



A research production of Henry KH ANG.

HA Research

CURRENCY FUNDAMENTAL QUANTIFIED.



CURRENCY REPORT.

All materials provided in this report should not constitute to any direct or indirect trading signals or decisions. Information provided should only be available to subscribed personnel of HA Research.



CONTACTS:

Henry KH ANG
Henry.KH.Ang@live.com

Singapore

SUBSCRIPTION:

To subscribe to the FREE daily currency report of your choice. [Click Here.](#)

(Currency available: AUD, NZD, CAD, CNY, USD, JPY, GBP, EUR and All Currencies Summary)





AUSTRALIAN ECONOMY

In a glance.

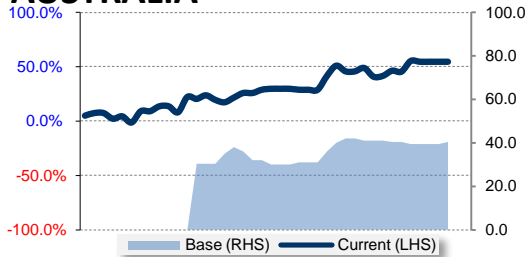
19-Nov-2013 (Tuesday)

Last Updated: 10:46AM (GMT +0800)



Figure 1: Fundamental Strength Index for last 40 days.

AUSTRALIA (40 Days Fundamental Strength)



* HOW TO USE THESE? - see footnote on Fundamental Strengths.

BASE SUMMARY:

INFLATION INDICATORS :	8.7	/ 19.2
GROWTH INDICATORS :	10.6	/ 34.6
EMPLOYMENT INDICATORS :	1.0	/ 11.5
HOUSING INDICATORS :	11.5	/ 19.2
BUSINESS SURVEY :	4.8	/ 7.7
CONSUMER SURVEY :	3.8	/ 7.7
BASE STRENGTH :	BEARISH	40.38 / 100
SHORT-TERM STRENGTH :	BULLISH	54.42%

AUSTRALIAN DOLLAR (A\$) NEUTRAL to BULLISH (UPSIDE TO BE CAPPED)

Australia Fundamentals Moderate (40.38/100); Recent momentum BULLISH at 54.42%.

(Fig2.1) Australian Inflation recovers, below RBA's 2%-3% band.(Fig2.2) Core inflation subdued, too.(Fig2.3) but PPI showing strong inflationary pressure.(Fig2.4) Business also paid more to import, could pass on cost to consumers.(Fig2.5) Labour Cost remains lower, weak.(Fig3.1) Australian GDP continues to weaken.(Fig3.2) domestic Retail Sales picks up, though.(Fig3.3) International trade remains lower from 2010-2011 boom.(Fig3.5) Private credit take-up rate strong.(Fig4.1) Company's profit stabilizes.(Fig4.2) Auto sales weak, low confidence in durable spending.(Fig4.3) Business capital expenditures remains weak.(Fig4.4) Jobless rate stubbornly high.(Fig4.5) Job creation remains stale, weak.(Fig5.1) New job posting advertisement slightly better.(Fig5.2) Housing remains strong component of Australia.(Fig5.3) New homes sales on healthy trend.(Fig5.4) New home loans take up stable.(Fig5.5) Building approvals issuance strong.(Fig6.2) Business confident about economy recovering.(Fig6.4) Consumers also confident about economic recovery.(Fig6.5) Expectation of inflation weak, though.

Conclusion: Inflation, growth, labour market still weak and possibly still require loose interest rates. Housing remains strong, business and consumer sentiments optimistic.

Table 1: Pending Fundamental Events for Australia & Past 15 economic data release.

