

[Daily Forex Analysis](#) - The overall mood in markets at the start of the week appears to be pretty positive. Equities are again close to new highs in the US, whilst bond yields have backed up from the recent lows. The message appears to be that things aren't as bad as perhaps everyone feared. This is also seen beyond the US, with broader share indices also at new highs for the year and bond yields moving tentatively up from the lows seen earlier this month. Despite this, the data in the run up to the Bank of England meeting early in August could change this as we start to get the first true readings of the health of the post-vote economy. Both the US Fed and Bank of Japan meet this week. The Fed decision on Wednesday is all about the subtle shifts in the statement and whether there are any further signs of intended tightening later this year. The BoJ has more scope to bring volatility to markets, given the greater likelihood of some policy action either on rates or asset purchase programs. The market is positioned for some action on both as a means to boost the flagging Japanese economy. The yen has been weakening for most of the past two weeks, although a more consolidative tone has been seen over the past week. The BoJ's ability to influence the yen for this year has been severely limited though, so it's not necessarily the case that greater than expected policy action will weaken the currency on a sustained basis. For today, the data calendar is very much on the light side, so trading ranges are likely to be on the tight side ahead of the central bank meetings later this week.

Today's important market news

Time: GMT

14:30 Dallas Fed Manufacturing Business Index
22:45 Exports
22:45 Trade Balance (YoY)
22:45 Imports
22:45 Trade Balance (MoM)

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