

CAD Canadian Dollar buyers

Thursday, 12 February 2009

The pound had a strong week against all the majors last week, and the Canadian Dollar was no exception, moving from 1.76 to 1.82 at mid-market level. Early trading on Monday morning showed no signs of this trend stopping as the pound looks to sustain its previous gains – something which it has failed to do over the past few months. This week sees some significant data releases from Canada, with new home building figures on Monday and Wednesday, and the non-manufacturing trade balance also on Wednesday. These are all expected to come in slightly negative, which may weigh on the CAD.

However, Canadian Dollar buyers should not pin their hopes on a continued Sterling rally, as the beleaguered British currency has always struggled to hold its gains against other majors, remaining one of the most under-pressure in the world. In the current uncertain economic times, the shrewd investor may look to use stop loss and limit orders in order to make the most of the volatile market, and insure against any unexpected shifts in risk sentiment.