Last week, the forex market was dictated by the Federal Reserve's (Fed) monetary policy statement and US gross domestic product (GDP) data. The US Dollar lost ground against its key counterparts, after the Fed hinted that it is edging closer towards the plan to roll back its $4.5 trillion balance sheet. The **Federal Open Market Committee** (FOMC), as widely expected, decided to maintain its benchmark interest rate unchanged in a target range of 1.00% to 1.25%, as inflation continues to undershoot the central bank's target. In a post-meeting statement, the central bank indicated its intention to start winding down its massive holdings of bonds "relatively soon", as long as the economy stays on track. Separately, the **International Monetary Fund** (IMF), lowered its US economic growth forecast to 2.1% for this year and next. Meanwhile, the Fund kept its growth forecasts for the world economy unchanged for this year and next. Macroeconomic data showed that the US economy accelerated in the second quarter, expanding at an annualized rate of 2.6%, amid robust consumer spending and higher businesses investment. Additionally, the nation's flash durable goods orders accelerated at its fastest pace in nearly 3 years in June, buoyed by strong demand for civilian aircraft, while advance goods trade deficit narrowed more-than-expected in June. Additionally, the nation's CB consumer confidence index surprisingly strengthened to a 4-month high in July, reflecting optimism over the state of the nation's labor market. Further, the nation's manufacturing sector activity jumped to a 4-month high in July, while the services sector growth remained steady in the same month. Also, the nation’s new home sales climbed in June, whereas existing home sales unexpectedly dipped to a 4-month low in the same month. Moreover, the nation’s fresh jobless claims surpassed market estimates in the week ended 22 July 2017. The Euro ended the week higher against the USD. Data indicated that the Eurozone’s manufacturing sector growth cooled to a 3-month low in July, while services sector activity remained steady in the same month. Separately, Germany’s manufacturing sector grew at its weakest pace in 3 months in July and growth in the services sector unexpectedly slowed to a 6-month low in the same month. In contrast, Germany’s annual inflation jumped to a 3-month high in July. The Pound ended the week higher against the USD, after Britain’s GDP data pointed to a lackluster economic growth in the nation. UK’s economy expanded 0.3% on a quarterly basis in the second quarter of 2017. Meanwhile, the nation’s consumer confidence deteriorated in July, as heightened political uncertainty dented consumer sentiment. **EURUSD** The EUR strengthened against the USD last week, closing 0.75% higher at 1.1751, after Germany’s flash consumer price index (CPI) advanced more-than-expected on an annual basis in July, while the GfK **consumer confidence index** unexpectedly climbed in August. Further, the nation’s Ifo business climate as well as the Ifo business expectations indices, both unexpectedly increased in July. In contrast, the nation’s Markit manufacturing PMI fell more-than-expected in July, while the services PMI unexpectedly declined in the same month. Additionally, the Eurozone’s preliminary Markit manufacturing PMI dropped more-than-expected in July, while the flash Markit services PMI remained steady in the same month. The pair traded at a high of 1.1777 and a low of 1.1613 during the previous week. The pair is expected to witness its first support at 1.1650 and second support at 1.1550, while the first resistance is expected at 1.1814 and second resistance at 1.1878. This week, investors will focus on the final Markit manufacturing and services PMIs as well as unemployment rate across the Eurozone, coupled with the region’s retail sales, flash inflation and GDP data. Additionally, Germany’s retail sales and factory orders data, will also be on investors’ radar. **GBPUSD** The GBP traded 1.07% higher against the USD last week, with the pair closing at 1.3136. Macroeconomic data indicated that UK’s flash GDP advanced 0.3% on a quarterly basis in the second quarter of 2017, meeting market expectations. On the contrary, the nation’s BBA mortgage approvals dropped less-than-anticipated in June, while the GfK consumer confidence index eased more-than-expected in July. Separately, the IMF reduced Britain’s 2017 growth forecast by 0.3% to 1.7%, citing a weaker-than-expected first quarter economic growth. The GBP hit a high of 1.3159 and a low of 1.2989 against the USD in the previous week. The pair is expected to find support at 1.3030, and a fall through could take it to the next support level of 1.2925. The pair is expected to find its first resistance at 1.3200, and a rise through could take it to the next resistance level of 1.3265. Looking ahead, investors will await the BoE’s interest rate decision, scheduled later in the week. Meanwhile, Britain's manufacturing, services and construction PMIs would also generate lot of market attention. **USDJPY** The USD traded 0.4% lower against the JPY last week, with the pair closing at 110.68. The Japanese Yen gained ground against the USD, after Japan's unemployment rate fell more-than-expected to 2.8% in June, while the national CPI rose 0.4% on an annual basis in the same month, at par with market expectations. Also, the nation's small business confidence index registered a more-than-expected rise in July. Meanwhile, the nation's seasonally adjusted retail trade rebounded less-than-expected in June, while large retailers' sales