

DAILY MARKET ANALYSIS 04-10-2022

Crude oil prices are extending overnight gains, fostered by a softer US Dollar and implications of a possible pullback in global production levels. West Texas Intermediate (WTI) prices rose 5.21% on Monday, bringing the benchmark to its highest level since September 22. Brent crude prices increased around 4%, although the global benchmark hasn't made as much relative progress against WTI.

Stocks

U.S. stocks are seen opening firmly higher Tuesday, continuing the previous session's broad rally as investors enter the year's final quarter with a degree of cautious optimism. At 07:00 ET (11:00 GMT), the Dow Futures contract was up 410 points, or 1.4%, S&P 500 Futures traded 62 points, or 1.7%, higher and Nasdaq 100 Futures climbed 230 points, or 2.1%.

Currencies

- EUR/USD traded as high as 0.9905 today. The pair could rally towards 1.02 on a break past 0.9945, economists at BBH report. ECB tightening expectations have fallen in recent days "Break above 0.9945 would set up a deeper recovery to the September 12 high near 1.02."
- GBP/USD advanced to a fresh two-week high above 1.1400 on Tuesday. The pair needs to clear 1.1440 to keep its bullish bias
- USD/JPY pair extends its consolidative price move on Tuesday and remains confined in a one-week-old trading range, below the 145.00 psychological mark through the first half of the European session.
- AUD/USD pair breached July lows of 0.6680 extending the decline towards the lower limit of a steep channel at 0.6365. Analysts at Société Générale highlight the next levels that the aussie could target.

Cryptos

Data from Cointelegraph Markets Pro and TradingView showed BTC/USD taking aim at \$19,500 after starting the month flat. The largest cryptocurrency reacted positively to lower than expected United States manufacturing data, while in Europe, market turmoil over Credit Suisse gathered pace despite executives' reassurances.

Commodities



Gold: is extending the overnight breakout momentum through the \$1,680-\$1,685 supply zone and building on its recovery from the lowest level since April 2020. The strong follow-through positive move lifts the XAU/USD to a three-week high, around the \$1,710 region during the first half of the European session on Tuesday.

Up Ahead – Monday 03-09-2022

- USD JOLTS Job Openings
- NZD RBNZ Rate Statement

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