

MARKET INSIGHT

HIGHLIGHTS OF THIS NEW REPORT

- » Concise to the point news snippets from Bloomberg.com
- » Market insights on the SPI200, Aussie Dollar, Gold.
- » Support/resistance levels
- » Trading Range estimates

About Daren Markisic

Daren worked on the US and European Markets for 5 years, with the main focus on order management and execution. Now a private client adviser during the Australasian market hours, with focus on education, market commentary, order management and electronic trading connectivity.

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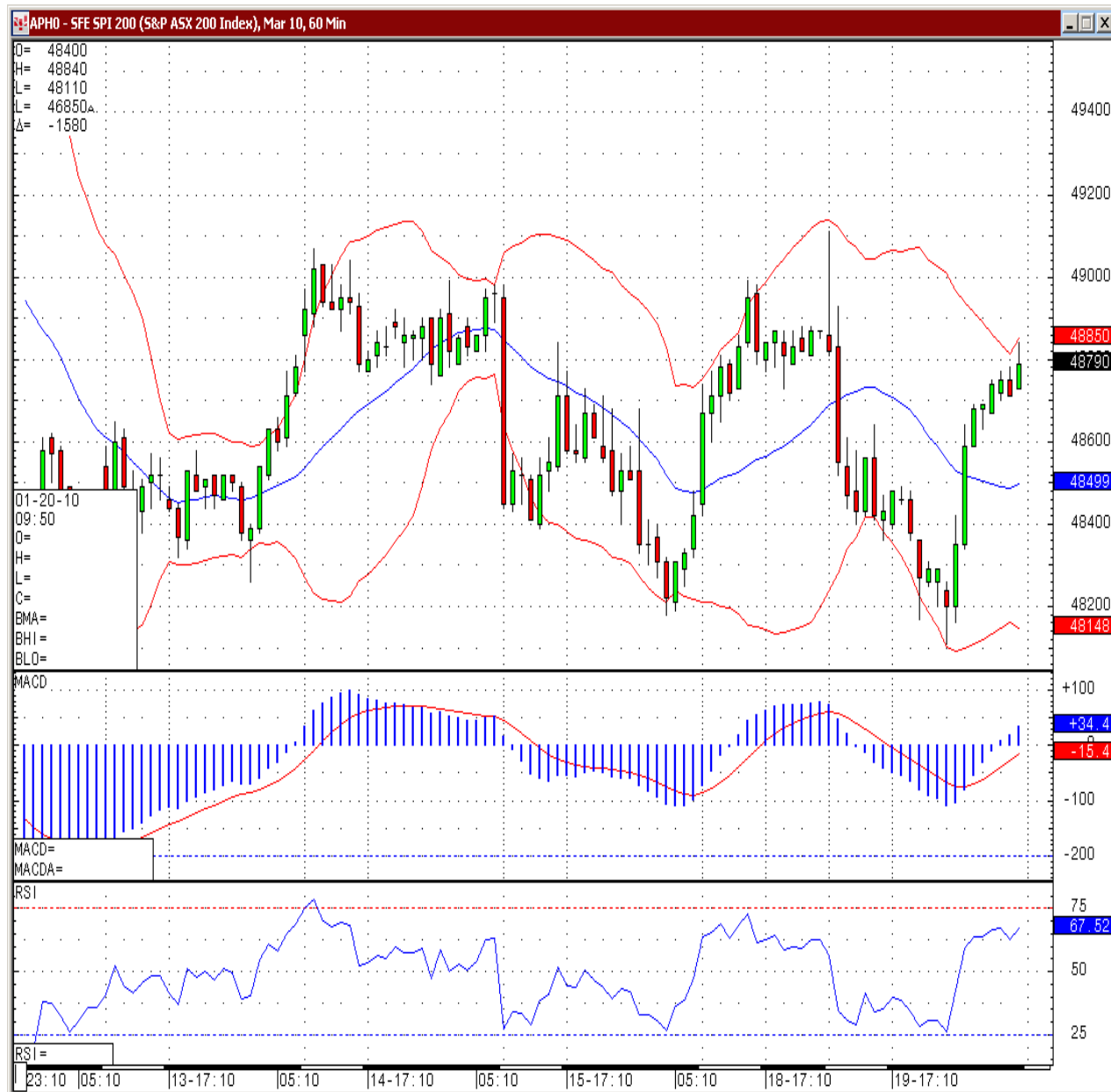
- SPI200 Report
- Aussie \$ Report
- Gold Report
- Crude Oil Report (coming in 2010)
- Global Financial Data Releases (coming in 2010)

