

**Currency Report** - This morning, the greenback is trading lower against most of the major currencies, ahead of the US ISM manufacturing and the Markit manufacturing PMI's scheduled in a few hours. The EUR is trading higher against the **USD.**, despite **Eurozone's manufacturing** growth slowing in May, although the index stayed in the expansion territory. Moreover, the German manufacturing PMI fell short of market expectations in May. The GBP is trading lower against the USD. Data revealed that the **UK's Markit** manufacturing PMI unexpectedly expanded in May, after a negative reading seen in the preceding month. Meanwhile, UK's consumer credit advanced at a slower pace in April. The AUD gained ground against the USD, after early morning data revealed that Australia's economy expanded more-than-expected in 1Q 2016, as the nation's economic growth gained momentum at its fastest pace in three years, backed by stronger exports and household spending on services. Yesterday, the greenback traded higher in the New York session against the key currencies. Data indicated that the consumer confidence index in the US declined in May, marking its lowest level in six months, as pessimism grew amongst consumers about the overall business conditions and the labor market. Meanwhile, consumer spending advanced more-than-expected, marking its highest increase in more than six years in April, while personal income advanced in line with market expectations during the same month.

**EURUSD** This morning at 09:40 GMT, the EUR is trading at 1.1157

against the USD, 0.25% higher from the New York close. Data showed that in Germany, the Markit manufacturing PMI rose slightly less than-expected in May. This morning, the pair traded at a high of 1.1162 and a low of 1.1111. The Euro traded 0.22% lower against the US Dollar in the New York session yesterday, with the pair closing the session at 1.1129. The pair is expected to find support at 1.1121 and its first resistance at 1.1183.

**GBPUSD** At 09:40 GMT, the pair is trading at 1.4445, with the Pound trading 0.25% lower against US Dollar from the New York close. In economic news, UK's mortgage approvals slid more-than-expected in April. The pair witnessed a high of 1.4506 and a low of 1.4436 during the session. Yesterday, the Pound traded 1.09% lower against the US Dollar in the New York session and ended at 1.4481. Immediate downside, the first support level is seen at 1.4370, while on the upside, the first resistance level is situated at 1.4587.

**USDJPY** This morning, at 09:40 GMT, the US Dollar is trading at 109.67 against the Yen, 1.00% lower from the New York close. Earlier in the session, Japan's Nikkei manufacturing PMI slightly advanced in May. During the session, the pair traded at a high of 110.81 and a low of 109.53. Yesterday, the US Dollar traded 0.40% lower against the Yen in the New York session and ended at 110.72. The pair is expected to find support at 109.05 and its first resistance at 110.77.

**USDCHF** The US Dollar is trading at 0.9906 against the Swiss Franc at 09:40 GMT this morning, 0.28% lower from the New York close.

On the economic front, Switzerland's retail sales declined at a faster pace on a yearly basis in May from April. The pair traded at a high of 0.9951 and a low of 0.9901 this morning. Yesterday, the USD traded 0.32% higher against the CHF in the New York session and ended at 0.9934. The pair is expected to find support at 0.9875 and its first resistance at 0.9944.

**USDCAD** The pair is trading at 1.3090 at 09:40 GMT this morning, with the USD trading marginally higher against CAD from the New York close. The pair traded at a high of 1.3099 and a low of 1.3049 this morning. The US Dollar advanced against the Canadian Dollar in the New York session yesterday, closing 0.10% higher at 1.3090. In economic news, Canada's annualized gross domestic product advanced lower than estimated on a quarterly basis in 1Q 2016. The pair is expected to find support at 1.3023 and its first resistance at 1.3145.

**AUDUSD** The pair is trading at 0.7254 at 09:40 GMT this morning, with the Australian Dollar trading 0.32% higher against US Dollar from the New York close. Earlier in the session, data indicated that Australia's gross domestic product rose more-than-expected on a quarterly basis in 1Q 2016. This morning, the pair traded at a high of 0.7299 and a low of 0.7224. The Australian Dollar traded 0.15% lower against the US Dollar in the New York session yesterday, with the pair closing the session at 0.7231. The pair is expected to find support at 0.7210 and its first resistance at 0.7298.

**Gold** Gold is trading at \$1218.30 per ounce at 09:40 GMT this

morning, marginally lower from the New York close. This morning, the precious metal traded at a high of \$1222.40 per ounce and a low of \$1215.20 per ounce. Yesterday, gold traded 0.49% higher in the New York session and closed at \$1218.40 per ounce, amid a decline in the global equity markets, increased demand for the safe haven asset. Immediate downside, the first support level is seen at \$1211.80 per ounce, while on the upside, the first resistance level is at \$1223.60 per ounce.

