

**Source:** [Fxpro Forex Broker \(Review and Forex Rebates up to 85%\)](#)

The historical significance of the Fed rate hike last night was far more than its market impact, where the dollar was modestly firmer after the initial volatility, with even these modest gains starting to be given back against the yen. The FOMC statement and Yellen's open remarks at the press conference contained no less than 8 references to 'gradual', with this continuing in the Q&A. Equities were also firmer, helped by Yellen's positive words on the economy. So in the end, this was one of the most anodyne and most anticipated rate increases ever seen from the Fed. Things overshadowed by the Fed overnight include the better than expected GDP data in New Zealand, the economy expanding by 0.9% QoQ, but revisions to prior quarters saw the kiwi sag a little after the gains seen through most of the month. And once again, the yuan has weakened vs. the US dollar, USDCNY now up to 6.4757 on the mid-point. There could naturally be a sense of wind-down in markets now that the Fed is out of the way. The following two weeks are peppered with major public holidays over the Christmas and New Year period. For today, sterling will be looking to retail sales data at 09:30 GMT, where the headline rate is seen recovering from the October weakness (0.5% MoM from -0.9% MoM). US data is restricted to weekly claims data and the current account balance for Q3. Norway's interest rate decision at 09:00 GMT has hardly got a look in given the proximity to the Fed meeting, but there are some risks that the deposit rate is cut by 25bp from the current 0.75%, which would more than likely push EURNOK above

the 9.60 level, which has not been breached on a closing basis since the crisis induced volatility of late 2008.

### **Today's important market news**

12:30	Retail Sales (YoY)
12:30	Retail Sales (MoM)
12:30	Retail Sales ex-Fuel (YoY)
12:30	Retail Sales ex-Fuel (MoM)
13:00	Labour cost
17:30	Philadelphia Fed Manufacturing Survey
18:00	CB Leading Indicator (MoM)