SPI200 REPORT

Economic Data Releases

Today's data release is Westpac's Consumer sentiment, which is expected to hold up well with strong job numbers. Also watch out at midday for close of polls for Massachusetts Senate special election, which last night saw the Dow rally on the republican leading the polls.

Chart



OHLC

	<i>Open</i>	<i>High</i>	<i>Low</i>	<i>Close</i>
Previous Day	4886	4911	4836	4843
SYCOM	4840	4884	4811	4879

Support/Resistance

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Level 4</i>
Resistance	4890	4905	4925	4935
Support	4865	4850	4840	4825

Market Insight

During our day session yesterday we pulled back on profit taking in the banking sector with also some slight concerns on earnings, seeing the days low at 4836, below that all important 4850. Overnight saw us rally again with the US market hitting a 15 month high, on the back of a jump in health care shares, with traders speculating on the outcome of a proposed healthcare insurance reform. Fourth quarter earnings this week will see the market gain, leading to new highs, which might see us finally arrive at 5000. Look to see our market open around the close of 4879

Today's Trading Range estimate:

4875 – 4925

Aussie \$ Report

Bloomberg News

The Australian dollar traded within one US cent of a two-month high after prices of commodities, which account for a majority of exports, advanced on speculation global demand will increase.

Economic growth in China, Australia's largest trading partner, rose to the highest in two years, according to a separate Bloomberg survey before the report in two days.

"The Aussie has outperformed in overnight trade on the rally in base metals ahead of China's economic data scheduled for release on Thursday," said Nick Jonas, a foreign-exchange and interest-rates trader at Suncorp-Metway in Brisbane. The Australian dollar "continues to be supported on dips."

Australia's currency traded at 92.66 US cents as of 12:21 p.m. in Sydney from 92.63 cents yesterday in New York. It rose to 93.28 on January 14, the strongest since Nov. 18. It was also buying 84.03 yen.

The Australian dollar may rise as high as 93.30 US cents during the next few sessions, Jonas said.

Crude oil, Australia's fourth-most valuable raw material export, ended five days of losses yesterday after China Oil, Gas & Petrochemicals said the nation's imports may rise 15 per cent this year. The London Metals Index, tracking the prices of copper, aluminum, lead, tin, zinc and nickel, rose 0.7 per cent.

China's gross domestic product expanded 10.5 per cent in the fourth quarter from a year earlier, according to a Bloomberg survey. That would be the strongest growth since the first quarter of 2008.

