

Market overview 17 March 2016 Source: [ACFX Forex](#)

[Broker\(Review and Forex Rebates Up to 85%\)](#) The US dollar tumbled on the FOMC statement last afternoon when policymakers decided to revise down monetary policy targets, set according to the much-discussed dot plot. Even though the benchmark interest rate remained unchanged, the promised earlier four rate hikes this year were reduced to two, as the country's economic growth and inflation expectations were also downgraded. According to the statement, a risk from the global economic and financial developments persists, with the local jobs market needing some improvements. The US stock market had an edgy start of the year and despite some improvements, still trading downtrend scenario. That could suggest tightening the monetary policy will be too early for now. Even though Federal Reserve remains flexible with their action and ready to respond whenever it is necessary, it is nevertheless not an option to consider the negative interest rates yet. The US Dollar Index declined to a one-month low, reaching 95.55 level last afternoon. Oil prices resumed the upward trend, with the WTI trading above 40.80 levels this morning. Gold reacted positively too, as investors are looking for a safe harbour for their investments. The precious metal returning to trade within recently breached uptrend channel when it reached 1263.75 on the news. Today, traders' attention will switch to the interest rate decision and the monetary policy summary by the Bank of England at 12:00 pm London's time. The rate is expected to stay without changes at 0.5%. Volatility in GBP pairs could be observed.