

FINVEO

December 07, 2022

Daily Forex Analysis

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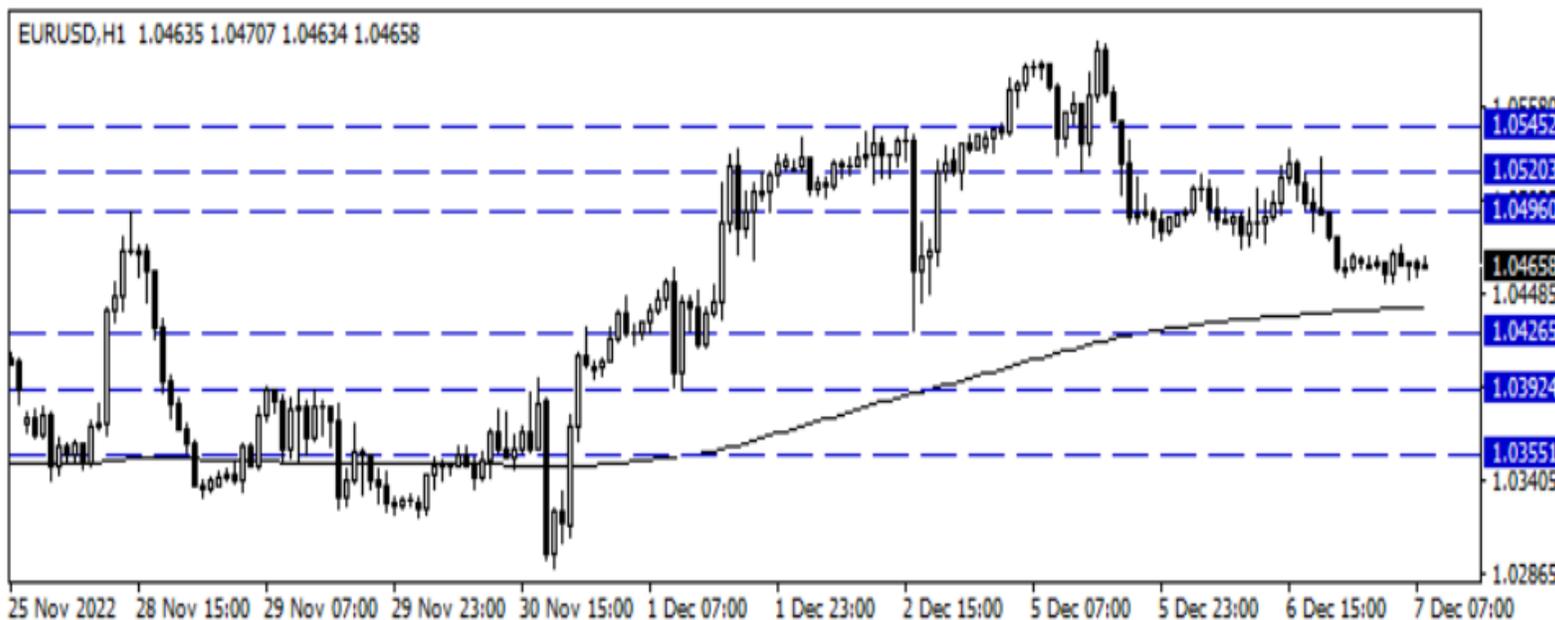
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Daily News

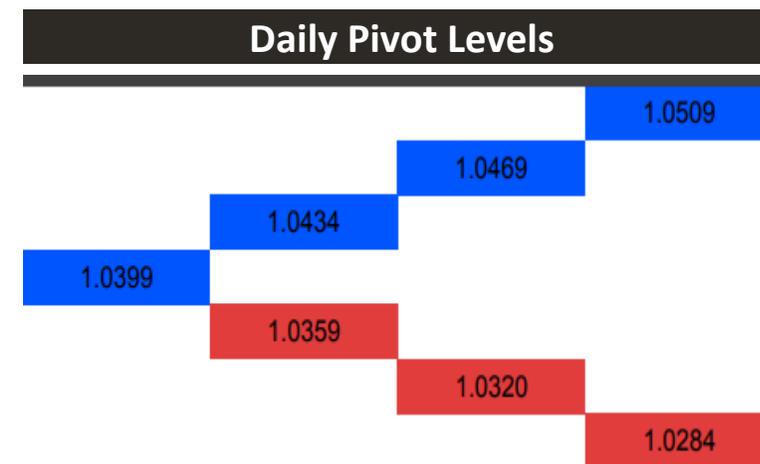
- Factory orders in Germany, Europe's largest economy, increased by 0.8% in October, above the expectations, pointing to an improvement in the manufacturing sector. Declining orders for two consecutive months in the country created optimism by showing that demand has recovered. Philip Lane, chief economist of the European Central Bank, stated that it is unclear whether the peak in inflation has been reached, but that it is approaching, and argued that more interest rate hikes will be needed to reduce inflation. On the European front, the members' statements and the 3rd quarter growth figures are expected to be announced today.
- According to the data of the US Department of Commerce, the foreign trade deficit increased by 5.4% to \$ 78.2 billion in October compared to the previous month. In this period, imports increased by 0.6% to \$334.8 billion, while exports decreased by 0.7% to \$256.6 billion. Thus, the foreign trade deficit continued to increase in the second month due to the decline in exports and the rise in imports. The foreign trade deficit figure of the previous month was revised from \$ 73.3 billion to \$ 74.1 billion.

