

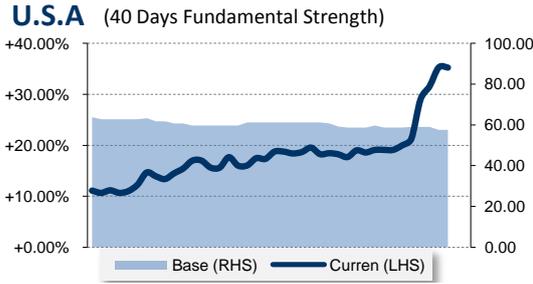
United States Currency Report

# UNITED STATES ECONOMY In a glance.

16-Apr-2014 (Wednesday)

Last Updated: 07:51AM (GMT+0800)

Figure 1: Fundamental Strength Index for last 40 days.



## BASE SUMMARY:

<b>INFLATION INDICATORS :</b>	<b>7.6</b>	<b>/ 22.3</b>
<b>GROWTH INDICATORS :</b>	<b>14.4</b>	<b>/ 28.1</b>
<b>EMPLOYMENT INDICATORS :</b>	<b>9.0</b>	<b>/ 9.4</b>
<b>HOUSING INDICATORS :</b>	<b>12.6</b>	<b>/ 15.8</b>
<b>BUSINESS SURVEY :</b>	<b>5.9</b>	<b>/ 15.8</b>
<b>CONSUMER SURVEY :</b>	<b>6.7</b>	<b>/ 7.2</b>

<i>(automated comments)</i>		
<b>3 Months Outlook (Base)</b>	Moderate	<b>57.55 / 100</b>
<b>Current Momentum</b>	Moderately Bullish	<b>35.26%</b>

**RELATED NEWS (previous 3 days):** Refer to risk sentiments (Market Watch) for more information.

- 16/04/2014
- 15/04/2014 (Bloomberg): USD had the biggest gain in more than 3 weeks vs EUR as U.S. retail sales rose in March by the most since September 2012, held an advance versus most of its major peers before a manufacturing gauge that's forecast to show improvement for a second month.
- 14/04/2014 (Bloomberg): USDEUR extended gains after reported U.S. retail sales increased 1.1%. The advance exceeded the median projection of 0.9 percent in a Bloomberg survey and followed a 0.7% gain in February that was bigger than previously reported. Sales excluding receipts at gas stations were the

	Base Fundamental (Data of last 3 months)		Current Fundamental (Current data set)	
1. NZD	83.82	+0.00 *	CAD	+39.89% -0.01% *
2. JPY	78.26	+0.00 *	NZD	+38.37% -3.63% *
3. GBP	68.67	+0.00 *	<b>USD</b>	<b>+35.26%</b> <b>-0.04% *</b>
4. <b>USD</b>	<b>57.55</b>	<b>+0.00 *</b>	AUD	+29.22% +0.02% *
5. AUD	56.25	+0.00 *	JPY	+26.06% -0.04% *
6. EUR	50.90	+0.00 *	EUR	+23.54% +0.04% *
7. CAD	45.74	+0.00 *	GBP	+22.47% -0.03% *

\* Day/day change - % range from +/- 10% (dependent on data availability)

## HA Research Comments:

- MARKET:** Bulls in control over stronger data, escalation in Ukraine; Bears have dovish FOMC;
- TECHNICAL:** USD Index Oversold
- CONCLUSION:** Staying Bullish USD as recent data showing improvement.  
Bearish Factors: (1) FOMC minutes dovish - downplayed rate prospect  
Bullish Factors: (1) Base index neutral. (2) Current Index (recent data) improving. (3) Ukraine escalation

### USDJPY

NOTE: Chart frame varies from H4 - W1, dependent on price action conformity relative to fundamental reports on trading period.



### EURUSD

NOTE: Confirmity of price action against fundamental often changes quickly on volatility of market. Chart validity expires daily.



**DISCLAIMER:**

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## United States Currency Report

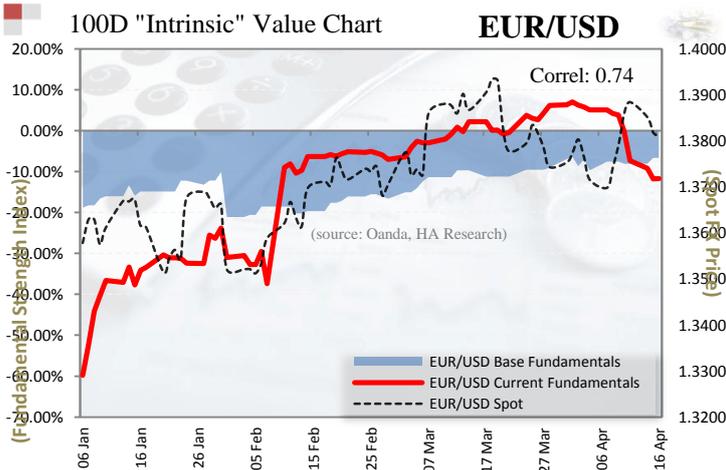
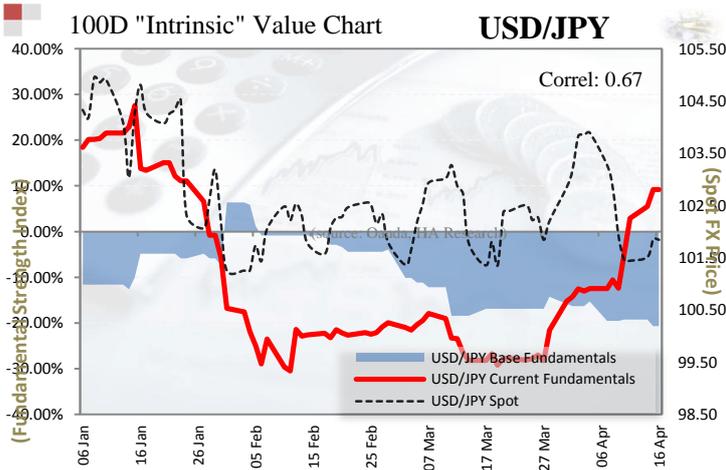
**Table 1: Fundamental Calendar.**

