

US FUNDAMENTAL RELEASES 2006

(*) Deviation figures taken from Bloomberg. Price movements taken from Meta Trader 4.

Consumer Price Index

- January 2006
CPI out at +0.2% deviation and Core CPI out at 0.0% deviation.
GBPUSD down 10 pips in the initial 5 mins bar spike.
- February 2006
CPI out at +0.2% deviation and Core CPI out at 0.0% deviation.
GBPUSD down 10 pips in the initial 5 mins bar spike.
- March 2006
CPI out at 0.0% deviation and Core CPI out at -0.1% deviation.
Housing Starts out at +120k deviation & Permits out at 0k deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- April 2006
CPI out at 0.0% deviation and Core CPI out at +0.1% deviation.
GBPUSD down 30 pips in the initial 5 mins bar spike.
- May 2006
CPI out at 0.0% deviation and Core CPI out at +0.1% deviation.
GBPUSD down 30 pips in the initial 5 mins bar spike.
- June 2006
CPI out at 0.0% deviation and Core CPI out at +0.1% deviation.
GBPUSD down 45 pips in the initial 5 mins bar spike.
- July 2006
CPI out at 0.0% deviation and Core CPI out at +0.1% deviation.
Housing Starts out at -40k deviation & Permits out at -40k deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- August 2006
CPI out at 0.0% deviation and Core CPI out at -0.1% deviation.
Housing Starts out at -5k deviation & Permits out at 0k deviation.
GBPUSD up 65 pips in the initial 5 mins bar spike.
- September 2006
CPI out at -0.1% deviation and Core CPI out at 0.0% deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike.
- October 2006
CPI out at -0.2% deviation and Core CPI out at 0.0% deviation.
Housing Starts out at +132k deviation & Permits out at -100k deviation.
GBPUSD down (!) 15 pips in the initial 5 mins bar spike.
- November 2006
CPI out at -0.2% deviation and Core CPI out at -0.1% deviation.
GBPUSD up 40 pips in the initial 5 mins bar spike.

- Conclusions
CPI moves GBPUSD an average of 10 pips approx. per +/-0.1% of deviation.
Hardly worth to take into consideration.
A CPI Core with +/-0.1% deviation moves GBPUSD an average of 40 pips approx. It is worth triggering a trade off a +/-0.1% for an easy 20 pips target if Regular CPI doesn't point in the other direction. Moreover, a 40 pip target seems acceptable for a +/-0.2% deviation.

Durable Goods Orders

- January 2006
Durable goods out at -0.2% deviation.
GBPUSD down (!) 25 pips in the initial 5 mins bar spike.
- February 2006
Durable goods out at -10.0% deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike.
- March 2006
Durable goods out at +1.1% deviation.
GBPUSD up (!) 25 pips in the initial 5 mins bar spike.
- April 2006
Durable goods out at +4.4% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
This release came out together with Personal Income and Spending. Durable Goods Orders over-ruled Personal Income dollar-negative data.
- May 2006
Durable goods out at -4.3% deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- June 2006
Durable goods out at -0.7% deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike
- July 2006
Durable goods out at +1.2% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike
- August 2006
Durable goods out at -2.2% deviation.
GBPUSD down (!) 25 pips in the initial 5 mins bar spike
- September 2006
Durable goods out at -1.0% deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike
- October 2006
Durable goods out at +5.6% deviation.
GBPUSD up (!) 20 pips in the initial 5 mins bar spike

- Conclusions
The Durable Goods Orders release seems to be rather chaotic in its behavior, and 4 out of 10 releases in 2006, GBPUSD spiked the other way around; perhaps it's due to revisions? Moreover, it's impossible to establish a relatively solid guess as far as price target goes: sometimes a small deviation drives the price far and sometimes a large deviation barely shakes it for 20 pips. Therefore, I will personally refrain from trading this fundamental release.

Non-farm payroll

- January 2006
Non-farm payroll out at -107K deviation.
GBPUSD up 50 pips in the initial 5 mins bar spike.
- February 2006
Non-farm payroll out at -82K deviation.
GBPUSD down (!) 75 pips in the initial 10 mins bar spike.
- March 2006
Non-farm payroll out at +23K deviation.
GBPUSD down 80 pips in the initial 5 mins bar spike.
- April 2006
Non-farm payroll out at +26K deviation.
GBPUSD up (!) 40 pips in the initial 5 mins bar spike.
- May 2006
Non-farm payroll out at -62K deviation.
GBPUSD up 110 pips in the initial 5 mins bar spike.
- June 2006
Non-farm payroll out at -105K deviation.
GBPUSD up 110 pips in the initial 5 mins bar spike.
- July 2006
Non-farm payroll out at -64K deviation.
GBPUSD up 85 pips in the initial 5 mins bar spike.
- August 2006
Non-farm payroll out at -37K deviation.
GBPUSD up 90 pips in the initial 10 mins bar spike.
- September 2006
Non-farm payroll out at -2K deviation.
GBPUSD down -70 pips (!) in the initial 5 mins bar spike.
- October 2006
Non-farm payroll out at -74K deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike but quickly bounced down.
- November 2006
Non-farm payroll out at -38K deviation.
GBPUSD down (!) 110 pips in the initial 10 mins bar.

