

FXSTREET

Two double-edged swords

Yohay Elam

About

- Former retail trader and computer programmer
- Forex Crunch founded in 2008
- Analyst for FXStreet since 2018
- Focus on fundamental analysis
- Leading FXStreet's Premium Product



Fed and China



FXStreet Premium

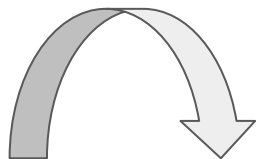
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| CADCHF | BUY | Created 18:00 05:21 |
|-----------------------|---------------------|-----------------------|
| Estimated Entry Price | Estimated Stop Loss | Estimated Take Profit |
| 1.2248 | 1.2094 | 1.2258 |

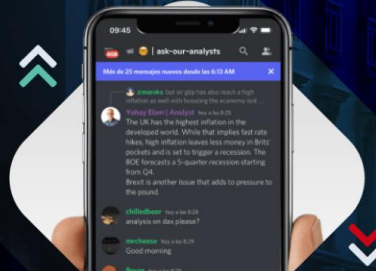
Show me analyst insights



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FXStreet Premium advertisement featuring a smartphone displaying a chat interface with analysts. The background is dark blue with a building facade. There are green up arrows and a red down arrow.

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The screenshot displays a Discord chat interface with a dark theme. At the top, a header reads "@Yohay Elam | Analyst @Pamabo @Craigpoulin @sachin @Carguy3522 @yahzeex @hrusikesh I've seen you had a debate yesterday afterhours. End-of-quar...". Below this, several messages are visible:





- A message from user **hrusikesh** (07/01/2022) with a blue profile picture: "Yes. suffered loss in following advice on OIL and GBPUSD? Success rate of signals is also not encouraging."
- A message from user **Armin_Az** (07/01/2022) with a profile picture of a man and a prayer hands emoji: "Tnx".
- A message from user **mrcheese** (07/01/2022) with a profile picture of a man: "Thanks!!".
- A message from user **davs** (07/01/2022) with a green profile picture: "Gold looking oversold, do current market conditions expect a continece on the intraday or a dead cat bounce likely?".
- A message from **Yohay Elam | Analyst** (07/01/2022) with a profile picture of a man: "I see the 4h-RSI at just around 30, on the verge of oversold conditions. I think we can expect a dead-cat bounce before the next leg lower. The break below the downtrend support line and the fact that the precious metal is falling when yields are down is a sign of weakness." Below this text is a technical analysis chart for Gold (XAUUSD) showing price movement over time with various indicators like RSI and moving averages.
- A partial message from **hrusikesh** at the bottom: "Yes. suffered loss in following advice on OIL and GBPUSD? Success rate of signals is also not encouraging."

Daily trading alerts

On signals, analysis, strategies and economic data and events – leverage our actionable content

Signals

Open Closed 

| Asset | Side | Entry | SL | TP |
|----------------------------------|------|--------|---|--|
| ▼ AUDCAD ID: 101839143 | SELL | 0.9338 | 0.9412 | 0.9303  |
| Open: 05:00 03-04 | | | Trading Strategy: Spread Reversion 1H  | |
| ▲ EURCHF ID: 101797198 | BUY | 1.0206 | 1.0069 | 1.0297  |
| Open: 12:00 03-03 | | | Trading Strategy: Spread Reversion 12H  | |

FXStreet Premium – What people are saying



ahsan shabbir

2 reviews  PK



Mar 6, 2023

Amazing analysts with spot on and live...


Amazing analysts with spot on and live analysis on discord . The signals are few but correct and they also teach you the reason behind their signals. They also have Yohay elam on live chat who is the founder of forex crunch and one of the best fundamental analyst out there.

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FXStreet Premium – What people are saying



Aaron McGarva

1 review  CA



Mar 6, 2023

Best retail news service available

Best retail news service available. It's timely and prompt and the analysts on discord are super interactive and give great insight, both fundamental and technical, insight that can be verified by your own research. They have amazing customer service and are always friendly. I will likely subscribe to their premium service for many years

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FXSTREET

1. We are here

Go go growth

No landing?

- US growth continues at full speed
- Consumer remains healthy
- More people coming into workforce
- More room for growth, no recession anytime soon?



China is reopening

And more to come?

- Covid restrictions belong to the past
- Geopolitical worries dismissed
- Investors mostly shrug off modest growth target
- Repeat of 2009?



