



DAILY FOREX NEWS

Treasury & Trading

December 15th 2017 | Advisory FX Sales

Exchange rates

Currency pair	Support II	Support I	Spot	Resistance I	Resistance II
EURUSD	1.1680	1.1715	1.1790	1.1810	1.1960
GBPUSD	1.3220	1.3315	1.3430	1.3560	1.3650
EURGBP	0.8685	0.8740	0.8770	0.8840	0.8870
USDCHF	0.9790	0.9830	0.9870	0.9980	1.0080
EURCHF	1.1545	1.1615	1.1640	1.1740	1.1800
USDJPY	111.00	112.00	112.15	113.70	114.00
EURJPY	131.70	132.00	132.20	133.90	134.00
AUDUSD	0.7360	0.7510	0.7670	0.7700	0.7720
USDCAD	1.2635	1.2715	1.2750	1.2880	1.2910
XAUUSD	1225.00	1235.00	1256.00	1267.00	1290.00
XAGUSD	15.40	15.60	15.90	16.15	16.65

Events & Meetings

◆ UK 14:15 BoE's Haldane speaks in Palermo

EURUSD	ECB Draghi yesterday did not add any more comments than the previous meetings as speech was similar to the previous ones leaving the door open for more QE if necessary and revising up growth forecast for the next years. The pair went up initially to 1.1860 and then gave back all gains to end the day below 1.1800. Market is still stuck within the 1.1720-1.1961 range. Downside looks limited for now and the 1.1720 area will be a difficult area to break in the short term. A pull back to the high of the range at 1.1960 seems to be on the cards. With all central banks behind us now and approaching the end of the year, liquidity will come down and market should remain within the current range.
GBPUSD	The BOE MPC voted unanimously for unchanged policy rate, as expected, which made for a quiet session in GBP/USD. Most of the activity took place in EUR/GBP, after Draghi's comments, even though near-term support at 0.8830/40 held overnight. Brexit headlines remain the key market-movers. It seems GBP is not going to break out of the range till year end but we are still favoring buying the dips.
USDCHF	Counter move !! the greenback managed to recover yesterday and broke our first resistance at 0.9855/65 to finally challenged the resistance at 0.9890/0.9900, it even made a high of 0.9905 to finally close at 0.9891 in NY. Where from here, it looks like the selling pressure is diminishing, however some indicators are still pointing south. Given the lack of interest, it seems like we have already entered in New Year end market. For the greenback to accelerate either side, we would need to break either the support seen at 0.9840/50 region or the resistance at 0.9950/60.

USDJPY	USDJPY continued the drift south as the US tax reform discussions continued and the risk-sentiment was hurt. EURJPY lost even more as EUR depreciated against USD. In USDJPY 112.80 offers a light resistance and the 113.70 - 114.00 area should still attract many sellers on the upside. However, the focus and the risks are focused on the downside for now where 112.06 is the next resistance before 111.00.
USDCAD	Canadian Dollar was given a strong lift overnight by upbeat comments from BoC Governor Stephen Poloz. USD/CAD hit a low of 1.2713. His comments affirmed the expectation of another rate hike by BoC in Q1 next year. Ahead in the day, Canada's existing home sales data for November will be on investor's radar. The pair is expected to find its first good support at 1.2715 and 1.2635 later. On the upside resistances are at 1.2820 and 1.2880.
AUDUSD	The Aussie remains firm at \$0.7680 this morning. The currency is up 2 percent on the week so far, with the U.S. dollar undermined by a cautious outlook on inflation from the Federal Reserve. Breaks of chart resistance had also laid the groundwork for a run to the next target at \$0.7730. From a technical perspective the Aussie has room to move higher and a weekly close above \$0.7611 would support the view for further gains near term. With a light domestic calendar, U.S. tax reform and its impact on the USD is likely to be the determining factor of AUD fortunes over the coming week.
METALS	The precious metals stayed stuck into a tight range with little activity going on. The only notable fact was to see Silver that dropped below 16 bucks unable to hold its recent gains. Nevertheless, we are still in the wide trading bands and bids observed on the lower side should refrain any further fall. As we approach the Christmas period holidays, the liquidity has started to dry up and the volatility has been heavily sold off from market makers proving that they are not expecting any more movement until the year ends.

Time	Country	Macro-economic calendar	Month	Survey	Prior
EC	11:00	Trade Balance SA	Oct	24.3b	25.0b
EC	11:00	Trade Balance NSA	Oct		26.4b
RU	11:30	Key Rate	Dec 15	8.0%	8.25%
CA	14:30	Manufacturing Sales MoM	Oct	1.0%	0.5%
US	14:30	Empire Manufacturing	Dec	18.7	19.4
US	14:45	Bloomberg Dec. United States Economic Survey	janv.-00		
US	15:15	Industrial Production MoM	Nov	0.3%	0.9%
US	15:15	Capacity Utilization	Nov	77.2%	77.0%
US	15:15	Manufacturing (SIC) Production	Nov	0.3%	1.3%
US	22:00	Total Net TIC Flows	Oct		-\$51.3b
US	22:00	Net Long-term TIC Flows	Oct		80.9b

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