

orbex WEEKLY MARKETS REPORT



OVERWEEK
BULLET POINTS



THE WEEK
AHEAD



MARKETS
PREVIEW



THE CHART OF
THE WEEK

OVERWEEK BULLET POINTS



Last Week: 13th of November 2017, to 17th of November 2017

Date	Time	Currency	Event	Actual	Forecast	Previous
13-Nov	12:01am	GBP	Rightmove HPI m/m	-0.80%		1.10%
	12:10am	USD	FOMC Member Harker Speaks			
	6:00am	JPY	Prelim Machine Tool Orders y/y	49.90%		45.00%
	7:00am	EUR	German WPI m/m	0.00%	0.40%	0.60%
	8:00am	CNY	M2 Money Supply y/y	8.80%	9.20%	9.20%
		CNY	New Loans	663B	781B	1270B
	5:45pm	JPY	BOJ Gov Kuroda Speaks			
7:00pm	USD	Federal Budget Balance	-63.2B	-58.2B	8.0B	
14-Nov	12:30am	AUD	NAB Business Confidence	8		8
	2:00am	CNY	Industrial Production y/y	6.20%	6.30%	6.60%
		CNY	Fixed Asset Investment ytd/y	7.30%	7.30%	7.50%
		CNY	Retail Sales y/y	10.00%	10.50%	10.30%
	3:34am	CNY	Foreign Direct Investment ytd/y	1.90%		1.60%
	7:00am	EUR	German Prelim GDP q/q	0.80%	0.60%	0.60%
		EUR	German Final CPI m/m	0.00%	0.00%	0.00%
	8:05am	USD	FOMC Member Evans Speaks			
	8:15am	CHF	PPI m/m	0.50%	0.20%	0.50%
	9:00am	EUR	Italian Prelim GDP q/q	0.50%	0.50%	0.30%
	9:30am	GBP	CPI y/y	3.00%	3.10%	3.00%
		GBP	PPI Input m/m	1.00%	0.80%	0.20%
		GBP	RPI y/y	4.00%	4.10%	3.90%
		GBP	Core CPI y/y	2.70%	2.80%	2.70%
		GBP	HPI y/y	5.40%	5.20%	4.80%
		GBP	PPI Output m/m	0.20%	0.30%	0.20%
	10:00am	EUR	ECB President Draghi Speaks			
	EUR	Flash GDP q/q	0.60%	0.60%	0.60%	
	EUR	German ZEW Economic Sentiment	18.7	19.8	17.6	
	EUR	Industrial Production m/m	-0.60%	-0.60%	1.40%	
	EUR	ZEW Economic Sentiment	30.9	29.3	26.7	
	GBP	BOE Gov Carney Speaks				
	JPY	BOJ Gov Kuroda Speaks				
	USD	Fed Chair Yellen Speaks				
11:00am	USD	NFIB Small Business Index	103.8	104.2	103	
1:30pm	USD	PPI m/m	0.40%	0.10%	0.40%	

