Press Releases

FOREX.com Analysts Expect Rocky Road for Currency Traders Heading into Third Quarter 2010

Major Stumbling Blocks Are Weak U.S. Economy and Eurozone's Fiscal Cutbacks

NEW YORK and LONDON, June 15 /PRNewswire/ -- The U.S. economy will remain weak as unemployment weighs heavily on the economic recovery, according to data presented by FOREX.com, a division of GAIN Capital, during its 3Q 2010 Markets Outlook webcast.

The FOREX.com analysts also predict that euro weakness will persist throughout the third quarter and into 2011, with the Eurozone's fiscal cutbacks undermining European growth and potentially derailing the global recovery.

"With U.S. fiscal stimulus set to phase out in the second half of 2010, a U.S. slowdown will decelerate the economic rebound and generate another dip in risk sentiment, supporting the dollar as a safe-haven currency and keeping pressure on the euro, the pound and the yen," said Brian Dolan, FOREX.com's chief currency strategist.

Currencies that are likely to outperform include the Australian dollar (AUD) and Canadian dollar (CAD), but they're also at risk if the global recovery falters more seriously.

Other highlights from the FOREX.com 3Q 2010 Markets Outlook include:

- Central bank interest rates in the U.S., U.K., Eurozone and Japan will remain on hold into 2011 given uncertainty from the European debt crisis and the absence of inflationary pressures
- Additional fiscal stimulus in China may be a salvation to the global recovery
- Oil is expected to weaken on excess supply and stalling demand
- The JPY may weaken as the new government seeks to limit its strength and presses the BOJ to undertake another round of quantitative easing to fight deflation

The FOREX.com research team also highlights potential technical levels for key pairs, such as EUR/USD, GBP/USD, USD/JPY, USD/CAD, and AUD/USD. Key cross-currency pairs like EUR/JPY and EUR/GBP are also covered, as well as precious metals and oil.

The FOREX.com Markets Outlook provides commentary and market forecasts with its view of the direction of the world's major currencies as well as key commodities including gold, silver and oil.

The full FOREX.com 3Q 2010 Markets Outlook Report will be made available on the company's websites later this week at www.forex.com and www.gaincapital.com.

About GAIN Capital

GAIN Capital Holdings, Inc. is a global provider of online trading services, specializing in foreign exchange (forex or FX) and contracts for difference (CFDs). Customers and trading partners in more than 140 countries have utilized the company's award-winning trading platform which transacts nearly $250 billion per month.

A pioneer in online forex trading, GAIN Capital provides execution, clearing, custody and technology products and services to an institutional client base including asset managers, broker/dealers and other financial services firms. GAIN also operates FOREX.com, one of the largest and best-known brands in the retail forex industry.

With offices in New York City; Bedminster, New Jersey; London; Sydney; Hong Kong; Tokyo and Seoul, GAIN Capital and its affiliates are regulated by the Commodity Futures Trading Commission (CFTC) in the United States, the Financial Services Authority (FSA) in the United Kingdom, the Financial Services Authority (FSA) in Japan, the Securities and Futures Commission (SFC) in Hong Kong, and the Australian Securities and Investments Commission (ASIC) in Australia.

GAIN's investor group includes private equity firms 3i, VantagePoint Venture Partners, Tudor Ventures, Edison Venture Fund and Cross Atlantic Capital Partners.

For company information, visit www.gaincapital.com or www.forex.com