



Foreign Exchange Overnight Roundup



Friday, February 3, 2012

Market Statistics

	Previous Close	Overnight Range	Today's Expected Range
\$/CAD	0.9988	0.9988-1.0021	0.9950-1.0050
EUR/\$	1.3143	1.3095-1.3203	1.3050-1.3200
GBP/\$	1.5806	1.5755-1.5858	1.5740-1.5820
\$/JPY	76.22	76.13-76.609	76.30-76.80
AUD/\$	1.0710	1.0668-1.0751	1.0700-1.0800

Regional News

AMERICAS

- **USD/CAD** – The Canadian dollar was little changed against its US counterpart on Thursday, unable to push above parity as concerns over Europe's debt crisis offset encouraging US jobs data and remarks viewed as bullish from Federal Reserve Chairman Ben Bernanke. Market sentiment dipped after Greek debt talks were reported as difficult, heightening concerns that Athens would not be able to meet 14.5 billion euros (\$19.1 billion) in bond redemptions due next month. While Canadian job data was weak, US non-farm surpassed expectations (see table below).

EUROPE

- **EUR/USD** – Euro-zone governments may have to provide up to 145 billion euros to Athens under a second emergency loan program for Greece, EU sources said on Friday, 15 billion euros more than previously expected. The extra funds are mainly required to help recapitalize the Greek banking sector once a deal is struck to write down the value of bonds owned by private-sector creditors. Negotiations with private sector creditors to take a 70 percent net-present-value write-down on their holdings, cutting Greece's debts by around 100 billion euros, are close to being concluded.

- **GBP/USD** – The risk that the UK economy will slip back into recession appeared to diminish Friday after a survey showed activity in its dominant services sector rose in January to its highest level in almost a year. The poll of purchasing managers in the sector by financial information firm Markit and the Chartered Institute of Purchasing and Supply follows similarly upbeat surveys in manufacturing and construction, and will fan expectations that the UK economy will rebound in the first quarter following a contraction at the end of 2012.

ASIA

- **USD/JPY** – The dollar hovered near three-month lows against the yen overnight, keeping alive the threat of intervention by the Japanese authorities with most investors on the edge ahead of U.S. jobs data.

- **AUD/USD** – The Australian dollar held near multi-month highs against the greenback and all-time peaks on the euro overnight, amid an improvement in risk appetite globally.

Source: CIBC Strategic FX, Action Economics, Reuters, Bloomberg

Today's Economic Releases

Time	Country	Release	Period	Forecast	Previous
7:00 am	Canada	Employment Change (actual 2.3k)	Jan	23.4k	21.7k
7:00 am	Canada	Unemployment Rate (actual 7.6%)	Jan	7.5%	7.5%
8:30 am	US	Non-Farm Payrolls (actual 243k)	Jan	150k	200k
8:30 am	US	Unemployment Rate (actual 8.3%)	Jan	8.5%	8.5%
8:30 am	US	Average Hourly Earnings M/M (actual 0.2%)	Jan	0.2%	0.2%
8:30 am	US	Average Weekly Hours (actual 34.5 hours)	Jan	34.4	34.4
8:30 am	US	Manufacturing Payrolls (actual 50k)	Jan	10k	23k

Foreign Exchange Business Banking Advisory Services

CIBC Wholesale Banking – Corporate Solutions Group
Brookfield Place • 161 Bay Street, Suite 500 • Toronto, ON • Canada • M5J 2S8

Please view our legal disclaimer and other disclosure information at: http://research.cibcwm.com/res/FEX/fx_disclaimer.html