15-Nov		USD	Core PPI m/m	0.40%	0.20%	0.40%
	5:30pm	GBP	MPC Member Cunliffe Speaks			
	11:30pm	AUD	Westpac Consumer Sentiment	-1.70%		3.60%
	11:50pm	JPY	Prelim GDP q/q	0.30%	0.40%	0.60%
		JPY	Prelim GDP Price Index y/y	0.10%	0.10%	-0.40%
	12:30am	AUD	Wage Price Index q/q	0.50%	0.70%	0.50%
	4:33am	JPY	Revised Industrial Production m/m	-1.00%	-1.10%	-1.10%
	7:00am	AUD	RBA Assist Gov Ellis Speaks			
	7:45am	EUR	French Final CPI m/m	0.10%	0.10%	0.10%
	8:00am	USD	FOMC Member Evans Speaks			
	9:30am	GBP	Average Earnings Index 3m/y	2.20%	2.10%	2.30%
		GBP	Claimant Count Change	1.1K	2.0K	2.6K
		GBP	Unemployment Rate	4.30%	4.30%	4.30%
10:00am	EUR	Trade Balance	25.0B	21.2B	21.0B	
10:35am	EUR	German 10-y Bond Auction	0.36 1.2		0.48 1.7	
1:00pm	GBP	MPC Member Broadbent Speaks				
1:30pm	USD	CPI m/m	0.10%	0.10%	0.50%	
	USD	Core CPI m/m	0.20%	0.20%	0.10%	
	USD	Core Retail Sales m/m	0.10%	0.20%	1.20%	
	USD	Retail Sales m/m	0.20%	0.00%	1.90%	
	USD	Empire State Manufacturing Index	19.4	25.5	30.2	
	2:36pm	GBP	CB Leading Index m/m	-0.20%		-0.20%
	3:00pm	USD	Business Inventories m/m	0.00%	0.00%	0.60%
	3:30pm	USD	Crude Oil Inventories	1.9M	-2.1M	2.2M
	9:00pm	USD	TIC Long-Term Purchases	80.9B	34.6B	73.2B
	11:45pm	CAD	Gov Council Member Wilkins Speaks			
	11:59pm	AUD	MI Inflation Expectations	3.70%		4.30%
16-Nov	12:30am	AUD	Employment Change	3.7K	17.8K	26.6K
		AUD	Unemployment Rate	5.40%	5.50%	5.50%
	9:00am	EUR	Italian Trade Balance	3.99B	3.42B	2.76B
	9:30am	GBP	Retail Sales m/m	0.30%	0.10%	-0.70%
	9:48am	EUR	Spanish 10-y Bond Auction	1.54 1.5		1.46 1.3
	10:00am	EUR	Final CPI y/y	1.40%	1.40%	1.40%
		EUR	Final Core CPI y/y	0.90%	0.90%	0.90%
	10:36am	GBP	10-y Bond Auction	1.34 2.3		1.32 2.1
	1:30pm	CAD	Foreign Securities Purchases	16.81B	10.68B	9.77B
		CAD	Manufacturing Sales m/m	0.50%	-0.40%	1.40%
		USD	Unemployment Claims	249K	235K	239K
		USD	Import Prices m/m	0.20%	0.40%	0.80%
	1:38pm	USD	Philly Fed Manufacturing Index	22.7	24.5	27.9
	1:40pm	CAD	ADP Non-Farm Employment Change	-5.7K		
	2:00pm	GBP	BOE Gov Carney Speaks			
	2:15pm	USD	Capacity Utilization Rate	77.00%	76.30%	76.40%

		USD	Industrial Production m/m	0.90%	0.50%	0.40%
	3:00pm	USD	NAHB Housing Market Index	70	67	68
	3:30pm	CAD	BOC Review			
		USD	Natural Gas Storage	-18B	-15B	15B
	5:00pm	CHF	Gov Board Member Maechler Speaks			
	6:20pm	USD	FOMC Member Kaplan Speaks			
	8:45pm	USD	FOMC Member Brainard Speaks			
	9:30pm	NZD	Business NZ Manufacturing Index	57.2		57.6
	9:45pm	NZD	PPI Input q/q	1.00%	1.20%	1.40%
		NZD	PPI Output q/q	1.00%	1.40%	1.30%
17-Nov	12:30am	AUD	New Motor Vehicle Sales m/m	0.00%		-0.40%
	8:30am	EUR	ECB President Draghi Speaks			
	9:00am	EUR	Current Account	37.8B	30.2B	34.5B
	1:00pm	EUR	German Buba President Weidmann Speaks			
	1:30pm	CAD	CPI m/m	0.10%	0.10%	0.20%
		CAD	Common CPI y/y	1.60%		1.50%
		CAD	Median CPI y/y	1.70%		1.80%
		CAD	Trimmed CPI y/y	1.50%		1.50%
		CAD	Core CPI m/m	0.30%		0.20%
		USD	Building Permits	1.30M	1.25M	1.23M
		USD	Housing Starts	1.29M	1.19M	1.14M
	3:00pm	USD	Mortgage Delinquencies	4.88%		4.24%
	3:30pm	AUD	CB Leading Index m/m	0.20%		0.20%

