

US dollar rally pauses before jobs data, bitcoin trades near record

The dollar backed off a three-month peak on Wednesday, 30 October 2024 as investors waited for key economic data, while bitcoin sat close to a record high as traders raised their bets on a Donald Trump victory in next week's presidential election.

By [Kevin Buckland](#) and [Harry Robertson](#) 30 Oct 2024



Source: Reuters.

Meanwhile, the euro ticked up from a three-month low as inflation and growth data from the euro zone trickled in, and the pound held steady ahead of the new Labour government's first budget.

Mixed US indicators overnight, showing a loosening US jobs market but a confident consumer, provided little clarity on the outlook for Federal Reserve rates, allowing the greenback to drift lower with Treasury yields.

Recently though, economic readings have pointed to a resilient jobs market and economy, spurring traders to pare back their bets on rate cuts. The ADP private employment report is due later in the day, along with third-quarter growth figures, ahead of the potentially crucial monthly employment data on Friday.

The US dollar index, which measures the currency against six major rivals including the yen and euro, was last down 0.1% at 104.16, after reaching the highest since 30 July at 104.63 on Tuesday before finishing the day almost flat.

The 10-year Treasury yield fell to 4.232% on Wednesday, 30 October after reaching the highest since 5 July at 4.339% in the prior session.

"The latest US macro news has dampened the dollar rally," said Francesco Pesole, currency strategist at Dutch bank ING, referring to Tuesday's job openings data.

Yet he added: "We suspect a strong growth print can prevent the macro story from turning dollar-negative before payrolls on Friday."

The dip in Treasury yields pushed the dollar 0.15% lower against the yen to 153.15 yen. The yen was on track for its biggest monthly fall against the dollar since 2022, however, as US economic strength and dwindling expectations of another Bank of Japan rate hike have hit the currency.

Both the dollar and US bond yields have also been buoyed in recent days by rising speculation in markets and on some betting platforms for a victory on 5 November for Republican presidential candidate Trump, whose tariff and immigration policies are seen as inflationary.

That helped leading cryptocurrency bitcoin surge to near its all-time high from March at \$73,803.25, as Trump has vowed to make the United States "the crypto capital of the planet".

The token last changed hands at about \$72,482, after pushing as high as \$73,609.88 in the previous session.

The euro was last up 0.15% at \$1.0836, rising slightly after German growth and regional inflation data came in stronger than expected, causing traders to trim their bets on an outsized 50-basis point rate cut from the European Central Bank in December.

Separate data showed the euro zone economy grew 0.4% in the third quarter, more than the 0.2% expected by economists.

Sterling was flat at \$1.3002, after earlier touching a nine-day peak, ahead of the Labour government's first budget on Wednesday.

Finance Minister Rachel Reeves, along with Prime Minister Keir Starmer, has reiterated the need for tough fiscal measures to help improve Britain's public finances.

They are seeking to retain the confidence of investors, two years after then-Prime Minister Liz Truss' tax-cutting plans sparked a crisis in the bond market.

"It's quite common for aspects of budget announcements to be released (beforehand) but the new Labour government has taken this form to a new level and the scope for a shock today seems more limited than before," said Derek Halpenny, currency strategist at lender MUFG.

The Aussie dollar dropped as low as \$0.6537 for the first time since 8 August, after data showed inflation slowed to a 3-1/2-year low, before trading 0.27% weaker at \$0.6578.

The Reserve Bank of Australia's preferred inflation gauge, the trimmed mean measure, slowed to 3.5% from 4.0% in the third quarter, but service-sector inflation remained elevated.