



## USA and Canada

### Figures out today:

CAD	Gross Domestic Product (MoM) (MAY)	12:30	08:30	0.1%	0.0%
USD	Gross Domestic Product (Annualized) (2Q A)	12:30	08:30	2.5%	2.7%
USD	Personal Consumption (2Q A)	12:30	08:30	2.3%	3.0%
USD	Core Personal Consumption Expenditure (QoQ) (2Q A)	12:30	08:30	1.0%	0.7%
USD	Gross Domestic Product Price Index (2Q A)	12:30	08:30	1.1%	1.1%
USD	Chicago Purchasing Manager (JUL)	13:45	09:45	56.0	59.1
USD	U. of Michigan Confidence (JUL F)	13:55	09:55	67.5	66.5
USD	Bloomberg Financial Conditions Index (APR) (JUL)	20:15	16:15		-1

- TOKYO, July 30 (Reuters) - The dollar fell to an eight-month low against the yen on Friday, hurt by selling from Japanese exporters and concerns that U.S. GDP data would add to signs of fading momentum for the U.S. economic recovery. In Asian trade, the dollar's fall was primarily driven by month-end selling from Japanese exporters, which overwhelmed buying from several new Japanese investment funds launched on Friday. "At the start of this week, it looked like there would be an end to the dollar/yen's downtrend but now it looks as if there will be no change and it is set to end the month of July lower," said Kakuya Kojoh, the head of securities department at Nissan Century Securities. "The dollar will likely test 86 yen. It could even fall below 85 yen next week." Dollar bears are looking to U.S. second-quarter GDP due at 1230 GMT as a further opportunity to sell the currency, with economists forecasting growth to slow to 2.5 percent in the three months to June from 2.7 percent in the first quarter. The GDP data will be followed by U.S. manufacturing and job figures next week.

## UK

- LONDON, July 29 (Reuters) - Sterling rose to a five-month high versus a broadly weaker dollar on Thursday, underpinned by recent UK data surprises. Traders said price action was positive for the pound, with any dips well supported after it made a key technical break earlier in the week above its 200-day moving average. The dollar was coming under persistent selling pressure ahead of month-end, on reports of rebalancing flows following strong performance in U.S. equity markets in July.
- (Reuters) - Consumer morale fell to its lowest in almost a year in July as worries about the impact of government spending cuts drove expectations for the next 12 months to their lowest since the deepest point of the recession. The GfK/NOP Consumer Confidence Index fell three points to -22, its lowest since last August and below analysts' forecasts for a more modest decline to -20.
- (Reuters) - Severe budget cuts and the possibility of slower growth ahead will force the Bank of England to wait until the second quarter of 2011 to raise interest rates, according to a Reuters poll of 61 economists. While official data last week showed the economy grew at the fastest rate in four years in the second quarter, there was little expectation in the Reuters survey this would encourage the Monetary Policy Committee to become more hawkish. In fact, respondents' median forecasts for rate hikes were more moderate compared to a month ago. Few expected the bank to indulge in more growth-boosting quantitative easing. Economists saw the bank rate rising 25 basis points from its record low of 0.5 percent in the second quarter of next year, before rising to 1.5 percent by the end of 2011. Forecasters in last month's poll saw it at 1.75 percent by then.

## Europe

### Figures out today:

EUR	Euro-Zone Consumer Price Index Estimate (YoY) (JUL)	09:00	05:00	1.8%	1.4%
EUR	Euro-Zone Unemployment Rate (JUN)	09:00	05:00	10.0%	10.0%

## Commodities

- Crude fell as much as 2.1 percent to \$75.90, a one-week low, after the Energy Department reported inventories climbed. Futures settled at \$76.99 on July 28 and gained \$1.37, or 1.8 percent, to \$78.36 yesterday on the New York Mercantile Exchange. They dropped 17 cents, or 0.2 percent, to \$78.19 a barrel as of 7:34 a.m. in London today.
- Gold hit an intraday low around \$1,165 an ounce before bouncing to \$1,168.80 by 0603 GMT, up 75 cents from New York's notional close. Despite the gains, gold was still heading for its biggest weekly decline since early July.

## Compiled daily by Peter Cheek