GLOBAL TRENDS

An exclusive
outlook on
global markets
and economies

2016

CONTENTS

2016 Global Economy

There appear to be numerous headwinds for the global economy during 2016, however, as we outline later, much of the uncertainty and volatility that characterized 2015 may be somewhat more muted this year.

The key for 2016 was the move by the Fed in December to finally increase interest rates and begin the path to normalisation. As data out of the US continues to be mixed, the three leading stories of 2015 continue to be in focus for 2016.
The lack of inflation in the global economy, the continuing decline in commodity prices and the slowdown in the Chinese economy. The situation in China remains the biggest threat to the global economy and has a direct correlation on both commodity prices and inflation. In our view the Chinese economy will grow between 4-6% this year and will avoid the "hard landing" predicted by many. We also believe commodity prices, and in particular Oil, have already posted 2016 price lows and this will, in turn, stimulate stock markets and also act as a catalyst for inflation.

Central banks continue their policy divergence and we do not expect any change to this during 2016. The ECB and BoJ, in particular, continue to try to stimulate their moribund economies and reduce the value of their respective currencies with negative interest rates and vast quantities of asset purchases. This policy to date has been rather ineffective. The PBOC we expect to continue to ease policy too and to continue to reduce the YUAN rate during 2016. We do not expect the BoE to raise rates during 2016, however, the BoE has the added complication of the uncertainty of the "Brexit" referendum in June.

The RBA has not ruled out further interest rate cuts this year and the BoC does not expect to have to raise rates this year. Both countries should benefit from stabilising commodity prices and near neighbours (China and USA respectively) that continue to perform better than many anticipate.

We expect the US to continue to lead the global economy with increases in jobs, earnings and consumer confidence. We also expect the USD rises to be more muted this year, but it will still lead the Fed to raise interest rates in their June and December meetings by 0.25 bps each.

All the enclosed content, market data and chart information was correct March 11 2016.

The US 2016

The US economy has been recovering since 2009, which makes the current cycle of economic expansion longer than usual. In 2015, economic output grew by an estimated 2.4%. Growth was supported by robust consumption and dynamic investments with the oil sector being an exception due to the low price of oil. Recovery was consumption led and supported by healing labour markets and the low price of oil. Strengthening wage growth, gains in employment and low oil prices increased the household real disposable income in 2015 and supported personal spending.

A recovering housing market combined with positive prospects on wage growth due to tightening labour markets suggests economic growth should continue in 2016. Even though industrial production continued its negative trend in 2015, job creation averaged over 200,000 jobs per month. Hiring in construction and services helped to bring the headline unemployment number to the lowest levels since 2010 and stands, at the time of writing, at 4.9%.

At the same time though, the Labour Force Participation Rate has declined steadily over the same period. As the number of baby boomers retiring will increase over the coming years and the current cycle of economic expansion is likely to be nearing its peak, it will be even more challenging to change this trend.

Even though the price of oil stayed weak, headline inflation picked up in 2015, rising from the low of -0.2 in April to 0.7% in December. Core inflation (excluding food and energy) reached two percentage points in November while the core PCE deflator, the measure followed by the Fed stayed at 1.3%, well below their target. The core CPI rising to 2% might have contributed to the Fed's rate decision in December. In 2016 we see inflation rising gradually in the latter half of the year.

The Fed's Monetary Policy committee has signalled that its tightening schedule is also going to be gradual and promised earlier four rate hikes over the year 2016. This would have brought US interest rates to 1.5% at the end of 2016. However, the committee has been uneasy with the recent weakness in the stock markets and declining rate of growth in the global economy.

This uneasiness has turned into significant change of language in the latest FOMC statements in 2016 where the committee didn't view the risks as being balanced any longer. This caused the markets to drop their expectations for the next rate hike in March. Markets are pricing in a 30% chance of a rate in the latter half of 2016.

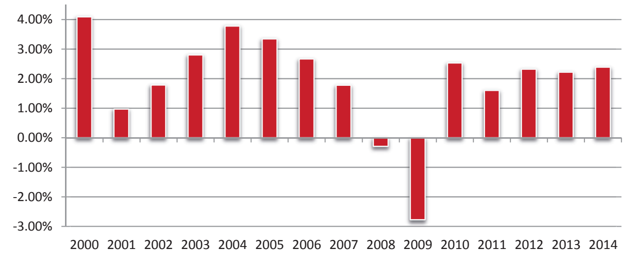


Chart 1: United States GDP Growth % YoY
Source: Reuters Datastream

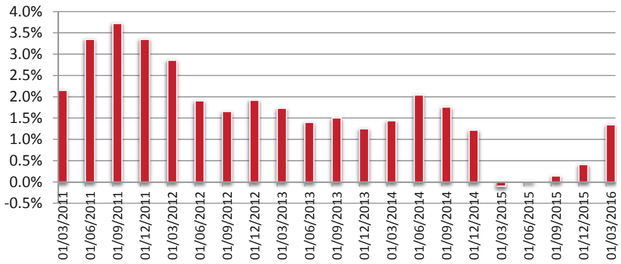


Chart 2: The United States CPI Change, % YoY
Source: Reuters Datastream

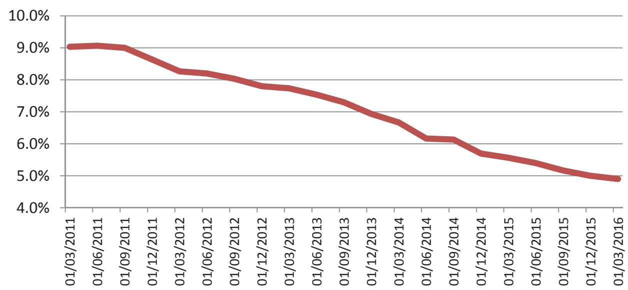


Chart 3: The United States, Unemployment Rate
Source: Reuters Datastream

The recent decision by the Bank of Japan to take Japanese interest rates into negative territory and, ECB President, Mario Draghi's commitment to intensify quantitative easing efforts, together with the weakness in the US stock markets, are also likely to pressure the Fed into delaying the next rate hike.

Further stock market weakness would decrease consumer sentiment and diminish the wealth effect created by the past easing programs and low interest rates. We have, since May 2015, held the view that the global stock markets are now in a phase where they are creating a market top after several years of rising valuations. This top started to form after the Fed signalled that there will be a regime change and it will start hiking the rates.

Much of the 2009 – 2015 bull market was fuelled by cheap money that enabled companies' management to buy back their own shares and thus artificially increase their Earnings Per Share, an important valuation metric used to measure the health and therefore attractiveness of publicly traded companies. After the Fed made it clear that there would indeed be a regime change and, therefore, the financing cost of these operations would go up, the US stock market has not been able to move into new highs. In fact, if the impact of share buy backs in US stocks is stripped off the Earnings Per Share (EPS) numbers, the EPS growth in 2015 would be negative.

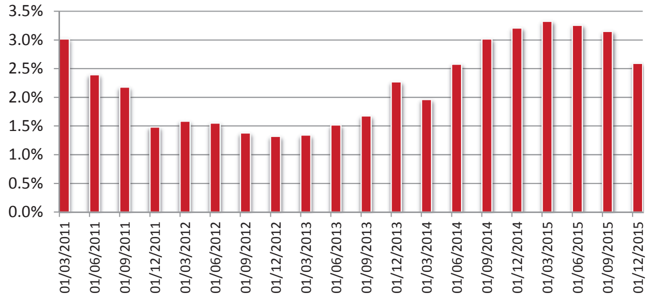


Chart 4: The United States, Consumer Spending, Change YoY
Source: Reuters Datastream

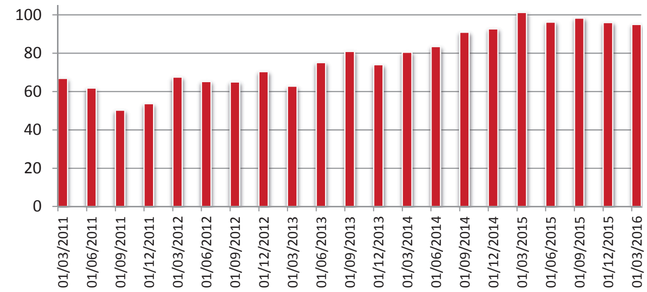


Chart 5: The United States, Consumer Confidence, Conference Board
Source: Reuters Datastream

With this in mind and a potential banking crisis looming in China, we are prompted to take a view that the Fed will be careful with the timing of the next rate hike and will keep interest rates on hold in the first half of the year. We see it likely that the Fed will move twice in the second half of the year, as the US wage growth, employment and personal spending continues to improve. Also, as the price of oil is likely to be near the levels, it will bottom out and rising energy prices in the second half of the year will provide additional support to the CPI numbers, thus prompting the Fed to continue normalizing rates.

As non-residential construction underperformed in Q4 due to the recession in the oil sector, the fixed investment growth was nearly flat.

Manufacturing PMI has been trending lower since the second half of 2014, but the sector still faces some headwinds from the combination of slowing global growth and high valuation of the dollar. Additional drag to the sector comes from an inventory overhang and lean vehicle assembly rate.

Real consumption was restrained in Q4 as gains reflected weak prices rather than strength in nominal spending. The savings rate climbed to a three-year high as consumers remain reluctant to spend the savings from lower gasoline prices. This is a negative for the economy as people are more cautious than perhaps hoped by the economists who have placed their bets on consumers increasing spending on the back of the savings generated by the low oil prices.

The longer term trend in consumer spending continues on a robustly increasing path, with consumer credit experiencing positive albeit moderate growth.
Retail sales have been a problem for a consumer spending driven economy, as retail sales growth has declined since 2011, but over 2014 and 2015 the rate of decline has been halted and consumer spending has stabilised.

Despite these headwinds the overall healthy employment growth, low energy costs and near zero interest rates will contribute to domestic demand and economic growth in 2016. The 2016 GDP growth is forecasted to come in at 2.1%.

Eurozone 2016

In 2015, Europe avoided some crises while others surprised the continent with their overwhelming force. Greece stayed in the Euro Area and economic growth exceeded expectations as energy prices and interest rates stayed low. This however, didn't stop European stock markets sliding significantly from their peak values while China's economic growth continued its slowdown and three European central banks adopted Negative Interest Rate Policies (NIRP). The Paris terror attacks and the flood of refugees from Syria and Iran caught the European Union countries by surprise. While Europeans have been eager to help those in need, the strain that the ever-increasing stream of refugees has put on societies has been considerable.

Even though economic growth lagged behind the long term average in 2015, the 1.5% GDP growth was a significant improvement from the 0.9% growth in 2014.
This acceleration happened on the back of stronger domestic demand, diminishing unemployment rate and improving credit conditions.

After several years of contraction Euro Area businesses are now enjoying cheaper and more readily available financing. This has been made possible by the ECB's accommodating interest rate policy and aggressive quantitative easing program. Loans to the private sector have increased significantly since the trough in 2014, while the EU Bank Lending Rate has dropped from the high of 3.8% in 2014 to 2.72% in November 2015.

This significant decrease in the cost of financing has helped the Italian and Spanish small and medium-sized companies to borrow at record low levels. Spain is a prime example of recovery in the formerly struggling European economies. The Spanish Bank Rate on loans to non-financial corporations has dropped from 3.8% in 2014 to 2.68% in June 2015. Over the same period, Spanish GDP growth has doubled from 0.4% to 0.8%.

