

Source: [SolFrex Broker \(Review and Forex Rebates up to 85%\)](#) **The dollar drops amid rising oil prices** The U.S. dollar dropped against other major currencies after the oil prices rebounded, recovering commodity linked currencies. Although the expectations for a U.S. rate hike this month still continues to support greenback with recent solid employment data fueling it further, increased outlook of U.S. economy will keep at a slow pace after the rate hike limited its support and pushed the dollar further down. USD/JPY fell 1.22% to 122.16, EUR/USD gained 1.15% to 1.0957 and GBP/USD gained 1.14% to 1.5166. **The kiwi rises despite rate cut from RBNZ** The Reserve Bank of New Zealand lowered its official cash rate by 25bp to 2.5% within the expectation. The New Zealand dollar gained on Thursday despite the rate cut as it was within investors expected scope. The RBNZ Governor Graeme Wheeler said that monetary policy needs to be accommodative to help ensure that future average inflation settles near the middle of the target band. He also added that the economy will achieve it at current rate settings although the bank will reduce rates if circumstances warrant. Investors found the market will remain still and therefore the kiwi rose 0.79% despite the RBNZ's decision. NZD/USD increased 0.28% to 0.6737. AUD also rose by 0.33%, AUD/USD traded at 0.7228. **The euro remains subdued after the ECB meeting** The euro remained calm after last European Central Bank meeting shortened markets expectations for the scope of its easing program. On Tuesday, the 19 nation bloc in EU said the third quarter GDP increased by 0.3% amid rising inventories

and higher household spending. The euro surged against the dollar on Wednesday hitting 1.10 for the first time in a month as investors prepared in advance for a rate hike by the Federal Reserve in next week. EUR/USD pair traded in a broad range of 1.0879 and 1.1042, settled at 1.1026, gaining 1.23% in the session. **Market Movements** Overall, the dollar itself fell 1.13%, EUR/USD gained 1.15%, USD/JPY fell 1.22% and GBP/USD gained 1.14%. The commodity linked currencies were generally bullish, New Zealand dollar gained 0.79%, Australian dollar gained 0.33%, Norway crone gained 1.48%, Russian ruble gained 0.49%, and Brazilian real rose 1.20%. Other emerging market currencies fell after the oil prices move, South African rand fell 2.36%, Turkish lira fell 0.21%, and Chinese yuan fell 0.17%.

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