UPCOMING FUNDAMENTAL EVENTS						
DATE	TIME	DETAILS	FORECAST	PREVIOUS	IMPACT	
19-Nov Tuesday	8:30am	Monetary Policy Meeting Minutes			!!!	
20-Nov Wednesday	7:30am	MI Leading Index m/m	-	-0.10%	!	
20-Nov Wednesday	8:30am	RBA Assist Gov DeBelle Speaks			!!	
21-Nov Thursday	5:05pm	RBA Gov Stevens Speaks			!!!	
PAST ECONOMIC EVENTS:						
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREVIOUS	
14-Nov Thursday	9:00am	MI Inflation Expectations	1.90%	-	2.00%	→
13-Nov Wednesday	8:30am	Westpac Consumer Sentiment	1.90%	-	-2.10%	↑
13-Nov Wednesday	9:30am	Wage Price Index q/q	0.50%	0.80%	0.70%	→
12-Nov Tuesday	9:30am	NAB Business Confidence	5.00	-	12	→
12-Nov Tuesday	9:30am	New Motor Vehicle Sales m/m	-0.70%	-	-0.30%	↓
11-Nov Monday	9:30am	Home Loans m/m	4.40%	3.60%	-4.00%	↑
07-Nov Thursday	6:26am	AIG Construction Index	54.40	-	47.60	→
07-Nov Thursday	9:30am	Employment Change	1.10	10.30	3.30	→
07-Nov Thursday	9:30am	Unemployment Rate	5.70%	5.70%	5.70%	↓
06-Nov Wednesday	9:30am	Trade Balance	-28.00%	-51.00%	-69.00%	→
05-Nov Tuesday	7:30am	AIG Services Index	47.90	-	47.10	→
04-Nov Monday	8:30am	MI Inflation Gauge m/m	0.10%	-	0.20%	→
04-Nov Monday	9:30am	Retail Sales m/m	0.80%	0.30%	0.50%	→
04-Nov Monday	9:30am	ANZ Job Advertisements m/m	-0.10%	-	0.20%	→
04-Nov Monday	9:30am	HPI q/q	1.90%	2.30%	2.70%	→

Quantified Fundamental Strengths are consolidated and Paired (i.e: CCY/CCY) to generate Auto-Suggested Trades in **Summary Report**. Auto-suggested trades are automatically paired on the basis of Strongest Currency Fundamental against Weakest Currency Fundamentals.

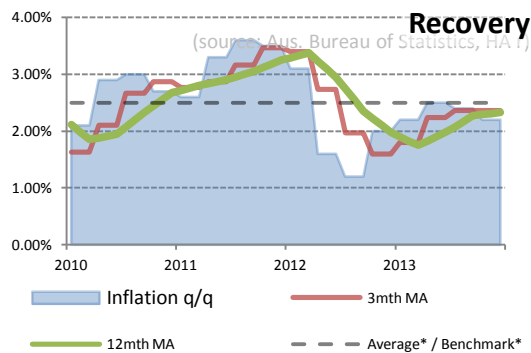
For disclaimer & more information on the calculation methodology, please refer to the back cover of this document.



INFLATION INDICATORS

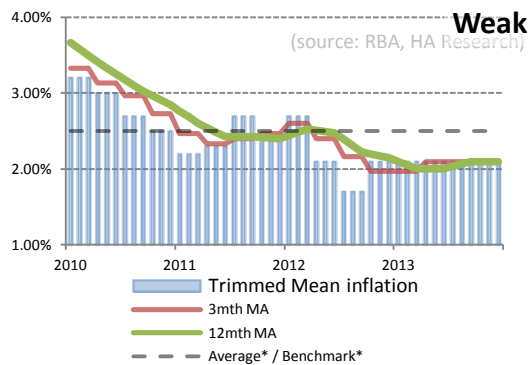


(Fig2.1) Australian Inflation recovers, below RBA's 2%-3% band.



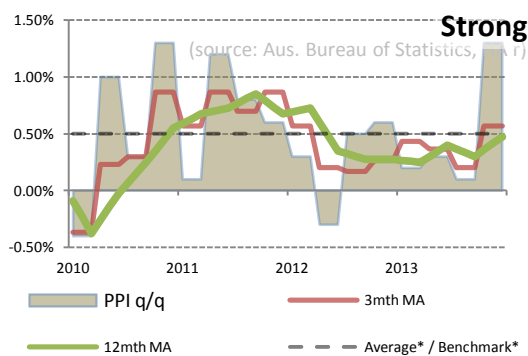
Consumer Price Index Change in the price of goods and services purchased by consumers.

