

# Daily FX Report

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Friday, May 06, 2016

Good morning from Hamburg and welcome to our last Daily FX Report for this week. A rally in crude oil faded and U.S. stocks slipped for a third day, leaving the S&P 500 Index at a three-week low as investors awaited Friday's jobs report for clues on the strength of the world's largest economy. Emerging-market shares fell and the dollar strengthened. The S&P 500 has fallen 2.5 percent since April 20 amid rising concern global economies haven't responded to central-bank stimulus. Emerging-market shares dropped to the lowest in seven weeks, and Turkish 10-year bond yields topped 9.5 percent as the prime minister said he was stepping down.

Anyway, we wish you a successful trading day!

## Market Review – Fundamental Perspective

The dollar gained a third day, in its biggest advance since November, before Friday's employment release, as policy makers reiterated that June's Federal Reserve meeting will be "live" for a potential interest-rate increase. The currency strengthened against most major peers as St. Louis Fed President James Bullard said the labor market looks robust, and indicated that he's keeping an open mind about whether the economy will warrant a rate boost at the next meeting of the FOMC, on June 14-15. San Francisco Fed President John Williams said Thursday that all signs are pointing in the right direction on jobs, and two or three rate hikes this year seem reasonable. The Bloomberg Dollar Spot Index, which tracks the greenback versus 10 peers, advanced 0.4 percent as of 5 p.m. in New York, after reaching an almost one-year low on May 3. The three-day gain was the most since the period ended Nov. 6. The U.S. currency rose 0.2 percent to 107.26 yen and added 0.7 percent to \$1.1405 per euro. Gold futures fell for a third straight day, the longest slump in five weeks, as a rally in the dollar trimmed demand for the metal as an alternative asset. The precious metal for June delivery slipped 0.2 percent to settle at \$1,272.30 an ounce at 1:58 p.m. on the Comex in New York, capping the longest slump since March 28. Bullion has rallied 20 percent this year after three straight annual losses, helped by speculation that the Fed will be slow to tighten monetary policy amid global risks to economic growth. Low borrowing costs are a boon to gold because it doesn't offer yields or dividends. The S&P 500 fell less than 0.1 percent at 4 p.m. in New York. A rally that sent the index up as much as 15 percent from February lost steam after reaching a four-month high on April 20, amid lackluster earnings and lukewarm signs of an economic pickup.

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## Daily Technical Analysis

### EUREX.FDX (M15)

Yesterday, the German stock index consolidated in a tight range and was supported slightly above 9800 points. It seems like the bearish trend found now a support and short sellers are covering their positions. It might be very interesting if the bearish trend line will be broken sustainable close to next resistance level around 9918 points.



