



Enter Symbol

QUOTE

CHART

NEWS

SYMBOL
LOOKUPBloomberg
PRESS

OPTION SPREAD STRATEGIES

Straddles, strangles, backspreads, and butterflies

Read More

■ HOME ■ NEWS ■ MARKET DATA ■ PERSONAL FINANCE ■ TV and RADIO

Feedback

news

- ☐ Exclusive
- ☐ Worldwide
- ☐ Regions
- Markets
 - Stocks On The Move
 - Stocks
 - Bonds
 - Commodities
- Currencies
 - Emerging Markets
 - Energy
 - Funds
 - Municipal Bonds
- ☐ Industries
- ☐ Economy
- ☐ Politics
- ☐ Law
- ☐ Environment
- ☐ Science
- ☐ Opinion
- ☐ Spend
- ☐ Sports
- ☐ Arts and Culture
- ☐ Editors' Video Picks
- ☐ Bloomberg Markets Magazine
- ☐ Special Report

RESOURCES

- ☐ Bloomberg TV
- ☐ Bloomberg Radio
- ☐ Bloomberg Podcasts
- ☐ Bloomberg Press

Popular: Politics Exclusive Madoff Industries Currencies ETFs Dine & Deal C-Suite

Dollar Set for Weekly Gain on Concern Recession to Be Prolonged

Share | Email | Print | A A A

By Yoshiaki Nohara and Ron Harui



July 3 (Bloomberg) -- The dollar headed for a weekly gain versus the euro on speculation the global recession will be prolonged, increasing demand for the safety of the U.S. currency.

The pound was poised for its first weekly loss in a month against the dollar on speculation a U.K. report will show service industries in Europe's second-largest economy declined in June, adding

to signs the worst of the worldwide slump is far from over. The euro was near a one-week low versus the dollar before a European report that may show retail sales fell in May, signaling the region's economy will take time to recover.

"The markets are getting a dose of reality after becoming over-optimistic on the worldwide rebound," said **Yuji Saito**, head of the foreign-exchange group in Tokyo at Societe Generale SA, France's third-largest bank. "Risk aversion is back, and the bias is for the yen and the dollar to be bought."

The dollar traded at \$1.3991 per euro as of 11:21 a.m. in Tokyo from \$1.4003 yesterday in New York, heading for a 0.5 percent gain this week. It earlier rose to \$1.3929, the highest level since June 25. The yen was at 134.30 per euro from 134.34. The U.S. currency was at 95.99 yen from 95.94 yen. The pound was at \$1.6382 from \$1.6393 yesterday and \$1.6525 a week ago.

The **MSCI** Asia-Pacific Index slid 0.8 percent, and the **Nikkei** 225 Stock Average fell 1 percent, after earlier declining as much as 1.9 percent.

Currency movements may be volatile in Asia today as a national holiday in the U.S. reduces liquidity, Societe Generale's Saito said.

To contact the reporter on this story: **Yoshiaki Nohara** in Tokyo at ynohara1@bloomberg.net; **Ron Harui** in Singapore at rharui@bloomberg.net.

Last Updated: July 2, 2009 22:31 EDT



More News

- **IMF Softens Language on Characterizing Exchange Rates Before China Report**
- **Brazil's Real Drops on Bigger-Than-Forecast U.S. Job Losses During June**
- **Canadian Currency Tumbles After U.S. Payroll Numbers Damp Risk Appetite**

Sponsored Links

Bloomberg.com NEWS | MARKET DATA | PERSONAL FINANCE | TV AND RADIO | ABOUT BLOOMBERG | CAREERS | CONTACT US | LOG IN/REGISTER

©2009 BLOOMBERG L.P. ALL RIGHTS RESERVED. Terms of Service | Privacy Policy | Trademarks | Site Map | Help | Feedback | Advertising |