

North and South Korea to Meet on Friday for Historic Talks -

The Koreans will hold historic talks on Friday, aimed at formally ending hostilities between them and closing a chapter of their combined history. North Korea pledged to suspend missile and nuclear tests effective immediately, while South Korea has lifted border propaganda broadcasts. USDJPY has moved up to the 107.800 level, with resistance above at 108.000 and a breakout on further good news targeting 109.000. Risk-on is expected to continue in the markets after major indices declined on Friday, but only to retest key breakout supporting levels from the last two weeks. The US500 held the 2660.00 support area and the German30 Index held the 12500.00 area. Indices futures are indicating a higher opening for markets ahead of the European session, despite some weakness in Asia, and if these supporting levels hold it could be a very positive week. Gold has slipped lower, as demand softens and USD finds some strength in early trading that is likely to continue. Canadian Consumer Price Index (MoM) (Mar) was 0.3% v an expected 0.4%, against 0.6% previously. BOC Consumer Price Index Core (YoY) (Mar) was 1.4% v an expected 1.5%, against 1.5% previously. BOC Consumer Price Index Core (MoM) (Mar) was as expected at 0.2%, from a prior 0.7%. Consumer Price Index (YoY) (Mar) was 2.3% v an expected 2.4%, against 2.2% previously. Consumer Price Index - Core (MoM) (Mar) was 0.0% against 0.2% previously. Canadian Retail Sales Ex-Autos (MoM) (Feb) was 0.0% v an expected 0.3%, against 0.9% previously, which was revised up to 1.0%. Retail Sales (MoM)

(Feb) was 0.4% v an expected 0.3%, against 0.3% previously, which was revised down to 0.1%. These data points came in largely as expected, with slight softness in some readings. Retail sales were slightly stronger after missing expectations over the last two months, but last month's figure was revised down. Retail Sales Ex-Autos showed a drop, but last month's figure was revised up. The sales data is showing a lot of weakness as a result, with the 3-month average of Sales Ex-Autos at -0.4%, the lowest since 2015. USDCAD moved higher from 1.26328 up to 1.27450 after the release of this data, as the CAD weakened further for the third day. The Baker Hughes US Rig Count was released with a headline number of 820. The prior number last Friday showed that there were 815 Oil rigs in operation, up from 808 the previous week. With oil at the highest levels in recent years, on the back of a bigger than expected draw in inventories on Wednesday, this data may set the tone for traders as they start the week. EURUSD is down -0.13% overnight, trading around 1.22700. USDJPY is up 0.18% in early session trading at around 107.806. GBPUSD is up 0.11% this morning, trading around 1.40169. USDCAD is down -0.07%, trading around 1.27553. Gold is down -0.08% in early morning trading at around \$1,334.50. WTI is up 0.37% this morning, trading around \$68.33.

Today's important market news

Time: GMT

- 08:00  Markit Services PMI
- 08:00  Markit Manufacturing PMI
- 08:00  Markit PMI Composite
- 12:30  Chicago Fed National Activity Index
- 13:45  Markit PMI Composite
- 13:45  Markit Services PMI
- 14:00  Existing Home Sales (MoM)
- 14:00  ECB Cœuré Speech
- 19:30  BoC Governor Poloz Speech
- 22:00  RBA Assistant Governor Kent Speech

Daily Pivot Point Leveles EUR/USD Intraday: under pressure.
Pivot: 1.2310 Our preference: short positions below 1.2310 with targets at 1.2250 & 1.2225 in extension. Alternative scenario: above 1.2310 look for further upside with 1.2335 & 1.2360 as targets.
Comment: the RSI is mixed to bearish.



GBP/USD Intraday: key resistance at 1.4045. Pivot: 1.4045 Our

preference: short positions below 1.4045 with targets at 1.3985 & 1.3950 in extension. Alternative scenario: above 1.4045 look for further upside with 1.4090 & 1.4140 as targets. Comment: the upward potential is likely to be limited by the resistance at 1.4045.



AUD/USD Intraday: consolidation. Pivot: 0.7700 Our preference: short positions below 0.7700 with targets at 0.7650 & 0.7630 in extension. Alternative scenario: above 0.7700 look for further upside with 0.7720 & 0.7740 as targets. Comment: as long as the resistance at 0.7700 is not surpassed, the risk of the break below 0.7650 remains high.



Gold spot Intraday: key resistance at 1339.50. Pivot: 1339.5000 Our

preference: short positions below 1339.50 with targets at 1331.00 & 1326.00 in extension. Alternative scenario: above 1339.50 look for further upside with 1344.50 & 1347.00 as targets. Comment: the RSI is capped by a declining trend line.



Silver spot Intraday: key resistance at 17.2100. Pivot: 17.2100 Our preference: short positions below 17.2100 with targets at 17.0000 & 16.8700 in extension. Alternative scenario: above 17.2100 look for further upside with 17.3600 & 17.4500 as targets. Comment: the RSI is capped by a bearish trend line.



Crude Oil (WTI) (M18) Intraday: key resistance at 68.60. Pivot: 68.6000 Our preference: short positions below 68.60 with targets at

67.87 & 67.50 in extension. Alternative scenario: above 68.60 look for further upside with 68.95 & 69.55 as targets. Comment: even though a continuation of the technical rebound cannot be ruled out, its extent should be limited. The RSI is mixed with a bearish bias.



Source: [Fxpro](#) and [HYCM](#)