

# FINVEO

December 08, 2022

Daily Forex Analysis

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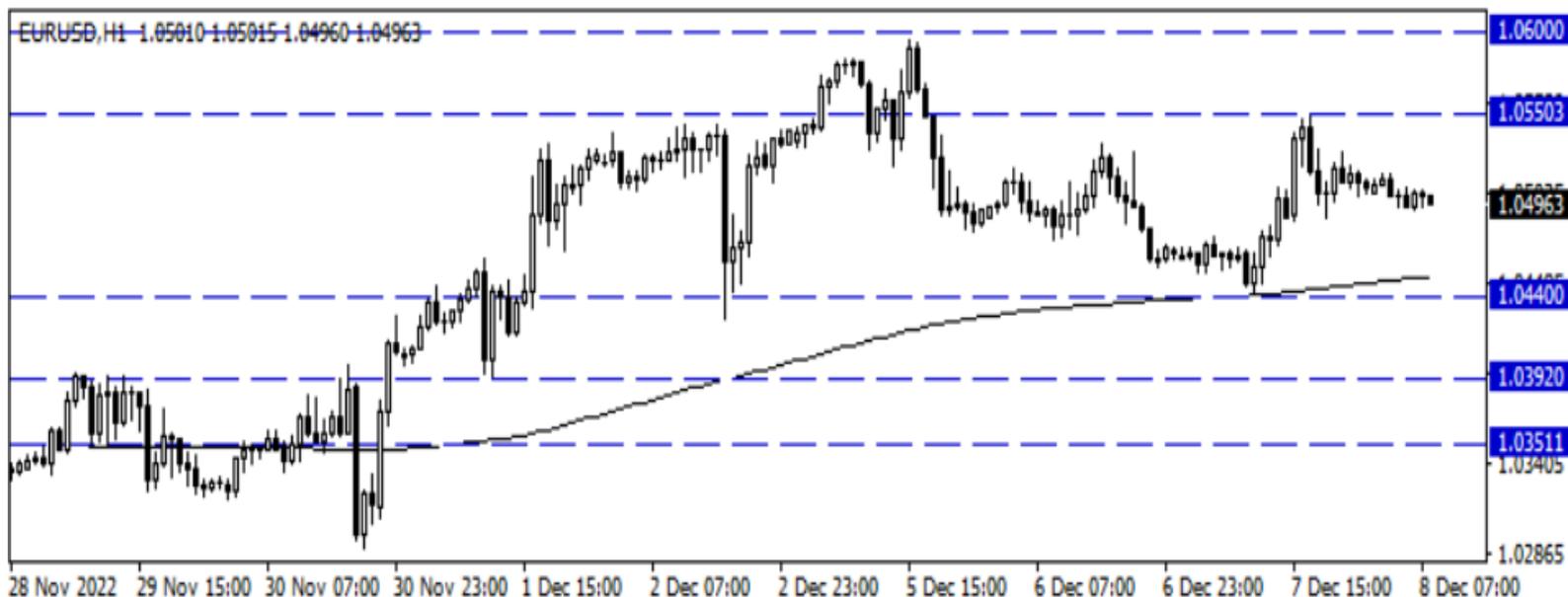
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# Daily News

