

ORBEX

Weekly Markets Report

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



ORBEX Research Department
3rd OF March , TO 7th of March

OVERWEEK BULLET POINTS – 3rd OF March , TO 7th of March

- **US non-farm payrolls at 175K vs. 149K expected.**
- **US unemployment rate rises from 6.6% to 6.7%.**
- **US average hourly earnings up by 0.4%.**
- **US trade deficit inches higher to \$39.1B vs. \$39B last month.**
- **CA unemployment rate still at 7%.**
- **CA non-farm employment change prints at -7K vs. 15K expected.**
- **CA trade deficit at -0.18 billion CAD vs. -1.2 billion CAD estimates.**
- **China's inflation slips from 2.5% to 2.0% in February.**
- **German Wholesale Price Index lower than previous read: -1.7% vs. -1.3% previous.**
- **Swiss Inflation data ticks lower: HICP y/y -0.2% vs. 0.3% forecast; CPI y/y -0.1% vs. 0.1% previous.**
- **German Industrial Production m/m in-line with forecast at 0.8%; better than previous read of 0.1%.**
- **RBA Governor Stevens acknowledged rate cut cycle may be over.**
- **Japanese leading indicators up by 112.2% from 111.7%.**
- **PBOC likely to keep expanding Yuan trading band this year.**
- **RBA Governor Stevens refrains from jawboning AUD in today's testimony.**
- **US Governor orders shows steeper than expected 0.7% drop.**
- **US initial jobless claims better than expected at 323K vs. 336K.**
- **Canadian building permits up by 8.5% vs. 1.9% expected.**
- **Canadian Ivey PMI up from 56.8 to 57.2.**
- **U.S. IBD consumer optimism index at 45.1 vs. 45.6 expected.**
- **Australian economy grew by 0.8% in Q4 2013 vs. estimated 0.7%.**
- **U.K. BRC price shop index down by 1.4%.**
- **US core PCE at 0.1% as expected.**
- **US personal spending grows by 0.4% vs. 0.1% expected.**
- **US personal income rises by 0.3% vs. 0.2% estimates.**
- **US manufacturing PMI at 57.1 vs. 56.6 expected reading.**
- **US ISM manufacturing PMI at 53.2 vs. 52.0 estimates.**
- **ADP non-farm employment at 139K vs. 127K previous.**
- **US ISM non-manufacturing PMI at 51.6 vs. 53.5 expected.**
- **BOC: downside inflation risks remain important.**

THE WEEK AHEAD - 10th OF MARCH , TO 14TH MARCH

- **The most important economic release of the week.**
- **All time at Kuwait (+3 GMT).**

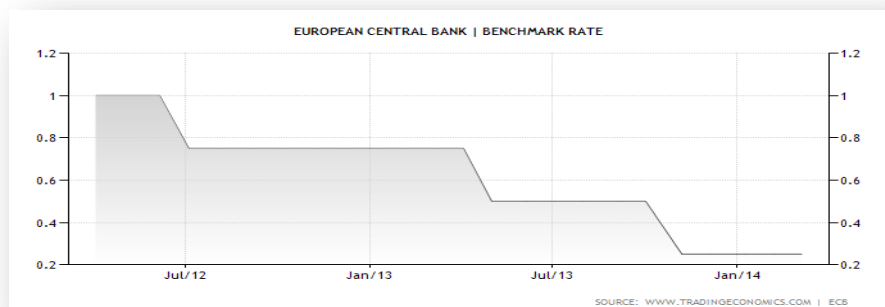
SunMar 9	4:30am	CNY	CPI y/y	2.10%	2.50%
TueMar 11	3:30am	AUD	NAB Business Confidence		8
	Tentative	JPY	Monetary Policy Statement		
	Tentative	JPY	BOJ Press Conference		
	12:30pm	GBP	Manufacturing Production m/m	0.30%	0.30%
	1:00pm	GBP	Inflation Report Hearings		
Wed Mar 12	11:00pm	NZD	Official Cash Rate	2.75%	2.50%
		NZD	RBNZ Press Conference		
		NZD	RBNZ Rate Statement		
Thu Mar 13	3:30am	AUD	Employment Change	15.3K	-3.7K
		AUD	Unemployment Rate	6.00%	6.00%
	4:10am	NZD	RBNZ Gov Wheeler Speaks		
	8:30am	CNY	Industrial Production y/y	9.50%	9.70%
	3:30pm	USD	Core Retail Sales m/m	0.20%	0.00%
		USD	Retail Sales m/m	0.30%	-0.40%
Fri Mar 14	3:30pm	USD	PPI m/m	0.20%	0.20%
	4:55pm	USD	Prelim UoM Consumer Sentiment	81.9	81.2

