

[Forex weekly News](#) - The U.S. dollar boosted against other major currencies after comments from the top Federal Reserve officials indicating potential interest rate hike as early as September. At the Jackson Hole symposium on Friday, the Federal Reserve Chair Janet Yellen commented the case for U.S. interest rate hike has strengthened in recent months with improvements in labor market and to expectations for solid economic growth. She did not indicate when the Fed would proceed but mentioned the higher rate will be decided on upcoming economic data. Fed Vice Chair Stanley Fischer also said Yellen's speech was consistent with expectations for possibly two more rate hikes this year. He also added that the Labor Department's August jobs report will likely weigh on the rate hike decision. The comments from the top two officials opened the door to a September rate hike. The dollar rose more than 0.8% for the day at 95.48 and gained 1.12% for the week.

Japanese yen weakened against the dollar after the release of downbeat consumer prices. In Japan, consumer prices declined by the most in three years in July, giving pressure on Bank of Japan and the government to expand measures to withstand sluggish inflation. USD/JPY soared 1.26% at 101.80 in late trading after hitting 101.94, highest level in in two weeks.

The British pound fell against the greenback but ended the week higher amid easing concerns over the economy in the wake of Brexit. On Friday, the data confirmed that the U.K. economy grew by 0.6% in the second quarter and 2.2% on annual basis. The data indicated that

the economy was in healthy condition ahead of the Brexit referendum. GBP/USD traded at 1.3140, down 0.4% for the day and up 0.5% for the week. Meanwhile, the euro fell 0.77% against the dollar and traded at 1.1195, lowest level in two weeks. The euro tumbled 1.13% against the dollar on the week.

In the week ahead, investors will be focusing to U.S. economic reports to indicate better on the health of the economy for withstanding further rate hikes in short coming months. Friday's nonfarm payrolls will be closely watched. Elsewhere, China is to release data on its manufacturing sector. Investors will also be attentive to the U.K.'s manufacturing and construction data for gauging economy's strength amid ongoing effect over Brexit.

### **Weekly Events and Forecasts**

Ahead of the coming week, Solforex has compiled a list of these and other significant events likely to affect the markets.

Monday, August 29

Markets in the U.K. are closed for a national holiday. The U.S. is to publish data on personal income and expenditure.

Tuesday, August 30

Japan is to release data on household spending, unemployment rate and retail sales. Australia is to report on building approvals. Euro zone is to publish data on consumer prices. The U.K. is to release data on net lending. Canada is to report on the current account. The U.S. is to produce data on consumer sentiment.

Wednesday, August 31

New Zealand is to release data on business confidence. Australia is to publish data on private sector credit. Germany is to report on movements in employment and retail sales. Euro zone is to produce data on unemployment rate and consumer price inflation. Canada is to report on its monthly GDP. The U.S. is to release ADP nonfarm payrolls report followed by data on pending home sales and business activity in Chicago region.

Thursday, September 1 China is to release data on manufacturing and service sector activity followed by Caixin manufacturing index. Japan is to release data on capital expenditure. Australia is to publish data on retail sales and product index. The U.K. is to produce data on manufacturing. Euro zone is to release PMI manufacturing. The U.S. is to release bundle of data on weekly initial jobless claims, nonfarm sector productivity, PMI manufacturing, ISM manufacturing and ISM purchase price index. Friday, September 2

The U.K. is to publish data on construction index. Euro zone is to release data on producer price inflation. Canada is to publish its trade balance. The U.S. is to report on trade balance, non-farm payrolls, and durable goods orders.

[Solforex Forex broker](#)

Review and Forex Rebates up to 85%