



RALLYVILLE MARKETS

31/08/2022

DAILY MARKET REPORT



Today: Aug 31						Up Next			
Date	11:21	Currency	Impact	Detail	Actual	Forecast	Previous	Graph	
Wed Aug 31	0:00	) USD	🔴	CB Consumer Confidence	103.2	97.6	95.34	
		) USD	🔴	JOLTS Job Openings	11.24M	10.37M	11.04M4	
	1:00	) USD	🟡	FOMC Member Williams Speaks				
	19:00	) EUR	🟡	CPI Flash Estimate y/y		9.0%	8.9%	
		) EUR	🟡	Core CPI Flash Estimate y/y		4.1%	4.0%	
	22:00	) USD	🟡	FOMC Member Mester Speaks				
	22:15) USD	🔴	ADP Non-Farm Employment Change		300K	128K		
	22:30) CAD	🟡	GDP m/m		0.1%	0.0%		
	23:45) USD	🟡	Chicago PMI		52.5	52.1		

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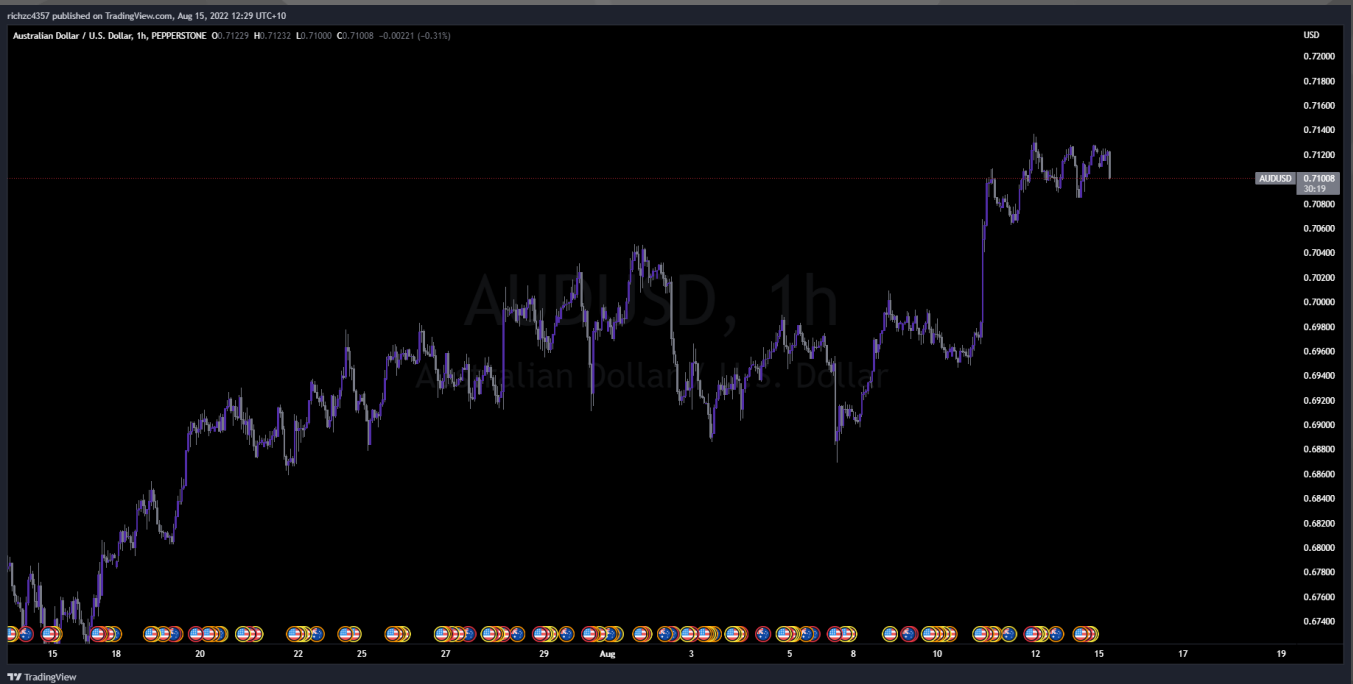
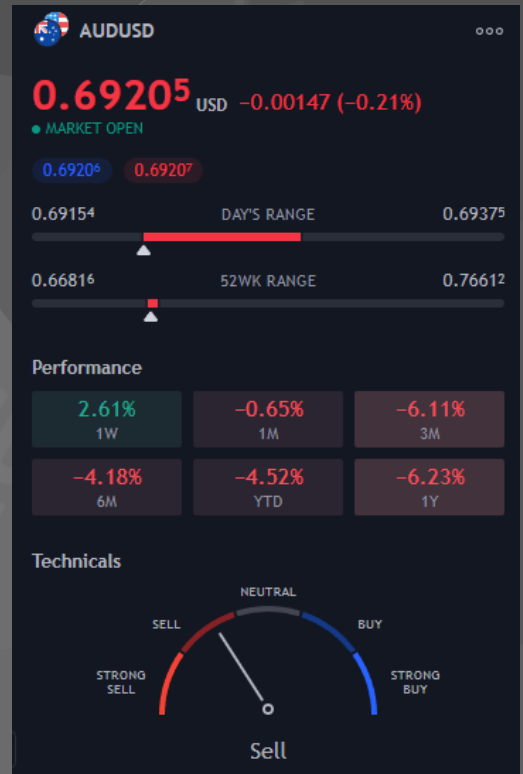
AUDUSD

