Solforex Weekly News(2016.04.04) Source: SolForex Broker (Review and Forex Rebates Up to 85%) The U.S. dollar closed the week with almost five-month lows against other major currencies on Friday despite stronger than expected economic reports. Investors weighed more to Federal Reserve's dovish stances last week that the rate hike by Fed is less likely to be implemented in short-term. The U.S. Labor Department reported that the economy added 215,000 jobs last month, above the expectation of 205,000 jobs growth seen. The unemployment rate slightly went up to 5% from eight year low of 4.9% but it was seen as more people entered into the labor market. The average hourly earnings also rose by 7 cents following 2 cents drop in February. The ISM manufacturing index rose to 51.8 from 49.5 in previous month, showing first expansion in six months as new orders increased. The upbeat reports however did not alter investors' expectations for Fed to remain cautious on monetary tightening as dovish comments were made by Fed members last week. The dollar itself closed the week down 1.65% with quarterly drop of 4.16%.
The euro hit fresh five-month highs against the greenback on Friday with Federal Reserve's cautious movements. The EUR/USD pair hit 1.1437 before settling at 1.1389 in late trade with upbeat U.S. data. The euro has surged almost 5% against the U.S. counterpart as ongoing concerns on a sharp divergence in monetary policies are now fading. The euro shrugged off friction between the Greek government and the IMF on Monday, rising 0.09% to 1.1399. In the Eurozone, the manufacturing PMI rose to 51.6 in March from 51.4 in the previous

month. The U.K. manufacturing rose to 51.0 in March, below the expected increase to 51.2. The euro was sharply higher against British pound, with EUR/GBP pair rallying 1.01% at 0.8004 on Friday. The Australian dollar fell in Asia on Monday morning with disappointing economic data. In Australia, the MI inflation gauge for March was flat after 0.2% monthly drop in February. Also, building approvals for February jumped 3.1%, from the 2.0% gain seen monthly. The private house approvals dipped 1.2% in February and retail sales were also flat compared to 0.4% gain seen. AUD/USD traded at 0.7643, down 0.49. Elsewhere, the save haven yen rose against the dollar at 111.55 and Swiss franc also gained against the U.S. counterpart at 0.9580, up 0.38%. In the week ahead, market players will be paying close attention to the Fed's March meeting minutes giving insights how officials digest the economic outlook. Also, there will be trade, manufacturing and service sector report releases in the U.S for further indication on the health of the economy.

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, April 4 Markets in China are shut for the national holiday. Japan is to release data on reserve base. Australia is to release data on MI inflation, building approvals and retail sales. The U.K. is to release data on construction sector. In the Eurozone, Sentix is to report on investor sentiment followed by data releases on producer

prices and unemployment rate. The U.S. is to publish data on labor market condition index and factory orders. Tuesday, April 5 Japan is to release data on PMI service sector. Australia is to publish data on service sector and trade balance, followed by the central bank's recent meeting minutes. Germany is to release data on factory orders. The Eurozone is to publish data on PMI service sector and retail sales. The Bank of England is to release its recent monetary policy meeting minutes. The U.S is to produce bundle of data on trade balance, PMI service activity and ISM non-manufacturing index. Canada is to release its trade balance. Wednesday, April 6 China is to publish Caixin index on service sector. Germany is to release data on industrial production, construction activity, and retail sales. The Eurozone is also to publish retail sales data. In the U.S., the Federal Reserve is to release its recent monetary policy meeting minutes. Thursday, April 7 The Swiss National Bank is to release its foreign currency reserves. Australia is to release data on construction activity. The U.K. is to publish data on house price index. In the Eurozone, the European Central Bank is to publish its recent monetary policy meeting minutes. Canada is to release data on building permits. The U.S. is to produce data on weekly initial jobless claims and consumer sentiments. Friday, April 8 Japan is to release data on consumer sentiment. Germany is to publish data on trade balance and current account. The U.K. is to release data on manufacturing production. Canada is to publish monthly report on employment and followed by data on new starts. The U.S. is to close

the week with the wholesale inventory data.