

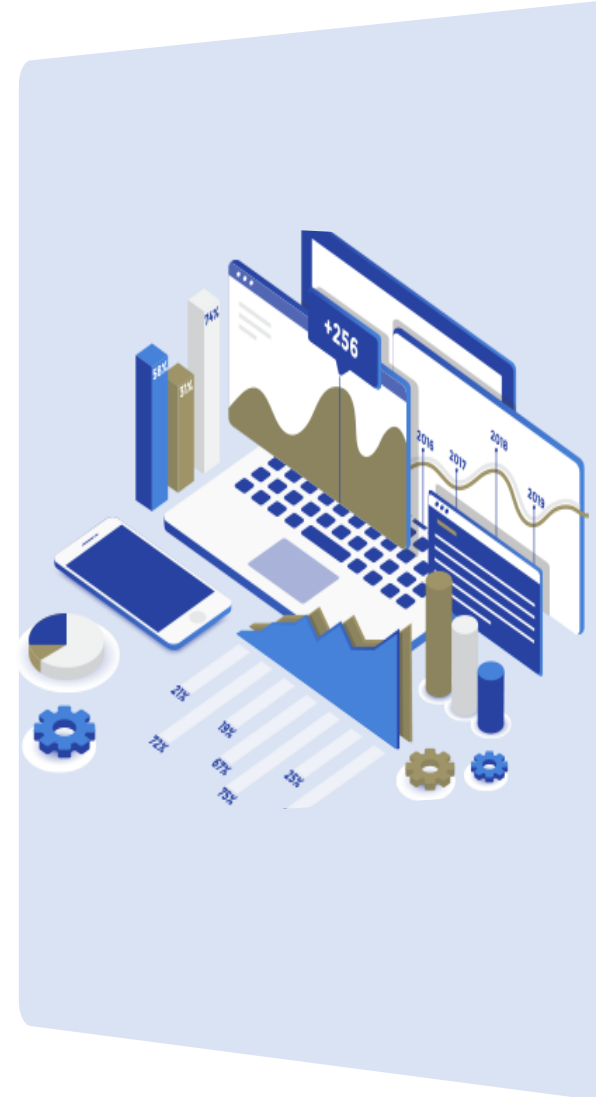


Market Analysis

17/10/2023

NEWS ANALYSIS

- The dollar index on Monday fell by -0.38%. The dollar retreated Monday as geopolitical risks in the Middle East eased slightly and curbed safe-haven demand for the dollar. There are a number of diplomatic efforts to contain the Israel-Hamas war. Also, Monday's rally in stocks has reduced the liquidity demand for the dollar. Higher T-note yields on Monday provided underlying support for the dollar. Comments Monday from U.S. Treasury Secretary Yellen were bullish for the dollar when she said higher interest rates in the U.S. may persist while also saying the U.S. economy is "in a good place."
- Philadelphia Fed Bank President Patrick Harker said on Monday the central bank should not create new pressures in the economy by raising borrowing costs. Analysts suggested the Fed may be setting the stage for an extended pause, which along with the US economy's resilience, kept the dollar supported.
- Geopolitics will continue to be a key driver for markets in the week ahead as investors continue to weigh the risks of an escalation with the approach of the U.S. authorities to prevent the conflict spreading to rest of the Middle East region. Investor attention will firmly be on Fed Chairman Jerome Powell, who is due to speak on Thursday, during a busy week of speeches by regional bank heads. Higher for longer (rates), relative U.S. growth resilience, and fears of broadening conflict are some of the factors that may underpin support for the dollar.





