

Wednesday 22.04.2020

Asian Session

The oil market threat affected the Asian markets also as Japan index and South Korea KOSPI index plunged 1.6% and 0.6% respectively today. Hong Kong index began the day lower today by 0.1% and Shanghai index declined by 0.3%

Asian Stock	Closed
Nikkei	-1.6%
Hong Kong HSI	-0.6%
China Shanghai SSE	-0.3%
Kospi – South Korea	-0.1%

US Stocks

US stock futures stacked to find direction during Asian session. Dow Jones futures went slightly up by 1%, while SP500 futures were up by 2% and Nasdaq futures rose by 0.3%.

US Stocks	Closed
DOW	+1%
S&P500	+2%
NASDAQ	+0.3%

Major Currencies

With stronger dollar on safe haven demand euro pair remains weaker. If the pair attempts to brake clearly above 1.083 might avoid the recent bull-trap and go higher, otherwise open the door for a bearish trend. The inflation for March decreased in Great Britain as data showed, caused by oil selloff. Pound dollar remains in pressure being at 1.23 with next support levels be at 1.225. Alternatively, resistance level is at 1.238 Rebound it is expected to the upside for dollar against Canadian dollar as Canadian dollar remains under pressure caused from oil market the most. Targets found at 1.426 support levels and resistance be at 1.406. Relative strength index shows bullish momentum. Dollar yen is testing lows close to 107.5 due to US dollar retreatment from two week highs. Yen still find support from recent oil market reactions, and the Bank of Japan have to support measures to boost funding businesses by next week announcement.

Gold Market

Gold began the day higher after the recent week's pullback and recovered from over one week-lows. This caused by USD pullback. The pullback on dollar followed by the optimism of the senators agreement for additional 484 billion funding stimulus package Investors now await brake above 1700 price level. At the same time treasury bond yields picked up. Major resistance level is at 1725 for gold and traders sustain that level we may see rally through 1800.

Oil Market

Oil prices began the day negatively continuing building the massive crash of yesterday after the expire of May contract. US oil futures declined by 11% to \$10.2 a barrel. WTI crude of June contract settled yesterday, though fell as low as \$6.5. Brent declined by 16% to \$16.6 today. The premium for June contracts has increased much more as May contracts declined at a historic minus \$37. If we do not see some relief to oil market may happen the same again for the next contracts.

USD Index

Dollar index dropped to 100.07 before recovering short, but still be down by 0.15% today. Finally, the Senators approved an agreement of 320 billion as additional funds for coronavirus. DXY-break above 100.3 would aim find 100.9 resistance level, otherwise next support is at 99.2 on 55 day simple moving average

European Stocks

European stocks began the day positively today "ignoring" the concerns about pandemic and the selloff in oil market. Stoxx600 European index and UK100 both jumped by 1%. Technology stocks went up 1.9%.

On the data front 22-04-2020

Time	Event	Impact
12:30 pm	CAD BoC Consumer Price Index Core (YoY)(Mar)	High
12:30 pm	CAD BoC Consumer Price Index Core (MoM)(Mar)	High
13:00 pm	USD Housing Price Index (MoM)(Feb)	Medium
14:30 pm	USD EIA Crude Oil Stocks Change (Apr 17)	Medium
23:00 pm	AUD Commonwealth Bank Manufacturing PMI(Apr)	Medium