

On Wednesday, St. Louis Federal Reserve President Bullard (a non-voting member of the FOMC) stated in an interview that he, “is opposed to further U.S. interest rate increases by the Federal Reserve” and warned “that more hikes could hinder domestic inflation from achieving the Fed’s 2% goal”. Also on Wednesday, Cleveland Fed President Mester (another non-voting **FOMC member**) commented that “the Fed is tightening monetary policy at such a gradual pace that it doesn’t have to change course even with signs of weakness in economic and inflation data”. Such comments add further confirmation to the markets that USD will remain under pressure as many central banks (excluding non-voting FOMC members!) are looking to move away from easy monetary policies. There may be some respite for USD today, as the markets await several key economic data releases (see below) ahead of Friday’s, always impactful, Non-Farm Payrolls. EURUSD hit new 2-and-a-half-year highs on Wednesday, trading up to a high of 1.19089, before retracing lower. EURUSD is trading around 1.1850. USDJPY gained 0.4% on Wednesday, reaching a high of 110.977, before retracing as the session closed. Currently, USDJPY is trading around 110.70. GBPUSD advanced 0.3% to reach an 11-month high of 1.32496 on Wednesday. The markets will be paying attention to GBP on this “Super Thursday”, with a host of UK data releases and BoE Governor Carney due to speak. Currently, GBPUSD is trading around 1.3230. Gold improved 0.3% on Wednesday to trade as high as \$1,272.69. Overnight, Gold has given back much of its recent gains to currently

trade around \$1,263. Oil prices rebounded on Wednesday, after falling toward session lows of \$48.61pb on data that showed a smaller drawdown in US crude inventories than the market had expected. The drawdown of 1.527 million bettered the expected drawdown of 2.957 million, indicating demand is still relatively strong. WTI is currently trading around \$49.50pb. At 12:00 BST a plethora of UK data will be released from the Bank of England; Asset Purchase Facility, Monetary Policy Statement, Quarterly Inflation Report and MPC Vote information. The markets are not expecting any major monetary changes, although will be looking for any hawkish comments and the timing of future rate hikes. At 12:30 BST, **Bank of England** Governor Carney is scheduled to make a statement following the release of the above reports. Again, markets will be looking for any change in “tone” as an indication as to future **UK Monetary Policy**. At 13:30 BST, the US Department of Labor will release Initial Jobless Claims (Jul 28) & Continuing Jobless Claims (Jul 21). Initial Jobless Claims are forecast to come in at 242K (previously 244K) and should provide support to a steadily growing US job market. A higher release will likely cause more USD selling, whereas the markets will only react favourably to USD if the release is significantly lower. At 14:45 BST, the US Services Purchasing Managers Index (PMI) will be released. The consensus calls for an unchanged release of 54.2. The markets will hope to see an improvement as a suggestion that the US economy is growing. At 15:00 BST, the US Census Bureau will release Factory Orders (MoM)

(Jun). The consensus calls for a significant improvement on the previous release of -0.8% to 2.8%. A reading higher than 2.8% will give credibility to a strengthening US economy. If the release is lower the market will take a bearish stance on USD. Source: [DirecFX Forex Broker DirectFX Forex Broker Details and Review](#)