

ORBEX

Weekly Markets Report

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



ORBEX Research Department
22st OF December, TO 26th of December

OVERWEEK BULLET POINTS – 15th of December , TO 19th of December

- Switzerland Producer and Import Prices (YoY) -1.6% (November) vs previous - 1.1%.
- Switzerland Producer and Import Prices (MoM) down to -0.7% in November from previous -0.1%.
- UK CBI Trends Total Orders (Dec) M/M 5 vs. Exp. 3 (Prev. 3).
- US Empire Manufacturing (Dec) M/M -3.60 vs. Exp. 12.40 (Prev. 10.16).
- US NAHB Housing Market Index (57) below forecasts (58) in December.
- US Industrial Production (Nov) M/M 1.3% vs. Exp. 0.7% (Prev. -0.1%).
- French Manufacturing PMI (Dec P) M/M 47.9 vs Exp. 48.6 (Prev. 48.4).
- German Manufacturing PMI (Dec P) M/M 51.2 vs. Exp. 50.3 (Prev. 49.5).
- Eurozone Manufacturing PMI (Dec P) M/M 50.8 vs. Exp. 50.5 (Prev. 50.1).
- Italian Trade Balance Total (Oct) M/M EUR 5397mln (Prev. EUR 2014mln).
- UK RPI (Nov) Y/Y 2.0% vs Exp. 2.2% (Prev. 2.3%).
- UK PPI Input NSA (Nov) Y/Y -8.8% vs. Exp. -9.2% (Prev. -8.4%).
- UK CPI (Nov) Y/Y 1.0% vs Exp. 1.2% (Prev. 1.3%).
- UK ONS House Price Index (Oct) Y/Y 10.4% vs Exp. 11.4% (Prev. 12.1%).
- Euro-zone Trade Balance SA (Oct) 19.4 bln vs. Exp. 18.4bln (Prev. 17.7bln).
- German ZEW Survey Current Situation (Dec P) M/M 34.9 vs. Exp. 5.0 (Prev. 3.3).
- Canadian International Securities Transactions (Oct) M/M 9.53bln vs. Exp. 4.00bln (Prev. 4.37bln).
- Canadian Manufacturing Sales (Oct) M/M -0/6% vs. Exp. -0.3% (Prev. 2.1%).
- US Housing Starts (Nov) M/M 1028K vs. Exp. 1040K (Prev. 1009K).
- UK ILO Unemployment Rate (Oct) 3M/3M 6.0% vs. Exp. 5.9% (Prev. 6.0%).
- BoE minutes show a vote of 7-2 to hold rates, 9-0 for bond purchases.
- UK Jobless Claims Change (Nov) M/M 26.9K vs. Exp. -20K (Prev. -20.4).
- UK Claimant Count Rate (Nov) M/M 2.7% vs. Exp. 2.7% (Prev. 2.8%).
- UK Average Weekly Earnings 3M/Y (Oct) 1.6% vs. Exp. 1.6% (Prev. 1.2%).
- Euro-zone CPI (Nov F) Y/Y 0.3% vs Exp. 0.3% (Prev. 0.3%).
- Eurozone Labour Costs (Q3) Y/Y 1.3% (Prev. 1.2%).
- Switzerland ZEW Survey Expectations climbed from previous -7.6 to -4.9 in December.
- US CPI (Nov) M/M -0.3% vs. Exp. -0.1% (Prev. 0.0%).
- Canadian Wholesale Trade Sales (Oct) M/M 0.1% vs. Exp. 0.2% (Prev. 1.8%).



- US Current Account Balance (Q3) Q/Q USD -100.3bln vs. Exp. USD -97.5bln (Prev. USD -98.5bln).
- United States Fed Interest Rate Decision unchanged at 0.25%.
- United States Fed median outlook for end-2015 Fed funds rate falls to 1.125%.
- New Zealand Gross Domestic Product (QoQ) came in at 1%, above forecasts (0.7%) in 3Q.
- New Zealand Gross Domestic Product (YoY) below expectations (3.3%) in 3Q: Actual (3.2%).
- Switzerland Exports (MoM) dipped from previous 19785M to 18055M in November.
- Switzerland Imports (MoM) fell from previous 16505M to 14187M in November.
- Switzerland Trade Balance climbed from previous 3255M to 3868M in November.
- German IFO Business Climate (Dec) M/M 105.5 vs Exp. 105.5 (Prev. 104.7).
- UK Retail Sales Ex Auto (Nov) M/M 1.7% vs Exp. 0.3% (Prev. 0.8%).
- Greek Unemployment Rate (Q3) Q/Q 25.5% vs. Exp. 25.9% (Prev. 26.6%).
- Euro-zone Construction Output (Oct) M/M 1.3% (Prev. -1.8%).
- US Continuing Claims (Dec 6) W/W 2373K vs. Exp. 2436K (Prev. 2514K).
- US Initial Jobless Claims (Dec 13) W/W 289K vs. Exp. 295K (Prev. 294K).
- US Services PMI (Dec P) M/M 53.6 vs. Exp. 56.3 (Prev. 56.2).
- US Leading Index (Nov) M/M 0.6% vs. Exp. 0.5% (Prev 0.9%).
- US Philadelphia Fed Business Outlook (Dec) M/M 24.5 vs. Exp. 26.0 (Prev. 40.8).
- US EIA Natural Gas Storage Change (Dec 12) W/W -64 vs. Exp. -60 (Prev. -51).
- BOJ Kuroda Change in policy stance will occur without hesitation if risks occur.
- BOJ raises economic assessment on industrial output, exports, and housing investment.
- Germany Producer Price Index (MoM) (0%) above expectations (-0.2%) in November.
- Germany GfK Consumer Confidence Survey (9) above expectations (8.8) in January.
- UK Public Finances (PSNCR) (Nov) M/M GBP 6.7bln vs. Prev. -2.6bln.
- European Monetary Union Current Account €20.5B below expectations (€28B) in October.
- France Business Climate in line with forecasts (99) in December.
- Italian Industrial Sales (Oct) M/M 0.4% (Prev. -0.4%).
- Italian Hourly Wages (Nov) M/M 0.1% (Prev. 0.1%).
- Canadian CPI (Nov) Y/Y 2.0% vs. Exp. 2.2% (Prev. 2.4%).
- Canadian Retail Sales (Oct) M/M 0.0% vs. Exp. -0.3% (Prev. 0.8%).