(Fig2.2) Core inflation subdued, too.



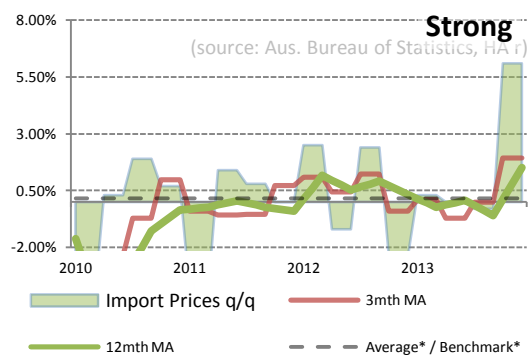
Trimmed Mean CPI Change in the price of goods and services purchased by consumers, excluding the most volatile 30% of items;

(Fig2.3) but PPI showing strong inflationary pressure.



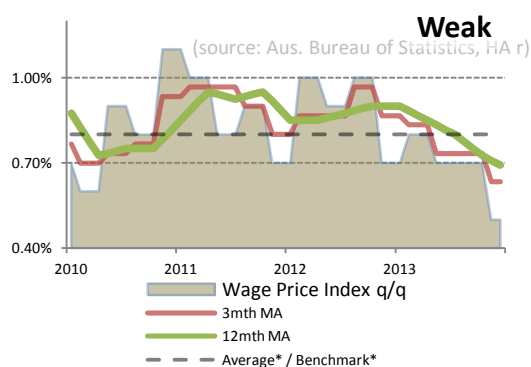
Producer Price Index Change in the price of finished goods and services sold by producers;

(Fig2.4) Business also paid more to import, could pass on cost to consumers.



Import Price Change in the price of goods purchased by importers;

(Fig2.5) Laour Cost remains lower, weak.



Wage Price Index Change in the price businesses and the government pay for labor, excluding bonuses;

Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

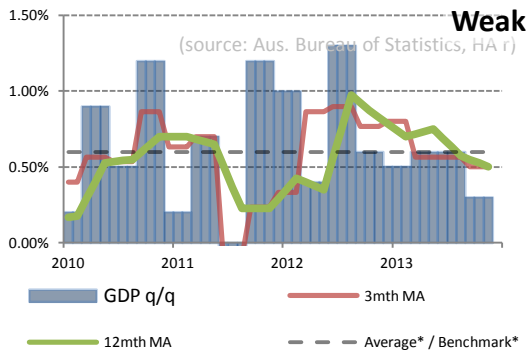
Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).



GROWTH INDICATORS



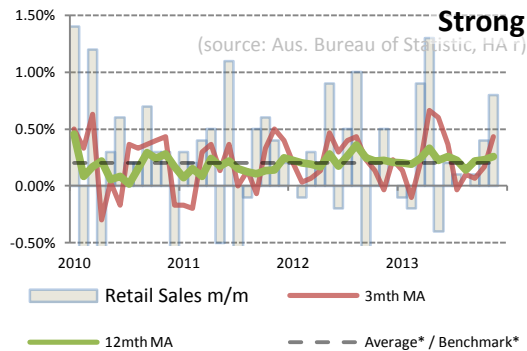
(Fig3.1) Australian GDP continues to weaken.



November: **0.30%** Previous 0.30%

Gross Dom. Product Change in the inflation-adjusted value of all goods and services produced by the economy;

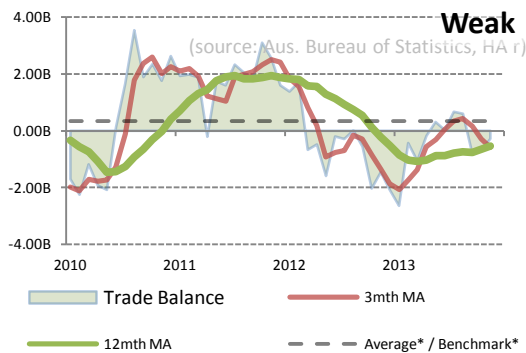
(Fig3.2) domestic Retail Sales picks up, though.



