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CURRENCY REPORT.

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United States Currency Report

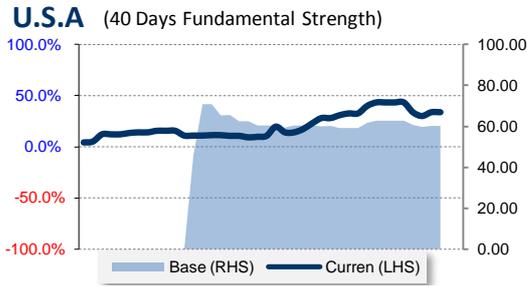
UNITED STATES ECONOMY In a glance.

19-Nov-2013 (Tuesday)

Last Updated: 10:57AM (GMT +0800)



Figure 1: Fundamental Strength Index for last 40 days.



BASE SUMMARY:

INFLATION INDICATORS :	10.2	/ 26.5
GROWTH INDICATORS :	15.3	/ 28.6
EMPLOYMENT INDICATORS :	7.1	/ 8.2
HOUSING INDICATORS :	13.3	/ 16.3
BUSINESS SURVEY :	9.2	/ 12.2
CONSUMER SURVEY :	4.1	/ 6.1
<hr/>		
BASE STRENGTH :	BULLISH	60.20 / 100
SHORT-TERM STRENGTH :	BULLISH	33.64%

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

US DOLLAR (\$) : FUNDAMENTAL IN STRONG RECOVERY, BUT RECENT DATA STALE.

U.S. Fundamentals Very Strong (60.20/100); Recent momentum MODERATELY BULLISH at 33.64%.

(Fig2.2) Core inflation approaching Fed's target of 2%, at 1.80% currently.(Fig2.3) Preferred Fed's PCE inflation seeing bottom, currently at 1.20%.(Fig2.4) PPI inflationary pressure low, if not weak.(Fig3.6) Import price grew weaker, reducing costs for US importers.(Fig4.1) GDP seemed to bottomed, at 2.50% now.(Fig4.5) Core Durable goods remained in strong growth(Fig4.6) Factory orders however, weakening.(Fig5.1) Domestic retail sales weakening.(Fig5.3) Industrial production still in strong recovery.(Fig6.1) Job market strong, notable decline in jobless rate since 2010.(Fig6.2) Jobs gains remains healthy averaging >100K for 2013.(Fig6.5) S&P House Price posting robust recovery from 2007 crisis.(Fig7.2) Existing home sales maintains strong trend.(Fig7.6) Mortgage delinquencies held the healthy decline to 6.41%.(Fig8.1) Manufacturing PMI optimistic about expansion, at 56.5.(Fig8.2) Services industry in expansion sentiments too, at 55.4.(Fig8.4) New York manufacturers sentiments weakened.(Fig9.2) US households optimistic on economy.

Conclusion: Generally, US is in a strong recovery, though Inflationary pressure remains low. Growth remains strong, housing market have recovered and in a strong trend, business and consumers are optimistic on the US economy. **New York manufacturere sentiments weakened on month of November.**

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

UPCOMING FUNDAMENTAL EVENTS						
DATE	TIME	DETAILS	FORECAST	PREVIOUS	IMPACT	
19-Nov Tuesday	9:30pm	Employment Cost Index q/q	0.50%	0.50%	!!	
20-Nov Wednesday	9:30pm	Core CPI m/m	0.10%	0.10%	!!!	
20-Nov Wednesday	9:30pm	Core Retail Sales m/m	0.20%	0.40%	!!!	
20-Nov Wednesday	11:00pm	Existing Home Sales	5.21M	5.29M	!!	
20-Nov Wednesday	11:00pm	Business Inventories m/m	0.40%	0.30%	!!	
PAST ECONOMIC EVENTS:						
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREVIOUS	
18-Nov Monday	9:00pm	TIC Long-Term Purchases	25.50	21.30	-9.80	↑
18-Nov Monday	10:00pm	NAHB Housing Market Index	54.00	56.00	54.00	→
15-Nov Friday	8:30pm	Empire State Manufacturing Index	-2.20	5.20	1.50	↓
15-Nov Friday	8:30pm	Import Prices m/m	-0.70%	-0.40%	0.10%	→
15-Nov Friday	9:15pm	Capacity Utilization Rate	78.10%	78.30%	78.30%	→
15-Nov Friday	9:15pm	Industrial Production m/m	-0.10%	0.10%	0.70%	→
15-Nov Friday	10:00pm	Wholesale Inventories m/m	0.40%	0.50%	0.80%	→
14-Nov Thursday	2:00am	Federal Budget Balance	-91.60	-104.30	75.10	→
14-Nov Thursday	8:30pm	Trade Balance	-41.80	-38.70	-38.70	↓
14-Nov Thursday	8:30pm	Prelim Nonfarm Productivity q/q	1.90%	1.30%	2.30%	→
14-Nov Thursday	8:30pm	Prelim Unit Labor Costs q/q	-0.60%	1.10%	0.00%	↓
12-Nov Tuesday	7:30pm	NFIB Small Business Index	91.60	93.50	93.90	→
08-Nov Friday	3:00am	Consumer Credit m/m	13.70	13.00	14.20	→
08-Nov Friday	8:30pm	Non-Farm Employment Change	204.00	121.00	163.00	↑
08-Nov Friday	8:30pm	Unemployment Rate	7.30%	7.30%	7.20%	→

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.

