

**Daily Currency Report(2016.02.02) Source:** [Direct FX Forex Broker \(Review and Forex Rebates Up to 85%\)](#) **Forex Market**

**Update** This morning, the greenback is trading higher against most of the major currencies. The EUR is trading higher against the USD, after Germany's seasonally adjusted unemployment rate unexpectedly fell in January, recording its lowest level in 20-years, indicating that the health of the nation's labor market is improving amid global slowdown. Additionally, Euro-zone's unemployment rate also fell in December, hitting its lowest level since September 2011. The AUD lost ground against the USD. Earlier today, the RBA kept the interest rate steady at 2.0%, in line with market expectations. Post the meeting, the RBA Governor, Glenn Stevens, stated that the central bank will look for additional information to judge whether the turmoil in global financial markets due to tumbling oil prices and economic slowdown in China demands for low interest rates in the nation. However, the Governor kept room for a rate cut in the near future and expressed concerns regarding the recent market volatility and continuous low domestic inflation. Yesterday, the greenback traded lower in the New York session against the key currencies, after the US ISM manufacturing PMI shrank for a fourth consecutive month in January, amid persistent weakness in oil prices and stronger dollar. Additionally, the nation's final Markit manufacturing PMI declined in January. Moreover, construction spending data rebounded less than anticipated on a monthly basis in December.

**EURUSD** This morning at 10:40 GMT, the EUR is trading at 1.0909

against the USD, 0.21% higher from the New York close, after Eurozone and Germany's unemployment rate surprisingly fell in December. This morning, the pair traded at a high of 1.0921 and a low of 1.0885. The Euro traded 0.07% higher against the US Dollar in the New York session yesterday, with the pair closing the session at 1.0887. The pair is expected to find support at 1.0871 and its first resistance at 1.0934.

**GBPUSD** At 10:40 GMT, the pair is trading at 1.4399, with the Pound trading 0.21% lower against US Dollar from the New York close, after UK's construction PMI declined more-than-expected to a 9-month low level in January. The pair witnessed a high of 1.4437 and a low of 1.4326 during the session. Yesterday, the Pound traded 0.91% higher against the US Dollar in the New York session and ended at 1.4429. Immediate downside, the first support level is seen at 1.4289, while on the upside, the first resistance level is situated at 1.4477.

**USDJPY** This morning, at 10:40 GMT, the US Dollar is trading at 120.78 against the Yen, 0.2% lower from the New York close. Overnight data showed that the monetary base in Japan rose more than expected on an annual basis in January. During the session, the pair traded at a high of 121.05 and a low of 120.36. Yesterday, the US Dollar traded 0.21% lower against the Yen in the New York session and ended at 121.02. The pair is expected to find support at 120.29 and its first resistance at 121.35.

**USDCHF** The US Dollar is trading at 1.0213 against the Swiss Franc at 10:40 GMT this morning, 0.16% higher from the New York close.

In economic news, Switzerland's real retail sales continued to decline in December. The pair traded at a high of 1.0217 and a low of 1.0177 this morning. Yesterday, the USD traded 0.08% lower against the CHF in the New York session and ended at 1.0196. The pair is expected to find support at 1.0170 and its first resistance at 1.0240.

**USDCAD** The pair is trading at 1.4007 at 10:40 GMT this morning, with the USD trading 0.46% higher against CAD from the New York close. The pair traded at a high of 1.4041 and a low of 1.3939 this morning. The US Dollar declined against the Canadian Dollar in the New York session yesterday, closing 0.69% lower at 1.3943. In economic news, Canada's RBC manufacturing PMI advanced in January, but continued to remain in contractionary territory. The pair is expected to find support at 1.3922 and its first resistance at 1.4078.

**AUDUSD** The pair is trading at 0.7051 at 10:40 GMT this morning, with the Australian Dollar trading 0.83% lower against US Dollar from the New York close. Early this morning, the RBA kept interest rate steady at 2.0%, in line with market expectations. This morning, the pair traded at a high of 0.7131 and a low of 0.7040. The Australian Dollar traded 0.51% higher against the US Dollar in the New York session yesterday, with the pair closing the session at 0.7110. The pair is expected to find support at 0.7017 and its first resistance at 0.7108.

**Gold** Gold is trading at \$1124.70 per ounce at 10:40 GMT this

morning, 0.29% lower from the New York close. This morning, the precious metal traded at a high of \$1131.00 per ounce and a low of \$1124.00 per ounce. Yesterday, gold traded 0.36% higher in the New York session and closed at \$1128.00 per ounce, amid weak global manufacturing activity data prompted investors towards safe-haven asset. Immediate downside, the first support level is seen at \$1118.87 per ounce, while on the upside, the first resistance level is at \$1130.77 per ounce.

**Silver** The precious metal is trading at \$14.27 per ounce at 10:40 GMT this morning, 0.51% lower from the New York close. During the session, silver traded at a high of \$14.37 per ounce and a low of \$14.26 per ounce. In the New York session yesterday, silver rose 0.13% and closed at \$14.34 per ounce, tracking gains in gold prices. Immediate downside, the first support level is seen at \$14.17 per ounce, while on the upside, the first resistance level is at \$14.39 per ounce.

**Oil** The commodity is trading at \$30.54 per barrel at 10:40 GMT this morning, 3.42% lower from the New York close. Crude oil witnessed a high of \$31.62 per barrel and a low of \$30.39 per barrel during the session. In the New York session yesterday, crude oil fell 2.65% to close at \$31.62 per barrel, led by dismal economic data from China and no clear signs from the OPEC on curbing output to clear the supply glut. Immediate downside, the first support level is seen at \$29.50 per barrel, while on the upside, the first resistance level is at \$32.48 per barrel.

## **Economic Snapshot.**

**UK Construction PMI fell in January** The construction PMI declined more than expected to 55.00 in January, in the UK, compared to market expectations of a fall to a level of 57.50. The construction PMI had recorded a reading of 57.80 in the prior month.

**Eurozone unemployment rate fell in December** In December, the unemployment rate in the Eurozone fell unexpectedly to 10.40%. The unemployment rate was 10.50% in the previous month.

**Germany's unemployment rate dropped in January** In Germany, the seasonally adjusted unemployment rate dropped unexpectedly to 6.20% in January, compared to 6.30% in the previous month. Markets were expecting unemployment rate to remain steady at 6.3%.

**Germany's unemployment change declined in January** In January, the number of people unemployed in Germany unexpectedly declined 20.00 K, compared to a revised fall of 16.00 K in the prior month. Markets were expecting the number of people unemployed to drop 8.00 K.

**Switzerland's real retail sales dropped in December** In Switzerland, the real retail sales declined 1.60% on a YoY basis, in December. In the prior month, real retail sales had registered a revised decline of 1.70%.

**Japan's monetary base registered a rise in January.** On a YoY basis, the monetary base in Japan registered a rise of 28.90% in January. In the prior month, the monetary base had registered a rise of 29.50%.

**RBA kept interest rate at 2.0%** The Reserve Bank of Australia maintained interest rate at 2.00%. Markets were expecting the central bank to keep key interest rate unchanged at 2.00%.