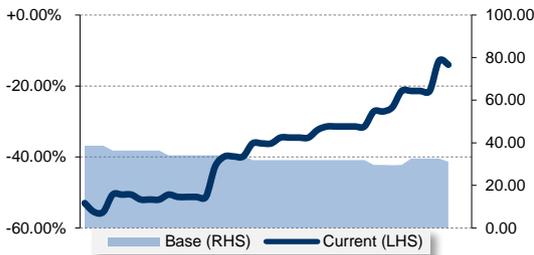


China Currency Report

CHINA ECONOMY In a glance.

13-Apr-2014 (Sunday)

Last Updated: 03:30PM (GMT+0800)

Figure 1: Fundamental Strength Index for last 40 days.**CHINA** (40 Days Fundamental Strength)**BASE SUMMARY:**

INFLATION INDICATORS :	0.0	/ 18.2
GROWTH INDICATORS :	31.1	/ 48.5
EMPLOYMENT INDICATORS :	-	-
HOUSING INDICATORS :	-	-
BUSINESS SURVEY :	0.0	/ 33.3
CONSUMER SURVEY :	-	-
<i>(automated comments)</i>		
3 Months Outlook (Base)	Weak	31.06 / 100
Current Momentum	Slightly Bearish	-14.02%

RELATED NEWS (previous 3 days):

Refer to risk sentiments for more information.

- 11/04/2014 (Reuters): China will ease restrictions on overseas investments and scrap the need for approval for deals below \$1 billion starting from May, China's economic planner said in a statement. Beijing pushes its companies to expand overseas and diversify its \$4 trillion foreign exchange reserves investments.
- 10/04/2014 (Bloomberg): China's exports and imports unexpectedly fell. "It's surprising and disappointing to see that softness in China's March trade numbers," said Westpac. "It's a definite setback for what has been a very positive mood in global markets, and particularly in Asian currencies."
- 09/04/2014 -

	Base Fundamental (Data of last 3 months)			Current Fundamental (Current data set)	
1. NZD	83.82	-0.80 *		CAD	+43.88% -0.02% *
2. JPY	78.26	+0.00 *		NZD	+42.04% +1.94% *
3. GBP	69.94	-0.00 *		AUD	+29.22% +0.02% *
4. USD	58.99	+0.00 *		USD	+29.01% +7.71% *
5. AUD	56.25	+0.00 *		JPY	+26.06% -0.04% *
6. EUR	50.90	+0.00 *		GBP	+23.18% -0.72% *
7. CAD	45.74	+0.00 *		EUR	+21.73% +0.63% *

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

HA Research Comments:**MARKET:** China announced stimulus plan to build railroads, boost jobs. Market bullish on stimulus hope.**TECHNICAL:** -**CONCLUSION:** China's current fundamental weakness is evident.

Bearish Factors: (1) Recent Index very weak, (2) Base index weak. (3) Weakening trade data.

Bullish Factors: (1) Stimulus plan by PBOC supporting economy.

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

UPCOMING FUNDAMENTAL EVENTS						
DATE	TIME	DETAILS	FORECAST	PREVIOUS	IMPACT	
14-Apr (Mon)	14th-15th	New Loans	1000B	645B	!!	
14-Apr (Mon)	14th-15th	M2 Money Supply y/y	13.10%	13.30%	!	
16-Apr (Wed)	10:00am	GDP q/y	7.40%	7.70%	!!!	
16-Apr (Wed)	10:00am	Industrial Production y/y	9.10%	8.60%	!!!	
16-Apr (Wed)	10:00am	Fixed Asset Investment ytd/y	18.10%	17.90%	!!	
PAST (20) ECONOMIC EVENTS:						
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREV.	SCORE
11-Apr (Fri)	9:30am	CPI y/y	2.40%	2.50%	2.00%	→ -2.27%
11-Apr (Fri)	9:30am	PPI y/y	-2.30%	-2.20%	-2.00%	↓ -6.06%
10-Apr (Thu)	11:05am	Trade Balance	7.70	-90.00%	-23.00	↑ +6.25%
03-Apr (Thu)	9:00am	Non-Manufacturing PMI	54.50	-	55.00	→ -1.52%
01-Apr (Tue)	9:00am	Manufacturing PMI	50.30	50.10	50.20	↑ +3.41%
01-Apr (Tue)	9:45am	HSBC Final Manufacturing PMI	48.00	48.50	48.5	↓ -9.09%
24-Mar (Mon)	9:45am	HSBC Flash Manufacturing PMI	48.10	48.70	48.50	↓ -9.09%
24-Mar (Mon)	10:00am	CB Leading Index m/m	0.90%	-	0.30%	→ +1.14%
18-Mar (Tue)	10:00am	Foreign Direct Investment ytd/y	10.40%	-	16.10%	→ +1.14%
13-Mar (Thu)	10:00am	Industrial Production y/y	8.60%	9.50%	9.70%	→ -2.27%
13-Mar (Thu)	1:30pm	Fixed Asset Investment ytd/y	17.90%	19.50%	19.60%	→ -1.52%
13-Mar (Thu)	1:30pm	Retail Sales y/y	11.80%	13.50%	13.60%	→ +0.19%
10-Mar (Mon)	4:00am	New Loans	645.00	730.00	1320.00	→ +2.27%
10-Mar (Mon)	4:00am	M2 Money Supply y/y	13.30%	13.20%	13.20%	→ +1.14%
20-Jan (Mon)	10:00am	GDP q/y	7.70%	7.60%	7.80%	→ +2.27%