Fundamental Analysis:

AUD/USD remains pressured around 0.6860, after calling in bears the previous day, as traders await activity data from the key customer China during Wednesday's Asian session. The Aussie pair also takes clues from the risk-off mood, as well as justifies the cautious sentiment before important US employment data is released.

Technical Analysis:

The 4-hour chart shows that further slides are likely, particularly on a break below 0.6840, the immediate support level. Technical indicators remain near oversold readings, while the pair plummeted after falling below a now bearish 20 SMA. A clear bearish breakout may push the pair towards the year low at 0.6680.



S1: 0.68412
S2: 0.68014

R1: 0.69266
R2: 0.69561



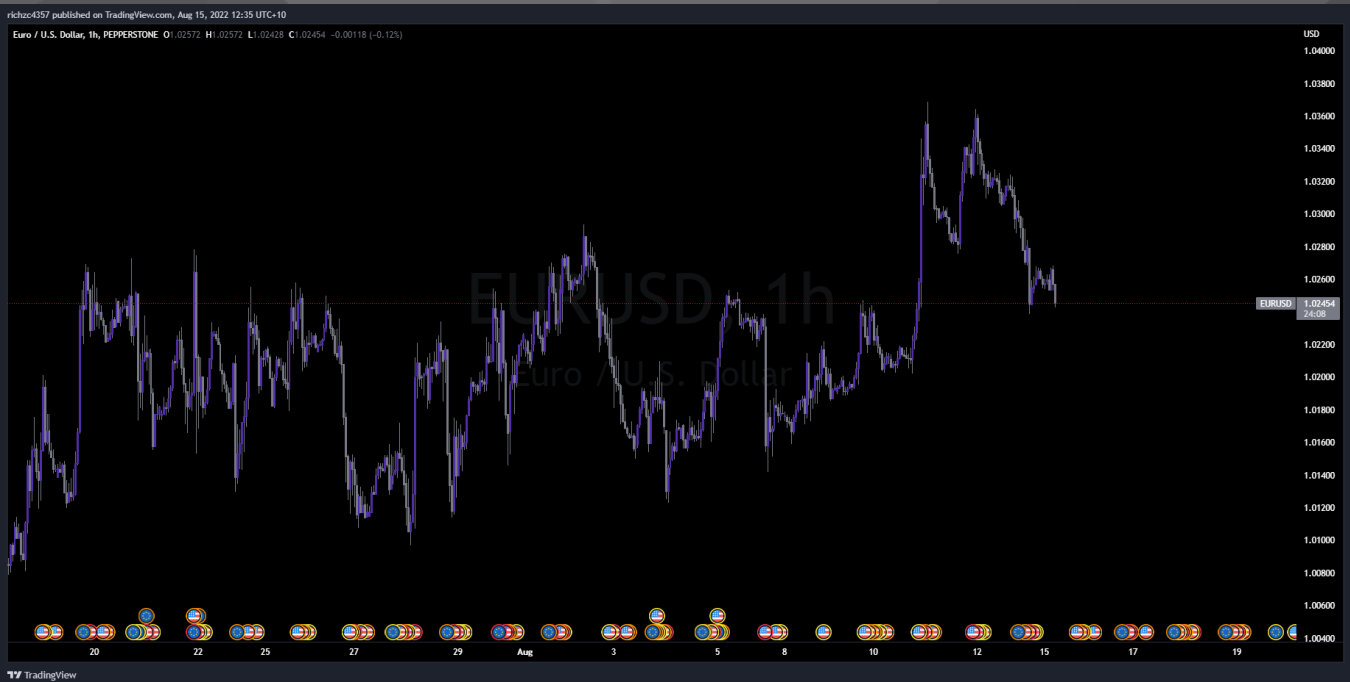
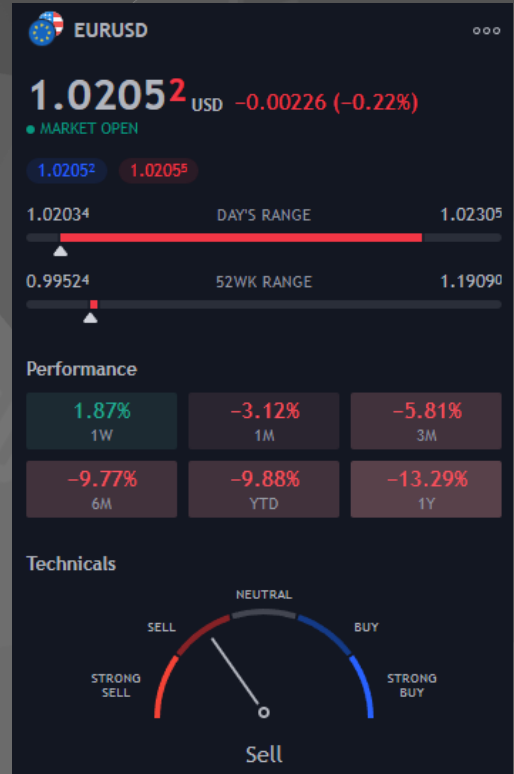
EURUSD