November: **0.80%** Previous 0.40%

Retail Sales Change in the total value of sales at the retail level;

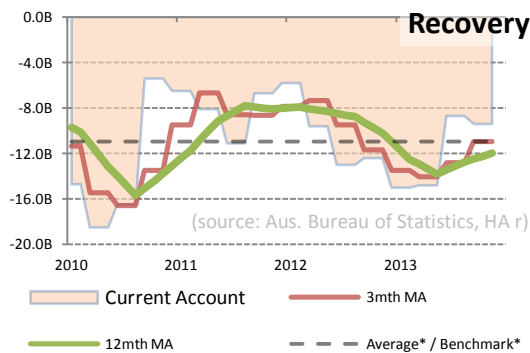
(Fig3.3) International trade remains lower from 2010-2011 boom.



November: **-0.28B** Previous -0.69B

Trade Balance Difference in value between imported and exported goods and services during the reported month;

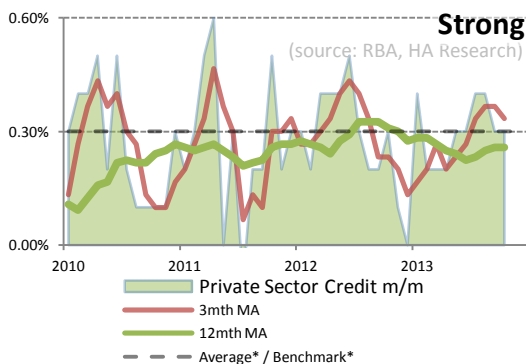
(Fig3.4) National accounts recovering.



November: **-9.40B** Previous -9.40B

Current Account Difference in trade balance, income flows, and unilateral transfers during the previous quarter;

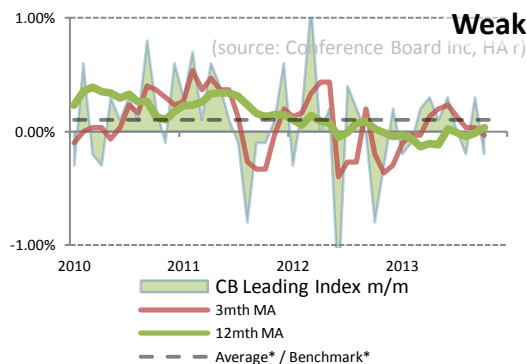
(Fig3.5) Private credit take-up rate strong.



November: **Pending** Previous 0.30%

Pte Sector Credit Change in the total value of new credit issued to consumers and businesses;

(Fig3.6) CB Leading Index



November: **Pending** Previous -0.20%

CB Leading Index Combination of 7 indicators: \$ supply, building approvals, profits, exports, inventories, interest rate spreads;

Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

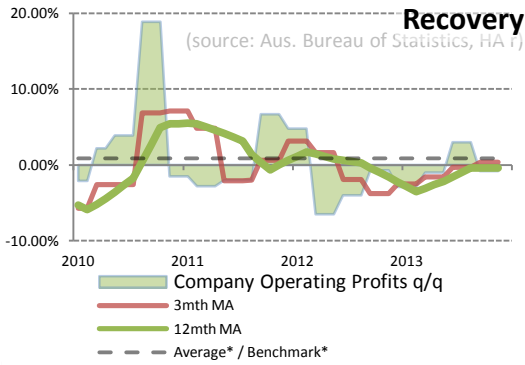
Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).



