



EUR

03/04/2015



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RESEARCH PRODUCTS



Market Research



Dominant Events of the Period

Yellow Area

March 27

06:00-17:00

- BoE's Governor Carney Speech
- US Final GDP and Reuters/Michigan Consumer Sentiment

Turquoise Area

March 30

07:00 - 14:30

- UK Mortgage Approvals and Gfk Consumer Confidence
- German CPI
- US Personal Spending

Blue Area

March 31

07:00 - 16:30

- UK Final GDP
- German Retail Sales and Unemployment Change
- Euro zone CPI
- US Consumer Confidence

Purple Area

April 1

08:00 - 16:00

- German Markit PMI
- UK Markit PMI
- Euro zone Markit PMI
- US Markit PMI, ADP Employment Change

Orange Area

April 2

06:30 - 15:30

- UK PMI Construction
- ECB Monetary Policy Meeting
- Fed's Yellen Speech, US Trade Balance, Factory Orders

EUR Currency Index Change

0.29%

-0.02%

-0.53%

0.08%

0.58%

Max EUR Volatility Index

1.53

1.16

1.44

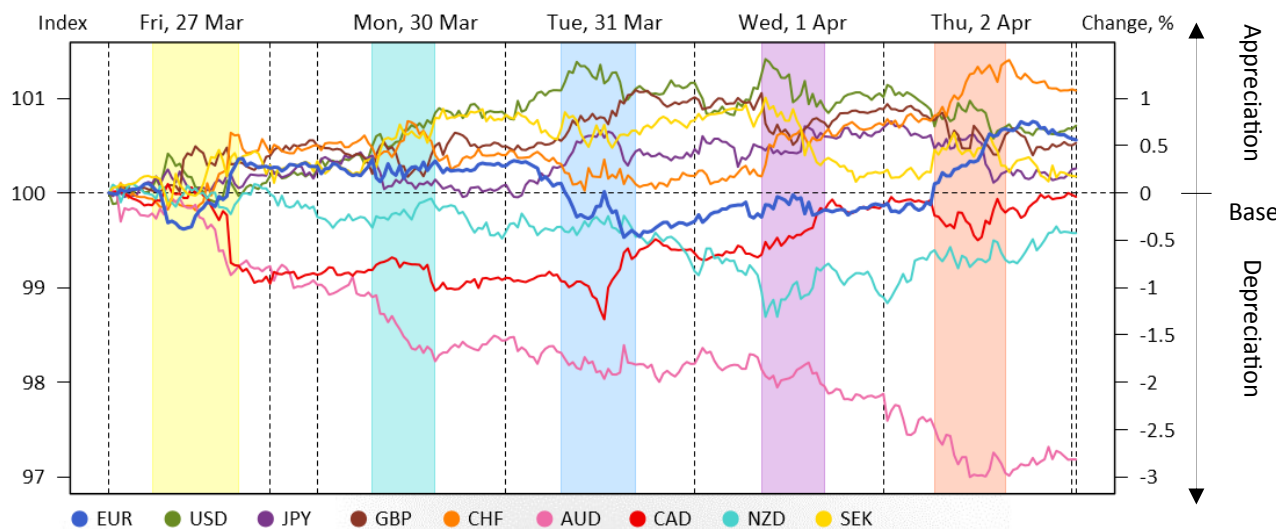
1.27

1.1



Relative Currency Strength

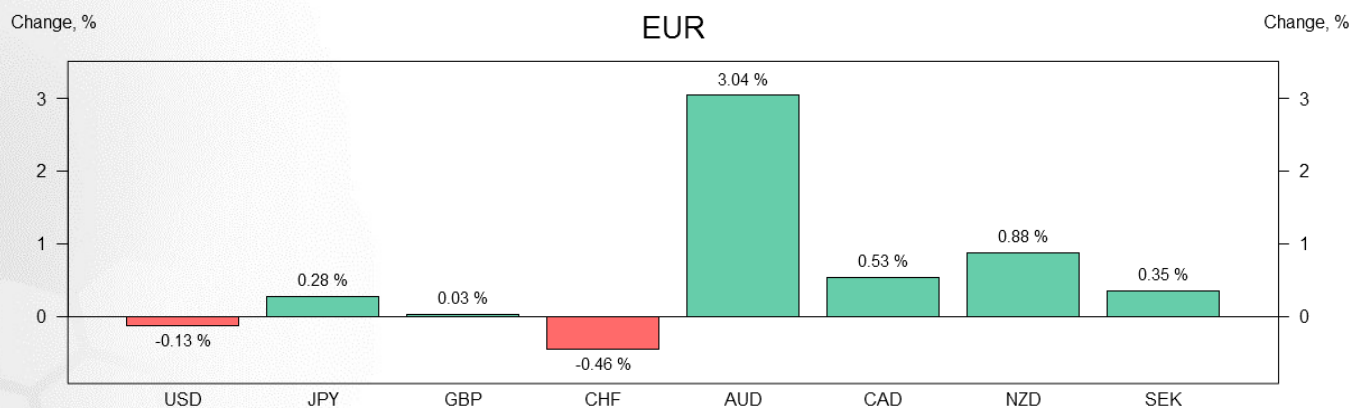
Currency Indexes



The past week was quite successful for the single currency. The Euro Currency Index was ranging around the base line during almost the whole period, however, on Thursday, ahead of the ECB monetary policy meeting the index started to grow. Thus the EUR index ended the period with the third best result (100.56), losing only to the US dollar (100.71) and the Swiss franc (101.08).

For the third week in a row, the CHF has notably exceeded its peer currencies. The higher-than-expected Swiss SVME PMI release on Wednesday pushed the CHF index up, and the index has ended

the week with the 1.08% gain. The Greenback, in turn, has significantly recovered compared with the previous week, and even was the best performer for the three days of the past week. The Yellen's speech on Friday made the increase of the US dollar. The index showed the upward trend till Wednesday, when after the disappointing US ISM manufacturing PMI data report USD has slightly decreased. Meanwhile the period was especially failed for the Pacific currencies. The collapse in the iron ore market contributed to decline of the AUD and NZD. Thus during the observed week the Kiwi and the Aussie indexes have lost 0.43% and 2.81% respectively.

