

2019

FX THEMES



01 Federal Reserve 2019 policy

With equity volatility at extreme levels in 2018, we could also be seeing the start of market destabilisation and a turn in the dollar. With Fed Reserve rate hikes, it appears the central bank is now on 'data watch'.



03 The US Economy

Trump's economic policies are starting to wane and the growth of US stocks and strong dollar are proving hard to sustain. The tightened Fed policy could negatively impact the value of the dollar in 2019, as also reflected in a lowering of growth forecasts in the USD this year.

02 US China Trade War

Recent data indicates cracks in China's economy, and events around large corporates and sanctions really does highlight the delicate tensions between the two largest economies. Although Trump's bullying tactics seem to be working, China is still in a strong position (e.g. the BRI initiative). Either way, both economies (and the rest of the world) stand with much to lose if no trade deal is secured.

