

ORBEX

Weekly Markets Report

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



ORBEX Research Department
12st OF May. , TO 16th of May

OVERWEEK BULLET POINTS – 5th OF May. , TO 9th of May

- _ BOJ renewed its confidence toward recovery, adding that recovery will continue gradually especially after the new sales-hike plan.**
- _ EURGBP New 3 month Low: 0.8153 Previous 3 month Low: 0.8157 .**
- _ Ukraine receives first \$3.2 bln from IMF programme -central bank.**
- _ Yellen says Fed will keep on tapering as long as economy continues to improve.**
- _ Bank of England keeps interest rates unchanged at 0.50% as expected.**
- _ Bank of England keep Asset Purchase Facility (May) £375B .**
- _ ECB keeps main refi rate unchanged at 0.25% as expected.**
- _ Draghi says the subdued inflation outlook is extending into the medium term but he still sees it gradually increasing in 2015 .**
- _ US stock index futures traded higher on Thursday, after better-than-expected China trade data and calming Ukraine tensions.**
- _ European stock markets turn higher & EURUSD come down after ECB's Draghi opens the door for more easing at the next policy meeting.**
- _ European Stocks falling from a six-year high when ECB President Draghi hinted at a rate cut next month.**
- _ Canadian Net Change in Employment (Apr) M/M -28.9k vs. (Prev. 42.9k).**

- *The most important economic release of the week*

Mon May 12	4:30am	AUD	NAB Business Confidence	6		4
Tue May 13	8:30am	CNY	Industrial Production y/y		8.90%	8.80%
	12:00pm	EUR	German ZEW Economic Sentiment		41.3	43.2
	Tentative	AUD	Annual Budget Release			
	3:30pm	USD	Core Retail Sales m/m		0.60%	0.70%
		USD	Retail Sales m/m		0.50%	1.20%
Wed May 14	12:00am	NZD	RBNZ Financial Stability Report			
	12:05am	NZD	RBNZ Gov Wheeler Speaks			
	1:45am	NZD	Retail Sales q/q		0.90%	1.20%
	11:30am	GBP	Claimant Count Change		-31.2K	-30.4K
		GBP	Unemployment Rate		6.80%	6.90%
	12:30pm	GBP	BOE Gov Carney Speaks			
		GBP	BOE Inflation Report			
Thu May 15	3:30pm	USD	PPI m/m		0.20%	0.50%
	5:00am	NZD	Annual Budget Release			
	7:25am	JPY	BOJ Gov Kuroda Speaks			
	3:30pm	CAD	Manufacturing Sales m/m		0.20%	1.40%
		USD	Core CPI m/m		0.20%	0.20%
		USD	Unemployment Claims		321K	319K
Fri May 16	5:00pm	USD	Philly Fed Manufacturing Index		13.9	16.6
	2:00am	USD	Fed Chair Yellen Speaks			
	3:30pm	USD	Building Permits		1.01M	1.00M
	4:55pm	USD	Prelim UoM Consumer Sentiment		84.7	84.1

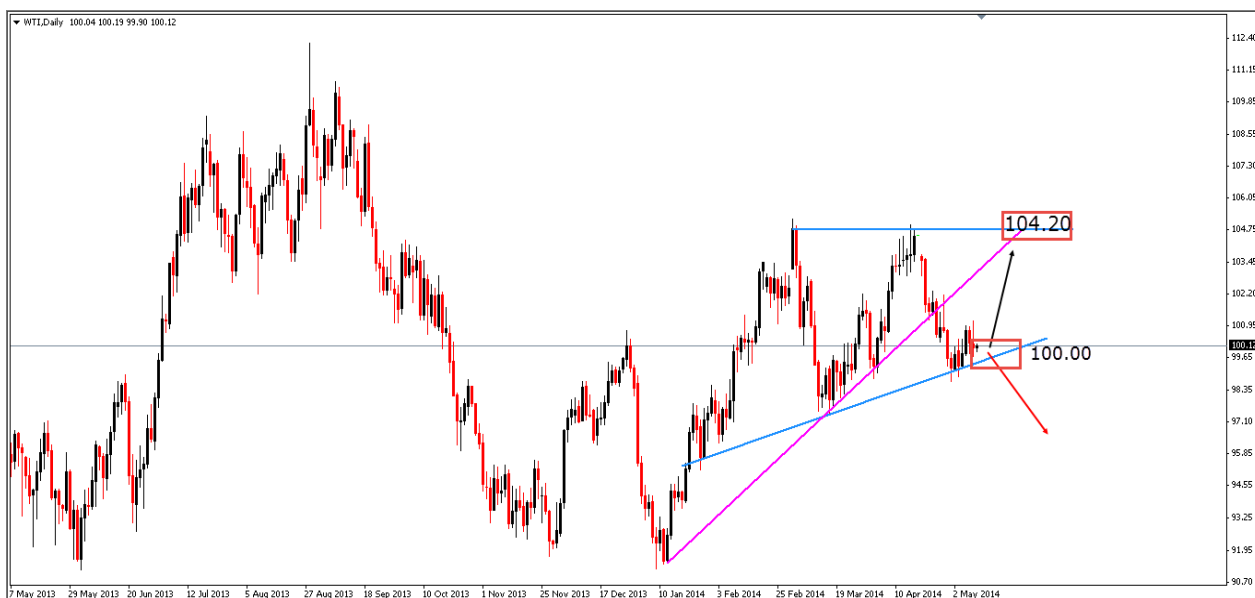
- To view the full economic calendar kindly click on [Full Economic Calendar](#)

MARKETS PREVIEW 5th OF May. , TO 9th of May

Words could affect the markets greatly ; That what happened to the EURUSD last week after Draghi said very strong hints at a possible actions to be taken by ECB in June .In the conference , Draghi has said that about the EUR action at the markets ; “Concerns about the strength of the currency “ and expressing about three set of possibilities as well. ECB finally get the markets’ attention. These words by Draghi certainly take the attention of the investor for the coming meeting. That is why we do expect some volatility at EUR pairs tell next meeting.

In Japan, there is a big debate about the effect of TX hike in the long-term on the recovery of the Economy. However, first quarter reading showed that the tax hike positive effect as consumers purchasing big products before becoming more expensive. Japan is seeking for a way to balance their fiscal condition (Deficit) to not relying on Debt ; Moreover , the only way to do this would be through reducing services and increase taxes. However , this kind of action politically has a negative effect on Shinzo Abe’s stability. Abe-economics which is targeting 2% inflation by BOJ’s monetary action; would be achieved , that what a lot of players at markets believe it would not! Why you would not share your opinion with us as well !

Technical Corner



As you will see from the chart above for the WTI (Light Texas oil) on weekly report the market reshaping or trading in a form of ascending triangle; which theoretical means a bullish patterns, However, we cannot decide where the direction of the breakout will be next however, preparing for such a pattern while completion it will be good idea to build a swing trades on the breakout phase which would be high probability trades.



Moreover , on the daily chart we can notice also the market trading in ascending triangles as we mentioned it is theoretical a bullish pattern ,however , we will not decide until we can notice a successful breakout .

From the two charts now we can say the most important bullish resistance 103.50 and 104.50 and successful breakout out of this are it means continuation of the up-trend. From the down side the price of 100.00 per barrel would be the bearish support. The successful breakout not any penetration of the prices we mentioned but it will be successful trading above These levels for two or three trading session , having follow-throw , or fundamental confirmation to the move.



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