



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](mailto: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)





# JAPAN ECONOMY

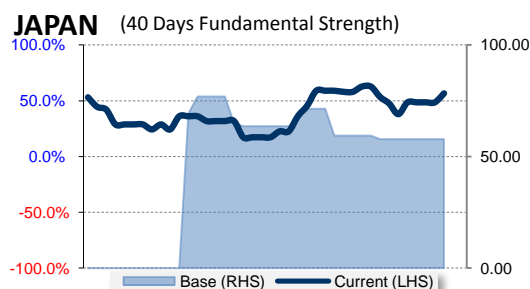
In a glance.

20-Nov-2013 (Wednesday)

Last Updated: 09:02AM (GMT +0800)



Figure 1: Fundamental Strength Index for last 40 days.



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

**BASE SUMMARY:**

INFLATION INDICATORS :	4.7	/ 18.8
GROWTH INDICATORS :	34.4	/ 62.5
EMPLOYMENT INDICATORS :	-	-
HOUSING INDICATORS :	-	-
BUSINESS SURVEY :	18.8	/ 18.8
CONSUMER SURVEY :	-	-

BASE STRENGTH :	<b>BULLISH</b>	57.81	/ 100
SHORT-TERM STRENGTH :	<b>BULLISH</b>	56.76%	

## JAPANESE YEN (¥) STABLE, DOMESTIC RECOVERY EVIDENT.

Japan Fundamentals Strong (57.81/100); Recent momentum BULLISH at 56.76%.

(Fig2.1) Though still low (0.90%), JP inflation posted notable recovery.(Fig2.1) Tokyo Core Inflation still in deflation, but recovery is significant.(Fig2.3) Average Cash Earnings still weak, though in recovery.(Fig2.4) GDP strong at 0.90%.(Fig2.5) Trade balance weakened considerably, due to a strong yen.(Fig3.1) National accounts hurt from strong yen. Expected.(Fig3.2) Core Machinery Orders sees stabilization, though recently declined.(Fig3.3) Industrial Production strong.(Fig3.4) Tertiary Industry Activity declined -0.2%, but still neutral.(Fig3.5) Domestic Retail Sales betters, recent spike of 3.1% notable.(Fig3.6) Household Spending improving significantly.(Fig4.1) Capital expenditures weakens.(Fig4.2) Japanese manufacturing sector optimistic on economy.(Fig4.3) Businesses optimistic on economy outlook.

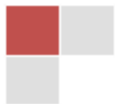
**Conclusion:** Economic recovery from Abenomic is evident, Japanese consumer activities and domestic production expands, alongside better earnings and spendings by Japanese households. Manufacturers and businesses optimistic on general outlook for Japanese economy. Though inflationary pressure is still low (long road to recover from deflation). Recent momentum dropped.

Table 1: Pending Fundamental Events for Japan &amp; Past 15 economic data release.

UPCOMING FUNDAMENTAL EVENTS					
DATE	TIME	DETAILS	FORECAST	PREVIOUS	IMPACT
20-Nov Wednesday	12:30pm	All Industries Activity m/m	0.50%	0.30%	!
21-Nov Thursday	Tentative	Monetary Policy Statement			!
21-Nov Thursday	Tentative	BOJ Press Conference			!!!
22-Nov Friday	1:00pm	BOJ Monthly Report			!
			-	-	
PAST ECONOMIC EVENTS:					
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREVIOUS
20-Nov Wednesday	7:50am	Trade Balance	-1.07	-88.00%	-1.13
14-Nov Thursday	7:50am	Prelim GDP q/q	0.50%	0.40%	0.90%
14-Nov Thursday	7:50am	Prelim GDP Price Index y/y	-0.30%	-0.50%	-0.50%
14-Nov Thursday	12:30pm	Revised Industrial Production m/m	1.30%	1.50%	1.50%
13-Nov Wednesday	7:50am	Core Machinery Orders m/m	-2.10%	-1.80%	5.40%
13-Nov Wednesday	7:50am	CGPI y/y	2.50%	2.50%	2.20%
12-Nov Tuesday	7:50am	Tertiary Industry Activity m/m	-0.20%	0.20%	0.60%
12-Nov Tuesday	7:50am	M2 Money Stock y/y	4.10%	3.90%	3.90%
12-Nov Tuesday	1:00pm	Consumer Confidence	41.20	46.30	45.40
12-Nov Tuesday	2:00pm	Prelim Machine Tool Orders y/y	8.40%	-	-6.30%
11-Nov Monday	7:50am	Current Account	-13.00%	-10.00%	35.00%
11-Nov Monday	7:50am	Bank Lending y/y	2.00%	-	2.00%
11-Nov Monday	1:00pm	Economy Watchers Sentiment	51.80	54.20	52.80
06-Nov Wednesday	1:00pm	Leading Indicators	1.10	1.09	1.07
05-Nov Tuesday	7:50am	Monetary Base y/y	45.80%	48.30%	46.10%

