

Daily FX Report

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Wednesday, July 01, 2009

Good morning from beautiful Hamburg and welcome to our first Daily FX Report in July. This month starts with a depth of economic data, in special case the rate decision of the ECB tomorrow. However, we wish you a successful trading day.

Market review

Today the **JPY** declined against a basket of major currencies after the Bank of Japan Tankan survey showed that the sentiment among the largest manufacturers rebounded indeed from a record low but rose less than economists expected from minus 58 in March to 48. The **JPY** fell against the **USD** and **EUR** by 0.44 % rather 0.42 %. The **USD** extended its gains from yesterday against the **EUR** in the early Tokyo trading hours on concerns that the unexpected drop in U.S. consumer confidence increase demand for the relative safety of the **USD**. The economy of the United Kingdom shrank more than previously estimated in the first quarter of 2009. The gross domestic product fell 2.4 % from the last quarter of 2008. Mervyn King, Governor of the Bank of England, said last week that Britain's recovery from recession may turn out to be "a long hard slog". Yesterday the **GBP/USD** weakened 0.66 % and fell to 1.6423 at its lowest level.

The **AUD/USD** fell in the early Tokyo trading hours notwithstanding that the nation's retail sales climbed by twice as much as economists estimated in May. The index rose 1 % from April, the statistics bureau said in Sydney today. The Government has given A\$12 bln in cash handouts to households to help the nation withstand the global recession.

The **CAD** slid to the lowest level within six weeks as crude oil slid below \$70 and the U.S. consumer confidence fell unexpectedly. The **USD/CAD** strengthened from 1.1563 to 1.1623.

EUR/GBP

The EUR/GBP has been trading close to a downward trend-line during the last quarter. After the currency pair fell below the 0.8605 level it seems to be stabilize and two hammers within a shortly sequence could denote a trend reversal. But at first it remains to be seen if the EUR could cross the resistance at 0.8605. The MA Oscillator continues its upward trend and could support the bulls.



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EUR/CAD

Since April the currency pair has been trading in a bearish environment until a hammer led for the trend-reversal. Due to this fact, the resistance at 1.6202 breached and now it seems that the EUR/CAD tries to build a basement over its new support. Indeed the MA Oscillator tumbled and could denote a test on the downside soon. Should the support level at 1.6202 be strong enough, it could boost the bullish trend.



Pivot Points - Daily FX Support and Resistance Levels

Currency	Support 2	Support 1	Pivotpoint	Resistance 1	Resistance 2
EUR/USD	1.3912	1.3972	1.4062	1.4122	1.4212
USD/JPY	94.87	95.62	96.06	96.81	97.26
GBP/USD	1.6222	1.6340	1.6542	1.6660	1.6861
USD/CHF	1.0731	1.0795	1.0843	1.0907	1.0954
AUD/USD	0.7970	0.8017	0.8086	0.8133	0.8202
CAD/USD	1.1462	1.1543	1.1592	1.1672	1.1721
NZD/USD	0.6370	0.6414	0.6482	0.6526	0.6594
EUR/AUD	1.7251	1.7326	1.7392	1.7468	1.7534
EUR/CAD	1.6213	1.6261	1.6295	1.6344	1.6378
EUR/CHF	1.5207	1.5226	1.5249	1.5267	1.5290
EUR/GBP	0.8399	0.8462	0.8499	0.8561	0.8598
EUR/JPY	133.58	134.40	135.18	136.00	136.78
GBP/CHF	1.7722	1.7801	1.7937	1.8017	1.8152
GBP/JPY	156.94	157.76	159.02	159.84	161.11

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Daily Calendar & Key FX Events

Date	Time (GMT)	Economic Indicator	Last
01.07.2009	08:00	Euro-Zone PMI Manufacturing	42.4
01.07.2009	11:00	US MBA Mortgage Applications	6.6
01.07.2009	14:00	US ISM Manufacturing	42.8
01.07.2009	14:00	US Construction Spending MoM	0.8
01.07.2009	14:00	US Pending Home Sales MoM	6.7
01.07.2009		US Total Vehicle Sales	9.9

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

German: +49. 40. 66 86 49 – 0

Arabic: +971. 43 28 90 80

English: +49. 40. 66 86 49 – 0

Chinese: +49. 40. 66 86 49 – 896

French: +49. 40. 66 86 49 – 0

Turkish: +49. 40. 66 86 49 – 0

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+49. 40. 66 86 49 - 0

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