GROWTH INDICATORS (continued)



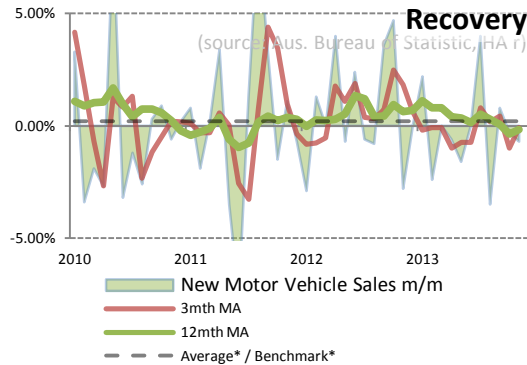
(Fig4.1) Company's profit stabilizes.



Company Op. Profits

Change in the total value of profits earned by corporations;

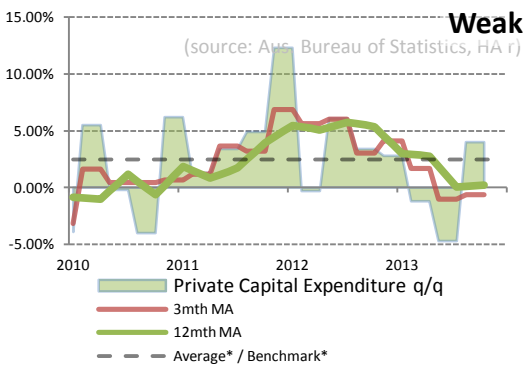
(Fig4.2) Auto sales weak, low confidence in durable spending.



N. Motor Veh. Sales

Change in the number of new cars and trucks sold domestically; leading sign of consumer confidence;

(Fig4.3) Business capital expenditures remains weak.

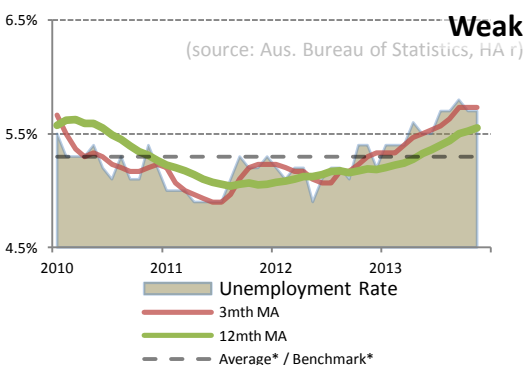


Private Capital Expd

Change in the total inflation-adjusted value of new capital expenditures made by private businesses;

EMPLOYMENT INDICATORS

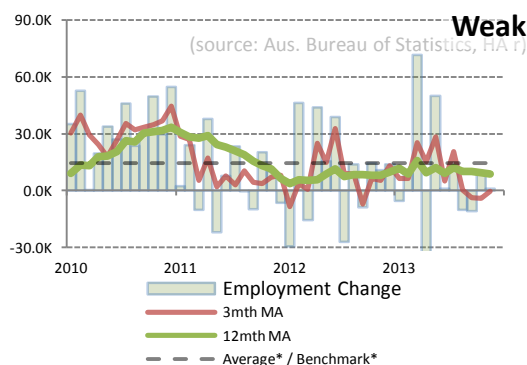
(Fig4.4) Jobless rate stubbornly high.



Jobless Rate

% of the total work force that is unemployed and actively seeking employment during the previous month;

(Fig4.5) Job creation remains stale, weak.



Employment Change

Change in the number of employed people during the previous month;

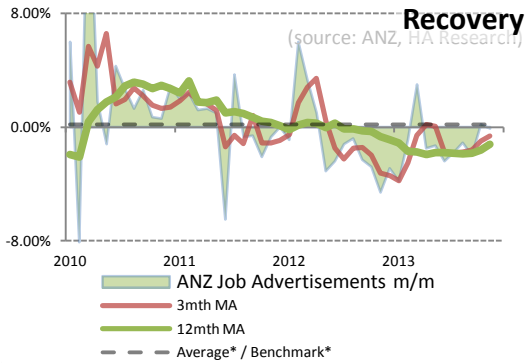
Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).



EMPLOYMENT INDICATORS (continued)

(Fig5.1) New job posting advertisement slightly better.

