



FX DAILY

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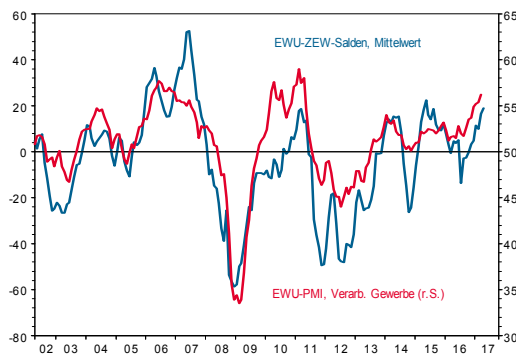
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- **US administration plans to present tax plans shortly; approval by the end of 2017.**
- **Kuroda (BoJ): no clear evidence of inflation; loose monetary policy to continue.**

FX	Supports	Resistances	Comments
EUR-USD	1.0620 – 1.0600 – 1.0520	1.0782 – 1.0827 – 1.0873	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 preliminary estimates of the Markit PMIs in the Eurozone are due for release at the end of the week. The sentiment indicators have reached or maintained high levels in recent months in both



the manufacturing and service sectors, except in the French industrial sector. However, the index is also at a solid level compared to previous years. In this setting, slight declines seem likely. Major slumps are not expected as other sentiment polls have surprised to the upside in April. The components of the ZEW survey and Sentix investor confidence index have actually provided positive indications for the monthly rate of change. All in all, the benign economic scenario should be confirmed. In the US, attention will focus on existing home sales. After recovering from the financial crisis, sales have reached the level seen at the beginning of the property bubble in 2002, close to 5.5 million. Accordingly, the market is far from its peaks above 7 million. The ratio of the number of homes for sale to monthly sales reached a record low in January and remains very low at 3.8 months. While this points to continued construction activity and rising prices in the short term, it also suggests caution. Meanwhile, the outlook for March sales figures is positive and we therefore do not see any potential for surprises.

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EUR-USD marked a high at 1.0776. Ahead of the French election, polls indicating growing support for E. Macron are leading to a fall in risk aversion and tailwind for the euro. Although the euro surrendered its gains again, the prospects are constructive. The next hurdles are at 1.0827, 1.0873 and 1.0906. **Trading range: 1.0650 – 1.0780. ■**

	Aktuell	Vortag
EUR-USD	1.0718	1.0746
EUR-JPY	117.09	117.48
USD-JPY	109.24	109.33
EUR-GBP	0.8376	0.8382
GBP-USD	1.2796	1.2820
EUR-CHF	1.0709	1.0710
	ggü. VT	
DAX	12027.32	10.87
Bund-Future	162.74	-0.51
Gold	1279.95	-0.82
ÖI US-LCF	50.80	0.09

Source: Bloomberg

Time	Country	Period	Indicator/event	Consensus	Prior	Impact
9:00	FR	Apr	Manufacturing PMI, preliminary	53.1	53.3	medium
			Service PMI, preliminary	57.0	57.5	
9:30	DE	Apr	Manufacturing PMI, preliminary	58.0	58.3	medium
			Service PMI, preliminary	55.5	55.6	
10:00	EZ	Apr	Manufacturing PMI, preliminary	56.0	56.2	medium
			Service PMI, preliminary	55.9	56.0	
10:30	UK	March	Retail sales	-0.5% m/m	+1.4%	low
				+3.3% y/y	+3.7%	
15:30	US		Fed speech: Kashkari			
16:00	US	March	Existing home sales	5.6 million	5.48 million	medium

Sources: Bloomberg, Helaba Volkswirtschaft/Research

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