Time: GMT

THE WEEK AHEAD



20th of November 2017, to 24th of November 2017

IMPORTANT ECONOMIC RELEASES FOR THE WEEK AHEAD

Date	Time	Currency	Event	Forecast	Previous
20-Nov	7:00am	EUR	German PPI m/m	0.20%	0.30%
	11:00am	EUR	German Buba Monthly Report		
	2:00pm	CNY	CB Leading Index m/m		
		EUR	ECB President Draghi Speaks		
	3:00pm	USD	CB Leading Index m/m	0.60%	-0.20%
21-Nov	12:30am	AUD	Monetary Policy Meeting Minutes		
	2:00am	NZD	Credit Card Spending y/y		4.90%
	4:30am	JPY	All Industries Activity m/m	-0.40%	0.10%
	7:00am	CHF	Trade Balance	3.21B	2.92B
	9:05am	AUD	RBA Gov Lowe Speaks		
	9:30am	GBP	Public Sector Net Borrowing	6.6B	5.3B
	11:00am	GBP	CBI Industrial Order Expectations	3	-2
	1:30pm	CAD	Wholesale Sales m/m		0.50%
	Tentative	NZD	GDT Price Index		-3.50%
	3:00pm	USD	Existing Home Sales	5.42M	5.39M
	9:45pm	NZD	Visitor Arrivals m/m		0.30%
	11:00pm	USD	Fed Chair Yellen Speaks		
	11:30pm	AUD	MI Leading Index m/m		0.10%
22-Nov	12:30am	AUD	Construction Work Done q/q	-2.10%	9.30%
	12:30pm	GBP	Autumn Forecast Statement		
	1:30pm	USD	Core Durable Goods Orders m/m	0.40%	0.70%
		USD	Unemployment Claims	241K	249K
		USD	Durable Goods Orders m/m	0.40%	2.00%
	3:00pm	EUR	Consumer Confidence	-1	-1
		USD	Revised UoM Consumer Sentiment	98.2	97.8
		USD	Revised UoM Inflation Expectations		2.60%
	3:30pm	USD	Crude Oil Inventories		1.9M
	7:00pm	USD	FOMC Meeting Minutes		
	9:45pm	NZD	Retail Sales q/q	0.40%	2.00%
NZD		Core Retail Sales q/q	0.90%	2.10%	
23-Nov	7:00am	EUR	German Final GDP q/q	0.80%	0.80%
	8:00am	EUR	French Flash Manufacturing PMI	55.9	56.1
		EUR	French Flash Services PMI	57.1	57.3
	8:30am	EUR	German Flash Manufacturing PMI	60.4	60.6

		EUR	German Flash Services PMI	55.2	54.7
	9:00am	EUR	Flash Manufacturing PMI	58.3	58.5
		EUR	Flash Services PMI	55.3	55
	9:30am	GBP	Second Estimate GDP q/q	0.40%	0.40%
		GBP	Prelim Business Investment q/q	0.30%	0.50%
		GBP	Index of Services 3m/3m	0.40%	0.40%
	11:00am	GBP	CBI Realized Sales	5	-36
	12:30pm	EUR	ECB Monetary Policy Meeting Accounts		
	1:30pm	CAD	Core Retail Sales m/m		-0.70%
		CAD	Retail Sales m/m		-0.30%
	2:00pm	EUR	Belgian NBB Business Climate	0.8	0.5
	4:30pm	CHF	SNB Chairman Jordan Speaks		
	9:45pm	NZD	Trade Balance	-750M	-1143M
24-Nov	12:30am	JPY	Flash Manufacturing PMI	52.6	52.8
	9:00am	EUR	German Ifo Business Climate	116.6	116.7
	9:30am	GBP	High Street Lending	40.9K	41.6K
	1:30pm	CAD	Corporate Profits q/q		0.10%
	2:45pm	USD	Flash Manufacturing PMI	55.1	54.6
		USD	Flash Services PMI	55.5	55.3

