



FX DAILY

20 April 2017

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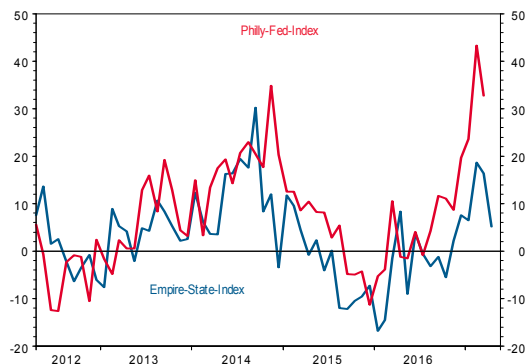
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- **Fed: Beige Book reports about moderate price increases, a tighter labour market and growing, moderate wage pressure.**
- **Oil price (WTI futures) falls to just below USD 50/barrel for a time.**

FX	Supports	Resistances	Comments
EUR-USD	1.0620 – 1.0600 – 1.0520	1.0736 – 1.0782 – 1.0811	Technicals brightening
EUR-JPY	116.00 – 113.70 – 112.60	118.80 – 120.40 – 122.90	Technicals still burdening
EUR-GBP	0.8333 – 0.8314 – 0.8305	0.8512 – 0.8735 – 0.8790	Technicals burdening
EUR-CHF	1.0630 – 1.0610 – 1.0580	1.0800 – 1.0850 – 1.0895	Consolidation

The Philly Fed index for this month will be the main focus of interest for market participants today. The increasing euphoria in business and consumer surveys since Donald Trump's electoral victory has also been primarily reflected by the Philly Fed index. The sentiment indicator reached its highest level since the early 80s in February, at 43.3 points. While the index was subject to a correction in March, it remained at a very high level of 32.8 points. However, it seems that disenchantment is becoming more widespread at present.



Not only have the equity markets been weakening for some time, the US dollar is also relinquishing its gains. Moreover, the Philly Fed index's counterpart, the Empire State index from the New York Fed, fell unexpectedly sharply in April. Accordingly, there is also potential for disappointment today and rate hike speculation is unlikely to be fuelled as a result. As the latter has retreated since reaching a high in April, an increase in the range for the Fed funds rate to 1.00 – 1.25% in June does not seem to be priced in by the

majority at present. The other data reports in the US should do little to alter this situation. While continuously low initial jobless claims are foreseeable and the index of leading indicators looks set to rise, we do not consider upside surprises likely.

**EUR-USD:** The euro is holding up well and the technical picture therefore remains positive. Indicators rising above their signal lines such as stochastic and MACD should be mentioned. The DMI is also constructive and is accompanied by an ascending ADX. However, at just under 17 points the latter is still below the significance threshold. **Trading range: 1.0670 – 1.0782. ■**

	Aktuell	Vortag
EUR-USD	1,0721	1,0711
EUR-JPY	116,85	116,61
USD-JPY	108,99	108,86
EUR-GBP	0,8377	0,8383
GBP-USD	1,2798	1,2777
EUR-CHF	1,0695	1,0692
	ggü. VT	
DAX	12016,45	16,01
Bund-Future	163,25	-0,43
Gold	1279,09	-1,12
Oil US-LCF	50,56	0,12

Source: Bloomberg

Time	Country	Period	Indicator/event	Consensus	Prior	Impact
8:00	DE	March	Producer prices	+0.2% m/m +3.2% y/y	+0.2% +3.1%	Low
14:00	US		Fed speech: Powell			
14:30	US	Wk 15	Initial jobless claims	240k	234k	Low
14:30	US	Apr	Philly Fed index	25.8	32.8	High
15:45	US	Wk 15	Bloomberg consumer confidence	n/a	51.0	Low
16:00	US	March	Index of leading indicators, Conference Board	+0.2% m/m	+0.6%	Low
16:00	EZ	Apr	Consumer confidence, preliminary	-4.8	-5.0	Low

Sources: Bloomberg, Helaba Volkswirtschaft/Research