

Market Review for March 10, 2016 Source: [Vinson Financials Broker \(Review and Forex Rebates Up to 85%\)](#) During Asian session New Zealand surprise the markets by announcing 25bps cut in the Official Cash Rate today. RBNZ commented in the statement that followed that outlook for global growth has deteriorated since the December Monetary Policy Statement, due to weaker growth in China and other emerging markets, and slower growth in Europe. All the above consist a downside risk for New Zealand economy and decided to intervene to so its avoid further pressures for the domestic risks in country's dairy sector, declining inflation expectation and the house market. RBNZ also continued to be easing bias and noted that further policy easing may be required to ensure that future average inflation settles near the middle of the target range. NZD/USD dropped to 0.6620 area but recovered and now trading near 0.6670. ECB rate decision and press conference is the main focus today. The central bank is widely expected to launch extra stimulus measures and also lower the deposit rate by at least -0.1% to -0.4%. The size of the asset purchase program could also be increased to EUR 70 billion by adding another 10 billion per month. Nonetheless the market is expecting ECB to act and any surprise on the expected stimulus would have large impact on EUR similar to December meeting where Draghi "disappointed" markets speculators with smaller than expected stimulus. Remember that that action pushed EUR/USD from near to 1.05 to above 1.13 in February. Nonetheless EURUSD will have the main support at 1.0970-1.0950 level from where scalpers

could take retracement and correction wave opportunities on bullish comments from Draghi side, however if the support breaks below the level of 1.0940 level the market sentiment is likely to follow a bearish direction that may lead to EUR/USD at fresh low near 1.0800.

Nonetheless caution is needed. Elsewhere we need to mention that Canada central bank kept the Overnight Rate unchanged to 0.5% that helped CAD to strengthen overnight. In the accompany statement, BOC commented that economic outlook is broadly the same as the January. Neutral stance was maintained on monetary policy, but the impact of the upcoming federal budget's fiscal measures will be incorporated into next projection to be published in April. Other news that trader must monitored today are the Unemployment Claims from US. In economic releases we had so far the below:

Currency		Actual	Forecast
JPY	PPI y/y	-3.40%	-3.40%
AUD	MI Inflation Expectations	3.40%	
GBP	RICS House Price Balance	50%	52%
CNY	CPI y/y	2.30%	1.80%
CNY	PPI y/y	-4.90%	-4.90%
EUR	French Final Non-Farm Payrolls q/q	0.20%	0.20%
EUR	German Trade Balance	18.9B	19.2B
EUR	French Industrial Production m/m	1.30%	0.80%
EUR	Italian Quarterly Unemployment Rate	11.50%	11.50%

View our full [economic calendar](#) for a daily roundup of major

economic events. **Data releases to monitor:** EUR: Minimum Bid
Rate, ECB Press Conference USD: Unemployment Claims, BOC
Gov Poloz Speaks CAD: NHPI m/m, Capacity Utilization Rate,