

Weekly Forex News - Japanese yen slightly shortened the loss in Asia on Tuesday while investors await comments from the Bank of Japan and the Federal Reserve this week on their monetary policies. The yen had a steep drop of 2.1% last Friday after Bloomberg said the Bank of Japan could expand its negative interest rate at the monetary policy meeting on Thursday. There are views from some investors that the central bank will not extend further easing measures as the impact of the negative rate policy started in January is still being assessed. It is widely expected that the BoJ is to cut its forecast on growth and inflation as current strong yen and earthquake this month encumbered supply chains. USD/JPY traded at 111.15, shortened 0.04%. The U.S. dollar remained broadly lower against other major currencies after release of downbeat housing data. The U.S. Commerce Department reported new home sales dropped by 1.5% at 511,000 units last month. Also, February new home sales were revised to 0.4% decline at 519,000 units, from previous reading of 2.0% gain. Investors await the Federal Open Market Committee's meeting to indicate further on the pace of future rate hikes. The dollar was volatile in recent weeks after dovish comments from Fed members that the central bank will remain on cautious move toward next rate hike due to backlash from global financial markets. The dollar dropped 0.40% against other major currencies at 94.73. The euro rose modestly against the dollar as investors continued to wait for the start of FOMC meeting. In the Eurozone, German Ifo Institute reported that the business climate

index in April fell by 0.1% to 106.6, below 107.0 seen. EUR/USD gained 0.36%, traded at 1.1263. The British pound also rose as the Brexit concerns ebbed. The U.S. President Obama warned in the weekend that Britain would be at the “back of the queue” to arrange a trade deal with the U.S. in the event of Brexit. GBP/USD gained 0.59% at 1.4489. USD/CHF pair also slid 0.42% to 0.9747.

Commodity related currencies were generally firm, with AUD/USD rising 0.16% to 0.7723 and NZD/USD adding 0.10% to 0.6860 while markets in Australia and New Zealand were closed for Anzac day on Monday. There is also the Reserve Bank of New Zealand’s rate decision on Thursday. USD/CAD held steady at 1.2671. In the week ahead, investors will pay attention to the euro zone’s preliminary data on first quarter growth and inflation. Wednesday’s FOMC meeting will be also in focus for further indication of future monetary tightening path. Bank of Japan’s rate statement on Thursday will be also closely watched.

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.

Tuesday, April 26 The U.S. is to release bundle of data on durable goods orders, consumer confidence, PMI service sector and Richmond region manufacturing. Bank of Canada Governor Stephen Poloz is to speak at an event in New York. Wednesday, April 27 New Zealand is to publish report on the trade balance. Japan is to release data on industrial activity. China is to release industrial product

index. Australia is to publish data on consumer price inflation for first quarter. The U.K. is to report on first quarter GDP growth. Germany is to release data on import and export prices and retail sales. The Federal Reserve is to release the minutes of FOMC meeting and announce its benchmark rate and publish its rate statement.

Thursday, April 28 The Reserve Bank of New Zealand is to announce its benchmark rate and publish rate statement. Bank of Japan is to release the monetary policy meeting minutes followed by the rate announcement. Japan is also to publish bundle of data on household spending, core consumer price inflation, retail sales, unemployment rate, and housing starts. Germany is to release data on consumer price inflation. The U.S. is to report on first quarter GDP growth and weekly initial jobless claims. Friday, April 29

Markets in Japan are closed for Showa Day holiday. Australia is to release data on producer price inflation. Eurozone is to report on unemployment rate, core consumer prices, and first quarter GDP growth. Germany is to publish data on retail sales. Canada is to release its monthly report on GDP. The U.S. is to publish reports on personal income and expenses, core PCE prices, and Chicago region manufacturing.

Source: [SolForex Broker \(Review and Forex Rebates Up to 85%\)](#)