

# Daily FX Report

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Thursday, May 07, 2009

Good morning. The economic data are signaling an economic rebound, which makes the FOREX market more and more volatile. The global economy seems finally be on the way to reach the end of the recession. Anyway, we hope you'll make successful trades and have a nice Thursday.

## Market review

The **JPY** fell against 15 of the major currencies on speculation the U.S. banks need less new capital than projected, decreasing demand for the **JPY** as a safe haven from the global financial crises. The **JPY** also fell against the **USD** and the **EUR** after Treasury Secretary Timothy Geithner said “none of the 19 banks that underwent stress tests are insolvent”. That spurred gains inside the stock and other financial markets, expecting investors would buy higher-yielding assets. Yesterday the **USD/JPY** fell to a low of 97.94, but recovered back to 98.46. The **EUR/JPY** decreased for a third day in a row to 130.87 after touching the 1.30 support line yesterday.

The **EUR** dipped against the **USD** after expectations the ECB would cut interest rates by 25 bps and buy debt to stimulate the financial growth. The European currency fell for a 3<sup>rd</sup> day against the **USD** and for the 7<sup>th</sup> day against the **CAD**. The **EUR** reached its lowest level versus the **CAD** since November 18<sup>th</sup> 2008.

The strong **AUD** performed gains against almost all the major currencies after the employment in the South Pacific nation unexpectedly rose in April. The **AUD** climbed to a seven month high against the **USD** and the **JPY**. It reached the 74.00 level against the **JPY**, which is the highest since November 2008 and gained for a 5<sup>th</sup> day versus the **USD**.

## GBP/CHF

Since the 28<sup>th</sup> of April, the GBP/CHF has been moving inside a bullish trend channel. It has reached the highest level since April 15<sup>th</sup>. The market seems to be in a recovery phase. If the pair breaks through the 1.72 resistance line, it could rise further towards the possible resistance level at 1.73.



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## GBP/AUD

At the end of December 2008 the GBP/AUD ended the long-term bearish phase by crossing the trend-channel. Afterwards the recovery phase resisted at the 2.3 level. Today the market broke through the support line at 2.0230, which is the lowest level since April 1997. If the market extends the break clearly, it may be a sign for further bearish movements.



## Pivot Points - Daily FX Support and Resistance Levels

Currency	Support 2	Support 1	Pivotpoint	Resistance 1	Resistance 2
EUR/USD	1.3191	1.3263	1.3319	1.3391	1.3447
USD/JPY	97.31	97.81	98.45	98.95	99.58
GBP/USD	1.4935	1.5036	1.5093	1.5194	1.5252
USD/CHF	1.1231	1.1272	1.1329	1.1371	1.1428
AUD/USD	0.7275	0.7379	0.7441	0.7544	0.7606
CAD/USD	1.1541	1.1599	1.1712	1.1771	1.1884
NZD/USD	0.5711	0.5774	0.5817	0.5880	0.5922
EUR/AUD	1.7567	1.7692	1.7876	1.8001	1.8185
EUR/CAD	1.5411	1.5478	1.5603	1.5670	1.5795
EUR/CHF	1.5031	1.5058	1.5085	1.5112	1.5138
EUR/GBP	0.8757	0.8783	0.8830	0.8856	0.8902
EUR/JPY	128.58	129.84	131.13	132.39	133.68
GBP/CHF	1.6947	1.7036	1.7087	1.7175	1.7227
GBP/JPY	146.02	147.41	148.37	149.77	150.73



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## Daily Calendar & Key FX Events

Date	Time (GMT)	Economic Indicator	Last
07.05.2009	10:00	GE Factory Orders (MoM)	-3.5%
07.05.2009	11:00	EN BoE Announced Rates	0.50%
07.05.2009	11:45	EC ECB Announced Interest Rates	1.25%
07.05.2009	12:30	US Nonfarm Productivity	-0.4%
07.05.2009	12:30	US Initial Jobless Claims	631K
07.05.2009	19:00	US Consumer Credit	-\$7.5B
07.05.2009	23:50	BoJ Monetary Policy Meeting Min	

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