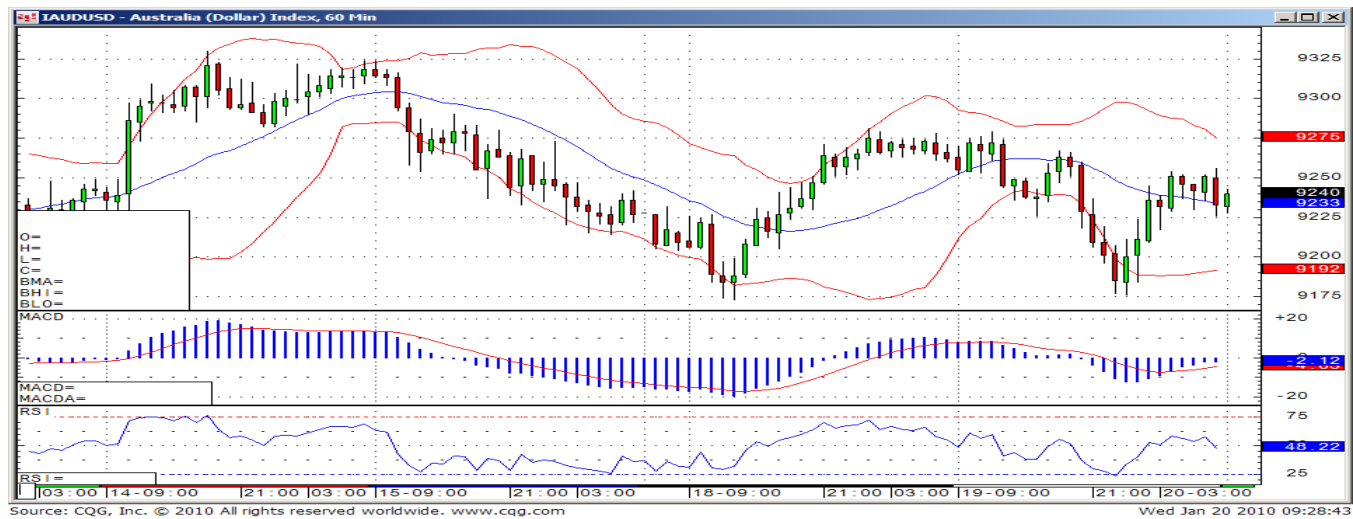
Australia's currency was little changed today at NZ\$1.2525.

Australian government bonds fell. The yield on the benchmark 10-year note added three basis points, or 0.03 percentage point, to 5.55 per cent, according to data compiled by Bloomberg. The price of the 5.25 per cent security due March 2019 slipped 0.19, or \$1.90 per \$1,000 face amount, to 97.90.

Economic Data Releases

Aussie Jan Westpac-MI consumer sentiment out today, along with NZ CPI, UK BOE minutes and unemployment change, and US PPI and housing starts, which all-in-all could create an interesting session for the aussie dollar.3

Chart



OHLC

	Open	High	Low	Close
Previous Day	0.9263	0.9279	0.9176	0.9233

Support/Resistance

	Level 1	Level 2	Level 3	Level 4
Resistance	0.9270	0.9300	0.9325	
Support	0.9240	0.9220	0.9200	

Market Insight

Rising commodity (base metal, in particular Copper) prices contributed to a rising greenback and a lower aussie dollar, so we are looking for a small upward move in the aussie, with it clawing back some of the losses from last night.

Today's Trading Range estimate:

