

WEEKLY ECONOMIC CALENDAR AHEAD

Here is what you need to know about the important news between **January 08, 2023, and January 12, 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 (USD), represented by the Dollar Index, is currently trading just above 102.40 with slight losses due to the markets adjusting dovish bets post the release of December's Nonfarm Payrolls (NFP) and the ISM PMIs.

From indications in the last 2023 Federal Reserve meeting, a dovish stance was apparent. The Fed expressed comfort with cooling inflation and projected no rate hikes until 2024, suggesting 75 bps of easing. As for now, market predictions hint towards a rate cut in March followed by another in May, and such a position signals a bearish climate for the US Dollar, as lower interest rates might drive liquid capital to higher yield markets.

Gold

Gold price (XAU/USD) meets with a fresh supply on the first day of a new week and slides back closer to over a two-week low touched in the aftermath of the upbeat US monthly employment details on Friday. The popularly known Nonfarm Payrolls (NFP) report pointed to a still resilient US labor market and gives the Federal Reserve (Fed) more headroom to keep rates higher for longer. Furthermore, the recent hawkish remarks by Fed officials forced investors to continue scaling back their expectations for a more aggressive policy easing. This, in turn, remains supportive of elevated US Treasury bond yields and is seen driving flows away from the non-yielding yellow metal.

The markets, however, are still pricing in a greater chance of the first interest rate cut by the Fed at its March policy meeting and a cumulative of five 25 basis points (bps) rate cut for 2024. This keeps the US Dollar (USD) bulls on the defensive and could lend some support to the Gold price. Apart from this, a generally weaker risk tone should act as a tailwind for the safe-haven precious metal. Investors might also prefer to wait on the side and look to the US consumer inflation figures on Thursday before placing fresh directional bets. In the absence of any relevant US economic data, traders on Monday will take cues from a scheduled speech by Atlanta Fed President Raphael Bostic.



Oil.

The West Texas Intermediate (WTI) price retraces its recent gains, trading lower near \$73.00 per barrel during the Asian session on Monday. The decline in Crude oil prices is attributed to a combination of factors, including price cuts by top exporter Saudi Arabia. Additionally, a rise in Organization of the Petroleum Exporting Countries and its allies (OPEC+) output, which increased by 70,000 barrels per day (bpd) in December to reach 27.88M bpd, according to a Reuters survey, is contributing to the downward pressure on oil prices.

Adding to the dynamics, Saudi Arabia announced on Sunday a reduction in the February Official Selling Price (OSP) of its flagship Arab Light crude to Asia, marking the lowest level in 27 months.

Economic calendar most important releases - All times are GMT.**Monday, January 8, 2024**

10:00 EUR Retail Sales (YoY)(Nov)
23:30 JPY Tokyo Consumer Price Index (YoY)(Dec)

Tuesday, January 9, 2024

00:30 AUD Retail Sales s.a. (MoM)(Nov)

Wednesday, January 10, 2024

23:30 AUD Monthly Consumer Price Index (YoY)(Nov)

Thursday, January 11, 2024

00:30 AUD Trade Balance (MoM)(Dec)
13:30 USD Consumer Price Index (MoM)(Dec)

Friday, January 12, 2024

01:30 CNY Consumer Price Index (YoY)(Dec)
13:30 USD Producer Price Index ex Food & Energy (YoY)(Dec)
15:00 USD Michigan Consumer Sentiment Index(Jan)



Thanks for reading! Have a great week!

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