Forex News - The Nonfarm payroll (NFP) figure released last Friday rose by 255.000 in July, far surpassing the expectation of 180.000. Meanwhile, the figure in June was revised from 287.000 to 292.000. The NFP figures have been robust for two consecutive months. The unemployment rate in July kept steady at 4.9%. Average hourly wage for private-sector workers increased by 0.3%, from June to July to $25.69, YoY hourly wage rose by 2.6%, gaining at the fastest pace since 2009. The average weekly working hours in July was up 0.1 hour to 34.5 hours. The robust NFP figure pushed stock prices up, weighing on other currencies and safe havens. The dollar future index surged from the intra-day low of 95.48 to 96.49, increased by 101 points, or 1.06%, breaking out the resistance at 96. The S&P 500 spot index rallied from 2164.56 to a record Intra-day high of 2182.3, a 0.82% rise, reaching to the second record high this year, and closing at an all-time high of 2181.52. The robust NFP figure weighed on gold, gold spot price plunged from 1364.61 to 1334.67, fell by 2.24%, breaking through significant supports at 1350 and 1340. However, loose monetary policies, stimulus measure, and negative interest rate implemented by some central banks provide a strong support to gold prices. The biggest global gold ETF, SPDR Gold Trust, has also enlarged their gold position 0.73% to 980.34 tons until last Friday. It will be likely trading in a range bound. The significant resistance at 1375 will not be broken easily in the short term, unless boosted by significant economic data or monetary policies. After the release of NFP, Chicago Board Options Exchange's (CBOE) VIX fear

index fell to the 2-year low of 11.8 points. The index is used for measuring expected stock market volatility and investor fear. The fall means that the market concerns over corporate earnings and the economy are eased. As a result, the risk-on sentiment is boosted, spurring investors turn to risk assets from safe havens. The strengthening of labour market gives rise to the increase of consumer spending, potential rise of inflation rate, and the market expectations for a rate hike in September. Yet a series of economic data in the past few months have given a mixed signal, such as the dreadful Q2 GDP figure, it seems to be a bit early for the Fed to raise rates in September. If the consequent economic figures show a continuous and healthy economic recovery, then it will be more likely for a rate hike to happen in December. DAX rallied this morning as helped by the positive figure of German Industrial production, jumping from 10364.78 to 10460.65, near the previous high 10473.40, which is the significant resistance zone, bewaring of a pullback.

Today's important market news Time: GMT

14:00	Labor Market Conditions Index
22:45	Electronic Card Retail Sales (YoY)
22:45	Electronic Card Retail Sales (MoM)
23:01	BRC Retail Sales Monitor - All (YoY)

Source: Fxpro Forex Broker (Review and Forex Rebates Up to 85%)