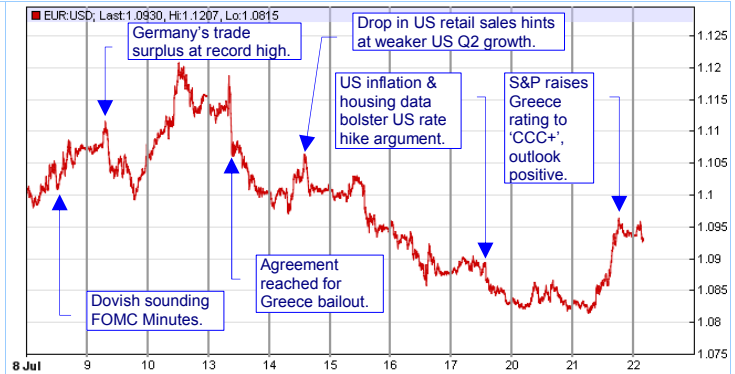




Short Term Currency Views

Suggested MaxiYield Pairings

Base Currency:	EUR	USD
Alternate Currency:	USD	EUR
Strike Price:	1.1200	1.0750
Spot Ref:	1.0930	
Tenor:	2 weeks	
Date:	22 Jul 2015	
Time:	10:50 hrs	
Resistance / Support:	1.1219	1.0748
Commentary:		



- Greek Parliament approves bailout package of austerity measures (Wed 15-Jul).
- German economy likely grew by around 0.3% in Q2 (Mon 20-Jul).
- Greece repays crucial €4.2bn to ECB and €2bn to IMF, banks reopen (Mon 20-Jul).
- S&P raises Greece rating to 'CCC+', outlook positive (Tue 21-Jul).

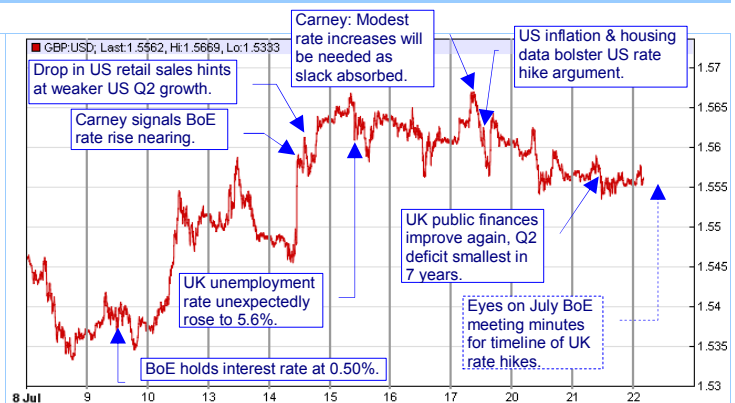
The Greek parliament passed a sweeping package of austerity measures demanded by European partners as the price for opening talks on a multi-billion euro bailout package needed to keep Greece in the eurozone. The vote followed a stormy debate in which dozens of lawmakers on the left of the ruling Syriza party rebelled against Prime Minister Alexis Tsipras and opposed the package, which passed with the support of opposition parties. The package passed with 229 votes in favour in the 300-seat chamber but 38 Syriza lawmakers abstained or voted against the government. The result opens the way for talks on a third bailout to begin with European partners.

The German economy likely grew by around 0.3% in Q2, the finance ministry said, adding that the mood in corporate boardrooms remained largely optimistic despite the Greek debt crisis. In Q1, growth in Europe's largest economy slowed to 0.3%, mainly due to weaker foreign trade, after an unexpectedly strong 0.7% expansion in Q4 last year. The finance ministry said the German economy was in an upswing, with domestic demand remaining the key growth driver, but foreign trade also picking up.

The €3.5 billion bond and €700 million interest payment to the ECB was crucial. Without it, the bank could have been forced to end emergency liquidity assistance to Greek banks if the government defaulted on its bond payment. It also comes after Greece repaid about €2 billion to the IMF, clearing all its arrears after missing several payments in June and July. Athens received a €7 billion bridge finance facility late last week so it could quickly repay its most urgent debts, even before its €86 billion bailout was in place. Increases in VAT agreed under the bailout terms also took effect, with VAT on food and public transport jumping to 23% from 13%. Greece also reopened its banks.

S&P raised its rating for Greece by two notches to CCC+ from CCC- and revised its outlook to stable from negative, saying the country's liquidity perspective has improved after eurozone finance ministers last week gave their initial consent to a 3-year loan program to keep the country in the euro. Alexis Tsipras tried on Tuesday to rally his Syriza party before a vote in parliament on the second package of measures demanded by international creditors as a condition for opening talks on a new bailout deal.

Base Currency:	GBP	USD
Alternate Currency:	USD	GBP
Strike Price:	1.5700	1.5400
Spot Ref:	1.5562	
Tenor:	2 weeks	
Date:	22 Jul 2015	
Time:	10:50 hrs	
Resistance / Support:	1.5683	1.5435
Commentary:		



- UK unemployment rate unexpectedly rose to 5.6% (Wed 15-Jul).
- Carney signals BoE rate hike decision around turn of year (Fri 17-Jul).
- Carney: Modest rate increases will be needed as slack absorbed (Fri 17-Jul).
- UK public finances improve again, Q2 deficit smallest in 7 years (Tue 21-Jul).