UPCOMING FUNDAMENTAL EVENTS					
DATE	TIME	DETAILS	FORECAST	PREV.	IMPACT
16/04/2014	8:30pm	Building Permits	1.00M	1.01M	!!!
16/04/2014	8:30pm	Housing Starts	0.97M	0.91M	!!
16/04/2014	9:15pm	Capacity Utilization Rate	78.80%	78.40%	!!
16/04/2014	9:15pm	Industrial Production m/m	0.50%	0.60%	!!
17/04/2014	8:30pm	Unemployment Claims	316K	300K	!!!

PAST (20) ECONOMIC EVENTS:						
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREV.	SCORE
15-Apr (Tue)	8:30pm	Core CPI m/m	0.20%	0.10%	0.10%	↑ +1.41%
15-Apr (Tue)	8:30pm	CPI m/m	0.20%	0.10%	0.10%	↑ +2.11%
15-Apr (Tue)	8:30pm	Empire State Manufacturing Index	1.30	8.20	5.60	↓ -0.35%
15-Apr (Tue)	9:00pm	TIC Long-Term Purchases	85.70	31.60	7.70	↑ +1.41%
15-Apr (Tue)	10:00pm	NAHB Housing Market Index	47.00	50.00	46.00	↓ -1.14%
14-Apr (Mon)	8:30pm	Core Retail Sales m/m	0.70%	0.50%	0.30%	↑ +2.11%
14-Apr (Mon)	8:30pm	Retail Sales m/m	1.10%	0.80%	0.70%	↑ +2.11%
14-Apr (Mon)	10:00pm	Business Inventories m/m	0.40%	0.50%	0.40%	↑ +0.97%
11-Apr (Fri)	2:00am	Federal Budget Balance	-36.90	-76.50	-193.50	↓ -0.88%
11-Apr (Fri)	8:30pm	PPI m/m	0.50%	0.10%	-0.10%	↑ +2.11%
11-Apr (Fri)	8:30pm	Core PPI m/m	0.60%	0.20%	-0.20%	↑ +1.41%
11-Apr (Fri)	9:55pm	Prelim UoM Consumer Sentiment	82.60	81.20	80.00	↑ +2.11%
11-Apr (Fri)	9:55pm	Prelim UoM Inflation Expectations	3.10%	3.10%	3.20%	→ +0.31%
10-Apr (Thu)	8:30pm	Unemployment Claims	300.00	314.00	332.00	↑ +2.11%
10-Apr (Thu)	8:30pm	Import Prices m/m	0.60%	0.20%	0.90%	→ +0.09%

The HA Research 100 days "Intrinsic" Value Charts depicts the calculated index differential between 2 currencies. Based on the movements of the differentials, they are plotted against actual market spot movement to "track" the "intrinsic" value of the currency pair.



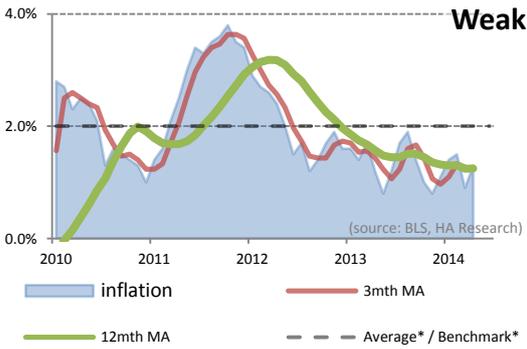
**Table 2: Fundamental Score List.**

BASE FUNDAMENTAL DATA RESULTS			
Type	USD Fundamental Data	Strength	Total
<b>Business Survey</b>	Chicago PMI	Recovery	0.36
	Empire State Manufacturing Index	Weak	0
	Flash Manufacturing PMI	Strong	1.439
	ISM Manufacturing Prices	Neutral	0.36
	IBD/TIPP Economic Optimism	Neutral	0.36
	Final Manufacturing PMI	Strong	0.719
	Final Services PMI	Recovery	0.18
	Richmond Manufacturing Index	Weak	0
	NFIB Small Business Index	Strong	0.719
	Flash Services PMI	Strong	0.719
	ISM Manufacturing PMI	Weak	0
	ISM Non-Manufacturing PMI	Weak	0 (Weak)
<b>Central Bank</b>	Federal Budget Balance	Strong	1.439
<b>Consumer Survey</b>	CB Consumer Confidence	Strong	2.158
	Prelim UoM Inflation Expectations	Recovery	0.18
	Revised UoM Inflation Expectations	Strong	0.719
	Prelim UoM Consumer Sentiment	Strong	2.158 (Very Strong)
	Revised UoM Consumer Sentiment	Strong	1.439
<b>Employment</b>	ADP Non-Farm Employment Change	Strong	2.158
	JOLTS Job Openings	Strong	2.158
	Challenger Job Cuts y/y	Neutral	0.36
	Non-Farm Employment Change	Strong	2.158 (Very Strong)
	Unemployment Rate	Strong	2.158
<b>Growth</b>	Advance GDP q/q	Strong	2.158
	Business Inventories m/m	Strong	1.439
	Core Durable Goods Orders m/m	Weak	0
	Core Retail Sales m/m	Weak	0
	Current Account	Strong	1.439
	Durable Goods Orders m/m	Weak	0
	Wholesale Inventories m/m	Recovery	0.18
	CB Leading Index m/m	Recovery	0.18
	Factory Orders m/m	Weak	0
	Final GDP q/q	Strong	1.439
	Industrial Production m/m	Strong	1.439
	Personal Spending m/m	Weak	0
	Personal Income m/m	Weak	0
	Total Vehicle Sales	Strong	0.719
	Consumer Credit m/m	Strong	0.719
Prelim GDP q/q	Strong	2.158	
Retail Sales m/m	Weak	0	
TIC Long-Term Purchases	Recovery	0.36 (Neutral)	
Trade Balance	Strong	2.158	
<b>Housing</b>	Building Permits	Strong	2.158
	Existing Home Sales	Neutral	1.079
	Housing Starts	Strong	1.439
	Mortgage Delinquencies	Strong	1.439
	HPI m/m	Strong	0.719
	NAHB Housing Market Index	Strong	1.439
	Construction Spending m/m	Strong	0.719
	New Home Sales	Strong	2.158
	Pending Home Sales m/m	Weak	0 (Strong)
	S&P/CS Composite-20 HPI y/y	Strong	1.439
<b>Inflation</b>	Advance GDP Price Index q/q	Weak	0
	Average Hourly Earnings m/m	Strong	1.439
	Prelim GDP Price Index q/q	Weak	0
	Revised Unit Labor Costs q/q	Weak	0
	Capacity Utilization Rate	Strong	1.439
	Core CPI m/m	Weak	0
	Core PCE Price Index m/m	Recovery	0.36
	Final GDP Price Index q/q	Neutral	0.36
	Core PPI m/m	Recovery	0.36
	CPI m/m	Weak	0
	Employment Cost Index q/q	Recovery	0.36
	Import Prices m/m	Recovery	0.36
	PPI m/m	Weak	0
	Prelim Nonfarm Productivity q/q	Strong	1.439
	Prelim Unit Labor Costs q/q	Weak	0 (Weak)
Revised Nonfarm Productivity q/q	Strong	1.439	
			<b>57.55 100.00</b>

