

Dollar holding steady at Friday's weaker levels

 By [Andre Cilliers](#)

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The dollar is trading largely unchanged this morning after closing softer on the back of the softer US YoY PCE price index of 3.8% versus estimates of 4.6%.



Source: [Pexels](#)

Hopes that the Fed might soften its hawkish stance have seen the DXY index drop below 103.00, with the euro at 1.0920 and the pound back above 1.2700. Today should be reasonably quiet on the currency front ahead of tomorrow's US holiday, although we have the ISM Manufacturing PMI number due today.

On Wednesday, we also have the Fed FOMC minutes released, and the non-farm payroll data on Friday.

The rand was under pressure for most of Friday, touching the R19.00 level at one point before recovering as the dollar retreated. We are trading a touch weaker at R18.86 this morning, with the rand looking susceptible to the risk-off sentiment and a possible move back to R19.00 again.

Commodity update

Gold is managing to hold above the \$1,900 level, trading at \$1,914 as it gains support from the softer US inflation indicator and weaker dollar. Platinum and palladium start the new week on a weaker note after the Chinese Caixin Manufacturing PMI failed to raise hopes of a recovery in the Chinese economy soon.

Oil is trading firmer this morning ahead of Wednesday's Opec+ meeting, with Brent at \$75.20 and WTI at \$72.30.

ABOUT ANDRE CILLIERS

Andre is the Currency Risk Strategist at TreasuryONE. Andre's career in treasury spans more than 30 years. He has gained his extensive currency risk experience in both the banking and corporate arena. Before joining TreasuryONE, Andre headed up the treasury department for a Tier One German international bank in South Africa.

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