

CCY		Price	Change
AUD-USD	▲	0.8899	0.0032
EUR-GBP	▼	0.8869	-0.0007
EUR-USD	▲	1.4388	0.0051
GBP-AUD	▲	1.8236	0.0021
GBP-CAD	▲	1.7314	0.0009
GBP-EUR	▲	1.1275	0.0007
GBP-NZD	▲	2.2766	0.0024
GBP-USD	▲	1.6227	0.0075
NZD-USD	▲	0.7130	0.0028
USD-CAD	▼	1.0671	-0.0040
USD-JPY		89.98	0.0000

USA

- Dollar surges to 3-mth high as short positions fold: TOKYO, Dec 17 (Reuters) - The dollar surged to three-month highs on Thursday, knocking down a succession of barriers, as investors wound up short positions for the year after a more upbeat tone from the Federal Reserve helped support its recent rebound. The euro spun to its lowest since early September, picking up pace after it broke strong support at \$1.4500 and hit stop-loss sell orders, prompting more liquidation of long-euro positions. Traders said a statement by the Federal Reserve sounded a bit more optimistic about the U.S. labour market and helped the U.S. dollar, which has spent most of the year locked in a downtrend. Now the dollar index, a gauge of its performance against six major currencies, has broken out of that downtrend and some players are more confident there may scope for it to recover further. The dollar has been dogged this year by the prospect of interest rates staying close to zero.

UK

Figures out today:

Country	Event	GMT	EDT	Expected	Previous
GBP	Public Finances (PSNCR) (Pounds) (NOV)	09:30	04:30	17.3B	5.9B
GBP	Public Sector Net Borrowing (Pounds) (NOV)	09:30	04:30	23.0B	11.4B
GBP	M4 Money Supply (MoM) (NOV P)	09:30	04:30	0.6%	1.6%

Europe

Figures out today:

EUR	German IFO - Expectations (DEC)	09:00	04:00	99.0	98.9
EUR	German IFO - Business Climate (DEC)	09:00	04:00	94.5	93.9
EUR	Euro-Zone Current Account s.a. (euros) (OCT)	09:00	04:00		-5.4B
EUR	Euro-Zone Trade Balance (euros) (OCT)	10:00	05:00	5.8B	3.7B
EUR	Euro-Zone Trade Balance s.a. (euros) (OCT)	10:00	05:00	5.7B	6.8B

- HONG KONG (Reuters) - The euro recovered from early losses on Friday after Pakistan dismissed rumors of a coup while Asian stocks fell as investors fretted about the outlook for corporate earnings. European shares were set to open steady, according to financial spreadbetters, while U.S. equity futures were up 0.4 percent. Greece's fiscal woes continued to weigh on the euro but the currency found support after Pakistan dashed rumors of a coup, which in early trade had sent it skidding to a nine-month low against the safe-haven Swiss franc. By the afternoon the euro was up 0.3 percent at \$1.4380, rebounding from a three-month low of \$1.4304 on Thursday.
- Dec. 18 (Bloomberg) -- The Swiss franc strengthened beyond 1.50 per euro for the first time since March, when the nation's central bank first sold the currency to weaken it. The franc climbed as much 0.7 percent to 1.4909 against the euro, before trading at 1.4972 as of 7:49 a.m. in Zurich. It appreciated as much as 0.6 percent yesterday to 1.5008 per euro.

Commodities

- Dec. 18 (Bloomberg) -- Crude oil rose in New York, poised for its biggest weekly advance since October, on optimism fuel demand will increase amid improved prospects for an economic recovery in the U.S. Oil has gained 4.4 percent this week, the most since the week ended Oct. 16, after the Federal Reserve said factories produced more goods in November than anticipated, signaling fuel demand may rise. Crude oil for January delivery rose as much as 52 cents, or 0.7 percent, to \$73.17 a barrel in electronic trading on the New York Mercantile Exchange.
- Bullion slipped below the key level of \$1,100 per ounce on Thursday, hitting a six-week low of \$1,094.50. Gold has lost some of its appeal, which lifted it to a record high of \$1,226.10 on Dec. 3, due to a stronger dollar which makes the precious metal more expensive for holders of other currencies. It is currently down about 10 percent below the all-time peak.

Compiled daily by Alastair Constance