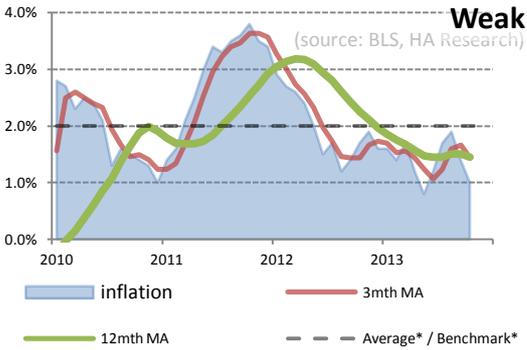
For disclaimer & more information on the calculation methodology, please refer to the back cover of this document.



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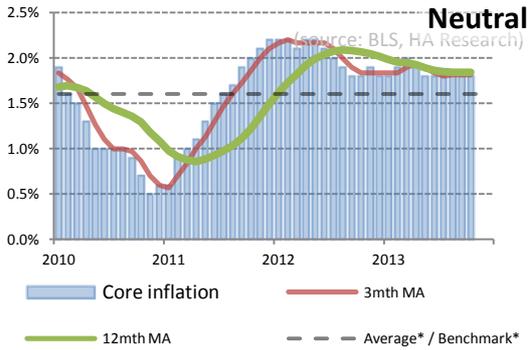
INFLATION INDICATORS

(Fig2.1) US Inflationary pressure low.



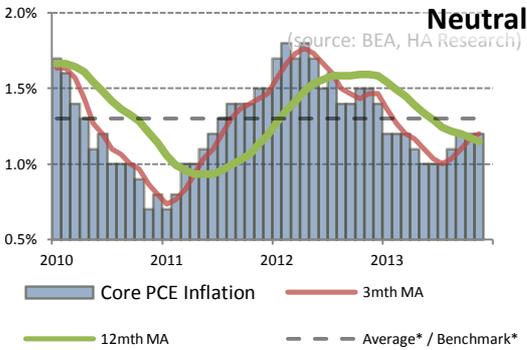
November:	Pending	Previous	1.00%
Consumer Price Index	Change in the price of goods and services purchased by consumers;		

(Fig2.2) Core inflation approaching Fed's target of 2%, at 1.80% currently.



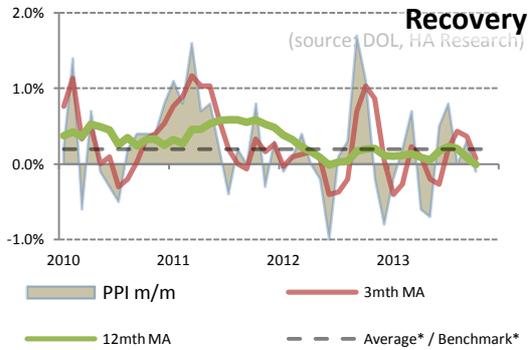
November:	Pending	Previous	1.80%
Core CPI	Change in the price of goods and services purchased by consumers, excluding food and energy;		

(Fig2.3) Preferred Fed's PCE inflation seeing bottom, currently at 1.20%.



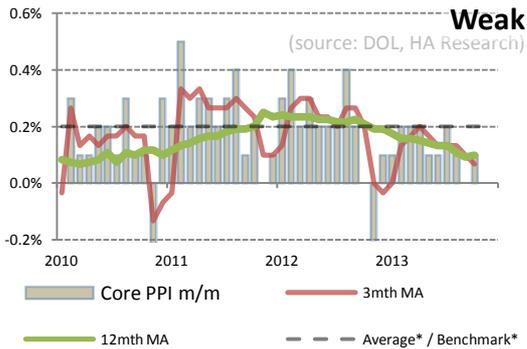
November:	1.20%	Previous	1.20%
Personal Consumption Expenditures	Differs from Core CPI in that it measures goods and services consumed by individuals; spending behaviour.		

(Fig2.4) PPI inflationary pressure low, if not weak.



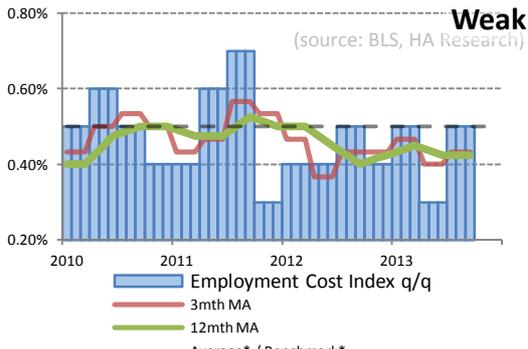
November:	Pending	Previous	-0.10%
Producer Price Index	Change in the price of finished goods and services sold by producers; Finished Goods PPI. Wholesale Prices;		

(Fig2.5) Core PPI weakened.



