IKON ATLANTIC

*Market*News

12/06/2023

EUR / USD

MetaTrader4

Support Level   : 1.0630 - 1.0500 - 1.0400

Resistance Level : 1.0790 - 1.0850 - 1.0900

EUR / USD

- EUR/USD reversed its course after Thursday's jobs report in the US justified the Fed view for skipping a rate hike. Additionally, recent data from Canada pointed to a softening labor market, atoning with recent unemployment claims in the US. The EUR/USD is trading at 1.0745, down 0.27%.

- The Euro feels the pain of falling bond yields across the bloc. That weakened the shared currency, which failed to cling to Thursday's gains. The EUR/USD stuck to the 20-day Exponential Moving Average at 1.0772., even though Thursday from the US lifted the pair. Data from the US Department of Labor showed that the US labor market is easing, as more Americans filed for unemployment, on its highest jump since October 2021.

- The EUR/USD pair is trading near the 1.0745, down for the day with bearish stance in daily chart. The pair stabilized below 50 and 200 SMA, indicates bearish strength. Meanwhile, the 20 SMA started turning flat but continued developing below 50 and 200 SMA, suggests bears not exhausted yet. On upside, the immediate resistance is 1.0790, break above this level will extend the advance to 1.0850.

- Technical readings in the daily chart support the bearish stance. The RSI indicator stabilizes around 43. The Momentum indicator holds below the midline, indicating bearish potentials. On downside, the immediate support is 1.0630 and below this level will open the gate to 1.0500.

GBP / USD

MetaTrader4

GBP/USD

- GBP/USD climbed to a new four-week high at 1.2590 on Friday. However, it dipped toward the 1.2570s area after a softer-than-estimated Canadian jobs report cemented the case for a Federal Reserve skip in the upcoming monetary policy meeting. The GBP/USD is trading at 1.2578, up 0.14%, set to finish the week with gains of more than 1%.

- Market sentiment is upbeat and pressures safe-haven peers, meaning the US Dollar trades soft. That, alongside central banks' divergence between the US Federal Reserve and the Bank of England, favours the Pound Sterling, with the GBP/USD bouncing from weekly lows of 1.2368. Aside from this, the UK dodged a recession projected by the BoE yet is still battling stubbornly high inflation that peaked at 11.1% in October last year. Since then, it has retreated to 8.7%, urging the BoE to raise rates above comfortable levels.

- 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 and 50 SMA started turning flat but continued developing above longer ones, suggests bulls not exhausted yet. On upside, the immediate resistance is 1.2600 with a break above it exposing to 1.2680.

- Technical readings in the daily chart support the bullish stances. RSI indicator stabilizes around 59, while the Momentum indicator stabilizes near the midline, suggesting directionless potentials. On downside, the immediate support is 1.2450, unable to defend this level will resume the decline to 1.2300.
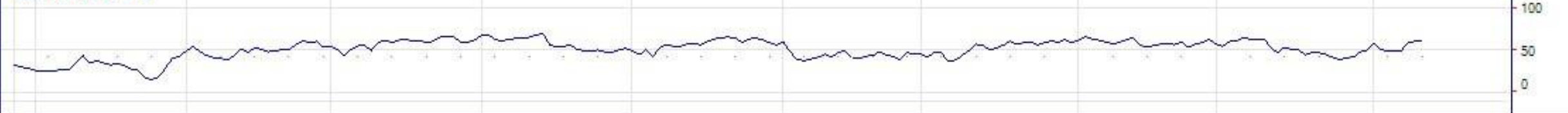
XAU/USD

FOREX   NG   ES   CT   BB

XAU/USD

- The XAU/USD is currently experiencing mild losses around the $1,960 area but it remains poised for a weekly gain. However, the expectations for the pause on rate hikes by the Federal Reserve act as a tailwind for Gold, while rising US bond yields limit its upside potential.