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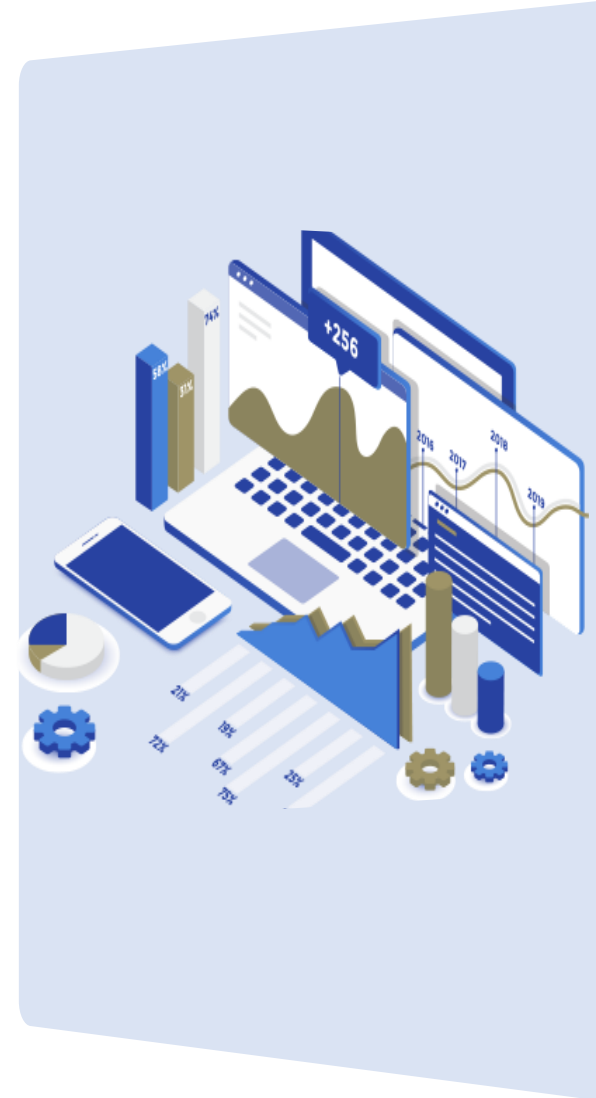
EURUSD

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EURUSD

- EUR/USD is consolidating the week's start gains to 1.0546 during early Tuesday. The European Central Bank (ECB) President Christine Lagarde told euro-area finance ministers that the ECB is watching energy prices and the Israel-Hamas conflict for inflation risks.
- Meanwhile, ECB's chief economist Philip Lane said in an interview that the ECB's decision to raise interest rates took longer than the Fed due to several factors. Lane further stated that they will keep interest rates high until inflation returns to 2%, but this may take some time.
- The confluence of the blue downtrend line and the broken uptrend line is expected to challenge the immediate upside of EUR/USD and direct the asset to Oct 03 low, around 1.0450. Alternatively, bulls will dominate the asset if it surpasses the previous week's high, surrounding 1.0630.



EURUSD, 1D, O1.05602 H1.05618 L1.05454 C1.05469 -0.00133 (-0.13%)

USD
1.13000
1.12000
1.11000
1.10000
1.09000
1.08000
1.07000
1.06300
1.06000
1.05469
1.05300
1.04500
1.04000
1.03700



Feb Mar Apr May Jun Jul Aug Sep Oct

EURUSD, 4h, O1.05556 H1.05558 L1.05460 C1.05461 -0.00095 (-0.09%)