- Conclusions
The Non-farm payroll release has seen price spiking the wrong direction 4 times out of the last 11 releases in 2006 because revisions play as strong role as the actual release, making the trade very difficult and unpredictable. The average move on GBPUSD is about 80 pips aprox. when price does actually go the right way, being 45 pip the smaller move all throughout the year.
I guess a sensible way of trading this release would be a desired minimum deviation of +/- 50K for trigger, and also it would be a good idea to place the order with a 20 pip trailing stop (just in case of an opposite revision) aiming for a 50 pip target if nicely filled in.

Gross Domestic Product

- January 2006
Gross Domestic Product out at -1.7% deviation.
GBPUSD up 60 pips in the initial 5 mins bar spike.
- February 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD barely shaken in the initial 5 mins bar.
- March 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD barely shaken in the initial 5 mins bar.
- April 2006
Gross Domestic Product out at -0.1% deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- May 2006
Gross Domestic Product out at -0.6% deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- June 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD barely shaken in the initial 5 mins bar.
- July 2006
Gross Domestic Product out at -0.7% deviation.
GBPUSD up 90 pips in the initial 5 mins bar spike.
- August 2006
Gross Domestic Product out at -0.1% deviation.
GBPUSD down (!) 15 pips in the initial 5 mins bar spike.
- September 2006
Gross Domestic Product out at -0.3% deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike but quickly turned around.
- October 2006
Gross Domestic Product out at -0.4% deviation.
GBPUSD up 50 pips in the initial 5 mins bar spike.

- Conclusions
The Gross Domestic Product hasn't given out many triggers throughout 2006 but those trades indeed triggered have been pretty straight forward. A +/-0.3% deviation seems like a fair trigger for a solid 20 pip target, and perhaps 40 pips for anything above +/-0.5% deviation.

Personal Income and Spending

- January 2006
Income out at 0.0% deviation and Spending out at +0.1% deviation
GBPUSD barely shaken in the initial 5 mins bar.
- February 2006
Income out at -0.1% deviation and Spending out at +0.1% deviation
GBPUSD up 15 pips in the initial 5 mins bar spike.
- March 2006
Income out at -0.1% deviation and Spending out at +0.1% deviation
GBPUSD down 15 pips in the initial 5 mins bar spike.
- April 2006
Income out at -0.2% deviation and Spending out at 0.0% deviation
GBPUSD down 35 pips in the initial 5 mins bar spike.
This release come out together with Durable Goods Orders. Durable Goods Orders was dollar-positive and over-ruled Personal Income dollar-negative data.
- May 2006
Income out at -0.2% deviation and Spending out at 0.0% deviation
GBPUSD up 35 pips in the initial 5 mins bar spike but snapped back quickly.
- June 2006
Income out at +0.2% deviation and Spending out at 0.0% deviation
GBPUSD up (!) 30 pips in the initial 5 mins bar spike.
- July 2006
Income out at 0.0% deviation and Spending out at +0.0% deviation
GBPUSD whipsawed up and down for the initial 5 mins bar.
- August 2006
Income out at 0.0% deviation and Spending out at +0.6% deviation
GBPUSD up (!) 15 pips in the initial 5 mins bar spike.
- September 2006
Income out at +0.1% deviation and Spending out at -0.1% deviation
GBPUSD down 15 pips in the initial 5 mins bar spike but mostly whipsawed.
- October 2006
Income out at +0.2% deviation and Spending out at +0.2% deviation
GBPUSD down 25 pips in the initial 5 mins bar spike.

- Conclusions
The Personal and Spending releases don't seem a very reliable fundy to trade. First of all, Income and Spending often come out showing different directions. Secondly, the moves don't appear to be very lively when they both show the same direction (October had both with +0.2% deviation and price only moved 25 pips). Thirdly, in April a negative Income data was totally over-ruled by positive Durable Goods Orders. Lastly, in August we had a massive +0.6% deviation on Spending and GBP moved up???.
I will personally stay away from trading this release.

Retail Sales

(*): Sometimes, it comes out together with PPI data, so they might affect each other and their impact on prices.