Fundamental Analysis:

The dollar higher on Tuesday but was below a 20-year high set a day ago, with the euro up 0.28 percent at \$1.00245, back above parity as markets set prices on expectations of a massive rate hike by the Federal Reserve and the European Central Bank.

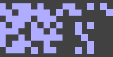
Technical Analysis:

EUR/USD bulls need a successful closing beyond the 50-DMA hurdle surrounding 1.0195 to retake control. That said, the looming bull cross of the MACD and steady RSI appears to favor the short-term upside of the quote. Alternatively, pullback moves remain elusive beyond the 10-DMA support near the parity level of 1.0000.



S1: 0.99820
S2: 0.99127

R1: 1.00957
R2: 1.01217

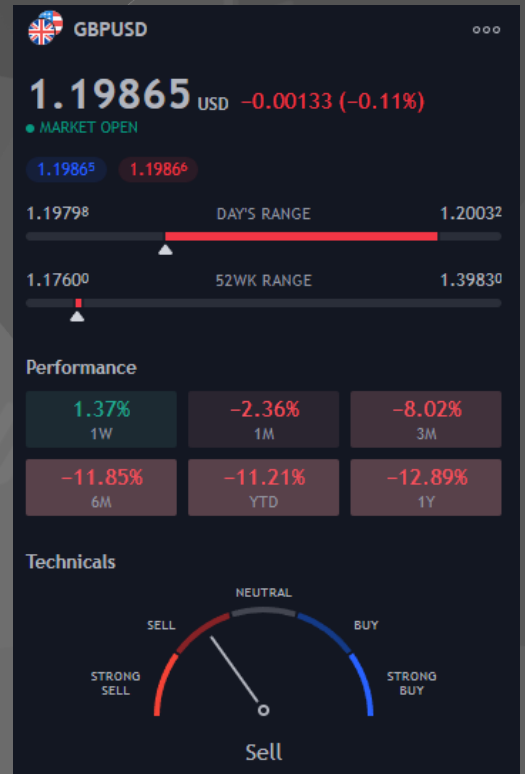


Fundamental Analysis:

There were no UK data scheduled for release on Tuesday, but the focus is on the Bank of England which is expected to raise interest rates by another 50 basis points at its Sept. 15 meeting.

Technical Analysis:

The pound climbed to 1.1760 from 1.1621 on Tuesday in what was a US dollar move across the board. The greenback has sunk as per DXY from the session highs of 109.111 and now idles at 108.80, up slightly on the day after rising from a low of 108.286.