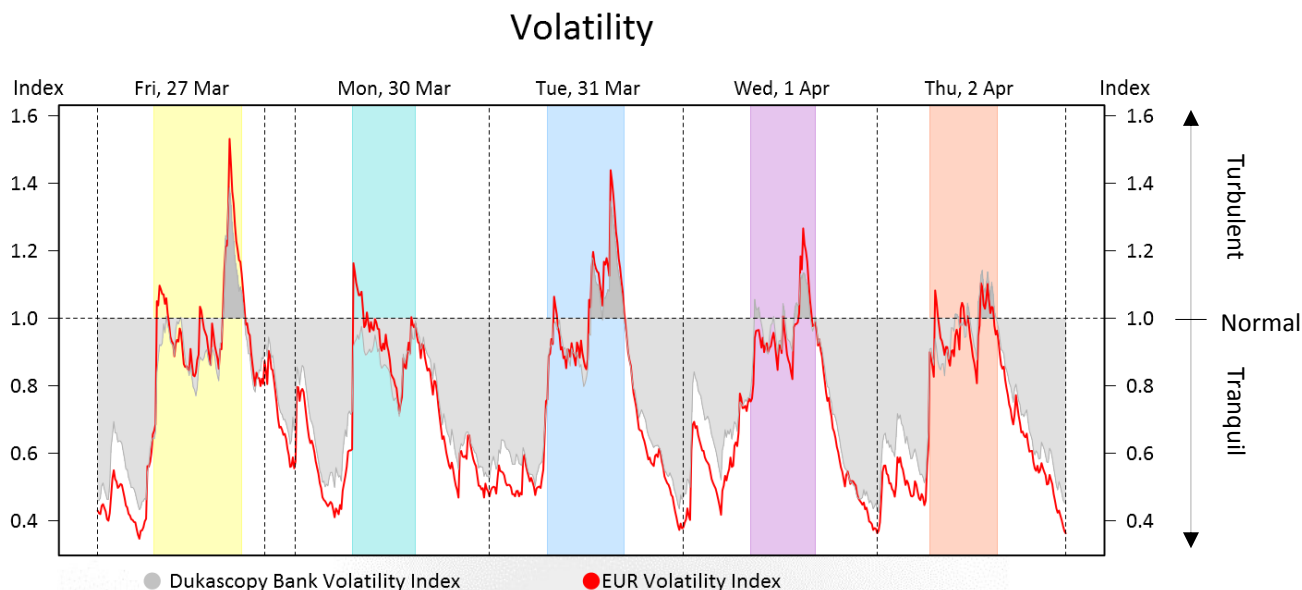


Currency Index Change

Days	EUR	USD	JPY	GBP	CHF	AUD	CAD	NZD	SEK
5	0.56%	0.71%	0.26%	0.53%	1.08%	-2.81%	-0.04%	-0.43%	0.17%
20	-0.03%	0.88%	1.35%	-1.49%	2.73%	-2.47%	0.09%	1.47%	-3.19%
130	-6.95%	9.83%	-0.34%	0.92%	10.02%	-6.23%	-2.68%	5.33%	-10.79%
250	-10.07%	16.56%	0.55%	3.68%	7.56%	-5.85%	1.86%	1.56%	-15.85%



Volatility



In a terms of the elevated volatility, the market and the Euro continued the previous week tendency, and their volatility have declined even more. Thus the portions of elevated volatility of the aggregate and EUR were only 11% and 13% respectively. For the most of the components the past week also was rather tranquil, and they spent above the historical level 6% - 22% of the period. The exception were EUR/GBP and EUR/AUD, the components showed relatively high results, having held above the 1-point level 35% and 37% of the observed week. The highest peaks of the market and EUR volatility indexes did not even reach 2 points. Among the components, only EUR/CAD managed to overcome the 2-point level.

