

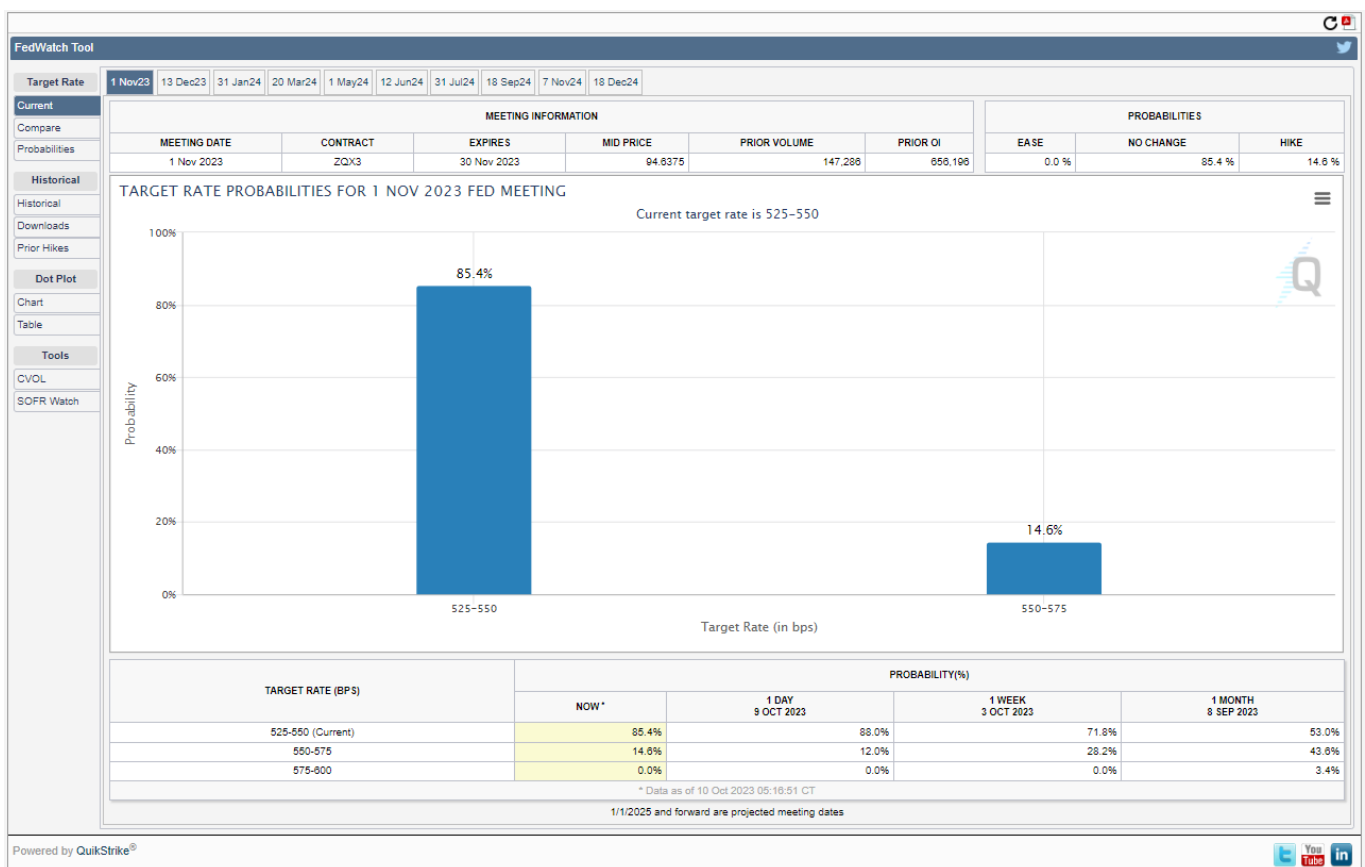
Fed hints no more hikes, USD collapses, China data ahead