S1: 1.16468
S2: 1.16171

R1: 1.19068
R2: 1.20756

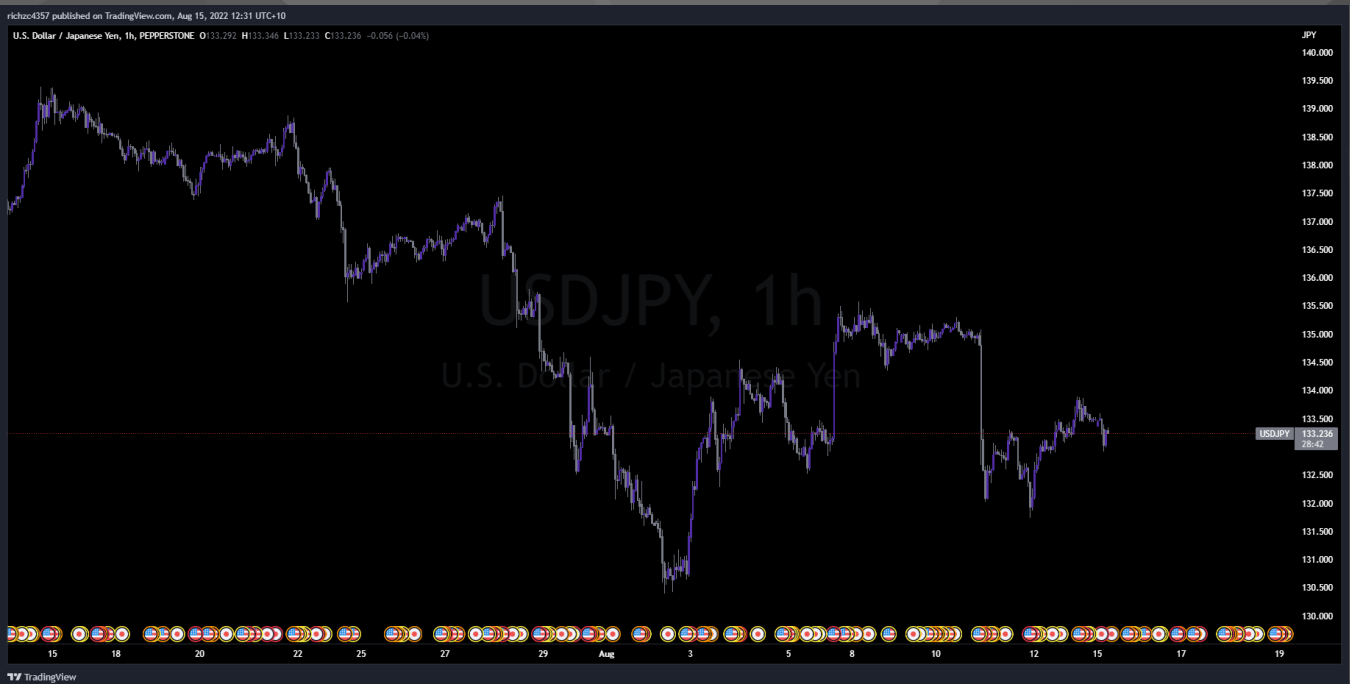
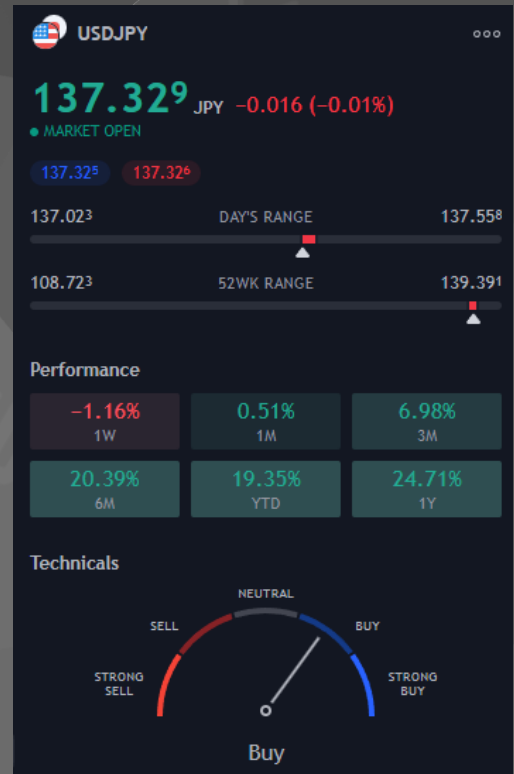


Fundamental Analysis:

USD/JPY is scaling lower gradually on higher Japan's Retail Trade and Industrial Production data. An improvement in US Consumer Confidence and hawkish Fed supported the DXY. On a broader note, the asset has remained in the grip of bulls as the US dollar index (DXY) has displayed a stellar performance.