Acceleration in Euro Area consumer spending has been helped by lower interest rates. Consumer spending contracted from its 2008 peak to its 2013 low, but has since recovered near the peak levels of 2008. This impressive growth acceleration started however to show signs of slowdown in Q4 2015.

Other key drivers have been low energy prices and an improving labour market. Even though the youth unemployment rate is still as high as 22%, the headline employment number has diminished from above 11.5% in 2014 to 10.4% at the time of writing. Consumer confidence continued to improve in 2015, but the rate of change was considerably lower than it was in 2013 and the first half of 2014.

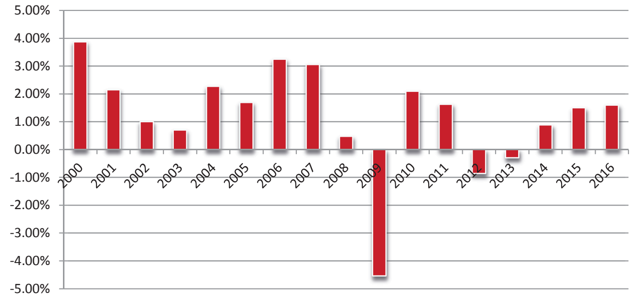


Chart 1: Eurozone GDP Growth Annual %
Source: Reuters Datastream

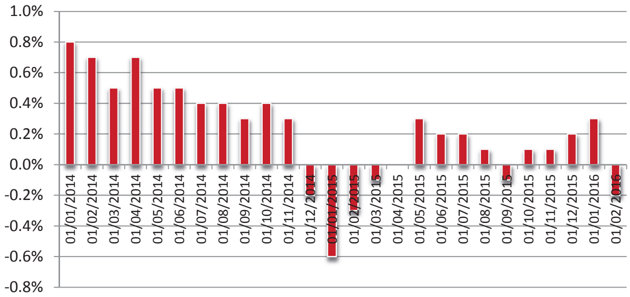


Chart 2: Eurozone CPI YoY % Change, All items,
Source: Reuters Datastream

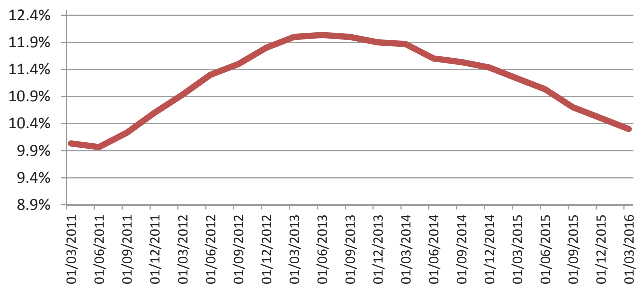


Chart 3: Eurozone SA Unemployment rate
Source: Reuters Datastream

Slowdown likely reflects stock market weakness and uncertainty created by the Paris terror attacks and the on-going refugee crisis.

Business confidence continues to disappoint after a robust recovery in 2012 and 2013.

The lack of upside momentum in business confidence numbers suggests that the companies in the Euro Area are not inclined to expand. This indicates that despite the recent improvement in labour markets, unemployment is likely to stay at the current, rather elevated levels, in 2016. This would, over time, cause a drag on the consumer spending growth rate, if not for the uplifting impact of low energy prices and low interest rates.

The ECB doesn't therefore have a motivation to move away from its extremely accommodating monetary policy, which in turn should maintain the current expansion in the money supply. The money supply increasing has historically been a good indicator of increasing economic activity, which therefore leads to a conclusion that should the risks fail to materialise, we are likely to see a further, albeit moderate, recovery to continue in the Euro Area through 2016.

Risks to Euro Area growth include a slowdown of exports due to economic rebalancing in China, Britain's exit from the Economic Area, migration-related problems and a tendency on the part of central banks to adopt negative interest rate policies. The slowdown in China and emerging markets in general impacts European growth prospects as exports contribute 45% to Euro Area GDP. However, only 13% of this is linked to China and with the recent economic recovery in Europe being mainly driven by domestic consumption, the impact on GDP growth should remain limited. With European leaders now willing to agree with the UK Prime Minister, David Cameron, to new terms for Britain's EU membership, it is highly unlikely that the country will leave the EU.

Private consumption plays an important role in the European economy. Last measured in 2014 by the World Bank, household consumption expenditure as a percentage of GDP was at 56.49%. The recent economic recovery in the Euro Area has been driven by domestic demand to which private consumption is a major contributor. This has been made possible by improving credit conditions. Banks have therefore had a major role in the recovery and in the Euro Area economy in general. Europe is a bank-based economy and both businesses and consumers need easy access to finance. Should lending conditions tighten, personal consumption will decrease and hinder GDP growth.

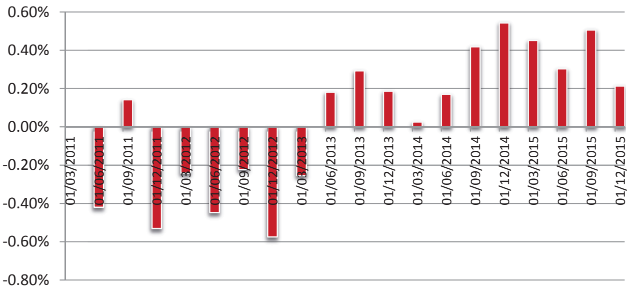


Chart 4: Eurozone Consumer Spending Change %
Source: Reuters Datastream

With the Bank of Japan intensifying its currency war efforts by introducing negative interest rates pressure, the ECB has increased pressure to implement further stimulative measures. We therefore believe that Euro Area interest rates will remain low in 2016, while GDP growth will be at 1.6%. The recent tendency amongst central banks to adopt NIRPs increases the risks for the banks and therefore economic recovery. The low interest rates environment alone has been challenging for the banks, but deeper negative rates are likely to make it even harder for the banks to extend credit to consumers and businesses while maintaining the current profitability.

Traditionally, banks profit from lending money at higher rates than they pay interest to the savers. The difference between their rates is called the Net Interest Margin. Higher interest rates generally mean that the Net Interest Margin is wider and banks are therefore more profitable. Low interest rates have degraded this business model to a certain extent, but negative interest rates threaten to make it impossible. Banks may not be willing to pass the negative deposit rates on to their customer base, which leads to erosion of their profits.

These risks, together with fears of slowing global growth, have been reflected in the bank share valuations over the last year. Since our call in May 2015 that global equities were creating a topping formation, valuations in bank stocks have declined significantly. Deutsche Bank, now infamous for its Cocos (contingent convertible bonds that automatically convert into equity when the bank's capital falls below a certain threshold) is down by over 40% at the time of writing. Cocos have been in the headlines only recently while most of the capital depreciation in bank shares has taken place over the last three quarters of 2015. This indicates that the problems that investors are focusing on are more widespread than only worries about convertible bonds. It is likely that the central banks' recent tendency to adopt negative interest rate policies has been a major factor in investors' decisions to avoid bank shares.

As far as general growth prospects in the Euro Area are concerned, negative interest rates are damaging. As banks are not able to profit from their traditional net interest margin-based business model, they are forced to either increase borrowing costs or chase positive yield from sources that have a negative impact on their risk profile. Should the banks stop paying interest on deposits or even start charging for the privilege of depositing funds in the bank, the reserve requirements will become prohibitive, as savers will move their funds out of the banking system. We could see either increased lending costs (the exact opposite of the central bank's intention) or an increase of systematic risks in the banking system.

ECB President Mario Draghi's latest announcement (March 10th) on further stimulative measures included a rather modest 10 basis points deposit rate cut to -0.40%, a 30% increase on ECB's bond buying program (which from now on includes euro-denominated non-banking corporate bonds) and the main re-financing rate cut from 0.05% to 0.0%,

Draghi's comment, "we don't anticipate it will be necessary to reduce rates further" supported euro and caused analysts and fund managers to question whether this was all the ECB could do. We do not think so. Our view is that the ECB will remain committed to their mandate and inflation target and will therefore try to expand their toolbox for stimulative measures. However, as we believe that the oil price has now found a floor, the ECB will over this year receive help from rising energy prices. Rising energy prices will contribute to the headline inflation numbers, but inflation alone without an increase in investment, salaries and consumer spending, does not achieve the target of further economic recovery. We join the consensus view that the euro area recovery remains slow with the consensus expectation of GDP growth at 1.6% being realistic.

Japan 2016

Japanese economy grew estimated 0.7% in 2015. Growing corporate profits and on-going central bank stimulus together with modest export growth contributed to GDP growth. Export growth remained sluggish in spite of continued efforts by the Bank of Japan (BoJ) to stimulate the economy by various quantitative easing programs and lower value of the yen. This was partly due to a previous trend that saw Japanese production transferred to off-shore locations. However, at the same time, demand from central Asia weakened and impacted Japanese exports accordingly.

The main export partner, the US (with a 20% share), is expected to grow in 2016 and thus contribute positively to Japan's GDP growth. However, at the same time, the second biggest trading partner, China, with an 18% share of Japan's exports, is likely to continue in a contractionary mode and therefore dampen the overall export growth.

Consumer spending expanded between 2008 and 2014, but has since contracted. As wage growth was weak the growth in private consumption was also rather stagnant in 2015.

With unemployment at levels last seen in 1996, the labour market is tight with wages rising moderately. This suggests that year 2016 could see some further wage growth and help to turn contraction in consumer spending into modest expansion that would then translate into a higher GDP growth.

As the job market continues to tighten, wage growth should add to inflation, but only rather moderately. BoJ is likely to continue in its efforts to create an environment where its 2% inflation target would be met. The latest move was to announce negative interest rates on excess reserves by which the bank hoped to sustain the low yen valuations. This however, has not helped the USDJPY pair to move higher; instead yen has appreciated as market participants have unwound long dollar positions created in expectation of the US Fed increasing rates.

Another source of yen strength has been a need for a safe haven as uncertainty and volatility in the markets have increased.

Recently the BoJ said that "uncertainty over future developments in emerging and commodity exporting economies, particularly the Chinese economy means that there is an increasing risk that an improvement in the business confidence of Japanese firms and conversion of the deflationary mind-set might be delayed and that the underlying trend in inflation might be negatively effective."

