















DUKASCOPY
RESEARCH PRODUCTS

26/04/2017



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			1.7%
02:30 pm		USD	Crude Oil Inventories	Last week			-1.0M
THURSDAY							
03:50 am		JPY	Monetary Policy Statement				
11:45 am		EUR	Minimum Bid Rate			0.00%	0.00%
12:30 pm		USD	Core Durable Goods Orders m/m	March		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.



“Consumer confidence is starting to reflect the realities of governing, not the hopes that the swamp will be drained.”

- Joel Naroff, Naroff Economic Advisors

USD



	Impact
US CB Consumer Confidence Index drops 3.8% in April	High

The Conference Board Consumer Confidence Index dropped more than experts estimated. In April, it lost 3.8% and reached 120.3, thus, marking the first decline since January. The fall was mainly attributable to the less optimistic view of business conditions and the labour market in the upcoming six months. As a result, the number of respondents, who evaluated business conditions as "good", decreased from 32.4% to 30.2% and the share of those, who assessed the available number of jobs in the market as "plentiful", plunged from 31.8% to 30.8%. In addition, the number of people who evaluated business conditions as "bad" increased slightly from 13.1% to 13.8%. Yet, the share of consumers that believed jobs were "hard to get" remained unchanged at 19.1%. The Conference Board's data confirmed the view that in the short-run consumers would likely to limit their spending and put more emphasis on savings accumulation. Tuesday's data also showed that the number of people, who thought that business conditions would worsen over the next six months, rose from 8.5% to 10.9%, while the share of those expecting weaker job creation surged from 12.7% to 13.1%. Nevertheless, the majority of respondents still believed that the economy would continue growing in the months ahead.



FORECASTS		
Q1 17	Q2 17	Q3 17
	118	118
116		115
114	114	
		110
110	109	

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

	25.04 open price	25.04 close price	% change
AUD/USD	0.7571	0.7535	-0.48%
USD/CHF	0.9958	0.9938	-0.20%
USD/JPY	109.77	111.10	1.20%
NZD/USD	0.7017	0.6951	-0.95%



"We see a genuine recovery in core inflation as a quite distant prospect, which biases the RBA to ease again."
- Ben Jarman, JP Morgan

AUD



	Impact
Canadian headline inflation misses analysts' forecasts in Q1 of 2017	High

Australian consumer headline inflation growth missed forecasts in the three month to March, while core inflation rose in line with expectations, official figures revealed on Tuesday. The Australian Bureau of Statistics reported that its headline CPI came in at 0.5% in the Q1 of 2017, unchanged from the preceding quarter, while market analysts anticipated an increase of 0.6% during the reported quarter. On an annual basis, headline inflation climbed 2.1%, missing markets' expectations for a 2.2% rise. Nevertheless, the Trimmed Mean CPI, the ABS' core inflation measure, advanced 0.5% on a quarterly basis, in line with forecasts. Year-over-year, core inflation rose 1.9%, surpassing expectations for a 1.8% climb. Despite the rise in the core inflation rate, analysts stated that overall inflation was modest and driven by some temporary factors, such as the change in crude oil prices, forcing the Reserve Bank of Australia to remain on hold for an undefined period of time. Prices for education, health and transport climbed 3.1%, 2.0% and 1.5%, respectively. However, the following gains were offset by price declines in other categories. Prices for clothing and footwear dropped 1.4%, for furnishings, household equipment and services prices fell 1.0% and for recreation and culture prices plunged 0.7%.
















FORECASTS		
Q1 17	Q2 17	Q3 17
		0.75
0.74	0.74	
0.73		
	0.72	0.72
0.71	0.71	
		0.7

Trends*	Q1 17	Q2 17	Q3 17
MAX	1.42	1.45	1.45
75% percentile	1.37	1.38	1.40
Median	1.35	1.36	1.36
25% percentile	1.32	1.32	1.31
MIN	0.84	1.22	1.20

* the data is based on international banks' forecasts

	25.04 open price	25.04 close price	% change
AUD/JPY	83.10	83.72	0.74%
AUD/USD	0.7571	0.7535	-0.48%
EUR/AUD	1.4355	1.4499	0.99%
GBP/AUD	1.6903	1.7043	0.82%

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%

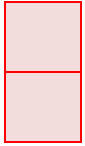
EXPLANATIONS

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



Newest releases and archive:

- Fundamental Analysis
- Technical Analysis
- Press Review
- Market Research
- Expert Commentary
- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

Additional information:

- Dukascopy Group Home Page
- Market News & Research
- FXSpider
- Live Webinars
- Dukascopy TV
- Daily Pivot Point Levels
- Economic Calendar
- Daily Highs/Lows
- SWFX Sentiment Index
- Movers & Shakers FX
- Forex Calculators
- Currency Converter
- Currency Index
- CoT Charts

Social networks:



Disclaimer

Everything in this article, including opinions and figures, is provided for informational purposes only and may not be interpreted as financial advice or solicitation of products. Dukascopy group assume no responsibility for the completeness or the accuracy of any data contained in this article. Financial figures indicated in this article have not been verified by the Dukascopy group. Views, opinions and analyses are those of the author of the article, and are not endorsed by the Dukascopy group.

Dukascopy group waive any and all warranties, express or implied, regarding, but without limitation to, warranties of the merchantability or the fitness for a particular purpose, with respect to all information in this article. Dukascopy group shall under no circumstances be responsible for any direct, indirect, consequential, contingent or any other damages sustained in connection with the use of this article.