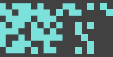
Technical Analysis:

The USD/JPY pair edges lower on Tuesday and for now, seems to have snapped a two-day winning streak to its highest level since mid-July, around the 139.00 mark touched the previous day. The pair remains on the defensive through the first half of the European session and is currently hovering around the 138.30-138.25 area, just a few pips above the daily low.



S1: 135.809
S2: 134.673

R1: 139.096
R2: 139.363

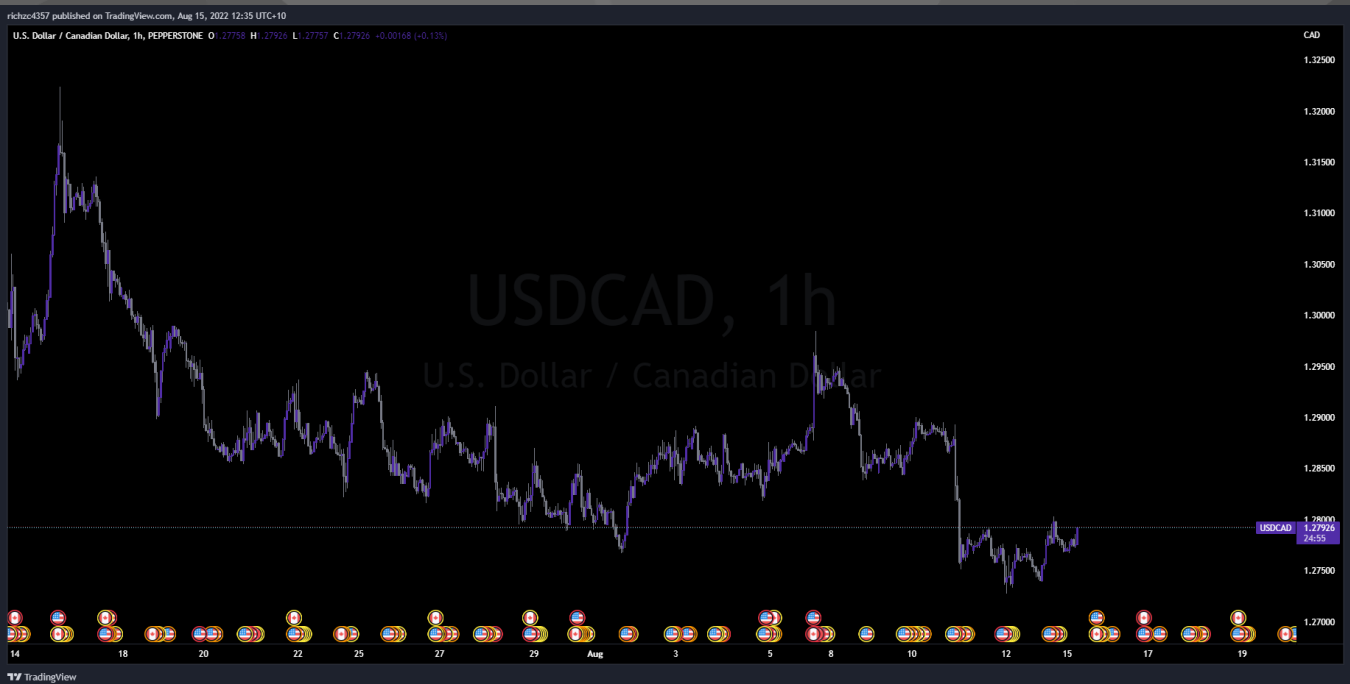


Fundamental Analysis:

USD/CAD grinds higher around 1.3090 during Wednesday's Asian session as traders jostle with the US dollar's strength amid sour sentiment and hawkish Fed bets, as well as mixed moves in oil prices, Canada's main export item. That said, WTI crude oil prices remain pressured around \$92.00, after declining the most in seven weeks the previous day.

Technical Analysis:

Short term, the USD/CAD 4-hour chart portrays a negative divergence between price action and the Relative Strength Index (RSI). While the USD/CAD is trending up, with successive series of higher highs/lows, the RSI's last peak is lower than the previous, meaning buyers are losing steam. Also, the weekly high facing the R2 daily pivot at 1.3110, opened the door for a pullback.



