







Pulse of the Market

- US Dollar Index stays strong near 93.50 ahead of Powell testimony.
- GBP/USD hovers around 1.3709 as the European session closes.
- US Dollar consolidates gains on Thursday in the early European trading hour.
- US dollar rallies to fresh daily highs as US yields soar on Fed narrative.

Recent Interest Rates & US Treasury Yields

USD	0.25%	
EUR	0.00%	
GBP	0.25%	
JPY	-0.10%	
CAD	0.75%	
AUD	0.10%	
NZD	0.25%	
	Change	Yield
2-yr Yield	+0.01	0.22%
5-yr Yield	+0.01	0.84%
10-yr Yield	+0.02	1.33%

The dollar index rose for the fourth consecutive day, to 94.112, its highest since early November last year. The dollar surged on Wednesday to a one-year high against major currencies, boosted by increased expectations for a reduction in the U.S. Federal Reserve's asset purchases starting in November and an interest rate hike, possibly in late 2022. The greenback also fared well despite an impasse in Washington over the U.S. debt ceiling that threatened to plunge the government into a shutdown. The world's largest reserve currency, seen as a safe-haven bet at times of market stress, has strengthened in recent days as investors instead focused on fears of a global slowdown, a rise in energy prices and higher U.S. Treasury yields. Traders are also concerned the Fed will start to withdraw policy support just as global growth slows. The dollar index which measures the U.S. currency against a basket of six major currencies - rose for the fourth consecutive day, to 94.112, its highest since early November last year. It was last up 0.4% at 94.115. Erik Nelson, macro strategist at Wells Fargo in New York, sees a further 2% to 3% upside in the dollar index. The greenback was also unfazed, even as U.S. Senate Republicans on Tuesday blocked a bid by President Joe Biden's Democrats to head off a potentially crippling U.S. credit default, with federal funding due to expire on Thursday and borrowing authority on around Oct. 18. The Senate could vote on Wednesday or Thursday on a bipartisan resolution to fund federal operations through early December. Currency traders also took note of comments from major central bankers on Wednesday, who were panelists at a European Central Bank forum in Sintra, Portugal. Fed Chairman Jerome Powell, European Central Bank President Christine Lagarde and Bank of England Governor Andrew Bailey said they were keeping a close eye on inflation amid a surge in energy prices and the persistence of production bottlenecks. Gold ended on Wall Street licking its wounds near the lows of the day of \$1,721. There was little reprove for the yellow metal despite the risks associated with the US debt ceiling negotiations. The Federal Reserve narrative is propping up the US dollar and yields making for a problematic landscape for precious metals.

Time(GMT)		Economic Release	IMP	Actual	Forecast	Prior
01:30		GfK Consumer Confidence	High		-1.6	-1.2
06:00		Industrial Profits (YTD) YoY	Medium	49.9%		57.3%
10:00		U.K CBI Industrial Trends Orders	Medium		15	18
12:30		Average Weekly Earnings YoY	Medium			0.7%
12:30		CB Consumer Confidence	High		114.5	113.5
12:30		Goods Trade Balance Adv (AUG)	Medium			-\$86.38

Euro

Euro zone government bond yields rose on Thursday, resuming an upward climb after a brief respite the previous session, with a day packed with inflation data keeping investors on edge .French inflation hit a near 10-year high of 2.7% in September, official numbers showed, coming in slightly less than forecast .Overall, the EUR/USD traded with a low of 1.2171 and a high of 1.2228 before closing the day around 1.2214 in the New York session.



Yen

Yen closed nearly 1% higher last week as U.S. Treasury yields firmed after the Federal Reserve reiterated its stance on tapering before the end of the year while suggesting a sooner-than-anticipated rate hike. Interest rate at historically low. The yen is set to shrug off the new Japanese leadership and continue to weaken due to rising US bond yields .A sustained move over 111.982 will indicate the presence of buyers. Taking out 112.049 will indicate the buying is getting stronger. This could trigger a surge into a pair of main tops at 112.226 and 112.405.



British Pound

The British pound has fallen significantly during the course of the week, only to turn around and show signs of life again. If we were to break down below the 1.36 handle, then the market could fall quite drastically .The GBP/USD pair held on to its modest intraday gains near mid-1.3400s Overall, the GBP/USD traded with a low of 1.4109 and a high of 1.4170 before closing the day at 1.4154 in the New York session. The USD consolidated its recent gains and allowed GBP/USD to gain some traction on Thursday.



Canadian Dollar

Canadian dollar was under pressure as WTI oil made an attempt to settle below the psychologically important \$70 level. USD to CAD is currently trying to settle back above 1.2830. In case USD to CAD manages to settle above 1.2830, it will head towards the next resistance level at 1.2850.A move below 1.2830 will push USD to CAD towards the support at 1.2785. In case USD to CAD declines below 1.2785, it will head towards the support at 1.2760.