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# INFLATION INDICATORS

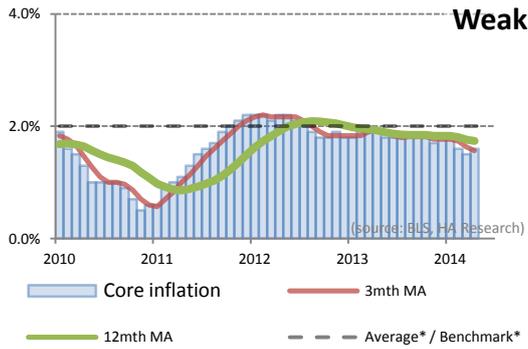
(Fig2.1)



April: **1.30%** Previous **0.90%**

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

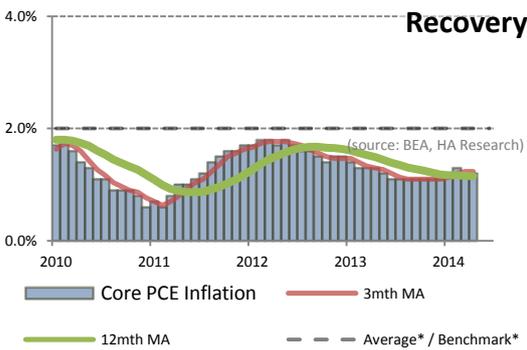
(Fig2.2)



April: **1.60%** Previous **1.50%**

**Core CPI** Change in the price of goods and services purchased by consumers, excluding food and energy;

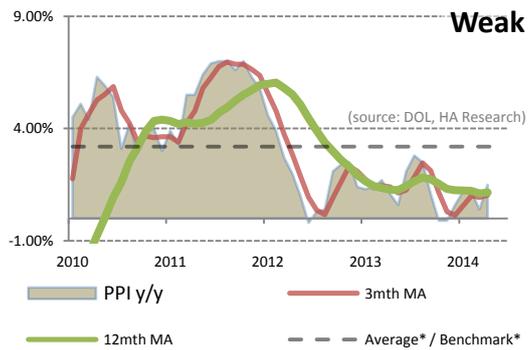
(Fig2.3)



April: **1.20%** Previous **1.20%**

**Personal Consumption Expenditures** Differs from Core CPI in that it measures goods and services consumed by individuals; spending behaviour.

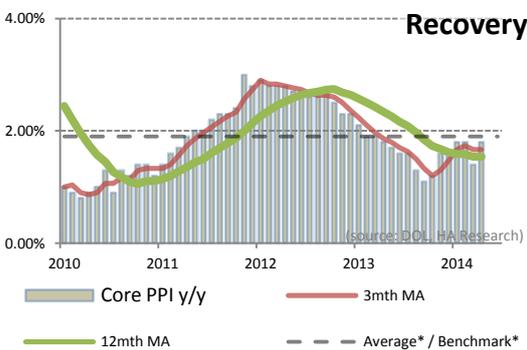
(Fig2.4)



April: **1.50%** Previous **0.40%**

**Producer Price Index** Change in the price of finished goods and services sold by producers; Finished Goods PPI. Wholesale Prices;

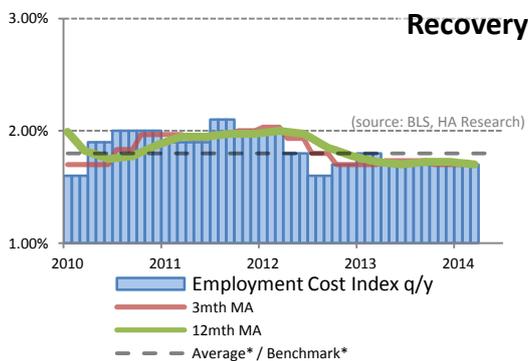
(Fig2.5)



April: **1.80%** Previous **1.40%**

**Core PPI y/y** Change in the price of finished goods and services sold by producers, excluding food and energy (-40% of PPI);

(Fig2.6)



April: **Pending** Previous **1.70%**

**Employment Cost Index** Change in the price businesses and the government pay for civilian labor;

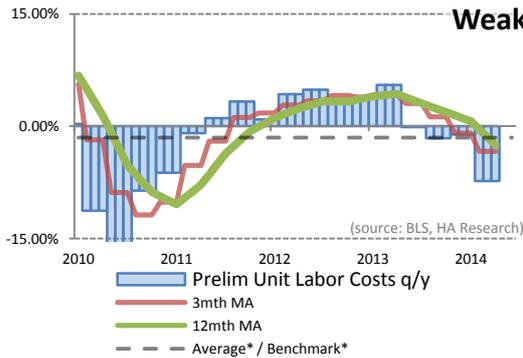
Average\* / Benchmark\* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

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).