0.9300 – 0.9221

Gold Report

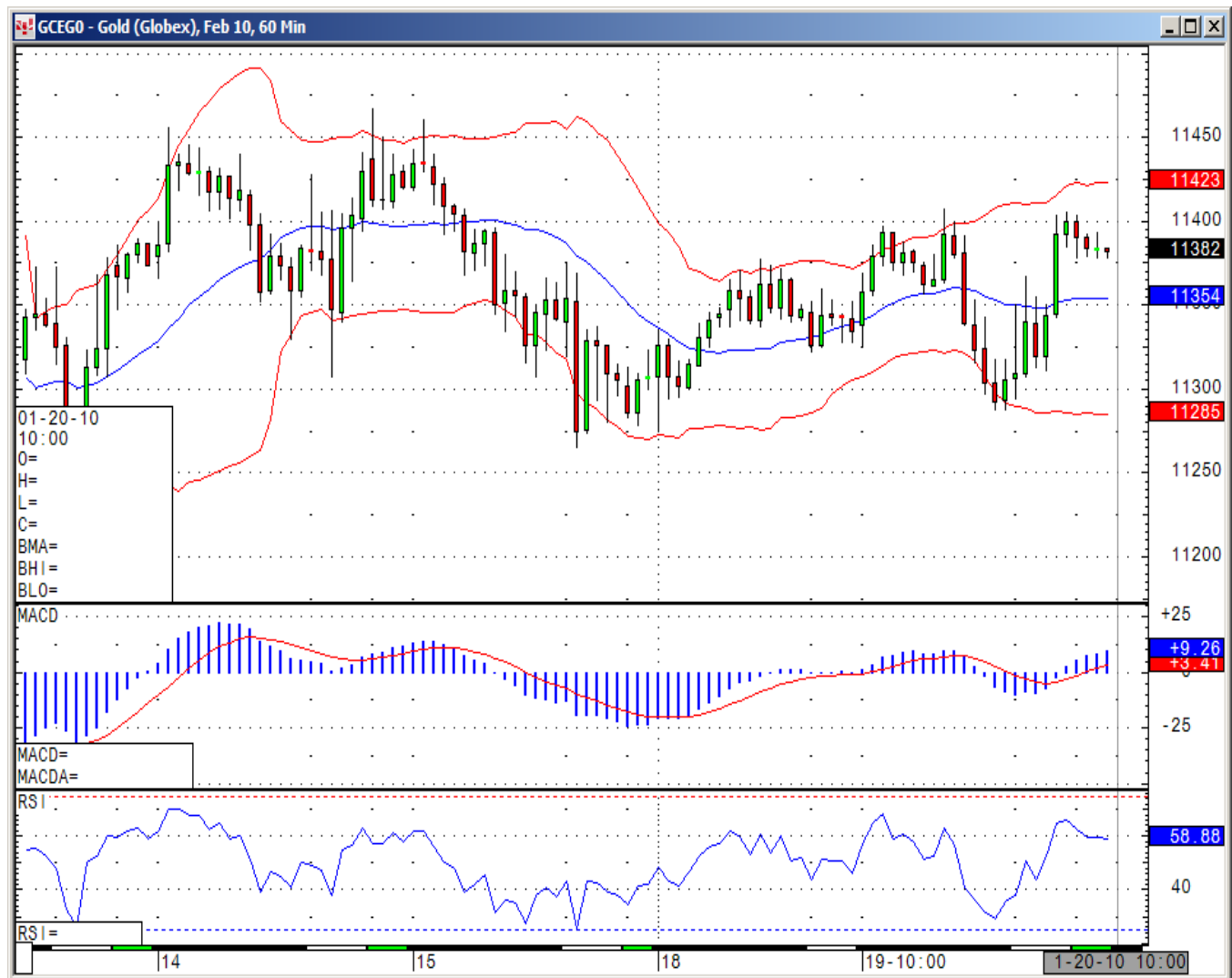
Bloomberg News

No news available from Bloomberg on Gold.

Economic Data Releases

US Dec Producer Price Index (PPI) and housing starts, which are expected flat and -0.2 respectively should impact on the gold market in a small way, having said that, if these two numbers come out largely different than expected then volatility should increase. Expecting a higher number in the PPI (leading to inflationary pressures) and also a higher number in housing starts (showing signs of an economic recovery).

Chart



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Wed Jan 20 2010 09:37:03

OHLC

	<i>Open</i>	<i>High</i>	<i>Low</i>	<i>Close</i>
Previous Day	1133.80	1140.70	1128.80	1140.00

Support/Resistance

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Level 4</i>
Resistance	1142.00	1147.00	1152.00	1163.00
Support	1135.00	1128.00	1117.00	1102.00

Market Insight

Potentially higher than expected US data numbers can weigh down the Gold market and therefore expecting a slow day during the Asian and Euro sessions with action beginning during US trading hours. Expecting Gold to pullback to the low 30's.

Today's Trading Range estimate:

1142.00 – 1132.00

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