

Friday 24.04.2020

**Asian Session**

Asian shares began the day negatively, along with the US shares market, indication that shows how fragile and uncertain the market is. Investors hope that during September vaccine will be ready to be used and this fact will enhance the market confidence and market share will skyrocket. Japan index closed lower yesterday to 0.86%, South Korea's KOSPI declined by 1.34%, while Australia's index gained almost 0.5%. Hong Kong index fell by 0.37% and Shanghai index fell by 0.5%

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	-0.86%
Hong Kong HSI	-0.37%
China Shanghai SSE	-0.5%
Kospi – South Korea	-1.34%

**US Stocks**

Second round of stimulus package was passed from the US house of Representatives of 484 billion dollars as an aid for the coronavirus, a second consecutive additional funding for mainly small businesses. US stock market yesterday was flat with the Dow Jones futures index falling slightly by 0.2%, SP500 futures index fell by 0.4% and Nasdaq Composite Futures index fell by 0.58%. Today stock market began the day slightly higher.

<b>US Stocks</b>	<b>Closed</b>
DOW	-0.2%
S&P500	-0.4%
NASDAQ	-0.58%

**Major Currencies**

Despite euro yesterday recovered from 1.075 to 1.083 ahead of European announcement of an additional security fund, was quickly depreciated against dollar and was traded again back to 1.076 indicating a bearish momentum which may lead the euro back to 1.06. Eyes today turned to US durable goods and Michigan Consumer sentiment. Bull trap observed yesterday on pound dollar, indicating bearish momentum for pound as the pair broken down the trendline of 1.23. Retail sales in the UK fell 5.8% in March compared to the same month last year due to measures against the corona pandemic, according to Britain's National Statistics Office. Canadian dollar affected a lot from oil market, however edged higher today against dollar and recovered further from weekly lows, as oil market continues recovering. The pair is traded at 1.409, with 1.40 being psychological level. Dollar yen remains bullish and a break above 1.079 targets further upside to 1.085, otherwise support level is at 1.073.

## **Gold Market**

Bulls sustain the price level of 1730, a level where remains very attractive for seller to come in and turn the precious metal back to 1700 with next support level be around 1650. Gold price yesterday rebounded further after the announcement for further US stimulus package along with negative data from US jobless claims. June gold futures rose by \$13 an ounce at \$1750. The endless monetary expansion from central banks, including the Fed, to limit the economic damage from the COVID-19 pandemic helping gold price to even higher. Waiting for the next historic resistance level at 1800 level.

## **Oil Market**

Oil trying to rebound for third day in a row after the massive selloff that generated from May contracts where nobody wanted to get the physical delivery. Now the big thing is that there is no place to store all those barrels due to the oversupply, and if they find a place to store it, the storage fees are very high. We may see futures prices go minus 100 as analysts said if no news about lockdowns come out, or if other member countries of OPEC do not proceed to cut production from May 1. Its expected to see further pullback till early May. WTI closed yesterday at almost \$18 per barrel and today began the day slightly higher. Technically double top pattern its observed in hourly time frame which indicates bearish momentum. Brent crude today is at \$22 per barrel.

## **USD Index**

Dollar index remains constantly at 100 price level, however it keeps pushing higher and the next target is at 101 level. All eyes turn to the reopening of the US economy. The dollar index ignored once again the yesterday's negative jobless claims data as investors prefer dollar against other major currencies. The index is gaining 0.2% at 100.7 and a break above 100.9 would aim to 101.3

## **European Stocks**

Yesterday Angela Merkel announced that Germany will contribute huge amount of recovery fund for the EU budget and that the European security fund can provide almost 2 trillion dollars to rescue the economies in the Eurozone, and that gave some short appreciation to euro against the dollar. Christine Lagarde warned that eurozone forecast output could drop by 15% during 2020 in the worst case scenario. Eurozone PMI index yesterday came in at 13.5 versus 29.7 in Marchand was below well enough the market expectations.

## **On the data front 24-04-2020**

<b>Time</b>	<b>Event</b>	<b>Impact</b>
08:00 am	EUR IFO – Expectations (Apr)	Medium
07:30 am	USD Durable Goods Orders (Mar)	Medium
12:30 pm	USD Nondefense Capital Goods Orders ex Aircraft (Mar)	High
14:00 pm	USD Michigan Consumer Sentiment Index (Apr)	Medium