USD



14 21 28 Sep 11 18 25 Oct 9 16

1.04000



+

GBPUSD

+



FOREX



NG



ES



CT

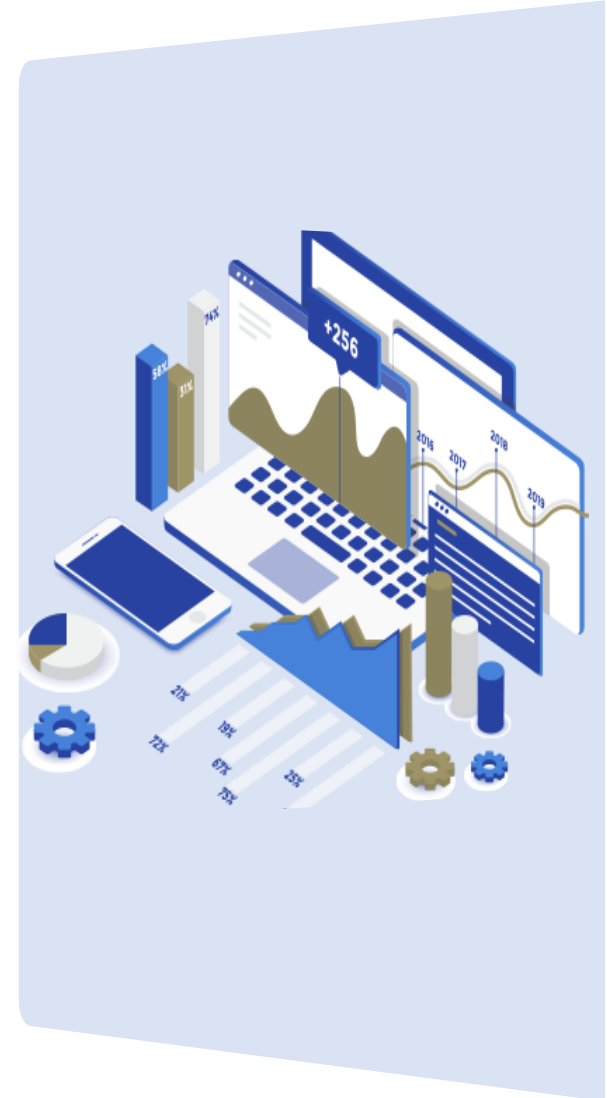


BB



GBPUSD

- The GBP/USD pair takes offers to renew intraday low around 1.2196, correcting the previous day's bounce off last week's low during early Tuesday.
- Wage inflation in the United Kingdom (UK), as measured by the change in the Average Earnings Excluding Bonus, rose 7.8% 3M YoY in August, as against a 7.9% increase registered in July, the partial labor data released by the Office for National Statistics (NBS) showed on Tuesday. The market expectation was for a 7.8% increase.
- Average Earnings Including Bonus rose 8.1% in the same period, at a slightly weaker pace than analysts' estimate of 8.3%. The August increase in pay growth was of 8.5%.
- The downtrend line is likely to limit the upside of GBP/USD and drag the cable to 1.2050. On the contrary, the sellers need a sustained move above the resistance of 1.2330 to retake control.



GBPUSD, 1D, O1.22115 H1.22163 L1.21930 C1.21962 -0.00153 (-0.13%)

USD
1.32000
1.31000
1.30000
1.29000
1.28000
1.27000
1.26000
1.25000
1.24000
1.23300
1.23000
1.21962
1.21000
1.20500
1.20000
1.19000
1.18000
1.17000



2023 Feb Mar Apr May Jun Jul Aug Sep Oct

GBPUSD, 4h, O1.21969 H1.21973 L1.21951 C1.21965 -0.00004 (-0.00%)

USD
1.31000
1.30000
1.29000
1.28000
1.27000
1.26000
1.25000
1.24000
1.23300
1.23000
1.21965
1.21000
1.20500
1.20000



17 24 Aug 14 21 Sep 11 18 25 Oct 9 16 2



+

USDJPY

+



USDJPY

- The USD/JPY pair trades in a narrow range around mid-149.00s, keeping its sideways consolidative price move for the third straight day on Tuesday.
- The uncertainty over the Federal Reserve's (Fed) next policy move keeps the US Dollar (USD) bulls on the defensive. This, along with speculations that Japanese authorities will intervene in the foreign exchange market to support the domestic currency, acts as a headwind for the USD/JPY pair. The downside, however, remains cushioned in the wake of a more dovish stance adopted by the Bank of Japan (BoJ), which might continue to undermine the Japanese Yen (JPY).
- The bulls are likely to drive the yen pair to the blue upward-sloping resistance line, followed by 21 Oct 2022 high, surrounding 151.95. Meanwhile, the support of 149.00 and the uptrend line will challenge the downside of USD/JPY.



USDJPY, 1D, O149.522 H149.632 L149.478 C149.550 +0.028 (+0.02%)

JPY



Feb Mar Apr May Jun Jul Aug Sep Oct

151.950
150.000
149.550
149.000
148.000
147.500
146.000
144.000
142.000
140.000
138.000
136.000
134.000
132.000
130.000

USDJPY, 4h, O149.507 H149.577 L149.488 C149.550 +0.042 (+0.03%)



JPY
151.000
150.500
150.000
149.550
149.000
148.500
148.000
147.500
147.000
146.500
146.000
145.500
145.000
144.500
144.000
143.500



14 21 28 Sep 11 18 25 Oct 9 16



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XAUUSD

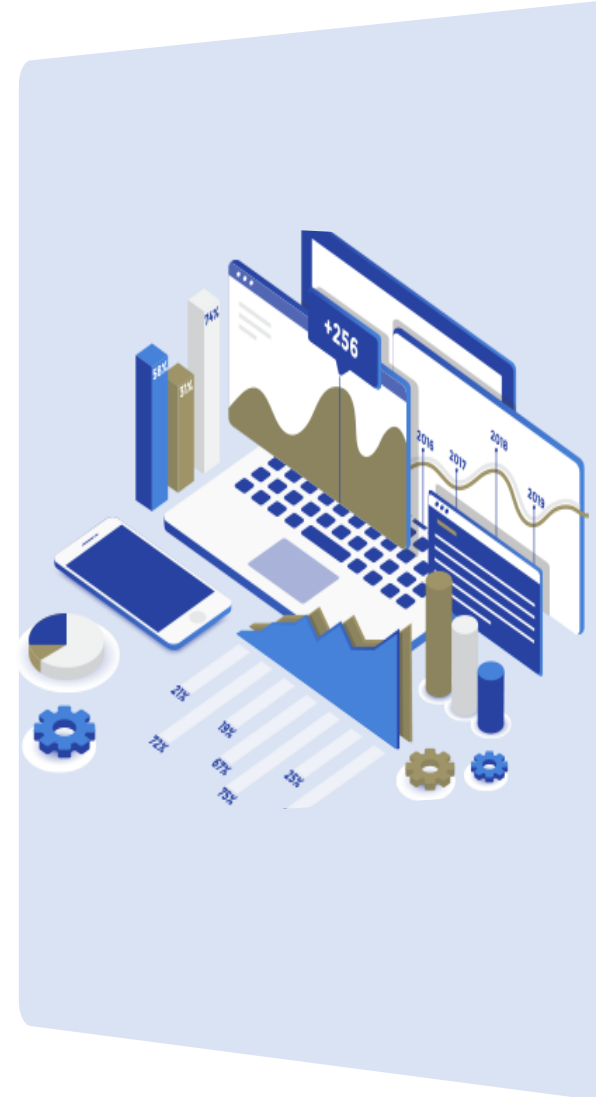
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-  FOREX
-  NG
-  ES
-  CT
-  BB