EURUSD

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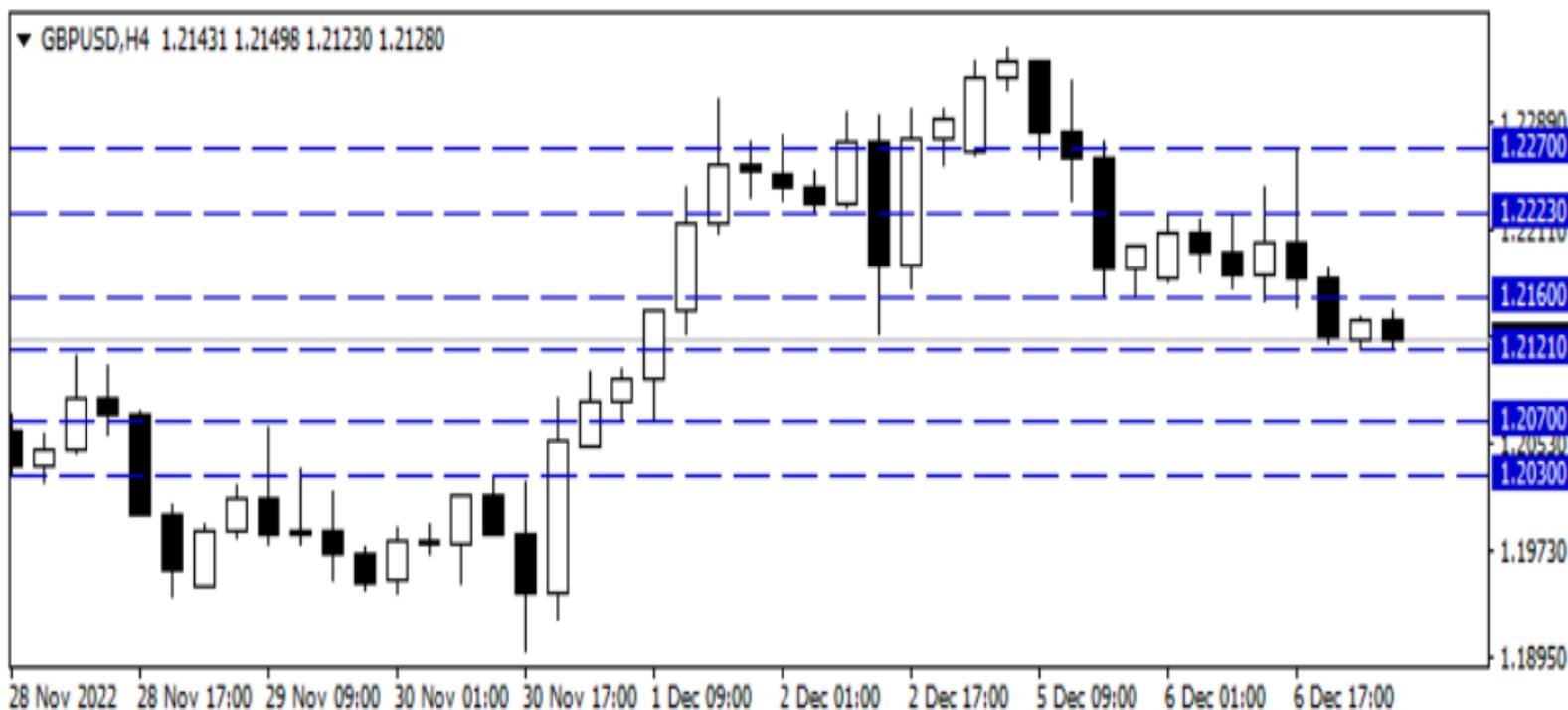


