

ORBEX

Weekly Markets Report

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



ORBEX Research Department
10st OF November, TO 14th of November

OVERWEEK BULLET POINTS – 3th of November , TO 7th of November

- UK Manufacturing PMI (Oct) M/M 53.2 vs. Exp. 51.4 (Prev. 51.6).
- Australia RBA Commodity Index (YoY) dipped from previous -16.8% to -16.9% in October.
- Turkey Consumer Price Index (YoY) rose from previous 8.86% to 8.96% in October.
- Turkey Producer Price Index (YoY) climbed from previous 9.84% to 10.1% in October.
- Turkey Consumer Price Index (MoM) climbed from previous 0.14% to 1.9% in October.
- Turkey Producer Price Index (MoM) rose from previous 0.85% to 0.92% in October.
- Chinas October HSBC Manufacturing PMI at 50.4, as expected.
- Spain Markit Manufacturing PMI came in at 52.6, above expectations (52.3) in October.
- Italy Markit Manufacturing PMI below forecasts (50.7) in October: Actual (49).
- France Markit Manufacturing PMI above forecasts (47.3) in October: Actual (48.5).
- Manufacturing PMI came in at 51.4, below expectations (51.8) in October.
- Germany: PMI Manufacturing climbs to 51.4 in October Germany Markit.
- European Monetary Union Markit Manufacturing PMI registered at 50.6, below expectations (50.7) in October.
- US Construction Spending (Sep) M/M -0.4% vs. Exp. 0.7% (Prev. - 0.8%).
- US ISM Manufacturing (Oct) M/M 59.0 vs. Exp. 56.1 (Prev. 56.6).
- Australia RBA Interest Rate Decision meets expectations (2.5%).



- Japan October final manufacturing PMI rises to 52.4 from September 51.7.
- Japanese PM Abe says expect the BoJ to keep working to achieve its 2% inflation target.
- Spain Unemployment Change came in at 79.2K, above forecasts (23.4K) in October.
- UK Construction PMI (Oct) M/M 61.4 vs. Exp. 63.5 (Prev. 64.2).
- EU Commission cuts Euro-Area growth and inflation forecasts for 2014 and 2015.
- Eurozone PPI (Sep) M/M 0.2% vs. Exp. 0.0% (Prev. -0.1%).
- US Trade Balance (USD) (Sep) M/M -43.0bln vs. Exp. -40.2bln (Prev. -40.1bln).
- Canada Exports above forecasts (\$44.1B) in September: Actual (\$44.79B).
- Canada Imports below forecasts (\$44.8B) in September: Actual (\$44.08B).
- Canadian International Merchandise Trade (Sep) M/M 0.71bln vs. Exp. -0.30bln (Prev. -0.61bln).
- New Zealand dairy prices -0.3% in Fonterra auction.
- US Factory Orders (Sep) M/M -0.6% vs. Exp. -0.6% (Prev. -10.1%).
- US Economic Optimism (Nov) M/M 46.4 vs. Exp. 46.5 (Prev. 45.2).
- US Durable Goods Orders Revisions (Sep) M/M -1.1% vs. Prev. -1.3%.
- Austria Wholesale Prices (MoM) down to -0.9% in October from previous 0.2%.
- Switzerland Consumer Price Index (MoM) meets forecasts (0%) in October.
- Switzerland Consumer Price Index (YoY) came in at 0%, above expectations (-0.1%) in October.
- Italian Services PMI (Oct) M/M 50.8 vs. Exp. 49.4 (Prev. 48.8).
- French Services PMI (Oct F) M/M 48.3 vs. Exp. 48.1 (Prev. 48.1).
- German Services PMI (Oct) M/M 54.4 vs. Exp. 54.8 (Prev. 54.8).
- Eurozone PMI Service (Oct F) M/M 52.3 vs. Exp. 52.4 (Prev. 52.4).



- UK Services PMI (Oct) M/M 56.2 vs Exp. 58.5 (Prev. 58.7).
- UK Official Reserves Changes (Oct) M/M USD -652mln (Prev. USD -1640mln).
- US ADP Employment (Oct) M/M 230K vs. Exp. 220K (Prev. 213K).
- US ISM non-Manufacturing Composite (Oct) M/M 57.1 vs. Exp. 58.0 (Prev. 58.6).
- US DoE Crude Oil Inventories (Oct 31) W/W 460K vs. Exp. 2350K (Prev. 2061K).
- German Construction PMI (Oct) M/M 51.5 (Prev. 50.0).
- United Kingdom Halifax House Prices (3m/YoY) registered at 8.8%, below expectations (9.1%) in October.
- Germany Factory Orders (MoM) registered at 0.8%, below expectations (2.3%) in September.
- United Kingdom New Car Registrations (Oct) Y/Y 14.2% (Prev. 5.6%).
- Eurozone Retail PMI (Oct) M/M 50.2 (Prev. 44.8).
- United Kingdom Manufacturing Production (Sep) M/M 0.4% vs. Exp. 0.3% (Prev. 0.1%).
- United Kingdom Industrial Production (Sep) M/M 0.6% vs. Exp. 0.4% (Prev. 0.0%).
- Bank of England keeps bank rate on hold at 0.50% as expected.
- Bank of England keeps the APF unchanged at GBP 375bln as expected.
- ECBs Draghi says eligible universe of purchases is EUR 1trl, but will not buy EUR 1trl.
- ECBs Draghi says ECB has not discussed specific instruments today.
- ECBs Draghi say beginning of 2012 means March 2012.
- ECBs Draghi says ECB did not give deadline to develop new measures.
- ECBs Draghi says quite confident that the impact of new measures on balance sheet size will be adequate, sizeable.
- ECBs Draghi, when asked about QE in Japan and US, says should be aware that effects of QE are different depending on initial conditions.