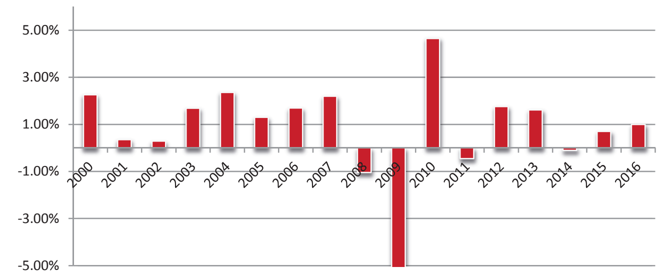


Chart 1: Japan GDP Growth % YoY
Source: Reuters Datastream

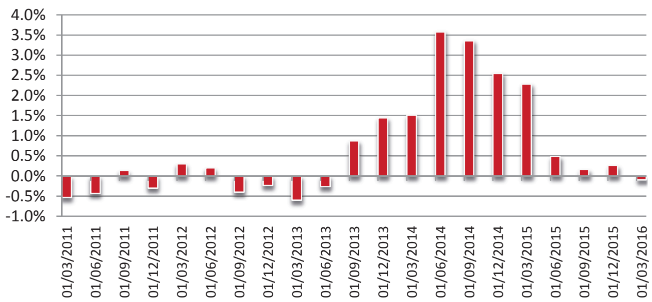


Chart 2: Japan CPI % Change YoY
Source: Reuters Datastream

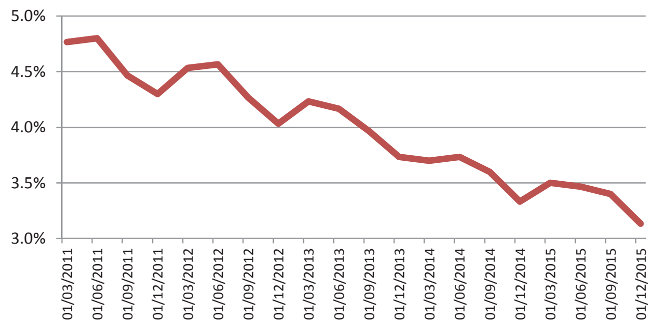


Chart 3: Japan Unemployment Rate
Source: Reuters Datastream

Risks for the Japanese economy do not only come from external factors that include a sharper than expected decline in Chinese growth or a disruption caused by the non-performing loans in the Chinese banking sector.

As a nation, Japan is aging rapidly. This limits the future potential in economic growth and increases the necessity of preparing for rising costs in the future. Public debt is already at rather elevated levels and limits available policy responses in terms of further quantitative easing. It is also a fact that the recent attempts to create a lift-off in the Japanese economy via stimulative measures have not been successful. The inflation rate has been in decline since 2014 and stands at the time of writing at 0.2%.

As the next phase in consumption tax increase approaches in the second quarter of 2017 and the labour market continues to tighten, private consumption could pick up in the latter half of the year. The median estimate for Japanese GDP growth is 1% in 2016 while CPI is expected at 0.4%.

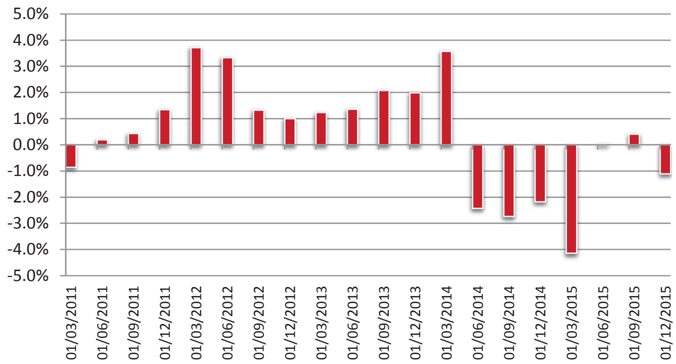


Chart 4: Japan Consumer Spending Change YoY
Source: Reuters Datastream

UK 2016

In 2015, the UK economy benefitted from lower energy prices, positively developing labour market and rising wages that supported consumer spending. Monetary policy remained stimulative with interest rates at 0.5% and helped investment spending to contribute positively to the GDP. Favourable economic backdrop boosted the UK economy to an estimated 2.3 % output growth, while the 20 year average growth has been 2.1%. The Euro Area has averaged only 1.4% since 1996. Clearly the UK economy is fundamentally stronger and better positioned for economic growth than the rest of the European countries. Even though the struggling single market area is an important trading partner, the UK has been somewhat resilient to the problems faced by the Euro Area.

These favourable trends are expected to keep the economy on track for a 2.2% GDP growth. The decreasing unemployment trend should remain intact with the underlying macroeconomic conditions improving as the negative impact on employment from low oil prices is likely to dissipate this year.

According to Bloomberg, the production cuts for 2016 by the US oil and natural gas drillers are increasing. This suggests that the price of oil is trading near levels it will turn higher from. Our view is that the price of oil is in a reversal phase and likely to move higher in 2016. This will have a positive impact on employment in the oil and gas sector.

Consumer confidence and consumer spending continued to expand in 2015. On average in 2011 – 2015, consumer spending contributed to UK economic output by 64.7%. We see no reason to expect these trends to turn.

The in-out EU referendum is the only really dark cloud hanging over the UK economy. Even though the EU countries export more to the UK than vice versa, the possibility of the UK exiting is increasing uncertainty in the business environment in the short to medium term. This has, at the time of writing, caused considerable weakness in the GBPUSD exchange rate and we expect the exchange rate volatility to continue until the outcome of the vote is clear.

Weak performance from manufacturing production has been a drag to the economy as it has been contracting since the first half of 2014 and decreased for the sixth consecutive month in December. Strong currency, slowdown in global growth and low oil prices are to blame for the weakness in manufacturing, but especially in oil and gas exploration and extraction manufacturers. However, as the UK economy is services driven, the impact on GDP growth is somewhat muted. Contribution from industrial production to the national output is limited to approximately 15%, while services add to it over 78%.

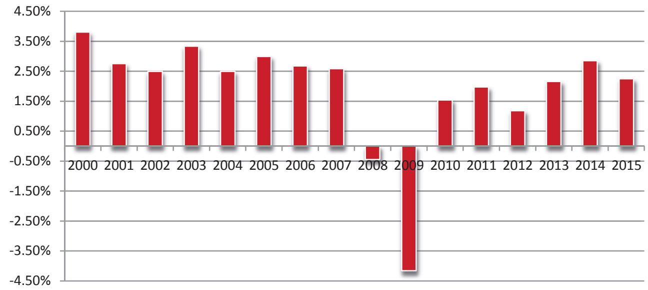


Chart 1: United Kingdom GDP Growth % YoY
Source: Reuters Datastream

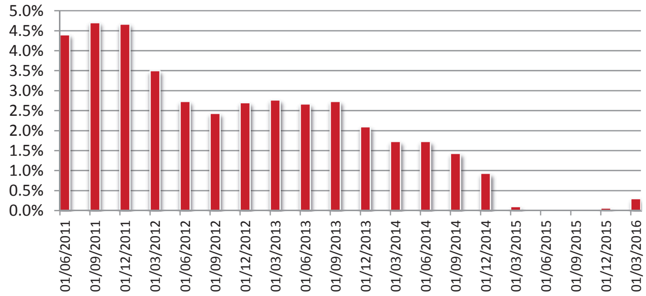


Chart 2: United Kingdom CPI Change, % YoY
Source: Reuters Datastream

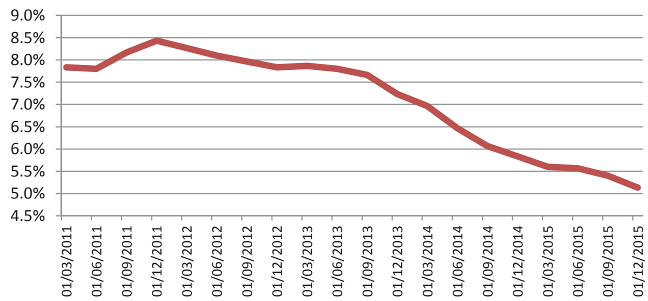


Chart 3: United Kingdom Unemployment Rate
Source: Reuters Datastream

Average weekly earnings growth has been in decline since May 2015 after expanding strongly in 2014. This has not yet impacted consumer spending negatively. However, energy prices rising while average wage weekly earnings are in decline could increase the risk of growth in consumer spending slowing down. A decreasing support from lower energy prices will have a slight negative impact on consumer spending in 2016.

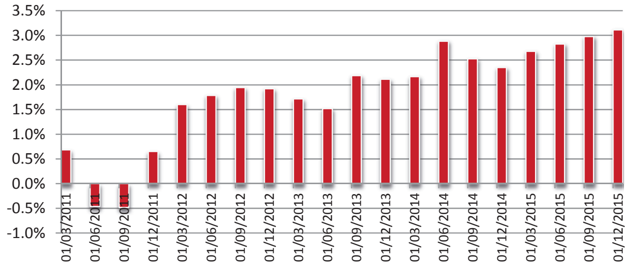


Chart 4: United Kingdom, Consumer Spending, % YoY
Source: Reuters Datastream

Economists polled by Reuters expect the Bank of England to hike rates by 0.25% basis points to 0.75% in the fourth quarter of 2016. However, with a slowdown in world economic growth and the global currency war continuing, together with weakness in domestic wage growth, we don't see it likely that the BoE would hike interest rates this year. Even if our view proved to be incorrect, the risk that consumer spending could slow down due to higher energy prices and a decline in wage growth would mean the path of potential rate hikes is likely to be gradual.

Additionally, higher interest rates could induce consumers to cut back on spending in exchange for higher yielding bank deposits. Consumer credit has been expanding since 2009, but should the BoE start raising rates the consumer credit growth rate impacted negatively would be likely and consumption would take another hit. This could also lead to a cycle where consumers are incentivised to deleverage. They could start reducing the debt burden before rising interest rates have a significant impact on their interest payments.

Headwinds for the United Kingdom economy during 2016 include uncertainty about the country's membership in the European Union, but also the external economic factors related to Chinese and European banking problems. With the banks and financial services in general playing a major role in the UK economy, the extensive growth of non-performing loans in Chinese banks and the uncertainty caused by the adoption of negative interest rates by the European central banks is a real and significant threat. The realisation of these risks would hamper the economic growth in Britain significantly.

Canada 2016

The Canadian economy expanded 0.6 percent during the fourth quarter of 2015, recovering from a 0.1 percent contraction during Q3 and was boosted by a pickup in exports and residential investment. Expressed at an annualized rate, the Q4 GDP expanded 2.3 percent. Due to lower global demand and low levels of business investment, the 2015 GDP growth rate is estimated at 2%. The oil and gas industries, together with mining, suffered due to the slump in commodity and energy prices. Even though this was a drag on economic growth, services contributed to the economy, more than offsetting the negative effect.

The labour market recovered at a moderate pace supporting consumer sentiment and consumer spending, wage growth and consumer sentiment remained soft and together with elevated levels of household debt suggests that consumer spending will be somewhat muted in 2016. The recent downturn in hiring intentions, according to business surveys, could translate into a stagnant job market and deteriorating consumer sentiment in the coming year. We expect that business investment could pickup in the latter half of the year as reductions in oil production indicate the oil price could be stabilizing and moving higher in 2016.

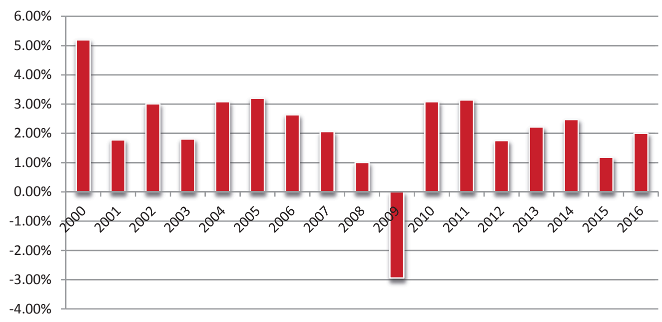


Chart 1: Canada GDP Growth % YoY
Source: Reuters Datastream

Core inflation is likely to stay above the Bank of Canada's target of 2 percentage points due to currency weakness, while the likely range for the headline inflation is expected to stay below 1.2%. As the commodity and oil prices are likely to stay relatively low during 2016 and core inflation above BoC's target we don't believe it is likely that the bank will raise the interest rates in the first half of this year.