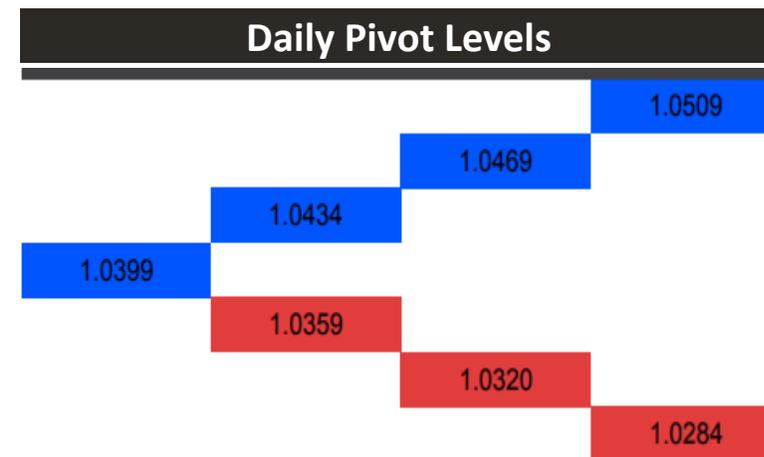
- The Eurozone economy grew by 0.3% in the third quarter, above expectations compared to the previous quarter. With the latest data, the third quarter growth rates have been revised upwards. Inflation expectations for the next 12 months rose to 5.4% in October from 5.1% in September. Inflation in the Euro Zone reached 10.6% in October and became 10% in November. Industrial production in Germany, Europe's largest economy, decreased by 0.1% in October as high energy prices put pressure on the manufacturing sector. Industrial production remained unchanged in October compared to the same period of the previous year. On the European front, the statements of ECB President C. Lagarde will be at the forefront today.
- While there was no important data flow announced yesterday in the USA, developments on the agenda were followed. The UK signed an LNG purchase agreement with the US to secure its energy supply due to the post-war sanctions on Russian gas between Russia and Ukraine. According to the agreement between the two countries, the US will export at least 9 to 10 billion cubic meters of LNG to the UK within the next year. Weekly jobless claims are expected to be announced in the US.

# EURUSD

Industrial production in Germany, Europe's largest economy, decreased by 0.1% in October as high energy prices put pressure on the manufacturing sector. The Eurozone economy grew by 0.3% in the third quarter, above expectations compared to the previous quarter. With the latest data, the third quarter growth rates have been revised upwards. Inflation expectations for the next 12 months rose to 5.4% in October from 5.1% in September. While there was no important data flow announced yesterday in the USA, developments on the agenda were followed. While the expectations regarding the Fed and the weak risk appetite are effective, the fluctuation in the parity continues.