The period has started with the most volatile day for the both the market and the single currency. However the aggregate and the Euro volatility peaks mostly were associated with the Greenback movements, caused by the unexpectedly low US GDP. On Monday the Euro volatility followed the pound, and right after UK economic news surged to the 1.16 mark. Tuesday was marked by the Euro zone CPI and unemployment rate, however the highest spike of the day took place later, after the US consumer confidence data report. Wednesday's peak of the EUR volatility also was caused by the US economic news, and after the US manufacturing PMI data came out the Euro volatility index surged to the 1.27 mark.

Elevated Volatility (% of the observed period)

Market	EUR	EURUSD	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
11	13	17	15	35	12	37	22	12	6

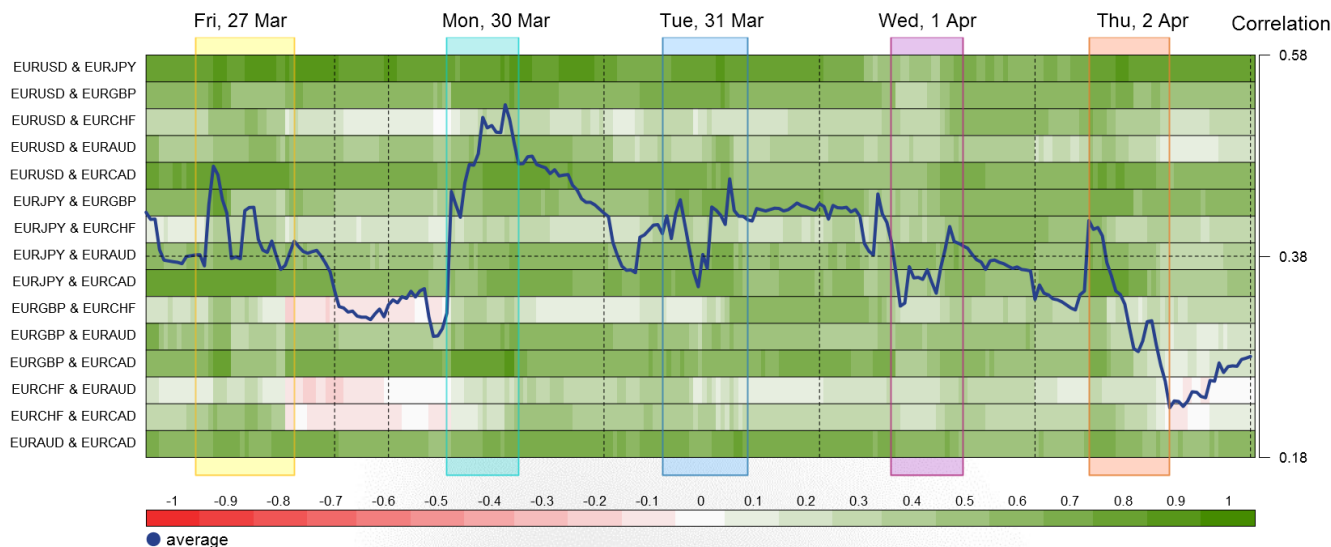
Volatility Index (for the observed period)

