WEEKLY MARKET RECAP: July 11 – July 15, 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 a strong Us dollar, pushing lower stocks and counter-currencies.

The dollar hit a fresh 20-year high, pushing the euro down to $1.01 and sending the yen as low as 137.26 after Friday's solid U.S. jobs report underlined the yawning gap in interest rate differentials between the developed world's three main currency areas.

Twitter share declined 7% after Elon Musk revoked his $44 billion offer for the acquisition of the social media platform, pushing the company to start processed for suing the billionaire owner of Tesla and Space X.

On Tuesday, oil prices dropped below $100 for the first time since April. Investors were worrying that inflation will spur an economic downturn that will hit oil demand. This aggressive sold-out, pushed the liquid gold to drop 7%.

Early Wednesday, it was New Zealand to increase rates once again, to 2.5% from 2%. This was the 6th consecutive rise on the interest rates as a measure to fight inflation. Canada took their turn, being a bit more aggressive on the rate hikes, increasing them to 2.5% from 1.5%, pushing USDCAD to 1.2945, however, the strong US Dollar managed to regain its level above 1.30 after few hours.

Thursday morning, Japan warned that new Covid cases appeared to be rapidly spreading through the nation and called people to be especially careful.

On the same day, EURUSD parity was broker, with the pair to be valued at 0.9952 at some point during the day, which then recovered to be claimed again the 1:1 parity early on Friday.

Oil recovered the 5% loss that occurred on Thursday, amid prospects of a less aggressive rates hike in the next meeting by FED.

Thanks for reading! Have a great weekend.