

## Forex Symbol «Canadian Dollar vs Norway Kroner» or «CADNOK»

CAD/NOK is popular currency pair at the Forex market. CADNOK 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 USDNOK. By combining these two charts in the same price chart, you can get an approximate CADNOK 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, CADNOK 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 CADNOK, there is a direct dependence on oil world prices.

Norway is one of the leading industrial-agrarian countries. The country occupies the first positions on such economic indicators as quality of life and personal income level. Norway is the third largest producer and exporter of oil and gas. The main source of income of this Scandinavian country is the export of energy resources. In addition, Norway is the leading country in electrometallurgy, electrical engineering, mechanical engineering, etc. In addition, the Norwegian industry is a leading manufacturer of offshore drilling platforms for oil and gas. Also, Norway is a leader in mining and processing a variety of seafood, which are in high demand worldwide, especially in European countries.

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.