	Market	EUR	EURUSD	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
Max	1.39	1.53	1.66	1.62	1.87	1.69	1.99	2.13	1.54	1.56
Min	0.42	0.35	0.23	0.28	0.2	0.24	0.4	0.27	0.36	0.12
Average	0.77	0.74	0.7	0.73	0.8	0.68	0.91	0.77	0.76	0.57



Currency Significance

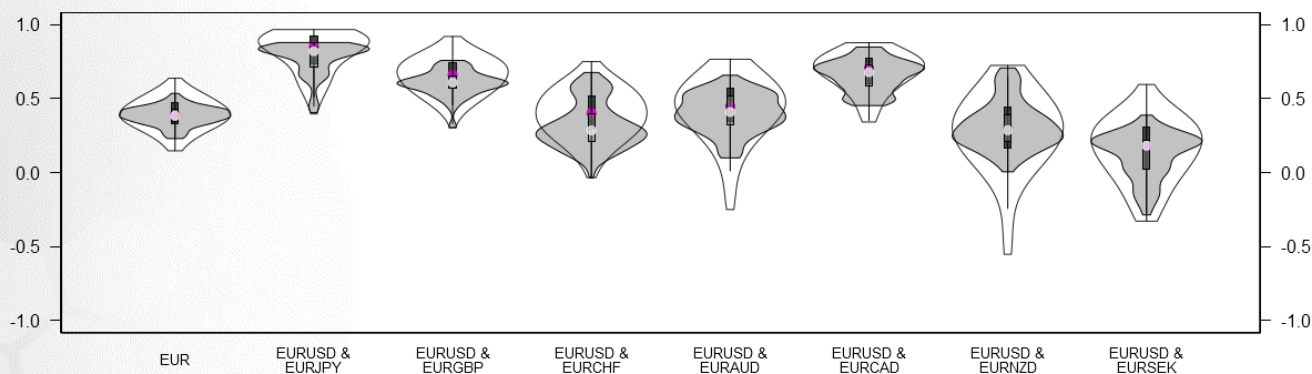
Correlations



For the second week in a row the single currency significance measure continued to decrease. Thus in a five trading days the composite has weakened by 0.15 points. However, compared with the previous week the averages of the gauge and its components mostly remained unchanged. The most notable changes were in EUR/USD correlations with EUR/GBP and EUR/NZD—averages gained 0.08 and lost 0.08 points respectively. Most of the correlation distributions, have concentrated at the level of averages, almost entirely having lost the upper tail.

Starting the period at the level of 0.42, the Euro composite showed the downward trend from the very beginning of the period, and by the Monday's morning reduced up to 0.3 mark. On Monday against the background of the UK consumer credit data release the composite jumped to 0.55 mark – the maximum value of the period. However the rise did not last long, and on Tuesday the gauge dropped to the level of 0.4. The German employment data caused the sharp lowering of the measure. Nonetheless after US consumer confidence data report the composite has returned to the 0.4 level and held on it till the next day. The most notable fall of the composite took place on Thursday. Ahead of the ECB monetary policy meeting the measure has lost 0.19 point and ended the period 0.28 level.

