

EUR/USD SPOT: 1.0643

EUR/AED SPOT: 3.9092

TREND →



Uncertainty surrounding the French election to be held this year has pulled the EUR down. The National Front Candidate Marine Le Pen has vowed to pull France out of the euro zone and hold a vote to continue being part of EU. Elections are also to be held in Germany and Netherlands this year. The Greece bailout issue has raised its head again with the bailout review due and disagreement between EU and IMF on the viability of the Greece debt. If IMF pulls out of the funding program we can see Greece defaulting and ultimately exiting the Eurozone. On the other hand the protectionist stand adopted by Trump and his criticism of countries using currency to gain competitive edge has stopped the EUR from falling much further. These new dynamics are to keep the EUR bound in its new established range of 1.0350 to 1.0850 near term.

Resistance	1.0688	1.0750	1.0803
Support	1.0630	1.0583	1.0500

GBP/USD SPOT: 1.2491

GBP/AED SPOT: 4.5879

TREND →



Solid manufacturing and trade data has underpinned the GBP relaying the fear of immediate slowdown in growth after BREXIT. The BOE has revised upwards growth this year to 2% from 1.4%. The UK economy remains resilient and looks likely to weather BREXIT better than previously expected. UK is on track to give notice of exit from EU by end of March. It is unlikely to negotiate the exit from EU and form the basis of new relationship with EU within the two year period laid down for the same. The fall in GBP across the board is supporting the economy and the Oil price failing to reach USD 60 per barrel is also likely to keep a lid on inflation. It is unlikely the BOE will raise the interest rates anytime soon. GBP/USD is expected to remain below 1.3000 near term. Expected range is 1.2300 to 1.2800.

Resistance	1.2520	1.2595	1.2680
Support	1.2430	1.2350	1.2265

USD/JPY SPOT: 113.22

JPY/AED SPOT: 0.03244

TREND →



As expected Donald Trump has accused Germany, China and Japan of keeping their currencies undervalued and taking unfair advantage in their trade with US. All of the above countries run huge Trade account surplus with US. JPY strengthened on the back of these comments and managed to reach 111.60 against USD. BOJ and the Finance ministry made oral intervention to check the appreciation in JPY reiterating that all actions taken by BOJ is to spur inflation and not to target the exchange rate. Oil prices rising from their lows will keep deflation in check. The contrasting interest rate outlook between US and Japan is also likely to keep a lid on JPY appreciation. Expected range this month is 111.50 to 117.00.

Resistance	113.40	113.96	114.50
Support	112.65	111.93	111.56

USD/CHF SPOT: 1.0024

CHF/AED SPOT: 3.6642

TREND →



Controversial comments and policies by US president Donald Trump directed risk off flows in to CHF thereby helping it break below 1.000 against USD and reach a low of 0.9870 this month. There after it went back above 1.000. Uncertainty in US policies will result in high volatility in currencies and CHF is likely to benefit from the same. SNB is continuing its policy of targeting a weak CHF by direct intervention in the FX market. The USD/CHF pair is likely to pivot around 1.000 near term. It will take fresh direction once the fiscal policies of US President Donald Trump become clear. Expected range this month is 0.9850 to 1.0350.

Resistance	1.0063	1.0120	1.0180
Support	1.0000	0.9960	0.9926

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