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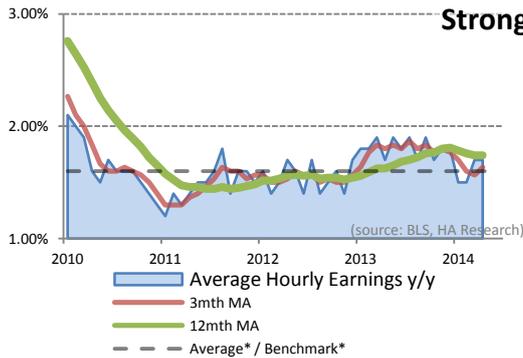
**INFLATION INDICATORS** (continued)

**(Fig3.1)** **Weak**



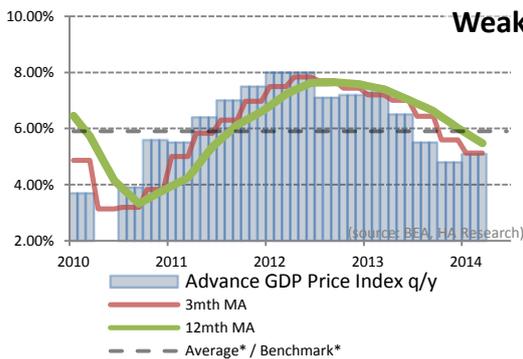
**Prelim Unit Labour Cost** Annualized change in the price businesses pay for labor, excluding the farming industry;

**(Fig3.2)** **Strong**



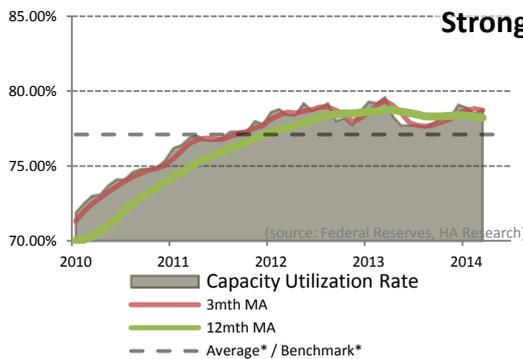
**Avg Hourly Earnings** Change in the price businesses pay for labor, excluding the farming industry;

**(Fig3.3)** **Weak**



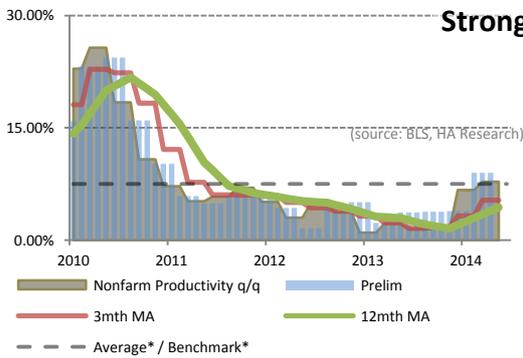
**GDP Deflator** Broad measure of inflation; all activities included in GDP, FEDs use this to assess inflation;

**(Fig3.4)** **Strong**



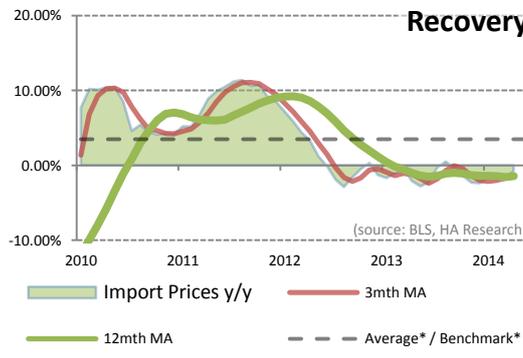
**Capacity Utilization** When producers are nearing full capacity they respond by raising prices; % resources being utilized by manufacturers.

**(Fig3.5)** **Strong**



**NonFarm Productivity** Productivity and inflation are directly linked - drop in worker's productivity is equal to rise in their wage.

**(Fig3.6)** **Recovery**



**Import Prices** Change in the price of imported goods and services purchased domestically;

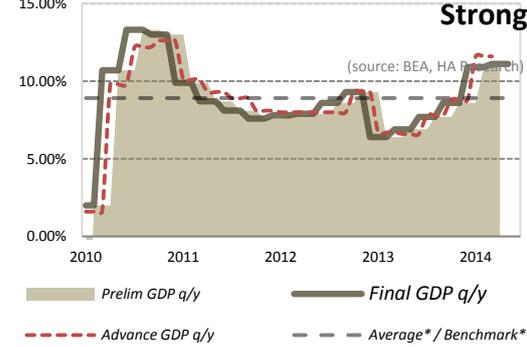
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# GROWTH INDICATORS

