















DUKASCOPY
RESEARCH PRODUCTS

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Fundamental Analysis

Major events this week (April 24 - 28)

Day/Time (GMT)	Flag	Currency	Event	Period	Actual	Forecast	Previous
MONDAY							
08:00 am		EUR	German Ifo Business Climate	April	112.9	112.4	112.4
12:30 pm		CAD	Wholesale Sales m/m	February	-0.2%	-1.0%	3.0%
TUESDAY							
02:00 pm		USD	CB Consumer Confidence	April	120.3	123.7	124.9
WEDNESDAY							
01:30 am		AUD	CPI q/q	March	0.5%	0.6%	0.5%
01:30 pm		CAD	Core Retail Sales m/m	February	-0.1%	-0.2%	2.3%
02:30 pm		USD	Crude Oil Inventories	Last week	-3.6M	-1.1M	-1.0M
THURSDAY							
03:50 am		JPY	Monetary Policy Statement				
11:45 am		EUR	Minimum Bid Rate		0.00%	0.00%	0.00%
12:30 pm		USD	Core Durable Goods Orders m/m	March	-0.2%	0.4%	0.5%
FRIDAY							
08:30 am		GBP	Prelim GDP q/q	Q1 2017		0.4%	0.6%
12:30 pm		CAD	GDP m/m	February			0.6%
12:30 pm		USD	Advance GDP q/q	Q1 2017		1.3%	2.1%

Key highlights of the week ended April 21

Euro zone

Eurostat reported that its Final Consumer Price Index came in at 1.5%, compared to the preceding month's gain of 2.0%. However, the March figure came in line with forecasts. Back in February, the headline inflation rate hit the European Central Bank's target, raising expectations of a major change in the Bank's monetary policy. Services and manufacturing activity in the Euro zone rose more than expected in April, suggesting that the region's economy started the Q2 of 2017 with solid growth.

United Kingdom

Friday's data on British retail sales surprised many experts who did not expect such a notable change in March. According to the ONS, sales in the retail sector dropped 1.8% on a seasonally-adjusted basis, while analysts anticipated only a 0.3% decrease.

United States

US consumer prices fell unexpectedly last month, marking the first decline in more than a year, official figures revealed on Friday. The Labour Department reported its CPI dropped 0.3% in March, following the preceding month's gain of 0.1%, while the so-called core CPI, which excludes volatile items, fell 0.1% in the reported month, following February's 0.2% increase. The New York Federal Reserve reported that its Empire State Manufacturing Index came in at 5.2 for April, following the preceding month's reading of 16.4. Meanwhile, market analysts anticipated a slight drop to 15.2 points during the reported month. The US Department of Commerce reported that housing starts fell 6.8% to a seasonally adjusted rate of 1.22M, as construction of single-family homes in the Midwest posted the largest decline since 2014. Meanwhile, market analysts anticipated a slighter drop to a 1.25M unit rate in March, following the preceding month's upwardly revised 1.30M unit rate. US manufacturing activity in the Mid-Atlantic region slowed markedly in April, official figures revealed on Thursday. The Philadelphia Federal Reserve reported its Manufacturing Index dropped to 22.0 in the reported month, following March's reading of 32.8 and falling behind analysts' expectations for a decrease to 25.6 points.

Canada

Statistics Canada reported on Friday that the annual inflation rate declined to 1.6%, down from April's 2.0%. Meanwhile, market analysts anticipated a gain of 1.8%. On a monthly basis, consumer prices rose 0.2% in March, unchanged from the preceding month, whereas analysts expected a climb of 0.4% during the reported period.

New Zealand

The GDT Price Index advanced 3.1%, with an average selling price of \$3,139 per tonne, after rising 1.6% at the prior auction. Statistics New Zealand reported on Thursday that inflation rose at an annualised 2.2% rate in the Q1 of 2017, the highest level in five years. Thus, the inflation rate hit the mid-point of the Reserve Bank of New Zealand's inflationary target range of 1-3% for the first time in more than a year.



“There’s enough from today to suggest that we might see a material change in policy in June. But no one should get ahead of themselves. There’s clearly not enough consensus on the Governing Council.”