November:	Pending	Previous	0.10%
Core PPI	Change in the price of finished goods and services sold by producers, excluding food and energy (-40% of PPI);		

(Fig2.6) Labour cost remains low and non-event.



November:	Pending	Previous	0.00%
Employment Cost Index	Change in the price businesses and the government pay for civilian labor;		

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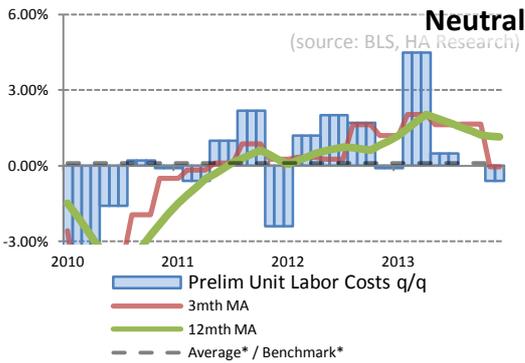
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INFLATION INDICATORS (continued)

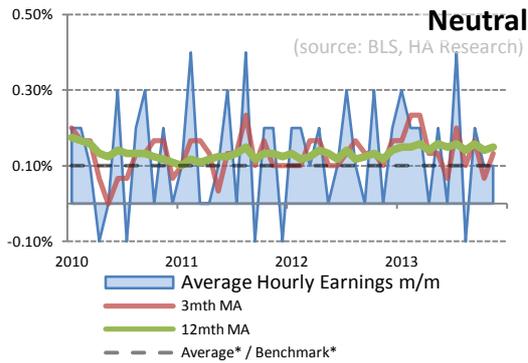
(Fig3.1) Unit Labour Cost decreased, going stale.



November: **-0.60%** Previous 0.00%

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

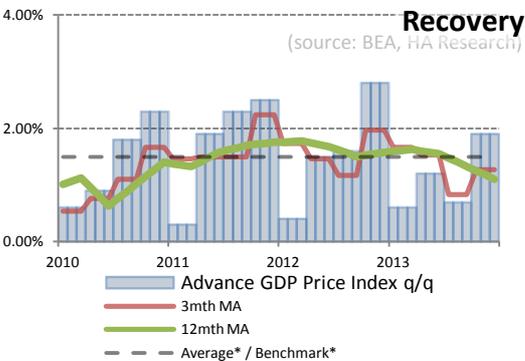
(Fig3.2) Average hourly earning stable growth. Non-event.



November: **0.10%** Previous 0.10%

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

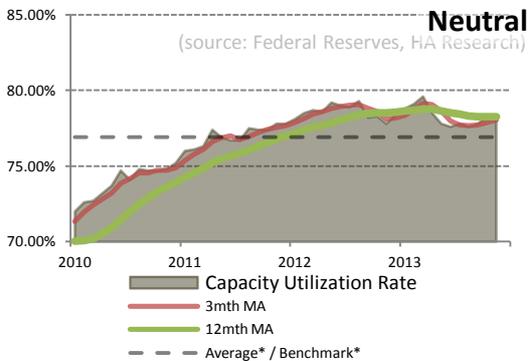
(Fig3.3) GDP Deflator spelling inflation could be improving.



November: **1.90%** Previous 1.90%

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

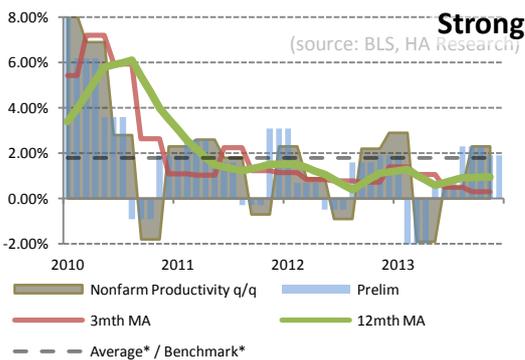
(Fig3.4) Capacity Utilization rate still relatively neutral.



November: **78.10%** Previous 78.30%

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

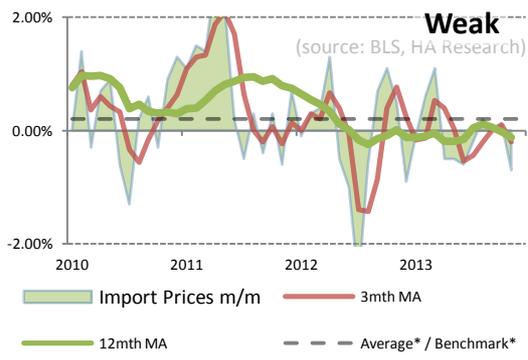
(Fig3.5) US worker's productivity stable, non-event.



November: **2.30%** Previous 2.30%

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

(Fig3.6) Import price grew weaker, reducing costs for US importers.



