

## Dollar Index

Time Frame: Daily & 4-hour

Dollar Index in the previous week, ended higher by 0.03%, it made a high of 90.44 and low of 89.53. The weekly charts, the index has ended in a doji candlestick formation with a small body, suggesting indecision among market participants, it has bounced from the low point of the week corroborating the above observation. Further this is the third consecutive doji formation indicating limited downside potential and a rebound in the offing. On the daily charts, the dollar index rose steadily for the majority of the week; however it faced resistance at the 20-day SMA on Friday and declined sharply, flat slope of the momentum indicators suggest a sideways trend in the near term. In the coming sessions the index could face resistance at 90.35 from 90.75 while support is seen around 89.70 and 89.25.

Dollar index	
Closing price	90.06
Prev. week close	90.03
Weekly change (%)	0.03%
RSI (Daily)	43.52
20-day SMA	90.32
50-day SMA	91.28
100-day SMA	91.07

Pivot Table	
R3	91.39
R2	90.92
R1	90.49
Pivot point	90.01
S1	89.58
S2	89.10
S3	88.67



## EURUSD

Time Frame: Daily & 4-hour

EURUSD in the preceding week ended higher by 0.08%, it made a high of 1.2266 and low of 1.2132. EUR/USD edged higher to 1.2264 last week but dropped notably since then. A short term top should be in place. Initial bias is mildly on the downside for 1.1984 support first. Firm break there should confirm that consolidation pattern from 1.2350 has started the third leg. Deeper fall would then be seen back to 1.1705 support. On the upside, though, above 1.2264 will resume the rise from 1.1705 to retest 1.2350 high.

In the bigger picture, rise from 1.0636 is seen as the third leg of the pattern from 1.0340 (2017 low). Further rally could be seen to cluster resistance at 1.2556 next, (38.2% retracement of 1.6040 to 1.0340 at 1.2515). This will remain the favored case as long as 1.1600 support holds. However, sustained break of 1.1600 will argue that whole rise from 1.1063 has completed. Deeper fall would be seen to 61.8% retracement of 1.0636 to 1.2350 at 1.1290.

EURUSD	
Closing price	1.2192
Prev. week close	1.2182
Weekly change (%)	0.08%
RSI (Daily)	56.37
20-day SMA	1.2144
50-day SMA	1.2012
100-day SMA	1.2039

Pivot Table	
R3	1.2394
R2	1.2330
R1	1.2261
Pivot point	1.2197
S1	1.2128
S2	1.2064
S3	1.1995



## GBPUSD

**Time Frame: Daily & 4-hour**

GBPUSD in the prior week ended higher by 0.27%, it made a high of 1.4219 and low of 1.4091. GBP/USD stayed in consolidation from 1.4230 last week and outlook is unchanged. Initial bias remains neutral this week and further rise is still in favor. On the upside, decisive break of 1.4242 resistance will resume larger up trend from 1.1410, for 1.4375 key resistance next. On the downside, though, break of 1.4092 support will extend the consolidation from 1.4242 with another falling leg. Intraday bias will be turned back to the downside for 1.4010 resistance turned support first.

In the bigger picture, as long as 1.3485 resistance turned support holds, up trend from 1.1410 should still continue. Decisive break of 1.4375 resistance will carry larger bullish implications and target 38.2% retracement of 2.1160 (2007 high) to 1.1410 (2020 low) at 1.5135. However, firm break of 1.3485 support will argue that the rise from 1.1410 has completed and bring deeper fall to 1.2676 support and below.

GBPUSD	
Closing price	1.4188
Prev. week close	1.4150
Weekly change (%)	0.27%
RSI (Daily)	61.34
20-day SMA	1.4082
50-day SMA	1.3926
100-day SMA	1.3873

Pivot Table	
R3	1.4368
R2	1.4293
R1	1.4241
Pivot point	1.4166
S1	1.4114
S2	1.4039
S3	1.3987



## USDJPY

Time Frame: Daily & 4-hour

USDJPY ended the preceding week higher by 0.82%, it made a high of 110.19 and low of 108.55. USD/JPY's rise from 107.45 resumed last week by breaking through 109.75 resistance. Initial bias stays on the upside this week for retesting 110.94 high. Firm break there will resume larger rise from 102.60 to 111.70 resistance next. On the downside, break of 108.54 will turn bias to the downside for 107.45 support instead.