XAUUSD

- Potential safe-haven bids and short-covering on escalating tensions in the Middle East have boosted gold this month. Dovish comments by US Federal Reserve officials suggesting that the US central bank has pivoted on rates is also supporting the yellow metal. In this regard, the key focus is on Fed Chair Powell's speech later this week. The market is pricing in around a 90% chance that the Fed will keep interest rates unchanged at its Oct. 31-Nov. 1 meeting.
- There's a little bit of a risk-on mood. A pullback that includes some profit-taking seems justified, though gold's bullish outlook appears intact. The precious metal will either enjoy safe-haven flows from a return of geopolitical uncertainties or from market stress over Treasury-market liquidity.
- The bright metal is trading near the support of \$1,915. The asset is expected to find significant bids around that level. So after the conclusion of this pullback move, the yellow metal bulls will drag the asset towards the resistance of \$1,935. Alternatively, in case of a clear break of the support of \$1,915, bears will continue this pullback move and might initially aim for the level of \$1,900.



XAUUSD, 1D, O1920.165 H1921.870 L1912.460 C1915.175 -4.990 (-0.26%)

USD



AGRA MARKETS

Feb Mar Apr May Jun Jul Aug Sep Oct

1800.000

1820.000

1840.000

1860.000

1880.000

1900.000

1915.175

1935.000

1940.000

1950.000

1960.000

1980.000

1985.000

2000.000

2020.000

2040.000

2060.000

XAUUSD, 4h, O1916.620 H1917.655 L1912.460 C1915.040 -1.580 (-0.08%)

USD
1985.000
1980.000
1960.000
1950.000
1940.000
1935.000
1920.000
1915.040
1915.000
1900.000
1885.000
1880.000
1860.000
1840.000
1820.000
1800.000



Aug 13:00 14 21 27 Sep 11 18 25 Oct 9 16



S&P



MetaTrader4



S&P

- U.S. stocks rallied on Monday to finish the first trading day of the week in the green as investors shrugged off concerns the conflict erupted last week between Israel and Hamas may lead to a broader war in the Middle East, while looking ahead to the start of the third-quarter earnings season to better gauge the economy's temperature. The Dow Jones Industrial Average advanced 313 points, or 0.9%, to end at 33,984, while the S&P 500 rose 1.1% and the Nasdaq Composite gained 1.2%.
- Third-quarter earnings for S&P 500 companies are estimated to have increased 2.2% year-over-year, up from an estimated increase of 1.3% a week earlier, according to LSEG data Friday. At least for today, this is a market that sees a stronger earnings season, a stronger week in terms of earnings.
- The S&P 500 rose after meeting the support of 4,335 on Monday. If the bulls continue to buy, they can drag the asset towards the resistance of 4,430 and the blue downtrend line. On the contrary, in case of returning the price to 4,335 and breaking this level, bears will drive the asset towards 4,270.



SPX, 1D, O4342.37 H4383.33 L4342.37 C4373.62 +45.83 (+1.06%)

USD
4600.00
4500.00
4430.00
4373.62
4335.00
4300.00
4270.00
4230.00
4200.00
4100.00
4000.00
3900.00
3800.00
3700.00
3600.00
3500.00



AGRA
MARKETS

Nov Dec 2023 Feb Mar Apr May Jun Jul Aug Sep Oct

SPX, 4h, O4368.99 H4382.01 L4367.73 C4373.62 +4.66 (+0.11%)

USD



Jun 12 22 Jul 17 Aug 14 23 Sep 18 Oct 16



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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