

Dollar Index

Time Frame: Daily & 4-hour

Dollar Index in the previous week, ended higher by 1.07%, it made a high of 92.91 and low of 91.70. On the weekly charts the index made a long bullish candlestick formation, suggesting the trend to be positive in the near to medium term, momentum indicators in buy zone support the above observation. On the daily charts, it is trading in a higher top higher bottom formation suggesting the trend to be bullish in the near term, further it is tagging the upper Bollinger band indicating upside momentum for the index. In the medium term the index could rise towards 93.25 from 93.65 while support is seen around 92.75 and 92.40.

Dollar index	
Closing price	92.72
Prev. week close	91.74
Weekly change (%)	1.07%
RSI (Daily)	65.89
20-day SMA	91.83
50-day SMA	91.07
100-day SMA	91.06

Pivot Table	
R3	94.40
R2	93.66
R1	93.19
Pivot point	92.45
S1	91.98
S2	91.24
S3	90.77



EURUSD

Time Frame: Daily & 4-hour

EURUSD in the preceding week ended lower by 0.93%, it made a high of 1.1946 and low of 1.1761. EUR/USD's correction from 1.2350 resumed last week by breaking through 1.1835. Initial bias stays on the downside this week for 38.2% retracement of 1.0636 to 1.2350 at 1.1695 and possibly below. But we'd expect strong support from 1.1060 to contain downside to complete the correction from 1.2350. Though, break of 1.1990 resistance is needed to indicate short term bottoming. Otherwise, risk will stay on the downside even in case of recovery.

EURUSD	
Closing price	1.1794
Prev. week close	1.1904
Weekly change (%)	-0.93%
RSI (Daily)	36.62
20-day SMA	1.1924
50-day SMA	1.2034
100-day SMA	1.2058

Pivot Table	
R3	1.2091
R2	1.2019
R1	1.1906
Pivot point	1.1834
S1	1.1722
S2	1.1649
S3	1.1537



GBPUSD

Time Frame: Daily & 4-hour

GBPUSD in the prior week ended lower by 0.60%, it made a high of 1.3876 and low of 1.3670. GBP/USD's correction from 1.4245 extended to 1.3670 last week, but recovered just ahead of 38.2% retracement of 1.2676 to 1.4241 at 1.3640. Initial bias remains neutral this week first. On the upside, firm break of 1.3815 minor resistance should indicate short term bottoming. Intraday bias will be turned back to the upside for 1.4002 resistance and then 1.4242 high. However, sustained break of 1.3565 will bring deeper fall to 1.3480 key resistance turned support.

GBPUSD	
Closing price	1.3789
Prev. week close	1.3872
Weekly change (%)	-0.60%
RSI (Daily)	44.47
20-day SMA	1.3876
50-day SMA	1.3834
100-day SMA	1.3631

Pivot Table	
R3	1.4094
R2	1.3986
R1	1.3887
Pivot point	1.3779
S1	1.3680
S2	1.3572
S3	1.3473



USDJPY

Time Frame: Daily & 4-hour

USDJPY ended the preceding week higher by 0.70%, it made a high of 109.84 and low of 108.40. USD/JPY's rise from 102.60 resumed by taking out 109.40 resistance last week. Initial bias stays on the upside this week for long term channel resistance at 110.05. Decisive break there will carry larger bullish implication and target 111.70 resistance next. On the downside, break of 108.45 support is needed to indicate short term topping. Otherwise, outlook will remain bullish in case of retreat.

USDJPY	
Closing price	109.64
Prev. week close	108.88
Weekly change (%)	0.70%
RSI (Daily)	73.79
20-day SMA	108.49
50-day SMA	106.32
100-day SMA	105.14

Pivot Table	
R3	111.63
R2	110.74
R1	110.19
Pivot point	109.30
S1	108.75
S2	107.86
S3	107.31



USDCAD

Time Frame: Daily & 4-hour

USDCAD ended the preceding week higher by 0.62%, it made a high of 1.2629 and low of 1.2473. USD/CAD's corrective rebound from 1.2365 extended higher last week but upside is held well below 1.2740 resistance so far. Initial bias remains neutral this week and outlook stays bearish. On the downside, break of 1.2365 will resume larger down trend from 1.4665. Next target is 100% projection of 1.3390 to 1.2590 from 1.2885 at 1.2080.

USDCAD	
Closing price	1.2577
Prev. week close	1.2500
Weekly change (%)	0.62%
RSI (Daily)	50.05
20-day SMA	1.2569
50-day SMA	1.2653
100-day SMA	1.2760

Pivot Table	
R3	1.2801
R2	1.2715
R1	1.2646
Pivot point	1.2560
S1	1.2491
S2	1.2405
S3	1.2336



AUDUSD

Time Frame: Daily & 4-hour

Australian Dollar in the preceding week ended lower by 1.36%, it made a high of 0.7756 and low of 0.7563. AUD/USD's correction from 0.8005 extended lower to 0.7560 last week but recovered since then. Initial bias stays neutral this week first. On the downside, break of 0.7560 will extend the decline to 100% projection of 0.8005 to 0.7625 from 0.7850 at 0.7460. We'll look for strong support from there to bring rebound. On the upside, break of 0.7850 resistance is needed to confirm completion of the correction. Otherwise, risk will stay on the downside in case of recovery.