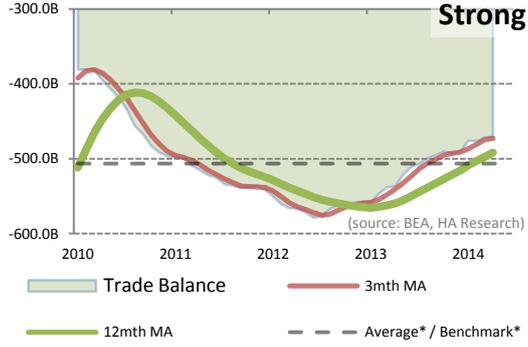
**(Fig4.1)** **Strong**



April: **11.10%** **Previous** 11.10%

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

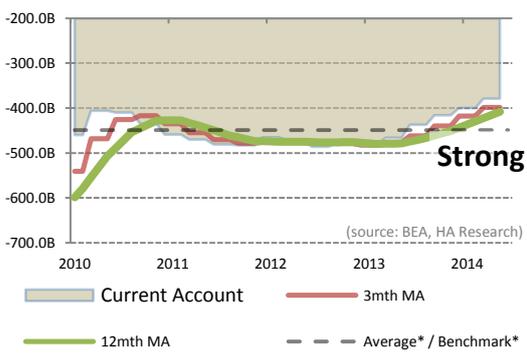
**(Fig4.2)** **Strong**



April: **-470.3B** **Previous** -471.6B

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

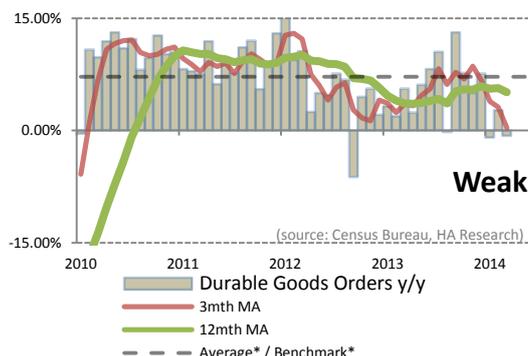
**(Fig4.3)** **Strong**



April: **-379.0B** **Previous** -379.0B

**Current Account** Difference in imported/exported goods, services, income, and unilateral transfers for previous quarter;

**(Fig4.4)** **Weak**



April: **Pending** **Previous** -0.70%

**Durable Goods Order** Change in the total value of new purchase orders placed with manufacturers for durable goods;

**(Fig4.5)** **Weak**



April: **Pending** **Previous** 0.40%

**C. Durable Goods Order** Change in Durable Goods order, excluding transportation items;

**(Fig4.6)** **Weak**



April: **-0.50%** **Previous** -0.20%

**Durable Goods Order** Change in the total value of new purchase orders placed with manufacturers; both durable and non-durable goods.

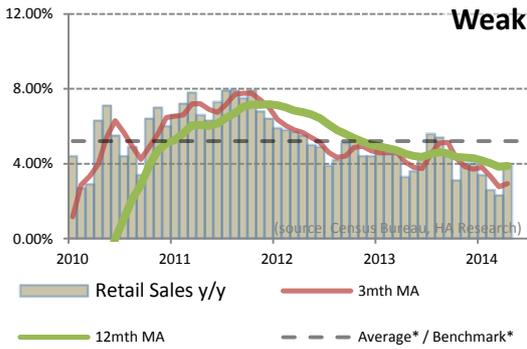
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**GROWTH INDICATORS** (continued)

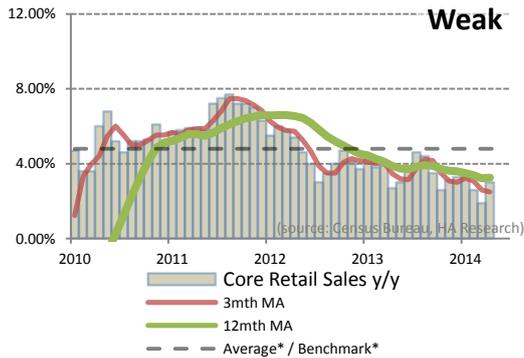
(Fig5.1)



April: **3.90%** Previous 2.30%

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

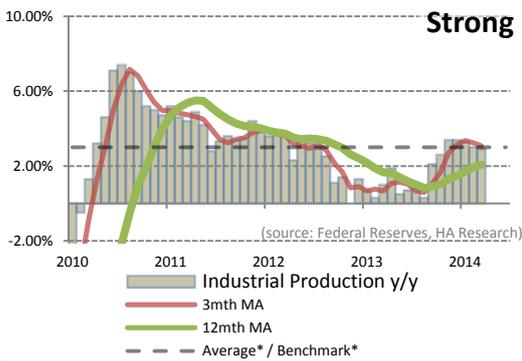
(Fig5.2)



April: **3.00%** Previous 1.90%

**Core Retail Sales** Change in the total value of sales at the retail level, excluding automobiles (20% of Retail Sales);

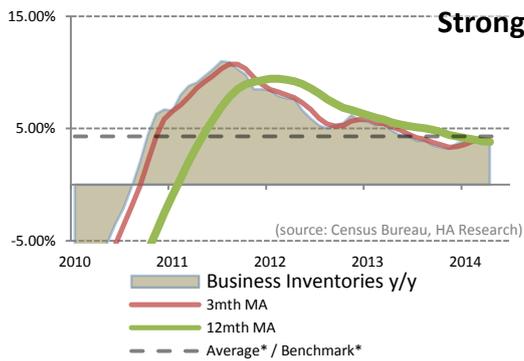
(Fig5.3)



April: **Pending** Previous 2.90%

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

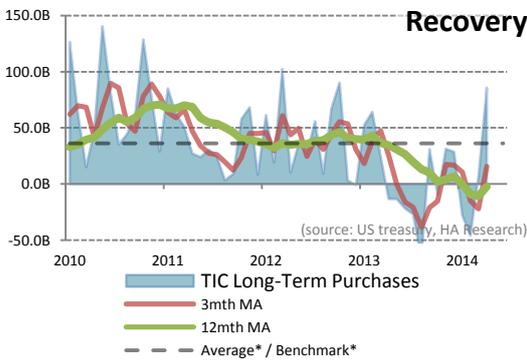
(Fig5.4)