Correlations (5 vs 20 days)



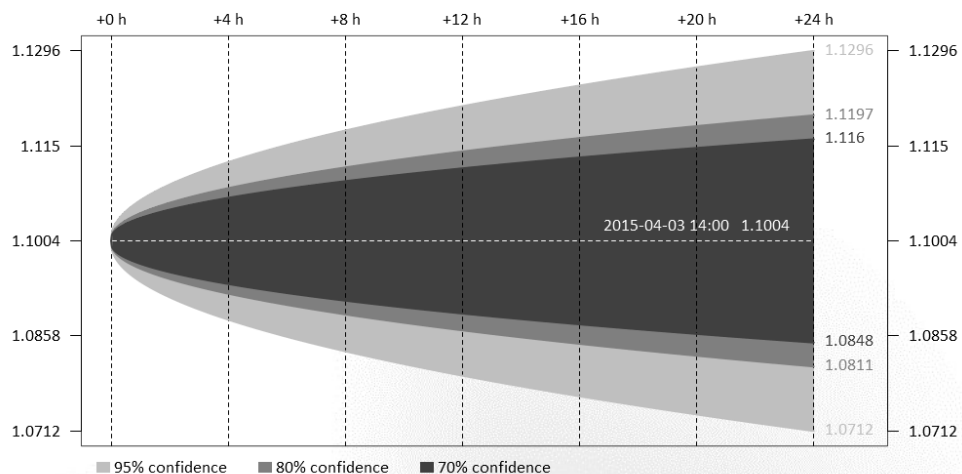
Mean Correlation Coefficient (with EURUSD)

Days	EUR	EURJPY	EURGBP	EURCHF	EURAUD	EURCAD	EURNZD	EURSEK
5	0.38	0.77	0.6	0.32	0.4	0.66	0.32	0.12
20	0.39	0.82	0.65	0.39	0.42	0.68	0.27	0.15
130	0.29	0.48	0.61	0.13	0.29	0.57	0.21	0.13
250	0.27	0.49	0.57	-0.01	0.31	0.56	0.2	0.1

