

DAILY MARKET ANALYSIS 27-09-2022

The British Pound is slightly better bid in early European trade and currently changes hands around 1.0800 against the US dollar. The greenback is off its recent two-decade-high despite recent hawkish Fed speak.

Stocks

European stock markets edged higher Tuesday, rebounding after a hesitant start to the week but investors remain concerned about rising interest rates and a deteriorating economic outlook.

Currencies

- EUR/USD After five consecutive daily pullbacks, including fresh cycle lows in the mid-0.9500s recorded on Monday, EUR/USD manages to gather some steam and advance past the 0.9600 barrier helped by the renewed selling bias in the dollar.
- GBP/USD There has been a loose discussion in the market about the prospect of GBP/USD hitting parity for some months. Economists at ING believe that the pair could break under 1.00 this year.
- USD/JPY pair struggles to capitalize on its gains recorded over the past two trading sessions and meets with some supply on Tuesday. The pair remains on the defensive through the early part of the European session and is currently trading around the 144.25-144.30 area.
- AUD/USD pair gains some positive traction on Tuesday and snaps a two-day losing streak to its lowest level since May 2020. The pair maintains its bid tone through the first half of the European session and is currently placed just below the 0.6500 psychological mark, up over 0.50% for the day.

Cryptos

Bitcoin's rally lifted the broader cryptocurrency market. Ether was up around 7% at \$1,389.75. Still, bitcoin has struggled for direction, trading between \$18,000 and \$25,000 since mid-June after a crash saw nearly \$2 trillion wiped off the entire crypto market since its peak in November.

Commodities

Gold: Gold's bearish streak continued with a flow of USD3.1 bn, the sixth weekly bearish flow in a row for bullion. A US Fed rate hike supports the dollar, which in turn makes gold less affordable for non-US buyers, thus reducing demand.



Up Ahead – Wednesday 28-09-2022

- EUR ECB President Lagarde Speaks
- USD Fed Chair Powell Speaks

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