

Dollar treads water

The dollar traded in narrow ranges against major peers on Thursday, as the currency continued to struggle for direction in the absence of concrete announcements on tariffs from U.S. President Donald Trump.

A spate of central bank policy decisions are also due over the next week, with the Bank of Japan widely expected to raise interest rates at the end of a two-day meeting on Friday.

Rate decisions from the U.S. Federal Reserve and European Central Bank are scheduled for Wednesday and Thursday of next week, respectively.

The dollar index - which measures the currency versus six top rivals, including the euro and yen - was flat at 108.31 as of 0551 GMT, following two days of gains of around 0.1%.

On Monday, it tumbled 1.2%, its steepest one-day slide since November 2023, as Trump's first day in office brought a barrage of executive orders, but none on tariffs.

So far this week, Trump has mooted levies of around 25% on Canada and Mexico and 10% on China from Feb. 1. He also promised duties on European imports, without giving details.

"President Trump has so far taken a less hostile-than-expected approach to China," amid overall "softer-than-expected policies and tone on tariffs", said Carol Kong, a currency strategist at Commonwealth Bank of Australia (OTC:CMWAY).

At the same time, "we are cautious (that) risk sentiment remains fragile and can quickly turn sour if President Trump strikes a more aggressive tone."

Trump on Monday signed a broad trade memorandum, ordering federal agencies to complete comprehensive reviews of a range of trade issues by April 1, which many market participants believe will be a key date in revealing tariff plans.

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