

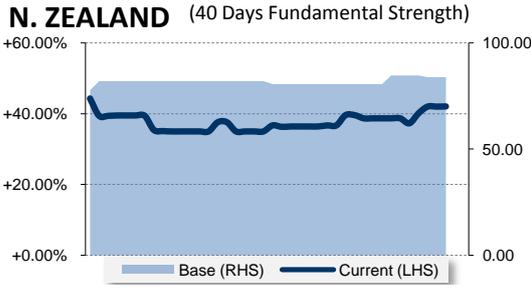
New Zealand Currency Report

NEW ZEALAND ECONOMY In a glance.

15-Apr-2014 (Tuesday)

Last Updated: 10:00AM (GMT+0800)

Figure 1: Fundamental Strength Index for last 40 days.



BASE SUMMARY:

INFLATION INDICATORS :	15.2	/ 25.5
GROWTH INDICATORS :	30.4	/ 33.3
EMPLOYMENT INDICATORS :	11.8	/ 11.8
HOUSING INDICATORS :	5.9	/ 5.9
BUSINESS SURVEY :	16.7	/ 19.6
CONSUMER SURVEY :	3.9	/ 3.9
<i>(automated comments)</i>		
3 Months Outlook (Base)	Ultra Strong	83.82 / 100
Current Momentum	BULLISH	42.03%

RELATED NEWS (previous 3 days):

Refer to risk sentiments (Market Watch) for more information.

- 15/04/2014 ~
- 14/04/2014 ~
- 11/04/2014 (Bloomberg): China's hunger for commodities including iron ore and milk is helping make the AUD & NZD this year's best-performing developed-nation currencies.

	Base Fundamental (Data of last 3 months)		Current Fundamental (Current data set)	
1. NZD	83.82	+0.00 *	CAD	+43.88% -0.02% *
2. JPY	78.26	+0.00 *	NZD	+42.04% +0.04% *
3. GBP	68.67	-1.27 *	USD	+31.65% +0.05% *
4. USD	58.99	+0.00 *	AUD	+29.22% +0.02% *
5. AUD	56.25	+0.00 *	JPY	+26.06% -0.04% *
6. EUR	50.90	+0.00 *	GBP	+23.58% -0.52% *
7. CAD	45.74	+0.00 *	EUR	+22.41% +0.01% *

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

HA Research Comments:

- MARKET:** Bears exhausted; Bulls in control supported by China stimulus, strong NZD data.
- TECHNICAL:** OVERBOUGHT: NZDUSD, NZDJPY
- CONCLUSION:** SKIP. Pending CPI. Pending better Long levels. Recent fundamental healthy, though technically overbought.
- Bearish Factors: (1) Technically Overbought, (2) Weak Chinese Trade Data, (3) Risk aversion.
- Bullish Factors : (1) Current and Base Index BULLISH, (2) High Carry interest, (3) China's demand for food.

NZDUSD

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



NZDJPY

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



DISCLAIMER:

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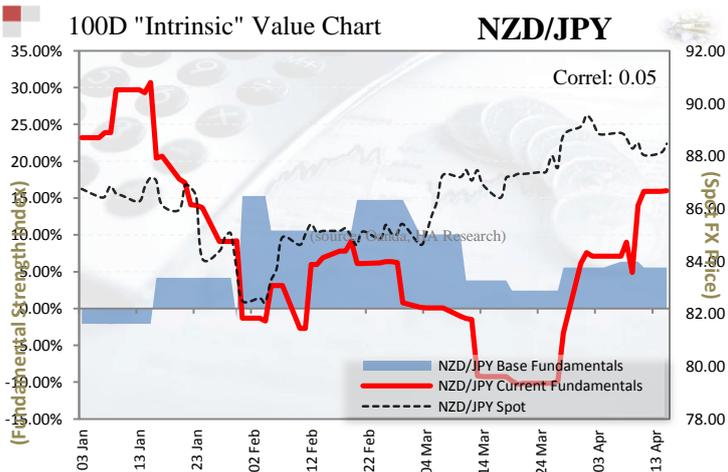
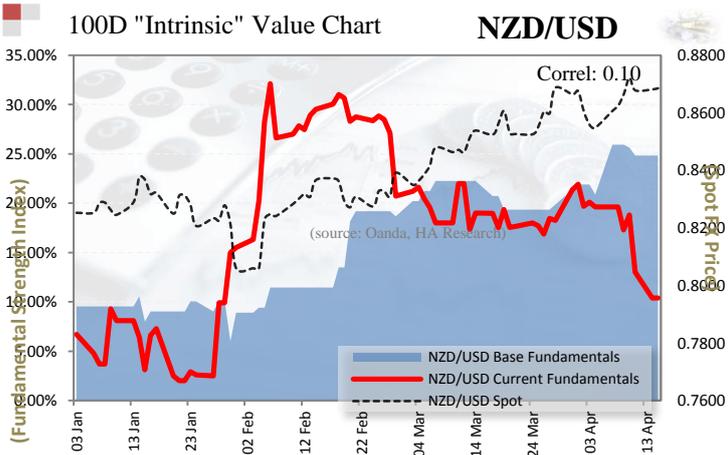
Table 1: Fundamental Calendar.

