

Fed speech, flash PMI push dollar to a fresh 8-month high -

Marking the final day of Fed speeches ahead of the one-week blackout period starting today, FOMC voting member, Bullard said that December was "most likely" for a rate hike. Following his comments, the Fed funds futures edged higher to show a 74% probability of a December rate hike. Later on, flash manufacturing PMI from Markit showed the index rising to 53.2 in October, higher than 51.5 from September with new orders seen rising to a one-year high. The US dollar index added to further gains, closing the day at a fresh 8-month high. **EURUSD Daily Analysis (EUR/USD News & Technical Analysis)**



EURUSD (1.0877): Gains in the EURUSD were short lived yesterday as an intraday high to 1.0898 failed to sustain as the currency pair closed with a doji. The occurrence of the candlestick near the bottom end of the recent downtrend could signal a short term exhaustion in price. On the 4-hour chart, the euro remains trading within 1.0900 and 1.0850 levels. A test of support near 1.0850 will complete the daily chart's head and shoulders pattern and could see a near-term correction to the upside if price clears 1.0900 minor resistance. So far, EURUSD remains trading within the falling median line and

signals that the recent declines could likely stall near the current levels. **USDJPY Daily Analysis (USD/JPY News & Technical Analysis)**



USDJPY (104.39): USDJPY closed above 104.18 yesterday and the outcome of today's session could see invalidation to the head and shoulders pattern if price closes above 104.34 on the daily chart. The head and shoulders pattern remains in play although the latest leg to the upside marks a higher right shoulder. Still, the lower high keeps the pattern intact. On the daily chart, the sideways price action continues with no clear outcome just as yet which keeps the risks evenly balanced. **EURAUD Daily Analysis (EUR/AUD News & Technical Analysis)**



EURAUD (1.4273): EURAUD is showing signs of current downtrend being exhausted with the 4-hour chart signaling a potential correction towards 1.4560. A higher low above 1.4200 could confirm

the initial correction towards the 1.4560 which could now be tested for resistance. To the downside, a close below 1.4200 will invalidate the short term bias to the upside and could see further declines being extended. Watch for a higher low followed by a breakout above 1.4308, which will validate the bullish bias as EURAUD could rise back towards 1.4560 resistance. **Source:** [Orbex Forex Broker \(Review and Forex Rebates Up to 85%\)](#)