05788 H1.05992 L1.05768 C1.05986 +0.00198 (+0.19%)



Jul

Aug

Sep

Oct

Nov

Dec

2023

Feb

Mar

USD

1.10000

1.08000

1.07000

1.05986

1.05500

1.04200

1.02000

1.00000

0.98000

0.96000

Euro / U.S. Dollar, 4h, C1.05938 H1.05992 L1.05770 C1.05987 +0.00199 (+0.19%)



USD  
1.10000  
1.09500  
1.09000  
1.08500  
1.08000  
1.07500  
1.07000  
1.06500  
1.05987  
1.05500  
1.05000  
1.04500  
1.04200  
1.04000



+

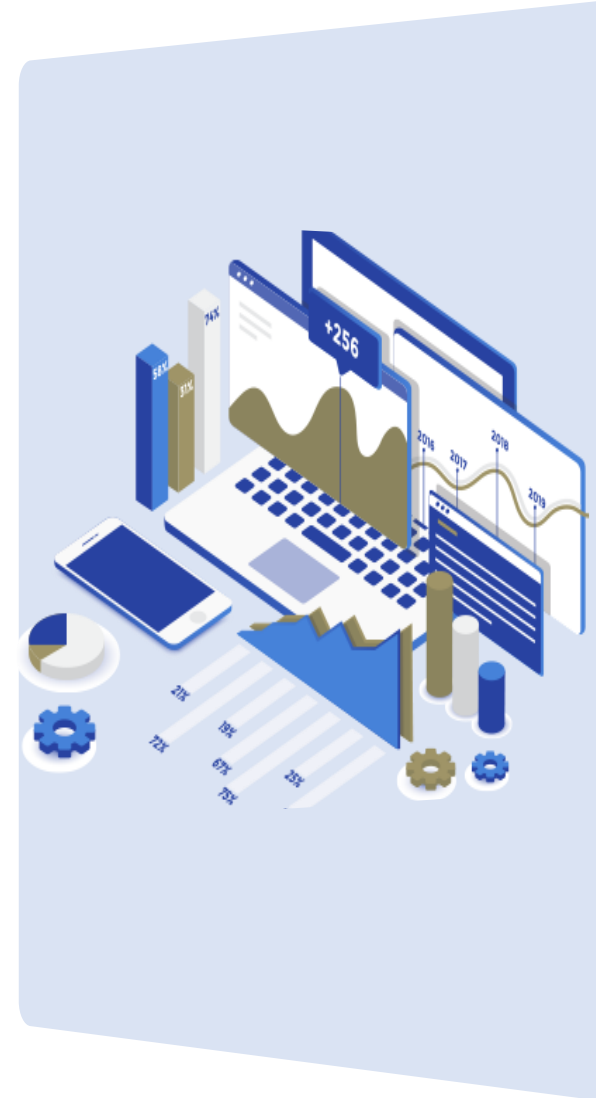
# GBPUSD

+



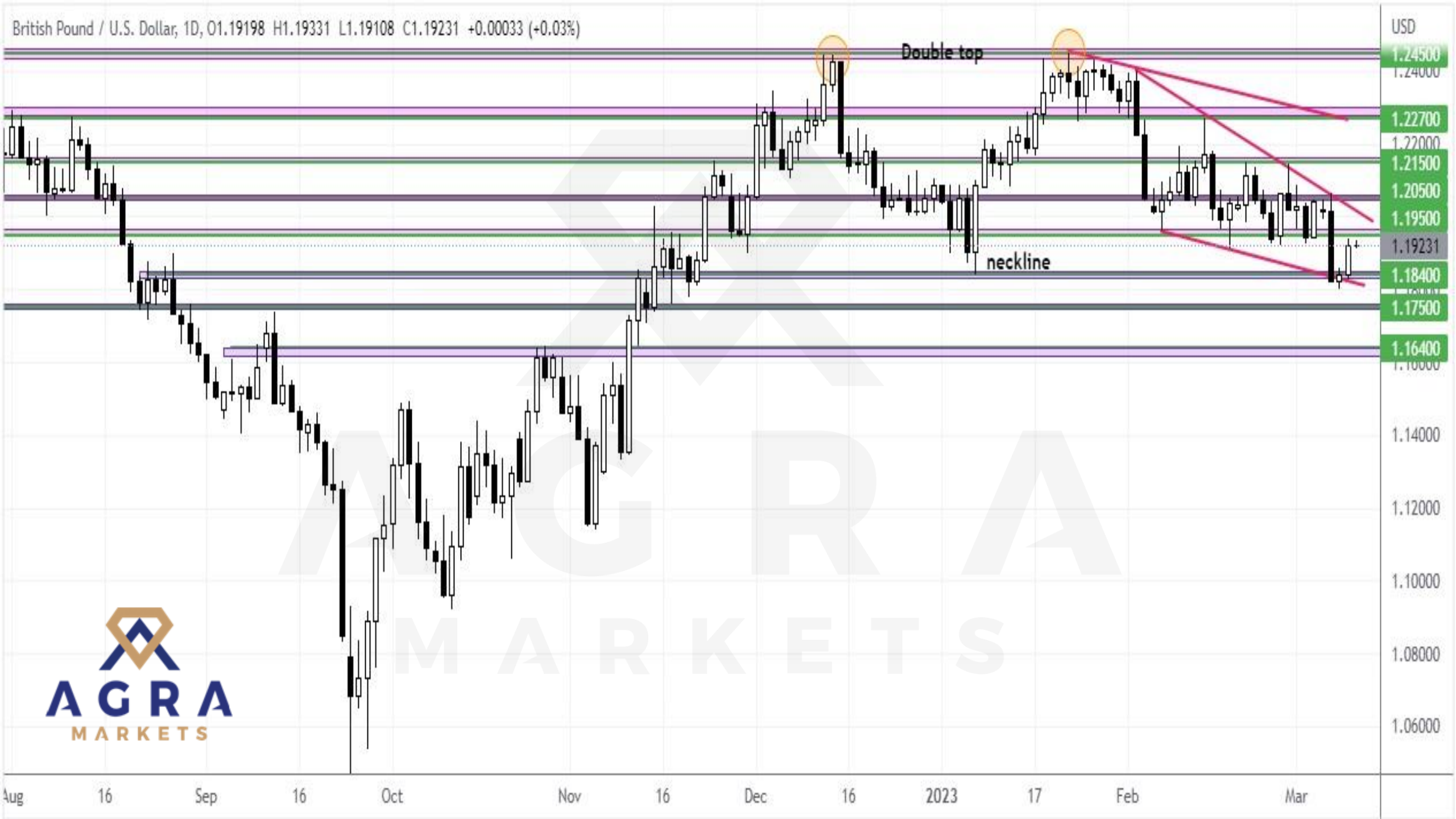
# GBPUSD

- GBP/USD seesaws around 1.1920 in the Tokyo session as bulls take a breather after two consecutive day of rising.
- Britain's revamped financial market rules will largely be aligned with U.S. and European Union regulations to minimize disruption to global companies, its financial services minister Andrew Griffith said on Thursday per Reuters.
- Meanwhile, the RICS UK Residential Market Survey house price balance, dropped to -48 in February 2023 from -46 in January, the lowest since April 2009, as higher borrowing costs and a surge in the cost of living dampened demand and deterred would-be buyers.
- That said, the bulls currently aim the level of 1.1950 as an immediate target during further advances. However, the red downtrend line will be a tough nut to crack for the pair bulls afterward. Alternatively, a sustained move below the 1.1840 support will drag cable to the level of 1.1750.





