

The US Dollar was a winner against most of the major currencies last week, especially the Euro, Aussie and New Zealand dollars. The Federal Reserve raised interest rates once again, however the corresponding language did little to boost tightening bets in the future, leaving the Buck down a data driven future. The European Central Bank also raised rates last week, but traders hammered the Euro as ECB President Lagarde was not committed in her language in terms of a September hike. The equity markets took note of the rate hikes and continued the bull-market trend, despite the volatility of earnings reports from the tech sector. The week ahead is all data driven with rate decisions from the Bank of England and the Reserve Bank of Australia. Monday, traders will be watching Chinese PMI as the continuation of disappointing data out of China could speak to global growth woes for the remainder of 2023. The week concludes with US non-farm payrolls and gives another look at the direction of hiring in the US market.

EUR: The Euro begins the week on a bounce from its rough last week as the Euro area economy expanded by 0.3% in Q2, slightly more than anticipated. Conversely, Euro area inflation remained unchanged at 5.5%, missing expectations that price pressures would ease.

GBP: The Great British Pound begins the week near the 1.2850 level as traders look to the Bank of England to raise rates later this week. The market currently has a 68% chance of a 25bps hike later this week, despite underwhelming data concerning economic growth and CPI data which showed that core inflation is moderating.

AUD: The AUD is trading above .6700 to start the week as the market awaits U.S. ISM manufacturing data on Tuesday and the RBA's pending rate announcement. The RBA is expected to increase by 25bps, citing that inflation remains substantially above the target band of 2-3%.

CAD: USD/CAD is little changed to start the N. American session around the 1.32 level. Data wise, there is much to look forward to from Canada ahead of Friday's jobs report. Technically, the USD needs to either break hard through the 1.3250 level or below 1.3150 for a clear directional bias.

EXCHANGE RATE	
Currency	Rate
EUR/USD	1.1043
GBP/USD	1.2856
AUD/USD	0.6719
NZD/USD	0.6213
USD/CAD	1.3179
USD/MXN	16.7046
USD/CHF	0.8694
USD/JPY	142.35
USD/SGD	1.3285
USD/THB	34.1190
USD/CNY	7.1463

UPCOMING ECONOMIC RELEASES				
Date	Country	Economic Event	Prior	Forecast
7/31	AUD	RBA Rate Decision	4.1%	4.355
8/1	EUR	German Unemployment Rate	5.7%	5.7%
	USD	ISM Manufacturing PMI	46	46.8
	NZD	New Zealand Unemployment Rate	3.4%	3.5%
8/3	GBP	BoE Interest Rate Decision	5.0%	5.25%
	USD	ISM Services PMI	53.9	53
	AUD	RBA Statement on Monetary Policy		
8/4	CAD	Unemployment Rate	5.4%	5.5%
	USD	Non Farm Payrolls	205k	200K
	USD	Unemployment Rate	3.6%	3.6%