**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.

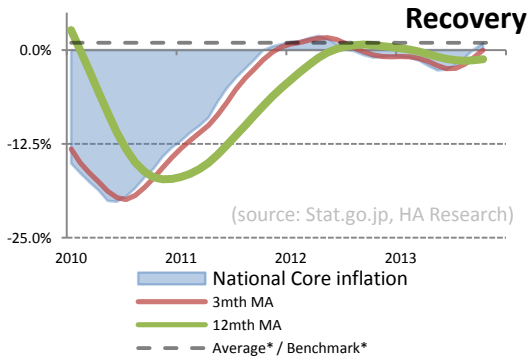


## Japanese Currency Report

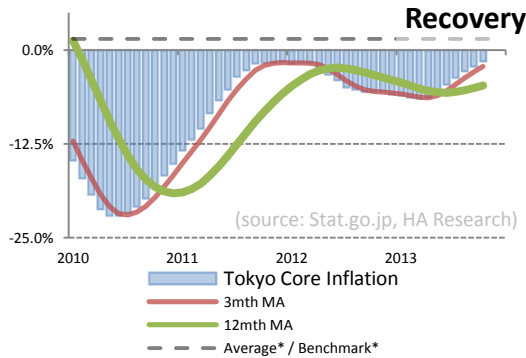
# INFLATION INDICATORS



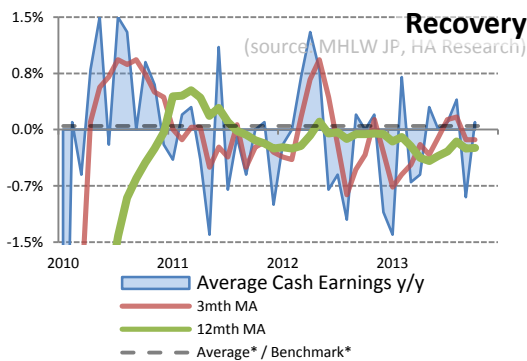
(Fig2.1) Though still low (0.90%), JP inflation posted notable recovery.



(Fig2.1) Tokyo Core Inflation still in deflation, but recovery is significant.

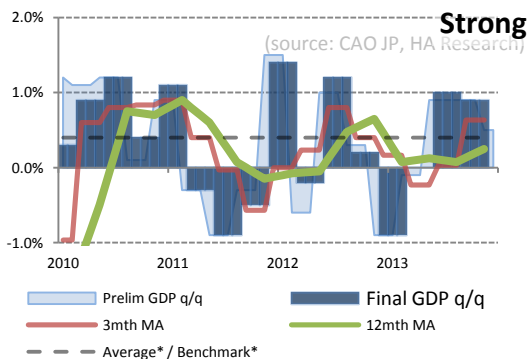


(Fig2.3) Average Cash Earnings still weak, though in recovery.

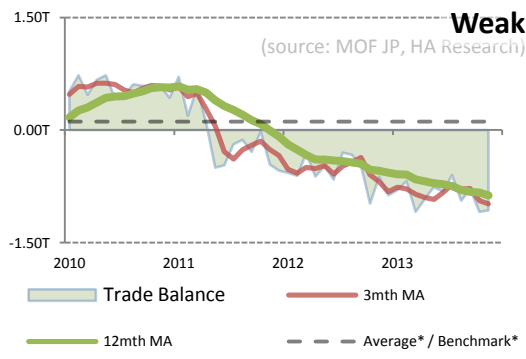


# GROWTH INDICATORS

(Fig2.4) GDP strong at 0.90%.



(Fig2.5) Trade balance weakened considerably, due to a strong yen.