UPCOMING FUNDAMENTAL EVENTS						
DATE	TIME	DETAILS	FORECAST	PREVIOUS	IMPACT	
16-Apr (Wed)	6:45am	CPI q/q	0.50%	0.10%	!!!	
PAST (20) ECONOMIC EVENTS:						
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREV.	SCORE
11-Apr (Fri)	5:45am	REINZ HPI m/m	3.40%	2.10%	2.10%	➔ +1.96%
11-Apr (Fri)	6:45am	FPI m/m	-0.30%	-0.30%	-1.00%	➔ +0.61%
10-Apr (Thu)	6:30am	Business NZ Manufacturing Index	58.40	56.50	56.50	➕ +3.92%
08-Apr (Tue)	6:00am	NZIER Business Confidence	52.00	52.00	52.00	➕ +4.41%
02-Apr (Wed)	9:00am	ANZ Commodity Prices m/m	-0.10%	-	0.90%	➔ -1.23%
31-Mar (Mon)	6:45am	Building Consents m/m	-1.70%	-	-8.60%	➔ -0.98%
31-Mar (Mon)	9:00am	ANZ Business Confidence	67.30	-	70.80	➕ +2.21%
27-Mar (Thu)	6:45am	Trade Balance	818.00	595.00	286.00	➕ +5.88%
21-Mar (Fri)	6:45am	Visitor Arrivals m/m	2.20%	-	2.80%	➔ +0.49%
21-Mar (Fri)	11:00am	Credit Card Spending y/y	5.90%	-	9.40%	➔ +0.49%
20-Mar (Thu)	6:45am	GDP q/q	0.90%	1.00%	1.20%	➔ +0.37%
19-Mar (Wed)	6:45am	Current Account	-1.43	-1.44	-4.88	➔ -2.45%
17-Mar (Mon)	6:00am	Westpac Consumer Sentiment	121.70	-	120.10	➕ +3.43%
10-Mar (Mon)	6:45am	Manufacturing Sales q/q	6.30%	-	6.20%	➔ +1.96%
03-Mar (Mon)	6:45am	Overseas Trade Index q/q	2.30%	1.90%	7.50%	➔ +1.47%

Table 2: Fundamental Score List.

BASE FUNDAMENTAL DATA RESULTS			
Type	NZD Fundamental Data	Strength	Total
Business Survey	Business NZ Manufacturing Index	Strong	3.922
	NZIER Business Confidence	Strong	5.882
	Inflation Expectations q/q	Recovery	0.98 (Strong)
	ANZ Business Confidence	Strong	5.882
Consumer Survey Westpac Consumer Sentiment		Strong	3.922
Employment Employment Change q/q		Strong	5.882 (Very strong)
Unemployment Rate		Strong	5.882
Growth GDP q/q		Strong	5.882
Current Account		Recovery	0.98
Trade Balance		Strong	5.882
Manufacturing Sales q/q		Strong	1.961
Credit Card Spending y/y		Strong	1.961
Visitor Arrivals m/m		Strong	1.961
Retail Sales q/q		Strong	5.882 (Very Strong)
Core Retail Sales q/q		Strong	5.882
Housing Building Consents m/m		Strong	3.922 (Very strong)
REINZ HPI m/m		Strong	1.961
Inflation CPI q/q		Recovery	1.471
Labor Cost Index q/q		Weak	0
PPI Output q/q		Strong	1.961
FPI m/m		Weak	0
ANZ Commodity Prices m/m		Strong	1.961
PPI Input q/q		Strong	5.882 (Neutral)
Overseas Trade Index q/q		Strong	3.922
			83.82 100.00

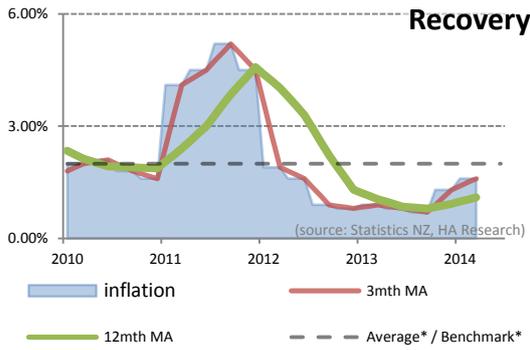
The HA Research 100 days "Intrinsic" Value Charts depicts the calculated index differential between 2 currencies. Base on the movements of the differentials, they are plotted against actual market spot movement to "track" the "intrinsic" value of the currency pair.