British Pound / U.S. Dollar, 1D, O1.19198 H1.19331 L1.19108 C1.19231 +0.00033 (+0.03%)



Aug 16 Sep 16 Oct 16 Nov 16 Dec 16 2023 17 Feb Mar

British Pound / U.S. Dollar, 4h, O1.19198 H1.19331 L1.19150 C1.19223 +0.00025 (+0.02%)



Feb 6 14:00 13 14:00 20 23 Mar 6 14:00 13



# USDJPY



# USDJPY

- USD/JPY is under pressure during early Friday after retesting the broken level of 136.50.
- At its March monetary policy meeting, the Bank of Japan (BoJ) board members decided to leave their monetary policy settings unchanged, maintaining rates at -10bps and 10yr JGB yield target unchanged at 0.00%.
- The BoJ Statement, however, mentioned that inflationary expectations are rising, which in turn raises doubts about the future of the Japanese central bank's ultra-easy monetary policy.
- Some follow-through selling below the 135.00 support will reaffirm the negative bias and pave the way for additional losses towards Feb 06 high, surrounding 133.00. Alternatively, bulls can regain strength if the asset oversteps the resistance of 136.50 decisively. This will send the asset towards 137.50, followed by the red resistance line at 138.50.



U.S. Dollar / Japanese Yen, 1D, O136.126 H136.426 L135.814 C135.969 -0.157 (-0.12%)



U.S. Dollar / Japanese Yen, 4h, O136.126 H136.427 L135.814 C135.906 -0.220 (-0.16%)



26

Feb

6

14:00

13

14:00

20

23

Mar

6

14:00

1

JPY  
138.500  
138.000  
137.500  
137.000  
136.500  
135.906  
135.000  
134.000  
133.000  
132.000  
131.000  
130.000  
129.000





# XAUUSD



# XAUUSD

- Gold jumped more than 1% on Thursday after data showed the number of Americans filing new claims for unemployment benefits last week increased by the most in five months, spurring hopes that a softening labor market could pave the way for less-aggressive rate hikes from the Fed.
- Concerns about the banking sector ate away at future Federal Reserve interest rate hike expectations. In fact, markets priced out one full 25-basis point rate hike in one-years' time. This is what plunged Treasury yields over the past 24 hours. For gold, this is great news. When the expected return on cash could fall in the future, that tends to produce a friendly environment for it.
- The price witnessed a jump on Thursday while is being resisted around \$1,830 now. For more upside, bulls need to surpass that resistance, which will send the pair to \$1,860. On the contrary, bears can take control if the precious metal plunges below the support of \$1,805. This will drive the asset towards \$1,786.





Gold Spot / U.S. Dollar, 1D, O1830.915 H1834.915 L1830.200 C1831.660 +0.745 (+0.04%)



Gold Spot / U.S. Dollar, 4h, O1830.915 H1834.915 L1830.200 C1830.685 -0.230 (-0.01%)



26 Feb 6 14:00 13 14:00 20 23 Mar 6 14:00 13



**S&P**



MetaTrader4



# S&P

- Wall Street slid on Thursday, with bank stocks dragging all three major stock indexes down as investors worried that a jobs report on Friday could spur aggressive interest rate hikes by the Federal Reserve.
- The S&P 500 index fell 1.9% to 3,918.32. The S&P 500 Banks index (.SPXBK) collapsed more than 6%, bringing its week-to-date slide to more than 11%. SPXBK is on track for its biggest weekly drop since June 2020.
- After completing the correction move to the support-turned-resistance of 4,000, sellers attacked the index. A downside break of the critical support of 3,880 and the lower band of the bullish channel will drag the asset towards 3,760. The recovery moves can aim for the 3,950 ahead of challenging the level of 4,000.



S&P 500 Index, 1D, O3998.66 H4017.81 L3908.70 C3918.33 -73.67 (-1.85%)