April: **4.00%** Previous 3.60%

**Business Inventories** Change in the total value of goods held in inventory by manufacturers, wholesalers, and retailers;

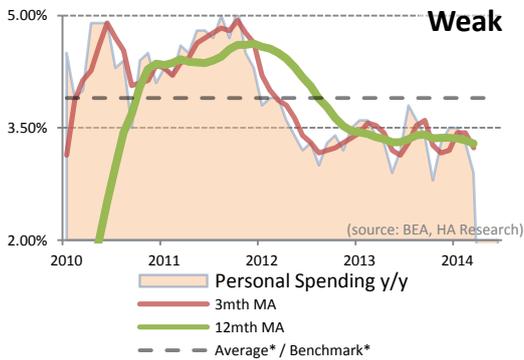
(Fig5.5)



April: **85.70B** Previous 7.70B

**TIC LT. Purchases** Difference in foreign long-term securities purchased by US citizens and foreigners during the reported period;

(Fig5.6)



April: **2.90%** Previous 2.90%

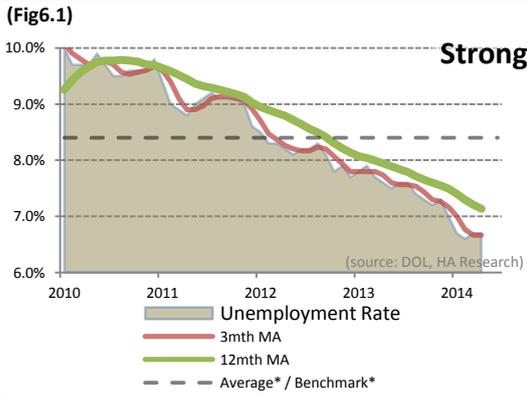
**Personal Spending** Change in the inflation-adjusted value of all expenditures by consumers;

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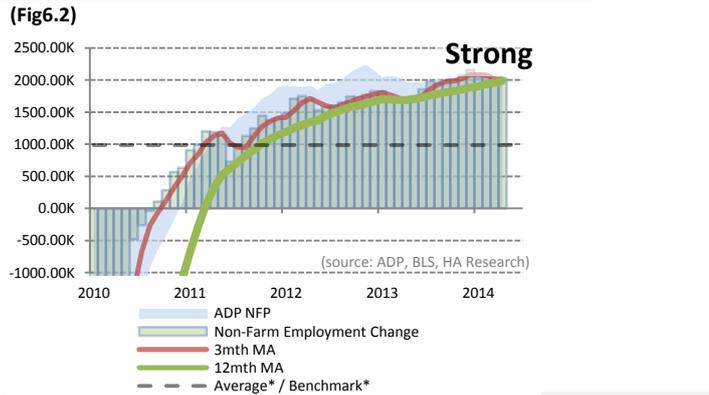
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# EMPLOYMENT INDICATORS



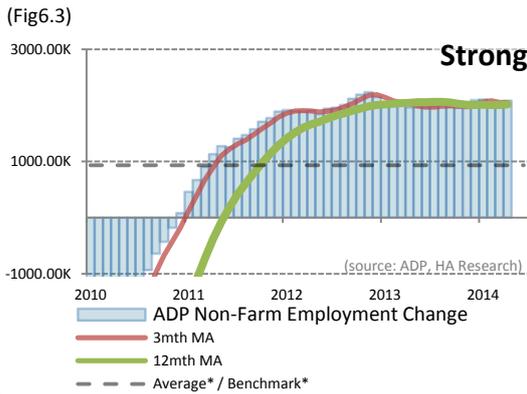
April: **6.70%** Previous 6.70%

**Jobless Rate** % of total work force that is unemployed and actively seeking employment during the previous quarter;



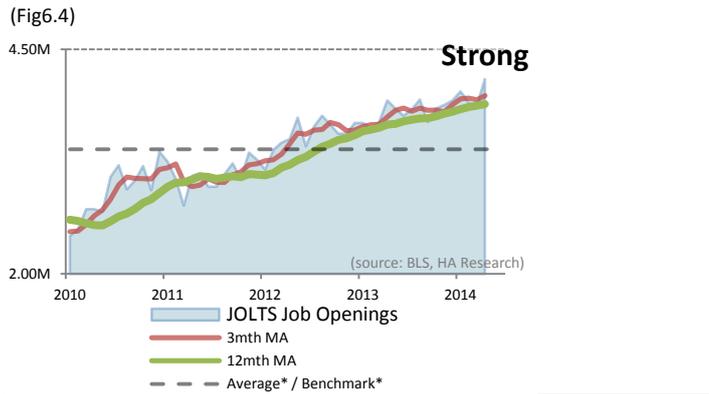
April: **2025.00K** Previous 1971.00K

**Non-farm Payroll (NFP)** Change in the number of employed people during the previous month, excluding the farming industry;



April: **2082.0K** Previous 2022.0K

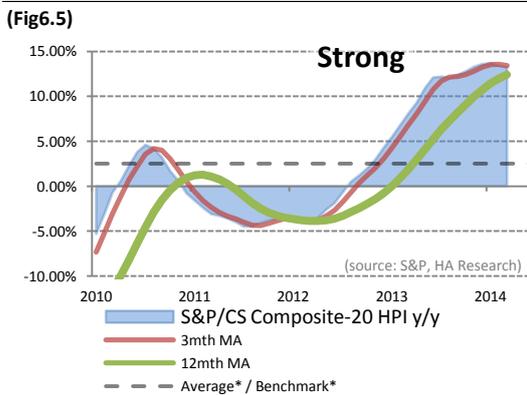
**ADP NFP** ADP provides payroll services to US corporations, and they analyze data from around 400K customers to derive



