
Asian equities edge up, Australian market gains following more dovish RBA stance – Investing.com

Description

Asian stocks mostly rose on Tuesday as optimism about a potential decline in U.S. interest rates persisted. Japan and South Korea outperformed their peers after a long weekend, with Japan's Nikkei and South Korea's KOSPI rising by 1.2% and 1.9% respectively. The gains were driven by softer-than-expected U.S. data and strong performances in the technology sector.

Australian stocks also saw gains, with the ASX 200 rising by 1.2% after the Reserve Bank of Australia struck a less hawkish tone than anticipated. The bank mentioned that Australian inflation may take longer to reach its target, easing concerns about further rate hikes.

While other Asian markets saw more limited gains, traders remained hopeful for potential interest rate cuts by the Federal Reserve. However, uncertainty remained as Fed officials suggested they needed more convincing that inflation was decreasing. Overall, the mood in Asian markets was cautiously optimistic, with investors awaiting more cues on U.S. rates from upcoming Federal Reserve speeches.

Vocabulary List:

1. **Optimism** // (noun): Hopefulness and confidence about the future.
2. **Persisted** // (verb): Continued firmly in a course of action in spite of difficulty or opposition.
3. **Outperformed** // (verb): To perform better than someone or something else.
4. **Hawkish** // (adjective): Showing an aggressive attitude in politics or foreign affairs especially favoring military action.
5. **Cautiously** // (adverb): In a way that shows care and consideration before taking action.
6. **Cues** // (noun): A signal or prompt for action.

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What term is used to describe a rapid increase in the price of securities or other assets?
Option: A. Inflation
Option: B. Rally
Option: C. Confidence

Option: D. Decline

2. What term refers to the Federal Reserve's reduction of its balance sheet and absorbing cash from the financial system?

Option: A. Quantitative Tightening (QT)

Option: B. Labor Market

Option: C. Buyback

Option: D. Infrastructure

3. What term describes the movement of funds from one financial asset or entity to another?

Option: A. Hawkish

Option: B. Outflow

Option: C. Inflow

Option: D. Forecast

4. What term denotes a positive outlook or belief that things will generally turn out well?

Option: A. Stability

Option: B. Optimism

Option: C. Quantitative Easing (QE)

Option: D. Hawkish

5. What index represents the 100 companies listed on the London Stock Exchange with the highest market capitalization?

Option: A. FTSE 100

Option: B. Stoxx 600

Option: C. Treasury Securities

Option: D. Mortgage-Backed Securities (MBS)

6. What term refers to the ease with which an asset can be bought or sold in the market without affecting its price?

Option: A. Unpredictable

Option: B. Liquidity

Option: C. Cautiously

Option: D. Disruptions

7. Which financial instrument represents the debts of the U.S. government and is considered one of the safest investments?

Option: A. Inflows

Option: B. Treasury Securities

Option: C. Decline

Option: D. Outperformed

8. What economic term describes the increase in prices of goods and services over time?

- Option: A. Inflation
- Option: B. Labor Market
- Option: C. Buyback
- Option: D. Forecast

9. Which sector includes all those who are voluntarily seeking employment and job opportunities?

- Option: A. Quantitative Tightening (QT)
- Option: B. Labor Market
- Option: C. Buyback
- Option: D. Infrastructure

10. What term describes a continuous period of a particular kind of success or luck?

- Option: A. Stability
- Option: B. FTSE 100
- Option: C. Streak
- Option: D. Forecast

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. Investors who have high _____ in the market are more likely to invest in risky assets.
12. Economists use various models to _____ economic trends in the upcoming years.
13. A share _____ is a corporate action where a company buys back its own shares from the market.
14. Building new roads and bridges is an example of investing in _____ development.
15. Despite the market challenges the company _____ in its expansion plans.
16. A central bank is considered _____ if it signals an intent to raise interest rates.
17. Investors are now _____ watching for signs of economic slowdown.
18. Technological _____ have reshaped many industries in recent years.
19. The central bank provides liquidity _____ to stabilize financial markets during crises.
20. The tech sector _____ all other sectors in terms of stock performance last year.

**Matching Sentences (Match each definition to the correct word from the vocabulary list.)**

21. Foreign investments and capital are examples of into a country.
22. During the financial crisis there was a significant of funds from the banking sector.
23. The index includes stocks from 17 European countries providing a broad market view.
24. Central banks implement to stimulate the economy by buying financial assets.
25. These financial products played a significant role in the 2008 financial crisis due to their default risks.
26. Economists analyze data to make a about the future direction of the economy.
27. Economists aim to achieve price to support sustainable economic growth.
28. Market reactions to political events can be highly leading to volatility.
29. Investors assess various factors before making investment in the market.
30. A market can be triggered by positive economic news or strong corporate earnings.

Answer

Multiple Choice: 1. B. Rally 2. A. Quantitative Tightening (QT) 3. B. Outflow 4. B. Optimism 5. A. FTSE 100 6. B. Liquidity 7. B. Treasury Securities 8. A. Inflation 9. B. Labor Market 10. C. Streak

Gap-Fill: 11. Confidence 12. Forecast 13. Buyback 14. Infrastructure 15. Persisted 16. Hawkish 17. Cautiously 18. Disruptions 19. Facilities 20. Outperformed

Matching sentence: 1. Inflows 2. Outflow 3. Stoxx 600 4. Quantitative Easing (QE) 5. Mortgage-Backed Securities (MBS) 6. Forecast 7. Stability 8. Unpredictable 9. Decisions 10. Rally

CATEGORY

1. Business - LEVEL2

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