- **Resistance:** 1.0496 - 1.0520 - 1.0545
- **Support:** 1.0426 - 1.0392 - 1.0355

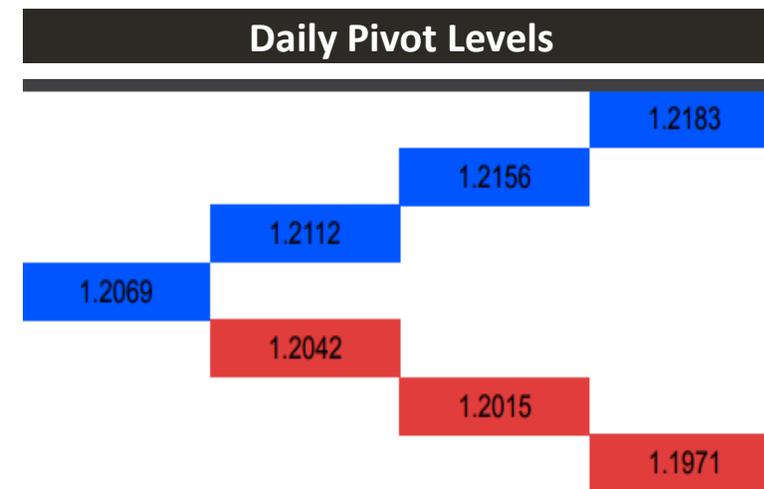


GBPUSD

Although the UK Construction PMI was 50.4 in November, below the expectations and the previous month's 53.2 level, it managed to stay above the 50 threshold. Retail sales, on the other hand, increased by 4.1% year-on-year. When we look at the US side, the foreign trade deficit recorded a limited increase with 78.2 billion dollars in October compared to the previous period's data of 74.1 billion dollars. A slight upward trend and signs of recovery were seen in the dollar index yesterday. On the parity side, although limited, selling trends were observed. Today, there is no significant data flow on the UK and US side.

