

## **Weekly Forex News (2016.03.07)**

**Source:** [SolForex Broker \(Rview and Forex Cashback Up to 85%\)](#)

**The dollar fell broadly against other major currencies on Friday after the release of mixed U.S. labor data for February. The Labor Department reported that the U.S. economy added 242,000 new jobs last month, way above the forecast of 190,000. The unemployment rate was in line with the expectation at 4.9% at an eight-year low rate. But the average hourly earnings dropped by 0.1% and it lowered the yearly gain in earnings to 2.2% from 2.5% in January. The weak wage dampened the expectation for the Federal Reserve to raise interest rates again in short term. The trade balance for January also came in lower at -\$457 billion with 2.1% drop in export and 1.3% drop in import. Fed policy makers are watching inflation closely for the determination of their monetary path. The U.S. dollar fell 0.85% weekly at 97.34. EUR/USD rose by 0.45%, traded at 1.1004. USD/JPY stayed flat, traded at 113.76.**

**Commodity linked currencies were generally bullish with rally in commodity prices.**

**Canadian dollar hit three-month highs, supported from solid domestic trade that reduced ongoing expectations for the Central bank to lower the rate. The Australian dollar and New Zealand dollar also rose more than 1%. But the Australian dollar fell in early Asia on Monday after the release of disappointing construction data. The AIG construction index came in at 46.1 for February from 46.3 in previous month. AUD/USD dropped by 0.28%,**

traded at 0.7417. In the week ahead investors will be focusing on Thursday's European Central Bank meeting. The ECB disappointed expectations for the quantitative easing program with smaller than expected stimulus move in December. Also, Bank of Canada and Reserve Bank of New Zealand will hold monetary policy meeting. In the weekend China is to release bundle of data followed by the trade balance on Tuesday. Investors will be attentive to the figures for indicating outlook for global economic health amid concerns for the world's second largest economy is on bumpy landing.

### 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, March 7** Japan is to release composite leading index. In Australia, AIG is to report on construction activities. Germany is to publish data on factory orders. In the Eurozone, Sentix is to report on investor confidence. The U.S. is to release labor market conditions index. Federal Reserve members Lael Brainard and Stanley Fischer are to speak at an event in Washington.

**Tuesday, March 8** In Australia, NAB is to report on business confidence. Japan is to release data on finalized fourth quarter GDP growth followed by data on consumer confidence and bank loans. China is to produce its trade balance. Germany is to publish data on industrial production. Eurozone is to

**release revised fourth quarter GDP growth. Canada is to release data on building permits. The U.S. is to publish the red-book followed by data on small business confidence.**

### **Wednesday, March 9**

**Australia is to release data on home loans and NFIB's report on consumer sentiment. The U.K. is to publish data on industrial productions. Bank of Canada is to hold monetary policy meeting and announce its benchmark rate and give rate statements. The U.S. is to release data on mortgage applications and wholesale inventory.**

**Thursday, March 10 Japan is to publish data on producer price inflation. Australia is to release data on MI inflation for February. The Reserve Bank of New Zealand is to hold monetary policy meeting and announce its benchmark interest rate and give rate statements. China is to release data on consumer and producer prices inflation followed by data on initial loans. Germany is to report on its trade balance. In the Eurozone, the European Central Bank is to hold monetary policy meeting and determine its stimulus asset buying. The U.S. is to release its weekly initial jobless claims.**

**Friday, March 11 Germany is to release data on consumer price inflation. The U.K. is to publish report on trade balance. Canada is to release its monthly employment report. The U.S. is to publish data on import and export prices. In the weekend, China is to release data on industrial production and retail sales.**