

## USDJPY “racing all the way”, SPX500 extends rebound

Good morning, Traders,

### 1. USDJPY surged 1.74% during yesterday's U.S. trading session.

At 2pm yesterday (AEST), the Bank of Japan maintained its benchmark interest rate at a historical low of -0.1% and its 10-year government bond yield target near 0%, in line with market expectations. After the resolution was announced, BOJ stated that it would increase the flexibility of the YCC and raised its core CPI expectations for fiscal year 2024.

In addition, market news shows that the BOJ did not intervene in the foreign exchange market in the past month, it was negative for the Japanese yen. Yesterday, USDJPY rose as much as 1.76% during the day, reaching a maximum of 151.709.



### USDJPY H1

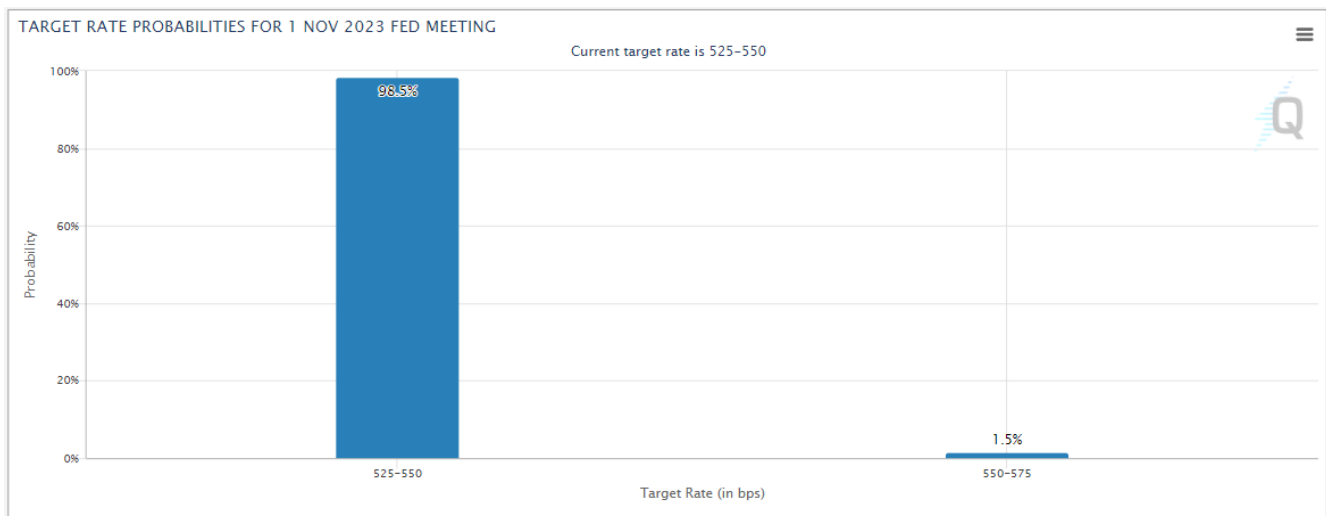
From a technical point of view, on the one-hour chart of USDJPY (USDJPY H1), during yesterday's surge in the U.S. market, USDJPY had two candles with very long lower wicks, which shows that the market's short sentiment is resisting this round of rise. At the opening of the market this morning, USDJPY gapped lower and the market consensus on short positions gradually increased.

The first support level: 150.446, the second support level: 149.518.

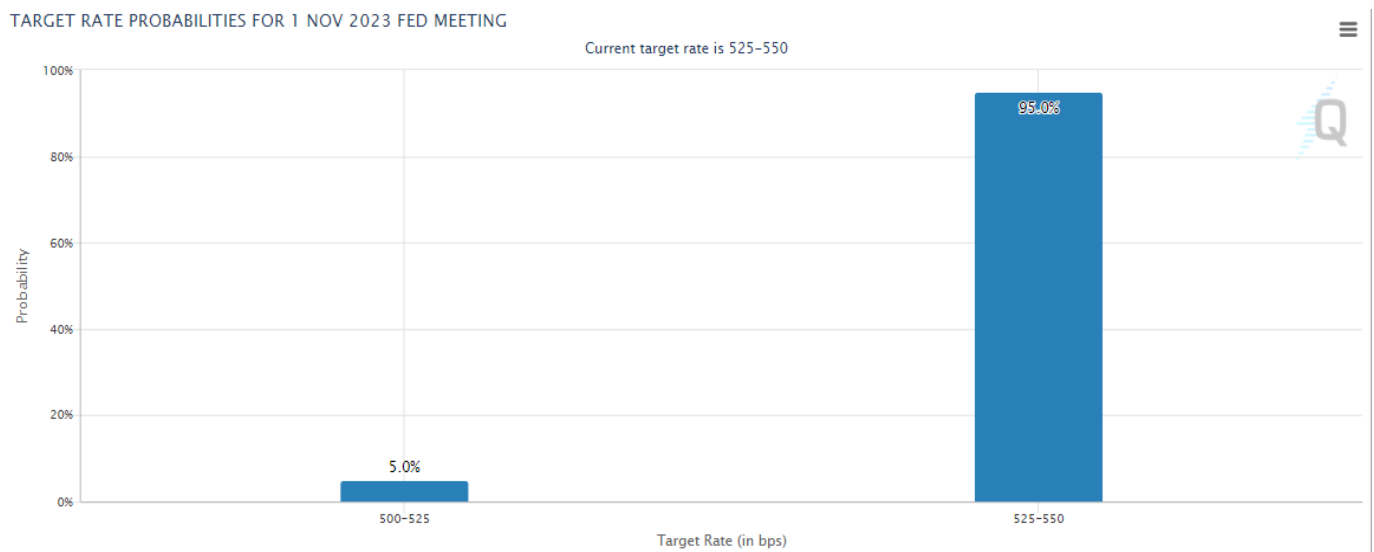
### 2. SPX500 rebounds after early losses.

Yesterday, the market made adjustment to the prediction of Federal Reserve's FOMC resolution. Compared with the market expectations on 10.27, not only did the possibility of hiking interest rates become zero, but expectations of a 5% interest rate reduction even began to appear. Investors' confidence

in the U.S. stock market has increased. The spot SPX500 rose 0.9% yesterday and closed at 4182.7.



(expectation on 10.27)



(expectation on 10.31)



### SPX500 CASH DAILY

Technically, on the daily chart of SPX500 (SPX500 CASH DAILY), the spot SPX500 effectively stood near the 4117.9 support level and returned to the downward channel. If it continues to rebound, the next target is 4207.6.

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