Good morning Traders,

1, Fed hints no more hikes

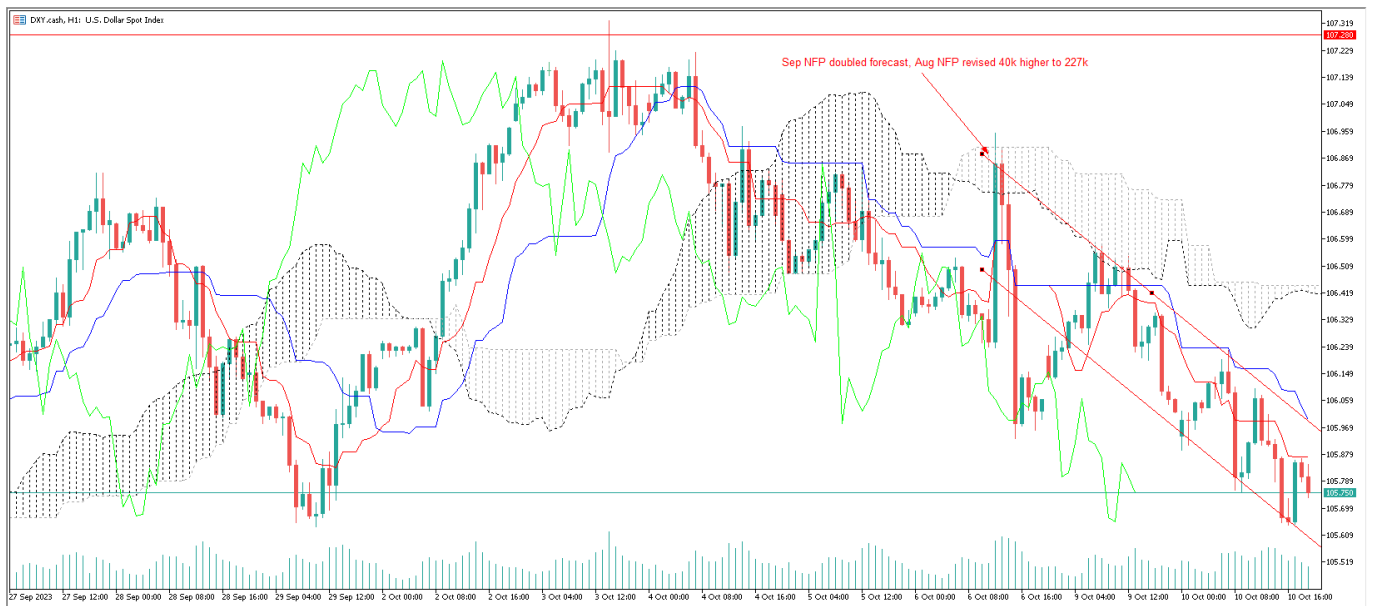
Atlanta Fed President Raphael Bostic hinted last night that the 11 hikes delivered since March 2022 have not yet passed on their full effects, so he doesn't "think we need to increase rates anymore."

CME's FedWatch Tool is showing 85.4% probability of hold for Fed's Nov 1st meeting.



2, USD collapses

Thanks to dovish remarks from Fed officials and a rising Euro on the hopes of improving economic conditions in China, the USD index (DXY) fell sharply overnight and has now entered a solid bearish tunnel.



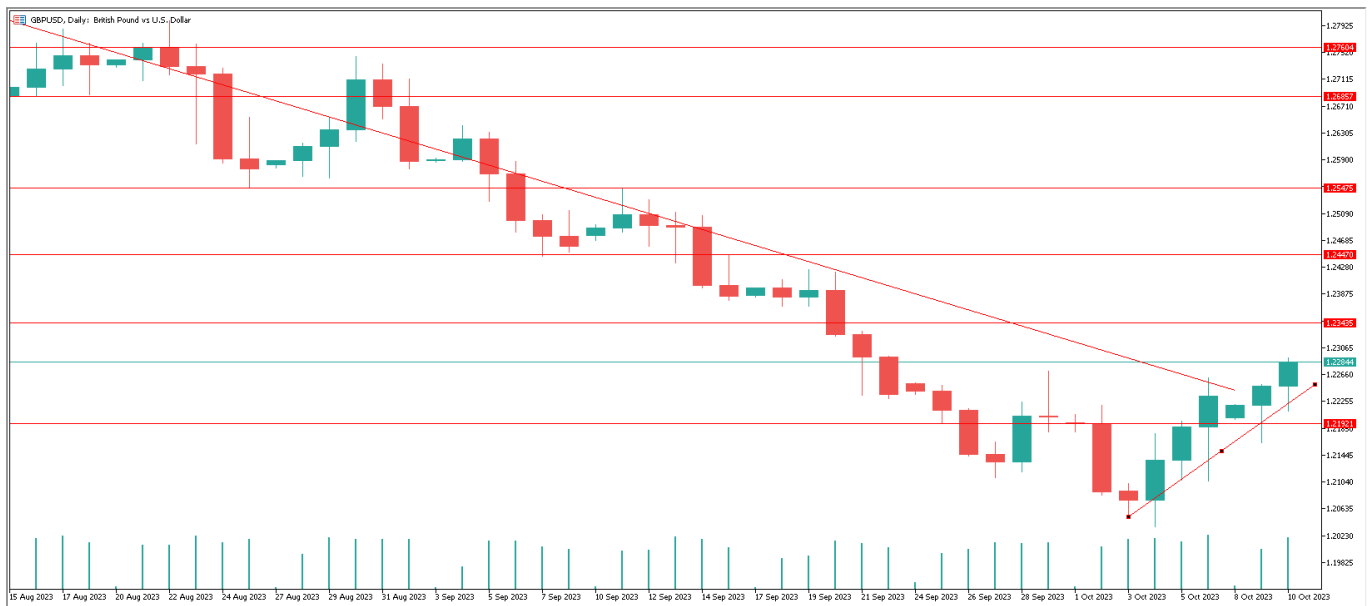
DXY.cash H1

3, GBP, EUR, AUD fight back

Weakness in USD has promoted another wave of buying in GBP, EUR and AUD. The three majors have successfully jumped out of their respective bearish tunnels and are now trending up smoothly.



