

## WEEKLY MARKET RECAP: June 13 – June 17, 2022

Happy Friday, traders. Welcome to our weekly market wrap, where we look back at these last five trading days with a focus on the market news, economic data and headlines that had the most impact on the financial market – and may continue to into the future for the US Dollar and other key correlated assets.

The week started with 20year record high for the dollar index, after Friday's inflation mind-blowing numbers. Aussie, Sterling, and Kiwi were the notable gainers on the FX pairs, while the focus for this week was shifted to the Interest Rates announcement by three major world banks. UK, Japan, and the most important, US, were expected to meet during the week, with the people expecting that Federal Reserve might increase the Rates more than expected since analysts say that 50 basis points increase might not be enough.

The US stocks crushed on Monday, with the S&P declining by 3.88%, while Nasdaq dropped for the day 4.6%, after the rumours that the rates might increase more than expected.

Gold prices traded to a fresh monthly low on early to mid-week, as treasury yields pushed to a fresh yearly high, while waiting for the Federal Reserve decision to increase interest rates on their meeting, which it is expected to be 50 basis point more than expected.

Middle of the week came with the announcement of US Interest Rates, which were raised from precious 1%, to 1.75%, even though the forecast was to be increased 50 basis points only and not 75. EUR however has hold the ground, with the reason behind this to be the dipped on the Treasury Yields, which helped to undermine the greenback. Shares were trading also on volatile grounds, following the Press Conference of FED Chairman Jerome Powel, who said that 50 basis points or 75, will also be the rate hike on the next meeting in July. Following that statement, equities jumped, with DOW rising 1%, S&P 1.46% and Nasdaq 2.5%.

Later on Thursday, it was United Kingdom's and Swiss turn to change the interest rates, as a measure to fight inflation. Bank of England increased the interest rates from 1% to 1.25%, resisting the temptation to follow the FED's policy to increase more this time. Swiss National Bank decreased the negative rates from 0.75% to 0.25%. The move was a shock for the Swiss world, sending the franc on its sharpen rise in seven years.

Early on Friday, Bank of Japan kept the rates unchanged to -0.1%, remaining on negative grounds, resisting an intensifying global wave of central bank tightening and recent market pressure on the yen and government bonds.

**Thanks for reading! Have a great weekend.**

**Important Note:** The information found on Ausprime platform is intended only to be informative, is not advice nor a recommendation, nor research, or a record of our trading prices, or an offer of, or solicitation for a transaction in any financial instrument and thus should not be treated as such. The information provided does not include any specific investment objectives, financial situation and needs of any specific person who may receive it. The past performance is not a reliable indicator of future performance and/or results. Past Performance or Forward-looking scenarios are not a guarantee of future performance. Actual results may differ materially from those anticipated in forward-looking or past performance statement.