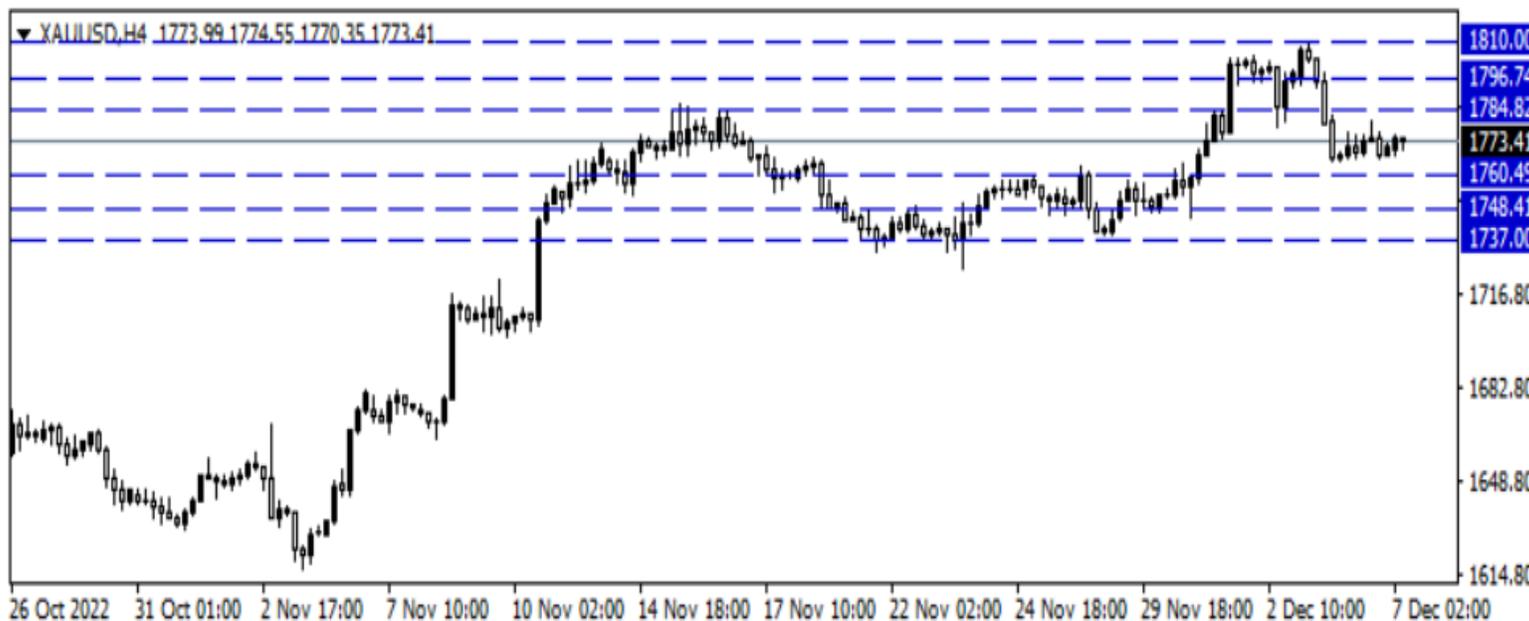


- **Resistance:** 1,2160 - 1,2223 - 1,2270
- **Support:** 1,2121 - 1,2070 - 1,2030

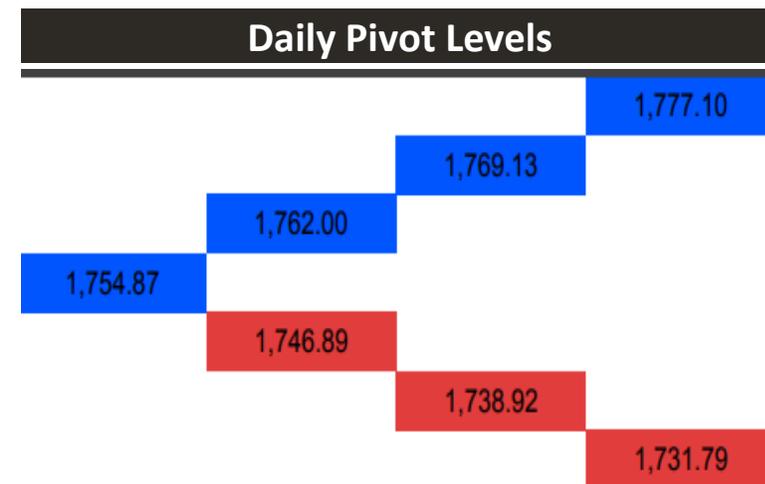


XAUUSD

Horizontal and cautious movements prevail under ounce. The Fed meeting will take place on December 13-14 next week. Expectations about the meeting make the markets nervous. This also puts pressure on prices. Uncertainty in the Fed may cause the risk appetite to remain weak and the gold ounce to maintain its horizontal course today. However, beware of possible volatility under the ounce. The dollar index is trading between 105.49-105.68 this morning. There are no data to be released from the USA for today. Therefore, data-based movement may not be expected. In the markets, there were sales in the US stock markets yesterday, reaction purchases are observed in the US futures this morning. Risk appetite is not strong.

