

Today's important market news - Friday's US employment report failed to offer much in the way of resolving the current state of flux in FX markets. Expectations of further divergent monetary policy are not proving to be either a strong or reliable driver of currency markets. But as yet, there has not been a strong alternative narrative to replace it. Interest rate markets are still not convinced that we will see a further rate increase this year from the US Federal Reserve and currently we'd have to see a very strong pick-up in both activity and prices data for a move to be seen before the depths of the summer. Even the Brexit story on sterling has fallen by the wayside as a dominant driver of the currency, leaving sterling without a defining force going into the June referendum. This is despite the fact that the polls still continue to give only a slim advantage to the 'remain' campaign. That said, as we head into the last 6 weeks of campaigning we could well see this change as campaigning gears up. UK PM Cameron is speaking this morning and sterling is weaker as we start the European session, back below the 1.44 level. Elsewhere, after the dollar's recovery last week, we are seeing the commodity currencies as the weakest performers over this period, with naturally the Aussie leading the charger lower after the rate cut. The scope for lower rates remains for both the kiwi and Canadian dollar, so weakness could well persist for some time to come. Elsewhere, the data calendar is on the light side for today, whilst equities have managed a positive start to the session, despite the weakness seen in China.

Today's important market news Time: GMT

12:00 Eurogroup meeting
12:15 Housing Starts s.a (YoY)
14:00 Labor Market Conditions Index
23:01 BRC Retail Sales Monitor - All (YoY)
23:45 Electronic Card Retail Sales (MoM)
23:45 Electronic Card Retail Sales (YoY)

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