

Axia FX Reports Signs of Recovery for Foreign Exchange Market

Submitted by: Axia FX

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London, UK, December 5th 2012: The US presidential election garnered a huge amount of media attention not just in the USA but across the world. While many people believe political decisions only affect them when it concerns domestic changes, the alliances and foreign policies that different candidates or parties bring to each country has a significant effect on many issues, such as economy and the business foreign exchange market, on a global scale.

The presidential election shared some of its media spotlight with the impervious Hurricane Sandy, which as we know, caused a significant amount of damage to the North East coast of America, with New York and New Jersey arguably the biggest victims of the hurricane. The economic losses have been anticipated to run into tens of billions of dollars. In New York both public transport and Wall Street closed down for two days, a significant impact when New York is considered as the 'city that never sleeps.' While the reconstruction effort could help boost the economy, it will actually weaken the dollar in the short to medium term. This has seen many people in the business of buying foreign currency purchasing the dollar at a time when they can get the best currency exchange rates, in an aim to gain a profit once the dollar regains its strength.

The US election as we know was won by Barack Obama and since then the dollar is now just over 1.60 to the pound. This is largely due in part to the easy monetary policy president Obama holds. It has however calmed the markets and slowed trading in the business foreign exchange market in particular because the political uncertainty surrounding the election has now been removed and stability restored. Outside of the USA, the Euro has seen a slight drop in value against the pound and other currencies due to poor German industrial production figures, in addition to the current unstable economic and political conditions of Europe. It did however see a slight increase in value against the dollar, mainly due to the fact that Barack Obama's quantitative easing policy will remain a focal point for the Federal Reserve.

Hurricane Sandy also had a negative impact on many individuals' lives and these impacts can't be broken down into economic terms. Hopefully the proactive work of the government will see people back on their feet and placed in new buildings which will have been built to deal with any future severe weather.

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About Axia FX - Axia FX is a foreign exchange specialist offering personalised and bespoke services for corporate and private clients alike. Their currency exchange offerings range from international money transfers to financial risk management and business foreign exchange.

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