

ORBEX

# Weekly Markets Report

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



**ORBEX Research Department**  
**31st OF Mar , TO 4th of April**

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**OVERWEEK BULLET POINTS – 21st OF Mar , TO 28of Mar**

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- **G7 cancels G8 meeting in Sochi, warns Russia of more sanctions if Ukraine crisis escalates**
- **S&P cuts Brazil's rating to BBB- from BBB, Revises outlook to stable from negative**
- **Fed Lockhart still expects Fed to begin hiking rates 2nd half of 2015**
- **ECB Draghi: Will do what is needed to maintain price stability if downside risks appear**
- **Japan Feb service sector prices up 0.7% y/y (f/c 0.8) vs rev 0.7% prior, 10th straight gain**
- **RBA Gov Stevens: Aud still too high, Reluctant to draw lines of sands in FX markets**
- **RBA Dep Gov Lowe: Internationalisation of China's Yuan to mark a seismic shift**
  
- **Fed Plosser: US econ in pretty good shape, Asset purchases to end "in fall sometime"**
- **German FinMin Schaeuble: Euro crisis not yet overcome; Crimea crisis manageable for Germany**
- **Japan EconMin Amari: BOJ can maximise impact of further easing by surprising markets**
- **China industrial profits rise 9.4% y/y in Jan-Feb vs +6.0% in Dec**
- **Foreign central banks US debt holdings jump by \$54.189 bn to Usd 3.287 tln in Mar 26 week**
  
- **Fed Evans sees near zero rates well into 2015, Expects Fed Funds rate at 1.25% by end 2016**
- **Japan Feb unemployment falls to over 6yr low of 3.6% (f/c 3.7), jobs app ratio rises to 1.05**
- **UK GfK Mar consumer confidence hits highest level since Aug 2007 of -5 vs -7 in Feb**
- **SNB Zurbruegg: Still need to maintain Swiss Franc cap against Euro for foreseeable future**
- **RBNZ turns to exempt construction loans from LVR lending limits**

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**THE WEEK AHEAD - 31st OF Mar , TO 4th of April**

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- *The most important economic release of the week*

Date	Time	Currency	Description	Forecast	Previous
<b>Mon Mar 31</b>	3:00am	NZD	ANZ Business Confidence	-	70.8
	12:00pm	EUR	CPI Flash Estimate	0.6%	0.7%
	4:305pm	CAD	GDP m/m	0.4%	-0.5%
<b>Tue April 1<sup>st</sup></b>	4:00am	CNY	Manufacturing PMI	50.1	50.2
	6:30am	AUD	Cash Rate	2.5%	2.5%
	6:30am	AUD	RBA Rate Statement	-	-
	11:30am	GBP	Manufacturing PMI	56.7	56.9
	12:00pm	EUR	Unemployment Rate	12.0%	12.0%
	5:00pm	USD	ISM Manufacturing PMI	54.2	53.2
	<b>Wed April 2<sup>nd</sup></b>	3:30am	AUD	Building Approvals m/m	-1.7%
	11:30am	GBP	Construction PMI	63.1	62.6
	12:00pm	EUR	Final GDP q/q	0.3%	0.3%
	12:00pm	EUR	PPI m/m	0.0%	-0.3%
	3:15pm	USD	ADP Non-Farm Employment	192K	139K
	5:30pm	USD	Crude Oil Inventories	-	6.6M
<b>Thu April 3<sup>rd</sup></b>	3:30am	AUD	Retail Sales m/m	0.4%	1.2%
	3:30am	AUD	Trade Balance	0.82B	1.43B
	5:00am	AUD	RBA Gov Stevens Speaks	-	-
	3:30pm	EUR	ECB Press Conference	-	-
<b>Fri April 4<sup>th</sup></b>	3:30pm	CAD	Unemployment Rate	7.0%	7.0%

	3:30pm	USD	<b>Non-Farm Employment Change</b>	196K	175K
	3:30pm	USD	<b>Unemployment Rate</b>	6.6%	6.7%
	6:00PM	USD	<b>Average Hourly Earnings m/m</b>	0.2%	0.4%

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

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## MARKETS PREVIEW 31st OF Mar , TO 4th of April

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All eyes towards the meeting of the European Central bank this week brings the level of caution in the market about the possibility of resorting to the reduction of interest even be possible to address the contraction in anticipation of the risks.

Euro rises former has always been a reason to bet on a rate cut may be upward movement in this case rule ended.

President of the German Central said in his recent interview that the inflation outlook has not changed, which means that the risk of decline continues. This stressed the percentage of bets on the movement of the central European meeting next week.

The money supply, which was issued last Thursday, were not far from the air . Height is very slow and limited, and this means that the continuation of low inflation levels unlikely.





Price index in Germany published on Friday on the decline, and bringing with it an affirmation of the destination mentioned for inflation. French inflation index also did not differ from that of the German apartment prices on producers. Decline was -1.7 % and -1.4 % on expectations.

The euro is now moving under the influence of these bets is unlikely to see a rise influential before the date of the meeting of the Central next Thursday.

On the data front the U.S. is expected to see a rise limited to consumer confidence and rising per capita consumption of similar. Heights is unlikely to be a decisive influence on the markets for which currently living case of wait and see attitude reflected a decline in demand for the dollar .

Technical picture for the euro is not encouraging the shift to the negative has been achieved so that the true appreciation 1.3665 stations targeted this week.

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### Technical Corner

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Australia's central bank security to prevent further gains on the Australian dollar deep , but the difficulty lies in the realization of not having a lot of the tools necessary to do so .

Interest rates will remain for an indefinite period at the current level, according to statements made by the central "Stephens "today. All bets on a rate cut are from the past and the current rises to an Australian stream flowing into this before everything.

Even though the head of the Central confirmed to the high prices of Australian historical scale, this speech was not impressive site is located in the course of events remained high demand it.

Recent data showed a positive in GDP as in the balance of trade, which means that payment is also bullish fundamental justification.

Activation of risk appetite and satisfaction general atmosphere will push investors to search for assets, high interest rates and, of course, Australian and New Zealand remains at the top of the list in terms of high interest available from both sides

If they were compared by low interest on the rest of the major currencies.

The 0.9250 target areas for potential Australian dollar.



The 0.9085/90 and 0.9000 areas targeted support for the continuation of the upward trend

AUD – USD	SUPPORT	RESISTANCE
LEVEL 1	0.9230	0.9310
LEVEL 2	0.9190	0.9390
LEVEL 3	0.9010	0.9448



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