

EUR/USD SPOT: 1.0618

EUR/AED SPOT: 3.9000

TREND →



Any bounce in EUR/USD has turned out to be hollow and the pair is struggling to break above 1.0700. Short squeeze took it up to 1.0900 and thereafter it rapidly came down to settle at 1.0600 levels. The elections in the major Eurozone countries will keep it on the defensive. Risk off on account global events like bombing in Syria by USA and difficult posturing by North Korea have benefited the USD. At the same time these events have resulted in unwinding of carry trades funded in EUR and have stopped EUR from depreciating rapidly. Win by a populist candidate in any of the European country riding on anti-euro and anti-immigrant agenda will have an adverse impact on EUR. Expect the EUR to tread a narrow range till the elections are out of the way. Expected range is 1.0350 to 1.0850.

Resistance	1.0630	1.0688	1.0750
Support	1.0583	1.0500	1.0430

GBP/USD SPOT: 1.2523

GBP/AED SPOT: 4.5997

TREND →



U.K. has finally given the notice to leave the European Union in March. The two year negotiation period start now to agree on the terms of exit and to agree on the terms of new relationship between UK and EU. The EU has refused to negotiate the terms of new relation before agreeing on the terms of the exit. It is very unlikely to complete the negotiations for new relationship within 2 years and as the due date comes closer the uncertainty will hurt UK more than the EU. The global geo political events are also likely to keep a lid on GBP. GBP is expected to on the defensive near term will topside likely to be capped below 1.3000. Expected range is 1.2350 to 1.2850.

Resistance	1.2540	1.2603	1.2680
Support	1.2483	1.2403	1.2350

USD/JPY SPOT: 108.64

JPY/AED SPOT: 0.03380

TREND →



Geo political events have finally helped the JPY break the 110.00 support level and strengthen to 108.50. Strong risk off move has resulted in the appreciation of the traditional safe haven JPY across the board. In case USA does a preemptive strike on North Korea and North Korea goes on the offensive the JPY is likely to depreciate on account of its proximity to North Korea. The comment by the US President against the strength in USD and its likely damage to the US economy in the long term has also aided the strengthening in JPY. The domestic JPY data is coming in good and is likely to support JPY. Near term expected range is 106.50 to 111.50.

Resistance	109.30	110.00	110.63
Support	108.50	107.70	106.95

USD/CHF SPOT: 1.0024

CHF/AED SPOT: 3.6529

TREND →



With time it seems difficult for the US President to implement his expansionary fiscal policies. The expectation of inflation in US seems to be overdone at the moment and has tempered the expectation of rise in interest rates. The current geo political events have also resulted in risk off moves in to CHF. The USD/CHF pair is likely to continue to pivot around 1.0000 level with any rapid appreciation likely to bring in SNB to play with direct intervention in the market. Fresh direction is expected once the European elections are out of the way and the geo political tensions cool down. Expected range is 0.9850 to 1.0250.

Resistance	1.0063	1.0120	1.0180
Support	1.0000	0.9960	0.9926

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