

The market starts off a busy week with the USD trading slightly mixed vs. the majors, while European equities are weaker as investors move to the sidelines ahead of pending Central bank meetings. The FOMC rate announcement on Wednesday will be closely watched with many anticipating a hold. Policy decisions from the BoE, SNB, Riksbank, BoJ and Norges Bank will also be monitored. There continues to be complications that will play into the Fed's hands including the UAW strike and the potential risk of a long government shutdown again on the first of October. There is growing sentiment that the Fed will keep rates at current levels for the balance of the year and possibly well into 2024, with the potential of one final data dependent hike this year. Other key datapoints to eye include Tuesday's Euro Zone and Canadian August CPI, Wednesday's UK CPI, Kiwi GDP and Japanese inflation rate. Have a great week!

CAD: Believe it or not, the loonie ended last week's trading on the positive side vs. the USD. The buck has been trading on the defense since its peak around the 1.3700s, with a bear trend developing in the near term. From a technical perspective it appears that a break below the 1.3495 level should see the CAD trade into the upper 1.33s.

GBP: The GBP opened the week on a slightly firm tone but has since relinquished any momentum and is now back into the 1.2380s. The market is awaiting Wednesday's CPI and the BoE policy decision on Thursday for further direction. The BoE is expected to raise rates by 25bps to 5.50%.

EUR: Overnight, the EUR found some buyers to lift it from the low 1.09s but has since reverted to its prior levels. Market focus is on the rising cost of energy for the region and maintains some expectations that ECB policymakers could continue to raise rates, but absent other drivers the EUR may not have any momentum to strengthen in the near term.

JPY: USD/JPY continues to potentially trade towards the 150.00 level, recently hitting the upper 147.00s. The market is looking ahead to the BoJ's latest policy update for guidance. It appears that if BoJ Governor Ueda steps away from any strong indications over the possibility of a rate hike by year end, it will increase the probability that the government will support the yen via intervention.

EXCHANGE RATE	
Currency	Rate
EUR/USD	1.0660
GBP/USD	1.2374
AUD/USD	0.6421
NZD/USD	0.5895
USD/CAD	1.3513
USD/MXN	17.1590
USD/CHF	0.8978
USD/JPY	147.73
USD/SGD	1.3653
USD/THB	35.7450
USD/CNY	7.2963

UPCOMING ECONOMIC RELEASES				
Date	Country	Economic Event	Prior	Forecast
09/19	CHF	Trade Balance (Aug)	CHF 2.6B	
	EUR	Core Inflation Rate YoY Final (Aug)	5.5%	5.3%
	CAD	Core Inflation Rate MoM (Aug)	0.5%	
	CAD	Inflation Rate YoY (Aug)	3.3%	3.8%
	USD	Building Permits Prel (Aug)	1.443M	1.44M
09/20	GBP	Core Inflation Rate YoY (Aug)	6.9%	6.8%
	GBP	Inflation Rate YoY (Aug)	6.8%	7.0%
	USD	FOMC Rate Announcement	5.5%	5.5%
	NZD	GDP Growth Rate QoQ (Q2)	2.2%	1.2%
09/21	GBP	BoE Interest Rate Decision	5.25%	5.5%
	USD	Initial Jobless Claims	220k	225k
	JPY	Inflation Rate YoY (Aug)	3.3%	
	JPY	BoJ Interest Rate Decision	-0.1%	-0.1%
09/22	EUR	German Mfg PMI Flash (Sep)	39.1	39.5