

25/Apr/24

## (1) FX Market News

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### Gold extends slide as Middle East crisis escalation fears ease.

Gold prices fell for a third session on Wednesday, partly because hedge funds reduced their holdings amid easing concerns of a major escalation of the Middle East crisis, while investors awaited key U.S. economic data for interest-rate clues. Spot gold fell 0.3% to \$2,315.34 per ounce, after having hit its lowest since April 5 in the previous session. U.S. gold futures fell 0.6% at \$2,328.60.

### Japan's yen slumps, hits 155 per dollar; US dollar regains footing.

The yen dropped against the U.S. dollar on Wednesday to its weakest since mid-1990, with markets alert to any signs of intervention from Japanese authorities to prop up their currency. As the yen slid, the dollar edged higher, recovering against most currencies from falls caused by Tuesday's data showing U.S. business activity slowed this month. The dollar rose as high as 155.17 yen, its strongest since mid-1990, before falling back in choppy trading, a sign of market nervousness around the 155 level. The Bank of Japan is widely expected to leave policy settings and bond purchase amounts unchanged at the conclusion of a two-day meeting on Friday. The dollar index was last up 0.1% at 105.82. Earlier, the index hit a 105.59, a roughly two-week low.

### Australian dollar jumps as markets say goodbye to rate cuts.

The Australian dollar jumped on Wednesday while bonds tumbled by the most in 10 months as a hot reading on local inflation hurt any lingering hopes of a rate cut this year. The Aussie climbed 0.5% to 0.6520, having gained 0.6% overnight to as high as 0.6490. It is on a three-day winning streak, but the 200-day moving average of 0.6530 is proving to be good resistance for now. The kiwi dollar edged up 0.2% in its wake to 0.5944, having risen 0.2% overnight. Support lies at its recent low of 0.5853 and resistance is around 0.5950. Data showed on Wednesday that Australian's consumer prices jumped 1% in the first quarter, topping market forecasts and accelerating from 0.6% the previous quarter. Core inflation also increased by 1%, driven by stubbornly high services inflation.

## (2) Major Stock Indexes, PBOC fixing and XAU

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	Last	Change	%Change
Hang Seng Index	17,201.27	372.34	2.21%
Dow Jones Index	38,460.92	-42.77	-0.11%
Nasdaq Composite	15,712.75	16.11	0.10%
S & P 500 Index	5,071.63	1.08	0.02%
FTSE100	8,040.38	-4.43	-0.06%
DAX	18,088.70	-48.95	-0.27%
CAC40	8,901.86	-13.92	-0.17%

Source: Reuters

Date	PBOC Fixing
24-Apr	7.1048
23-Apr	7.1059
22-Apr	7.1043
Date(close)	XAU
24-Apr	2315.82
Date(close)	USD Index
24-Apr	105.8

### (3) Major Currencies Range

24-Apr	High	Low	US Close
EUR/USD	1.0708/16	1.0674/82	1.0692/00
EUR rises and a break above 1.0750/55 would signal another upside test towards 1.0800/5. A break below 1.0650/55 would signal correction towards 1.0600/5.			
USD/JPY	155.31/39	154.70/78	155.30/38
USD consolidates and turns sideways with upside bias. A break of 155.80/85 would signal another upside test towards 156.30/35. A break below 154.50/55 would signal correction towards 153.50/55.			
GBP/USD	1.2458/66	1.2417/25	1.2448/56
GBP rises and a break above 1.2500/5 would signal another upside test towards 1.2550/55. A break below 1.2400/5 would signal correction towards 1.2350/55.			
USD/CHF	0.9147/55	0.9109/17	0.9135/43
USD consolidates and turns sideways with upside bias. A break of 0.9180/85 would signal another upside test towards 0.9230/35. A break below 0.9070/75 would signal correction towards 0.9020/25.			
AUD/USD	0.6525/33	0.6481/89	0.6492/00
AUD consolidates and turns sideways with upside bias. A break of 0.6550/55 would signal another upside test towards 0.6600/5. A break below 0.6450/55 would signal correction towards 0.6400/5.			
NZD/USD	0.5946/54	0.5920/28	0.5930/38
NZD consolidates and turns sideways with upside bias. A break of 0.6000/5 would signal another upside test towards 0.6050/55. A break below 0.5900/5 would signal correction towards 0.5850/55.			
USD/CAD	1.3722/30	1.3652/60	1.3702/10
USD still under pressure and a break below 1.3630/35 would signal another downside test towards 1.3580/85. A break above 1.3760/65 would signal correction towards 1.3820/25.			
USD/CNH	7.2724/34	7.2541/51	7.2720/30
USD consolidates and turns sideways with upside bias. A break of 7.2800/5 would signal another upside test towards 7.2900/5. A break below 7.2500/5 would signal correction towards 7.2300/5.			

#### (4) Economic Data

HK Time	Country	Economic Indicator	Period	Month	Forecast	Prior
20:30	US	GDP	(Q/Q)	(Q1)	2.4%	3.4%
20:30	US	Initial Jobless claims	last week	(Apr)	215k	212k

Source: Reuters

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