April: **4.2M** Previous 3.9M

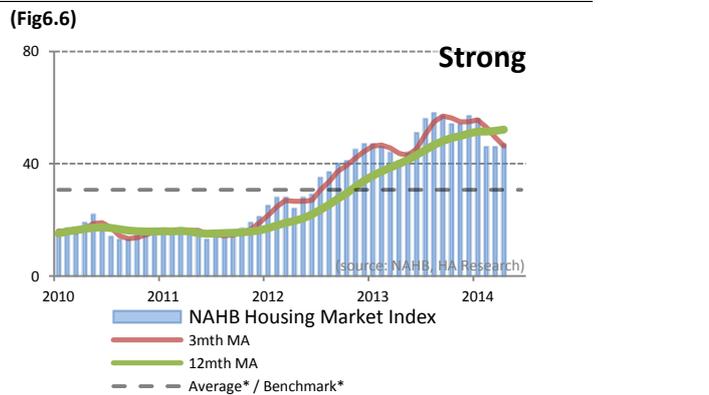
**JOLTS Job Openings** # of job openings during reported month, excluding farming industry; Job Openings and Labor Turnover Summary

# HOUSING INDICATORS



April: **Pending** Previous 13.20%

**S&P House Price Index** Change in the selling price of single-family homes in 20 metropolitan areas; Case-Shiller (CS)



April: **47.0** Previous 46.0

**NAHB Housing Market Index** Survey of 900 builders to rate level of current and future single-family home sales; Nat'l Assoc of Home Builders

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# HOUSING INDICATORS (continued)

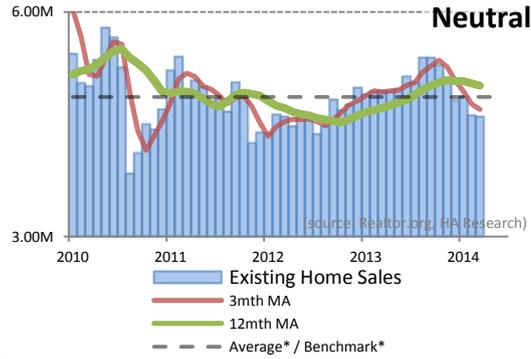
(Fig7.1)



April: **Pending** Previous 440.0K

**New Homes Sales** Annualized number of new single-family homes that were sold during the previous month;

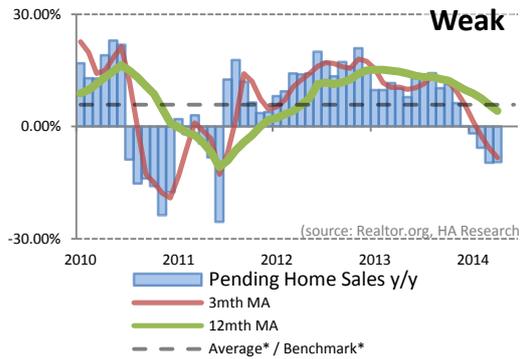
(Fig7.2)



April: **Pending** Previous 4.6M

**Existing Home Sales** Annualized number of residential buildings that were sold during the previous month, excluding new construction;

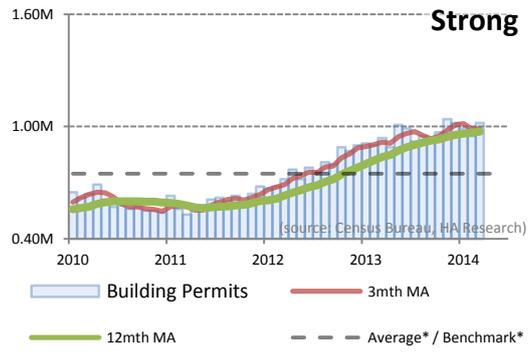
(Fig7.3)



April: **-9.50%** Previous -9.70%

**Pending Home Sales** Change in no. of homes under contract to be sold but awaiting closing, excluding new construction;

(Fig7.4)



April: **Pending** Previous 1.0M

**Building Permits** Annualized number of new residential building permits issued during the previous month;

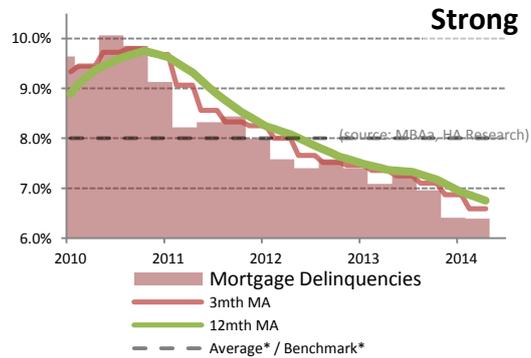
(Fig7.5)



April: **Pending** Previous 0.9M

**Housing Starts** Annualized number of new residential buildings that began construction during the previous month;

(Fig7.6)



April: **6.39%** Previous 6.39%

**Mortgage Delinquency** Percentage of MBA-represented mortgages which were at least one payment late during the previous quarter;

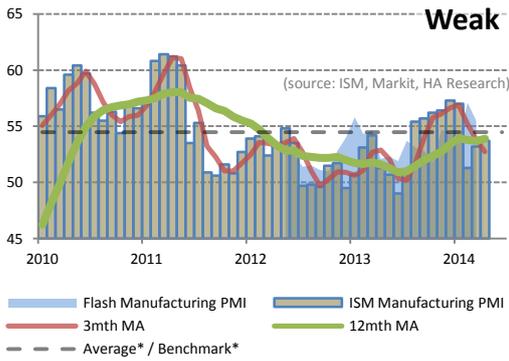
Average\* / Benchmark\* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

