

Title:

Economic Data And Its Influence On The Financial Markets

Word Count:

631

Summary:

The things which contribute to price levels and action in the financial markets are numerous a

There are two ways economic information can influence prices. The first is in the macro sense.

Interest Rates

Economic Growth (GDP)

Government Budget Surpluses/Defici...

Keywords:

trading, investing, fundamental analysis, economic data, data release, financial markets

Article Body:

The things which contribute to price levels and action in the financial markets are numerous a

There are two ways economic information can influence prices. The first is in the macro sense.

Interest Rates

Economic Growth (GDP)

Government Budget Surpluses/Deficits

Trade Balances

Commodity Prices

Relative Currency Exchanges Rates

Inflation

Corporate Earnings (both for individual companies and the broad collection)

These elements will generally all have long-term inputs in to the pricing of any given market.

That said, the release of economic data related to the above can be seen to have serious impac

Employment Data

Trade Data

GDP growth figures

Consumer & Producer Inflation rates

Retail and Wholesale Sales

Confidence & Sentiment Readings (U. Michigan survey, etc.)

Income & Spending

Production

Interest Rate policy decisions

Earnings releases

The markets can react in very, very dramatic fashion to these releases when they are out of li

On one Friday morning at 8:30 Eastern the monthly Non-Farm Payrolls report hit the wires. This

Here is another example, this time of T-Bond futures.

When those payroll figures were released at 8:30 the market dropped more than two full points.

It is also important to understand that in the futures pits such data events often result in f

Fortunately, all major economic releases are well documented. They are done on a pre-announced

Foreknowledge of pending data events may not prevent losses which may result from unexpected f

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