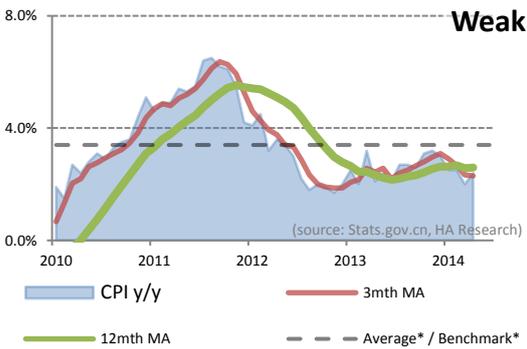
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China Currency Report

INFLATION INDICATORS

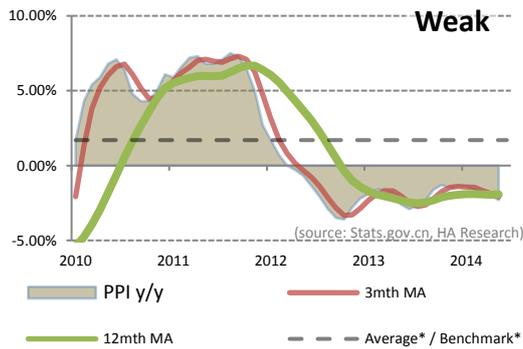
(Fig2.1)



April: **2.40%** Previous **2.00%**

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

(Fig2.2)

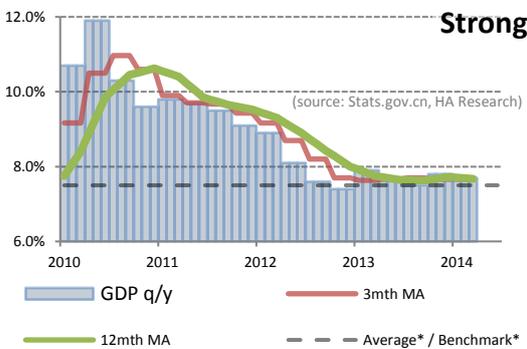


April: **-2.00%** Previous **-2.00%**

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

GROWTH INDICATORS

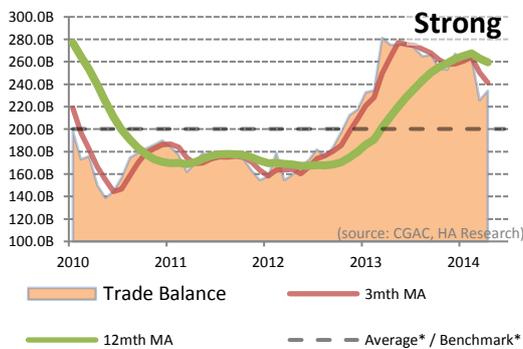
(Fig2.3)



April: **Pending** Previous **7.70%**

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

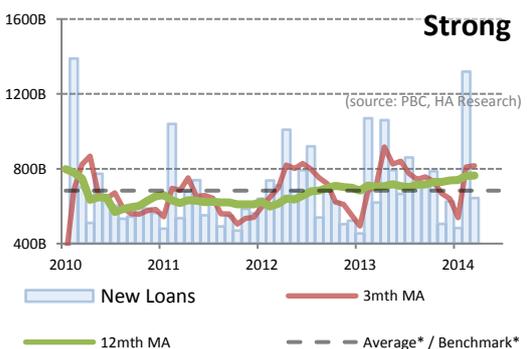
(Fig2.4)