In the bigger picture, rise from 102.60 might have completed at 110.94, as the third leg of the pattern from 101.20 low. Medium term outlook is neutral first, as the pair could have turned into sideways trading between 101.20 and 111.70. We'd look at the structure and momentum of the fall from 110.94 to gauge the chance of upside breakout at a later stage.

USDJPY	
Closing price	109.85
Prev. week close	108.96
Weekly change (%)	0.82%
RSI (Daily)	62.08
20-day SMA	109.13
50-day SMA	109.15
100-day SMA	107.48

Pivot Table	
R3	112.15
R2	111.18
R1	110.51
Pivot point	109.54
S1	108.87
S2	107.90
S3	107.23



## USDCAD

Time Frame: Daily & 4-hour

USDCAD ended the preceding week higher by 0.08%, it made a high of 1.2142 and low of 1.2029. USD/CAD continued to gyrate in tight range around 1.2050/60 support zone last week. Outlook is unchanged and initial bias remains neutral this week first. We'd stay cautious on strong support from 1.2050/60 to bring reversal. On the upside, break of 1.2200 resistance will indicate short term bottoming and turn bias to the upside for stronger rebound. However, sustained break of 1.2050/60 will carry larger bearish implications. Next near term target will be 161.8% projection of 1.2882 to 1.2365 from 1.2655 at 1.1815.

In the bigger picture, fall from 1.4665 is seen as the third leg of the corrective pattern from 1.4690 (2016 high). Further decline should be seen back to 1.2060 (2017 low). In any case, break of 1.2995 support turned resistance resistance is needed to indicate medium term bottoming. Otherwise, outlook will remain bearish in case of strong rebound.

USDCAD	
Closing price	1.2076
Prev. week close	1.2066
Weekly change (%)	0.08%
RSI (Daily)	39.21
20-day SMA	1.2126
50-day SMA	1.2361
100-day SMA	1.2514

Pivot Table	
R3	1.2249
R2	1.2195
R1	1.2136
Pivot point	1.2082
S1	1.2023
S2	1.1969
S3	1.1910



## AUDUSD

Time Frame: Daily & 4-hour

Australian Dollar in the preceding week ended lower by 0.26%, it made a high of 0.7796 and low of 0.7677. AUD/USD stayed in range of 0.7675/7892 last week and outlook is unchanged. Initial bias remains neutral this first and another rise is mildly in favor. On the upside, break of 0.7892 will resume the rise from 0.7535 to retest 0.8005 high. However, on the downside, firm break of 0.7675 will suggest that correction from 0.8005 is extending with another falling leg. Intraday bias will be turned back to the downside for 0.7535 support and possibly below.

In the bigger picture, whole down trend from 1.1080 (2001 high) should have completed at 0.5505 (2020 low) already. Rise from 0.5505 could either be the start of a long term up trend, or a corrective rise. Reactions to 0.8136 key resistance will reveal which case it is. But in any case, medium term rally is expected to continue as long as 0.7415 resistance turned support holds.

AUDUSD	
Closing price	0.7712
Prev. week close	0.7732
Weekly change (%)	-0.26%
RSI (Daily)	44.64
20-day SMA	0.7762
50-day SMA	0.7713
100-day SMA	0.7727

Pivot Table	
R3	0.7899
R2	0.7847
R1	0.7780
Pivot point	0.7728
S1	0.7661
S2	0.7609
S3	0.7542



## NZDUSD

Time Frame: Daily & 4-hour

The NZDUSD ended the previous week higher by 1.06%, it made a high of 0.7316 and low of 0.7158. The main trend is up according to the daily swing chart. A trade through 0.7315 will signal a resumption of the uptrend. A move through 0.7133 will change the main trend to down. The main range is 0.7465 to 0.6943. The NZD/USD is currently trading inside its retracement zone. Trader reaction to this area could determine the near-term direction. The short-term range is 0.6943 to 0.7316. Its retracement zone at 0.7129 to 0.7085 is support. In the near term we can expect the pair to find support at 0.7135 and 0.7090 while it could face resistance at 0.7210 and 0.7250.

