

Welcome to the start of the week, and the last week before the schools return and the commuters' lot becomes an even less happy one.

The holiday season didn't deter markets last week from ending the week on a positive note. Equity markets globally ended the week in fine style, as investors took the view that economic recovery is well on the way. This was fuelled in no small part by the influential US Federal Reserve Chairman, Ben Bernanke, commenting that recovery was on the way in the States, which was further backed up by some positive US housing statistics out on Friday afternoon. Central Bankers meeting in Wyoming over the weekend kept their public pronouncements very low key, but the sense coming out of the meeting was one of doing what is necessary to keep any fledgling recovery going, and don't expect interest rates to start rising particularly quickly. All this positivity is good, but, as we all know, markets and market reaction can change dramatically from week to week.

Sterling had a volatile week on the exchanges last week, fuelled by the disparity in MPC voting over future QE volumes, and opens up this morning slightly weaker across the board. Statistics wise we have a fairly low key week ahead.