

Gradual Global Recovery Expected for First Quarter 2010 According To FOREX.COM

Foreign Exchange and Commodity Markets Analysis Presented in Quarterly Markets Outlook

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NEW YORK and LONDON, Dec. 16 [/PRNewswire/](#) -- In its quarterly currency and commodity markets forecast, FOREX.com, a division of GAIN Capital Group, LLC, is predicting a gradual global recovery as investors continue to seek returns in risky assets in 1Q 2010.

Chief Currency Strategist for FOREX.com, Brian Dolan, believes that risk sentiment will mostly be in the "on" position throughout the first quarter, but obviously subject to hiccups on data disappointments or credit surprises.

"U.S. dollar weakness is likely to fade as a driving theme, as U.S. data may prove slightly more upbeat than reports out of Europe, the U.K. and Japan. Additionally, marginally higher U.S. market rates may induce further unwinding of short-USD positioning," stated Mr. Dolan in the report. "Overall, we think trading conditions will favor short-term mini-trends and anticipate another target-rich environment as market correlations remain high."

Other first quarter predictions from the report include:

- High unemployment will continue to restrain consumer activity throughout the G10, resulting in further uneven economic data overall
- Currencies that are most likely to outperform are those where growth has returned most solidly and where interested rates are being raised such as AUD, closely followed by the NOK
- The risk of a double dip recession will recede and, as the impact of the fiscal stimulus tapers off, growth in 2010 will likely be slow in much of the G10

The FOREX.com research team also highlights expected ranges for key pairs for the first quarter, such as:

- EUR/USD: 1.4300/1.5000; risk to 1.3800 if below 1.4300
- Gold: 1050/1150; risk to 1250 if above 1150/70

"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. In addition to Brian Dolan, the report was prepared by UK Research Director Jane Foley and Currency Strategist Jacob Oubina.

To view the full FOREX.com First Quarter Markets Outlook report visit www.forex.com/1qreport.

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 \$200 billion per month.

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

With offices in New York City; Bedminster, New Jersey; London; Seoul; and Tokyo, 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 and the Financial Services Authority (FSA) in Japan.

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.

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