NZDUSD	
Closing price	0.7250
Prev. week close	0.7174
Weekly change (%)	1.06%
RSI (Daily)	53.95
20-day SMA	0.7223
50-day SMA	0.7147
100-day SMA	0.7180

Pivot Table	
R3	0.7483
R2	0.7399
R1	0.7325
Pivot point	0.7241
S1	0.7167
S2	0.7083
S3	0.7009



## USDCNY

Time Frame: Daily & 4-hour

USDCNY ended the previous week lower by 1.02%, it made a high of 6.4394 and low of 6.3601. On the weekly charts, the pair has ended in a bearish candlestick formation suggesting pessimism among market participants, negative trend of the 20-week SMA corroborates the above observation and indicates further downside potential. On the daily charts as well the pair is trading in lower top lower bottom formation indicating trend to be bearish and further downside potential. We may expect the pair to decline further towards 6.34 and 6.32, while resistance is seen at 6.38 and 6.40.

USDCNY	
Closing price	6.3685
Prev. week close	6.4340
Weekly change (%)	-1.02%
RSI (Daily)	22.37
20-day SMA	6.4328
50-day SMA	6.4890
100-day SMA	6.4831

Pivot Table	
R3	6.4965
R2	6.4687
R1	6.4186
Pivot point	6.3908
S1	6.3407
S2	6.3129
S3	6.2628



## Major events that lead to price movement in the previous week

### ❑ **New Zealand Retail sales q/q**

New Zealand's retail sales have increased by 2.5% at (\$648 mn) versus the forecast of decline of -1.8% following a decrease of 2.6% since last quarter. Major increase was due to recreational goods, up by 16%, hardware, building, and garden supplies, up by 4.5%, electrical and electronic goods, up 8.4%, department stores, up by 5.6% excluding pharmaceutical and store-based retailing which saw a downside of 1.4%.

### ❑ **BOJ Governor kuroda speaks**

Bank of Japan Governor kuroda says that he is starting to see the light at the end of the dark pandemic tunnel thanks to the rollout of COVID-19 vaccines but warned of risks from an uneven economic recovery. He further added central bank is planning to extend its support corporate funding depending on the impact of the COVID-19 crisis. He further added that policy makers are facing challenges of inequality and also increasing worldwide concerns over climate change.

### ❑ **England monetary policy report**

U.K and other major economies has experienced the most unrivalled decline in economic activity last spring followed by some recovery over the summer and then the resurgence of Covid and the necessary restrictions to contain it. UK GDP fell by 1½% in 2021 Q1 to 8.7% below its 2019 Q4 pre-pandemic level. Inflation over the past twelve months has been at least a percentage point below the 2% target. The MPC has cut Bank Rate to 0.1%, and increased the total stock of asset purchases from £435bn to £895bn to achieve the targeted Inflation of 2%.

### ❑ **U.S. consumer confidence**

U.S. consumer confidence index stood at 117.2, down marginally from 117.5 in April. The percentage of consumers saying jobs are "plentiful" climbed from 36.3 percent to 46.8 percent, while those claiming jobs declined from 14.7% to 12.2%. Percentage of consumers expecting business conditions to improve over the next six months fell from 33.1 percent to 30.3 percent, while the proportion expecting business conditions to worsen rose from 12.1 percent to 14.8 percent.

### ❑ **New Zealand monetary policy statement**

The Reserve Bank of New Zealand (RBNZ) decided to hold the official cash rate (OCR) steady at its record low of 0.25%, and at the same time left the scale of its monetary stimulus program unchanged. Inflation remained below the Bank's 2.0% midpoint target in Q1, although disruptions to global supply chains, a low base effect and higher oil prices could fuel upside price pressures in Q2. Panellists project that the OCR will end 2021 at 0.01% and 2022 at 0.13%.

### ❑ **U.S preliminary GDP q/q**

U.S preliminary GDP registered an increase of 6.4% since last quarter, versus the estimate of 6.5%. Real gross domestic income (GDI) increased 6.8 percent in the first quarter, compared with an increase of 19.4 percent (revised) in the fourth quarter.

 **U.S pending home sales**

According to national association Pending home sales drop in U.S decrease by 4.4% in the month of April to (106.2) versus the expectation of 0.6%, an increase of 51.7% y/y as pandemic related shutdown affected sales. Northeast PHSI declined 12.9% to 85.3 in April, an increase of 96.5% from a year ago and in the Midwest, the index increased 3.5% to 101.1 last month, up 39.4% from April 2020.

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