

ECB President Draghi's Speech - The start of the week is seeing sterling breaking lower as the talk, from both the UK and also beyond, is of a 'hard Brexit'. This follows on from the state of flux that has been in place since the vote back in June, during which the shape of Brexit has been very hard for anyone to determine. The issue is that such an approach creates a greater hurdle for businesses to overcome and also the ability of UK firms to passport business into the EU also looks under threat. Such headlines are giving some a reason to take a more bearish stance on the currency. Since the Brexit vote, cable has seen only fleeting glimpses below the 1.30 level, so the question is whether this is going to prove to be a more sustained move. If 'hard Brexit' talk persists, then this recent weakness could well persist. We're also seeing a firmer yen, with USDJPY moving towards the 100.50 level in early trading. The notion of a central bank with limited power to influence either the economy or currency is looming in the background and the market appears less afraid of the BoJ in terms of choosing a currency against which to short the dollar against. We've not seen a close below the 100 level on USDJPY so far this year, so the market is closely focused on this level for the time being. For this coming week, we have a few Fed speakers slated for later in the week, as well as the minutes to the latest BoJ meeting, released tomorrow. Eurozone inflation data is released Thursday, where the headline rate is seen moving higher from 0.2% YoY.

Today's important market news

Time: GMT

09:30	SNB Chairman Jordan Speech
14:00	New Home Sales (MoM)
14:00	New Home Sales Change (MoM)
14:30	Dallas Fed Manufacturing Business Index
15:05	ECB President Draghi's Speech
23:10	BoC Governor Poloz Speech
23:50	BoJ Monetary Policy Meeting Minutes

Source: [Fxpro Forex Broker \(Review and Forex Rebates Up to 85%\)](#)