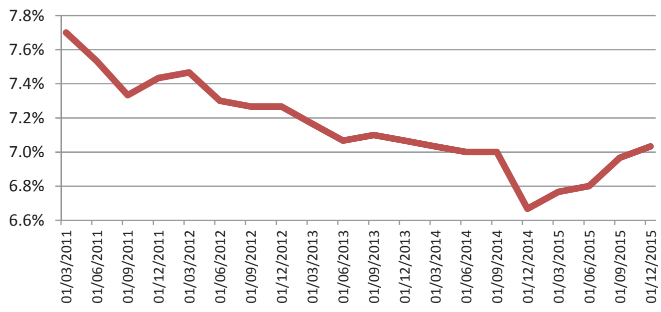


Chart 2: Canada Unemployment Rate
Source: Reuters Datastream

According to Governor Poloz, rate hikes in the US would have a negative impact on the Canadian economy. This has led to the bank being unwilling to address domestic issues, such as elevated levels of household debt and above target core inflation.

Risks for the Canadian economy come mainly from low energy and commodity prices. Should prices fall well below levels where production costs breakeven, the shock would, over time, spread over to other parts of the economy. This would force the BoC to intervene by cutting interest rates. However, as oil prices have already fallen significantly, it is unlikely that further significant downside risk exists. Instead, the US shale oil producers have started to decrease production which has translated into constructive price action in the futures markets. This has in our view started a bottoming process in oil prices.

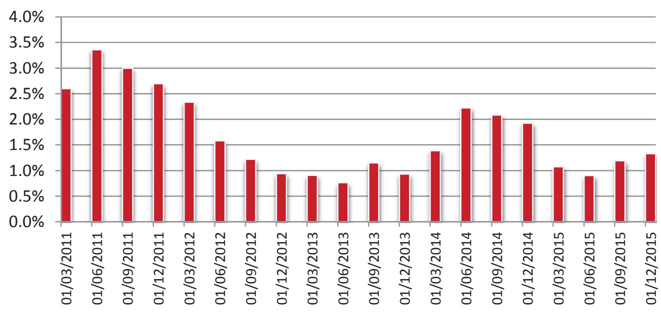


Chart 3: Canada CPI, % Change YoY
Source: Reuters Datastream

This should improve both business sentiment and investments, as well as increase the likelihood of businesses hiring in the coming year. While higher oil prices mean currency strength causing a drag on exports, an improvement in the sentiment should translate into improving employment and increase in consumer spending.

The low interest rates environment poses a risk of the housing market overheating and causing a downturn in consumer sentiment. If housing market related risks do not materialize, the economy is expected to grow by 2% in 2016. Our prediction however is that recovering oil prices will give it a boost and the GDP growth will beat the consensus expectations.

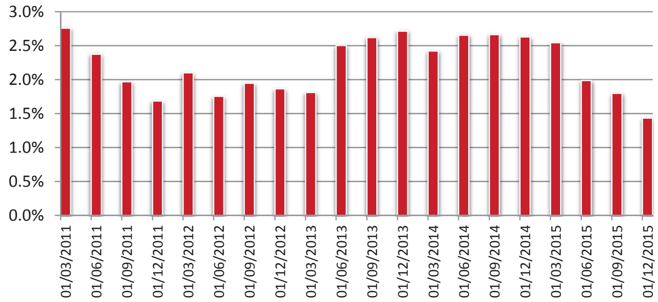


Chart 4: Canada Consumer Spending, % Change YoY
Source: Reuters Datastream

Australia 2016

The Australian economy expanded 2.2% in 2015. Slowing growth in China and low commodity prices, investment in the mining sector declined sharply and economic activity continued to shift from mining to non-mining sectors. The services sector output to expanded by 3.5%, while the labour market continued to improve with the unemployment rate falling from 6.4% in January 2015 to 5.8% by the end of the year.

While non-mining business investment remained somewhat unchanged, the housing market benefitted from a strong dwelling investment increase as it was boosted by low interest rates and the improving labour market. Should external risk factors such as the bad debts in the Chinese banks not materialise, low rates and growth in the labour market should, in 2016, lead to a further pickup in household incomes and demand.

Since August 2015 meeting, the Reserve Bank of Australia (RBA) has refrained from calling for further depreciation in the currency. This suggests that the current interest rate of 2% is a floor that the bank is willing to keep in place unless some external developments among its major trading partners cause further depreciation in commodity prices and thus challenges to Australia's exports. The absence of additional interest rate cuts should moderate the growth in housing investment and construction.

Iron ore exports remained at a high level in 2015 and liquefied natural gas exports are expected to improve due to the number of new projects increasing. They support GDP growth in 2016, which is expected to be primarily driven by the resource exports that benefit from low exchange rate that helps the Australian producers to stay competitive.

With the RBA signalling that the monetary easing cycle is now behind us, the Australian dollar has been stabilizing and inflationary pressures are therefore likely to remain well contained. We expect monetary policy to stay accommodative in 2016 as the RBA has had success in 2015 in preserving GDP growth by using monetary policy as a tool in rebalancing the economy towards non-resource activity. With the global growth slowing and Chinese bank debt related risks apparent, we don't see an upside risk in RBA's rates policy.

In February 2016's Statement on Monetary Policy, the RBA expressed concerns about the risks that the substantial stock of debt poses not only to China and Australia but to the region as a whole. According to the bank, excess capacity in much of the Chinese industrial sector has contributed to disinflationary pressures, which have raised the real interest rates faced by firms, thereby increasing the burden of servicing debts.

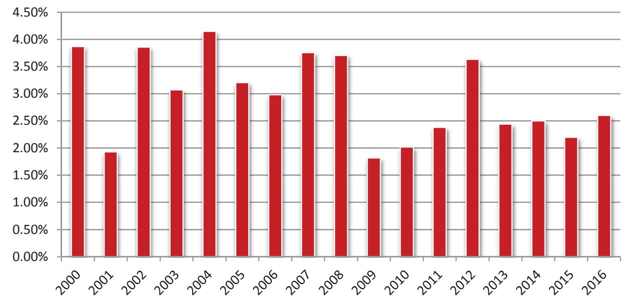


Chart 1: Australian GDP Growth % YoY
Source: Reuters Datastream

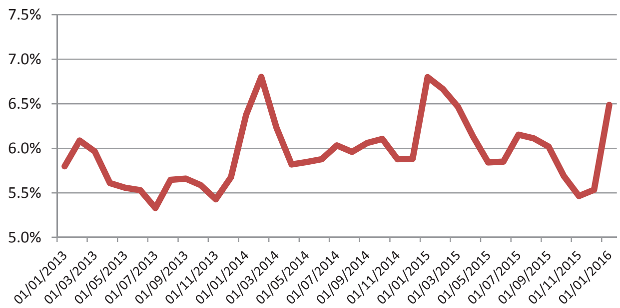


Chart 2: Australian Unemployment Rate
Source: Reuters Datastream

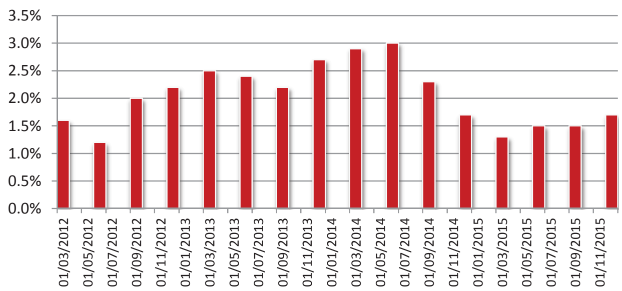


Chart 3: Australia Consumer Prices, All items Change YoY
Source: Reuters Datastream

The People's Bank of China has cut interest rates to alleviate the pressures but the risk remains on sectors that are highly geared.

The RBA concludes that: "Although recent cuts to interest rates by the People's Bank of China have helped to mitigate this effect, it has the potential to cause financial distress, especially in parts of the economy where leverage is already high, and to exacerbate the slowing in economic activity.

This poses risks for financial institutions with sizeable on- and off-balance sheet exposures to these firms and to China's growth trajectory in general. Any sharp slowing in China is likely to have significant implications for economic conditions in the Asian region and for commodity exporters, including Australia".

The bank leaves the door open for further rate cuts as a way of responding to materialisation of the aforementioned risks. With an improving labour market and resiliency in the key commodity exports, but drag from contraction in business investment the 2016 GDP growth is expected to be 2.6%

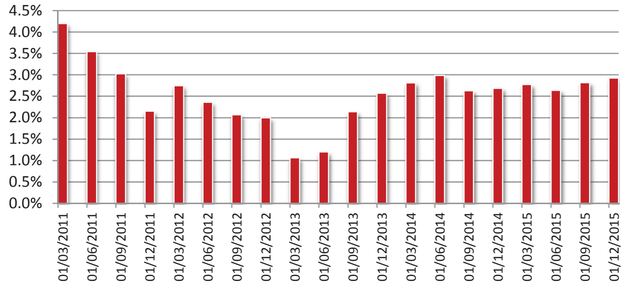


Chart 4: Australia Consumer Prices, All items Change YoY
Source: Reuters Datastream

China 2016

The year 2015 in China will be remembered for continued economic slowdown and stock market volatility. The fact that the government failed to manipulate the stock market and keep it in an ascending course is a reminder of the power of free markets and the limitations of any central bank or government. After seeing the government stimulating the economy and stock market with tax cuts and rate decreases, investors believed that the government had their backs covered and kept on pouring borrowed money into the stock market. We succeeded in calling the top in Hang Seng Composite index in June 2015 after which the market valuations plummeted. Since our call on June 12th, the Hang Seng Composite has fallen over 30%.

Continued deceleration marks the start and the prospects for the new Year of the Monkey in China. The government stated that the minimum target for economic growth is 6.5%, but the general consensus is that the rate at which economic output is increasing is much lower, somewhere between five and six percentage points. This estimate takes into account the fact that the official rate of growth in 2015 was achieved with significant policy support. This included cuts in bank reserve requirements, increased investments in infrastructure and tax cuts for small cars.

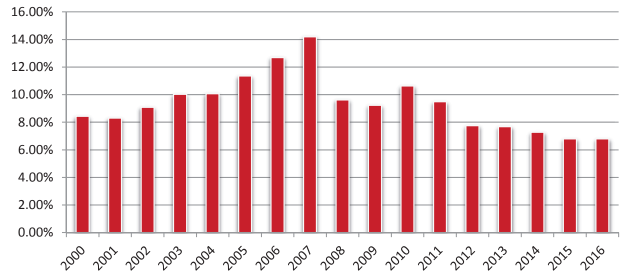


Chart 1: China GDP Growth % YoY
Source: Reuters Datastream

Officially, Chinese GDP grew 6.8% y/y in Q4 while the 2015 growth rate is estimated to come in at the same level. PBoC cut the one year benchmark lending rate 0.25% to 4.35% in an unscheduled move. The bank cut rates 0.25% on several occasions. There was 125 bps in total rate reduction in 2015 as the government attempted to arrest the slowdown in China's economy and support stock market and the consumer sentiment.

