

[Daily Markets Brief](#) - UK economic data for July will be released this week. The first set of such data, post referendum and the Brexit Impact. The CPI figures (YoY and MoM) and the Core CPI (YoY) will be released at 09:30 GMT+1 on Tue 16th August. The Claimant Count Change and Unemployment Rate, released on Wed 17th August. The Retail Sales (YoY and MoM) and the Core Retail Sales (YoY and MoM) released on Thursday 18th August. The UK has seen healthy inflation growth in Q2. The YoY CPI figures from Apr to June were 0.3%, 0.3%, 0.5%, while the MoM CPI readings were 0.1%, 0.2%, 0.2%. The YoY Core CPI figures were 1.2%, 1.2%, 1.4%. Inflation in June increased as petrol prices rose and air fares increased by 11%, hitting a record high between May and June, resulting from the Euro 2016 football championships in France, from 10th June to 10th July. The energy prices have seen a plunge in July, since the Euro 2016 has ended. As a result, the air fares in July should be slightly lower than that in June. Yet summer is usually a high season for travelling, providing a support to the air fares. If the inflation and other economic figures released this week show a worsening economic outlook, we will likely see market concerns over the aftermath of Brexit deepen, accompanied by raising market expectations of further stimulus measures from the BoE. As a result, it will weigh on the Sterling in the near term. GBPUSD GBPUSD plunged to 1.2864 on 15th August, from 1.334 on 4th August, a 3.57% fall. Hitting a one-month low since the BoE's announcement of a rate cut. It is currently rebounding as the dollar is weak, trading

around 1.2930, above the significant support zone between 1.290 to 1.288. With positive figures released, GBPUSD will likely hold above the support zone and keep on rebounding, while lower-than-expected figures will likely drive GBPUSD down to test the support levels at 1.292 and 1.290. The next support line is at the low of 1.2864 on 15th August, followed by 1.285 and 1.280. The resistance level is at 1.2930 followed by 1.2950 and 1.300. EURGBP The bullish momentum of EURGBP has been boosted since 4th August, the BoE's rate cut, reaching the highest level since September 2013. On the 4 hourly chart, EURGBP has been oscillating in an uptrend channel since then, trading above all the EMAs (exponential moving averages). This morning the upside trend line resistance at 0.8698 was broken by a long bullish candle. With positive UK CPI figures released, the EURGBP will likely pullback and test the downside newly formed trend line support at 0.8698. With lower-than-expected figures, EURGBP will likely hold above the trend line at 0.8698. Yet be aware of a pull back, as the price is near the resistance zone between 0.8710 to 0.8815. Downside support line is at 0.8698, followed by 8 EMA at 0.8675 and the next trend line support at 0.8648.

Today's important market news

Time: GMT

08:30	Producer Price Index - Output (MoM) n.s.a
08:30	Producer Price Index - Output (YoY) n.s.a
08:30	PPI Core Output (MoM) n.s.a
08:30	PPI Core Output (YoY) n.s.a
08:30	Producer Price Index - Input (YoY) n.s.a
08:30	Producer Price Index - Input (MoM) n.s.a
08:30	Core Consumer Price Index (YoY)
08:30	Consumer Price Index (YoY)
08:30	Consumer Price Index (MoM)
09:00	ZEW Survey - Current Situation
09:00	ZEW Survey - Economic Sentiment
09:00	Trade Balance n.s.a.
09:00	Trade Balance s.a.
09:00	ZEW Survey - Economic Sentiment
12:30	Housing Starts (MoM)
12:30	Building Permits (MoM)
12:30	Consumer Price Index Core s.a
12:30	Consumer Price Index n.s.a (MoM)
12:30	Consumer Price Index (MoM)
12:30	Consumer Price Index (YoY)
12:30	Consumer Price Index Ex Food & Energy (MoM)
12:30	Consumer Price Index Ex Food & Energy (YoY)
13:15	Industrial Production (MoM)
13:15	Capacity Utilization
22:45	Employment Change
22:45	Unemployment Rate
22:45	Participation Rate

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