

ORBEX

Weekly Markets Report

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



ORBEX Research Department
13st OF October, TO 17th of October

OVERWEEK BULLET POINTS – 6th of October , TO 10th of October

- France Budget dipped from previous €-84.1B to €-94.1B in August.
- Germany Industrial Production (MoM) registered at -4%, below expectations (-1.5%) in August.
- Germany Industrial Production (YoY) dipped from previous 2.7% to -2.8% in August.
- Switzerland Foreign Currency Reserves climbed from previous 453.8B to 462.2B in September.
- Switzerland Consumer Price Index (YoY) registered at -0.1%, below expectations (0%) in September.
- Switzerland Consumer Price Index (MoM) came in at 0.1% below forecasts (0.2%) in September.
- Switzerland Real Retail Sales (YoY) above expectations (0.7%) in August: Actual (1.9%).
- UK Industrial Production (Aug) M/M 0.0% vs Exp. 0.0% (Prev. 0.4%).
- UK Manufacturing Production (Aug) M/M 0.1% vs. Exp. 0.1% (Prev. 0.3%).
- Bank of England says lenders expect demand for mortgages to increase in Q4.
- United Kingdom RICS Housing Price Balance registered at 30%, below expectations (38%) in September.
- Japan Machinery Orders (YoY) came in at -3.3%, above expectations (-5.1%) in September.
- Japan Machinery Orders (MoM) came in at 4.7%, above forecasts (0.9%) in September.
- Japan Foreign bond investment declined to ¥-179B in October 3 from previous ¥184.6B.
- Japan Foreign investment in Japan stocks rose from previous ¥-41.6B to ¥186.5B in October 3.
- Australia Unemployment Rate below forecasts (6.2%) in September: Actual (6.1%).
- Australia Participation Rate below expectations (64.8%) in September: Actual (64.5%).
- Australia Employment Change s.a. came in at -29700 below forecasts (20000) in September.
- Australia Fulltime employment up to 21600 in September from previous 14300.
- Germany Current Account dipped from previous €20.1B to €10.3B in August.
- Germany Trade Balance registered at €17.5B, below expectations (€18.5B) in August.
- Germany Imports (MoM) registered at -1.3%, below expectations (1%) in August.
- Germany Exports (MoM) below expectations (-4%) in August: Actual (-5.8%).
- Japanese machine tool orders Sept prov 34.8% vs. Prev. 35.5%.
- France Exports, EUR fell from previous €36.2B to €35.63B in August.
- France Imports, EUR: €41.42B (August) vs previous €41.7B.

- France Trade Balance EUR registered at €-5.78B, below expectations (€-5.5B) in August.
- Greek CPI (Sep) Y/Y -0.8% vs Exp. -0.3% (Prev. -0.3%).
- Greek Unemployment Rate (Jul) M/M 26.4% vs. Exp. 26.8% (Prev. 27.0%).
- United Kingdom BoE Interest Rate Decision meets expectations (0.5%) in October.
- United Kingdom BoE Asset Purchase Facility in line with forecasts (£375B) in October.
- US Initial Jobless Claims (Oct 4) W/W 287K vs. Exp. 295K (Prev. 287K).
- US Continuing Claims (Sep 27) W/W 2381K vs. Exp. 2410K (Prev. 2398K).
- Canadian New Housing Price Index (Aug) M/M 0.3% vs. Exp. 0.1% (Prev. 0.0%).
- US Wholesale Inventories (Aug) M/M 0.7% vs. Exp. 0.3% (Prev. 0.1%).
- US Wholesale Trade Sales (Aug) M/M -0.7% vs. Exp. 0.3% (Prev. 0.7%).
- US Natural Gas Storage Change (Oct 3) W/W 105 vs. Exp. 109 (Prev. 112).
- ECBs Draghi says interest rates are lower bound.
- ECBs Draghi says will lift inflation from excessively low level.
- Australia Investment Lending for Homes down to -0.1% in August from previous 6.8%.
- Australia Home loans -0.9 % m/m (vs. expected +0.2%).
- Japan Consumer Confidence Index registered at 39.9, below expectations (42.2) in September.
- Italy Industrial Output (MoM) came in at 0.3% below forecasts (0.5%) in August.
- Italy Industrial Output (YoY) came in at -0.7% below forecasts (-0.2%) in August.
- Norway Core Inflation (MoM) rose from previous -0.5% to 0.5% in September.
- UK Trade Balance (Aug) M/M -1917bln vs. Exp. -3bln (Prev. -3.348bbln).
- UK Trade Balance (Aug) M/M -1917bln vs. Exp. -3bln (Prev. -3.348bbln).
- UK Construction Output SA (Aug) M/M -3.9% vs. Exp. 0.5% (Prev. 0.0%).
- Greek Industrial Production (Aug) Y/Y -5.7% (Prev. -2.1%).
- United Kingdom CB Leading Economic Index climbed from previous 0.1% to 0.4% in August.
- Portugal Global Trade Balance rose from previous €-2.682B to €-2.61B in August.
- Portugal Consumer Price Index (MoM) climbed from previous -0.2% to 0.6% in September.
- Portugal Consumer Price Index (YoY) unchanged at -0.4% in September.
- Canadian Net Change in Employment (Sep) M/M 74.1k vs. Exp. 20k (Prev. -11.0k).
- Canadian Unemployment Rate (Sep) 6.8% vs. Exp. 7.0% (Prev. 7.0%).
- US Import Price Index (Sep) M/M -0.5% vs. Exp. -0.7% (Prev. -0.9%).