November: **-0.70%** Previous 0.10%

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

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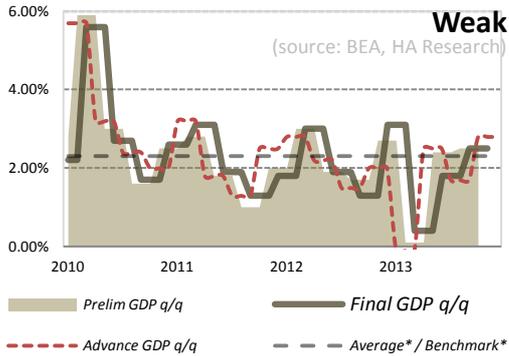
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United States Currency Report

GROWTH INDICATORS

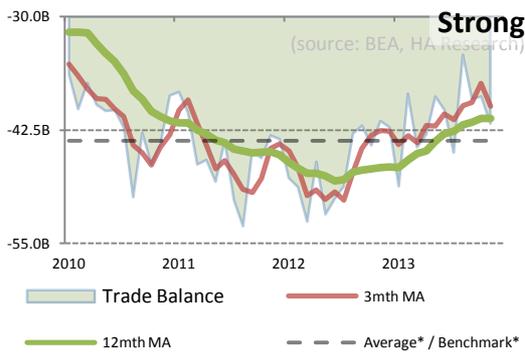
(Fig4.1) GDP seemed to bottomed, at 2.50% now.



November: **2.50%** Previous 2.50%

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

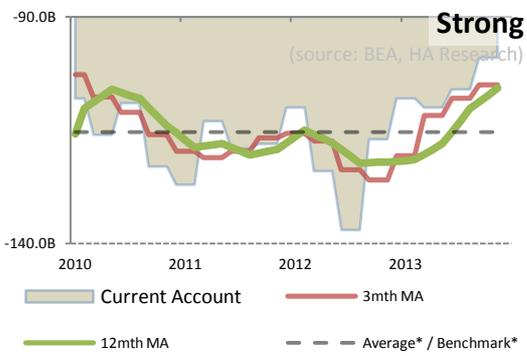
(Fig4.2) International demand on strong trend.



November: **-41.8B** Previous -38.8B

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

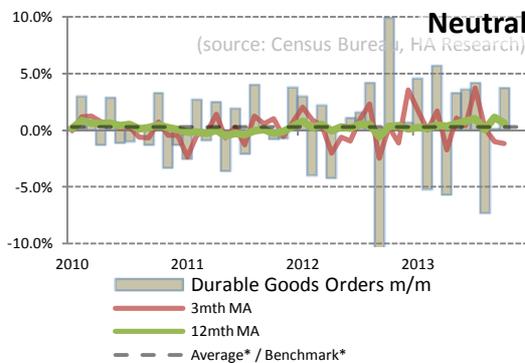
(Fig4.3) National account also in strong recovery.



November: **-99.0B** Previous -99.0B

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

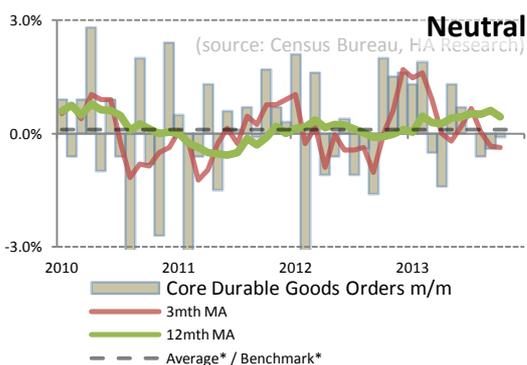
(Fig4.4) Durable goods order remained stable.



November: **Pending** Previous 3.70%

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

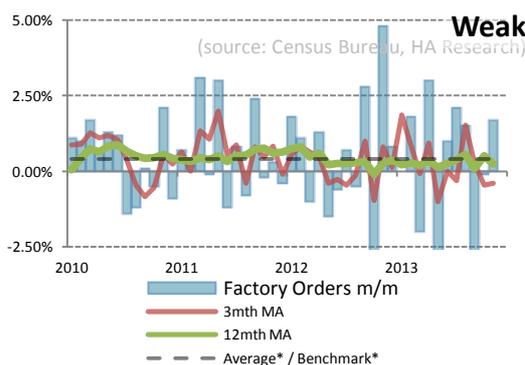
(Fig4.5) Core Durable goods remained in strong growth



November: **Pending** Previous -0.10%

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

(Fig4.6) Factory orders however, weakening.



November: **1.70%** Previous -0.10%

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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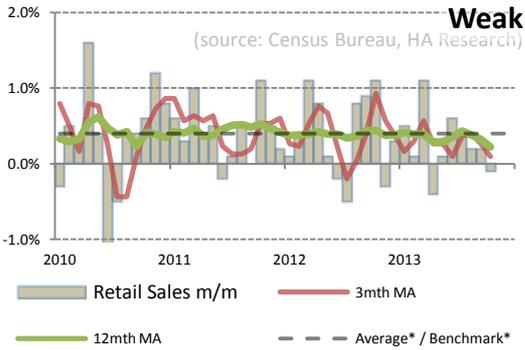
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GROWTH INDICATORS (continued)

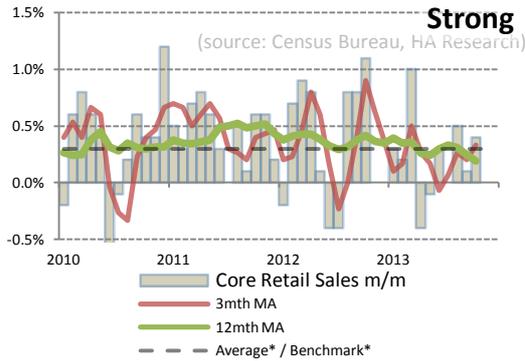
(Fig5.1) Domestic retail sales weakening.