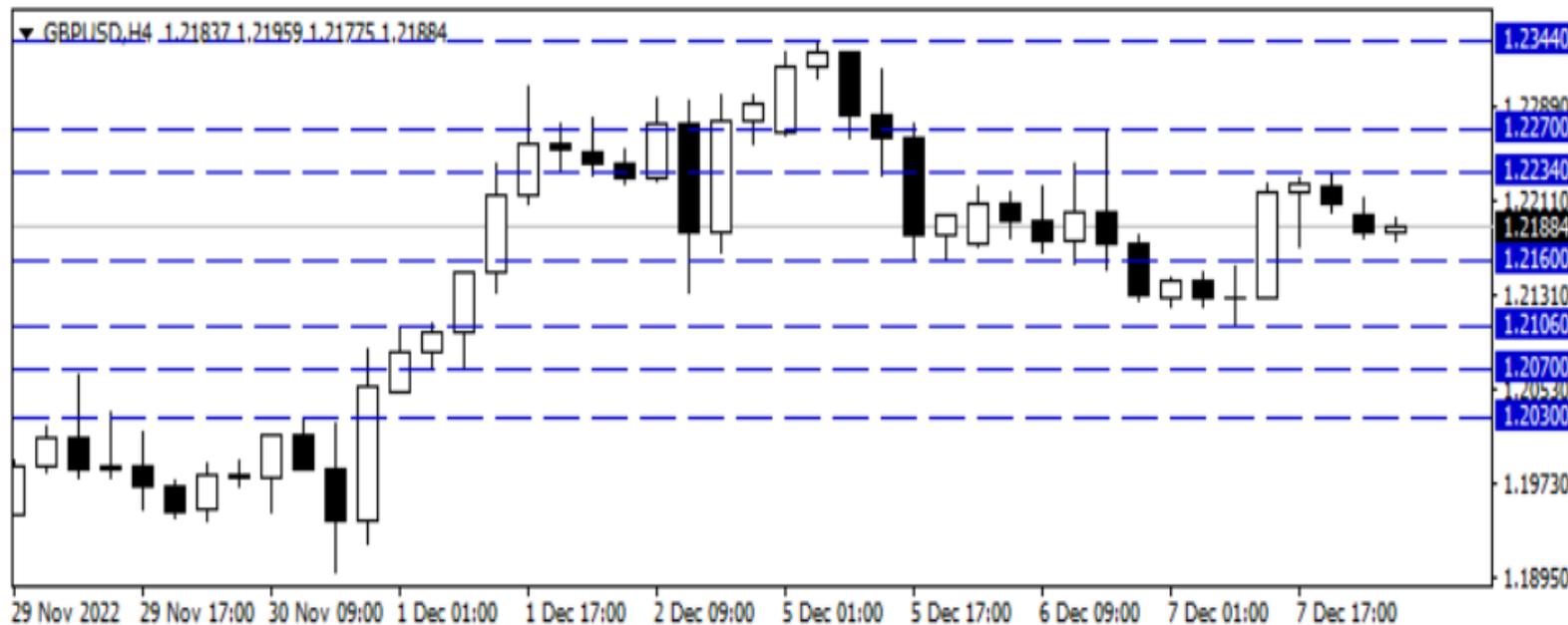


- **Resistance:** 1.0550 - 1.0600 - 1.0626
- **Support:** 1.0440 - 1.0392 - 1.0350

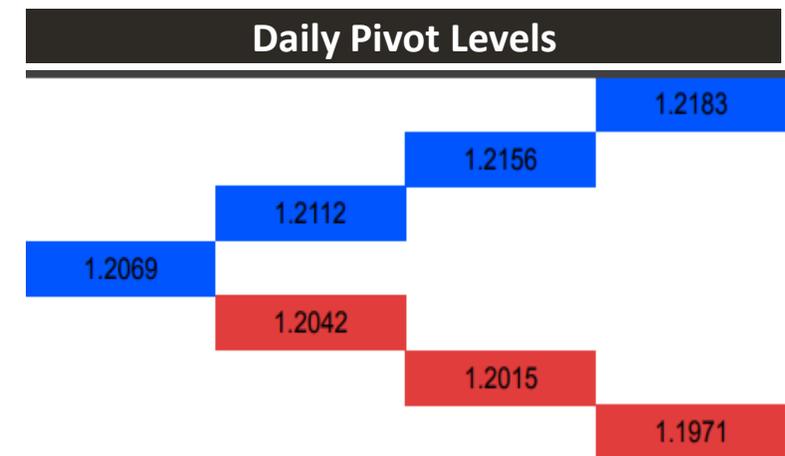


# GBPUSD

The housing price index published by Halifax in England fell by 2.3% monthly in November, and recorded the sharpest decline since the 2008 crisis on a monthly basis. The annual increase in housing prices was 4.7%. While the UK economy contracted by 0.2% in the third quarter, we can say that the recession and interest rate policy brought about a decline in housing prices as of November. In the USA, we left behind a quiet day in terms of data flow. While there is no significant data flow in the UK today, weekly unemployment benefits applications will be monitored in the USA.



- **Resistance:** 1.2234 - 1.2270 - 1.2344
- **Support:** 1.2160 - 1.2106 - 1.2070

