Key currencies

To a t a g l a n c e

What to watch in August

**EUR Euro**

If EUR/USD drifts sharply to 1.03 in the first half of the month, USD could catch up with the US interest rate rise, the HICP eurozone inflation rate dropped to 0.3% in July, indicating that the ECB is moving towards a rate reduction. However, as the eurozone economy remains weak, the ECB is likely to maintain its monetary policy stance in the second half of the month.

**NZD New Zealand Dollar**

In July, the RBNZ left its base rate unchanged at 1.25%, despite the strong economic data indicating inflation expectations. However, the RBNZ is expected to consider rate cuts in the second half of the month, as the recent economic data shows signs of slowing growth. The RBNZ has been monitoring the recent trends in the housing market and the impact on the economy.

**GBP British Pound**

The GBP could face a challenging period in August, with the Bank of England expected to leave its base rate unchanged at 1.25%. The recent economic data suggests that the UK economy has continued to strengthen, but the surge in inflation is likely to put pressure on the GBP in the second half of the month.

**JPY Japanese Yen**

The Yen strengthened at the end of July and the beginning of August, marking its stronger performance in the second half of the month. The Bank of Japan has maintained its monetary policy stance, despite the recent economic data indicating slowing growth. The Yen is expected to remain strong in the second half of the month, as the Bank of Japan is likely to keep interest rates unchanged.

**AUD Australian Dollar**

The AUD will be under pressure in August, as the US dollar will remain strong against the major currencies. The AUD is expected to face a challenging period in August, with the recent economic data indicating slowing growth. The AUD is likely to remain weak in the second half of the month, as the risk appetite is unlikely to improve.

**CAD Canadian Dollar**

The Canadian dollar remains under pressure in August, as the US dollar will remain strong against the major currencies. The CAD is expected to remain weak in the second half of the month, as the recent economic data indicates slowing growth. The CAD is likely to face a challenging period in August, with the risk appetite remaining muted.

**HKD Hong Kong Dollar**

The Hong Kong dollar is expected to face a challenging period in August, with the US dollar likely to remain strong against the major currencies. The HKD is expected to remain weak in the second half of the month, as the recent economic data indicates slowing growth. The HKD is likely to face pressure in August, with the risk appetite remaining muted.

**SGD Singapore Dollar**

The Singapore dollar is expected to remain under pressure in August, as the US dollar will remain strong against the major currencies. The SGD is expected to remain weak in the second half of the month, as the recent economic data indicates slowing growth. The SGD is likely to face pressure in August, with the risk appetite remaining muted.