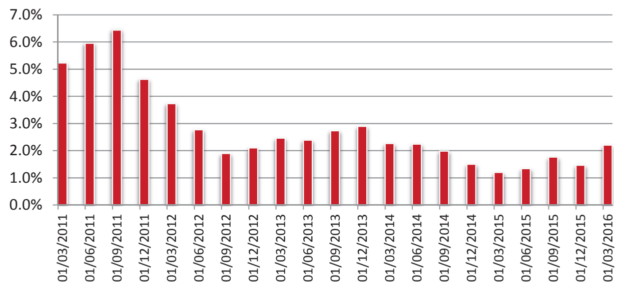


Chart 2: China CPI, % Change YoY
Source: Reuters Datastream

December's trade surplus widened to $60.1 bln from $51.1 bln in Q4 2015, while both exports and imports remained weak, with exports falling 1.4% after the 6.8% drop in November and imports sliding "only" 7.6% y/y after the 8.7% drop in November. This was followed by further declines in January and February 2016 with February data showing a 25.4% contraction YoY. The number however was due to a spike in exports a year earlier.

China's manufacturing sentiment remained contractionary in January, as expected. The official manufacturing PMI fell to 49.4 from 49.7 in December. The erosion leaves the lowest reading since the official survey fell below 50.0 in August of 2015. The privately compiled Caixin/Markit manufacturing PMI improved to a still weak 48.4 from 48.2 in December. The Caixin/Markit survey has been below 50.0 since March 2015, seeing a record low of 47.2 in September last year.

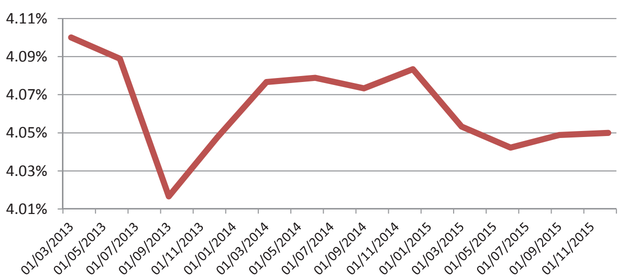


Chart 3: China Unemployment Rate, Standardized SA
Source: Reuters Datastream

When an economy is moving away from a growth model that is based on exports and debt fuelled investments, it is natural that it can't reach growth numbers that were previously seen as normal.

Even though the Chinese economy is slowing down, it still has a major contribution to the global GDP. In fact, as China's economy has grown, even with the current rate of economic growth, the country's contribution is roughly the same as it was in 2009, with GDP growth at almost 12%. The catch from the global markets' point of view is, however, that they were geared for the higher growth rates continuing well into the future. Now the bets have been unwound and the equity markets have globally suffered substantial losses.

In Chinese stock markets, the slower growth has caused a major drop and led to the People's Bank of China supporting the stock markets with sometimes extreme and desperate measures. These measures have included banning short sales and prohibiting government owned institutions from selling equities in general. The government's aim was that these now failed measures would support the stock market and therefore consumer sentiment.

There have been suggestions that the real rate of growth in China has been significantly lower than the official numbers suggest. The Conference Board, which used an alternative model of Chinese growth in its latest global economic outlook, suggests that the growth might have averaged only 4% over recent years. According to Bloomberg, the alternative series of GDP estimates adjust for overstated official Chinese data that runs at nearly 8% over the past five years. While there has been rumbling for years over the validity of the official growth figures, this is the first time that a well-respected agency has adopted an alternative model on Chinese growth.

The Conference Board's model shows growth already slowing significantly from the year 2011, suggesting that the economy may have already reached a hard landing. Such a scenario heightens the need for fundamental reform as productivity growth would be running at a much slower pace than implied by the official GDP figures.

Strong decelerating forces will continue to be a drag on Chinese economic growth in 2016. It is likely that the real economic growth will be somewhere between the official target number of 6.5% and the growth rate of 4% derived from the alternative model used by the Conference Board. While the consensus estimate is in line with the official target, we estimate that the actual 2016 GDP growth will be lower and believe that it is likely that the government will maintain a highly interventionary approach in managing the economy.

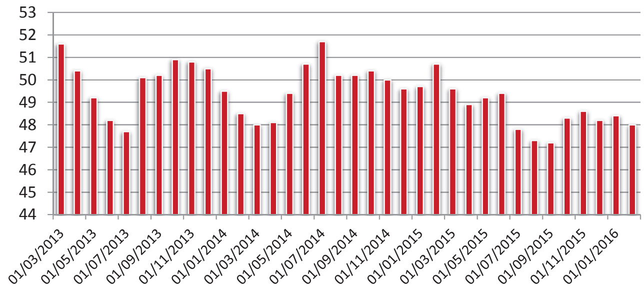


Chart 4: China Caixin Manufacturing PMI
Source: Reuters Datastream

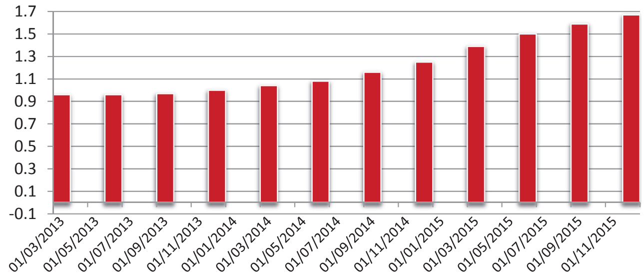


Chart 5: China Commercial Banks, Non-performing loans ratio
Source: Reuters Datastream

As inflation is likely to remain at relatively low levels at 1.5 – 2% in 2016, the People's Bank of China is likely to cut interest rates further.

While official figures on GDP growth suggest that the government's target numbers for output are nearly reached, the trend in industrial production continues on its down sloping path and Caixin Manufacturing PMI has indicated contraction since March 2015. At the same time, China continues to be challenged by weak demand in housing markets as real estate developers struggle to lure in new customers. This is yet another symptom of the housing boom being a thing of the past and is evidenced by the fact that the rising trend in cement production in China is showing signs of serious weakening. Steel production is experiencing a similar slowdown after production peaking in 2014.

While construction and manufacturing are slowing down substantially, private consumption is a bright spot and highlights the fact that the future growth in the Chinese economy will be in the ever-increasing middle class. Both consumer spending, consumer credit and disposable income per capita are expanding strongly. At the same time the newly adopted, more flexible approach to CNY currency rate management, provides hope for increase in exports.

It is unlikely however that the positive development in personal consumption or government efforts to stimulate the economy will offset the negative impact on GDP growth by the construction and manufacturing slowdown.

The risk of bad loans causing a banking crisis in China over the coming 12 to 18 months is significant.
In September last year, ratings agency S&P said that they view economic risks for China's banking industry as high. According to the agency, big lending by banks and the country's informal shadow-banking system in 2009 - 2013 has led to a high risk of economic imbalances and elevated credit risks in the economy.

According to Reuters, a Chinese banking regulator said in January of this year that new non-performing loans (NPLs) held by Chinese banks more than doubled in 2015 from the previous year. The people, who declined to be identified as they are not allowed to speak to the media, told Reuters that the regulator said at a government work conference that total NPLs reached 1.95 trillion yuan ($296.8 billion) in 2015, while net profit grew at a slower pace of 2.3 percent from the year before.

In our view, the alarming growth rate of NPLs suggests that the risk of disturbance in the Chinese economy and therefore global financial markets is high. We expect strong governmental intervention should these risks materialise and due to the substantial resources and tight control that the government has in the Chinese banking sector expect that the impact of such crisis will be more limited than that of the 2008 banking crisis.

The most significant risk for Chinese economic growth comes from bad loans, while lesser risks could be seen in Chinese equity markets not being freely operating, but managed tightly by the government. In general, The Chinese tendency to manage economy, currency and equity markets intensively creates a manager risk to the economy.

Crude Oil 2016

The price of WTI Crude declined by 30% in the year 2015 after falling 42% in 2014. In 2015 price declines were attributed to mild weather and global weakness in demand as China's economy has been slowing more than expected. Strength in the US Dollar and changes in the supply side of the equation have also depressed prices.

Better than usual weather and worse than normal economic growth impacted 2015 oil demand. Demand is typically boosted during the fourth quarter as the northern hemisphere experiences colder weather. In 2015, however, warmer than usual weather in Japan, Europe and the US curbed oil demand. According to the International Energy Agency (IEA), mild weather in these countries together with weak economic sentiment in China, Brazil, Russia and other commodity-dependent economies caused oil demand to drop from a near five-year high in Q3 2015 to a one year low in the fourth quarter.

In the longer term picture, it's the supply side that has been a major factor in softening prices. Since 2013, global oil supply has increased with only one quarterly exception in Q1 2015. This was the only quarter that saw supply diminishing while over the other 11 quarters supply increased. Over the same period supply was boosted from 90.52 million barrels per day to 97.07 million barrels per day or 7.23 percentage points. This makes the rate of quarterly increase between 2013 and 2015 0.6 percentage points. This rate of increase eased slightly to 0.51 percentage points in 2015.
Oversupply from both non-OPEC and OPEC sources has been increasing while global growth and therefore potential for higher oil demand has decreased.

According to an OPEC Monthly Oil Report in January 2016 the 2015 supply was stronger than expected supply increase in the US, Canada, Russia and Norway with supply increasing by 0.23 million barrels per day to the current level of 1.23 mb/d.

While demand has been slowing globally, persistent oversupply has increased the inventory build-up significantly. According to the IEA, global inventories rose by a notional 1 billion barrels in 2014–2015 with the fundamentals suggesting a further build of 285 mb over the course of 2016.

Now that Iran has been freed from international sanctions, it is delivering 1 million barrels per day, but has no plans to freeze the production at current levels even though Saudi-Arabia led coalition has suggested. Iran is also known to have sold oil to China below market prices in order to gain market share.

This together with non-OPEC supply increasing and OPEC's decision to fight for market share instead of supporting oil price by production cuts is likely to keep the supply in expansionary mode in the first half of 2016. OPEC is currently producing in excess of 2 million barrels per day beyond its quota.
US shale oil production was remarkably resilient until lately. According to Reuters US drilling activity has now been cut to the lowest level in over five years. The earlier resilience was due to significant increases in oil rig productivity, which is up in some cases as much as 100%. Also, US producers had been anticipating the risk of lower oil prices and have decreased the market impact significantly by hedging. This prevented some of the impact the low oil prices would have on the producers
Now that the oil price is bottoming the question is how strong the recovery could be. It has been suggested that the devaluation of US dollar would move oil prices substantially higher.

However, an OPEC production cut together with on-going production cuts in the US shale oil industry would likely have a much stronger impact on oil price than the US dollar devaluation. See the market analysis section for 2016 price projections.

Gold 2016

Over the last year, the price of gold declined when measured in the US dollar. However, in several other currencies, the price of gold moved higher. In 2015, the dollar price of gold moved lower as the US Fed was expected to raise rates. This expectation supported the USD and weighed on the dollar price of gold. Periods of dollar strength have been negative for the gold futures markets that are priced in the USD and the last two years have not been an exception.

For the first two months of the year, gold has been rallying with strength not seen since 2012. This move has taken place on the back of the markets unwinding their expectation of the US Fed rate hikes, increased fears related to the rapidly growing number of non-performing loans in Chinese banks and increasing uncertainty related to central banks adopting negative interest rate policies.

Now that negative interest rates seem to be adopted by a wider group of central banks the old complaint about gold being a non-yielding asset class has lost some of its power. Gold has suddenly become a better alternative. It's still not yielding anything but in times of trouble it is known to give sizeable returns via capital appreciation. It seems that in the coming months and years we have a world where cash becomes more unfavourable as central banks are desperately trying to create inflation via negative interest rates. This drives investors into gold at a speed not seen for almost four years.