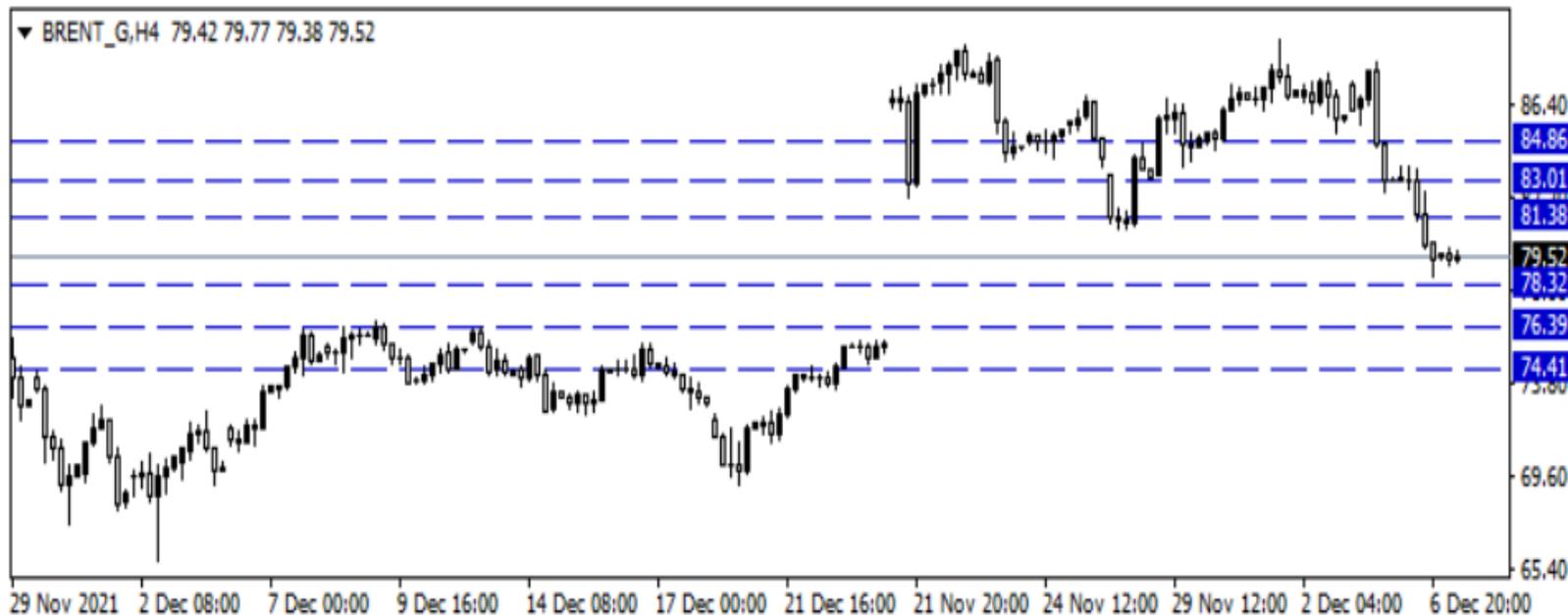


- **Resistance:** 1784 - 1796 – 1810
- **Support:** 1760 - 1748 - 1737

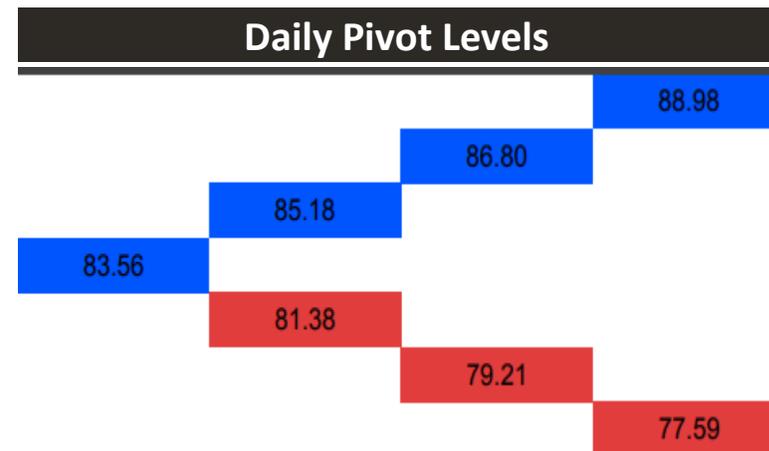


BRENT OIL

Oil prices continue to trend sideways. The topic that has been talked about in global markets in recent months is recession anxiety. As the effect of this puts pressure on oil prices, retracements can be seen in prices from time to time. Foreign trade statistics announced in China this morning were interpreted as confirming the recession concerns as they did not meet the expectations. On the one hand, there is the interest rate increase process. Although the Fed states that there will be a slowdown in the rate of increase in interest rates, the expectation that the interest rate increase will continue for a while makes the markets uneasy. Prices are under pressure as oil demand is negative. DOE weekly stocks can be tracked for today.