April: **234.3B** Previous **225.7B**

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

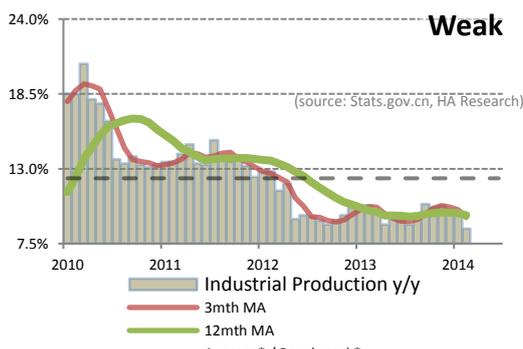
(Fig2.5)



April: **Pending** Previous **645B**

New Loans Value of new yuan-denominated loans issued to consumers and businesses during the previous month;

(Fig2.6)



April: **Pending** Previous **0.00%**

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

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.

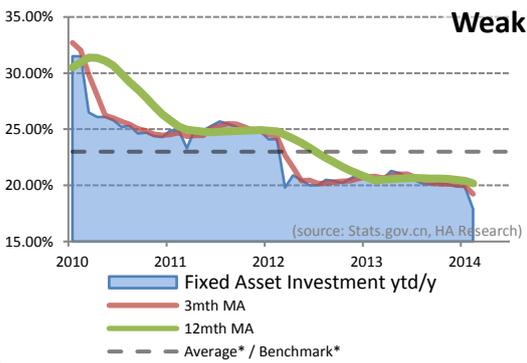
Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).

GROWTH INDICATORS



China Currency Report GROWTH INDICATORS (continued)

(Fig3.1)

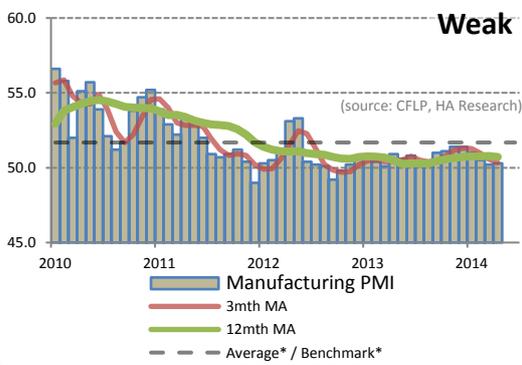


April: **Pending** Previous 0.00%

FA Investments Change in spending on non-rural capital investments such as factories, roads, power grids, and property;

BUSINESS SURVEY

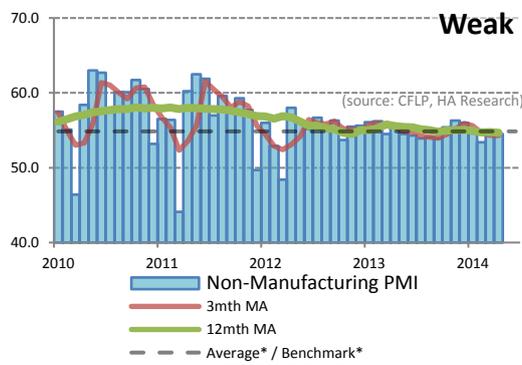
(Fig3.2)



April: **50.3** Previous 50.2

Manufacturing PMI Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry;

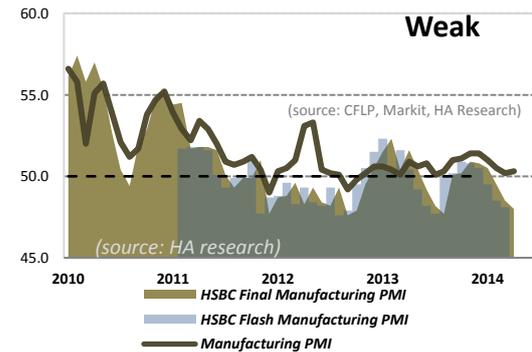
(Fig3.3)



April: **54.5** Previous 55.0

Non-Manu. PMI Level of a diffusion index based on surveyed purchasing managers in the services industry;

(Fig3.4)



April: **48.0** Previous 48.5

HSBC Manu. PMI Survey of 430 purchasing manager to rate business condition, jobs, production, orders, inventories..etc.

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).