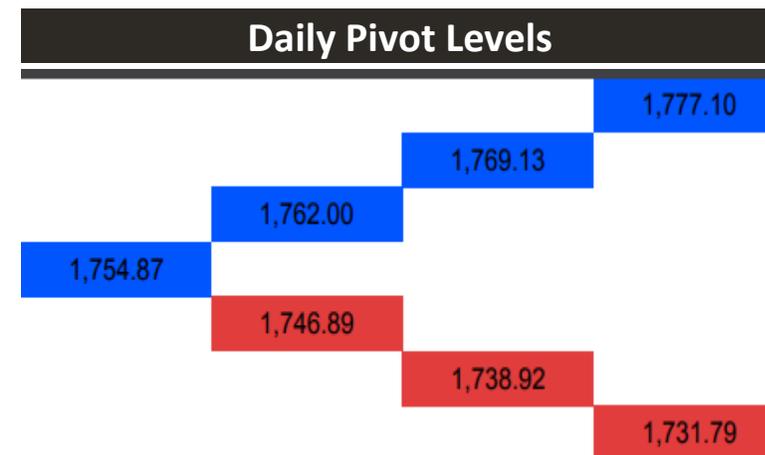


# XAUUSD

Withdrawals under ounce remain limited. The dollar index is trading between 105.20-105.39 this morning. Risk appetite is weak due to the Fed's uneasiness in global markets. The Fed's meeting will be held on December 13-14. The 50 basis point increase in interest rates has been reflected in the prices. The economic projections to be published are eagerly awaited. While the expectations that the Fed will continue to increase interest rates to reduce inflation remain strong, the slowdown in the rate of interest rate increases confuses the markets. This uncertainty in the markets may continue until the December 14 Fed meeting, which may lead to a weak risk appetite. Attention should be paid to intraday volatility.



- **Resistance:** 1792 - 1804 - 1816
- **Support:** 1771 - 1760 - 1748

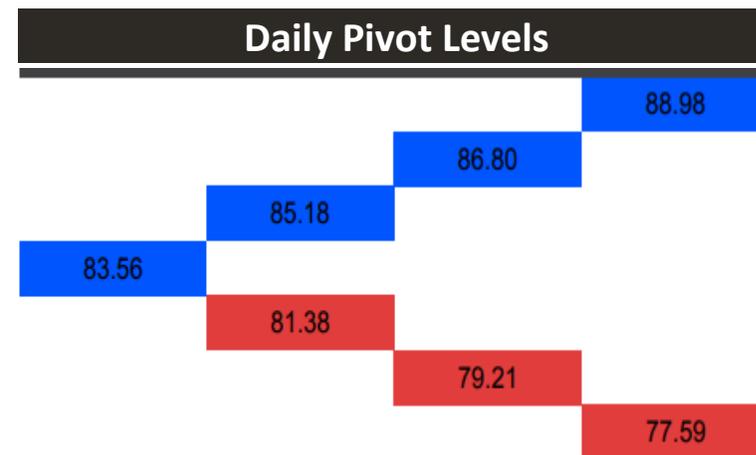


# BRENT OIL

Oil prices are flat. The start of openings in China is interpreted positively in terms of oil. It strengthens the expectation that oil demand will rise. However, while the recession concerns continue, it prevents strong increases in oil prices as it suppresses prices. As long as the recession continues as a risk, pressure on oil prices will continue. Weekly oil stocks were announced by the DOE yesterday. Inventories decreased by 5.2 mn barrels. It is a positive data for oil, but its effect was not felt much. There is no major data to be released today. The risk appetite in the markets is weak, so one should be careful against possible volatility during the day.