Also, the recent rally was preceded by the central banks' renewed interest in gold. According to the World Gold Council, central banks increased their gold reserves by 336.2 tonnes, versus 252.1 tonnes in the first half of 2015 and 308.8 tonnes in the second half of 2014. The Council points out that: "the effect that US rates have had on the gold price is overdone and may take a back seat this year.

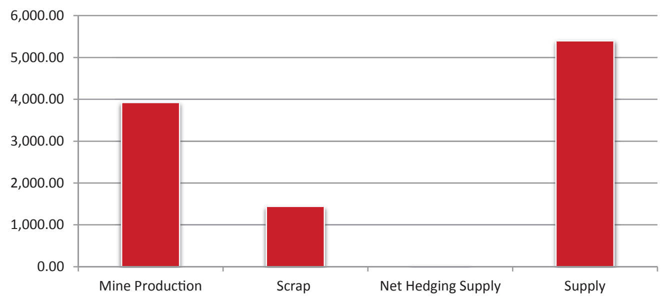


Chart 1: Gold Supply in tonnes 2015
Source: Reuters Datastream

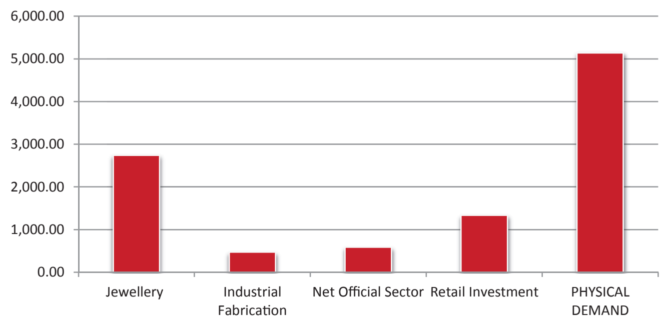


Chart 2: Gold Demand in tonnes 2015
Source: Reuters Datastream

Four years after gold's nominal high, amid expensive stock valuations and high market risks, gold's role as a portfolio diversifier and tail risk hedge is particularly relevant."

Gold is perceived as a safe haven in risk-off environments when a flight from more risky assets such as stocks takes place. As gold has a low correlation with equities, it helps investment manager to decrease portfolio volatility and risk.

Gold also helps to preserve purchasing power during times of high inflation and attracts buyers that are concerned that the vast amount of liquidity central banks have added to the global economy could in the future lead to a period of high inflation.

While central banks have been adopting negative interest rate policies they have also, for the first time in eight years, been net buyers of gold. This buying interest in gold could of course be coincidental, with increased interest in negative interest rates, but it could also be linked to central banks preparing for the era of interest rates being sub-zero.

For central banks to make two significant changes by first abandoning the zero bound in their interest rate policies and second in turning net buyers of gold after almost a decade seems co-ordinated and carefully planned. Should this be the case, we could see central banks continuing their gold purchases in 2016.

This view is supported by the fact that while central bank purchases were up by 25% in Q4 2015 the PBOC, Chinese central bank, has increased its gold holding steadily month by month to 1,762 tonnes.

Apart from central banks, the other sources of demand for gold are bars and coins, jewellery consumption and flows to Exchange Traded Funds (ETFs). According to the World Gold Council data bar and coin sales increased 25% in the fourth quarter last year. Even though 90% of the physical gold demand comes from the emerging countries bar and coin demand was healthy in US and UK too, with 15% and 43% respectively.

The year 2015 was the first year since 2008 that saw gold production contracting. With the supply side reacting slower than changes in demand, it is likely that 2016 will see solid to increased demand against the contracting supply. Rising prices usually trigger ETF inflows as well. This together with uncertainty caused by negative interest rates, Chinese NLPs and slowing global growth should mean that even though the Fed is likely to hike rates in the latter part of the year the price of gold will close higher in 2016 than it did in 2015.

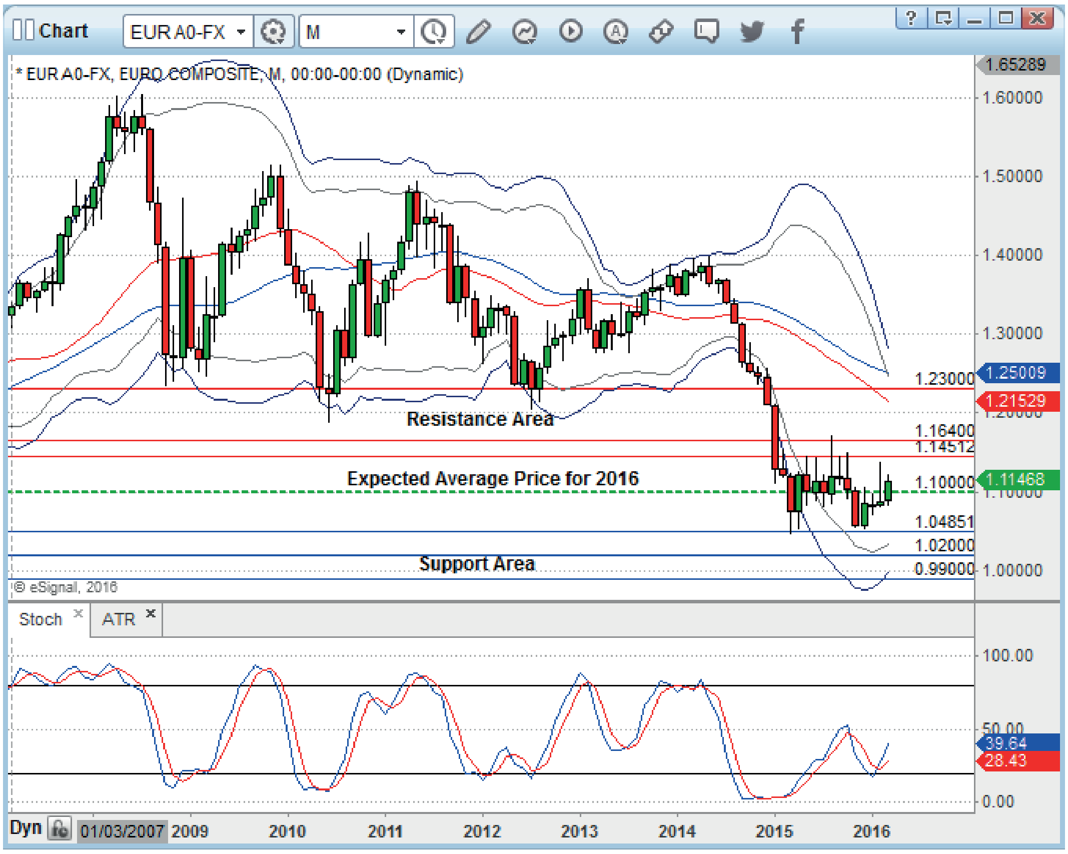
EURUSD, Monthly

For the last 12 months, EURUSD has been moving sideways between the 1.0485 support and 1.1640 resistance. The ECB's quantitative easing program hasn't had much impact since it started a year ago, as market participants had already had adjusted for the QE and priced it in before the fact.

Markets were selling the rumour and buying the news. Over the last 12 months, EURUSD has moved sideways and created several monthly candles with spikes. These indicate that the rejection of rallies could continue this year as well, and therefore point to lower prices.

Even though the ECB's stimulative measures haven't been able to push EURUSD lower during the past 12 months, markets expect the Fed to hike rates in the latter half of the year and this keeps the long term interest rate differential favourable to the USD. As the ECB is committed to keeping the rates low for the foreseeable future and the Fed has indicated to raise rates in 2016, the interest differential is expected to widen. We therefore expect that sellers will emerge when EURUSD enters 1.12-1.16 range.
We expect the Fed will not hike the rates before the second half of 2016. Therefore it's likely that the move lower in EURUSD will be gradual.

We believe that EURUSD will attract buying in the support area between 0.99 and 1.02 which will limit the downside in 2016, while the likely upper end of the yearly range will be found at the 1.16-1.23 resistance area. This range is slightly narrower than the yearly Average True Range (7 periods) value. Based on the above predictions we expect the average EURUSD rate for 2016 to be 1.10.

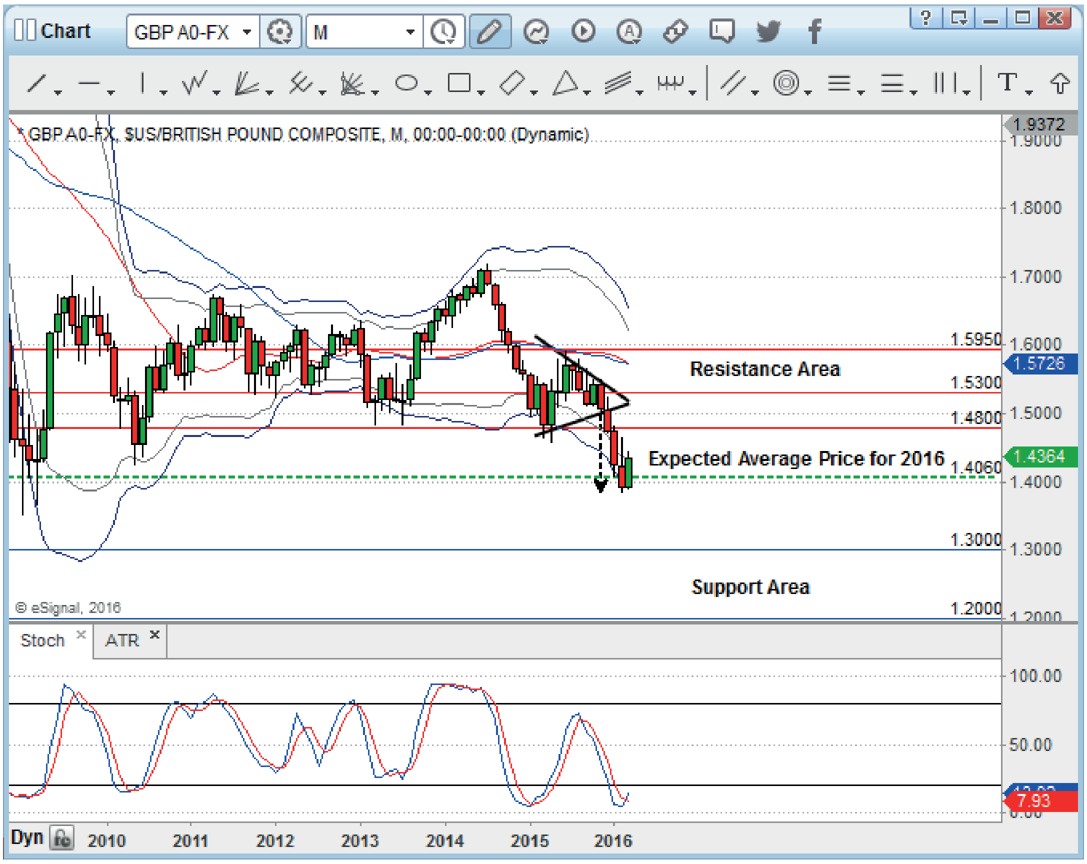


GBPUSD, Monthly

Over the year 2015, GBPUSD created a triangular formation that was resolved to the downside. GBPUSD fell in the latter half of the year as the markets concluded that the Bank of England's expected interest rate hikes were not going to take place. In addition, the fears of a so called Brexit, that Britain might leave the European Union, have kept the pair under pressure in January and February of this year.