EUR - James Athey, Aberdeen Asset Management



	Impact
European Central Bank keeps monetary policy on hold amid weak inflation growth	High

As markets expected, the European Central Bank left its monetary policy unchanged at its meeting on Thursday as inflation remained below its 2% target. Although, the ECB acknowledged strong economic growth, with the economy showing the best growth rate since the global financial crisis. Nevertheless, the Central bank said that further rate cuts and an increase in asset purchases remained on the table despite Germany’s calls for a stimulus reduction. The ECB President Mario Draghi stated that last month’s data confirmed the view that the economy was in a good shape and downside risks continued to fall over the past several months. However, Draghi noted that underlying inflation growth remained subdued, driven by temporary factors, such as the change in crude oil prices. Therefore, policymakers voted to keep the Bank’s main refinancing rate at 0.00%, the deposit rate at -0.4% and the pace of monthly asset purchases at 60B euros. Nevertheless, some analysts assumed that if Emmanuel Macron wins the final round of the French Presidential Election and the Euro zone’s economy maintains a moderate yet stable pace of growth the ECB would likely reduce some of its stimulus at its next meeting in June. Furthermore, Draghi highlighted that deflation risks the risks of deflation “largely disappeared”.



Trends*	Q1 17	Q2 17	Q3 17
MAX	1.19	1.18	1.22
75% percentile	1.07	1.08	1.10
Median	1.05	1.04	1.05
25% percentile	1.03	1.02	1.01
MIN	0.98	0.95	0.90

* the data is based on international banks' forecasts

	27.04 open price	27.04 close price	% change
EUR/USD	1.0904	1.0873	-0.29%
EUR/GBP	0.8487	0.8426	-0.72%
EUR/CHF	1.0834	1.0809	-0.23%
EUR/JPY	121.09	120.98	-0.09%



“Business investment appears to have some better momentum early in 2017 and, while growth is far from hot, we appear to be transitioning away from the declines that plagued much of 2016.”

USD - Robert Kavcic, BMO Capital Markets



	Impact
Orders for US-produced durable goods grow less than expected	High

Orders for US-manufactured goods rose less than experts estimated in March, official figures revealed on Thursday. The US Department of Commerce reported that orders for durable goods in March soared only 0.7%, following the previous month's increase of 1.8%. Excluding transportation items, orders for core durable goods plunged 0.2%, while analysts anticipated 0.4% growth. This negative figure represented the first decline since June 2016. The main cause of March's drop was associated with weaker demand for automobiles, fabricated metal products and machinery. Namely, the number of orders for motor vehicles tumbled 0.8%, the slowest rate of growth in the last 25 months. At the same time, orders for fabricated metal products slipped 0.8%, whereas machinery orders fell 0.2%. In contrast, bookings in the civil aircraft sector jumped 7%. Furthermore, the number of orders for defence equipment advanced 12%. According to analysts, the slowdown at the end of the Q1 was mainly driven by the strong US Dollar, struggles in the energy sector and the weather-related factors. Nevertheless, they believe that businesses are going to increase their capital expenditures in the near future amid the US President Donald Trump's announced tax reform.
















Trends*	Q1 17	Q2 17	Q3 17
MAX	122	122	125
75% percentile	116	118	118
Median	114	114	115
25% percentile	110	109	110
MIN	98	100	100

* the data is based on international banks' forecasts

	27.04 open price	27.04 close price	% change
AUD/USD	0.7474	0.7465	-0.12%
USD/CHF	0.9934	0.9942	0.08%
USD/JPY	111.05	111.25	0.18%
NZD/USD	0.6890	0.6877	-0.19%

Major events previous week (April 17 - 21)

Day/Time (GMT)	Flag	Currency	Event	Period	Actual	Forecast	Previous
MONDAY							
06:15 am		JPY	BOJ Gov Kuroda Speaks				
12:30 pm		USD	Empire State Manufacturing Index	April	5.2	15.2	16.4
TUESDAY							
01:30 am		AUD	Monetary Policy Meeting Minutes				
12:30 pm		USD	Building Permits	March	1.26M	1.25M	1.22M
Tentative		NZD	GDT Price Index		3.1%		1.6%
WEDNESDAY							
09:00 am		EUR	Final CPI y/y	March	1.5%	1.5%	1.5%
02:30 pm		USD	Crude Oil Inventories	Last week	-1.0M	-1.0M	-2.2M
THURSDAY							
10:45 am		NZD	CPI q/q	Q1 2017	1.0%	0.8%	0.4%
12:30 pm		USD	Philly Fed Manufacturing Index	March	22.0	25.6	32.8
04:30 pm		GBP	BOE Gov Carney Speaks				
FRIDAY							
08:00 am		EUR	Flash Services PMI	April	56.2	56.0	56.0
08:30 am		GBP	Retail Sales m/m	March	-1.8%	-0.3%	1.7%
12:30 pm		CAD	CPI m/m	March	0.2%	0.4%	0.2%

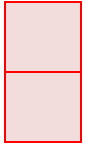
EXPLANATIONS

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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