


On Thursday US durable goods orders were released showing a 6.5% increase, which was the biggest gain in 3 years, resulting in USD clawing back some of its recent losses. The continued signs of global economic growth have helped US equity markets with over 75% of S&P companies delivering earnings that have beaten forecasts. US30 (Dow) gained 0.45% on the day to set a record closing high on Thursday of 21,794.70. Many market participants are wary and expect these “heady” levels to likely attract profit taking at some point. Today sees the release of US GDP, with expectations of a healthy 2.6% annualized pace because of improved consumer spending that was somewhat absent in Q1. A series of Japanese economic data released on Friday came in stronger than expected, with household spending rising more than forecast and the jobless rate unexpectedly falling to 2.8% in June from 3.1% in May. However, regardless of this strong data, it is unlikely that the Bank of Japan will be inclined to dial back monetary stimulus anytime soon. EURUSD hit a 30-month high of 1.1777 on Thursday but has retreated to currently trade around 1.1695. USDJPY is trading slightly above its recent 5 week low. Currently trading around 111.00. **CHF (Swiss Franc)** fell 0.5% against USD and 0.6% against EUR on Thursday, as the market believes that the **Swiss National Bank** will maintain an “easy monetary policy” as, conversely, the ECB looks to dial back its stimulus. USDCHF is currently trading around 0.9680 and EURCHF is currently trading around 1.1320. Gold is steady in early Friday trading after retreating from 6-week highs but is still on track for a

3rd weekly gain. Gold is currently trading around \$1,260. Oil is up nearly 7% for the week, its best performance in a month, as falling US inventories and signs of stronger demand raise speculation of a supply glut in the world's biggest consumer may ease. WTI is currently trading around \$49.05. At 10:00 BST the European Commission will release; Services Sentiment, Consumer Confidence (Jul), Economic Sentiment Indicator (Jul), Business Climate (Jul) and Industrial Confidence (Jul). The consensus is for these data releases to be lower than their previous releases, but that should not unduly affect EUR as the Eurozone economy is growing. At 13:30 the **US Bureau of Economic Analysis** will release Gross Domestic Product Annualized (Q2). The consensus calls for a healthy 2.6% bettering the previous 1.4%. The release should help USD although, regardless of GDP, US monetary policy is focused on inflation and reducing the sizable holdings they have in bonds, so any increase in GDP will likely have a "knee jerk" reaction for USD that will be short lived. At the same time, **US Employment Cost Index** (Q2) and Personal & Core Consumption Expenditures Prices (QoQ) (Q2) will also be released. Markets will be looking to see if US consumers are spending and pushing inflation higher. A key indicator for any future rate hikes.

Today's important market news

Time: GMT

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| II | 09:00 |  | Services Sentiment |
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| II | 09:00 |  | Industrial Confidence |
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| II | 09:00 |  | Business Climate |
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| II | 09:00 |  | Economic Sentiment Indicator |
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| II | 10:30 |  | Interest rate decision |
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| II | 12:00 |  | Consumer Price Index (YoY) |
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| II | 12:30 |  | Gross Domestic Product Price Index |
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| III | 12:30 |  | Gross Domestic Product Annualized |
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| II | 12:30 |  | Gross Domestic Product (MoM) |
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| II | 12:30 |  | Personal Consumption Expenditures Prices (QoQ) |
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| II | 12:30 |  | Core Personal Consumption Expenditures (QoQ) |
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| II | 17:00 |  | Baker Hughes US Oil Rig Count |
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| II | 17:20 |  | FOMC Member Kashkari Speech |
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Source: [Expro Forex Broker Expro Forex Broker Review and Details](#)