**Silver** The precious metal is trading at \$15.99 per ounce at 09:40 GMT this morning, 0.22% lower from the New York close. During the session, silver traded at a high of \$16.09 per ounce and a low of \$15.98 per ounce. In the New York session yesterday, silver fell 0.10% and closed at \$16.03 per ounce. Immediate downside, the first support level is seen at \$15.93 per ounce, while on the upside, the first resistance level is at \$16.10 per ounce.

**Oil** The commodity is trading at \$48.38 per barrel at 09:40 GMT this morning, 0.98% lower from the New York close. Crude oil witnessed a high of \$49.09 per barrel and a low of \$48.24 per barrel during the session. In the New York session yesterday, crude oil fell 1.19% to close at \$48.86 per barrel, amid uncertainty regarding the oversupplied oil markets, coupled with the OPEC meeting scheduled tomorrow. Immediate downside, the first support level is seen at \$47.71 per barrel, while on the upside, the first resistance level is at \$49.57 per barrel.

## **Economic Snapshot**

**UK consumer credit recorded a rise in April** In April, seasonally adjusted consumer credit in the UK registered a rise of GBP 21.69 billion. Consumer credit had registered a revised rise of GBP 21.44 billion in the prior month.

**UK manufacturing PMI advanced in May** The manufacturing PMI advanced to 50.10 in the UK, in May, compared to market expectations of a rise to a level of 49.60. In the previous month, the manufacturing PMI had recorded a revised reading of 49.40.

**UK net consumer credit advanced less than expected in April** In April, net consumer credit registered a rise of GBP 1.30 billion in the UK, lower than market expectations for an advance of GBP 1.60 billion. In the prior month, net consumer credit had advanced by a revised GBP 1.80 billion.

**Eurozone manufacturing PMI slid in May** In May, the final manufacturing PMI in the Eurozone recorded a drop to 51.50, at par with market expectations. In the prior month, the manufacturing PMI had recorded a reading of 51.70. The preliminary figures had also indicated a fall to 51.50.

**German manufacturing PMI recorded a rise in May** In Germany, the final manufacturing PMI recorded a rise to 52.10 in May, compared to market expectations of a rise to 52.40. The preliminary figures had recorded an advance to 52.40. In the prior month, manufacturing PMI had recorded a reading of 51.80.

**Swiss GDP advanced less than expected in 1Q 2016** The gross domestic product (GDP) rose 0.70% on a YoY basis in 1Q 2016, in

Switzerland, compared to a revised advance of 0.30% in the previous quarter. Market anticipation was for GDP to rise 0.90%.

**Swiss real retail sales registered a drop in April** Real retail sales in Switzerland dropped 1.90% on a YoY basis, in April. Real retail sales had dropped by a revised 1.60% in the previous month.

**Swiss SVME manufacturing PMI rose surprisingly in May** In Switzerland, the SVME manufacturing PMI recorded an unexpected rise to 55.80 in May, compared to a reading of 54.70 in the prior month. Markets were anticipating the SVME manufacturing PMI to drop to 54.00.

**Swiss GDP rose less than expected in 1Q 2016** In 1Q 2016, the seasonally adjusted gross domestic product (GDP) rose 0.10% on a QoQ basis in Switzerland, lower than market expectations for an advance of 0.30%. GDP had advanced 0.40% in the prior quarter.

**Japanese manufacturing PMI registered a drop in May** In May, the final manufacturing PMI in Japan eased to 47.70, compared to a reading of 48.20 in the prior month. The preliminary figures had indicated a drop to 47.60.

**Chinese Caixin/Markit manufacturing PMI index registered a drop in May** In May, Caixin/Markit manufacturing PMI index in China registered a drop to 49.20, compared to a reading of 49.40 in the prior month. Markets were anticipating Caixin/Markit manufacturing PMI index to fall to 49.20.

**Australian GDP rose more than expected in 1Q 2016** The seasonally adjusted gross domestic product (GDP) in Australia rose

1.10% in 1Q 2016 on a QoQ basis, compared to a revised advance of 0.70% in the previous quarter. Market expectation was for GDP to advance 0.60%. **Source:** [Direct FX broker \(Review and Forex Cashback up to 85%\)](#)