















DUKASCOPY
RESEARCH PRODUCTS

28/09/2016



Fundamental Analysis

Major events this week (September 26 - 30)

Day/Time (GMT)	Flag	Currency	Event	Period	Actual	Forecast	Previous
MONDAY							
8:00 am		EUR	German Ifo Business Climate	September	109.5	106.4	106.2
11:10 pm		CAD	BoC Gov Poloz Speech				
TUESDAY							
2:00 pm		USD	Consumer Confidence	September	104.1	99.8	101.1
WEDNESDAY							
2:30 pm		USD	Crude Oil Inventories	September			-0.62M
11:50 pm		JPY	Retail Trade (YoY)	August			-0.2%
THURSDAY							
6:35 am		JPY	Bank of Japan Governor Speech				
12:30 pm		USD	Unemployment Claims	September			252K
FRIDAY							
01:00 am		CNY	Caixin Manufacturing PMI	September			50
08:30 am		GBP	Gross Domestic Product (YoY)	Quarter			2.2%
09:00 am		EUR	Consumer Price Index (YoY)			0.4%	0.2%
12:30 pm		CAD	Gross Domestic Product (MoM)				0.6%
13:45 pm		USD	Personal Consumption Expenditure	August			0.1%

Key highlights of the week ended September 23

EU

According to the official figures, industrial production across the 19-country Euro zone slipped by 1.1% in July, showing a development that could seriously weigh on the region's third-quarter growth. It is worth to point out that industrial production in the single currency region has been highly volatile for the last months, jumping in some and slumping in others. But overall, during the last 12 months it has declined, a key source of weakness for the UK economy that has struggled to create jobs and now are facing strong uncertainties after the UK's June vote to leave the European Union. In the meantime, the production of capital goods decreased by 1.7%, while energy production was 1.4% lower and durable consumer goods production lost 0.7%. The production of intermediate goods, in turn, was down 0.5% while production of non-durable consumer goods was unchanged.

UK

The Bank of England kept its key interest rates unchanged at its September meeting despite the post-Brexit pressure, official data revealed on Thursday. The bank's policymakers voted anonymously to maintain the central bank's benchmark interest rate at its new, historically low, level of 0.25%. Furthermore, they voted 9-0 to leave the Central bank's bond buying program target level at 435 billion pounds as well as to stick to its new plan to buy up to buy 10 billion pounds of high-grade corporate bonds. Nevertheless, the BoE pointed to persistent risks of Britain's economic slowdown. Also, the Central bank revised up its Q3 GDP growth forecast to 0.3% from the previous projection of 0.1% made in August. All figures came in line with analysts' expectations. Other data released on the same day showed the country's retail sales decreased less than expected despite the Brexit vote. According to the Office for National Statistics, Britain's retail sales dropped 0.2% month-over-month in August, following the preceding month's upwardly revised gain of 1.9% and surpassing the 0.4% fall forecast. On an annual basis, sales volumes rose 6.2% last month, compared to July's 5.4% rise. Excluding fuel, retail sales climbed 5.9% year-over-year in August, posting the largest increase since November 2014.

Australia

According to the Bureau of Statistics release, Australia's official unemployment rate has reached 5.6%, despite the forecasts of the 3,900 jobs loss last month. Australian employment, in turn, declined for the first time in seven months, although underlying that trend remains favorable as full-time jobs rebounded. The economy shed 3,900 jobs in August, compared with a revised gain of 25,300 in July. Also, the good news is that full-time employment added 11,500, while July's drop was revised to 43,400. Overall, Australia's labour market remains in decent health despite strong concerns about the economy's ability to hold a possible downturn following the end of the mining investment boom. Consistent jobs creation has painted a favorable picture of Australia's economy, which recently recorded its 21st consecutive quarter of economic expansion. Taking into account all the data as well as interest rates, employment should continue its gradual upward revision in the near future.



"We're seeing a lot of strength in consumer spending, and consumer sentiment certainly seems to be solid".
- Janet Yellen, Federal Reserve

USD



	Impact
US consumer confidence hits its post-recession high in September	High

Confidence among American shoppers rose unexpectedly to its highest level since the recession in September, official data revealed on Tuesday. According to the Conference Board, the Consumer Confidence Index (CCI) jumped to 104.1 in September, whereas market analysts expect it to come in at 98.6 in the reported period. Meanwhile, the preceding month's reading was revised up to 101.8 from the originally reported 101.1 points. The survey is a closely-followed barometer of consumer attitudes towards business conditions, personal finances, jobs and short-term outlook. The data showed that 27.9% of respondents stated that jobs were plentiful in the ninth month of the year, following August's 26.8%. Furthermore, only 21.6% claimed that jobs were hard to find, compared to last month's 22.8%. The share of those expecting more jobs to be created in the upcoming months increased to 15.1% from last month's 14.4%, while the share of respondents expecting less jobs declined to 17.0% from August's 17.5%. The proportion of respondents expecting their incomes to worsen fell to 10.3% from 11.0% in the prior month. The US economy is mostly driven by consumer spending, which accounts for about 70% of all economic growth.
















Trends*	Q4 16	Q1 17	Q2 17
MAX	140	121	120
75% percentile	108	110	110
Median	105	105	107
25% percentile	102	101	101
MIN	81	95	92

* the data is based on international banks' forecasts

	27.09 open price	27.09 close price	% change
AUD/USD	0.76356	0.76111	+0.38%
USD/CHF	0.96913	0.97071	+0.16%
USD/JPY	100.325	100.418	+0.09%
NZD/USD	0.72737	0.73003	+0.36%

Major events previous week (September 19 - 23)

Day/Time (GMT)	Flag	Currency	Event	Period	Actual	Forecast	Previous
MONDAY							
14:00 pm		USD	NAHB Housing Market Index	September	65	60	60
TUESDAY							
1:30 am		AUD	Monetary Policy Meeting Minutes				
12:30 pm		USD	Building Permits (MoM)	August	1.142M	1.159M	1.152M
4:45 pm		CAD	BOC Gov Poloz Speech				
WEDNESDAY							
3:00 am		JPY	BoJ Interest Rate Decision		-0.1%		-0.1%
8:30 am		GBP	Public Sector Net Borrowing	August	10.1B	10.5B	-2.4B
2:30 pm		USD	Crude Oil Inventories	September	-0.620M		-0.6M
9:00 pm		NZD	Official Cash Rate		2.00%		2.00%
THURSDAY							
1:00 pm		EUR	ECB President Draghi Speaks				
12:30 pm		USD	Unemployment Claims	September	252K		260K
FRIDAY							
08:00 am		EUR	Flash Manufacturing PMI	September	52.6		51.7
12:30 pm		CAD	Core Consumer Price Index (MoM)	September	-0.2%		-0.2%
13:45 pm		USD	Flash Manufacturing PMI (Preliminar)	September	52.6		52

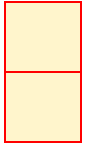
EXPLANATIONS

Chart

- **SMA (55)** – Simple Moving Average of 55 periods
- **SMA (200)** – Simple Moving Average of 200 periods

Forecasts

Third Quartile – separates 25% of the highest forecasts



Second Quartile – the median price based on the projections of the industry

First Quartile – separates 25% of the lowest forecasts



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