EURUSD Daily



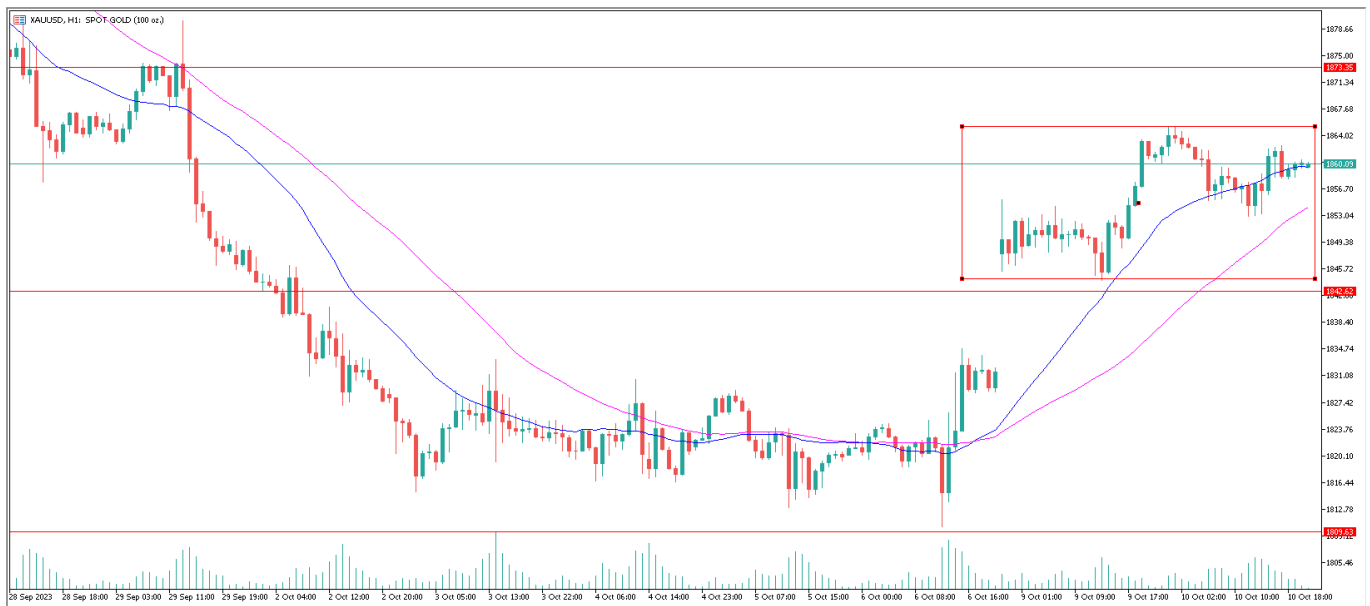
GBPUSD Daily



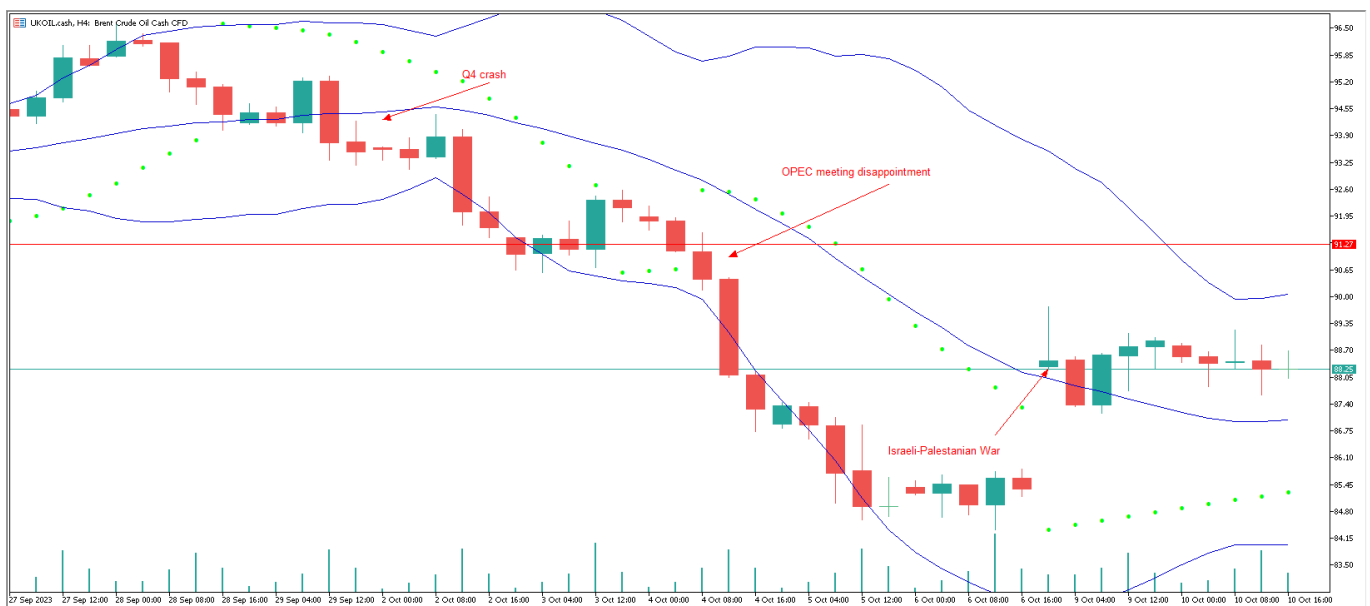
AUDUSD H1

4, Gold and Oil

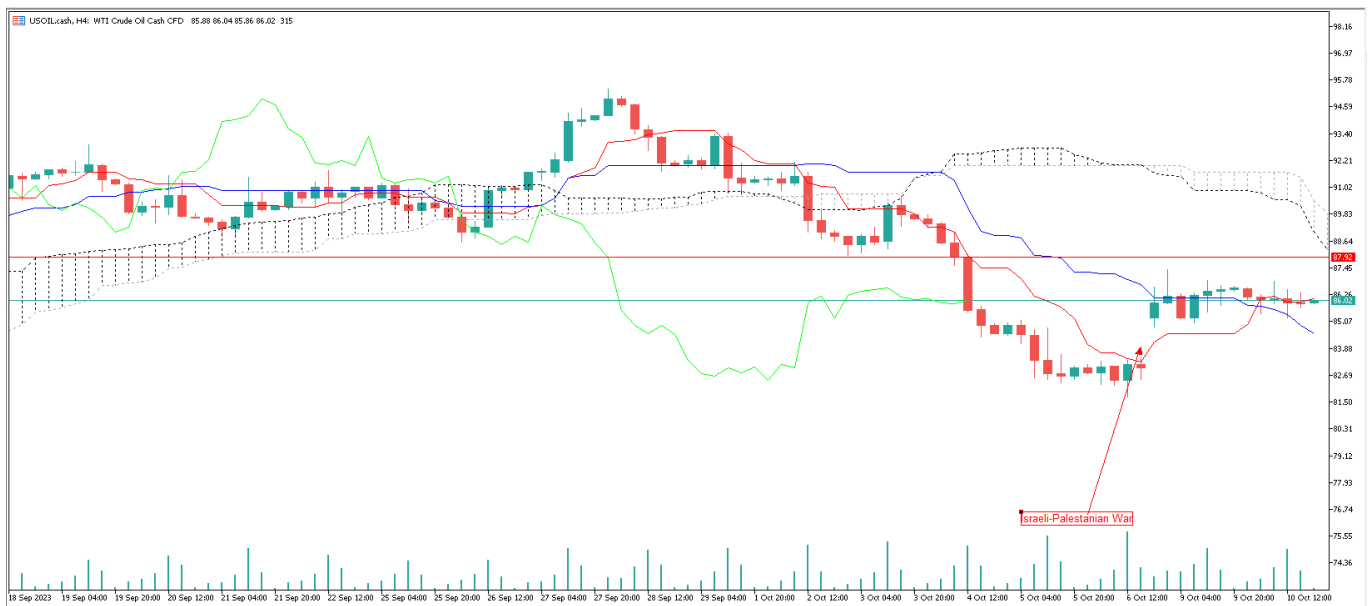
Both war-sensitive commodities are little changed as their fundamental and technical factors remain highly dependent on the development of Israel-Hamas war. Commodity traders are now highly monitoring the events and upside potentials remain for Gold and Oil.



XAUUSD H1



UKOIL.cash H4



USOIL.cash H4

5, China data

This evening at 1900 AEDT, China will release its September New Yuan Loans -- the credit funds balance sheet for all financial institutions and represent more than 80% of all loans in China.



USDCNH H1



CN50 H4

Markets are now expecting ¥ 2,500B vs ¥ 1,360B from August. A healthy jump could further propel the RMB and subsequently bring USDCNH lower.

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