

Today's important market news -

13:45	Markit Manufacturing PMI
14:00	New Home Sales (MoM)
14:00	New Home Sales Change (MoM)
22:45	Trade Balance (MoM)
22:45	Trade Balance (YoY)
22:45	Exports
22:45	Imports

The recent moves of the dollar seem to be a bit irrational as a result of conflicting comments from Fed members. The dollar index rebounded on 18th Aug, the next day broke the upside downtrend channel resistance at 94.49, helped by the hawkish comments from New York Fed president Dudley and the San Francisco Fed president Williams, after hitting a low of 94.09, where near the 61.8% Fibonacci retracement level at 94.06. This is after the more dovish stance taken by Fed Chairman Janet Yellen in last Wed's FOMC minutes. Yesterday 22nd Aug the bullish momentum continued, the dollar index broke the resistance at 94.73, before testing the next major resistance level at 95.00. The bullish momentum was encouraged by the hawkish comments from the Fed Vice Chairman Fischer, that a rate hike by end of the year is still possible, as the US economy is close to meeting the Fed's target. Yet the price retraced immediately, then breaking the support line at 94.35 today, and testing the next support line at 94.20. The market expects only 15% chance of a rate hike in Sep, and 46% chance in Dec. The US New Home Sales (MoM) and New Home Sales Change (MoM) for Jul and Manufacturing PMI for Aug, will be released, at 15:00 GMT+1 on

Tuesday 23rd Aug. The New Home Sales rose 3.5% to 592,000 in June, from 572,000 in May, reaching the second highest level since Feb 2008. New Home Sales has shown an uptrend since Sep 2015. Keep an eye on the upcoming figures. With positive readings, the dollar index will likely rebound. EURUSD will likely pullback and test the support at 1.1300. While lower-than-expected figures, will likely pull the dollar index down and test the previous low of 94.03 on 18th Aug, followed by 94.20. EURUSD will likely rally and test the resistance at 1.1350. The upside resistance level of the dollar index is at 94.35 followed by 94.73 and the major resistance at 95.00. [Fxpro FX Broker](#) Review and Forex Rebates Up to 85%