THE WEEK AHEAD - 13th of October , TO 17th of October

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

Mon Oct 13	Tentative	CNY	Trade Balance		41.2B	49.8B
Tue Oct 14	3:30am	AUD	NAB Business Confidence			8
	11:30am	GBP	CPI y/y		1.40%	1.50%
	12:00pm	EUR	German ZEW Economic Sentiment		0.2	6.9
Wed Oct 15	4:30am	CNY	CPI y/y		1.70%	2.00%
	10:00am	EUR	ECB President Draghi Speaks			
	11:30am	GBP	Average Earnings Index 3m/y		0.70%	0.60%
		GBP	Claimant Count Change		-34.2K	-37.2K
	3:30pm	USD	Core Retail Sales m/m		0.20%	0.30%
		USD	PPI m/m		0.10%	0.00%
		USD	Retail Sales m/m		-0.10%	0.60%
	Tentative	NZD	GDT Price Index			-7.30%
9:00pm	EUR	ECB President Draghi Speaks				
Thu Oct 16	3:30pm	CAD	Manufacturing Sales m/m		-1.60%	2.50%
		USD	Unemployment Claims		286K	287K
	5:00pm	USD	Philly Fed Manufacturing Index		19.9	22.5
Fri Oct 17	3:30pm	CAD	Core CPI m/m		0.10%	0.50%
		USD	Building Permits		1.04M	1.00M
		USD	Fed Chair Yellen Speaks			
	4:55pm	USD	Prelim UoM Consumer Sentiment		84.3	84.6

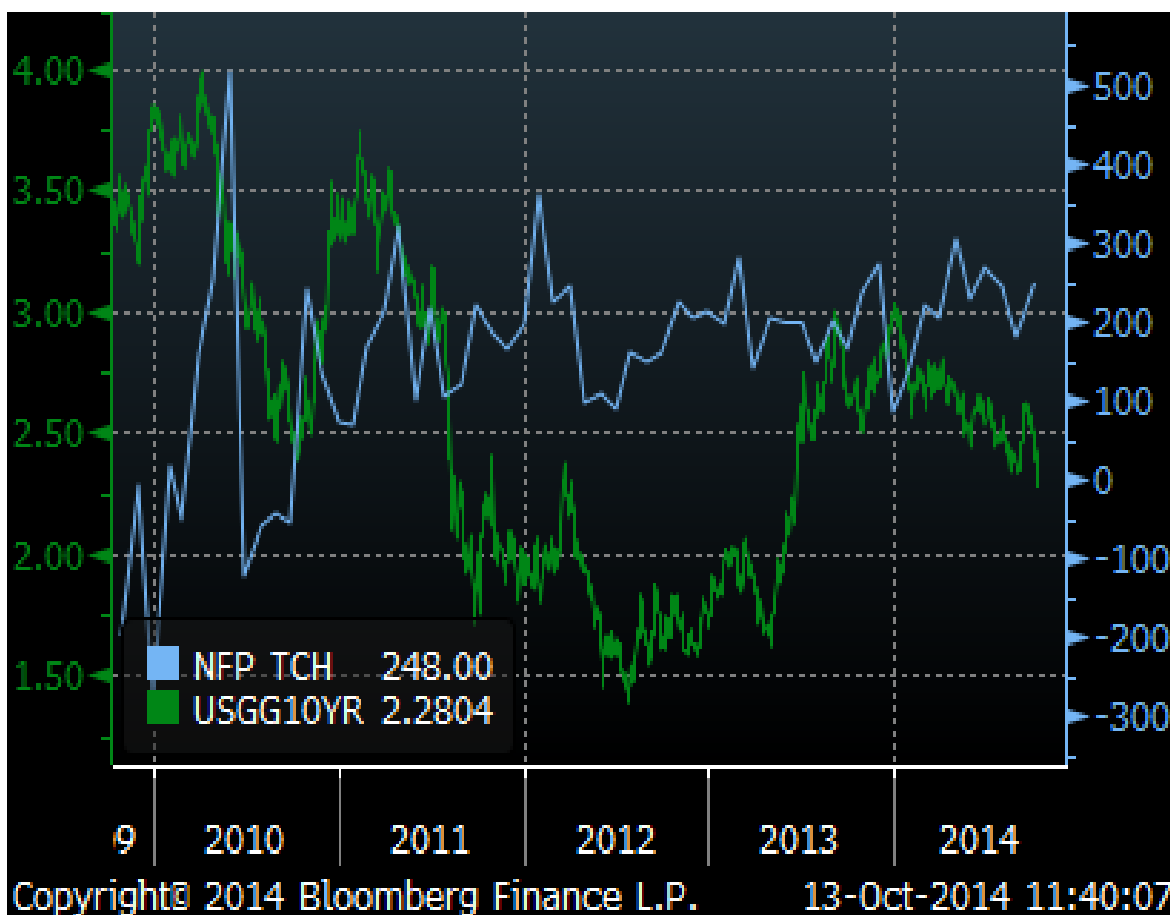
- To view the full economic calendar kindly click on [Full Economic Calendar](#)

The Euro-zone bonds rose his week, pushing 10-year yields to historic lows, as the European Central Bank is put under pressure to start actively purchasing debt as the German economy is struggling to gain momentum. The 10-year German bond yields fell for a 4th straight week as the nation's exports, factory orders and industrial output all slumped by the most since January '09 in August.



