

Thursday 30.04.2020

Asian Session

Asian stocks commenced rising after Wall Street rally amid recent news of extra stimulus package. Japan index rose by 2.6%, while Shanghai index gained 1.2%. South Korea's index KOSPI rose by 0.7%, Australia's index rose by 1.8% and Hong Kong index closed for holiday. The boost for Asian stock came out also from positive reports on the service sectors for April

| Asian Stock | Closed |
|---------------------|---------------|
| Nikkei | +2.6% |
| Hong Kong HSI | - |
| China Shanghai SSE | +1.2% |
| Kospi – South Korea | +0.7% |

US Stocks

US stocks rose today following yesterday gains after giants companies reporting for the first quarter profits. Stocks rose today, following the rally in US Federal Reserve Bank assurances it will continue providing a stimulus programs and create hopes on promising news on coronavirus treatment. Dow Jones increased by 2.2%, while SP500 rose by 2.66% and Nasdaq Composite index rose by 3.5%.

| US Stocks | Closed |
|------------------|---------------|
| DOW | +2.2% |
| S&P500 | +2.66% |
| NASDAQ | +3.5% |

Major Currencies

Euro dollar reacted positively yesterday after the bad US GDP announcement for the first quarter which showed that fell by 4.8%. Euro rose by almost 50 pips and trying to find resistance level at 1.09 price level. Traders are expecting today for ECB interest rate decision later on the day, along with European Gross Domestic Product release. It is expected to see euro to drop again, however we have to await for the jobless claims report later today to see the price reaction. Pound also appreciated against dollar yesterday amid US news, however it is expected to see pound fall again as the UK GDP may fall by 2% for the first quarter of the year and may contract by 10% on the second quarter. Dollar yen also fell at 106.5 price level and now is traded at 106.9 and we expect further losses. If the pair break above 107 targets 107.6 price level. USD depreciated against Canadian dollar as oil price recover continues amid short term confidence in the oil market. 61.8% Fibo level remains a strong support level. Sellers are targeting at 1.386 at 50% Fibo retracement level from December 31 lows

Gold Market & Treasuries

The US bonds yields on 10-year treasury note rose amid yesterday Fed news that it would keep the rates closed to zero unchanged for longer timeframe. Gold price rose slightly yesterday and we observed that gold ignored the bad US data yesterday, however buyers sustained the price level above 1700 after gold price fell at previous support of 1693, indicating that gold remains in strong bullish momentum. We expect to see gold price reaction the next days if finally, Trump proceed to open the economy. Next resistance level for gold is at 1740 and remain to see a breakout to find next resistance at 1800 historic price

Oil Market

Positive sentiment also appeared on gold market yesterday after the bad data output for US GDP which was worse than expected and fall by 4.8% for the first quarter. Weaker dollar caused the oil price went higher. Boost in oil price also generated following the news from Norway major oil producer which announced that it would limit the production. WTI futures jumped 7.6% at \$16.2 a barrel, while Brent rose by 4% to \$23.4 a barrel.

European Stocks

European stock market whipsawed today as investors reacted to news of a possible effective pandemic treatment, while waiting for the corporate earnings report and economic data. Stoxx600 European index gained 0.2%

On the data front 30-04-2020

| Time | Event | Impact |
|----------------|--|---------------|
| 30-04 10:55 am | EUR Unemployment Rate s.a (Apr) | High |
| 30-04 10:55 am | EUR Unemployment Change (Apr) | High |
| 30-04 12:00 pm | EUR Consumer Price Index – Core (YoY) (Apr) | High |
| 30-04 12:00 pm | EUR Gross Domestic Product s.a (QoQ) (Q1) | High |
| 30-04 12:00 pm | EUR Consumer Price Index (YoY) (Apr) | High |
| 30-04 14:45 pm | EUR ECB Interest Rate Decision | High |
| 30-04 14:45 pm | EUR ECB Deposit Rate Decision | High |
| 30-04 15:30 pm | USD Initial Jobless Claims (Apr 24) | High |
| 30-04 15:30 pm | EUR ECB Monetary Policy Statement & Press Conference | High |
| 01-05 01:50 am | JPY Tokyo CPI ex Fresh Food (YoY) (Apr) | High |