- **Resistance:** 79.48 - 81.38 - 83.01
- **Support:** 76.39 - 74.41 - 72.39

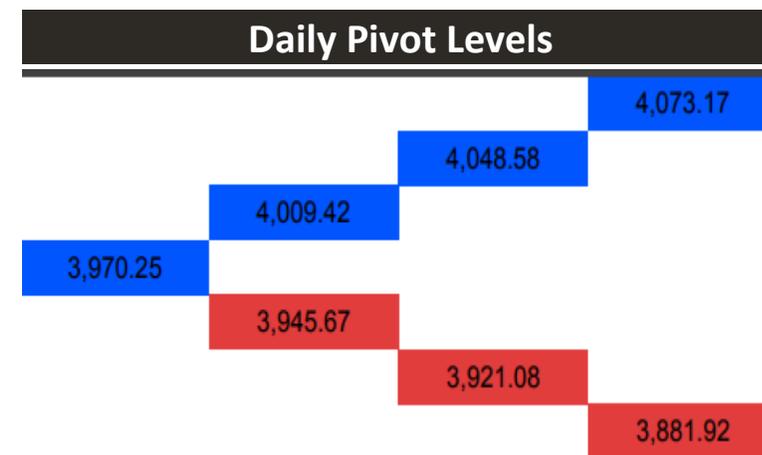


# S&P500

The S&P 500 index closed yesterday with a loss of 0.19% at 3,933. As the time to the Fed meeting narrows, the risk appetite in the markets is weak. There will be a Fed meeting on December 13-14, and the Fed's expectations for an interest rate hike of 50 basis points have been adequately reflected in prices. While the expectations that the Fed may slow down the rate of increase in interest rates are getting stronger, it is expected that it will continue to increase interest rates in order to reduce inflation. This dilemma weakens the risk appetite in the markets and sellers are observed in the stock markets. US futures are trading with a slight sell-off this morning. There are no significant data streams to be announced for today. Risk appetite may remain weak today due to Fed uncertainty.



- **Resistance:** 3.965 - 3.999 - 4.032
- **Support:** 3.902 - 3.866 - 3.835



# Daily Stock News

- **Carvana** — Shares of the online car dealership fell 42.9% after Carvana's largest creditors signed an agreement to negotiate together with the company. Bankruptcy concerns around Carvana have grown since the company reported disappointing third-quarter results last month. The pact between the creditors was first reported by Bloomberg.
- **MongoDB** — The database platform surged 23.2% following the company's quarterly results. Mongo posted better-than-expected revenue for the most recent quarter and issued upbeat fourth-quarter revenue guidance, according to Refinitiv.
- **State Street** — Shares of the asset manager jumped 8.2% after the company announced a new buyback plan. The company said it now intends to buy back up to of \$1.5 billion of its common stock in the fourth quarter of 2022, \$500 million more than the amount announced previously.
- **Online travel** — Online travel stocks dropped after Wolfe Research downgraded the sector to market underweight from market weight, citing trouble ahead on the likelihood of a recession. The firm named a worse outlook for names such as Booking Holdings, Airbnb, TripAdvisor and Expedia. Shares of TripAdvisor were down 6.4%, Expedia fell 6.3%. Booking Holdings fell 4.2%, and Airbnb shed 1.7%.
- **SolarEdge Technologies** — The solar stock gained nearly 4% after Bank of America upgraded it to a buy from neutral. The firm said the stock could gain more than 20% as its outlook improved.
- **Chinese tech stocks** — Shares of U.S. listed China stocks declined even as Beijing announced it will lift some Covid restrictions. JD.com declined 3.2%, and Baidu fell 2.3%.
- **Airlines** — Airline stocks fell as a group during midday trading. Shares of Southwest Airlines declined 4.7%, while American Airlines slid 5.4%. Shares of Delta Air Lines, Alaska Air Group and United Airlines each slipped more than 4%.
- **Lowe's Companies** — Shares added more than 2% after Lowe's affirmed its full-year guidance, and announced a new \$15 billion share repurchase program. The home improvement retailer is hosting its annual analyst and investor conference on Wednesday.

# Daily Data and Economic Calendar

Currency	Last	Daily Change (%)	Weekly Change (%)	YTD Change (%)
EURUSD	1,0499	-0,06	-0,33	-7,65
GBPUSD	1,2186	-0,14	-0,77	-9,95
USDJPY	137,01	-0,28	-1,97	-16,01
USDCHF	0,9419	-0,12	-0,50	-3,08
EURGBP	0,86159	-0,10	-0,50	-2,35
Index Future	Last	Daily Change (%)	Weekly Change (%)	YTD Change (%)
ESZ2 INDEX	3931,75	-0,13	-3,53	-17,11
GXZ2 INDEX	14255	-0,15	-1,93	-
DMZ2 INDEX	33600	-0,07	-2,49	-6,52
Commodities	Last	Daily Change (%)	Weekly Change (%)	YTD Change (%)
GCZ2 Comdty	1782	-0,20	-0,8	-3,20
SIZ2 Comdty	22,575	-0,59	-2,01	-4,08
CLA Comdty	72,77	1,06	-9,01	5,04
COA Comdty	77,87	0,93	-8,98	7,51

Time	Cur.	Event
09:00	EUR	German Buba Wuermeling Speaks
13:00	EUR	ECB President Lagarde Speaks
14:30	USD	Initial Jobless Claims