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INFLATION INDICATORS

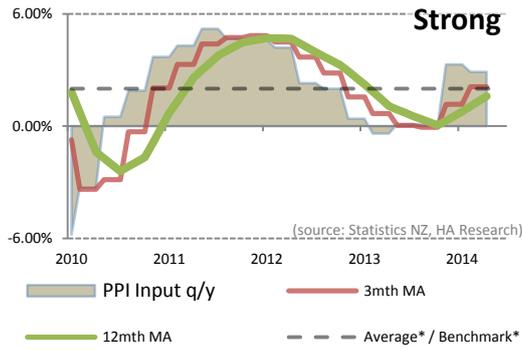
(Fig2.1)



April: **Pending** Previous 1.60%

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

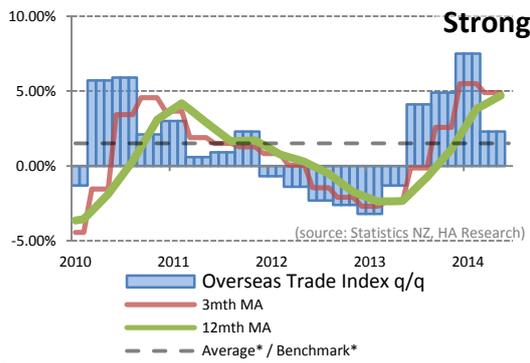
(Fig2.2)



April: **2.90%** Previous 2.90%

PPI Input q/y Change in the price of goods and raw materials purchased by manufacturers; Producer Price Index (PPI);

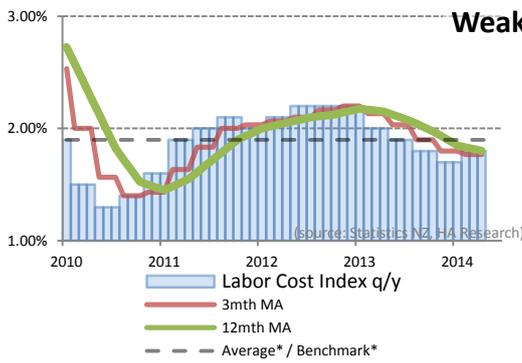
(Fig2.3)



April: **2.30%** Previous 2.30%

Overseas Trade Index Change in the price of internationally traded goods and services;

(Fig2.4)

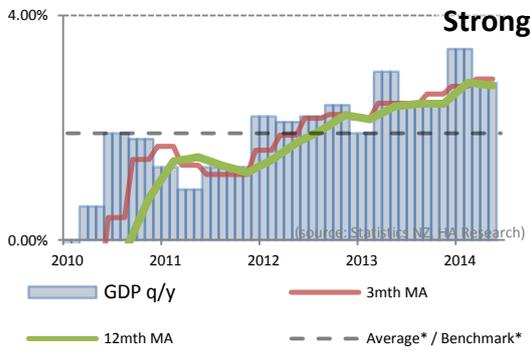


April: **1.80%** Previous 1.80%

Labor Cost Index q/y Change in the price businesses pay for labor, excluding overtime;

GROWTH INDICATORS

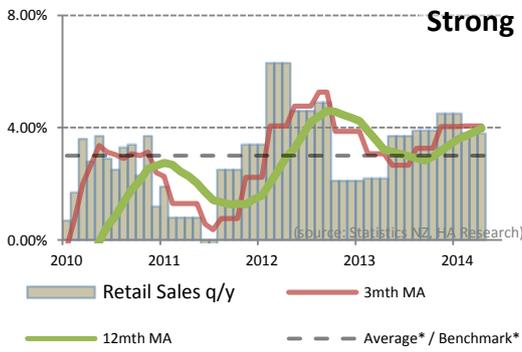
(Fig2.5)



April: **2.80%** Previous 2.80%

GDP q/y Change in the inflation-adjusted value of all goods and services produced by the economy;

(Fig2.6)