S1: 1.28942
S2: 1.28278

R1: 1.31082
R2: 1.31338



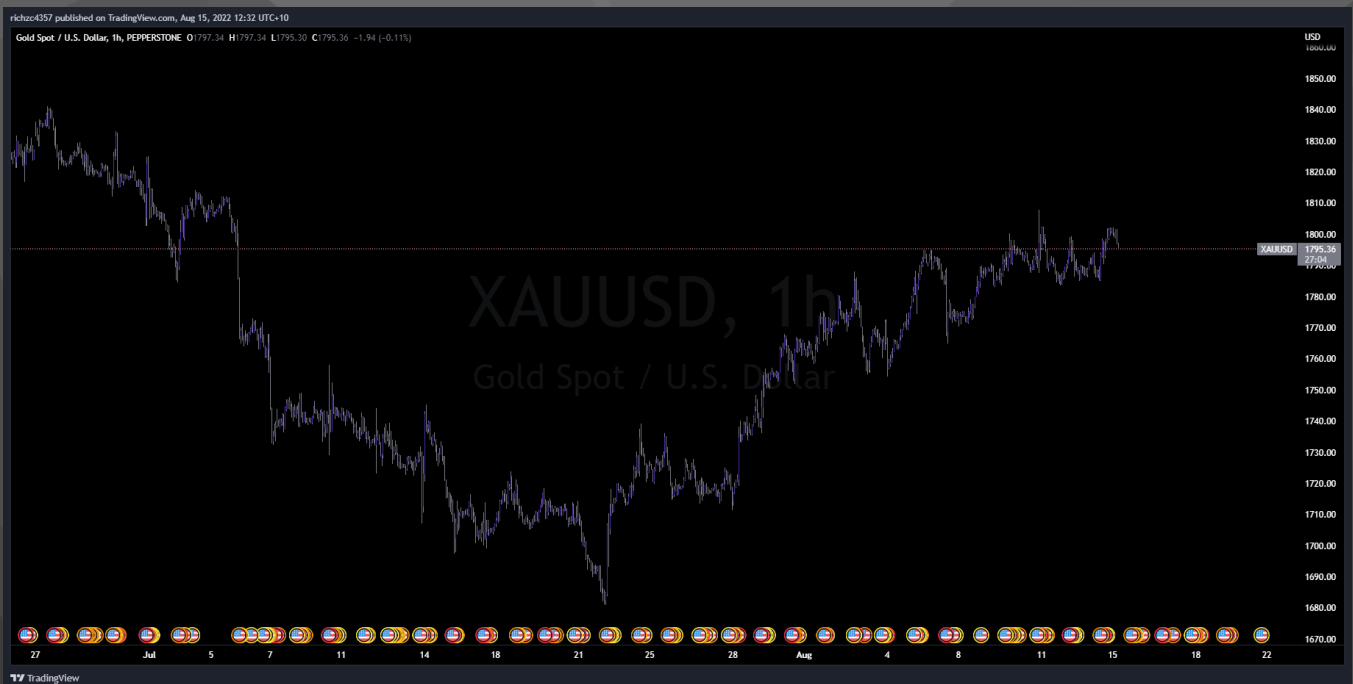
XAUUSD

Fundamental Analysis:

The gold price has held near the lows of the prior sessions, pressured by the strength of the US dollar and higher US yields as investors get positioned for a period of high-interest rates. Analysts are anticipating a capitulation event in gold driven by the unwind of a bloated position

Technical Analysis:

In the near term, and according to the 4-hour chart, the risk is also skewed to the downside. Moving averages head firmly lower, far above the current levels, while technical indicators accelerated their declines within negative territory. The immediate support level is a relevant daily low from late July at \$1,711.45, the level to break for an extension sub-\$1,700.



S1: 1711
S2: 1698

R1: 1745
R2: 1752

Fundamental Analysis:

WTI crude oil retreats to \$91.75, after a failed attempt to consolidate the biggest daily loss in seven weeks, as recession woes and supply concerns weigh on the black gold during Wednesday's Asian session. In doing so, the commodity prices remain pressured near the weekly low.

Technical Analysis:

A clear downside break of the previous resistance line from early July, around \$90.00 by the press time, appears necessary to direct bears towards the monthly low near \$85.50. Meanwhile, oil buyers need a successful break of the 50-DMA, around \$96.00 by the press time, to retake control.



S1: 88
S2: 86

R1: 98
R2: 100



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