The lucky old continent

No blackouts

- Winter almost over
- Germany hits bump in the road
- But no recession just yet
- Neutral to the global economy



2. Fed focus

What the Fed told us

Until February 1

- Rates to rise toward 5.25%
- And stay there through 2023
- Despite signs that “the disinflationary process has begun”
- Taper down, but no pivot
- Markets saw peak in May, cuts later



What markets fear

Data-dependent

- Nonfarm Payrolls shocked with +517K
- Core CPI re-accelerated, 0.4% MoM
- Core PCE jumped 0.6%



A one-off?

New year, skewed data

- Unseasonal seasonals (hot January)
- Inflation baskets updated
- February could see moderation
- Rate expectations might retrace.

What does that mean?



Double-edged sword

The optimistic view

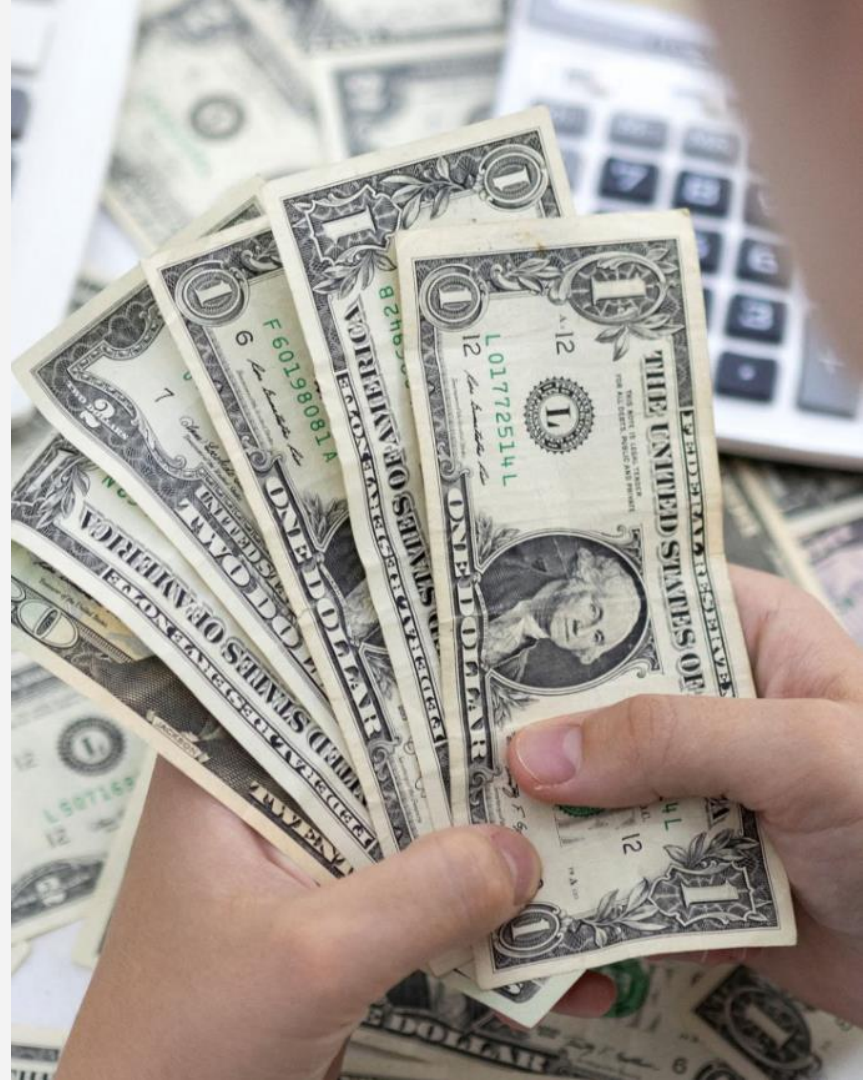
- Return to the workforce means lower wage growth
- Inflation resumes decline
- Fed pauses in May only on moderating “sticky inflation”
- Good news for stocks,
- Bad news for the USD.



Double-edged sword

The pessimistic view

- Job growth reverses
- Inflation only gradually falls
- Fed pauses in May due to stalling economy.
- Bad news for stocks,
- Good news for the USD.