November: **Pending** Previous -0.10%

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

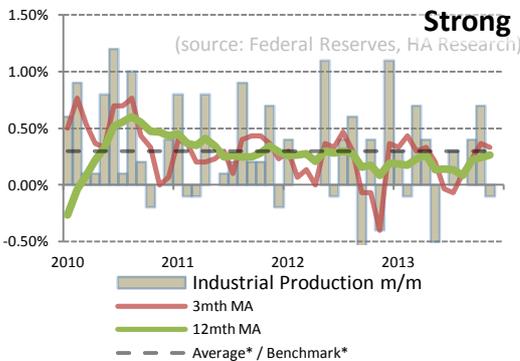
(Fig5.2) Core Retail sales pickup recently, but still in weak trend.



November: **Pending** Previous 0.40%

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

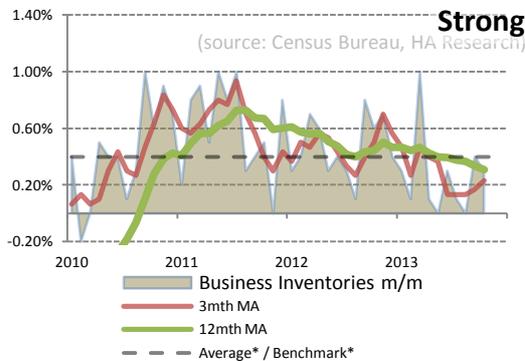
(Fig5.3) Industrial production still in strong recovery.



November: **-0.10%** Previous 0.70%

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

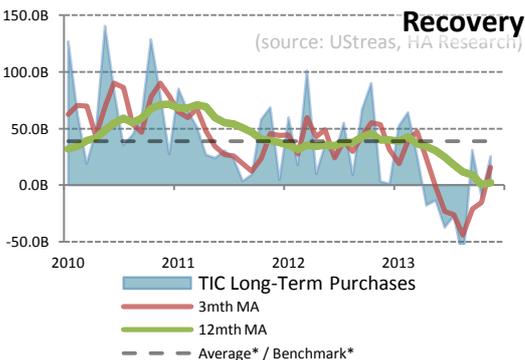
(Fig5.4) Business inventories low.



November: **Pending** Previous 0.30%

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

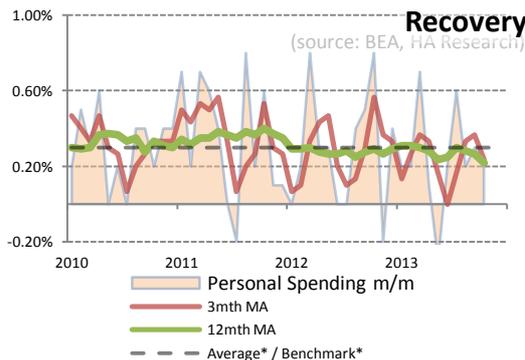
(Fig5.5) Demand for US financial Long term assets weakened.



November: **25.50B** Previous -9.80B

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

(Fig5.6) US Personal spending weakening.



November: **Pending** Previous 0.20%

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

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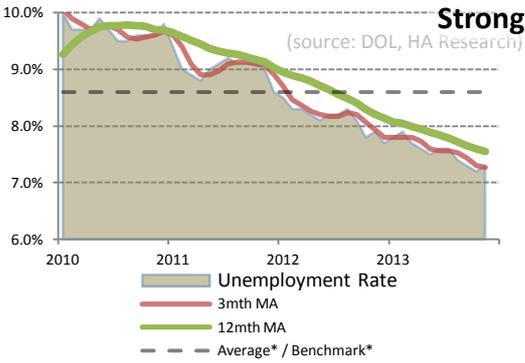
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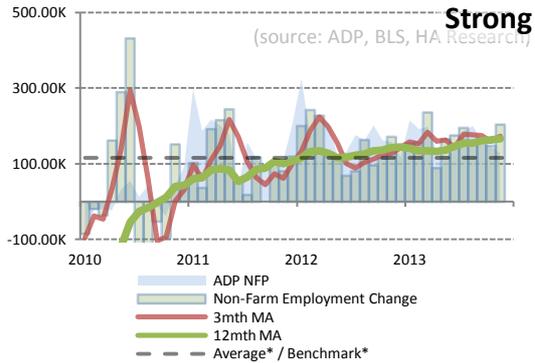
EMPLOYMENT INDICATORS

(Fig6.1) Job market strong, notable decline in jobless rate since 2010.



