

ORBEX

Weekly Markets Report

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



ORBEX Research Department
5th of January , TO 9th of January 2015

OVERWEEK BULLET POINTS – 29^h of December , TO 2th of January 2015

- United Kingdom Nationwide Housing Prices (YoY) (7.2%) below expectations (7.5%) in December.
- United Kingdom Nationwide Housing Prices (MoM) same expectations (0.2%) in December.
- Spain Retail Sales (YoY) down to 0.5% in November from previous 1%.
- Turkey Consumer Confidence dipped from previous 68.7 to 67.7 in December.
- Austria Producer Price Index (YoY) fell from previous -1 to -1.1 in November.
- Sweden Trade Balance (MoM) down to -0.7B in November from previous -0.2B.
- European Monetary Union M3 Money Supply (YoY) increased to 3.1% in November from previous 2.5%.
- Italy Business Confidence above expectations (96.7) in December: Actual (97.5).
- European Monetary Union Private loans (YoY) increased to -0.9% in November from previous -1.1%.
- Spain Current Account Balance increased to €0.311B in October from previous €0.29B.
- Greece Producer Price Index (YoY) declined to -2.3% in November from previous -0.9%.
- United States Consumer Confidence (92.6) below forecasts (94.6) in December.
- Australia Private Sector Credit (MoM) meets expectations (0.5%) in November.
- China HSBC Manufacturing PMI came in at 49.6, above expectations (49.5) in December.
- Greece Retail Sales (YoY) increased to 3.7% in October from previous 2.2%.
- United States Continuing Jobless Claims came in at 2.353M below forecasts (2.375M) in December 19.
- United States Initial Jobless Claims (298K) above forecasts (290K) in December 19.
- United States Chicago Purchasing Managers Index (58.3) below expectations (60.1) in December.
- United States Pending Home Sales (YoY) up to 4.1% in November from previous 2.2%.



- United States EIA Crude Oil Stocks change registered at (-0.067M) below expectations (0.2M) in December 26.
- China NBS Manufacturing PMI meets expectations (50.1) in December.
- Australia Commodity Index (YoY) fell from previous -18.4% to -21.2% in December.
- Italy Markit Manufacturing PMI registered at 48.4, below expectations (49.6) in December.
- France Markit Manufacturing PMI fell from previous 48.4 to 47.5 in December.
- Germany Markit Manufacturing PMI in line with forecasts (51.2) in December.
- Greece Markit Manufacturing PMI up to 49.4 in December from previous 49.1.
- European Monetary Union Markit Manufacturing PMI (50.6) below expectations (50.8) in December.
- United Kingdom M4 Money Supply (MoM) rose from previous -0.1% to 0% in November.
- United Kingdom Net Lending to Individuals (MoM) came in at £3.3B, above forecasts (£2.5B) in November.
- United Kingdom Mortgage Approvals came in at 59.029K, above forecasts (58.5K) in November.
- United Kingdom Markit Manufacturing PMI came in at 52.5 below forecasts (53.7) in December.
- United Kingdom Consumer Credit came in at £1.252B, above forecasts (£1B) in November.
- United Kingdom M4 Money Supply (YoY) -2.8% (November) vs previous -2.6%.
- Canada Manufacturing PMI down to 53.9 in December from previous 55.3.
- United States Markit Manufacturing PMI came in at 53.9, below expectations (54.1) in December.
- United States ISM Manufacturing PMI registered at 55.5, below expectations (57.6) in December.
- United States ISM Prices Paid (38.5) below expectations (43) in December.
- United States Construction Spending (MoM) registered at -0.3%, below expectations (0.3%) in November.

- *The most important economic release of the week*

Mon Jan 5	All Day	EUR	German Prelim CPI m/m		0.10%	0.00%
	12:30	GBP	Construction PMI		59.2	59.4
Tue Jan 6	3:30	AUD	Trade Balance		-1.59B	-1.32B
	12:30	GBP	Services PMI		58.9	58.6
	Tentative	NZD	GDT Price Index			2.40%
	18:00	USD	ISM Non-Manufacturing PMI		58.2	59.3
Wed Jan 7	13:00	EUR	CPI Flash Estimate y/y		0.00%	0.30%
	16:15	USD	ADP Non-Farm Employment Change		227K	208K
	16:30	CAD	Trade Balance		-0.2B	0.1B
		USD	Trade Balance		-42.3B	-43.4B
	18:00	CAD	Ivey PMI		52.3	56.9
	22:00	USD	FOMC Meeting Minutes			
Thu Jan 8	3:30	AUD	Building Approvals m/m		- 2.70%	11.40%
	15:00	GBP	Official Bank Rate		0.50%	0.50%
	Tentative	GBP	MPC Rate Statement			
	16:30	USD	Unemployment Claims		291K	298K
Fri Jan 9	3:30	AUD	Retail Sales m/m		0.30%	0.40%
	4:30	CNY	CPI y/y		1.50%	1.40%
	12:30	GBP	Manufacturing Production m/m		0.40%	-0.70%
	16:30	CAD	Building Permits m/m		0.80%	0.70%
		CAD	Employment Change		10.3K	-10.7K
		CAD	Unemployment Rate		6.60%	6.60%
		USD	Non-Farm Employment Change		241K	321K
		USD	Unemployment Rate		5.70%	5.80%

