

## **DAILY MARKET ANALYSIS 06-09-2022**

The DAX traded higher in European trade with gains of about 180-odd points. European markets started the week on the back foot after Russia closed one of its main gas supply pipelines to Germany, sparking fears of severe energy shortages in Europe during the approaching winter. Markets have found some liquidity today after yesterday's attempted upside move ran out of steam with the US Labor Day holiday.

### **Stocks**

September S&P 500 futures (ESU22) this morning are up +0.58% as markets reopen from Monday's holiday. Stocks are higher after three weeks of declines are attracting bargain hunters and dip buyers. The recent selloff has reduced the S&P 500's valuations to 16.5 times forward earnings, below the average of 17.2 over the past ten years.

### **Currencies**

- EUR/USD pair to regain serious upside traction should keep the door to further retracement open in the near term. Extra losses face the immediate target at the 2022 low at 0.9877 (September 5) seconded by 0.9859 (December 2002 low) and then 0.9685 (October 2002 low).
- GBP/USD clings to daily recovery gains above 1.1550. The pair needs to clear 1.1600 to attract buyers. The near-term technical outlook points to a bullish shift. "Near-term technical outlook points to a bullish tilt following the latest rebound."
- USD/JPY pair catches aggressive bids on Tuesday and rallies to levels just above the 142.00 mark, hitting a fresh 24-year high during the mid-European session.
- AUD/USD pair witnessed an intraday turnaround from the 0.6830-0.6835 area on Tuesday and drops to its lowest level since mid-July during the first half of the European session. The pair is currently placed around the 0.6760 region and seems vulnerable to prolonging a nearly one-month-old descending trend.

### **Cryptos**

Bitcoin rose 0.77% in the past 24 hours as of 4 p.m. in Hong Kong to US\$19,906.86. Ethereum saw bigger gains today after it maintained a steady 4.47% growth over the past seven days, rising 6.12% to US\$1,658.68



## **Commodities**

**Gold:** price is looking to resume the recent downtrend, as sellers fight back control ahead of key US events and the ECB rate hike decision. The European energy crisis-led recession fears keep investors on the edge while driving yields higher globally.

**Oil:** prices traded in a mixed fashion Tuesday as traders digested concerns of demand destruction caused by weaker global growth as well as the OPEC+ cut in output levels.

## **Up Ahead – Wednesday 07-08-2022**

- AUD GDP q/q
- GBP Monetary Policy Report Hearings
- CAD BOC Rate Statement

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