IKON ATLANTIC

*Market*News

06/04/2023

EUR / USD

FOREX   NG   ES   CT   BB

EUR / USD

- The EUR/USD corrected to the 1.0900 zone after the beginning of the American session and despite weaker-than-expected US economic data. The US Dollar gained momentum, pushing the pair to the downside.

- ADP released its employment report showing that in March the private sector added 145K jobs, below expectations of 200K. The US Dollar dropped after the report but later, following the ISM Service, PMI turned decisively higher for the day. The ISM Service PMI came in at 51.2 in March, a bigger-than-expected slowdown from the 55.1 of February, and below market expectations of 54.5. The Employment Index fell to 51.3 from 54 and the Price Paid fell from 65.6 to 59.5. The report shows activity expanding at a modest pace with inflation indicators retreating further.

- The EUR/USD pair is trading near the 1.0905, down for the day with bullish stance in daily chart. The pair stabilized above 20 and 50 SMA, indicates bullish strength. Meanwhile, the 20 SMA continued accelerating north and heading towards 50 and 200 SMA, suggests bulls not exhausted yet. On upside, the immediate resistance is 1.0980, break above this level will extend the advance to 1.1030.

- Technical readings in the daily chart support the bullish stance. The RSI indicator stabilizes around 60. The Momentum indicator holds above the midline, indicating bullish potentials. On downside, the immediate support is 1.0880 and below this level will open the gate to 1.0790.

GBP / USD

MetaTrader4

FOREX   NG   ES   CT   BB

GBP/USD

- GBP/USD climbed above 1.2500 for the first time since June on Tuesday. However, it failed to hold that gains and back to 1.2450 area to ended Wednesday, down around 0.31%.

- The Pound Sterling is riding the weakness in the US Dollar that was pressured after a plunge in US factory activity raised concerns over slowing economic growth. US manufacturing PMI fell in March to the lowest since May of 2020 and US factory orders declined for a second straight month, down 0.7% in February after falling 2.1% in January from the 1.7% jump in December. The ISM reported yesterday that its Manufacturing PMI fell to 46.3 last month. This was the worst since May 2020, from 47.7 in February.

- The GBP/USD offers bullish stance in daily chart. Cable stabilizes above 20 and 50 SMA, indicating bullish strength in short term. Meanwhile, the 20 SMA continued accelerating north and heading towards longer ones, suggests bulls not exhausted yet. On upside, the immediate resistance is 1.2550 with a break above it exposing to 1.2660.

- Technical readings in the daily chart support the bullish stances. RSI indicator stabilizes around 63, while the Momentum indicator stabilizes above the midline, suggesting upward potentials. On downside, the immediate support is 1.2420, unable to defend this level will resume the decline to 1.2270.

XAU / USD

MetaTrader4

FOREX   NG   ES   CT   BB

XAU/USD

- Gold price printed fresh one-year highs at $2,032 after the release of US employment data. The yellow metal then pulled back modestly, and ahead of more economic reports, it is hovering around $2,021.

- ADP released it employment report showing that in March the private sector added 145,000 jobs, below market consensus of 200,000. February's figures were revised higher from 242,000 to 261,000. After the report, US yields printed fresh weekly lows and the US Dollar weakened. The numbers still show a healthy labor market, but slowing down. More data from the US is due on Wednesday with March ISM Service PMI.

- Gold price stabilized around 2021, unchanged for the day and bullish in the daily chart. The gold price still stabilizes above all main SMAs, suggesting bullish strength in short term. Meanwhile, the 20 continued accelerating north and continued developing far above 200 SMA, indicates bulls not exhausted yet. On upside, the immediate resistance is 2032, break above this level will open the gate for more advance to 2071 area.

- From a technical perspective, the RSI indicator holds above the mid-line and stabilizes around 68, on a bullish strength. The Momentum indicator hold in the positive territory, suggests upward potentials. On downside, the immediate support is 2000, below this area may resume the decline to 1976.
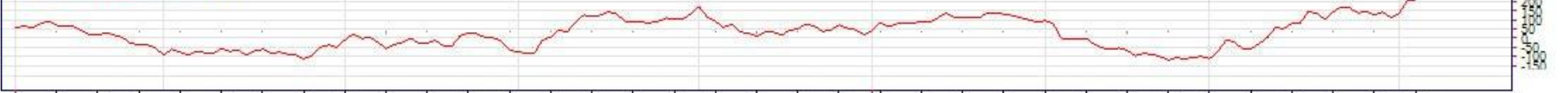
USD / JPY

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USD/JPY

- After moving sideways for hours, the USD/JPY broke to the downside, hitting fresh weekly lows following the release of the US ADP Employment report. The pair is testing the 131.00 area amid a weaker US dollar.

