

# Daily FX Report

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Wednesday, May 04, 2016

Good morning from Hamburg and welcome to our latest Daily FX Report. Global equities fell the most in a month and crude oil declined, while Treasuries surged with the dollar as evidence of limp economic growth around the world sparked a retreat from riskier assets. The Standard & Poor's 500 Index dropped to a three-week low with energy shares plunging as U.S. oil fell below \$44 a barrel. Financial stocks slipped after UBS AG's earnings missed estimates, sending Europe's main equity index down for a third day. Emerging-market shares sank the most since Feb. 11, while yields on 10-year Treasury notes slid to a two-week low. The dollar bounced from a one-year nadir, and Australia's currency tumbled after the central bank unexpectedly cut interest rates.

Anyway, we wish you a successful trading day!

## Market Review – Fundamental Perspective

The dollar rose from a one-year low as Federal Reserve Bank of Atlanta President Dennis Lockhart called a June interest-rate increase “a real option,” helping stall a slide by the greenback. The U.S. currency climbed the most since December as Lockhart said two rate rises this year are possible, after the central bank opted to hold monetary policy steady last month. Cleveland Fed President Loretta Mester and San Francisco Fed President John Williams also spoke on Tuesday. A precipitous decline in the greenback looks to be running out of steam. A measure of dollar momentum is near a level that signals to some analysts it has fallen too far, too fast and is set to reverse direction. The U.S. employment report on May 6 may also support Fed plans to raise rates. The Bloomberg Dollar Spot Index, which tracks the greenback versus 10 peers, added 0.7 percent as of 5 p.m. in New York, after touching the lowest level on an intraday basis since May 2015. The dollar's 14-day relative strength index rose to 38, after reaching the 30 level that indicates an extended move. The U.S. currency rose 0.2 percent to 106.60 yen.

The euro advanced, headed for its longest winning streak against the dollar since 2013, amid signs the Federal Reserve will delay raising interest rates. Europe's shared currency strengthened, and it earlier breached \$1.16 for the first time since August, even as the European Commission Tuesday cut its inflation forecast and warned of slower-than-predicted growth across the 19-nation bloc.

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## Daily Technical Analysis

### EUREX.FDX (Hourly)

After the decline of around 200 points yesterday, the German stock index was supported slightly below 10K value. The current range between support and resistance might be very interesting for the development after the market opening tomorrow. The still existing bearish trend in this timeframe should be considered.



### Support & Resistance (H1)

Support Levels around	Resistance Levels around
9950	10165
N/A	N/A
N/A	N/A

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## GBP/CHF (D1)

This minor currency pair declined in a very sustainable trend over the last months. While Sterling reached new lows, the Relative Strength Index gave three times an oversold signal as you can see on the bottom. Bears started catching profits while the value has fallen to 1.34 CHF and the pullback reached to 1.42 CHF. This constellation is similar to a reversed shoulder-head-shoulder pattern.



### Support & Resistance (Daily)

Support Levels around	Resistance Levels around
1.37	1.42
1.34	1.47
N/A	N/A

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## GBP/NZD (D1)

The British pound weakened in a very sustainable bearish trend. After touching the level around 2.04 NZD, bulls came back and made the first step to turnaround. The bearish trend line was already broken and was additionally confirmed as a support. It might be possible that bulls are able to exceed the level around 2.11 NZD.



### Support & Resistance (Daily)

Support Levels around	Resistance Levels around
2.04	2.11
N/A	2.14
N/A	2.22

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## Daily Calendar & Key Events

Date	Time (GMT)	Economic Indicator	Last	Survey
04/05/2016	08:00	EC Markit Eurozone Services PMI	53.2	53.2
04/05/2016	08:30	UK Markit/CIPS UK Construction PMI	54.2	54.0
04/05/2016	12:15	US ADP Employment Change	200k	195k

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

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