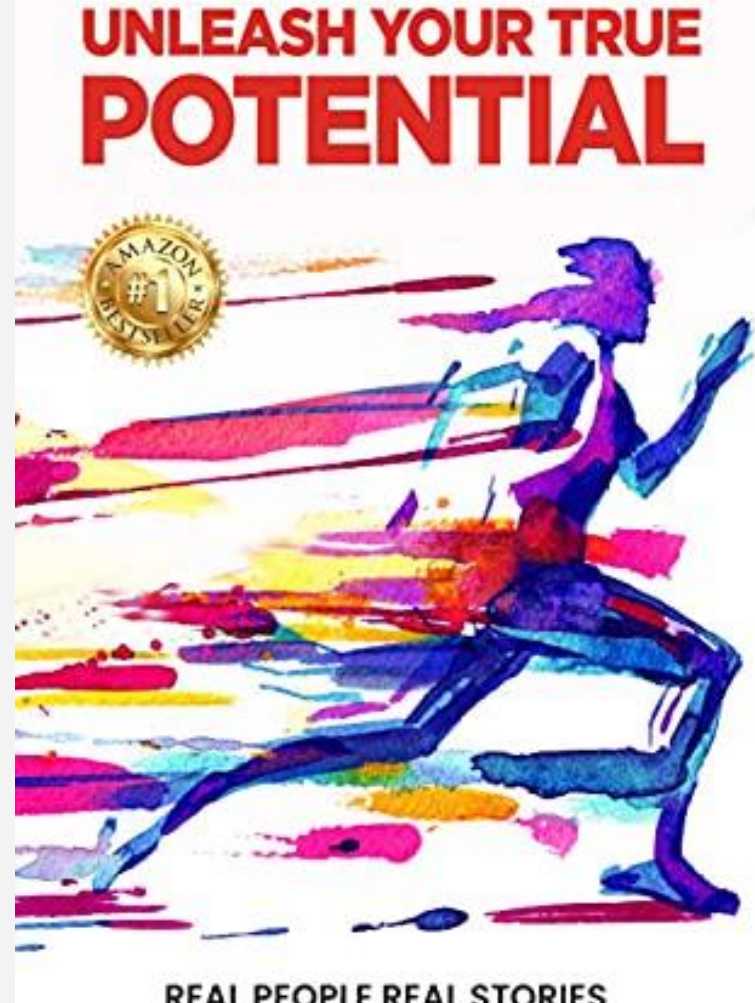
3. Chills from China

China matters

World's #2 economy++

- Engine of global growth
- But population is shrinking
- Mass urbanization is over
- AI is replacing low-tech

Unleashing growth?



Last year

Triple whips

- Draconian covid restrictions
- Techlash (Jack Ma)
- Property crackdown (Evergrande)

