

**Daily Currency Report** - This morning, the greenback is trading lower against most of the major currencies, ahead of the US annualized gross domestic product and initial jobless claims data scheduled in a few hours. The EUR is trading higher against the USD, after the Euro-zone's economic and services sentiment indices improved higher than expectations, indicating that businesses and consumers are more upbeat about the economic conditions in April. The YEN gained ground against the USD, after the Bank of Japan surprised markets by keeping interest rate unchanged at -0.1% and pledged to increase base money at an annual pace of ¥80.00tn. The central bank stated that it stays committed to achieving its 2.0% inflation target in about two years and announced a loan support program worth ¥300.00bn for banks in areas hit by the recent earthquake. Moreover, the nation's unemployment rate fell unexpectedly in March and the National CPI dropped surprisingly on a yearly basis in the same month. Yesterday, the greenback traded mixed in the New York session against the key currencies, after the Fed maintained the benchmark interest rate at 0.5% and provided no strong signals of the central bank raising rates in the June meeting. However, it remained open to raising interest rates in the near future. Moreover, the FOMC noted an improvement in the labor market, but agreed upon slowing economic growth in the nation, while also indicated that it would monitor global economic and financial developments. Meanwhile, advance goods trade deficit recorded a sharp drop in March.

**EURUSD** At 09:40 GMT, the pair is trading at 1.1361, with the EUR trading 0.31% higher against USD from the New York close. In economic news, German jobless rate remained steady at a record low of 6.2% in April. The pair witnessed a high of 1.1370 and a low of 1.1295 during the session. The Euro traded 0.10% higher against the US Dollar in the New York session yesterday, with the pair closing the session at 1.1325. The pair is expected to find support at 1.1298 and its first resistance at 1.1396. **GBPUSD** The GBP is trading at 1.4589 against the USD at 09:40 GMT, 0.37% higher from the New York close. On the data front, UK's seasonally adjusted Nationwide house prices rose less-than-expected in April. The Pound hit a high of 1.4620 and a low of 1.4523 against the US Dollar this morning. Yesterday, the Pound traded 0.32% lower against the US Dollar in the New York session and ended at 1.4536. Immediate downside, the first support level is seen at 1.4502, while on the upside, the first resistance level is situated at 1.4648. Immediate downside, the first support level is seen at 1.5645, while on the upside, the first resistance level is situated at 1.5743.

**USDJPY** The US Dollar is trading at 108.18 against the Yen at 09:40 GMT, 2.99% lower from the New York close. The Japanese Yen gained ground, after the BoJ surprised markets by holding off on additional stimulus. In other economic news, Japan's industrial production advanced more-than-expected on a monthly basis in March. The pair traded at a high of 111.90 and a low of 107.92 this morning. Yesterday, the US Dollar traded 0.32% higher against the

Yen in the New York session and ended at 111.51. Immediate downside, the first support level is seen at 106.76, while on the upside, the first resistance level is situated at 110.75.

**USDCHF** This morning, at 09:40 GMT, the US Dollar is trading at 0.9669 against the Swiss Franc, 0.46% lower from the New York close. Going forward, traders will eye Switzerland's KOF leading indicator data and the SNB Chief, Thomas Jordan's speech for further cues, scheduled tomorrow. The pair witnessed a high of 0.9735 and a low of 0.9660 during the session. Yesterday, the USD traded 0.12% lower against the CHF in the New York session and ended at 0.9714. Immediate downside, the first support level is seen at 0.9634, while on the upside, the first resistance level is situated at 0.9729.

**USDCAD** At 09:40 GMT, the pair is trading at 1.2567, with the USD trading 0.23% lower against CAD from the New York close. Moving ahead, Canada's gross domestic product data scheduled to release tomorrow, will be on investors radar. This morning, the pair traded at a high of 1.2604 and a low of 1.2528. The US Dollar advanced against the Canadian Dollar in the New York session yesterday, closing marginally higher at 1.2597. The pair is expected to find support at 1.2498 and its first resistance at 1.2666.

**AUDUSD** The Australian Dollar is trading at 0.7630 against the US Dollar at 09:40 GMT, 0.44% higher from the New York close. Early morning data showed that Australia's import and export price index fell higher than market expectations on a quarterly basis in 1Q 2016. The pair witnessed a high of 0.7660 and a low of 0.7577 during the

session. The Australian Dollar traded 0.18% lower against the US Dollar in the New York session yesterday, with the pair closing the session at 0.7597. The pair is expected to find support at 0.7566 and its first resistance at 0.7677.

