

WEEKLY ECONOMIC CALENDAR AHEAD

Here is what you need to know about the important news between **March 14th 2022 and March 18th 2022**, where we take a look at the economic data, market news and headlines likely to have the biggest impact on the market prices this week and beyond, as well as the US Dollar, and other key correlated assets.

It's been another volatile week in financial markets with events in and around Ukraine continuing to dominate. Sentiment is still very headline-driven, and an enormous amount of uncertainty remains around the outcome of talks between Ukraine and Russia and the sanctions being imposed on the latter by the West. Oil prices remain high, and inflation continues to spike.

An interesting open to the new week, reflected on EURUSD showing the EUR is becoming stronger than the greenback while waiting for the Rate hike on Wednesday.

The **U.S. dollar index** also known as DXY, is used by traders seeking a measure of the value of USD against a basket of currencies used by US trade partners. The US Dollar had another strong week, adding +0.63%, its fifth consecutive weekly gain in a row, and seventh over its past eight.

The US 10-year yield managed to push above the critical and psychological 2% mark but closed on Friday below it, at 1.997%. Yields rise when investors sell bonds, something that generally occurs when their appetite for risk increases, and they rotate into stocks. But given that equities are currently seeing their worst rout in years, that's not what's happening right now. Rather, the outlook for higher rates via the Fed renders current Treasury pay-outs in longer-dated bonds unsatisfactory.

Gold continues to rise despite a stronger dollar. The precious metal gained 0.94% in value over the course of the past week.

Oil surged around 3% on Friday, crude oil will continue to be a volatile asset for the foreseeable future. Prices drastically declined last Wednesday on the back of comments of supply increases that were later invalidate.

Equity markets faces more headwinds as inflation soars, Ukraine crisis deepens. The Dow Jones Industrial Average declined 2% last week, the S&P 500 Index lost 2.88%, closing at its lowest weekly level since the week of June 14, and the Nasdaq Composite decreased 3.87%, making it the underperformer among major US indices. The benchmark is down 19.74% from its Nov. 19 record, now hovering a mere 0.26% from a confirmed bear market.

Central Bank

US Federal Reserve (FED)

The US Federal Reserve is expected to finally start fighting inflation by ending QE and delivering a quarter-point rate hike, it's expected increase interest rates by a quarter percentage point (25bps) this week, after years of rates hovering near zero. Given the impact of the war in Ukraine, expectations are high that inflation will continue to heat up over the next couple of months and that should keep the pressure on the Fed to raise rates. However, policymakers could surprise in their forecasts for future rate hikes, or their take on the path of inflation, or their views on the US economy in general. Or market reactions could surprise policymakers and pundits. Either way, the Fed's first-rate hike since before the pandemic is newsworthy.



European Central Bank (ECB)

The ECB is opted to proceed as planned and announced a tapering of asset purchases, the ECB turned more hawkish than the market was expecting in announcing a quicker than expected end to its money-printing program. This is because it needs to start hiking rates this year. It will start tapering its asset purchases though in order to get to grips with record levels of inflation. Markets are still pricing in 30-40 basis points of hikes this year. We'll get an update on inflation this week as the final HICP data is released on Thursday.

Bank of England (BOE)

The Bank of England has been ahead of the game when it comes to rate rises. Two rate rises since December has put base rates back to 0.5%, still below the levels they were pre-pandemic. With the labor market firing on all cylinders, inflationary pressures heating up, and the latest business surveys pointing to an acceleration in growth. BoE are expected to do the same with rate hikes on Thursday—the third consecutive 25 basis point increase—and will probably pave the way for at least one more at the following meeting. The risks to the outlook are clearly tilted to the downside but inflationary pressures are strong and the central bank is determined to get to grips with domestic forces before it's too late.

The Bank of Japan (BOJ)

The Bank of Japan will also meet on Friday, but don't expect much. The world's third-largest economy has barely escaped deflation, wages aren't rising, and consumers will get squeezed considering the nation's reliance on energy imports.

Other important economic data is as follows: (All times listed are GMT+0)

Monday, March 14, 2022

No important economic data

Tuesday, March 15, 2022

00:00: Australia –RBA Meeting Minutes

02:00: China – Industrial Production

07:00: UK – Claimant Count Change

10:00: Germany – ZEW Economic Sentiment

12:30: US – PPI

Wednesday, March 16, 2022

12:30: Canada –February Core CPI

13:30: US – Core Retail Sales

13:30: US –Business Inventories MoM (JAN)

14:00: US – Retail Sales

17:30: US – Crude Oil Inventories: last week's release showed a drawdown of -1.863M.

18:00: US – FOMC Economic Projections, Statement, Interest Rate Decision: forecast to rise 25 basis points to 0.5%

18:30: US – FOMC Press Conference

Thursday, March 17, 2022

00:00: Australia – Employment Change (FEB)

00:00: Australia – Unemployment Rate (FEB)

09:30: Eurozone – ECB President Lagarde Speaks

10:00: Eurozone – CPI

12:00: UK – BoE Interest Rate Decision: predicted to rise to 0.75% from 0.50%.

12:30: US – Building Permits

Friday, March 18, 2022

03:00: Japan – BoJ Interest Rate Decision

12:30: Canada – Retail Sales MoM

15:00: US – Existing Home Sales, CB Leading Index MoM (FEB)

Thanks for reading! Have a great week!

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