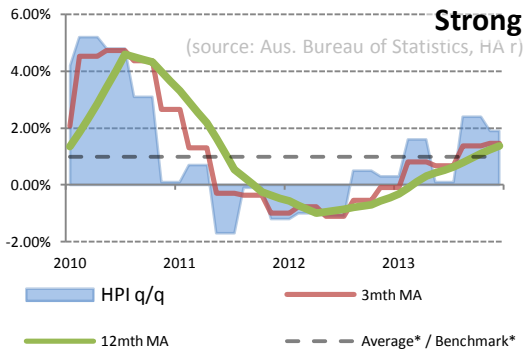


November: **-0.10%** Previous: 0.20%

ANZ Job Ads. Change in the no. of jobs advertised in the major daily newspapers and websites covering the capital cities;

HOUSING INDICATORS

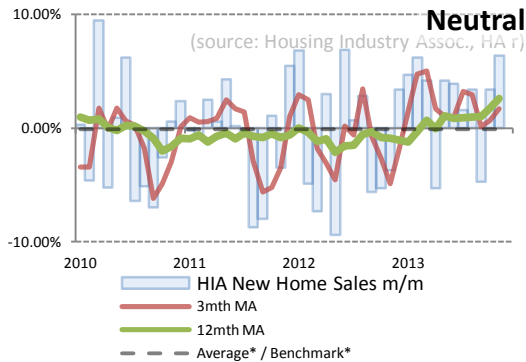
(Fig5.2) Housing remains strong component of Australia.



November: **1.90%** Previous: 2.40%

House Price Index Change in the selling price of homes in the nation's 8 state capitals;

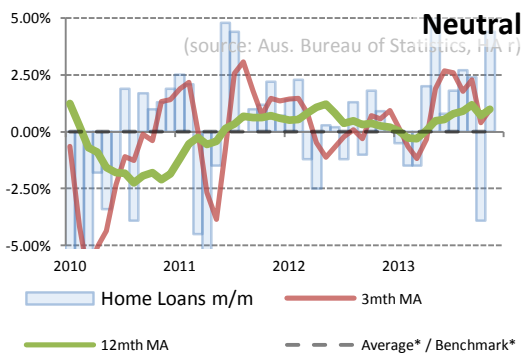
(Fig5.3) New homes sales on healthy trend.



November: **6.40%** Previous: 3.40%

HIA New Home Sales Change in the number of newly constructed homes sold; Housing Industry Association (HIA)

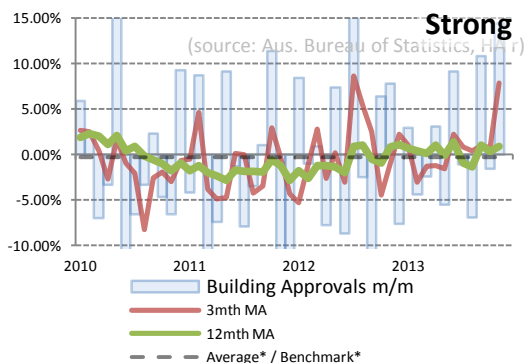
(Fig5.4) New home loans take up stable.



November: **4.40%** Previous: -3.90%

Home Loans Change in the number of new loans granted for owner-occupied homes;

(Fig5.5) Building approvals issuance strong.



November: **14.40%** Previous: -1.60%

Building Approvals Change in the number of new building approvals issued;

Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).

