

**Daily Currency Report** - This morning, the greenback is trading higher against most of the major currencies, ahead of the US Markit manufacturing PMI, scheduled in a few hours. The EUR lost ground against the USD, as the services sector across the Euro-zone cooled slightly in April. Data showed that Germany's services sector growth slowed to a nine-month growth in April, indicating that the region's biggest economy could weaken in this quarter, compared to prior quarter's growth figure. On the other hand, the nation's manufacturing activity quickened more than expected in April. Meanwhile, the Euro-zone's manufacturing **PMI** unexpectedly edged down in April, pointing that the European Central Bank (**ECB**) will eventually need to do more to boost growth. Yesterday, the **ECB** left the key interest rate unchanged at 0.0%. Meanwhile, the ECB Chief, Mario Draghi, indicated that he is ready to insert even more stimulus if the **Euro-zone economy** needs it. Yesterday, the greenback traded higher in the New York session against the key currencies, after the number of Americans filing for unemployment aid in the week ended April 16, declined to the lowest level since the early 1970's, suggesting that labor demand is strong and will remain a pillar of support for the US economy, despite weak economic growth. On the contrary, the Philadelphia Fed Manufacturing index recorded a much worse than expected figure, as it surprisingly returned into negative territory in April.

**EURUSD** This morning at 09:40 GMT, the EUR is trading at 1.1278 against the USD, 0.06% lower from the New York close, after the

preliminary services PMI in the Euro-zone and Germany unexpectedly dipped in April. This morning, the pair traded at a high of 1.1310 and a low of 1.1265. The Euro traded 0.8% lower against the US Dollar in the New York session yesterday, with the pair closing the session at 1.1286. The pair is expected to find support at 1.1231 and its first resistance at 1.1360.

**GBPUSD** At 09:40 GMT, the pair is trading at 1.4345, with the Pound trading 0.18% higher against US Dollar from the New York close. With no macroeconomic data in the UK today, investor sentiment would be governed by global macroeconomic news. The pair witnessed a high of 1.4371 and a low of 1.4314 during the session. Yesterday, the Pound traded 0.77% lower against the US Dollar in the New York session and ended at 1.4319. Immediate downside, the first support level is seen at 1.4293, while on the upside, the first resistance level is situated at 1.4419.

**USDJPY** This morning, at 09:40 GMT, the US Dollar is trading at 110.51 against the Yen, 0.98% higher from the New York close. The Japanese Yen lost ground, after the preliminary estimate of Nikkei manufacturing PMI deteriorated further in April. During the session, the pair traded at a high of 110.75 and a low of 109.26. Yesterday, the US Dollar traded 0.19% lower against the Yen in the New York session and ended at 109.44. The pair is expected to find support at 109.59 and its first resistance at 111.09.

**USDCHF** The US Dollar is trading at 0.9759 against the Swiss Franc at 09:40 GMT this morning, 0.06% higher from the New York close.

Looking forward, the Swiss National Bank's (SNB) interest rate decision, scheduled next week would keep investors on their toes. The pair traded at a high of 0.9773 and a low of 0.9732 this morning. Yesterday, the USD traded 0.99% higher against the CHF in the New York session and ended at 0.9753. The pair is expected to find support at 0.9680 and its first resistance at 0.9805. **USDCAD** The pair is trading at 1.2743 at 09:40 GMT this morning, with the USD trading 0.12% higher against CAD from the New York close. Moving ahead, Canada's retail sales as well as inflation data, scheduled in a few hours would garner lot of market attention. The pair traded at a high of 1.2760 and a low of 1.2686 this morning. The US Dollar advanced against the Canadian Dollar in the New York session yesterday, closing 0.61% higher at 1.2728. The pair is expected to find support at 1.2662 and its first resistance at 1.2792.