Appendix

FOREX Closing Prices for September 29, 2021					
Currency	Open	High	Low	Close	Net Chg
EUR/USD	1.1679	1.16889	1.1588	1.5961	0.428
USD/JPY	111.474	112.03	111.187	111.944	0.464
GBP/USD	1.3536	1.3553	1.3409	1.3424	-0.011
USD/CHF	0.9293	0.9353	0.9278	0.9344	0.0053
USD/CAD	1.2756	1.276	1.2726	1.273	0.0046
EUR/JPY	130.219	130.453	129.652	129.822	-0.424
GBP/JPY	150.896	151.168	149.887	150.301	-0.578
CHF/JPY	119.907	120.136	119.643	119.768	-0.184
AUD/JPY	80.706	80.896	80.157	80.305	-0.368
EUR/GBP	0.8626	0.8656	0.861	0.8635	0.0005
EUR/CHF	1.0853	1.0859	1.0819	1.0838	-0.0014
GBP/CHF	1.258	1.2593	1.2502	1.2546	-0.0029

Daily Pivot Points							
Contract	Trading Range						
	S3	S2	S1	Pivot	R1	R2	R3
EURUSD	1.44	1.2978	1.4470	1.3079	1.4571	1.3180	1.4672
USDJPY	110.57	110.88	111.41	111.72	112.25	112.56	113.10
GBPUSD	1.3227	1.3318	1.3371	1.3462	1.3515	1.3606	1.3659
USDCHF	0.9222	0.9250	0.9297	0.9325	0.9372	0.9400	0.9447
USDCAD	1.2683	1.2705	1.2717	1.2739	1.2751	1.2773	1.2785
EURJPY	128.70	129.17	129.50	129.98	130.30	130.78	131.10
GBPJPY	148.46	149.17	149.74	150.45	151.02	151.73	152.30
CHFJPY	119.07	119.36	119.56	119.85	120.06	120.34	120.55
AUDJPY	79.27	79.71	80.01	80.45	80.75	81.19	81.49
EURGBP	0.8565	0.8588	0.8611	0.8634	0.8657	0.8680	0.8703
EURCHF	1.0778	1.0799	1.0818	1.0839	1.0858	1.0879	1.0898
GBPCHF	1.2410	1.2456	1.2501	1.2547	1.2592	1.2638	1.2683

Sources: News, Charts & Quotes (Courtesy: Reuters, US Department Of Treasury)

Disclaimer: This document has been prepared by IGI Finex Securities Limited and is for information purposes only. Whilst every effort has been made to ensure that all the information (including any recommendations or opinions expressed) contained in this document (the information) is not misleading or unreliable, IGI Finex Securities Limited makes no representation as to the accuracy or completeness of the information. Neither IGI Finex Securities Limited nor any director, officer or employee of IGI Finex Securities Limited shall in any manner be liable or responsible for any loss that may be occasioned as consequence of a party relying on the information. This document takes no account of the investment objectives, financial situation and particular needs of investors, who shall seek further professional advice before making any investment decision. This document and the information may not be reproduced, distributed or published by any recipient for any purpose.

Contact Details

IGI Commodity Team

Zaeem Haider Khan	Head of Commodity	Cell: 0321-4772883	Tel: 042-3830559-68	zaeem.haider@igi.com.pk
Ehsan UI Haq	Trader – Lahore	Cell: 0321-4861015	Tel: 042-3830559-68	ehsan.haq@igi.com.pk
Momina Sohail	Trader – Lahore	Cell: 0301-6600005	Tel: 042-3830559-68	momina.sohail@igi.com.pk
Muhammad Naveed	Branch Manager – Islamabad	Cell: 0345-5599900	Tel: 051-2604861-62	muhammad.naveed@igi.com.pk
Shakeel Ahmad	Branch Manager – Faisalabad	Cell: 0300-9652121	Tel: 041-2540843-45	shaeel.ahmad1@igi.com.pk
Asif Saleem	Trader – Rahim Yar Khan	Cell: 0334-7358050	Tel: 068-5871652-6	asif.saleem@igi.com.pk
Mehtab Ali	Trader – Multan	Cell: 0300-6348471	Tel: 061-4512003	mehtab.ali@igi.com.pk

IGI Finex Securities Limited

Trading Rights Entitlement Certificate (TREC) Holder of
Pakistan Stock Exchange Limited |
Corporate member of Pakistan Mercantile Exchange Limited

Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,
Khayaban-e-Jami Block-09, Clifton, Karachi-75600
UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
Fax: (+92-21) 35309169, 35301780
Website: www.igisecurities.com.pk

Stock Exchange Office

Room # 134, 3rd Floor, Stock Exchange Building,
Stock Exchange Road, Karachi.
Tel: (+92-21) 32429613-4, 32462651-2,
Fax: (+92-21) 32429607

Lahore Office

Shop # G-009, Ground Floor,
Packages Mall
Tel: (+92-42) 38303560-69
Fax: (+92-42) 38303559

Islamabad Office

3rd Floor, 85 East Kamran Center,
F-Block, Jinnah Avenue, Blue Area
Tel: (+92-51) 2604861-2, 2604864, 2273439
Fax: (+92-51) 2273861

Faisalabad Office

Room #: 515-516, 5th Floor, State Life
Building, 2- Liaqat Road
Tel: (+92-41) 2540843-45
Fax: (+92-41) 2540815

Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,
Model Town, Town Hall Road
Tel: (+92-68) 5871652-3
Fax: (+92-68) 5871651

Multan Office

Mezzanine Floor, Abdali Tower,
Abdali Road
Tel: (92-61) 4512003, 4571183