**Gold** The precious metal is trading at \$1259.60 per ounce at 09:40 GMT this morning, 1.0% higher from the New York close. This morning, the precious metal traded at a high of \$1261.90 per ounce and a low of \$1239.10 per ounce. Yesterday, gold traded 0.41% lower in the New York session and closed at \$1247.10 per ounce, after the Federal reserve (Fed) kept the window open for a rate hike at the next monetary policy meeting in June. Gold has its first support at \$1245.17 per ounce and its first resistance at \$1267.97 per ounce.

**Silver** The precious metal is trading at \$17.43 per ounce at 09:40 GMT this morning, 0.81% higher from the New York close. During the session, silver traded at a high of \$17.46 per ounce and a low of \$17.19 per ounce. In the New York session yesterday, silver fell 0.89% and closed at \$17.29 per ounce. Silver has its first support at \$17.20 per ounce and its first resistance at \$17.55 per ounce.

**Oil** The commodity is trading at \$45.33 per barrel at 09:40 GMT this morning, 0.20% higher from the New York close. Crude oil hit a high of \$45.53 per barrel and a low of \$44.94 per barrel during the session. In the New York session yesterday, crude oil rose 0.89% to close at \$45.24 per barrel, on increasing hopes that global crude oil surplus will decline in the coming months. Meanwhile, the US Energy Department reported that US crude oil inventories rose by 2.0mn bls

last week to an all-time high of 540.6mn bls. Immediate downside, the first support level is seen at \$44.19 per barrel, while on the upside, the first resistance level is at \$46.04 per barrel.

### **Economic Snapshot**

#### **Eurozone services sentiment indicator registered a rise in April**

In April, the services sentiment indicator in the Eurozone climbed to 11.50, compared to market expectations of a rise to 10.00. The services sentiment indicator had registered a reading of 9.60 in the previous month.

#### **Eurozone consumer confidence index recorded a rise in April**

In April, the final consumer confidence index in the Eurozone advanced to -9.30, meeting market expectations. The preliminary figures had also indicated a rise to -9.30. In the previous month, the consumer confidence index had recorded a reading of -9.70.

**Eurozone economic sentiment indicator advanced in April** The economic sentiment indicator rose to a level of 103.90 in April, in the Eurozone, compared to a reading of 103.00 in the prior month.

Market anticipation was for the economic sentiment indicator to climb to a level of 103.40.

**Eurozone industrial confidence index advanced in April** In the Eurozone, the industrial confidence index climbed to -3.70 in April, compared to market expectations of a rise to -4.00. The industrial confidence index had registered a level of -4.20 in the prior month.

**Eurozone business climate indicator rose in April** In April, the business climate indicator recorded a rise to 0.13 in the Eurozone,

compared to a revised reading of 0.12 in the previous month. Market expectation was for the business climate indicator to climb to a level of 0.14.

**German number of people unemployed unexpectedly declined in April** The number of people unemployed unexpectedly eased 16.00 K in Germany, in April, compared to a revised fall of 2.00 K in the previous month. Markets were anticipating the number of people unemployed to record a flat reading.

**German unemployment rate remained unchanged in April** The seasonally adjusted unemployment rate in Germany remained flat at a level of 6.20% in April, in line with market expectations.

**Japanese industrial production rose more than expected in March** In March, the flash industrial production climbed 3.60% on a monthly basis in Japan, higher than market expectations for a rise of 2.80%. Industrial production had recorded a drop of 5.20% in the previous month.

**Bank of Japan maintained its key interest rate** The Bank of Japan held its key interest rate at -0.10%, in line with market expectations.

**Japanese unemployment rate declined unexpectedly in March** The unemployment rate in Japan eased unexpectedly to a level of 3.20% in March, compared to a level of 3.30% in the previous month. Markets were expecting unemployment rate to remain unchanged.

**Japanese national consumer price index (CPI) recorded an unexpected drop in March** The national consumer price index (CPI) unexpectedly fell 0.10% on an annual basis in Japan, in March, less

than market expectations for a steady reading. In the prior month, the national consumer price index (CPI) had registered a rise of 0.30%. **Source:** [Direct FX Broker \(Review and Forex Rebates Up to 85%\)](#)