

# TRADING WEBINAR

Presented by Richard Perry, Market Analyst at Hantec Markets | Wednesday 2<sup>nd</sup> May 2018



## KEY DRIVERS

- **FOMC monetary policy** tonight, don't expect too much – but as central banks fall overthemselves in retreat the Fed is increasingly on its own.
- **Dollar to outperform** as yield differentials drive fx – may change if geopolitical factors flare up again.
- **Equities vary** – Wall Street lagging, European mkts helped by currency weakness
- **Oil held up** by Iran factors, **Gold hanging on**
- **Watch for PAYROLLS and AV HOURLY EARNINGS**



## POTENTIAL TRADES

**Dollar continues to outperform** – unless the Fed turns dovish, expect this to continue near/medium term. **Dollar Index breakout above 92.50 opens 94.**

**CAD is still performing well on NAFTA prospects**

**JPY stabilising** and is dragging XXXJPY pairs lower, especially EUR/JPY GBP/JPY

**GBP** – is now dependent on Services PMI near term

**DAX outlook** looking increasingly positive near term

- **Sell EUR/CAD** on a unwind to \$1.5455
- **BUY DAX** on weakness towards 12,650

## TRADE MANAGEMENT

**Average True Ranges** can help with trading intraday. Always think about:

- **timing of trade entry**
- **length of trade horizon** (and stop placement)

Volatility is settling down again on equities.

**Forex markets breaking key levels as near/medium term dollar strengthens, but how long will this trend go?**

## WHAT TO WATCH FOR...

- **USD:** Medium term recovery on the dollar – can this continue? Data: Payrolls & Wages
- **EUR:** Lack of inflation, weak data and ECB jawboning still weighs on the euro.
- **JPY:** BoJ in retreat, but is this such a surprise?
- **GBP:** May hike entirely off the table, maybe not 2018 at all – Once priced in then Brexit is the focus
- **Gold:** Range \$1300/\$1366 breakdown threatens
- **DAX :** Break abv 12,600/12,650 opens 13,000



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