

WEEKLY ECONOMIC CALENDAR AHEAD

Here is what you need to know about the important news between **December 18, 2023, and December 22, 2023**, where we take a look at the economic data, market news and headlines likely to have the biggest impact on the market prices this week and beyond, as well as the US Dollar, and other key correlated assets.

U.S. dollar index

The US Dollar Index (DXY), a measure of the value of the US Dollar (USD) against a weighted basket of currencies used by US trade partners, loses traction during the early European session on Monday. The DXY bounces off the multi-month lows of 101.77 and currently trades near 102.45, losing 0.15% for the day.

The stronger US Services PMI on Friday lends some support to the Greenback. However, the upside remains limited amid the anticipation of three rate cuts from the Federal Reserve (Fed) next year. Data released on Friday showed that a flash reading of US S&P Global Services PMI rose to 51.3 in December from 50.8 in November, beating the market expectation of 50.8. The Manufacturing PMI dropped to 48.2 in December, compared to 49.4 in November and market expectations of 49.3. Finally, the Composite PMI climbed to 51.0 in December versus 50.7 prior.

Traders will keep an eye on the US Building Permits and Housing Starts, due on Tuesday. Later this week, the US Consumer Confidence and Existing Home Sales will be released on Wednesday. The US Gross Domestic Product (GDP) Annualized (Q3) will be due on Wednesday, which is expected to remain steady at 5.2%. The Core Personal Consumption Expenditures Price Index (Core PCE) on Friday will be in the spotlight.

Gold

Gold price (XAU/USD) regains positive traction on the first day of a new week and sticks to its modest intraday gains through the European session, albeit lacks follow-through buying. The Federal Reserve (Fed) last week signalled an end to its monetary policy tightening cycle and pencilled in a cumulative of 75 basis points (bps) rate cuts in 2024.

The key US inflation reading will influence market expectations about the timing when the Fed will begin easing its policy and help determine the next leg of a directional move for the non-yielding Gold price. In the meantime, the broader risk sentiment and the USD price dynamics might continue to play a key role in driving demand for the XAU/USD in the absence of any relevant market-moving economic data from the US on Monday.

Oil.

West Texas Intermediate (WTI) price struggles to regain recent losses, hovering around \$72.10 per barrel in the Asian market on Monday. Crude oil prices find support from Russian Deputy Prime Minister Alexander Novak's statement. He mentioned that Russia is considering deepening oil export cuts in December by potentially 50,000 barrels per day (bpd) or more to bolster global oil prices. These additional cuts would go beyond the 300,000 bpd that had already been agreed upon for this year.

In addition, adverse weather conditions in Russia have contributed to the support for Crude oil prices. Moscow suspended approximately two-thirds of loadings from ports. Moreover, the geopolitical situation has provided a boost to oil prices, with concerns rising due to Houthi attacks on ships near Yemen. The attacks have raised worries about potential disruptions in oil supply, leading shipping firms to consider avoiding the Suez Canal as Houthi militants in Yemen escalated their assaults on commercial vessels in the Red Sea.

Economic calendar most important releases - All times are GMT**Tuesday, December 19, 2023**

10:00 EUR CPI (YoY) (Nov)
13:30 USD Building Permits (Nov)

Wednesday, December 20, 2023

07:00 GBP CPI (MoM) (Nov)
07:00 GBP CPI (YoY) (Nov)
15:00 USD CB Consumer Confidence (Dec)
15:00 USD Existing Home Sales (Nov)
15:30 USD Crude Oil Inventories

Thursday, December 21, 2023

13:30 USD GDP (QoQ) (Q3)
13:30 USD Initial Jobless Claims
13:30 USD Philadelphia Fed Manufacturing Index (Dec)



Friday, December 22, 2023

07:00	GBP	Core Retail Sales (MoM) (Nov)
07:00	GBP	Core Retail Sales (YoY) (Nov)
07:00	GBP	GDP (QoQ) (Q3)
07:00	GBP	GDP (YoY) (Q3)
07:00	GBP	Retail Sales (MoM) (Nov)
13:30	USD	Core Durable Goods Orders (MoM) (Nov)
13:30	USD	Core PCE Price Index (YoY) (Nov)
13:30	USD	Core PCE Price Index (MoM) (Nov)
15:00	USD	New Home Sales (Nov)

Thanks for reading! Have a great week!

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