

Daily FX Report

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Thursday, July 02, 2009

Good morning from sticky Hamburg and welcome to our Daily FX Report. The FOREX market keeps on doing to trade very volatile, which could be further enforced by the rate decision of the European central bank today. However, we wish you a successful trading day.

Market review

The **JPY** rose against 14 of the 16 most-traded currencies on concern that a report may show today that U.S. unemployment rate climbed for the 18th month, increasing demand for the relative safety of the **JPY**. The **JPY** strengthened versus the **EUR** from a two-week low to 136.65 at the highest level in the early Tokyo trading hours. While the **EUR/USD** rose 0.77 %, close to a three-week high, on prospects that the ECB will refrain from cutting interest rates at its meeting today. A survey showed that the most of the economists expect that the ECB keep the rate at 100bps until the last quarter of 2010. Furthermore the decline in spending on U.S. construction projects in May, the fourth decline in the last five months, was a strain for the **USD**. The spending fell 0.9 % and followed a revised 0.6 % gain in April, said the Commerce Department in Washington today. On the other hand, the manufacturing in the U.S. shrank at the slowest pace since August 2008 and the pending home sales advanced for the fourth month in a row.

Today the **AUD** fell after a national report showed that Australia's trade deficit widened more than expected in May. The deficit climbed from A\$282mln in April to A\$556mln in May. Hereupon the **AUD/USD** weakened 0.29 % today.

USD/CAD

The USD/CAD traded close to a bearish trend-line until a hammer heralded at the end of May a trend-reversal. Since that time, the currency pair has been trading in a bullish trend-channel. In considering of the declined Momentum indicator, it seems for a test on the downside of the channel. Though if the support will be strong enough, it could boost the bulls and may lead to cross the resistance at 1.1825.



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NZD/JPY

The currency pair has been trading near to a bullish trend-line, though now it seems that the upward trend is losing its drive having the crossing of the resistance at 63.40 failed for several times. The doji in combination with the tumbled Momentum indicator may suggest a downturn. It remains to be seen, if the bullish trend-line could get further support otherwise it could assist the bears.



Pivot Points - Daily FX Support and Resistance Levels

Currency	Support 2	Support 1	Pivotpoint	Resistance 1	Resistance 2
EUR/USD	1.3916	1.4029	1.4115	1.4228	1.4314
USD/JPY	95.80	96.23	96.61	97.04	97.42
GBP/USD	1.6309	1.6394	1.6470	1.6554	1.6630
USD/CHF	1.0603	1.0677	1.0782	1.0856	1.0961
AUD/USD	0.7989	0.8037	0.8073	0.8121	0.8157
CAD/USD	1.1314	1.1405	1.1530	1.1622	1.1747
NZD/USD	0.6330	0.6362	0.6419	0.6450	0.6507
EUR/AUD	1.7291	1.7392	1.7465	1.7566	1.7639
EUR/CAD	1.6127	1.6192	1.6261	1.6326	1.6395
EUR/CHF	1.5161	1.5184	1.5220	1.5242	1.5278
EUR/GBP	0.8490	0.8536	0.8566	0.8611	0.8641
EUR/JPY	134.36	135.53	136.21	137.38	138.06
GBP/CHF	1.7559	1.7639	1.7766	1.7845	1.7972
GBP/JPY	157.35	158.31	159.15	160.11	160.95

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Daily Calendar & Key FX Events

Date	Time (GMT)	Economic Indicator	Last
02.07.2009	09:00	Euro-Zone PPI MoM	-1.0
02.07.2009	11:45	ECB Announces Interest Rates	1.0
02.07.2009	12:30	US Change in Nonfarm Payrolls	-345.0
02.07.2009	12:30	US Unemployment Rate	9.4
02.07.2009	12:30	US Change in Manufac. Payrolls	-156.0
02.07.2009	12:30	US Initial Jobless Claims	627.0
02.07.2009	12:30	US Continuing Claims	6738.0

If you have any questions, please contact us for further assistance. 24 hours a day:

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