April: **3.80%** Previous 3.80%

Retail Sales q/y Change in the total value of inflation-adjusted sales at the retail level;

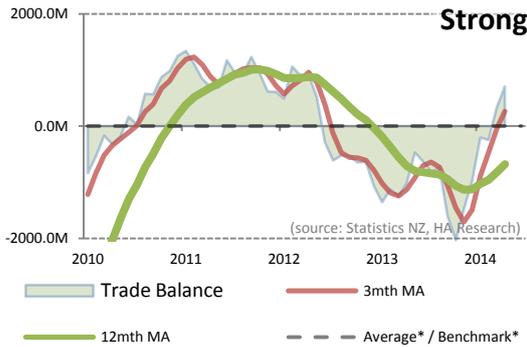
Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

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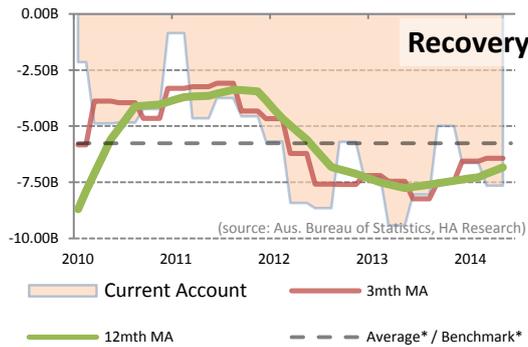
GROWTH INDICATORS (continued)

(Fig3.1)



April:	705M	Previous	328M
Trade Balance	Difference in value between imported and exported goods and services during the reported month;		

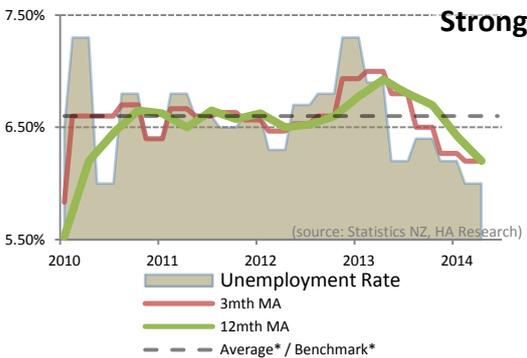
(Fig3.2)



April:	-7.65B	Previous	-7.65B
Current Account	Difference in trade balance, income flows, and unilateral transfers during the previous quarter;		

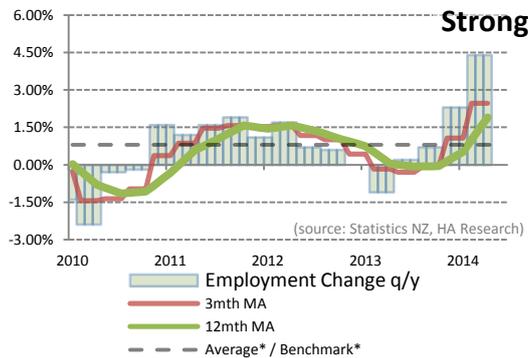
EMPLOYMENT INDICATORS

(Fig3.3) Jobless rate low at 6.20%



April:	6.00%	Previous	6.00%
Jobless Rate	% of total work force that is unemployed and actively seeking employment during the previous quarter;		

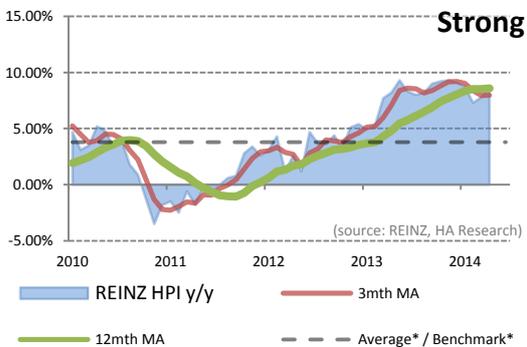
(Fig3.4) NZ Job showed strong gains through 2013.