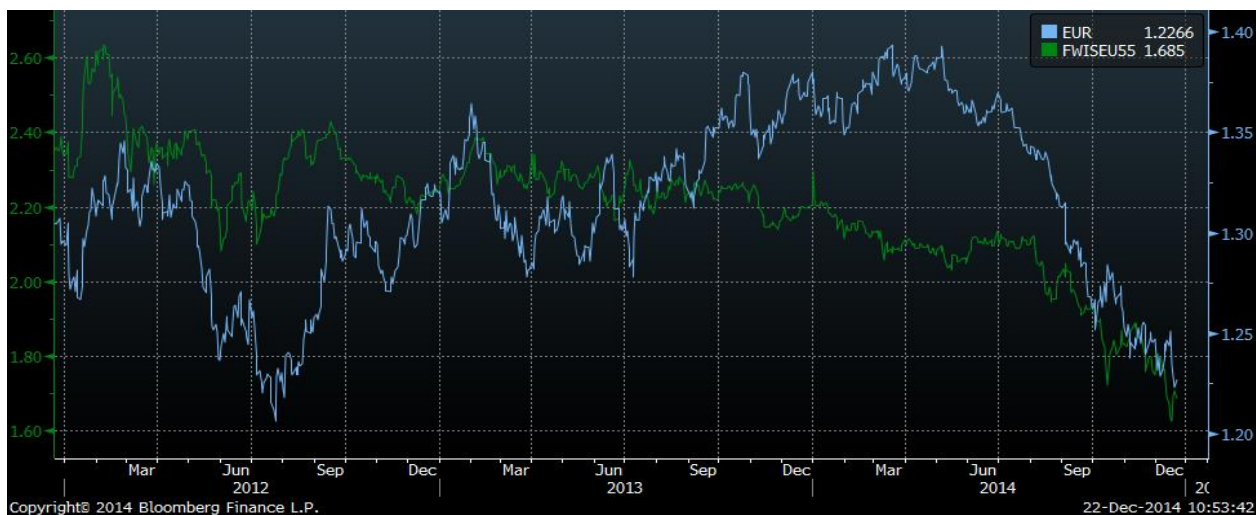
- **The most important economic release of the week**

Tue Dec 23	0:45	NZD	Trade Balance		-550M	-908M
	All Day	JPY	Bank Holiday			
	12:30	GBP	Current Account		-21.1B	-23.1B
	16:30	CAD	GDP m/m		0.10%	0.40%
		USD	Core Durable Goods Orders m/m		1.10%	-1.10%
	18:00	USD	Final GDP q/q		4.30%	3.90%
Wed Dec 24	18:00	USD	New Home Sales		461K	458K
	All Day	EUR	German Bank Holiday			
	16:30	USD	Unemployment Claims		291K	289K
Thu Dec 25	All Day	NZD	Bank Holiday			
	All Day	AUD	Bank Holiday			
	6:45	JPY	BOJ Gov Kuroda Speaks			
	All Day	CHF	Bank Holiday			
	All Day	EUR	French Bank Holiday			
	All Day	EUR	German Bank Holiday			
	All Day	EUR	Italian Bank Holiday			
	All Day	GBP	Bank Holiday			
	All Day	CAD	Bank Holiday			
	All Day	USD	Bank Holiday			
Fri Dec 26	All Day	NZD	Bank Holiday			
	All Day	AUD	Bank Holiday			
	All Day	CHF	Bank Holiday			
	All Day	EUR	German Bank Holiday			
	All Day	EUR	Italian Bank Holiday			
	All Day	GBP	Bank Holiday			
All Day	CAD	Bank Holiday				

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

MARKETS PREVIEW 15th of December , TO 19^h of December

The European Central Bank Vice President Vitor Constancio expects the Eurozone inflation rate to temporarily turn negative in the coming months, yet he did not see a risk of deflation. Annual inflation in the Eurozone slowed to 0.3% in November as energy prices fell, putting it well below the ECB's inflation target for 2%.



EUR/USD (Blue) against Euro Inflation Swap Forward 5y5y (Green)

The number of Americans applying for new claims for jobless benefits unexpectedly fell last week, indicating that the US labour market continued to strengthen. State unemployment benefits claims dropped by 6K to a seasonally adjusted 289K for the week ended December 13.



Unemployment Claims (Blue) against; Unemployment Rate (Green)

It is in a rising channel for a considerable time; where in pure technical theory it would be the best strategy is going long in any market dip. So , That is also what we will recommend to do , however , there is a lot of considerations to be taken ; We are at the end of the year where the volatility is expected to be reduced , We are on the upper band of that channel , & a range market mode is not far to be happened. In case the market fall back to 181s levels we will consider it as a buying opportunity with the first buy sign generated (As we used to , if you follow our previous reports) , Once we get long in the market we will target 189s levels with stop below 174.50s levels .



GBP / JPY; 4H Chart



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