The width of the triangle projected a target level at 1.3860. The level was reached in February before the pair rallied higher in March. With the nearest resistance level fairly close by and Britain's EU exit risk still relevant, our view is that this correctional rally will fail to be sustained and the pair will trend towards the support area at 1.2650-1.30.
We expect that as June 23rd, the date of in-out EU vote, gets closer, the Brexit fears could drive the GBPUSD quickly down to the support area. We believe the recovery will be gradual due to the US Fed rate hikes getting near.

We believe that a likely yearly range for GBPUSD will be limited by the 1.20-1.30 support area and the 1.53-1.5960 resistance area. Based on these predictions, we expect the average GBPUSD rate for 2016 to be 1.4060. The yearly average of Average True Range (7 periods) value is almost 2500 pips. With the risk of Britain leaving the EU in play this year, the above projected yearly range is not inconceivable.



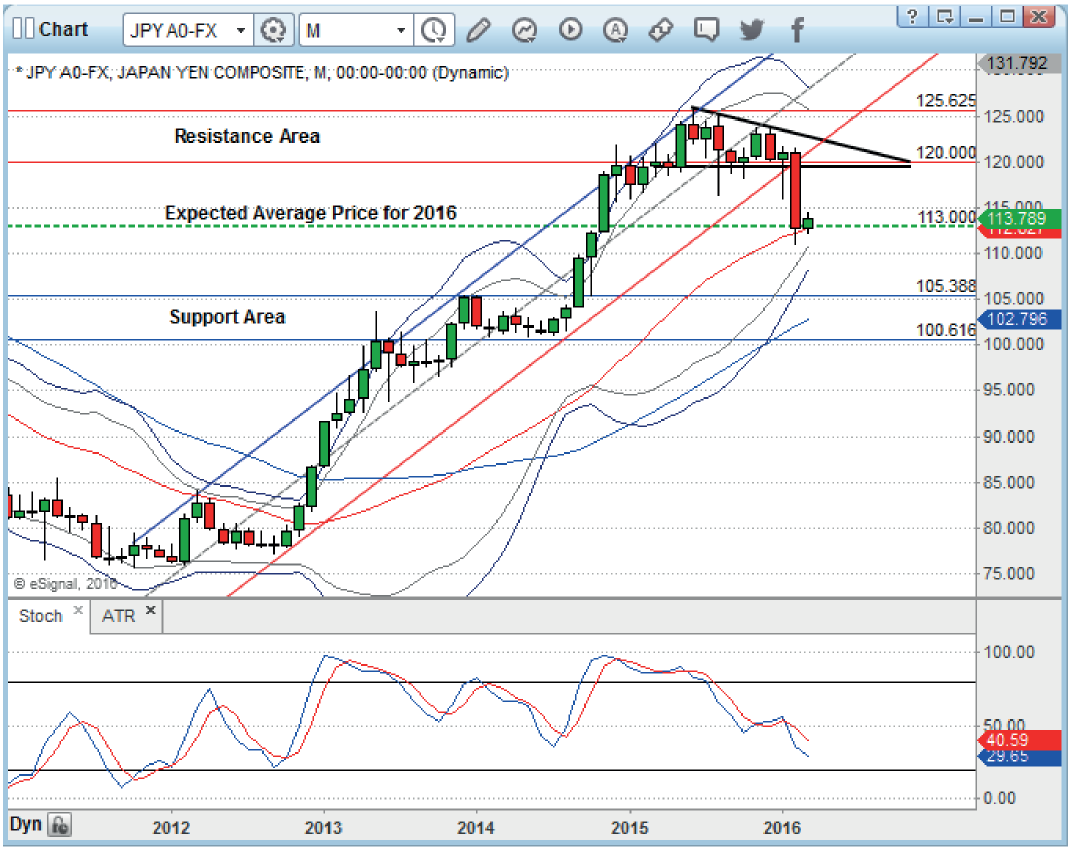
USDJPY, Monthly

A year ago, we pointed to 124.15 as a major resistance and took the view that the pair was approaching levels where it might be getting challenging to buy the pair on a valuation basis. We suggested that a substantial part of the QE and interest rate expectations were already priced in and that the pair was becoming vulnerable to corrective moves. In yearly terms it can be said that USDJPY moved only slightly above the 124.15 resistance.

In the latter part of 2015 USDJPY lost the upside momentum and created a triangle top. In January the pair moved below the topping formation and outside the rising regression channel. This is the confirmation that the uptrend is now over and rallies in the pair will likely be met with heavy selling inside the 120 to 125 Resistance Area while buyers could emerge at the 100 to 105 support area.

With the Japanese economy suffering from negative demographic trends (ageing population) it is highly unlikely that the currency would begin to attract inflows for any other reasons than those related to a need for safe haven. The pair is likely to appreciate in the latter part of the year as the US Fed is expected to raise interest rates higher.

We believe that a likely yearly range for USDJPY will be limited by the 100-105 support area and the 120-125 resistance area. Based on these predictions we expect the average USDJPY rate for 2016 to be 113.



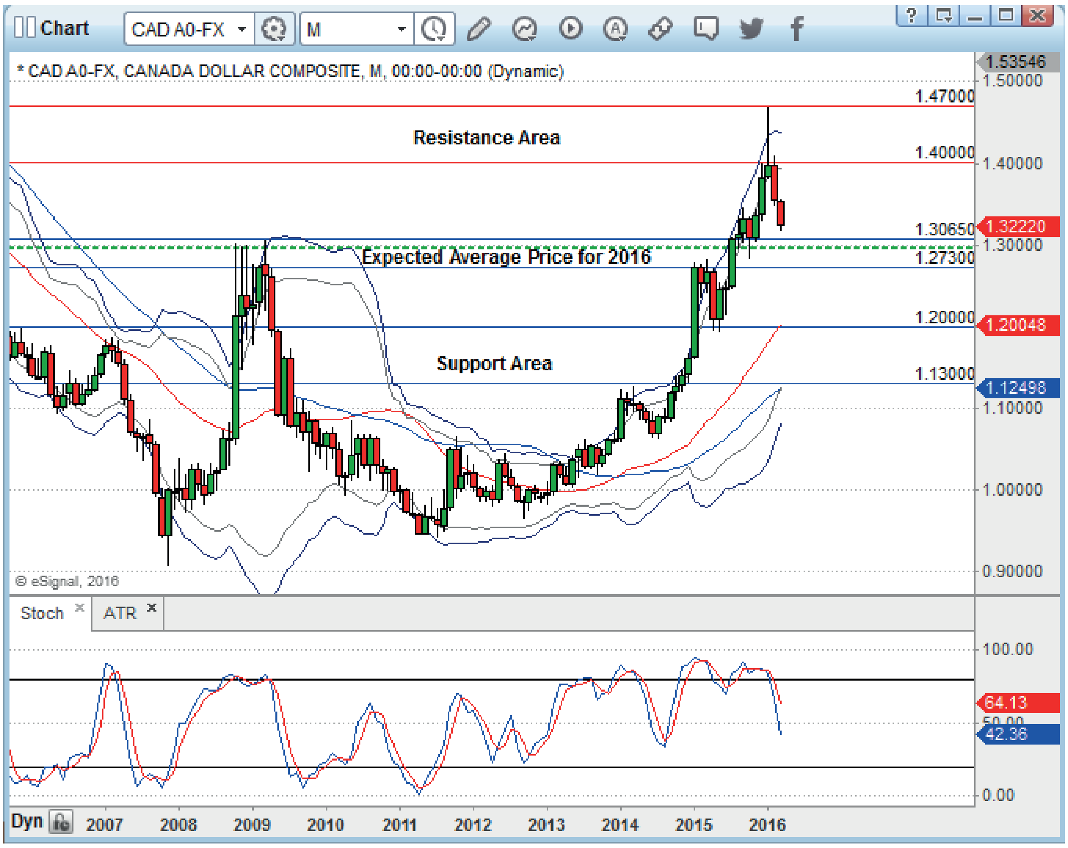
USDCAD, Monthly

USDCAD is inversely correlated to the price of WTI crude oil and has peaked at the same time as oil prices found support. Due to the Canadian economy's dependence on oil exports, these two assets have reversed trends simultaneously in the past as well. In 2009 oil was leading and made a quicker turnaround.

This time it was the CAD that has been stronger than crude as market participants not only focussed on the oil supply fundamentals changing, but also quickly lost their faith in the US Fed's promise to hike rates four times this year. This has caused the USDCAD to create a monthly bearish pin bar in January, moved lower quickly in February and March.

This year's likely average price of 1.30 coincides with support levels at 1.2730 and 1.3065. The 1.3065 level is the year 2009 high, while the 1.2730 area resisted price moves in Q1 2015. In fact, 1.2730 stopped price advances on a closing basis both in Q1 2009 and Q1 2015. This adds to the significance of this price level. Although the 7 year average of yearly ATR (7) values is 1674 pips, the anticipated yearly range for 2016 is much wider (2750 pips). This allowance is due to the technical picture and higher than average volatility in oil prices and the USDCAD pair in 2015. USDCAD moved in excess of 2200 pips in 2015 and after such strong rally higher, the volatility is likely to stay high in 2016.

We believe that this year's price action will be limited between the support and resistance areas in the above chart. The likely upper end of the yearly range is at the 1.40-1.47 resistance area while the support area is at 1.13-1.20. Based on these predictions we expect the yearly average USDCAD rate for 2016 to be 1.30.