Time: GMT

MARKETS RECAP

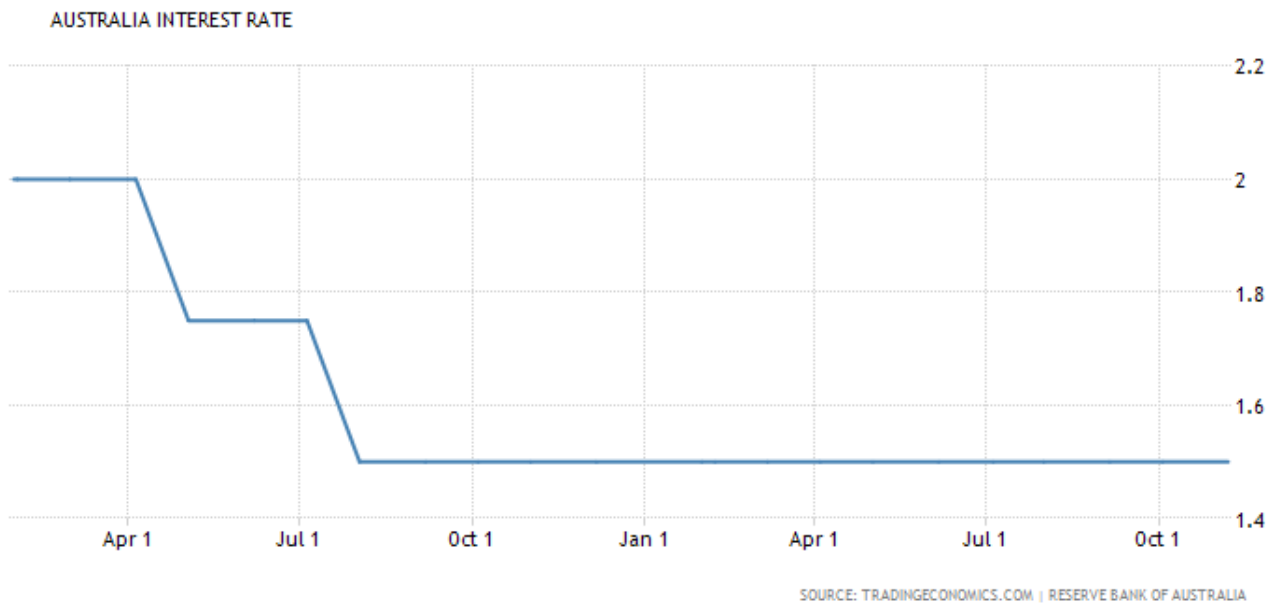


Last Week: 13th of November 2017, to 17th of November 2017

The markets were seen trading relatively subdued last week with lack of any big macroeconomic drivers. Among the central bank meetings, the RBA and the RBNZ both kept the benchmark interest rates unchanged. The European Commission released its quarterly economic forecasts. The EU commission predicts a stronger GDP growth in 2017 and 2018 as economic activity is forecast to rise at the fastest pace in a decade. The euro was seen posting some recovery although the sideways range continues to exist for the most part.

UK wages rise slightly. Inflation stabilizes.

The UK's Office for National Statistics released the monthly jobs report data and inflation figures for the month ending September. According to the official report, the UK's unemployment rate held steady at 4.3% as widely forecasted during the third quarter. This was the same rate as compared to the previous three months ending August.



RBA Interest Rates, November 2017: 1.50%. Source: Tradingeconomics.com

The unemployment rate at 4.2% was the lowest since the three months ending May 1975. The labor market data showed that the number of unemployment rose by 75% in the July through September period. This was slightly higher than the 74.4% increase seen a year ago.

The UK's average weekly earnings data showed an increase of 2.2% which included both bonuses and excluding bonuses on a yearly basis. Economists forecasted a headline print of 2.1%. Although there was a slight improvement, wages continue to lag behind the faster pace of inflation increase.

Previously in the week, the ONS released the monthly inflation figures. Consumer prices in the UK were seen rising at a steady pace of 3.0% for the month of October. This was the same pace of increase seen in the previous month and was below forecasts of a 3.1% increase. Core consumer prices rose 2.7% which was also the same pace of increase seen in the month of October. Economists were forecasting that core consumer prices might have increased 2.8%.

The Bank of England raised interest rates in November by 25 basis points to 0.50%. The rate hike came amid a difficult decision as wages remained weak while consumer prices continued to rise rapidly. The central bank's decision was seen as dovish rate hike as no further increases were seen in the near term.

The Bank of England also expects that consumer prices might decline in the coming months. However, ongoing uncertainty regarding the Brexit negotiations continue to weigh on the exchange rate as well as impacting investments in the nation.

Eurozone trade surplus increases in September

Fresh economic data from the Eurozone showed that the trade surplus increased in September compared to the month before. The increase came about as exports from the region rose rapidly outpacing imports. Official data released last Wednesday showed that Eurozone exports rose at a pace of 1.1% on a monthly basis while imports decreased 1.2% in September, compared to the month before. On a seasonally adjusted basis, the trade surplus rose to EUR 25 billion up from EUR 21 billion in August.