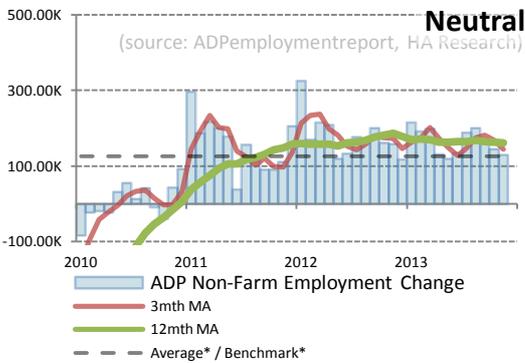
November:	7.30%	Previous	7.20%
Jobless Rate	% of total work force that is unemployed and actively seeking employment during the previous quarter;		

(Fig6.2) Jobs gains remains healthy averaging >100K for 2013.



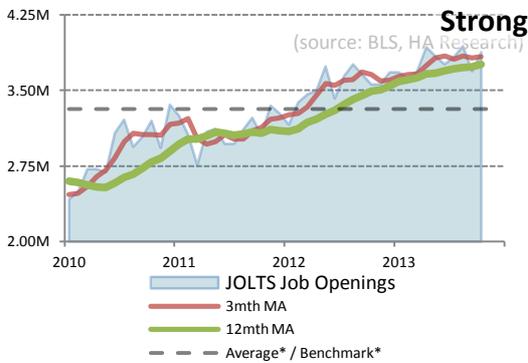
November:	204.00B	Previous	148.00B
Non-farm Payroll (NFP)	Change in the number of employed people during the previous month, excluding the farming industry;		

(Fig6.3) ADP Inc Job gains estimates neutral. Non-event.



November:	130.0K	Previous	145.0K
ADP NFP	ADP provides payroll services to US corporations, and they analyze data from around 400K customers to derive		

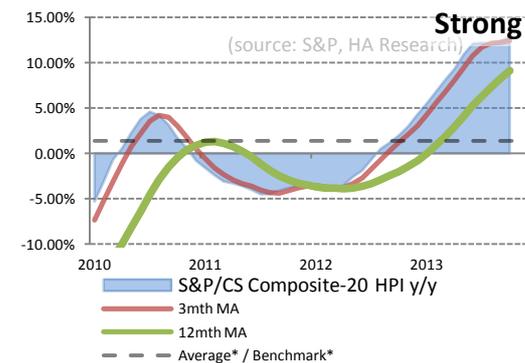
(Fig6.4) US Jobs opening remained strong.



November:	Pending	Previous	3.9M
JOLTS Job Openings	# of job openings during reported month, excluding farming industry; Job Openings and Labor Turnover Summary		

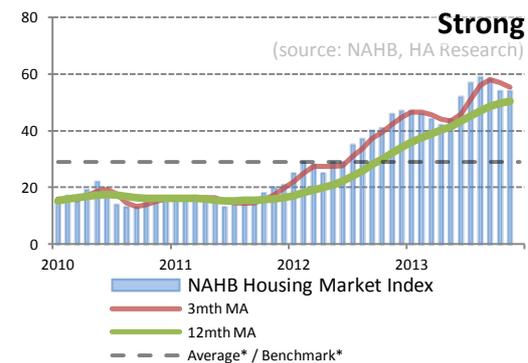
HOUSING INDICATORS

(Fig6.5) S&P House Price posting robust recovery from 2007 crisis.



November:	Pending	Previous	12.80%
S&P House Price Index	Change in the selling price of single-family homes in 20 metropolitan areas; Case-Shiller (CS)		

(Fig6.6) Current expectation of future home sales strong.



November:	54.0	Previous	54.0
NAHB Housing Market Index	Survey of 900 builders to rate level of current and future single-family home sales; Natl' Assoc of Home Builders		

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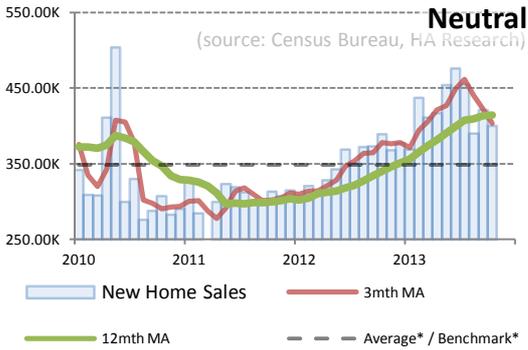
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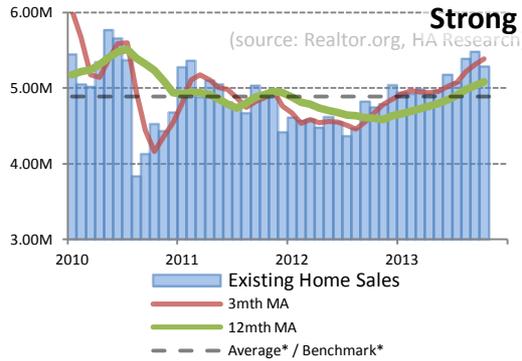
HOUSING INDICATORS (continued)

(Fig7.1) New homes sales recent drop, recovery trend intact.