- Expectations that Fed will refrain from raising interest rates during its upcoming June 13-14 meeting are restraining USD bulls from making aggressive bets and hence weakening the Greenback. However, recent central banks' unexpected rate hikes hint at further tightening, which could cap the yellow metal's upside potential. Markets are pricing in a high probability of a rate hike by the Fed in July, with the chances standing at approximately 85%. Additionally, the likelihood of a rate cut by the end of the year has decreased from 50% at the beginning of the week to around 15%.

- Gold price stabilized around 1960, down for the day and bearish in the daily chart. The gold price stabilizes below 20 SMA, suggesting bearish strength in short term. Meanwhile, the 20 SMA continued accelerating south and developing below 50 SMA, indicates bears not exhausted yet. On upside, the immediate resistance is 1985, break above this level will open the gate for more advance to 2000 area.

- From a technical perspective, the RSI indicator holds below the mid-line and stabilizes around 47, on a bearish strength. The Momentum indicator hold in negative territory, suggests downward potentials. On downside, the immediate support is 1931, below this area may resume the decline to 1900.

USD / JPY

FOREX   NG   ES   CT   BB

Support Level   : 138.40 − 137.30 − 135.60
Resistance Level : 141.00 − 142.30 − 144.00

USD/JPY

- USD/JPY bounced off weekly lows, and the 20-day Exponential Moving Average confluence on Friday after soft jobs data from Canada spurred a jump in US Treasury bond yields. The USD/JPY is trading at 139.28, up 0.30%.

- A supportive move for the USD/JPY pair is backed by a recovery in the US Dollar Index. The price action in the USD Index indicates that USD Index bulls are not going to surrender their entire gains easily as investors are shifting their focus toward the United States Consumer Price Index (CPI) data, which will release on Tuesday.

- The USD/JPY pair stabilized around 139.28, up for the day and bullish in the daily chart. The price stabilizes above 20 and 50 SMA, suggests bullish strength in short term. Meanwhile, 20 SMA continued accelerating north and developing above longer ones, indicating bulls not exhausted. On upside, overcome 141.00 may encourage bulls to challenge 142.30, break above that level will open the gate to 144.00.

- Technical indicators suggest the bullish strength. RSI stabilizes around 57, while the Momentum indicator stabilizes above the midline, suggests upward potentials. On downside, the immediate support is 138.40, break below this level will open the gate to 137.30 area.

DJI

FOREX   NG   ES   CT   BB

Support Level   : 33630 - 33450 - 33300
Resistance Level : 34000 - 34360 - 34550

DJI

- DJI fluctuated with gains on Friday, traded from intraday low 33740 level to high 34000 and ended the day around 33900, above 20 SMA, suggests bullish strength. Meanwhile, 20 SMA continued accelerating north and developing above 50 and 200 SMA, suggests bulls not exhausted yet. On upside, overcome 34000 may encourage bulls to challenge 34360, break above that level will open the gate to 34550.

- Technical indicators suggest the bullish movement. RSI stabilizes around 60, while the Momentum indicator stabilizes above the midline, suggests upward potentials. On downside, the immediately support is 33630, break below this level will open the gate for more decline to 33450 area.

BRENT

FOREX   NG   ES   CT   BB

Support Level   : 73.50 − 71.40 − 70.00
Resistance Level : 78.50 − 80.30 − 83.00

Brent

- Brent fluctuated in the familiar range on Friday, traded from intraday high 7656 level to low 74.73, it hold near the bottom and ended the day around 75.00, down for the day and indicates bearish sign in the hourly chart. Meanwhile, the 20 SMA started turning south and heading towards longer ones, indicates bears not exhausted yet. On upside, overcome 78.50 may encourage bulls to challenge 80.30, break above that level will open the gate to 83.00.

- Technical indicators also suggest bearish movement, hovering below the midline. RSI stabilizes at 39, while the Momentum indicator stabilizes below the midline, suggests downward potentials. On downside, the immediately support is 73.50, break below this level will open the gate for more decline to 71.40 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.

MetaTrader4