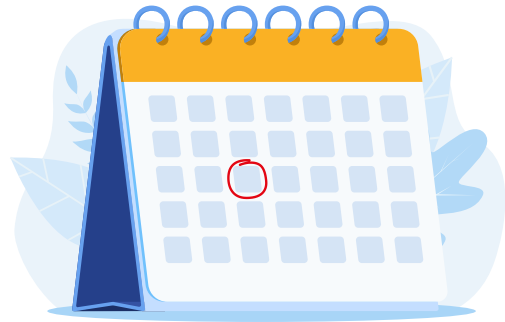


# WEEKLY OUTLOOK

30.01.2023-03.02.2023



Good morning traders.

A slow start to the week with markets staying relatively quiet due to the lack of high impact economic news on Monday. Investors moved to side-lines awaiting the critical announcements by Central banks regarding monetary policy decisions.

Canadian GDP data, released on Tuesday, showed that the country's economy grew as expected in December at a 0.1% pace, unchanged compared to November's data. During the Asian trading session data from New Zealand revealed that the Unemployment Rate edged higher to 3.4% in the fourth quarter from 3.3% in the third quarter. In the same period, Employment Change came in at +0.2%, falling short of the market expectation for an increase of 0.3%.

On Wednesday the US Federal Reserve announced their monetary policy decision, a decision widely anticipated by market players. The central bank decided to hike its benchmark rate by 25 basis points showing that policymakers changed the wording on inflation, noting that it "has eased somewhat but remains elevated". US Fed Chair Jerome Powell stated that Fed is strongly committed to reaching its 2% inflation target. He also repeated that job gains have been robust, and the unemployment rate has remained low.

Investors focus shifted to Europe on Thursday with ECB and BOE both announcing their monetary policy decisions. BOE came first and as was widely expected, the central bank hiked interest rates for the 10th time in a row, by another 50 bps to 4%. Later that day The European Central Bank also hiked by 50 bps and even confirmed another 50 bps for March. However, President Lagarde said that the following decisions will be a meeting-by-meeting matter and that it will be data-dependant.

Following a major volatile action on Wednesday and Thursday, the US Bureau of Labor Statistics released the NFP data on Friday. The result came way above market expectations of 185k, at 517k giving the greenback a strong boost against its rivals.

Traders can expect a choppy start to the week as they absorb Friday's freakishly strong U.S. jobs report and heightened geopolitical tensions after a U.S. fighter jet shot down a suspected Chinese spy balloon on Saturday.

**Monday 06 February**

Time CET	Cur.	Event	Forecast	Previous
10:30	GBP	Construction PMI (Jan)	49.6	48.8
15:00	EUR	German CPI	9.2%	8.6%
16:00	CAD	Ivey PMI (Jan)		33.4

**Tuesday 07 February**

Time CET	Cur.	Event	Forecast	Previous
04:30	AUD	RBA Interest Rate Decision (Feb)	3.35%	3.10%
15:30	USD	Goods and Services Trade Balance (Dec)		89.8
18:00	USD	Fed Chair Powell Speaks		

**Wednesday 08 February**

Time CET	Cur.	Event	Forecast	Previous
11:00	EUR	Italian Retail Sales (YoY)	4.9%	4.4%
16:30	USD	Crude Oil Inventories	0.376M	4.140M

**Thursday 09 February**

Time CET	Cur.	Event	Forecast	Previous
12:00	EUR	European Commission releases Economic Growth Forecasts		
15:30	USD	Initial Jobless Claims		183k

**Friday 10 February**

Time CET	Cur.	Event	Forecast	Previous
08:00	GBP	GDP (YoY) (Q4)	0.4%	1.09%
14:00	EUR	German CPI (YoY) (Jan)	9.2%	8.6%
14:30	CAD	Employment Change (Jan)	8.0K	104.0K

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