

ORBEX

Weekly Markets Report

*OVERWEEK BULLET POINTS, THE WEEK AHEAD, MARKETS PREVIEW
AND THE CHART OF THE WEEK*



ORBEX Research Department
21st OF April. , TO 25th of April



WEEKLY MARKETS REPORT

OVERWEEK BULLET POINTS – 14th OF April. , TO 18th of April

- **Japan trade deficit widens as exports growth slows down**
- **Nikkei closes down by 0.03%**
- **Switzerland, Germany, Italy, France, and the UK are all out on Easter Monday holidays**
- **Australian New Motor Vehicle Sales m/m: -0.3% vs. 0.1% previous**
- **Japanese Consumer Confidence: 37.5 vs. 37.7 forecast, 38.3 previous**
- **German PPI y/y: -0.9% vs. -0.7% forecast**
- **CA CPI grows by 0.6% vs. 0.4% expected**
- **US initial jobless claims up by 2K at 304K vs. 302K previous**
- **US Philly Fed manufacturing index clocks in at 16.6 vs. 10.0 index reading expected**
- **Chinese Premier Li: “No stimulus as long as growth is around 7.5%”**
- **Japanese Cabinet cuts growth forecasts but doesn’t see need for more stimulus**
- **Easter holidays are limiting trading and volatility**
- **USA, Russia, and other EU countries strike a peace deal in Geneva**

THE WEEK AHEAD - 21st OF April , TO 28TH April

- ***The most important economic release of the week***

Wed Apr 23	5:00pm	USD	Existing Home Sales	4.57M	4.60M
	4:30am	AUD	CPI q/q	0.80%	0.80%
	4:45am	CNY	HSBC Flash Manufacturing PMI	48.4	48
	10:00am	EUR	French Flash Manufacturing PMI	51.9	51.8
	10:30am	EUR	German Flash Manufacturing PMI	53.9	53.7
	11:30am	GBP	MPC Asset Purchase Facility Votes	0-0-9	0-0-9
		GBP	MPC Official Bank Rate Votes	0-0-9	0-0-9
	3:30pm	CAD	Core Retail Sales m/m	0.60%	1.00%

	5:00pm	USD	New Home Sales	455K	440K
Thu Apr 24	12:00am	NZD	Official Cash Rate	3.00%	2.75%
		NZD	RBNZ Rate Statement		
	11:00am	EUR	German Ifo Business Climate	110.5	110.7
	12:00pm	EUR	ECB President Draghi Speaks		
	3:30pm	USD	Core Durable Goods Orders m/m	0.60%	0.10%
		USD	Unemployment Claims	309K	304K
Fri Apr 25	11:30am	GBP	Retail Sales m/m	-0.40%	1.70%

- To view the full economic calendar kindly click on [Full Economic Calendar](#)

MARKETS PREVIEW 14th OF April. , TO 18th of April

EUR currency has appreciating in its value since 18 months ago! It gained 10% against all major currencies; and 15% against the dollar. This appreciation in the value gives a threat of non-deflation risk to all Eurozone area as we explained about it several times before in our reports. ECB (The European central bank) recently surprised us with a statement of it does not have to manage the exchange rate; this is unusual to hear it from ECB. Recently; Draghi has mentioned that the solution of the appreciation of EUR and deflation risks needs a new adjustment to the monetary policy; Moreover, He added to the fear of the market by mention that strong Euro would negatively affect the recovery of the zone. So, for now what all the market players are watching the EUR currency fluctuations and should us as well, to mentor this fluctuation and new steps by the ECB for the coming meeting.



Last week was with no major events and this week as well, Except the PMIs reading for the world which would have a major impact on the market overview of the world recovery.



Technical Corner

As we can see from the below chart for the daily time from for GBPUSD.

We can suggest that the mid-term raising channel still valid and recently the pairs is trading on the upper-part of the ascending channel (Which represent a consolidation pattern) ; So , a successful break of the resistance of 1.6780-1.6803 levels mean a further up pressure which we do expect the 70s level to be reached.



However, if the market did not succeed to be traded above the mentioned levels so we will suggest the other scenario of the 1. Break the consolidation pattern – ascending triangle 2. Break the raising channel or rebound from the lower band of that channel. So, 1.6580 we would consider it the levels which would activate the either scenarios of continuation of the up-trend or the declining in a correction phase.

Risk Warning: Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. Before deciding to trade foreign exchange, you should carefully consider your investment objectives, level of experience, and risk appetite. There is a possibility that you may sustain a loss of some or all of your investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading, and seek advice from an independent financial advisor if you have any doubts.