### Support & Resistance (Intraday)

Support Levels around	Resistance Levels around
9818	9918
N/A	9980
N/A	N/A

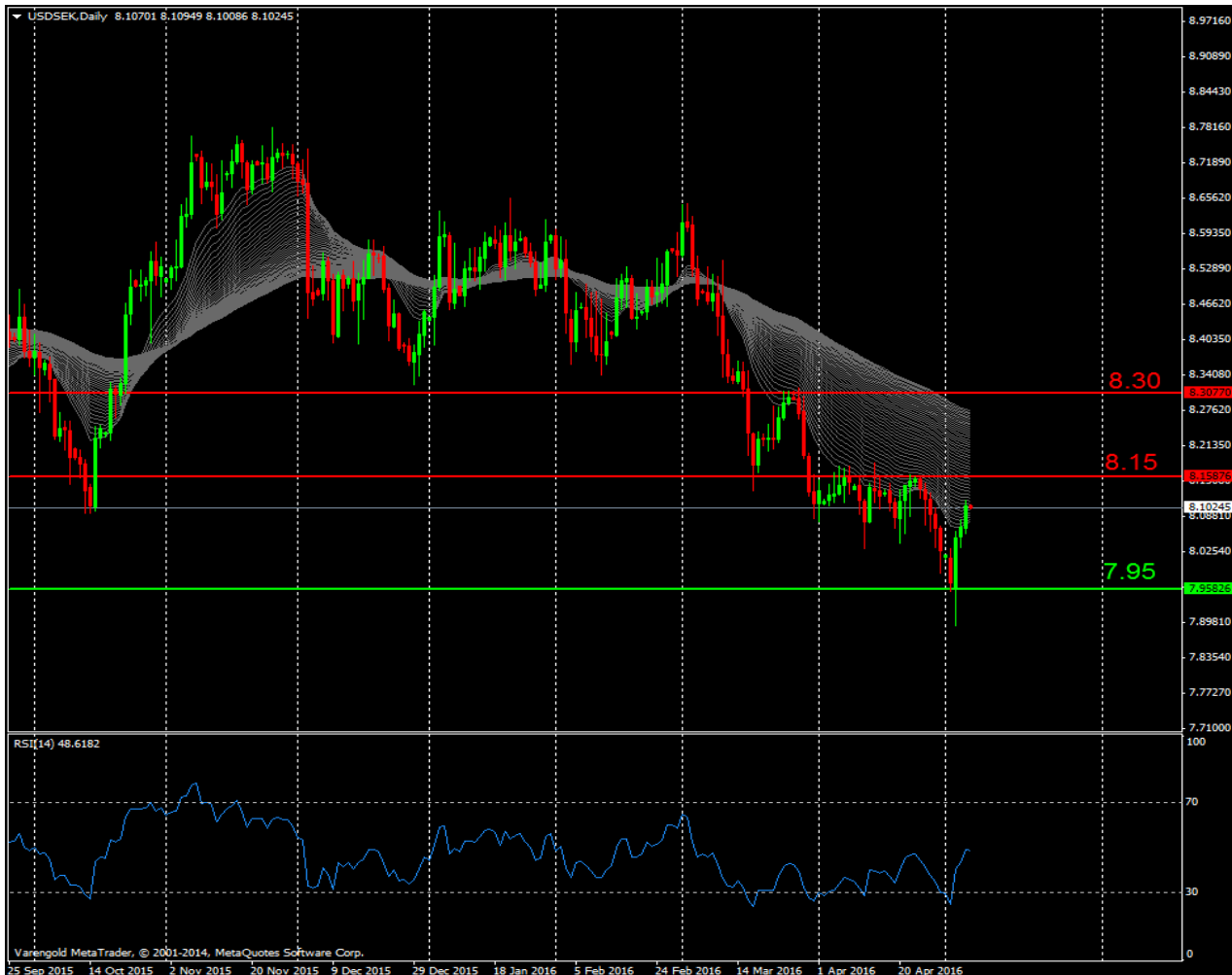
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## USD/SEK (D1)

This exotic currency pair declined in a sustainable trend over the last two months. While the greenback reached new lows, the Relative Strength Index gave three times an oversold signal as you can see on the bottom of the chart. Short sellers started to cover their short positions while the price fell below 8 SEK, as you can see on the reversal-candle. Seems to be possible that this was the first step to make a bigger turnaround in price action.



### Support & Resistance (Daily)

Support Levels around	Resistance Levels around
7.95	8.15
N/A	8.30
N/A	N/A

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## EUR/NZD (H4)

After the decline to 1.6 NZD the euro was able to recover most of its losses. In the last three weeks the price action was clearly bullish, as you can see on the long trend channel. It might be interesting for potential buyers to enter the market at the lower supports or the lower trend channel. The volatility should be considered to manage the position size.



### Support & Resistance (4 Hours)

Support Levels around	Resistance Levels around
1.65	1.67
1.62	1.68
N/A	N/A

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## Daily Calendar & Key Events

Date	Time (GMT)	Economic Indicator	Last	Survey
06/05/2016	12:30	US Unemployment Rate	5.0%	4.9%
06/05/2016	12:30	US Change in Nonfarm Payrolls	215k	200k
06/05/2016	14:00	CA Ivey Purchasing Managers Index SA	50.1	52.3

If you have any questions, please contact us for further assistance. 24 hours a day:

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