

## MARKET TALK: EUR/USD May Test 1.3850 During Week - BNZ

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1949 GMT [Dow Jones] EUR/USD may test 1.3850 at some point in week, highest since February, says BNZ FX Strategist Mike Jones; pair last 1.3795 after touching 1.3807 early in NZ. "Momentum is pretty positive" in particular after USD "got slammed" in overnight trading Friday. Tips support to hold at 1.3730. Says central bank meetings to "hog much of the limelight this week." Notes while Australian markets "locked and loaded" for 25 bps hike from RBA "rumours suggest the BoJ may attempt to ease monetary policy further." Says ECB, BoE likely far less exciting with on hold decisions expected from both. Also, US data to remain in focus as markets speculate on chances of additional Fed easing with Friday's non farm payrolls of particular importance. (rebecca.howard@dowjones.com)

Contact us in Singapore. 65 64154 140;

MarketTalk@dowjones.com

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