Exports from the EU 28 region was seen rising 2.5% on a month over month basis, while imports rose 1.0%. Combined, the trade surplus from the EU28 region was seen rising 3.1 billion.

The trade surplus data was the highest recorded since Eurostat started keeping records and since 1999 when the euro currency was launched. The trade surplus data comes amid latest GDP figures that showed that the quarterly economic activity rose 0.6%. On an annualized basis, Eurozone GDP was seen rising 2.5%.

As the Eurozone economy continues to improve, the European Central Bank had announced a tapering to its QE program in October. While cutting its bond purchases by half, the ECB however extended the bond purchases by nine-months. The smaller pace of bond purchases is expected to run until September 2018.

U.S. consumer prices rise in October

The latest consumer price index data from the U.S. inched higher as the data paved way for the Fed to proceed with rate hikes in December. According to official data released by the Labor Department, headline CPI in the U.S. was seen rising 0.1% on the month in October. This follows a robust 0.5% increase the month before. On an annual basis, inflation was seen at 2.0%, down from September's 2.2%.

Excluding the volatile food and energy prices, the core inflation rate rose 0.2% during the month. This followed a 0.1% increase in the previous month. On an annualized basis, core CPI rose 1.8% on the year which was the highest since April this year.

MARKETS PREVIEW



20th of November 2017, to 24th of November 2017

The week ahead is relatively quiet with most of the economic data related to second tier information. In the eurozone the preliminary PMI reports will be coming out covering both the manufacturing and the services sector. The FOMC meeting minutes will be the main event of the week although it is unlikely that the report will bring about much surprise to the markets. Retail sales figures for the third quarter from New Zealand will be coming out while monthly retail sales numbers from Canada make up for other important events over the week.

U.S.: FOMC meeting minutes, Fed Chair Yellen's speech

The week ahead promises to keep the U.S. dollar busy. Among the events lined up, the Fed Chair Janet Yellen is scheduled to speak earlier in the week. The outgoing Fed Chair has not offered many clues in regards to monetary policy in recent speaking engagements.

However, this could change as the central bank head could possibly guide the markets further into the December rate hike. The FOMC will also be releasing its meeting minutes that were held earlier this month. The central bank left interest rates unchanged at the November meeting as it continued with its balance sheet normalization program.

The meeting minutes from the FOMC are not expected to bring any new information but the minutes could see the odds for a December rate hike strengthening further. Concerns about inflation could likely remain in the meeting minutes. On the economic front, the U.S. durable goods orders will be coming out this week.

Other data over the week includes the existing home sales data and the weekly unemployment claims which comes ahead of the next week's monthly jobs report data.

Eurozone flash inflation and ECB's Draghi Speech

Data from the Eurozone is relatively light this week. However, the week starts off with a scheduled speaking event from the ECB President Mario Draghi. The ECB governor has remained fairly quiet as far as monetary policy was concerned. This comes about as the ECB cut back on its QE purchases at the October monetary policy meeting.

Other ECB officials have however continued to defend the central bank actions taking a cautious stand amid slower pace of inflation increase. The week ahead will also see the release of the flash manufacturing and services PMI data from the Eurozone and other main economies in the region. Growth in the Eurozone has remained robust according to recent GDP numbers released last week.