April:	4.40%	Previous	1.10%
Employment Change q/y	Change in the number of employed people;		

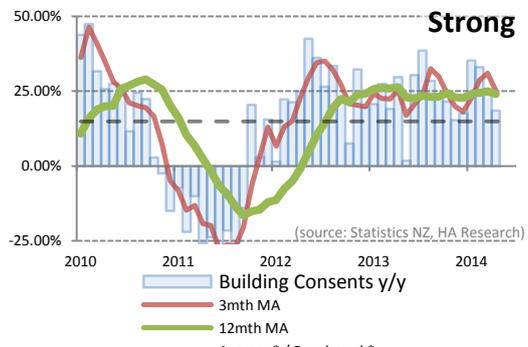
HOUSING INDICATORS

(Fig3.5)



April:	8.80%	Previous	7.80%
REINZ House Price Index	Change in the selling price of all homes; Real Estate Institute of New Zealand (REINZ), House Price Index (HPI);		

(Fig3.6)



April:	18.50%	Previous	24.60%
Building Consents	Change in the number of new building approvals issued;		

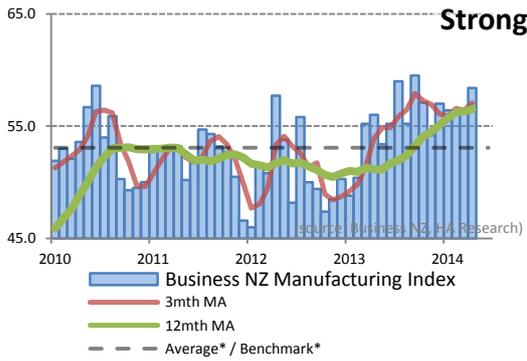
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BUSINESS SURVEY

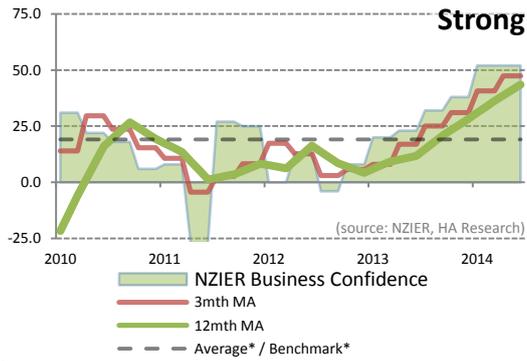
(Fig4.1)



April: **58.40** Previous 56.50

Business NZ Manu. Index Level of a diffusion index based on surveyed manufacturers; Performance of Manufacturing Index;

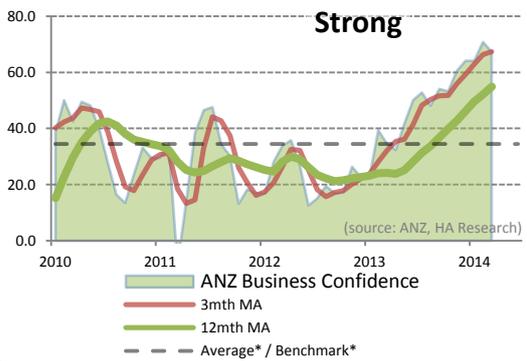
(Fig4.2)



April: **52.00** Previous 52.00

NZIER Biz. Confidence Survey of about 2500 businesses which asks respondents to rate the relative 6-month economic outlook;

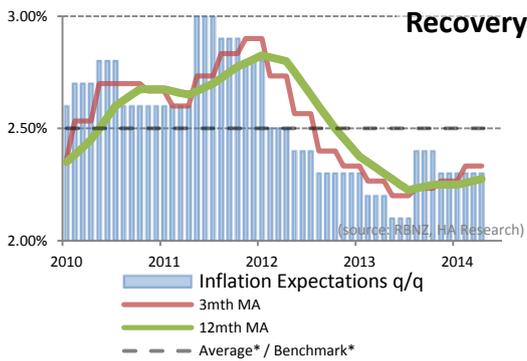
(Fig4.3)



April: **Pending** Previous 67.30

ANZ Business Confidence Survey of 1,500 businesses which asks respondents to rate the relative 12-month economic outlook;

(Fig4.4)

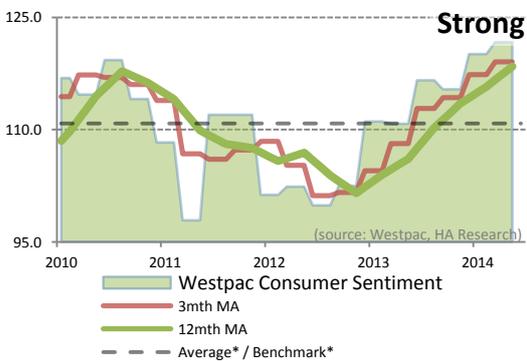


April: **2.30%** Previous 2.30%

Inflation Expectations Survey of about 100 consumers which asks respondents where they expect prices to be 24 months in the future;

CONSUMER SURVEY

(Fig4.5)



April: **121.70** Previous 121.70

WP Con. Sentiment Survey of 1,500 consumers asked to rate economic conditions; overall economic situation;

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