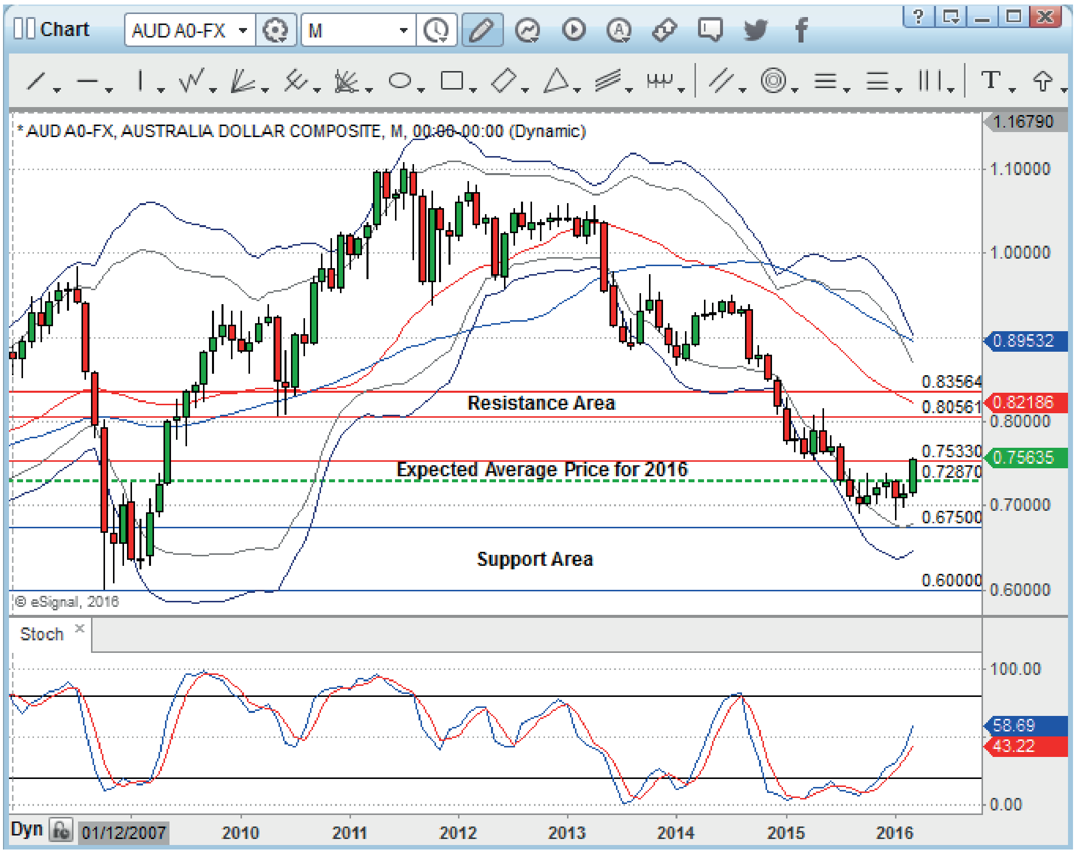
AUDUSD, Monthly

A year ago, while we were writing the HotForex Outlook Report 2015, AUDUSD was trading slightly above 0.7630. Our view at the time was that the relative closeness of 0.8067 resistance should dampen enthusiasm to buy AUDUSD and that we expected the pair to move lower due to expectations on future interest rate differentials between the US and Australia. We also suggested that the pair would bottom out in the range between 0.64 and 0.72. Now the pair has dipped into this range and rallied higher.

The pair is, at the time of writing, trading at 0.7533 resistance, the April 2015 low; the next one is the May 2015 high at 0.8163. Should China, the main trading partner, avoid major disturbances in their banking sector and its slowdown remain orderly, the AUDUSD should benefit from an improving labour market and continuing growth in average weekly wages. This would create demand and support the service sector while the resilience in iron ore exports in 2015 suggests that they will continue to support GDP growth in 2016. This should lift the AUD over the coming months.

We expect the US Fed to hike rates in the second half, thus recreating an environment in which higher dollar valuations add pressure on commodity prices and the interest rate differentials will push the AUDUSD down towards the 0.60-0.6750 support area.

The technical and fundamental factors indicate that over 2016 the pair will move higher with a likely upper end of the yearly range at 0.8050-0.8350 region while the downside potential is likely limited to the 0.60-0.6750 area. Based on these predictions we expect the average AUDUSD rate for 2016 to be slightly below 0.73.

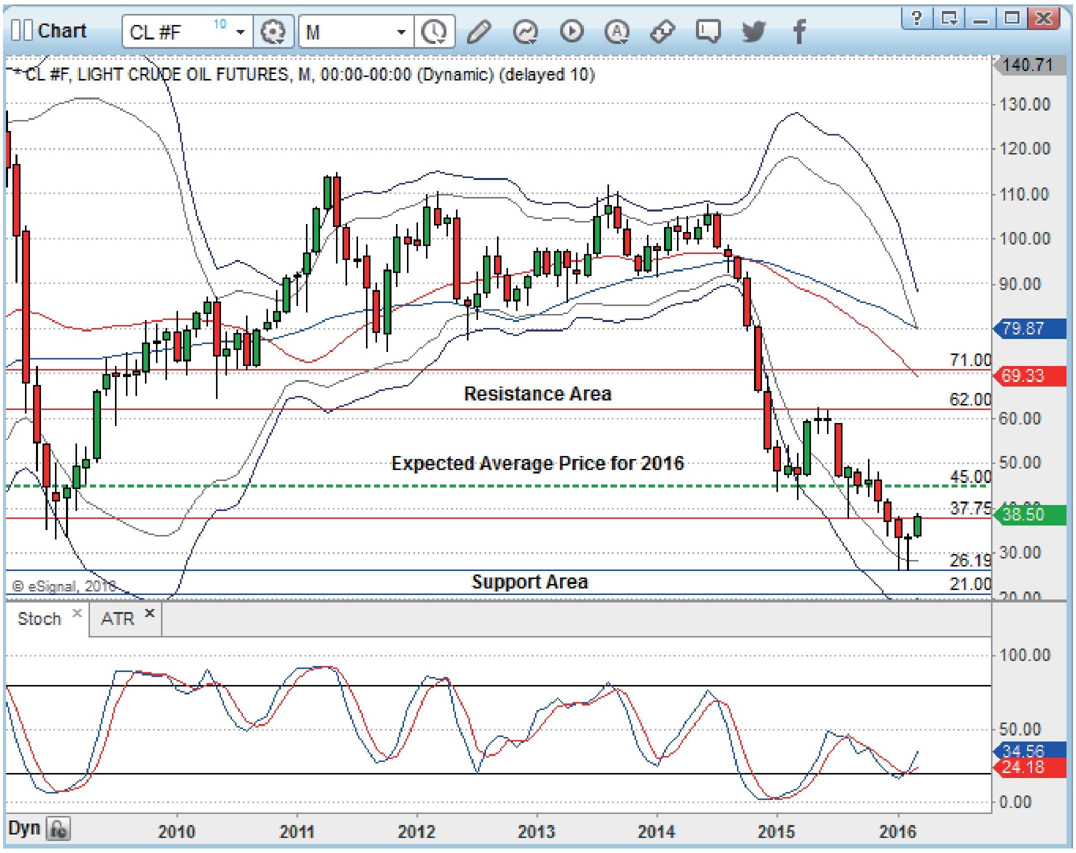


Crude Oil, Monthly

The price of oil has fallen to a range that bound WTI Crude in the 1980's, 1990's and all the way to 2004 when the market started to move higher in anticipation of Chinese economic growth. Now that this economic growth story has been unwinding, it is only natural that the excess pricing from the oil markets has been unwound as well.

We expect that the price of oil is currently trading near its lowest prices for the year 2016. In fact, in January and February the price of oil has bounced strongly from a support at slightly above $26. In the monthly chart, the bounces created candles with long wicks that suggest institutional buying in oil. Looking back to the previous two occasions of the price bottoming out in 2002 and 2009, the hall-mark characteristics in these turnaround periods were long monthly candle wicks over a three month period. Such turnarounds are only possible with significant inflows of money to the market. Therefore, our conclusion is that WTI Crude is bottoming and will move higher from current trading levels.

Our expectation for 2016 is that oil price volatility will be slightly higher than the average range over recent years. We expect that the downside is limited by a support area at $21.00-$26.20 while the $62.00-$71.00 resistance area is likely to limit price advances in 2016. Based on these predictions we expect the yearly average price of WTI crude oil for 2016 to be $45.

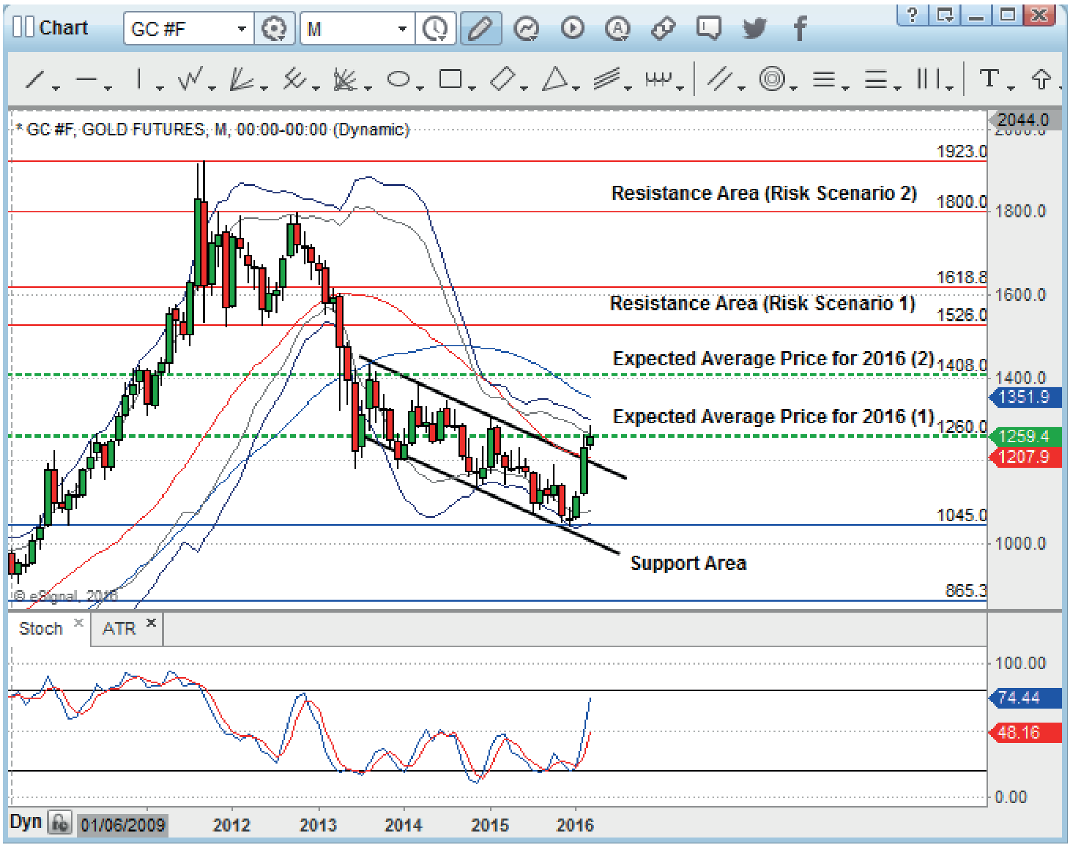


Gold, Monthly

Gold is a volatile asset and in times of trouble can have significant moves. With the potential for bank-related risks materialising this year, we expect that the volatility of the price of gold could exceed averages. As the recent support area is still relatively near and price has rallied strongly from it, gold could still have further price advances ahead this year.

While the nearest important resistance level is at $1520, the $1800 - $1923 resistance area could come into play if central banks pushed the interest rates boundaries even further into negative territory and the risks related to non-performing loans in Chinese banks materialised. We present this as our extreme risk scenario for this year (risk scenario #2). The $1530 to $1620 Resistance Area presents a likely upper end of the 2016 range if the above mentioned risks didn't materialise, but the US stock market broke below the topping formation it has been in since our call for market top in May 2015.

With the price of gold rallying strongly from the $1045 support and increasing risks globally, we expect gold could rally significantly higher this year and exceed the seven year average of yearly Average True Range (7 periods) value of 270 dollars. The above mentioned two risk scenarios indicate the following Expected Average Prices for the year 2016: $1260 (scenario 1) and $1408 (scenario 2).



Janne Muta
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Janne Muta is a seasoned industry professional with over 17 years experience in the global markets. Originally from Finland, Janne has worked for institutions in both Helsinki and London as an institutional fund manager, global market analyst and FX educator.

Traders and fund managers from around the world have benefited greatly from Janne's technical analysis methods. The indicators and price action based trading models he has developed, have, after rigorous testing, proven to be invaluable in identifying high probability trades.

> "My mission is to help you to become a confident and successful trader"

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