**AUDUSD** The pair is trading at 0.7749 at 09:40 GMT this morning, with the Australian Dollar trading 0.13% higher against US Dollar from the New York close. Going forward, market participants would monitor Australia's consumer prices data, slated to release next week to get better insights in the nation's economy. This morning, the pair traded at a high of 0.7776 and a low of 0.7725. The Australian Dollar traded 1.06% lower against the US Dollar in the New York session yesterday, with the pair closing the session at 0.7740. The pair is expected to find support at 0.7704 and its first resistance at 0.7815.

**Gold** Gold is trading at \$1248.90 per ounce at 09:40 GMT this

morning, 0.05% lower from the New York close. This morning, the precious metal traded at a high of \$1254.20 per ounce and a low of \$1245.40 per ounce. Yesterday, gold traded 1.7% lower in the New York session and closed at \$1249.50 per ounce, as a stronger greenback dented demand for the previous-yellow metal. Immediate downside, the first support level is seen at \$1238.73 per ounce, while on the upside, the first resistance level is at \$1265.73 per ounce.

**Silver** The precious metal is trading at \$17.24 per ounce at 09:40 GMT this morning, 0.94% higher from the New York close. During the session, silver traded at a high of \$17.26 per ounce and a low of \$16.97 per ounce. In the New York session yesterday, silver fell 3.45% and closed at \$17.08 per ounce, tracking losses in gold prices. Immediate downside, the first support level is seen at \$16.77 per ounce, while on the upside, the first resistance level is at \$17.74 per ounce.

**Oil** The commodity is trading at \$43.33 per barrel at 09:40 GMT this morning, 0.23% lower from the New York close. Crude oil witnessed a high of \$43.98 per barrel and a low of \$43.17 per barrel during the session. In the New York session yesterday, crude oil fell 1.63% to close at \$43.43 per barrel, on reports that **Russia and Saudi Arabia** were preparing to increase crude output after no agreement was reached during talks in Doha. Immediate downside, the first support level is seen at \$42.76 per barrel, while on the upside, the first resistance level is at \$44.20 per barrel.

### **Economic Snapshot**

**Eurozone manufacturing PMI registered an unexpected drop in April**

In April, the preliminary manufacturing PMI in the Eurozone registered an unexpected drop to 51.50, lower than market expectations of an advance to a level of 51.90. The manufacturing PMI had registered a level of 51.60 in the previous month.

**Eurozone services PMI climbed in April** In April, the flash services PMI in the Eurozone climbed to 53.20, compared to a level of 53.10 in the prior month. Markets were anticipating services PMI to climb to 53.30.

**German manufacturing PMI recorded a rise in April** The flash manufacturing PMI climbed to 51.90 in April, in Germany, compared to a reading of 50.70 in the prior month. Markets were expecting manufacturing PMI to advance to 51.00.

**German services PMI recorded a surprise drop in April** The flash services PMI in Germany recorded an unexpected drop to 54.60 in April, compared to market expectations of a steady reading. Services PMI had recorded a reading of 55.10 in the previous month.

**French services PMI rose in April** In April, the flash services PMI rose to a level of 50.80 in France, compared to a reading of 49.90 in the prior month. Markets were anticipating services PMI to rise to 50.10.

**French manufacturing PMI registered a surprise drop in April** Markit Economics indicated that compared to a level of 49.60 in the previous month the flash manufacturing PMI eased unexpectedly to 48.30 in France, in April. Markets were expecting the index to rise to

a level of 49.90. **Italian retail sales climbed in February** The seasonally adjusted retail sales climbed 0.30% on a monthly basis in Italy, in February. In the previous month, retail sales had recorded a flat reading.

**Japanese manufacturing PMI registered an unexpected drop in April** In Japan, the flash manufacturing PMI recorded an unexpected drop to a level of 48.00 in April, compared to a level of 49.10 in the prior month. Market expectation was for manufacturing PMI to advance to a level of 49.50.

**Chinese MNI business sentiment index climbed in April** The MNI business sentiment index registered a rise to 50.50 in April, in China. The MNI business sentiment index had recorded a reading of 49.90 in the previous month.

**Source:** [Direct Fx Broker \(Review and Forex Rebates Up to 85%\)](#)