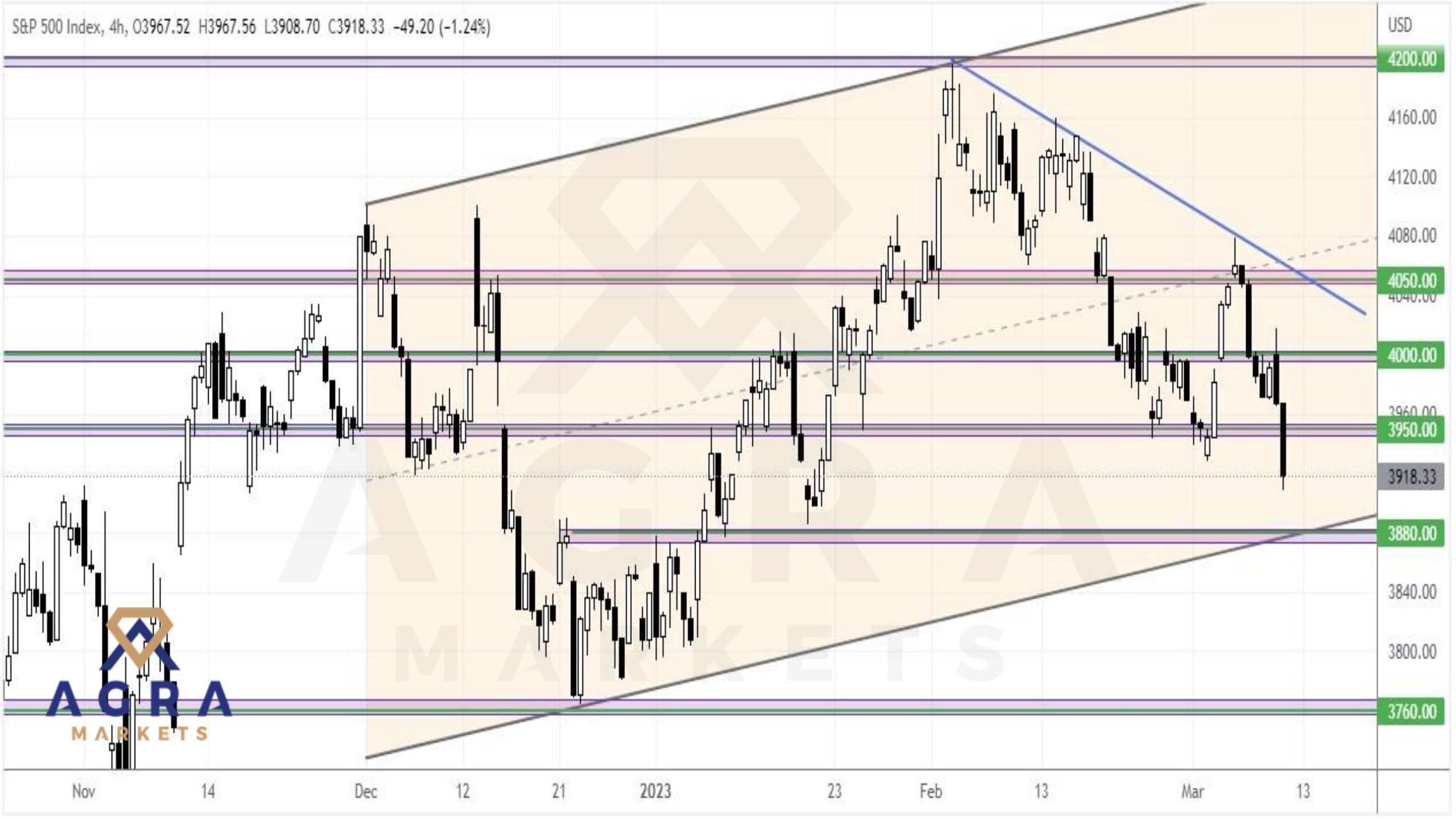
USD  
4300.00  
4200.00  
4100.00  
4050.00  
4000.00  
3950.00  
3918.33  
3880.00  
3800.00  
3760.00  
3700.00  
3600.00

AGRA  
MARKETS



Jul Aug Sep Oct Nov Dec 2023 Feb Mar

S&P 500 Index, 4h, O3967.52 H3967.56 L3908.70 C3918.33 -49.20 (-1.24%)



Nov 14 Dec 12 21 2023 23 Feb 13 Mar 13

USD  
4200.00  
4160.00  
4120.00  
4080.00  
4050.00  
4040.00  
4000.00  
3960.00  
3950.00  
3918.33  
3880.00  
3840.00  
3800.00  
3760.00



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