

Isabella Rosenberg: We think the dollar should stay strong even if global growth remains resilient. People often believe that when global growth is strong, the dollar should underperform because typically in these environments the US lags countries that investors view as more risky. But not every global growth environment is exactly the same. Just take a look at 2023.

The consensus at the start of the year was for US growth to be about 0.4%, but it's actually on track to grow by about 2.4%. Meanwhile, growth in Europe and China has struggled, so it's no surprise that the majority of cross-border fund flows have been directed into the US, about \$70 billion so far.