

# Powell Ready to Maintain Fed's High-For-Longer Strategy

## Description

Jerome Powell's upcoming remarks will be closely scrutinized by investors to determine how long the Federal Reserve will wait before making any decisions on cutting interest rates. In his previous speech, Powell hinted at the possibility of keeping borrowing costs high for a longer period due to stagnation in inflation reduction and the strong labor market. With the latest price data showing persistent underlying inflation and expectations of a robust employment report, it is unlikely that Powell will change his stance.

Following the Fed's rate decision on Wednesday, where rates are expected to remain high, investors are anticipating at most two rate cuts by the end of the year. The monthly jobs report will provide further insights into the US labor market's status. Additionally, updates on employment costs, job openings, and manufacturing figures will be released.

Internationally, Canada's GDP data for February may indicate a slight economic boost, giving the Bank of Canada more options for policy adjustments. In Europe, data on inflation and economic growth are expected to show positive trends. In Asia, China's manufacturing activity, trade figures from various countries, and Japan's industrial output data will be closely watched.

Overall, global economic indicators suggest a mixed outlook with varying trends across different regions. Central banks in various countries, including Turkey, Malawi, and Norway, will make monetary policy decisions in line with their respective economic conditions. Latin American countries like Mexico, Brazil, Chile, Peru, and Colombia are also expected to release key economic indicators, influencing their monetary policy decisions.

## Vocabulary List:

1. **Scrutinized** // (verb): Examined or inspected closely and thoroughly.
2. **Stagnation** // (noun): A state of little or no growth or advancement.
3. **Inflation** // (noun): The rate at which the general level of prices for goods and services is rising.
4. **Robust** // (adjective): Strong and healthy vigorous.
5. **Indicators** // (noun): Factors or conditions that can be observed or measured and help determine the state or level of something.
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



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9. escalation 10. financial fraud

## CATEGORY

1. Business - LEVEL4

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