The
Economist

Tragedy in Texas

Don't go wobbling on Ukraine

Inside Eritrea's gulag state

How to read America's stockmarkets

MAY 28TH-JUNE 3RD 2022

China's slowdown

The trouble with Xi's new economic model

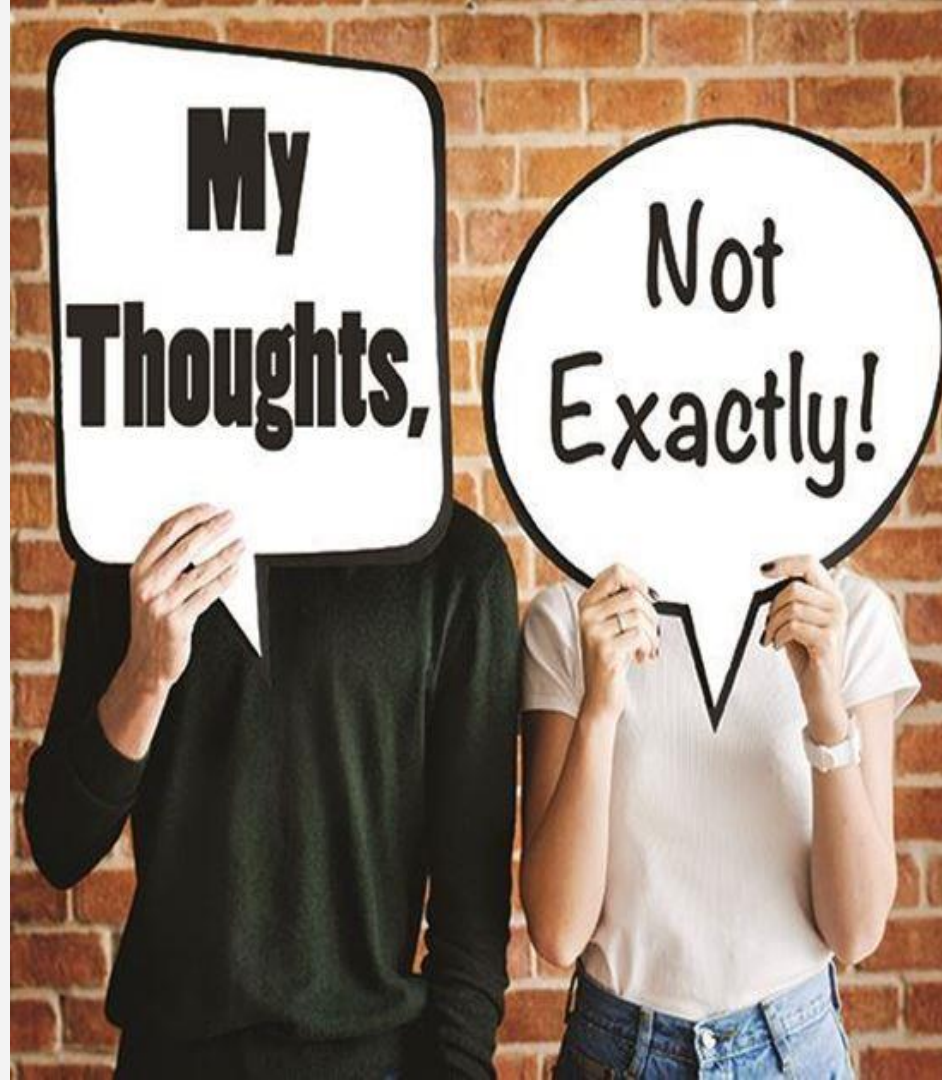


This year

Unleashing some growth

- ~~Draconian covid restrictions~~
- Techlash? China wants to surpass US, but wants control.
- Property crackdown? Beijing eased some restrictions on development, not all.

What type of growth?



Old model

Build, build, build

- High investment
- Exports
- Construction

Commodity intensive, higher global inflation, USD positive.



New model

The positive pivot

- More tech
- Shift to services
- More internal consumption

Moderate for global growth,
negative for the US Dollar.

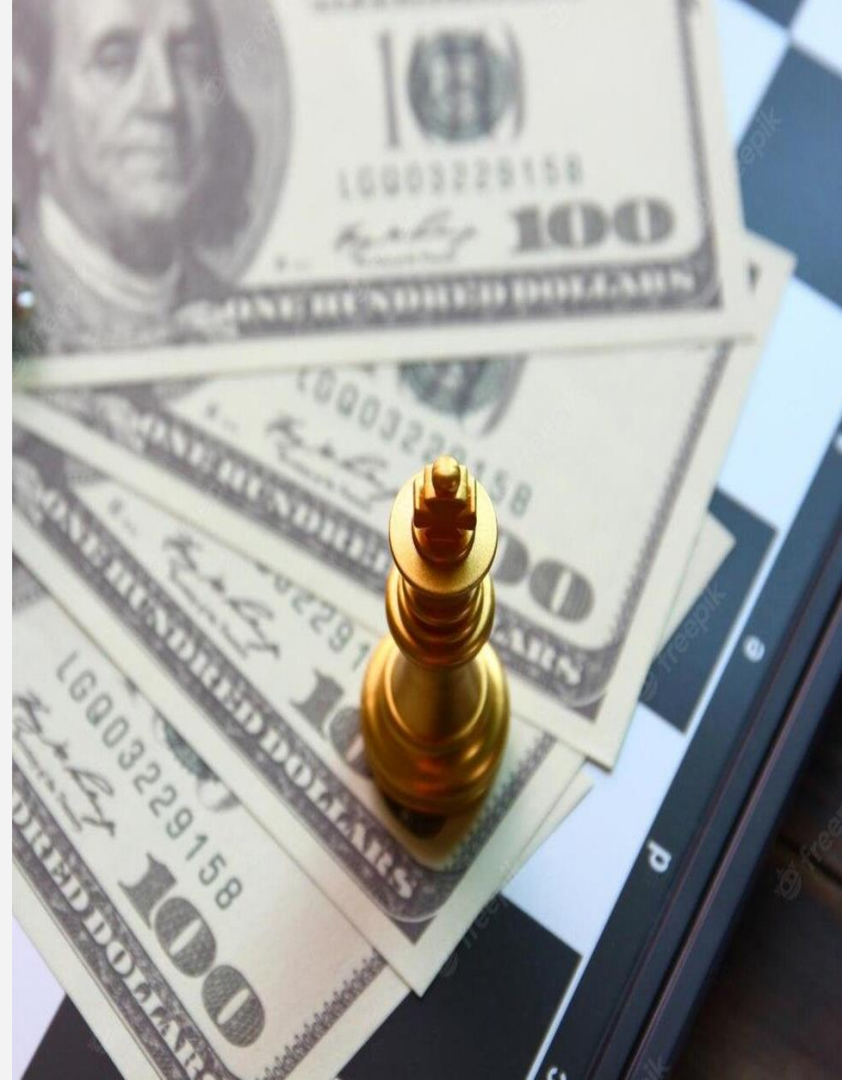


4. Currency directions

US Dollar

Watch the Dollar Smile

- **Downhill from here**
- Data needs to be soft
- Weak enough for rate cuts
- Not horrible to attract haven flows.
- **Jobless rate under 5%**