MARKETS PREVIEW 3rd OF March , TO 7th of March

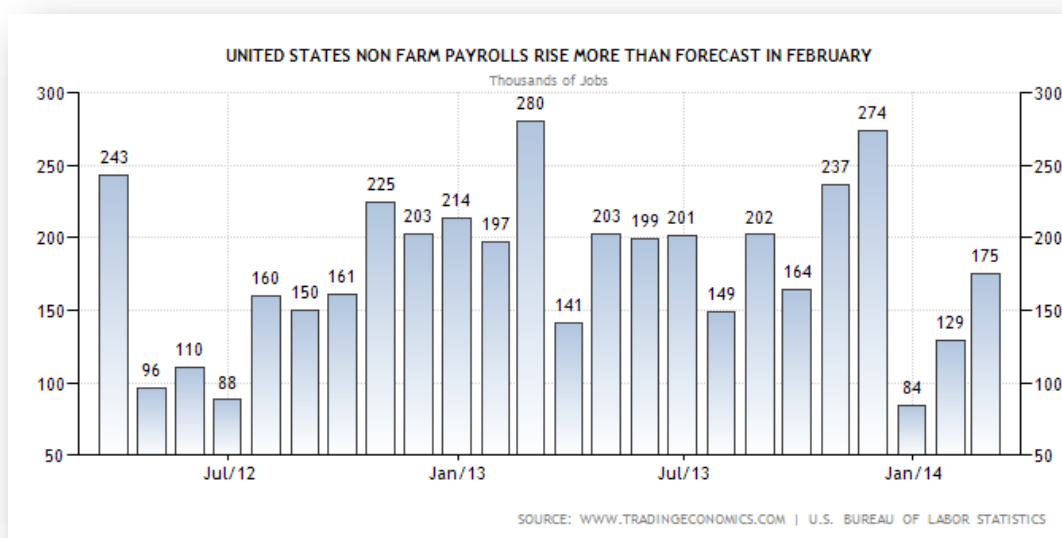
A lot of traders and market players were expecting EUR to lose some of its value against USD; however, after the last meeting of ECB maybe this movement would be delayed.



Markets was waiting ECB action about the recently inflation threats in the zone; however, the ECB has hold the rates at +0.25% and no major change about the monetary policy anytime soon. Market was trading above the psychological level of 1.39 for EUR/USD pre the NFP (Non-Farm-Payroll reading) which was the first time to be traded at that level since October 2011. The message that was delivered by Mr. Draghi after the ECB rate decision at his regular press conference post monetary meet, would suggest that they are not going to use any of their tools soon to fight the deflation threat.



As we mentioned in our last [special report](#) (**Why market players waiting today NFP -Hot Trading Ideas**) NFP printed a positive reading of 175K against 151K estimated , moreover, the US dollar has been bought but not that heavily demand despite the positive reading , because the market still considering the bad winter weather at USA and Russia geopolitical uncertainty. Market is awaiting 6.5% unemployment rate for US to expect short-term raise of interest rate as that mentioned by FED official in their last report.



Technical Corner

AUDUSD opened at 0.8903, reached to 0.8891 to record it as low of the week which represents a major technical support for the pairs; moreover, the currency has rallied to print a high of 0.9133, at the closing of the week it corrected to close at 0.9060. Below the 4H & Daily charts explaining my view for the pair for the coming weeks.



AUD/USD; Daily time frame



AUD/USD; 4H time frame



Technically speaking:

*** This report provides Technical analysis for swing positions; however, if you prefer short-term analysis & scalping techniques please refer to our daily report or our social media chart analysis posting, & marketing commentary).*

AUD/USD was high volatile last week, but 0.9120 – 0.9050 levels did not manage to keep the trading zone at it. After US reading which printed strong jobs added to US economy on Friday which drives the market to have positive sentiment against US dollars which let the AUD/USD to retrace from 0.9120-0.9050 levels and closing @ 0.9060. China has recorded a negative inflation reading which helped the pairs to slip further at the early trading hours for the week.

Generally, I am expecting a bearish sentiment for the pairs in the coming days; however, we should keep in mind the major economic release for the Australian economy would have a major effect as well for the direction of the currency. NAB business confidence with positive expectation, Consumer sentiment with negative expectation, Home loans with positive expectation as well, MI inflation with positive expectation, & the employment reading which considered as the most important release for this week , So be awake trader for this week price action and build your position carefully with your risk management (We provide webinars for money management and other related trading skills , if interested please e-mail us at webinar@orbex.com)

Key levels to watch for:

0.9180

0.9000

0.8893

0.8728

0.8578



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