

**Daily Forex News (2015.12.04) Source: [Fxpro Forex Broker](#) ([Review and Forex cashback up to 85%](#))** The price action yesterday in the wake of the ECB press conference illustrated the weight of expectations that had built up in the run up and the disappointment of the market in that the combination of measures fell short of expectations. That resulted in the mother of all short squeezes on the single currency, a move that has largely held in place in overnight trading. This largely came from the fact that the ECB did not expand the monthly pace of asset purchases in the QE program which was extended yesterday. But that's not an easy thing to do given the make-up of asset markets in the Eurozone and the fact that around a third of Eurozone bonds are already trading with negative yields. Elsewhere, there was nothing in the comments from Fed Chair Yellen to put any doubt on the view that the FOMC is set to raise rates later this month. As if yesterday was not enough, more volatility is likely today with the latest employment report from the US. It would have to be substantially weaker than expectations for a Fed tightening in December to be undermined, perhaps less than 100k on the headline rate. In the bigger picture, the labour market is not the factor that has been holding back the Fed from tightening policy over the past year. So barring a major disappointment, the story for the dollar is now turning to the path of rates in 2016 and we expect that will be the focus later this month when the market digests the Fed meeting statement. Overnight, we've seen slightly better than expected retail sales data in Australia provide some marginal support for the still

resilient Aussie.

**Today's important market news**

16:30	Labor Force Participation Rate
16:30	Unemployment Rate
16:30	Average Weekly Hours
16:30	Average Hourly Earnings (YoY)
16:30	Nonfarm Payrolls
16:30	Trade Balance
16:30	Net Change in Employment
16:30	Unemployment Rate
18:00	Ivey Purchasing Managers Index s.a
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