
Markets received a temporary respite from Jerome Powell, but it quickly disappeared.

Description

Traders on Wall Street initially celebrated when Federal Reserve Chair Jerome Powell hinted at no imminent interest rate hikes, despite inflation concerns. However, the excitement was short-lived as Powell did not explicitly suggest a rate cut was on the horizon either. This uncertainty led to a reversal in equities and a modest decline in Treasury yields, indicating that the market remains cautious.

Powell's remarks underscore a shift in sentiment from earlier in the year, when rate cuts were anticipated. Recent strong economic data has caused investors, particularly in the Treasury market, to fear a potential change in Fed policy towards a more hawkish stance.

The market's reaction to the possibility of no rate hikes reflects this newfound concern. Looking ahead, upcoming economic data, including the April jobs report and inflation figures, will be crucial in determining the Fed's next move.

Despite Powell's assurance that cuts are more likely than hikes, the market's response remains uncertain. Analysts suggest that while the recent bond relief rally makes sense, further gains may be limited due to the ongoing dependence on economic data.

Overall, investor sentiment remains cautious as they await further clarity on the Fed's monetary policy direction in the coming months.

Vocabulary List:

1. **Imminent** // (adjective): About to happen soon.
2. **Explicitly** // (adverb): Clearly and directly stated.
3. **Hawkish** // (adjective): Supporting the use of force in political relationships rather than discussion or agreement.
4. **Relief rally** // (noun): A sharp increase in the price of stocks or other assets after a period of decline.
5. **Clarity** // (noun): The quality of being clear and easy to understand.
6. **Monetary** // (adjective): Relating to money or currency.

Vocabulary quizzes

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



1. What is the process of ensuring compliance with laws and regulations?

- Option: A) Scrutinized
- Option: B) Enforcement
- Option: C) Stagnation
- Option: D) Fraud

2. Which term refers to the rate at which the general level of prices for goods and services rise eroding purchasing power?

- Option: A) Indications
- Option: B) Inflation
- Option: C) Dip
- Option: D) Settlement

3. What term relates to or affecting the policy of a government towards the value of its currency?

- Option: A) Milestone
- Option: B) Monetary
- Option: C) Relief rally
- Option: D) Gatekeepers

4. Which term describes a policy stance that advocates raising interest rates to keep inflation in check?

- Option: A) Explicitly
- Option: B) Hawkish
- Option: C) Fraud
- Option: D) Suspended

5. What refers to wrongful or criminal deception intended to result in financial or personal gain?

- Option: A) Enforcement
- Option: B) Fraud
- Option: C) Documentation
- Option: D) Imminent

6. Which term refers to the necessary paperwork or evidence that supports a transaction or decision?

- Option: A) Settlement
- Option: B) Documentation
- Option: C) Streak
- Option: D) Clarity

7. What term describes a situation that has increased in intensity scope or scale?

- Option: A) Indicators
- Option: B) Escalated
- Option: C) Imminent
- Option: D) Relief rally

8. Which term denotes a significant event or stage in a process or development?

- Option: A) Robust
- Option: B) Milestone
- Option: C) Settlement
- Option: D) Gatekeepers

9. What term refers to the act of temporarily barring someone or something from an official position or privilege?

- Option: A) Anticipated
- Option: B) Suspension
- Option: C) Relief rally
- Option: D) Fraud

10. What term describes the act of looking forward to or expecting something with pleasure or excitement?

- Option: A) Robust
- Option: B) Anticipation
- Option: C) Monetary
- Option: D) Gatekeepers

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

11. The economy experienced prolonged _____ leading to a decrease in business activity.

12. The instructions were _____ stated in the manual leaving no room for confusion.

13. Investors are eagerly _____ news of the company's quarterly earnings report.

14. The company enjoyed a period of _____ growth expanding its market share

significantly.

15. After the positive economic data was released the stock market experienced a _____

16. The compliance officers acted as _____ ensuring that all regulatory requirements were met.

17. The natural disaster had a _____ impact on the infrastructure of the region.

18. The demand for the new product _____ following a successful marketing campaign.

19. Early _____ suggest a downturn in consumer confidence for the upcoming quarter.

20. The employee was terminated for _____ company records to cover up financial discrepancies.

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

21. The financial statements were carefully examined and reviewed for accuracy and compliance.

22. Rising prices of essential goods and services contribute to the country's overall inflation rate.

23. The weather forecast warned of an thunderstorm approaching the region.

24. The new regulations were to ensure compliance by all businesses operating within the sector.

25. An independent was hired to conduct a thorough review of the company's financial records.

26. The legal dispute between the two parties was resolved through a negotiated agreement.

27. The revised policy provided greater on reporting requirements for the employees.

28. The IT security team acted as the of the organization ensuring data privacy and protection.

29. The conflict showed signs of when negotiations broke down between the two parties.

30. The regulatory authorities initiated an investigation into potential cases of within the banking sector.

Answer

Multiple Choice: 1. B) Enforcement 2. B) Inflation 3. B) Monetary 4. B) Hawkish 5. B) Fraud 6. B) Documentation 7. B) Escalated 8. B) Milestone 9. B) Suspension 10. B) Anticipation

Gap-Fill: 11. stagnation 12. explicitly 13. anticipating 14. robust 15. relief rally 16. gatekeepers 17. devastating 18. surged 19. indications 20. falsifying

Matching sentence: 1. scrutinized 2. inflation 3. imminent 4. enforced 5. auditor 6. settlement 7. clarity 8. gatekeepers 9. escalation 10. financial fraud



CATEGORY

1. Business - LEVEL4

Date Created

2024/05/02

Author

aimeeyoung99

ESL-NEWS.COM