The UK unemployment rate unexpectedly rose in the three months through May. The ONS said the jobless rate increased to 5.6%, from 5.5% previously. Economists had forecast an unchanged reading. The report also showed UK wage growth fell short of analysts' estimates, even as it accelerated to the fastest pace in more than five years.

"We are not on any pre-determined plan", BoE Governor Mark Carney says on interest rates in an interview. "But as slack is used up in the labour market and the economy continues to grow it will be appropriate to make modest and reasonable adjustments in interest rates so that inflation stays around that target". Carney says "the point at which interest rates need to increase has moved closer".

Carney said that the British economy's strong momentum meant the decision on when to raise rates would come into sharper focus around the end of this year. He said the prospects for higher rates depended on wringing out the remaining slack in the economy, which would require sustained economic growth of around 0.6% per quarter. In the medium term, he predicted interest rates would probably rise to a level about half as high as their historical average of around 4.5%.

Britain's headline public borrowing fell to £9.4 billion in June from £10.2 billion a year earlier, compared with economists' forecasts of an £8.5 billion deficit, the ONS said. For the first three months of the 2015/16 tax year, public sector net borrowing was £25.1 billion, down nearly 20% compared with the April-June period of last year and its lowest for the same period since the 2008/09 financial year. Income tax receipts in June rose by £0.3 billion to £11.5 billion, the highest level since records began in 1997.

Base Currency: AUD USD
 Alternate Currency: USD AUD
 Strike Price: 0.7550 0.7250
 Spot Ref: 0.7399
 Tenor: 2 weeks
 Date: 22 Jul 2015
 Time: 10:50 hrs
 Resistance / Support: 0.7512 0.7294
 Commentary:



- Australian housing market heading to oversupply (Mon 20-Jul).
- Australia leading index unchanged in June - Westpac (Wed 22-Jul).
- RBA says growth likely slowed last quarter, Aussie too high (Tue 21-Jul).
- Australia inflation rose 0.7% in Q2, core inflation up 0.55% (Wed 22-Jul).

Record levels of Australian home building could lead to an oversupply of properties in the next couple of years. But economic research by BIS Shrapnel suggests affordability concerns in the key Sydney and Melbourne housing markets are unlikely to go away in a hurry, despite interest rates remaining at an all-time low. It estimates work started on a record 210,000 homes during the 2014/15 financial year, and although this is likely to be the peak in activity, the national market will shift into a mild oversupply by 2018. But as population growth slows while construction activity remains relatively strong, new supply will begin to outpace demand.

The RBA said growth probably slowed last quarter and the currency is offering less assistance than would be expected given weaker commodity prices. "Non-mining business investment had been subdued", the RBA said in minutes released Tuesday of its July 7 meeting, when it kept interest rates unchanged at a record-low 2%. "Surveys of businesses' investment intentions suggested that it would remain so over the coming year". The Australian dollar has fallen more than 4% this month.

While the economy grew a stronger-than-expected 0.9% in Q1, "early indications were that the strength in the March quarter had not carried through to the June quarter," the RBA said. The central bank noted wage growth remained weak and said inflation pressures were well contained and likely to remain so. Traders are pricing in a less than 20% chance of a rate cut next month, rising to about 50% by year's end.

A leading index for the Australian economy showed no change in June, the latest survey from Westpac Bank revealed on Wednesday with a flat reading. That follows the 0.1 decline in May.

The price of Australian consumer goods and services rose 0.7% in the June quarter. The CPI inflation rose 1.5% in the year to June, coming in below market expectations for 1.7% and was below the RBA's 2%-3% target band. Underlying inflation, which strips out the effects of volatile price movements, rose 0.55% in the June quarter for an annual rate of 2.3%, the ABS said on Wednesday. Markets are eyeing RBA Governor Stevens' speech today for any signals about potential future rate cuts by RBA.

Base Currency: NZD USD
 Alternate Currency: USD NZD
 Strike Price: 0.6750 0.6500
 Spot Ref: 0.6626
 Tenor: 2 weeks
 Date: 22 Jul 2015
 Time: 10:50 hrs
 Resistance / Support: 0.6708 0.6518
 Commentary:



- NZ PM Key's surprise at Kiwi tumble triggers rebound (Mon 20-Jul).
- RBNZ expected to cut rates by 25 bps (on Thu 23-Jul, 05:00 SGT).
- NZIER shadow board calls for official cash rate cut to 3% (Wed 22-Jul).

New Zealand's dollar climbed from near a 6-year low after Prime Minister John Key said the currency's 25% slump during the past year was faster than expected. The kiwi advanced at least 0.3% against all its 31 major peers as Key also said the weaker currency was helping exporters and the strength of tourism meant New Zealanders shouldn't be gloomy about the economy.

The New Zealand Institute of Economic Research's (NZIER) shadow board has recommended the RBNZ cut the official cash rate by 25 basis points to 3%. It joins a chorus of voices calling for lower interest rates to combat low inflation, falling dairy prices, and the slowing Christchurch rebuild. NZIER senior economist Christina Leung said the shadow board's call reflected a considerable shift in view over the past six weeks. Business and consumer confidence had dropped to their lowest levels in three years, while headline inflation of 0.3% for the year to June was well below the RBNZ's target mid-point of 2%.

RBNZ is widely expected to cut rates by 25 bps at its July 23 meeting, according to a Bloomberg survey, furthering the bear trend depending on how dovish RBNZ sounds. Economists expect the OCR to reach 2.5% by the end of this year. Some commentators have supported a cut of 50 bps on Thursday.



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