- ECBs Draghi sees two contingencies for further action, the first contingency is decision current action not enough, and second contingency is worsening inflation expectation.
- ECBs Draghi says inflation to remain low over the coming months and sees gradual increase during 2015 and 2016 .
- ECBs Draghi says council has tasked staff with preparing further measures if needed.
- ECBs Draghi says ECB unanimous on more stimulus if needed.
- ECBs Draghi says asset buys, TLTROs will sizeably impact balance sheet.
- ECBs Draghi says ECB will soon start buying ABS and program to last at least 2 years.
- US Nonfarm Productivity (Q3 P) Q/Q 2.0% vs. Exp. 1.5% (Prev. 2.3).
- Germany Annual Industrial Production falls 0.1% in September.
- France Trade Balance EUR above expectations (€-5.9B) in September: Actual (€-4.7B).
- France Exports, EUR: €36.8B (September) vs €35.63B.
- France Industrial Output (MoM) above forecasts (-0.2%) in September: Actual (-0.1%).
- Switzerland Real Retail Sales (YoY) registered at 0.3%, below expectations (1%) in September.
- UK Visible Trade Balance (Sep) M/M -9.821bln vs. Exp. -9.5bln (Prev. -9.099bln).
- US Change in Nonfarm Payrolls (Oct) M/M 214K vs. Exp. 235K (Prev. 248K).
- US Unemployment Rate (Oct) M/M 5.8% vs. Exp. 5.9% (Prev. 5.9%).
- US Average Hourly Earnings (Oct) M/M 0.1% vs. Exp. 0.2% (Prev. 0.0%).
- Canadian Net Change in Employment (Oct) M/M 43.1k vs. Exp. -5.0k (Prev. -74.1k).
- Canadian Unemployment Rate (Oct) M/M 6.5% vs. Exp. 6.9% (Prev. 6.8%).

THE WEEK AHEAD - 10th of November , TO 14th of November

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

| | | | | | | |
|-------------------|-------|-------------------------------|---------------------------------|-------|--------|--------|
| Mon Nov 10 | 4:30 | CNY | CPI y/y | 1.60% | 1.60% | 1.60% |
| Tue Nov 11 | 3:30 | AUD | NAB Business Confidence | | | 5 |
| | 23:00 | NZD | RBNZ Financial Stability Report | | | |
| | 23:05 | NZD | RBNZ Gov Wheeler Speaks | | | |
| Wed Nov 12 | 12:30 | GBP | Average Earnings Index 3m/y | | 0.90% | 0.70% |
| | 13:30 | GBP | Claimant Count Change | | -24.9K | -18.6K |
| | | GBP | BOE Gov Carney Speaks | | | |
| | GBP | BOE Inflation Report | | | | |
| Thu Nov 13 | 8:30 | CNY | Industrial Production y/y | | 8.00% | 8.00% |
| | 16:30 | USD | Unemployment Claims | | 282K | 278K |
| Fri Nov 14 | 9:30 | EUR | French Prelim GDP q/q | | 0.10% | 0.00% |
| | 10:00 | EUR | German Prelim GDP q/q | | 0.10% | -0.20% |
| | 16:30 | CAD | Manufacturing Sales m/m | | 1.30% | -3.30% |
| | | USD | Core Retail Sales m/m | | 0.20% | -0.20% |
| | | USD | Retail Sales m/m | | 0.20% | -0.30% |
| 17:55 | USD | Prelim UoM Consumer Sentiment | | 87.3 | 86.9 | |

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

German exports and industrial output recovered in September after sharp decline in August, which is seen as a factor preventing Europe from falling into recession in Q3 this year. Exports gained 5.5% on the month, jumping back from a fall of 5.8% in August - the largest fall in more than 5 years - and imports pushed up 5.4% after 2 straight months of decline.



EURUSD, Industrial Production, & Euro Zone GDP (YoY)

The US job growth steadily increased in October and the unemployment rate fell to a 6-year low, showing that the US economy continues its expansion in the face of a cooling global economy. Despite the strengthening labor market, wage growth remained modest, indicating that the Fed should not hurry with the interest rate hike. Employers added 214K new jobs to their payrolls while the unemployment rate fell to 5.8% in October



NFP , Against US Unemployment Rate

Technical Corner

As shown on the daily chart, the currency pair has broken the symmetric triangle on last July and market declined till the 1.7250s levels then it rebounded to record a high and to retest the broken trend as well. This the most probable trade to short the pair to target 1.8100s as the first target and 1.7250 as the final target, moreover, the stop should be placed above 1.8680s.



GBPAUD; Daily Chart



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