

Recent data releases have shown that **global manufacturing** saw an increase in July, further confirming global economic momentum has carried into H2, as many central banks are preparing to start scaling back years of massive stimulus. Eurozone growth remained buoyant, UK manufacturing in July has recovered from a 7-month low and Chinese factory activity grew despite concerns that it would slow down. Even US data is showing that US manufacturing, although tepid, is growing at a modest pace. However, recent data also showed Americans' spending barely grew in June. The markets are expecting the ECB to scale back its extremely easy policy in the next month or so and China is expected to reach its target of 6.5% growth by year end. These 2 economies are likely to drive global economic growth whilst the US, suffering from political turmoil, insipid wage growth and lacklustre CPI, is likely to cause more concerns for US economic growth as 2017 ends. The recent IMF growth forecast saw both Eurozone & China growth upgraded for the remainder of 2017 and a downgrade in growth for the US. EURUSD retraced 0.4% from Tuesday's 2-and-a-half-year peak of 1.1844 to currently trade around 1.1825. USDJPY was little changed on Tuesday but has crept higher overnight to currently trade around 110.85. GBPUSD, whilst trading in a narrow range on Tuesday, appears to be holding above 1.3200 and is currently trading around 1.3210. AUDUSD strengthened, following the RBS announcement to keep rates unchanged, to reach 0.80423, before giving back its gains to trade as low as 0.7941 today. Currently, AUDUSD is trading around 0.7960. Gold has maintained

its strength against USD, gaining nearly 0.4% on Tuesday, when it reached a high of \$1,273.97. Currently, Gold is trading around \$1,266. WTI quickly retreated from \$50pb on Tuesday, as ample global supplies countered strong demand. OPEC output rose in July by 90,000 bpd to a 2017 high, led by Libya, one of the exempt producers, further adding to the fears of oversupply. WTI is currently trading around \$48.80pb. At 08:00 BST the European Central Bank will hold its “6-weekly” Non-monetary policy meeting in Frankfurt. At 10:00 BST Eurostat releases **Eurozone Producer Price Index (YoY) & (MoM)** for June. The consensus is calling for a decline to 2.4%, from the previous reading of 3.3% for YoY data. With the ECB making it very clear that its inflation target of 2% needs to be maintained, a poor PPI reading is likely to cause further delays in rate hikes. At 13:15 BST, Automatic Data Processing Inc. in the US will release **ADP Employment Change** for July. Market consensus is calling for a rise to 185,000 from the previous 158,000 reading. A stronger number could signal a future rise in consumer spending, which could assist the Fed when it comes to justifying any rate hikes, although the lack of wage growth remains a concern for the US economy. At 15:30, the EIA will release Crude Oil Stock change for the week ending July 28th. With recent larger than expected drawdowns, the consensus figure of -2.9 Million could be larger than forecast, which would, therefore, result in Oil prices firming. Needless to say, any increase in inventories would see Oil move lower. Source: [DirecFX Forex Broker DirectFX Forex Broker Details and Review](#)