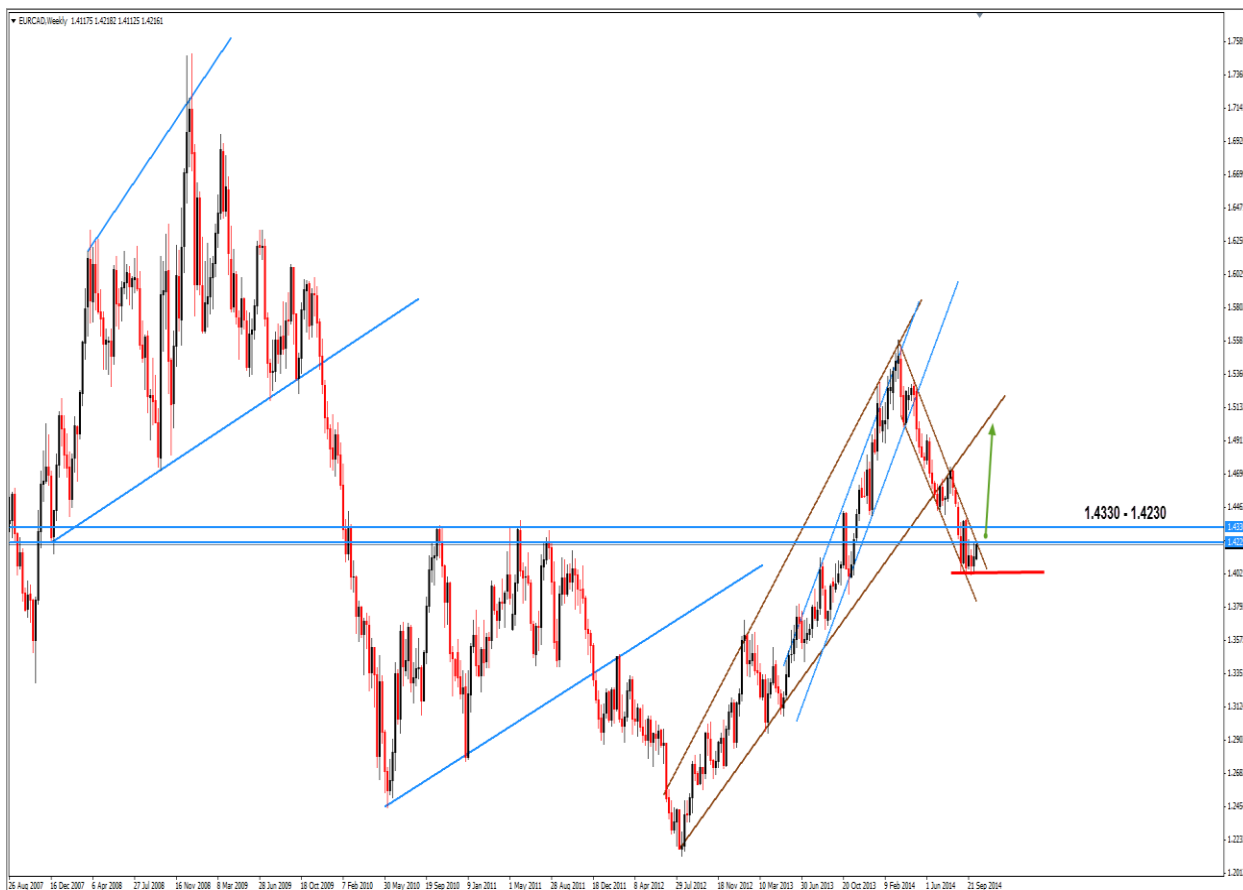
Germany 10 Years Bond Yields

The US employers improved the hiring spree in September and the jobless rate declined to a 6-year low, raising speculations that the Federal Reserve will introduce the interest rates hike in mid-2015. At the present moment, the employment report is considered the most significant estimate of the US economic health ahead of the congressional elections in November 4.



US 10 Years Bond Yields Vs. US NFP

As the following chart for EUR/CAD , weekly time frame . The market is in correction for the uptrend which started on the late of July, 2012. The correction was in tight channel pattern. The major resistance zone between the levels of 1.4330 & 1.4230. Any break above that zone and weekly successfully close then we would expect a High test at the levels 1.5250 and 1.5330. Moreover , any pressure for downside and penetration of 1.4200s levels we would expect further down move and we then would publish a followup article on our weekly chart.



EUR/CAD weekly time frame



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