

Forex Symbol «Canadian Dollar vs Polish Zloty» or «CADPLN»

CAD/PLN is popular currency pair at the Forex market. CADPLN is the cross rate against the U.S. dollar. Although the U.S. Dollar obviously is not present at this currency pair, it still has a significant influence on it. This can be seen, if you combine two charts: CADUSD, USDPLN. By combining these two charts in the same price chart, you can get an approximate CADPLN chart.

The U.S. dollar has a significant influence on both currencies. For this reason it is necessary to take into account the major U.S. economic indicators for the correct prediction of a future course of this financial instrument. These indicators include: the discount rate, GDP, unemployment, new created workplaces indicator and many others. It is necessary to note that discussed currencies could respond with different speed on changes in the U.S. economy, therefore, CADPLN currency pair may be a specific indicator of change at these currencies.

Canadian dollar is very dependent on world oil prices. Canada is one of the largest world exporters of oil. For this reason with increasing the oil price, the cost of the Canadian dollar is also increasing, and with decreasing the oil prices, the cost the Canadian dollar is falling. Thus, for the currency pair CADPLN, there is a direct dependence on oil world prices.

Poland intends to continue to introduce the euro in the near future. At the same time, many internal problems that exist in this country (the budget deficit, high external debt, etc.) as well as the global economic crisis prevented this country to introduce European currency on schedule. European Central Bank proposed to the country strict conditions to euro adoption. For this reason Poland will go to EURO until 2014, after fulfilling all requirements.

Poland is a developed industrial country with high living standards. The main economic sectors are engineering, metallurgy, and chemical and coal industries. Poland has well developed automotive and shipbuilding at the shipyards of the Baltic Sea. Poland is rich in mineral resources: coal, copper, lead, natural gas, etc. Due to the large number of hydrocarbons, the Polish economy is able to provide almost all its electricity needs. Factors that could significantly impact on the currency of Poland is an international rating of the state, as well as the state's leading industries of Poland and the European Union.

This trading instrument is relatively illiquid if we'll compare it with major currency pairs, such as: EURUSD, USDCHF, GBPUSD and USDJPY. Therefore, when you make a prognosis for the financial instrument, you should primarily focus on those currency pairs that include a U.S. dollar in tandem with each of the considered currencies.

If you trade cross rates, it is necessary to remember that brokers are usually set a higher spread than the more popular currency pairs, so before you start working with the cross-rates, it should be carefully acquainted with the conditions offered by the broker to trade with specified trade instrument.