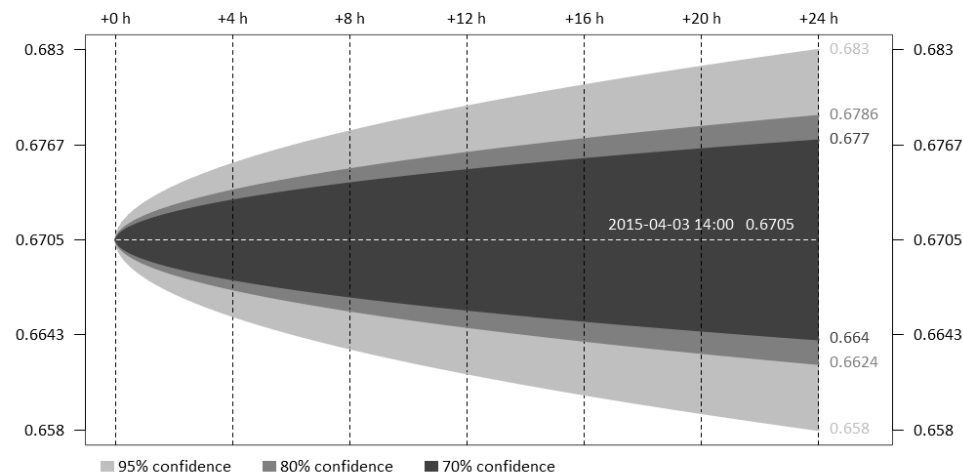
Friday, April 03, 2015
15:30 GMT

Confidence Intervals for Next 24 Hours

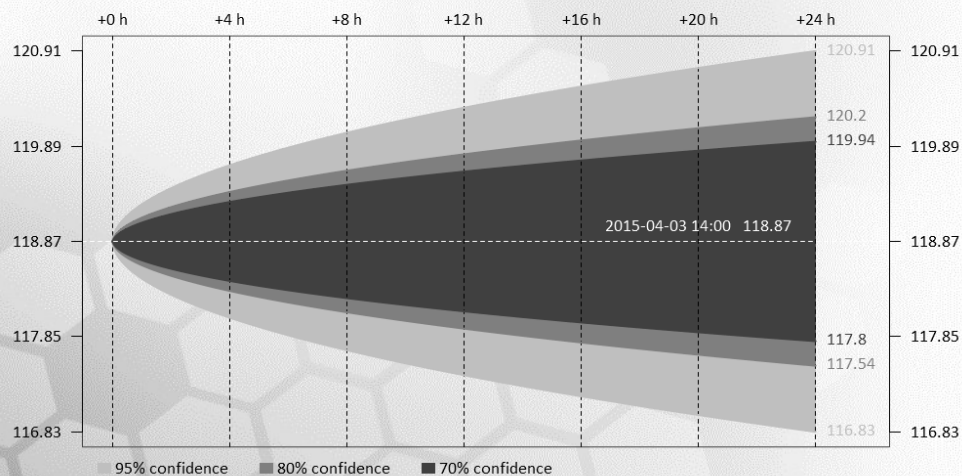
EURUSD Potential Rates



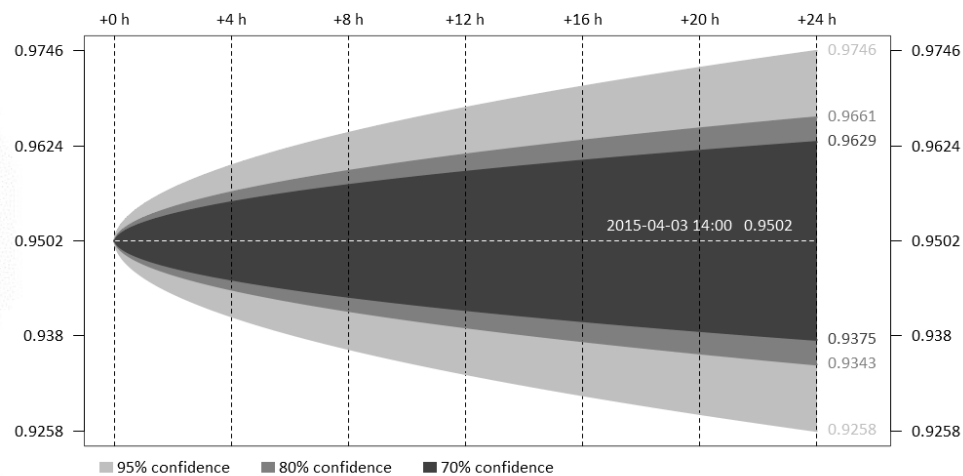
GBPUSD Potential Rates



USDJPY Potential Rates



USDCHF Potential Rates



EXPLANATIONS

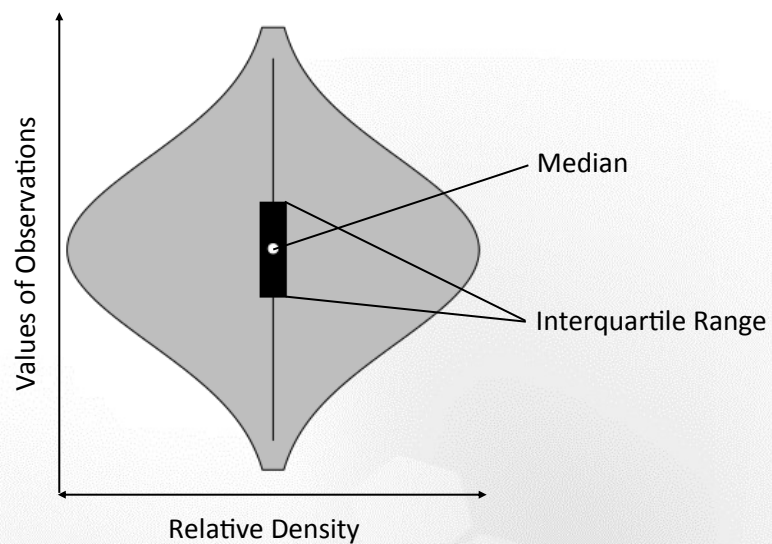
Violin Plot

Violin Plot is a combination of a Box Plot
and rotated Kernel Density Plot

Methodologies

Volatility Index

Confidence Interval





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