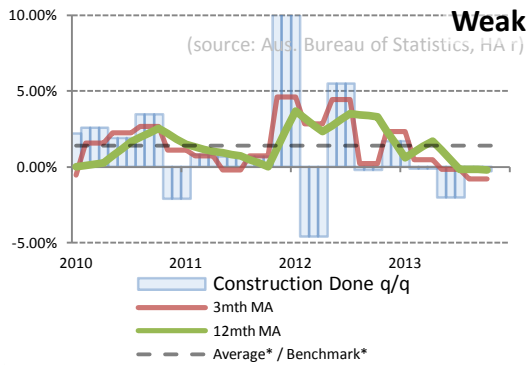


Australian Currency Report

HOUSING INDICATORS (continued)

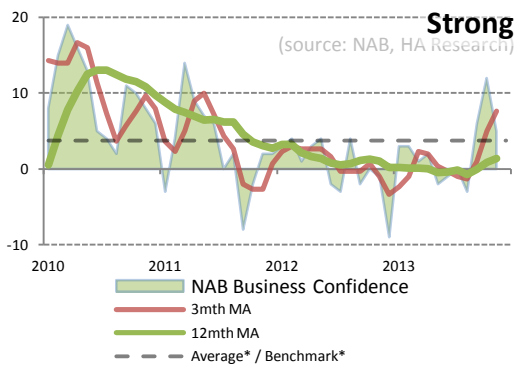


(Fig6.1) Construction projects weak.

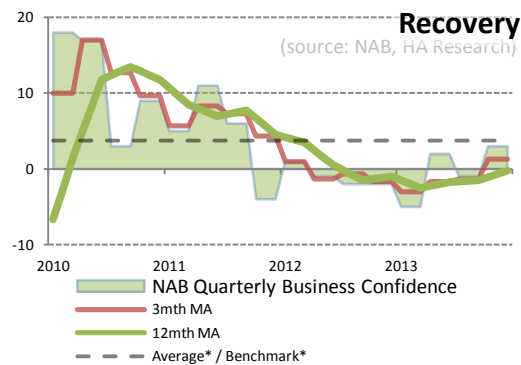


BUSINESS SURVEY

(Fig6.2) Business confident about economy recovering.

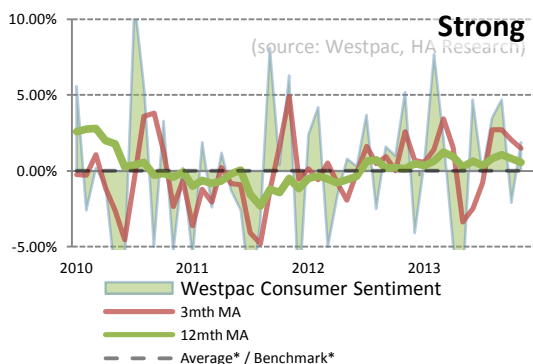


(Fig6.3) NAB Quarterly Business Confidence

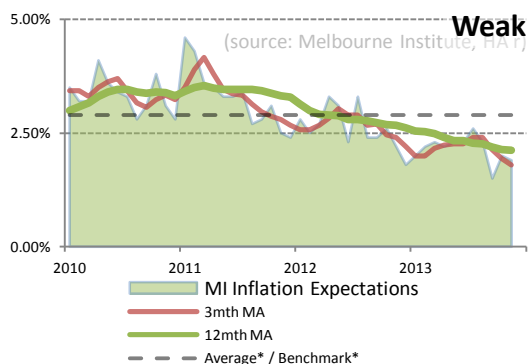


CONSUMER SURVEY

(Fig6.4) Consumers also confident about economic recovery.



(Fig6.5) Expectation of inflation weak, though.



Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).



About the Reports.

Fundamental Analysis, though not the direct determinant of Forex Spot Trading, is still significant and cannot be ignored in the world of FX spot trading. The author believes quantifying and simplifying fundamentals strength into 1 single index score helps in maintaining the overview of the currency, therefore enhancing traders' overall trading system consisting of other tools such as Technical Analysis, Price action or events driven risk movements...etc.

The reports are updated and published on a daily basis on 8 currencies; namely AUD, NZD, CAD, CNY, EUR, GBP & USD. From which, each individual Quantified Currency Strengths are consolidated into Summary Report on the basis of pairing Strongest Fundamentals of Currency against Weakest Fundamentals of Currency. Auto-suggested trades are then generated based on these allocated fundamental strengths of currency.