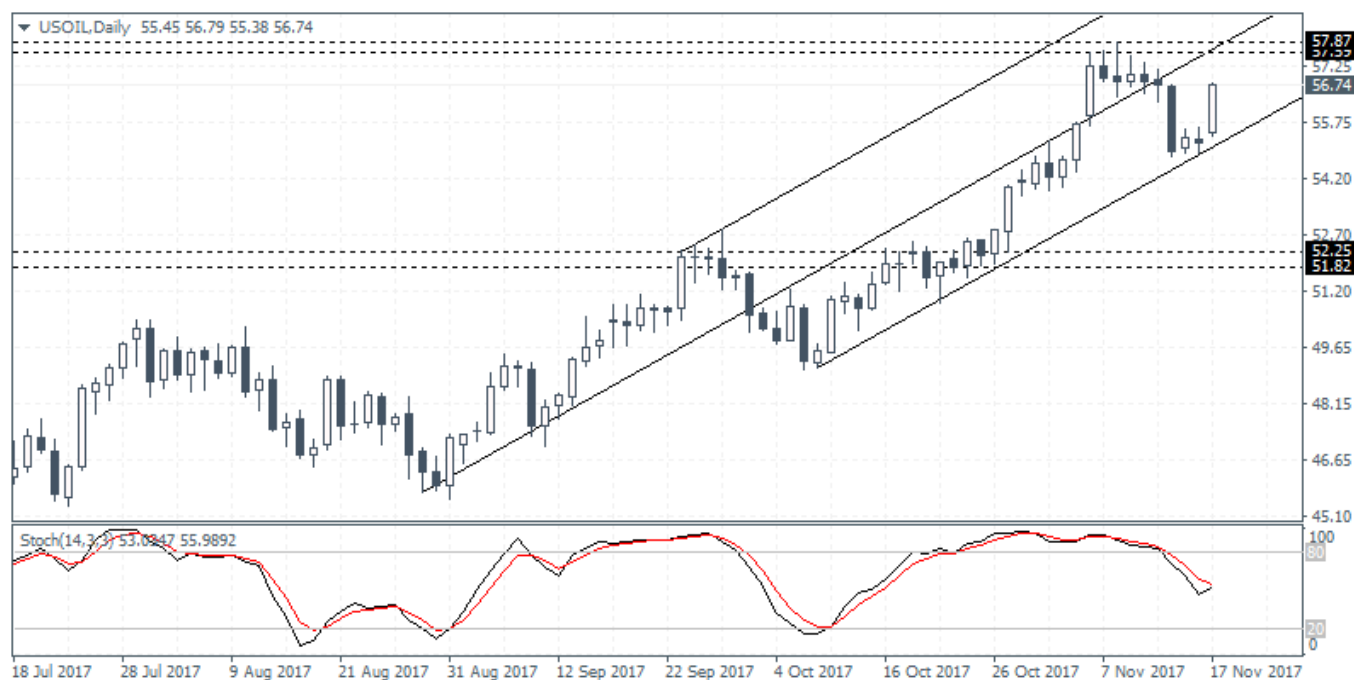
The flash manufacturing and services PMI numbers are expected to show that the economic momentum likely maintained pace into the month of November. It is quite likely that the Eurozone economy could close on a high this year.

TECHNICAL CORNER



Crude oil likely to turn bearish

Oil prices reversed the declines over the past few days and managed to close on a bullish note on Friday. WTI Crude oil prices settled at \$56.74 a barrel by Friday's close reversing the declines from the previous days during the week. The reversal in the oil price came about despite mixed macroeconomic developments. On Friday, the oil and gas rigs data showed that the number of rigs rose by 8. This was according to the Baker Hughes rig count data. Previously the number of oil rigs were steadily declining.



WTI Crude Oil (56.74) – Daily Chart

Earlier last week, the WTI and Brent crude oil both posted declines on a surprising increase in crude oil inventories, data from the API and the EIA showed. It was the biggest catalyst which came amid news that the world's largest oil fund from Norway was looking to lower its exposure to the oil and gas industry.

While Crude oil prices briefly fell, traders bid up the commodity by Friday's close. Oil prices have been trading near the resistance level of 57.87 - 57.60. Price briefly touched this level before declining. The attempt to retest this level could come once again, but the technical indicators show a bearish divergence building up. The support level near 52.25 - 51.82 remains an open target as crude oil prices could be seen posting a correction to this level in the near term.

Further gains in crude oil prices are expected only on a strong breakout above the resistance level.

DISCLAIMER

The information contained in this publication is produced by ORBEX LTD and not intended as an offer or solicitation for the purchase or sale of any financial instrument. Any opinion offered herein reflects ORBEX LTD current judgment and may change without notice. This message is for information purposes only and is not intended as an offer, recommendation or solicitation to buy or sell, nor is it an official confirmation of terms. No representation or warranty is made that this information is complete or accurate. Any views or opinions expressed do not necessarily represent those ORBEX LTD. This email and the information it contains may be confidential, proprietary or legally privileged. If you receive this message in error, please notify the sender and delete it from your system. You must not, directly or indirectly, use, disclose, distribute, copy or store this message or any part of it if you are not the intended recipient. Unless otherwise stated, any pricing information given in this email is indicative only, is subject to changes and does not constitute an offer to deal at any price quoted.