- **Resistance:** 81.38 - 83.01 - 84.86
- **Support:** 78.32 - 76.39 - 74.41

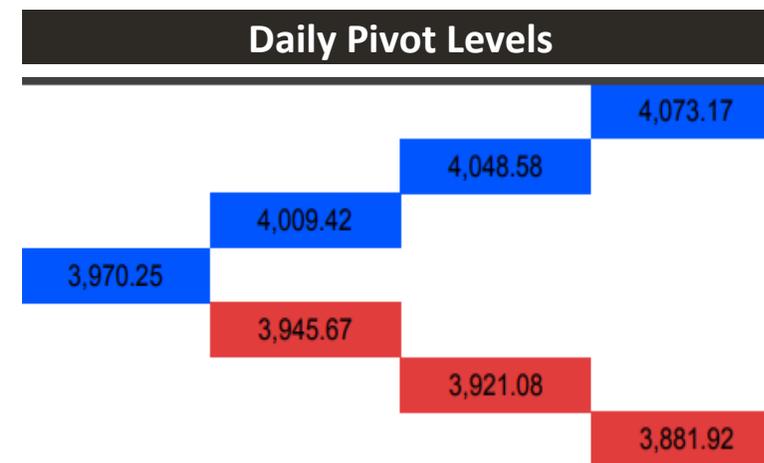


S&P500

The S&P 500 index closed yesterday with a loss of 1.44% at 3.941. It is priced that the Fed will continue to increase interest rates and focus on reducing inflation without putting the US economy into recession. Despite Fed Chairman Powell's statements recently that they will slow down the rate of increase, the markets believe that the high interest rate environment will continue for a while. It is observed that the Fed is focused on reducing inflation and that with the decisions they have taken since March, they still have not progressed in the desired level of inflation, therefore expectations that they will continue to increase interest rates. These expectations suppress the risk appetite in the market and a mixed outlook prevails in the stock markets.



- **Resistance:** 3,980 - 4,011 - 4,044
- **Support:** 3,917 - 3,883 - 3,850



Daily Stock News

- **Estee Lauder** – Estee Lauder’s stock added 2.41% after Deutsche Bank upgraded shares of the cosmetics company to a buy from a hold rating, saying the stock should benefit when China eases Covid-19 restrictions.
- **General Electric** – Shares of the industrial giant rose 0.73% after Oppenheimer upgraded the stock to outperform from perform. The Wall Street firm said several factors are boosting confidence in the stock next year, including a planned spinoff of its health care division and strong momentum for its aviation business.
- **Enphase** – Shares of Enphase slid 7.77% a day after the company reached a new all-time high.
- **Meta Platforms** – The Facebook parent company saw shares fall 6.79% after an Oversight Board report found a special-track content review platform for VIPs and businesses promoted an unequal system that offered “certain users greater protection than others,” potentially prioritizing Meta business concerns over the protection of safe and fair speech.
- **Autozone** – Autozone’s stock dropped 2.27% after reporting its inventory increased 17.6% over the same period last year. However, the automotive replacement parts retailer’s earnings-per-share and revenue beat Wall Street’s expectations
- **Lucid Group** – Shares of Lucid Group fell 8.27% as investors worry about how higher interest rates and a tighter economy will hit the electric automaker’s growth.
- **Goldman Sachs** – Shares of Goldman Sachs slipped 2.32% after a Reuters report said the bank plans to spend tens of millions of dollars on buying or investing in bargain crypto companies after the collapse of FTX hit valuations.
- **Royal Caribbean** – The cruise line dropped 3.01% following JPMorgan’s double-downgrade to “underweight” from “overweight.” The firm noted the cruise line was in a less favorable position compared to competitors due to its financial commitments.
- **Semiconductor stocks** – Semi stocks Advanced Micro Devices and Nvidia fell 4.55% and 3.75% respectively amid a broader selloff in the Nasdaq.

Daily Data and Economic Calendar

Currency	Last	Daily Change (%)	Weekly Change (%)	YTD Change (%)
EURUSD	1,0453	-0,12	-0,77	-8,06
GBPUSD	1,2114	-0,16	-1,35	-10,48
USDJPY	137,44	-0,31	-2,27	-16,26
USDCHF	0,9431	-0,12	-0,63	-3,20
EURGBP	0,86291	-0,05	-0,65	-2,51
Index Future	Last	Daily Change (%)	Weekly Change (%)	YTD Change (%)
ESZ2 INDEX	3949,75	0,11	-3,09	-16,73
GXZ2 INDEX	14317	-0,25	-1,50	-
DMZ2 INDEX	33673	0,12	-2,28	-6,31
Commodities	Last	Daily Change (%)	Weekly Change (%)	YTD Change (%)
GCZ2 Comdty	1772,5	0,18	-1,3	-3,72
SIZ2 Comdty	22,123	-0,34	-3,97	-6,00
CLA Comdty	74,42	0,24	-6,94	7,43
COA Comdty	79,59	0,30	-6,99	9,86

Time	Cur.	Event
08:00	GBP	Halifax House Price Index (MoM) (Nov)
08:00	GBP	Halifax House Price Index (YoY)
08:00	EUR	German Industrial Production (MoM) (Oct)
08:10	EUR	ECB's Lane Speaks
11:00	EUR	GDP (QoQ) (Q3)
11:00	EUR	GDP (YoY) (Q3)
13:00	EUR	ECB McCaul Speaks
14:30	USD	Nonfarm Productivity (QoQ) (Q3)
14:30	USD	Unit Labor Costs (QoQ) (Q3)
15:30	EUR	ECB's Panetta Speaks
16:30	USD	Crude Oil Inventories
16:30	USD	Cushing Crude Oil Inventories