Euro

Winter is almost over

- **Europe lag means spring strength**
- ECB Hawks are vindicated
- Ongoing war relegated for now.
- **Labor shortages remain high**



Pound

BOE went too far

- **NI deal a big boost**
- Economy holding up.
- Politics look more centrist with Sunak, Starmer
- **Rates will rise like everybody else.**



Yen

Climbing after Kuroda

- **Ueda talks continuity, but will be forced to change.**
- Bond-buying unsustainable
- Big changes may wait for May.
- **Spring wage negotiations look bullish**



Aussie

Rising until China is found

out

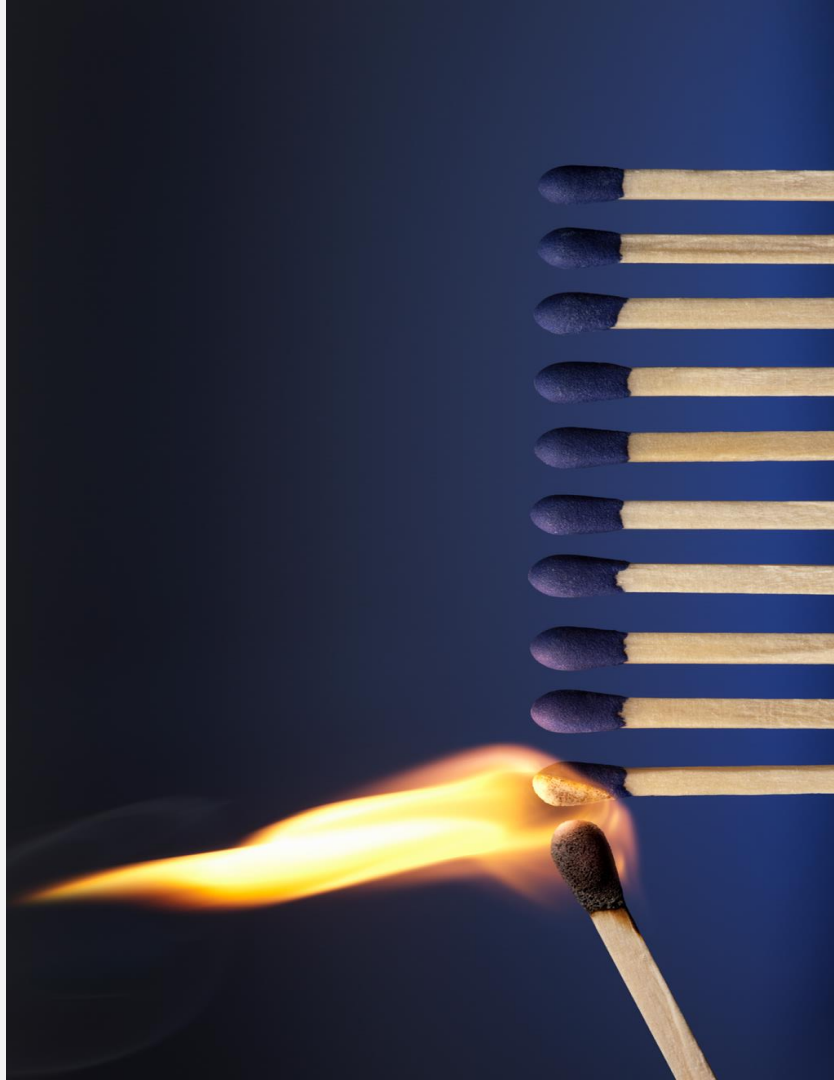
- **A few months of optimism**
- Middling Chinese demand to hurt
- Housing to cool down
- **Correlation with US stocks weakening**



Loonie

Dragged down

- **BOC pauses**
- Oil hopes to fizzle with China
- Rates have a long way to fall
- **Watch housing pain**



My bets

For the next few weeks

- Euro
- Pound
- Franc
- Aussie
- Yen
- Loonie
- Dollar



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Q&A

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FXStreet Premium – What people are saying



Einski charles

1 review  QA



Mar 6, 2023

I have made numerous profitable...

I have made numerous profitable decisions based on their analysis. special thanks to Yohay, Khaled and Thomas for their hourly market updates and support especially during market moving events. Keep it up guys!!

Date of experience: March 06, 2023

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To the
moon!

