

Asian currencies slip against dollar after solid US jobs data
Malaysian Insider
10 March, 2014

The US dollar is on the rise today while Asian currencies fell after the release of the US nonfarm jobs data. Most Asian currencies fell today as the dollar rose after US nonfarm payrolls increased more than expected, and as Chinese trade data added to worries of a slowdown in the world's second-largest economy.

Moves in the Chinese yuan also weighed on Asian currencies. China's central bank fixed the yuan's mid-point at a much lower level than Friday's fix.

That helped spur selling in other Asian units, which closely track the Chinese currency because of the region's dependence on China's economy.

The Indonesian rupiah, however, bucked the broader trend and rose 0.6%. One trader said dollar-selling by foreign banks helped to give a lift to the rupiah.

Losses in Asian currencies were led by the ringgit, which retreated after having rallied to a near three-month high on Friday. Other underperformers included the South Korean won and the Thai baht.

US employers added 175,000 jobs to payrolls last month after creating 129,000 positions in January, the Labor Department said on Friday.

The better-than-expected increase in nonfarm payrolls could ease fears of an abrupt slowdown in US economic growth and keep the Federal Reserve on track to reduce its monetary stimulus.

Chinese trade data over the weekend helped add to the weak tone of Asian currencies.

China's exports last month fell 18.1% from a year earlier, swinging the trade balance into deficit and adding to worries about a slowdown in the world's second-largest economy despite the Lunar New Year holidays being blamed for the slide. – Reuters, March 10, 2014.

Hakcipta © 2014 The Malaysian Insider

Source: <http://www.themalaysianinsider.com/business/article/asian-currencies-slip-against-dollar-after-solid-us-jobs-data>