- The report published by ADP showed that in March the private sector added 145,000 jobs, below expectations of a 200,000 increase. February's figures were revised higher from 242,000 to 261,000. US yields accelerated the decline after the ADP report, boosting the Japanese Yen across the board. The US 10-year yield fell to 3.30%, and is about to test March lows. The 2-year Treasury yield was at 3.89% and bottomed at 3.75%. The US Dollar Index erased daily gains and fell from 101.70 to 101.50. On Tuesday, the DXY posted the lowest daily close since early February.

- The USD/JPY pair stabilized around 131.30, down for the day and bearish in the daily chart. The price still stabilizes below 20 and 50 SMA, suggests bearish strength in short term. Meanwhile, 20 SMA continued accelerating south and heading towards 50 SMA, indicating bears not exhausted. On upside, overcome 131.85 may encourage bulls to challenge 133.00, break above that level will open the gate to 133.80.

- Technical indicators suggest the bearish strength. RSI stabilizes around 42, while the Momentum indicator stabilizes below the midline, suggests downward potentials. On downside, the immediate support is 130.60, break below this level will open the gate to 129.60 area.

DJI

FOREX   NG   ES   CT   BB

Support Level   : 33450 - 33250 - 33000
Resistance Level : 33880 - 34250 - 34550

DJI

- DJI consolidated in the familiar range after the release of US economic data, jumped to the intraday high 33720 area the back to 33600 level and ended Wednesday around 33650, slightly up for the day and indicates bullish sign in the hourly chart. Right now market is standing above 20 SMA, suggests bullish strength. Meanwhile, 20 SMA started turning north and heading towards 50 SMA, suggests bulls not exhausted yet. On upside, overcome 33880 may encourage bulls to challenge 34250, break above that level will open the gate to 34550.

- Technical indicators suggest the bearish movement. RSI stabilizes around 54, while the Momentum indicator stabilizes above the midline, suggests upward potentials. On downside, the immediately support is 33450, break below this level will open the gate for more decline to 33250 area.
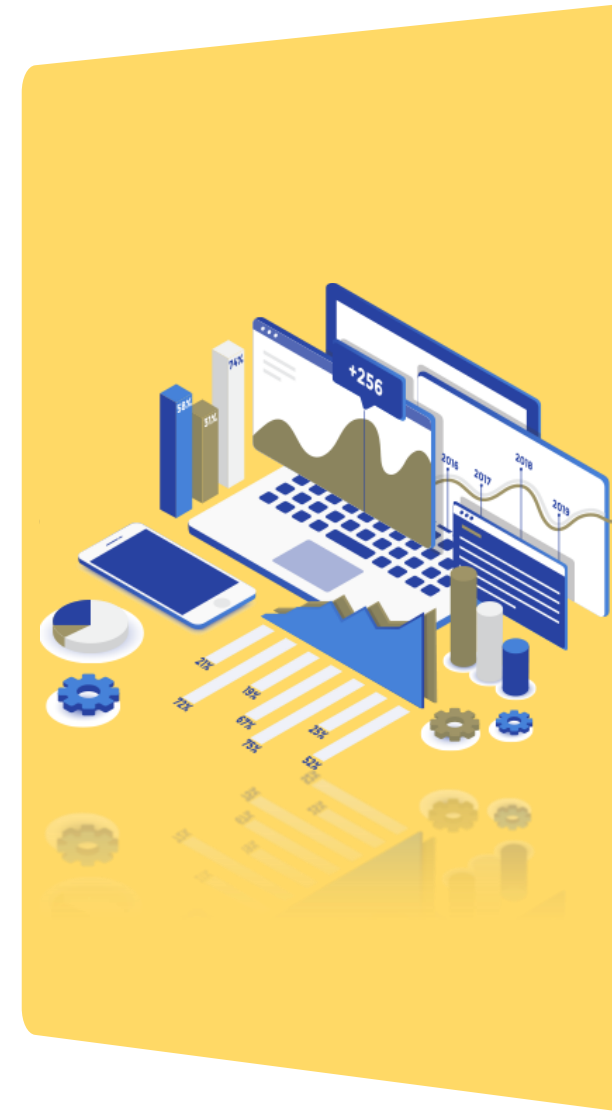
BRENT

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Support Level   : 83.50 − 80.00 − 77.10

Resistance Level : 87.00 − 89.00 − 91.00

Brent

- Brent consolidated in the familiar range, traded between 84.00 low to 85.50 high. It ended Wednesday around 84.80, down for the day and indicates bearish sign in the hourly chart. Meanwhile, the 20 SMA started turning south and heading towards 200 SMA, indicates bears not exhausted yet. On upside, overcome 87.00 may encourage bulls to challenge 89.00, break above that level will open the gate to 91.00.

- Technical indicators also suggest bearish movement, hovering below the midline. RSI stabilizes at 46, while the Momentum indicator stabilizes in negative territory, suggests downward potentials. On downside, the immediately support is 83.50, break below this level will open the gate for more decline to 80.00 area.

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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