Press Releases

FOREX.com Q1 2014 Outlook: On the road to recovery? Market conditions poised to improve in the New Year, led by strengthening US economy.

LONDON, NEW YORK and SYDNEY, Dec. 18, 2013 /PRNewswire/ -- FOREX.com, the retail division of GAIN Capital Holdings, Inc. (NYSE:GCAP), a global provider of online trading services; today released its Q1 2014 Market Outlook report.

FOREX.com analysts predict that USDJPY could embark on another leg higher as the Fed toys with the idea of pulling back its QE program, while the Bank of Japan sticks to the principles of Abenomics. The EUR is the Teflon currency of the G10; it is managing to defy gravity even though the growth outlook remains weak.

"2014 is set to be the year when the recovery will cement itself. With an improved economic backdrop we expect central banks to take the first steps towards normalizing monetary policy." said Kathleen Brooks, research director FOREX.com.

"As we move into 2014, we expect a medium-term US dollar recovery, especially against the yen. Fears about a Eurozone break up may recede further into the distance helping to boost the EUR, particularly in the first quarter. Stocks and commodities may not give tapering a warm welcome, and we expect volatility in risky asset classes to rise in the first half of 2014."

Expectations from the FOREX.com Q1 2014 Markets Outlook include:

- USD looks ready to recover as US fiscal risks recede and the focus shifts to tapering
- The yen looks set to underperform the rest of the G10 as the BOJ is poised to add more stimuli as the government embarks on the first sales tax rise for 17 years.
- EUR may continue to punch above its weight and strengthen even though its domestic fundamentals remain weak
- The AUD is likely to be a major under-performer as the RBA talks down Aussie strength and potential Fed tapering weighs on higher yielding currencies
- Expect volatility in global stock markets as central banks take steps to wind back their enormous stimulus programmes. Too fast and stocks could fall sharply, but a steady, cautious taper, could help markets extend into fresh record-breaking territory
- After a torrid 2013, gold is testing a critical level of resistance as we start this year. If it is breached we could see an acceleration in selling pressure and further declines

The FOREX.com Markets Outlook report for 2014 has enhanced its coverage of the major global equity markets and commodities including gold, silver and oil markets along with the potential price ranges for key G10 FX pairs, such as **EUR/USD**, **GBP/USD**, **USD/JPY**, **EUR/GB**P and **USD/CNY**

The full FOREX.com Q1 2014 Markets Outlook Report is now available atwww.forex.com/uk under Market Analysis.

The report is prepared by Research Director Kathleen Brooks, Senior Technical Strategist Chris Tevere, CMT, Technical Analyst Fawad Razaqzada, Research Analyst Chris Tedder and Market Strategists Matthew Weller and Neal Gilbert.

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The opinions and information in this report are for general information use and are not intended as an offer or solicitation to any product offered.

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GAIN's businesses include FOREX.com, which provides retail traders around the world access to a variety of global OTC financial markets, including forex, precious metals and CFDs on commodities and indices; GTX, a fully independent FX ECN for hedge funds and institutions and OEC, an innovative online futures broker.

GAIN Capital is headquartered in Bedminster, New Jersey, with a global presence across North America, Europe and the Asia Pacific regions. For further company information, visit www.gaincapital.com.

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