DISCLAIMER

THE INFORMATION, SOURCE AND DATA CONTAINED IN THIS DOCUMENT HAS NOT BEEN EXTERNALLY VERIFIED AND NO REPRESENTATION OR WARRANTY EXPRESSED OR IMPLIED IS MADE AS TO, AND NO RELIANCE SHOULD BE PLACED ON, THE FAIRNESS, ACCURACY, COMPLETENESS OR CORRECTNESS OF THIS INFORMATION OR OPINIONS CONTAINED HEREIN.

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER NOR SHALL IT FORM THE BASIS OF OR BE RELIED UPON IN CONNECTION WITH ANY CONTRACT, TRADE OR COMMITMENT WHATSOEVER. REFERENCE TO DATA IN THIS DOCUMENT ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED. IN NO EVENT SHALL THE AUTHOR (Henry KH ANG) BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, OR ANY DAMAGE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THOSE RESULTING FROM THE USE OF DATA IN THIS DOCUMENT.

THE INFORMATION PRESENTED IN THIS DOCUMENT IS PUBLISHED SEMI-AUTOMATICALLY AND ITS ACCURACY OR TIMELINESS CANNOT BE GUARANTEED. USER OF THIS DOCUMENTS SHOULD NOT DEPEND ON THIS DOCUMENTS FOR ANY TRADING ADVISE / SIGNAL / DECISION.

CHART & GRAPHICS

THE CHARTS AND GRAPHICS PRESENTED IN THIS DOCUMENT MIGHT BE BEST-FITTED TO SHOWCASE ITS RECENTCY. FOR FULL DATA ACCURACY OR GRAPHICS-SENSITIVE DECISION PERTAINING TO THE RELEVANT CHART, INVESTORS ARE ADVISED TO REFER TO THE OFFICIAL SOURCE OF THE DATA. THE INFORMATION CONTAINED HEREIN DOES NOT SUGGEST OR IMPLY, AND SHOULD NOT BE CONSTRUCTED, IN ANY MANNER, AS A DIRECT OR INDIRECT TRADING SIGNAL OR TRADE CALL. PAST PERFORMANCE DOES NOT INDICATE FUTURE PERFORMANCES.

REFERENCE TO DATA IN THIS DOCUMENT ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED. IN NO EVENT SHALL THE AUTHOR (Henry KH ANG) BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, OR ANY DAMAGE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THOSE RESULTING FROM THE USE OF DATA IN THIS DOCUMENT.

CALCULATION METHODOLOGY

BASE FUNDAMENTAL STRENGTH, BENCHMARK, SHORT-TERM STRENGTH INDEX (40 DAYS FUNDAMENTAL STRENGTH), CURRENCY DIFFERENTIALS (BASE, CURRENT) AND DERIVATION OF ITS SCORING IS FROM A COMPUTER-GENERATED CALCULATION MODEL. IT TAKES ALLOCATED FUNDAMENTAL DATA AND ITS RELATIVE STRENGTH, AVERAGES AS BASIS. STRENGTH OF FUNDAMENTAL DATA (PAST AND CURRENT) ARE STATISTICALLY ALLOCATED (PRE-DETERMINED BASIS) TO ARRIVE IN THE FORMULATED SCORING.

THE AUTHOR (Henry KH ANG) MAKE NO WARRANTY, EITHER EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF CORRECTNESS AND FITNESS FOR A PARTICULAR PURPOSE IN ALL CALCULATION AND DERIVATION OF SCORING IN THIS DOCUMENT. IN NO EVENT WILL THE AUTHOR (Henry KH ANG) BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, OR OTHER DAMAGES HOWEVER CAUSED.

SOURCES

ALL DATA SOURCES ARE REFERENCE IN THE CHART AND GRAPHICS PRESENTED IN THIS DOCUMENT. THE SOURCES ARE NON-COPYRIGHTED DATA COLLECTIONS. FOR MORE INFORMATION ON THE DATA, USERS ARE ADVISED TO VISIT THE INDIVIDUAL STATISTICAL AGENCIES.