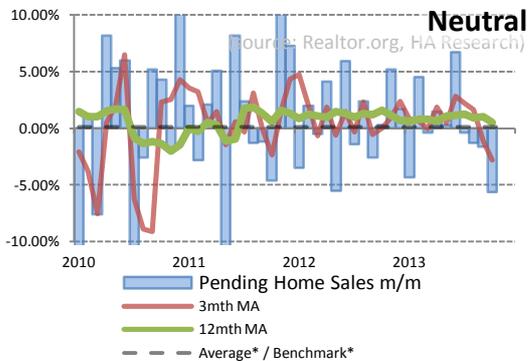
November:	Pending	Previous	400.0K
New Homes Sales	Annualized number of new single-family homes that were sold during the previous month;		

(Fig7.2) Existing home sales maintains strong trend.



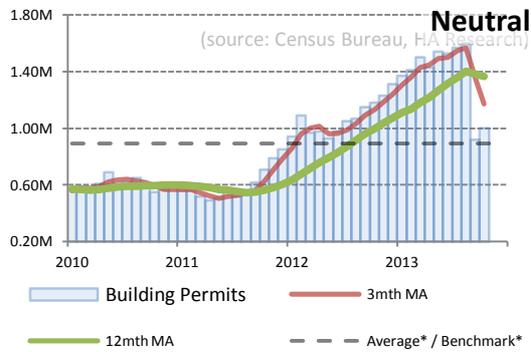
November:	Pending	Previous	5.3M
Existing Home Sales	Annualized number of residential buildings that were sold during the previous month, excluding new construction;		

(Fig7.3) Pending homes sales fallout rate increased.



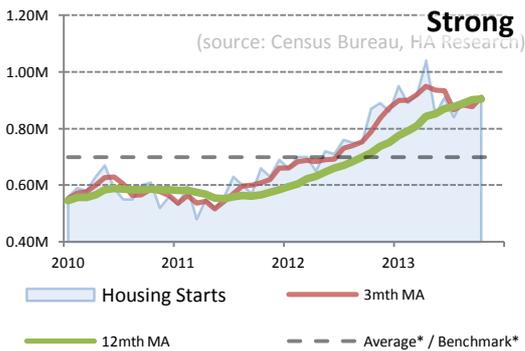
November:	Pending	Previous	-5.60%
Pending Home Sales	Change in no. of homes under contract to be sold but awaiting closing, excluding new construction;		

(Fig7.4) US Building permits for new residential building.



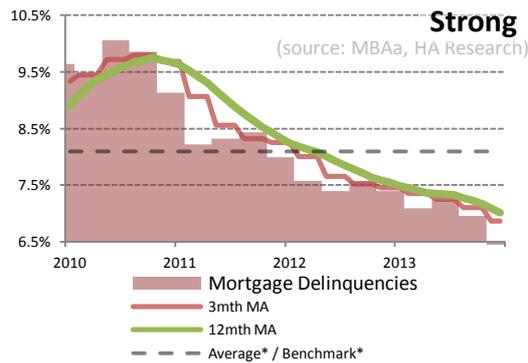
November:	Pending	Previous	1.0M
Building Permits	Annualized number of new residential building permits issued during the previous month;		

(Fig7.5) New residential buildings remains in strong trend.



November:	Pending	Previous	0.9M
Housing Starts	Annualized number of new residential buildings that began construction during the previous month;		

(Fig7.6) Mortgage delinquencies held the healthy decline to 6.41%.



November:	Pending	Previous	6.41%
Mortgage Delinquency	Percentage of MBA-represented mortgages which were at least one payment late during the previous quarter;		

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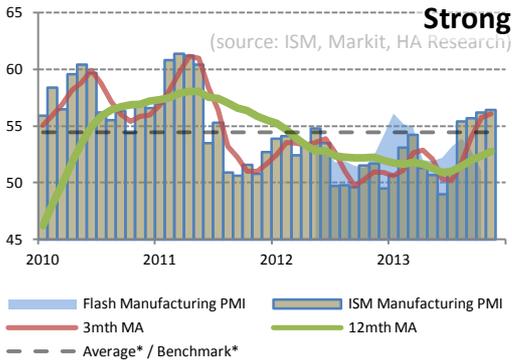


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BUSINESS SURVEY

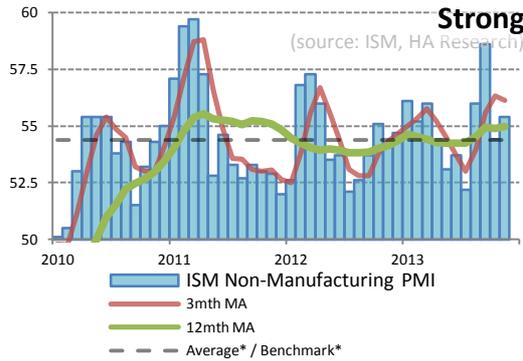


(Fig8.1) Manufacturing PMI optimistic about expansion, at 56.5.