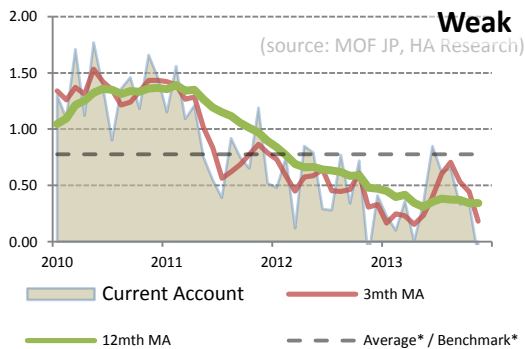


Average\* / Benchmark\* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

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).

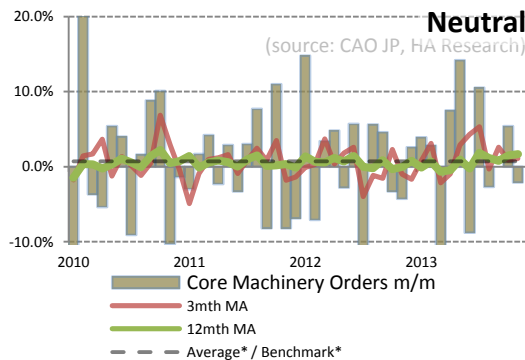


# GROWTH INDICATORS (continued)

**(Fig3.1) National accounts hurt from strong yen. Expected.**

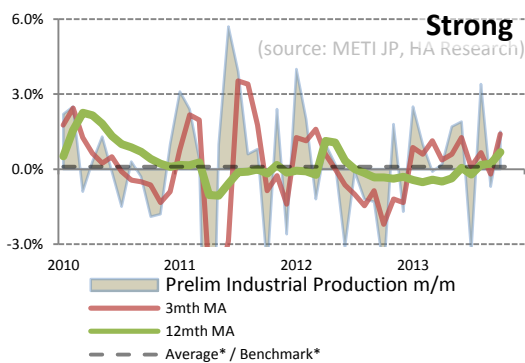
November:	<b>-0.1T</b>	Previous	0.4T
-----------	--------------	----------	------

**Current Account** Difference in trade balance, services, income flows, and unilateral transfers during the reported month;

**(Fig3.2) Core Machinery Orders sees stabilization, though recently declined.**

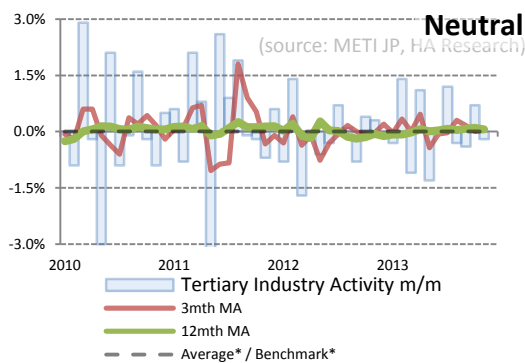
November:	<b>-2.10%</b>	Previous	5.40%
-----------	---------------	----------	-------

**C. Machinery Orders** Change in new pte-sector purchase orders placed with manufacturers for machines, excluding ships and utilities;

**(Fig3.3) Industrial Production strong.**

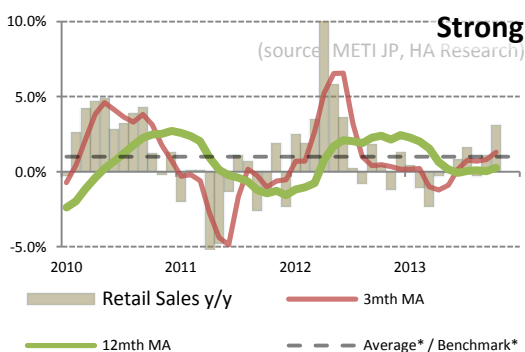
November:	<b>Pending</b>	Previous	1.50%
-----------	----------------	----------	-------

**Industrial Production** Change in the total inflation-adjusted value of output produced by manufacturers, mines, and utilities;

**(Fig3.4) Tertiary Industry Activity declined -0.2%, but still neutral.**

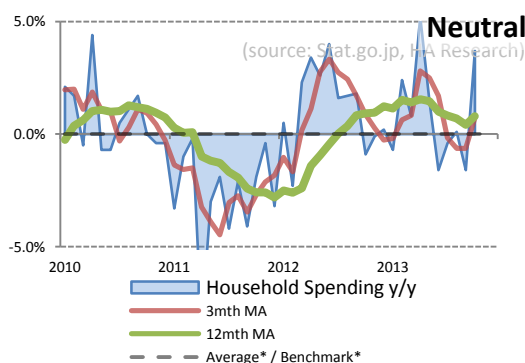
November:	<b>-0.20%</b>	Previous	0.70%
-----------	---------------	----------	-------

