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Sterling rose against the US dollar and the euro during Monday's trading session. With no data of note released, favourable market movements saw the pound improve. Investors will look for more of the same today with the release of the UK's preliminary GDP figures for quarter for of 2009. This is expected to show a return to growth after Q3's disappointing reading and prove that we are out of recession territory. Comments from Bank of England's Mervyn King will follow shortly after the release.

This morning the US dollar opens up much stronger than market's had expected despite yesterday's dismal existing home sales figures for December. Today investors look to be biding their time ahead of a number of key economic reports and events later this week, including the FOMC's monetary policy announcement on Wednesday and the first reading of Q4's GDP on Friday as well as President Obama's 'State of the Union' address tomorrow.

Euro pressure was relieved after a Greek bond auction was well received. Today's French consumer spending and Italian consumer confidence figures are not likely to have the same influence as German IFO data and Euro Zone current account figures which also due for release. The German IFO business sentiment survey is forecast to see a small gain, whereas the seasonally adjusted current account deficit is seen narrowing in November.

The Japanese yen jumped to one month highs against the US dollar, which supported it in many of the major crosses. The Bank of Japan left interest rates on hold overnight as expected, but said that deflation will be milder than earlier thought. The yen's gains came off the heels of an announcement out of China, that bank reserve ratios would have to be increased by today. The unexpected deadline prompted a sell off in equity markets, which caused investors to buy up the safe haven currency.

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