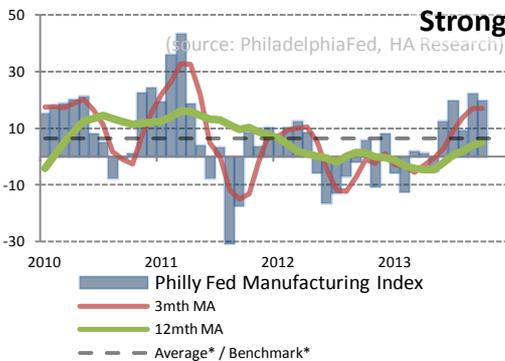
ISM Manu. PMI Survey of 400 purchasing managers on biz conditions - jobs, production, orders, prices, and inventories;

(Fig8.2) Services industry in expansion sentiments too, at 55.4.



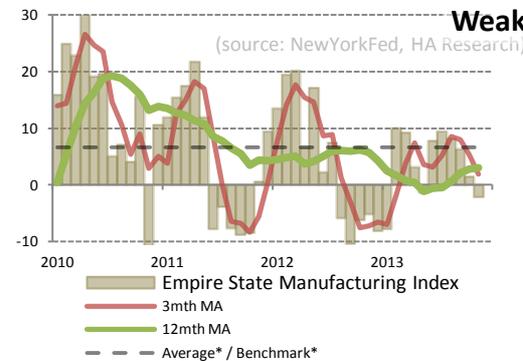
ISM Service PMI Level of a diffusion index based on surveyed purchasing managers, excluding the manufacturing industry;

(Fig8.3) Philly Fed Manufacturing Index remains in strong trend.



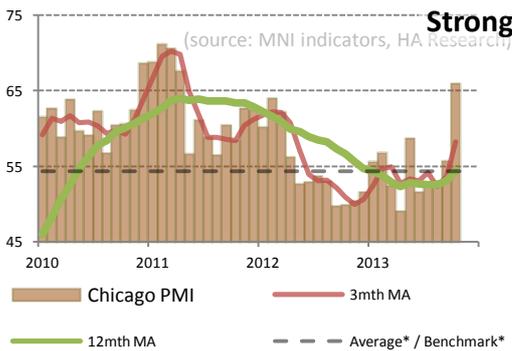
Philly Fed Manu Index Survey of 250 manufacturers in Philadelphia Federal Reserve district to rate general business conditions;

(Fig8.4) New York manufacturers sentiments weakened.



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) Chicago managers optimistic on economy.



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.

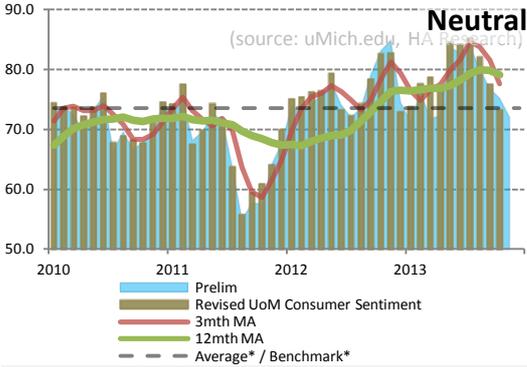
Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).



CONSUMER SURVEY

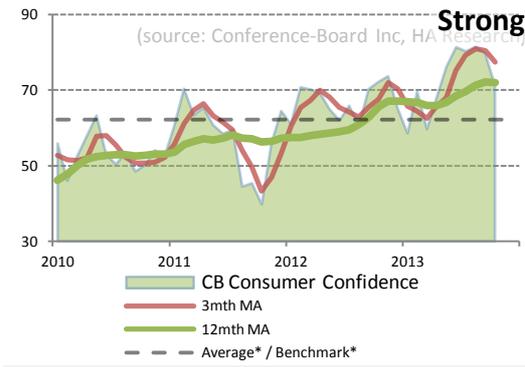


(Fig9.1) Consumers optimism remains intact.



UoM Con. Sentiments November: **Pending** **Previous** 73.2
 Survey of 500 consumers to rate the relative level of current and future economic conditions;

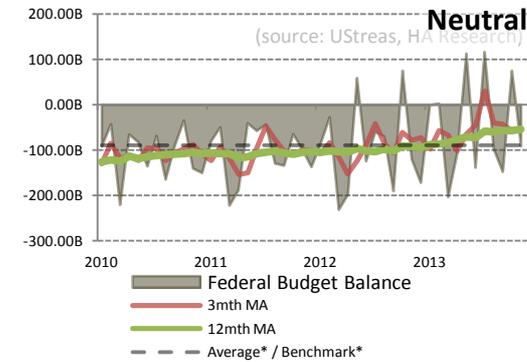
(Fig9.2) US households optimistic on economy.



CB Con. Confidence November: **Pending** **Previous** 71.2
 Survey of 5,000 households to rate current and future economic conditions - job availability, business conditions, and overall

CENTRAL BANK

(Fig9.3) Federal governments budget better.



UoM Con. Sentiments November: **-91.6B** **Previous** 75.1B
 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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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.

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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.

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