registered an unexpected rise in the same month. On the other hand, the nation's flash Nikkei manufacturing PMI dropped in July. In other economic news, minutes of the Bank of Japan (BoJ) June meeting showed that board members were divided on how much information they should disclose to the public about a possible exit from ultra-loose monetary policy. Meanwhile, the BoJ's summary of opinions report from its July meeting showed that policymakers discussed repeated delays in meeting the central bank's inflation target and that it could undermine the BoJ's credibility. Also, they called for an in-depth discussion on whether it was appropriate to continue buying exchange-traded funds. Separately, the IMF forecasted Japanese economy to expand by 1.3% this year, buoyed by stronger private consumption, investment and exports. The organization had projected a growth of 1.2% in April. During the previous week, the pair traded at a high of 112.20 and a low of

110.55. The pair is expected to find its first support at 110.09 and first resistance at 111.74. The second support is expected at 109.49 and second resistance at 112.79. Moving ahead, traders will focus on Japan's industrial production, final Nikkei manufacturing PMI and consumer confidence data, all slated to release this week. **USDCHF** During the previous week, the USD traded 2.43% higher against the CHF and ended at 0.9687. On the macro front, Switzerland's ZEW economic expectations index climbed in July. Moreover, the nation's UBS consumption indicator rose in June. During the previous week, the pair traded at a high of 0.9727 and a low of 0.9446. The pair is expected to witness its first support at 0.9513 and second support at 0.9339, while the first resistance is expected at 0.9794 and second resistance at 0.9901. Moving ahead, investors will keep a close watch on Switzerland's real retail sales and the SVME–PMI data, both scheduled to release this week. **USDCAD** Last week, the USD traded 0.85% lower against the CAD and closed at 1.2433. The Canadian Dollar gained ground, after Canada's latest GDP data painted a robust picture of the Canadian economy. Data showed that Canada's GDP sharply expanded by 0.6% on a monthly basis in May, while on an annual basis, the GDP recorded a more-than-expected rise of 4.6% in the same month. In other economic news, the nation's wholesale sales climbed more-than-expected in May, whereas the CFIB business barometer index fell in July. Separately, the IMF raised its growth outlook for Canadian economy, expecting a growth of 2.5% in 2017, up from its April projection of 1.9%. The pair traded at a high of 1.2576 and a low of 1.2414 during the previous week. The pair is expected to witness its first support at 1.2373 and second support at 1.2312, while the first resistance is expected at 1.2535 and second resistance at 1.2636. Going forward, Canada's Markit manufacturing PMI and unemployment rate, both due to release this week, will grab a lot of market attention. **AUDUSD** The AUD strengthened against the USD last week, closing 0.9% higher at 0.7987. Last week, the Reserve Bank of Australia (RBA) Governor, Philip Lowe, diminished the odds of an interest rate hike, stating that interest rates will stay lower for longer amid subdued wage growth and high household debt. On the economic front, Australia's consumer price index rose less-than-anticipated on a quarterly basis in the second quarter of 2017, while the nation's producer price index (PPI) advanced on a quarterly basis in the same quarter. The pair traded at a high of 0.8066 and a low of 0.7878 during the previous week. The pair is expected to witness its first support at 0.7888 and second support at 0.7789, while the first resistance is expected at 0.8076 and second resistance at 0.8165. Ahead in the week, investors will eye the Reserve Bank of Australia's monetary policy decision along with Australia's AiG performance of manufacturing and services indices data. **Gold** Last week, gold rose 1.17% to close at USD1269.64 per ounce, as weakness in the greenback boosted demand for the precious yellow metal. The yellow metal witnessed a high of USD1277.00 per ounce and a low of USD1249.40 per ounce in the previous week. The precious metal is expected to find its first support at USD1257.67 per ounce and first resistance at USD1285.27 per ounce. The second support is expected at USD1239.73 per ounce and second resistance at USD1294.93 per ounce.   **Crude Oil** Crude oil strengthened in the previous week, closing 8.61% higher at USD49.71 per barrel, as a surprisingly sharp decline in the US crude oil stockpiles eased fears of a global supply glut. The Energy Information Administration (EIA) showed that US crude oil inventories fell by 7.2 million barrels to 483.4 million barrels in the week ended 21 July, while the American Petroleum Institute (API) indicated that crude oil stockpiles declined by 10.2 million barrels to 487.0 million barrels in the same week. Gains in crude prices were boosted further, after Saudi Arabia pledged to limit crude exports next month, in a bid to reduce the global crude glut. Also, the OPEC stated that Nigeria agreed to join the deal by capping its output in the near term. Last week, the commodity traded at a high of USD49.81 per barrel and a low of USD45.40 per barrel. Immediate downside, the first support level is seen at USD46.86 per barrel, followed by USD43.92 per barrel, while on the upside, the first resistance level situated in USD51.27 per barrel, followed by USD52.74 per barrel.   Source: [DirecFX Forex Broker](#) [DirectFX Forex Broker Details and Review](#)