AUDUSD	
Closing price	0.7637
Prev. week close	0.7742
Weekly change (%)	-1.36%
RSI (Daily)	42.50
20-day SMA	0.7720
50-day SMA	0.7731
100-day SMA	0.7620

Pivot Table	
R3	0.7936
R2	0.7846
R1	0.7742
Pivot point	0.7652
S1	0.7548
S2	0.7458
S3	0.7354



NZDUSD

Time Frame: Daily & 4-hour

The NZDUSD ended the previous week lower by 2.30%, it made a high of 0.7182 and low of 0.6943. On the weekly charts, the currency pair has ended in a long bearish candlestick formation suggesting selling pressure; it has closed near the lower Bollinger band suggesting limited downside potential. On the daily charts, the index is trading below the 20-day SMA indicating the near term trend to be weak. In the coming sessions we can expect the pair to face resistance at 0.7050 and 0.7100 while support could be seen around 0.6970 and 0.6930.

NZDUSD	
Closing price	0.7000
Prev. week close	0.7165
Weekly change (%)	-2.30%
RSI (Daily)	35.95
20-day SMA	0.7154
50-day SMA	0.7195
100-day SMA	0.7130

Pivot Table	
R3	0.7381
R2	0.7282
R1	0.7141
Pivot point	0.7042
S1	0.6901
S2	0.6802
S3	0.6661



USDCNY

Time Frame: Daily & 4-hour

USDCNY ended the previous week higher by 0.49%, it made a high of 6.5463 and low of 6.5053. On the weekly chart, Yuan has ended in a long bullish candlestick formation suggesting strong buying. On the daily charts, the currency continues to trade above the 20-day SMA supporting the above observation on the weekly charts and indicating further upside potential. We may expect the pair to rise towards 6.5800 and 6.6000, while support is seen at 6.5200 and 6.5000.

USDCNY	
Closing price	6.5411
Prev. week close	6.5090
Weekly change (%)	0.49%
RSI (Daily)	64.79
20-day SMA	6.5037
50-day SMA	6.4813
100-day SMA	6.5219

Pivot Table	
R3	6.5983
R2	6.5726
R1	6.5568
Pivot point	6.5311
S1	6.5153
S2	6.4896
S3	6.4738



Major events that lead to price movement in the previous week

Fed Chairman Powell Speaks

Federal Reserve chairman said that although economy is recovering from pandemic it needs more funds to recover from pandemic. Unemployment rate is still elevated at 6.2%. Fed has kept its interest rate at record low of 0% - 0.25%. Powell's further said in a tweet that it is trying to create its own currency but "with great care and transparency" Fed chairman further added that he is not in a mode to make a decision yet on CBDC (Central bank digital currency).

French Flash Services PMI and Manufacturing PMI

The French Services PMI stood at 47.8%, against the estimate of 45.5%, which was an increase of 2.2%, since the last month. The French manufacturing PMI stands at 58.8%, versus the prediction of 56.4%, which was an increment of 2.7%, since the last month.

German Flash Services PMI and Manufacturing PMI

The German Manufacturing PMI (Purchasing Manufacturing Index) stood at 66.6%, vis-a-vis the forecast of 60.4%, which was an increase of 5.9%, since the last month. The German Services PMI stood at 50.8%, against the expectation of 46.4%, which was an increase of 5.1%, since the last month as business activity increased. Growth in business activity and growth in manufacturing saw a deep correction as lockdown measures were partially eased.

U.K. Flash Services PMI and Manufacturing PMI

The U.K. Manufacturing PMI (Purchasing Manufacturing Index) stood at 57.9%, vis-a-vis the forecast of 55%, which was an increase of 2.8%, since the last month. The U.K. Services PMI stood at 56.8%, against the expectation of 51.1%, which was an increase of 7.3%, since the last month as new orders rise for the first time since September 2020. For the first time since pandemic service sector (56.8) outpaced manufacturing production growth (55.6).

U.S. Flash Manufacturing PMI

U.S. manufacturing PMI stood at 59% versus the forecast of 59.6, increase of 0.4% since last month. The expansion was largely driven by service providers, as input shortages and supplier delays limited the expansion of manufacturing production capacity.

SNB Monetary Policy Assessment

Swiss national bank (SNB) kept the interest rate unchanged at -0.75% as expected. SNB is ready to regulate foreign exchange market while taking the overall currency situation into consideration. SNB is expecting a GDP growth of 2.5% to 3% in 2021 and inflation at 0.4% and 0.5% in year 2022 and 2023.

U.S. Final GDP q/q

Final GDP of U.S. stood at 4.3% versus the anticipation of 4.1%, an increase of 0.2% since last quarter. Major factors which led to the increase are non-residential fixed investment, increases in exports, residential fixed investment and personal consumption expenditures (PCE).

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