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# BUSINESS SURVEY

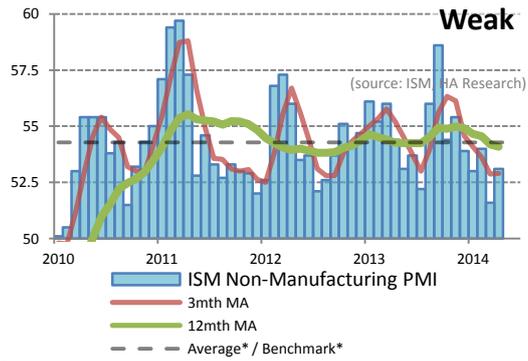
(Fig8.1)



April: **53.7** Previous **53.2**

**ISM Manu. PMI** Survey of 400 purchasing managers on biz conditions - jobs, production, orders, prices, and inventories;

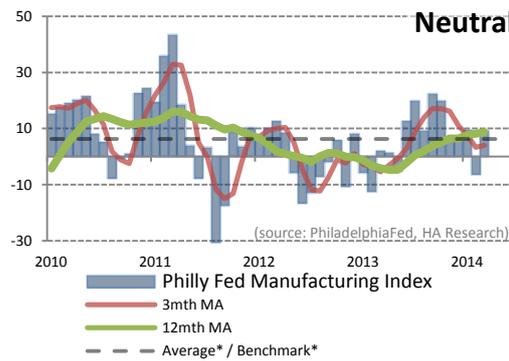
(Fig8.2)



April: **53.1** Previous **51.6**

**ISM Service PMI** Level of a diffusion index based on surveyed purchasing managers, excluding the manufacturing industry;

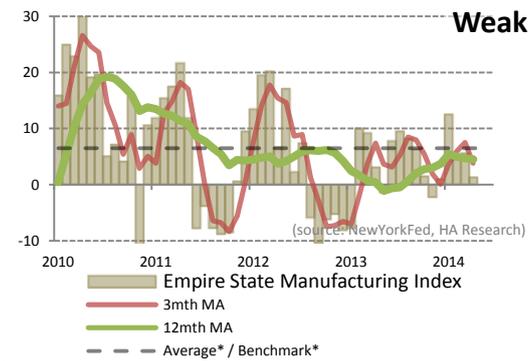
(Fig8.3)



April: **Pending** Previous **9.0**

**Philly Fed Manu Index** Survey of 250 manufacturers in Philadelphia Federal Reserve district to rate general business conditions;

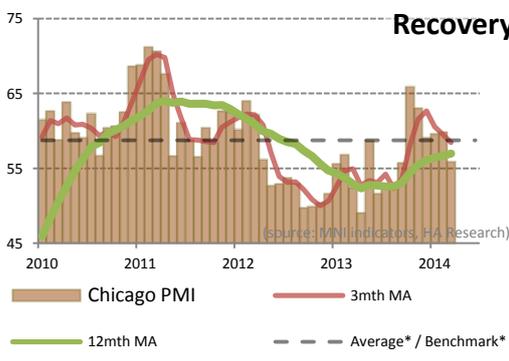
(Fig8.4)



April: **1.3** Previous **5.6**

**Empire State Manu Index** Survey of 200 manufacturers in NY state to rate the relative level of general business conditions; NY Manu Index

(Fig8.5)



April: **Pending** Previous **9.0**

**Chicago PMI** Survey of 200 purchasing managers in Chicago to rate biz conditions - jobs, production, new orders, prices, and

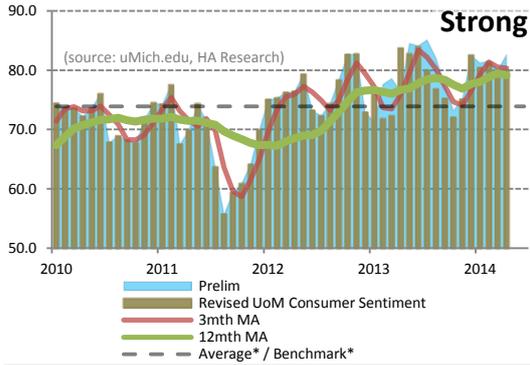
Average\* / Benchmark\* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

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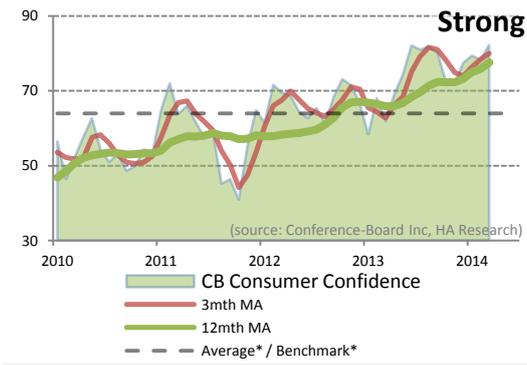
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# CONSUMER SURVEY

(Fig9.1)



(Fig9.2)

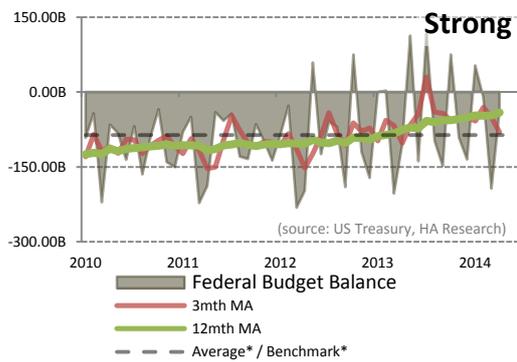


**UoM Con. Sentiments** Survey of 500 consumers to rate the relative level of current and future economic conditions;

**CB Con. Confidence** Survey of 5,000 households to rate current and future economic conditions - job availability, business conditions, and overall

# CENTRAL BANK

(Fig9.3)



**UoM Con. Sentiments** Difference in value between the federal government's income and spending 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.

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