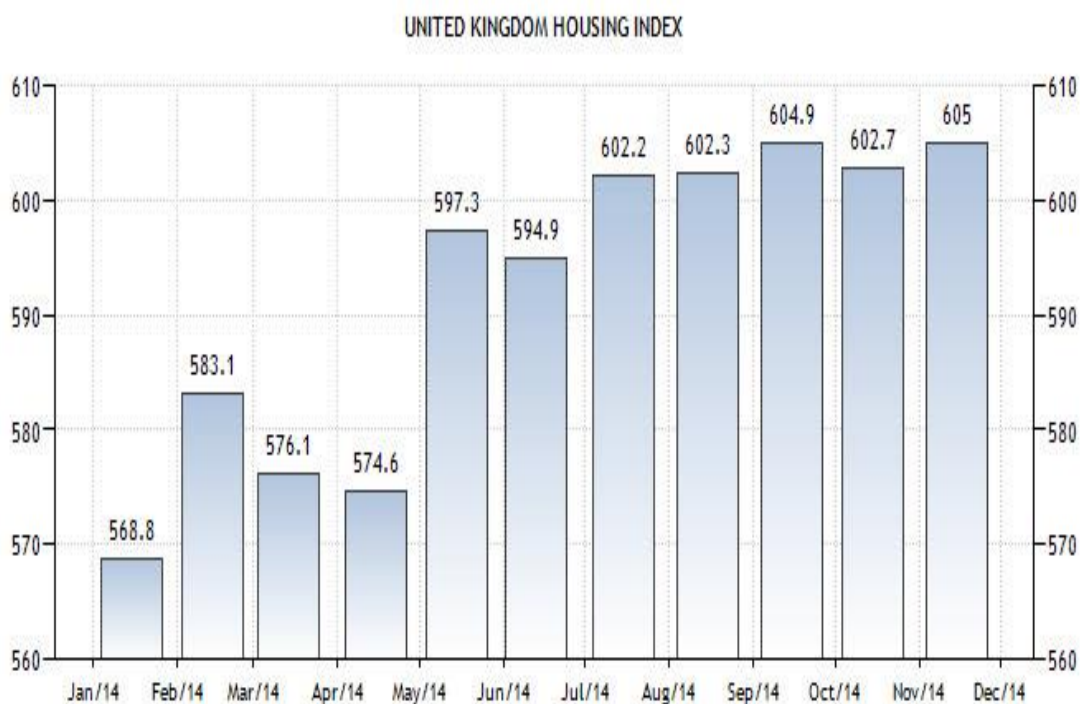
- To view the full economic calendar kindly click on [Full Economic Calendar](#)

The number initial jobless claims for United States rose more than expected last week, but the underlying trend remained consisted with sustained strength in the jobs market. Initial claims for state jobless aid soared by 17,000 to a seasonally adjusted 298,000 for the week ended December 27, the Labor Department said, following four consecutive weeks of drops. The four-week moving average of claims, considered a better gauge of labour market trends as it strips out weekly volatility, climbed only 250 to 290,750 last week. It has stayed below the 300,000 mark for 16 weeks in a row, on Friday the US Dollar climbed to a nine-year high versus other major currencies, prior to US manufacturing data report release. On account of the recent US data, expectations were increased for the Fed to raise interest rate in the near future, supporting the currency. The Greenback index gained 0.55% to 91.14, the highest since 2005. The US government is projected to report next week that non-farm payrolls increased 240,000 in December following the November's rise of 321,000, marking the 11th straight month of job gains above 200,000, the longest such stretch since 1994. The unemployment rate is seen dropping to 5.7%, which would be the lowest level since June 2008.



Jobless Claims (Blue) against; Index Dollar (Green)

United Kingdom Nationwide House Price Index shows house prices rose 0.2% on the month and were up 7.2% on the year in December after an 8.4% rise in 2013. The December outturn followed a 0.3% rise on the month and an 8.5% rise on the year in November, and December was the fourth consecutive month in which year-on-year house price inflation eased. UK homeowners continued to inject equity in the third quarter, but levels are markedly below those seen last year, Bank of England data show. In the third quarter there was a net equity injection of 10.872 billion, up from 10.557 billion in the second quarter but well below the high of 12.809 billion seen in the first quarter of 2013. As a share of post-tax income the housing equity injection was 3.5% in Q3, up from 3.4% in Q2, but down from the 4.4% high first seen in the fourth quarter 2010 and again in the first quarter of last year. The UK housing market rallied earlier in 2014, although transaction levels have again decline in recent months.



SOURCE: WWW.TRADINGECONOMICS.COM | HALIFAX AND BANK OF SCOTLAND

United Kingdom Housing Index

As we can see on the 4H chart of EURAUD; the market has almost finalized its consolidated phase for the mid-term uptrend and rebounded from the level of 1.4750. The most probable scenario the market would break out this consolidation pattern to continue its uptrend or at least to re-test the high of that trend. We would target for the long position as a first target 1.6000 with stop lose below any level of the major support of 1.4750s , Finally , the second long target would be the recent high 1.5320.



EURAUD 4H Chart



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