

Forex Daily News(2016.02.18)

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[Dollar holds steady after mixed U.S. data](#)

The U.S. dollar slightly fell against other major currencies after the release of U.S. economic data showing mixed figures. The U.S. Commerce Department said that housing starts fell 3.8% at 1.099 million units last month from December's 1.143 million units, disappointing expected 2.5% rise to 1.170 million. Also, the building permits declined 0.2%, below 0.1% drop expected. The U.S. producer prices however scaled up 0.1% last month, much better than 0.2% drop seen and after 0.2% decline in December. The core producer price index moved up by 0.4% in January. Investors were more focused to the Federal Reserve's meeting. The Federal Reserve said that industrial production beat the expectations by increasing 0.9%, indicating improvement in the economy that the central bank could accelerate the pace of tightening in near future. The greenback fell 0.02% to 96.88.

[The yen gains despite lower trade balance](#)

In Japan, the trade balance for January came in at ¥646 billion, below the ¥680 billion expected with imports falling 18% and exports dropping 12.9%. Bank of Japan board member Koji Ishida said on Thursday that the prolonged financial market turmoil would impact on real economy, although risk aversion is unlikely to trigger a global financial crisis as in the past. USD/JPY changed hands at 113.87, down 0.20%.

[Aussie falls after disappointing employment report](#)

The Australian dollar fell against the dollar on Thursday after the employment data showing declines in most sectors. The jobs fell by 7,900 jobs after 15,000 jobs added in January. Also, the unemployment rate was increased at 6.0%, worse than 5.8% expected. The Capital Economic noted that the decline in employment in Australia could be a continuous movement of data to reality after strong gains last year rather than impact from concerns over global economy. AUD/USD eased 0.28%, traded at 0.7164.

[Chinese yuan gains with improved prices data](#)

In China, consumer prices rose 0.5% in January as expected at the same level as December. For a year-on-year basis, the consumer prices gained 1.8%, near 1.9% increase expected and above 1.6% in previous month. Producer prices fell 5.3%, improving from 5.9% decline in previous month and 5.4% drop expected. Analysts noted that pickup in inflation last month is mostly seasonal, such as food prices rising sharply ahead of Chinese New Year. The Chinese yuan traded higher against the dollar at 6.5152 on Thursday.