**Tertiary Ind. Activity** Change in the total value of services purchased by businesses;

**(Fig3.5) Domestic Retail Sales better, recent spike of 3.1% notable.**

November:	<b>Pending</b>	Previous	3.10%
-----------	----------------	----------	-------

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

**(Fig3.6) Household Spending improving significantly.**

November:	<b>Pending</b>	Previous	3.70%
-----------	----------------	----------	-------

**Household Spending** Change in the inflation-adjusted value of all expenditures by consumers;

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.

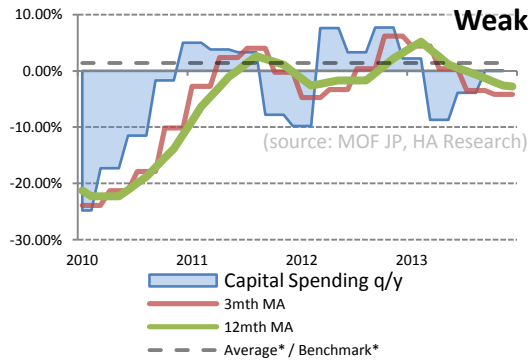
Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).





# GROWTH INDICATORS (continued)

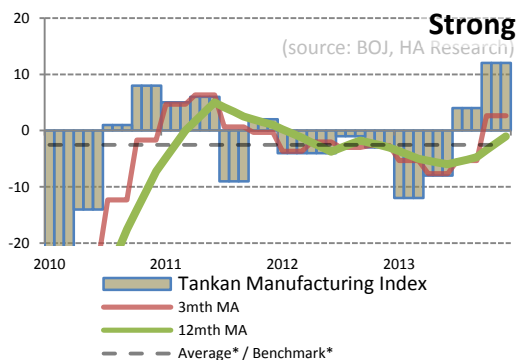
(Fig4.1) Capital expenditures weakens.

November: **0.00%** Previous **0.00%**

**Capital Spending** Change in the total value of new capital expenditures made by businesses;

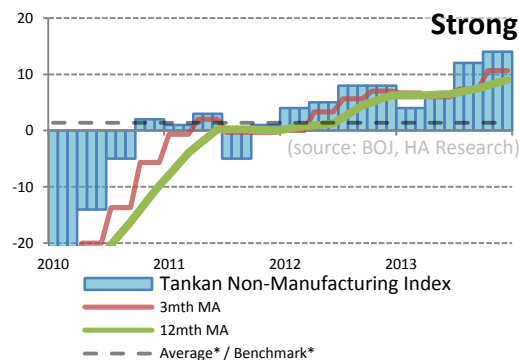
## BUSINESS SURVEY

(Fig4.2) Japanese manufacturing sector optimistic on economy.

November: **12.0** Previous **12.0**

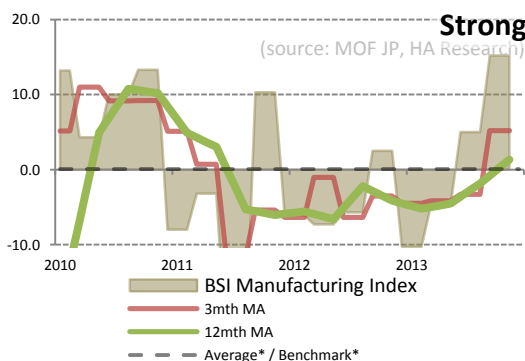
**Tankan Manu. Index** Survey of 1,200 large manufacturers to rate the relative level of general business conditions;

(Fig4.3) Businesses optimistic on economy outlook.

November: **14.0** Previous **14.0**

**T. Non Manu. Index** Survey of 1,200 large businesses to rate the relative level of general business conditions;

(Fig4.4) Japanese Manufacturers optimistic on general business outlook.

November: **15.2** Previous **15.2**

**Business Survey Index** Survey of large manufacturers to rate the relative level of general business conditions;

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 only direct determinant of Forex Spot Trading, is still significant and cannot be ignored undeniably. The author believes quantifying fundamentals strength of currency into 1 single index score helps in maintaining the overview of the currency, and 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 the Summary Report. Further 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 IT'S REGENCY. 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.