- January 2006
Retail Sales out at -0.1% deviation & Retail Sales excl. out at -0.2% deviation.
PPI out at +0.5% deviation and PPI Core out at -0.1% deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- February 2006
Retail Sales out at +1.4% deviation & Retail Sales excl. out at +1.5% deviation.
GBPUSD down 45 pips in the initial 10 mins bar spike.
- March 2006
Retail Sales out at -0.4% deviation & Retail Sales excl. out at +0.1% deviation.
Current Account out at -4.9B deviation.
GBPUSD down 15 pips in the initial 5 mins bar spike but with whipsaws.
- April 2006
Retail Sales out at +0.1% deviation & Retail Sales excl. out at -0.1% deviation.
GBPUSD whipsawed violently in the initial 5 mins bar.
- May 2006
Retail Sales out at -0.2% deviation & Retail Sales excl. out at -0.1% deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- June 2006
Retail Sales out at +0.1% deviation & Retail Sales excl. out at 0.0% deviation.
PPI out at -0.3% deviation and PPI Core out at +0.1% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike but with strong whipsaws.
- July 2006
Retail Sales out at -0.5% deviation & Retail Sales excl. out at 0.0% deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- August 2006
Retail Sales out at +0.6% deviation & Retail Sales excl. out at +0.5% deviation.
GBPUSD down 70 pips in the initial 5 mins bar spike.
- September 2006
Retail Sales out at +0.4% deviation & Retail Sales excl. out at -0.1% deviation.
GBPUSD whipsawed violently in the initial 5 mins bar.
- October 2006
Retail Sales out at -0.6% deviation & Retail Sales excl. out at -0.5% deviation.
GBPUSD down (!!!) 35 pips in the initial 5 mins bar spike.
- November 2006
Retail Sales out at +0.2% deviation & Retail Sales excl. out at -0.1% deviation.
PPI out at -1.0% deviation and PPI Core out at -1.1% deviation.
GBPUSD up 55 pips in the initial 5 mins bar spike.
- Conclusions
The Retail Sales excluding autos far outweighs the regular Retail Sales data if they come out showing different directions.
However, it seems that if they do come out in different directions, we need a +/- 0.2% deviation on Retail Sales excl. autos to have green lights for a 20 pip target.
In the other hand, if both figures point in the same direction, a +/-0.1% deviation on Retail Sales excl. autos along with a +/-0.2% deviation on Regular Retail Sales (again in the same direction) should also be good for a 20 pip ride.
Finally, a both pointing in the same direction with a +/-0.2% deviation each or higher, should see GBPUSD hitting 40 pip targets.

Lastly, if it comes out together with PPI data, I'd recommend to wait for both data to come out and trigger manually if they point in the same direction.

Trade Balance

- January 2006
Trade Balance out at +1.8B deviation.
GBPUSD down 20 pips but quickly snapped back.
- February 2006
Trade Balance out at -0.7B deviation.
GBPUSD up 15 pips in the initial 5 mins bar spike.
- March 2006
Trade Balance out at -2.0B deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike.
- April 2006
Trade Balance out at +1.3B deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- May 2006
Trade Balance out at +5.0B deviation.
GBPUSD down 70 pips in the initial 5 mins bar spike.
- June 2006
Trade Balance out at +1.6B deviation.
GBPUSD down 65 pips in the initial 5 mins bar spike.
- July 2006
Trade Balance out at +0.8B deviation.
GBPUSD down 80 pips in the initial 5 mins bar spike.
- August 2006
Trade Balance out at -0.3B deviation.
GBPUSD down(!) 20 pips in the initial 5 mins bar spike.
- September 2006
Trade Balance out at -2.0B deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike but quickly snapped back.
- October 2006
Trade Balance out at -0.4B deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- November 2006
Trade Balance out at +1.7B deviation.
GBPUSD down 25 pips in the initial 5 mins bar spike.

- **Conclusions**

The Trade Balance report seems to be pretty straight forward and easy to trade, as GBPUSD almost always spikes in the direction of the news. As an average, it spikes for about 25 pips per +/-1.0B of deviation. However, it's difficult to establish a sound correlation between the deviation and length of the spike. For example, in March a -2.0B deviation spiked GBPUSD for only 20 pips, whereas in July a +0.8B deviation took us down 80 pips. Same happened in October (30 pips for a -0.4B deviation) compared to November (25 pips for +1.7B deviation).

That's why I will personally be conservative with my price targets on Trade Balance and I will keep them fixed to 20 pips and a trail stop of 10 pip in case the spike losses gas. A safe trigger should be +/-2.0B deviation, but I reckon a +/-1.5B deviation is also tradable for those a little bit more aggressive.

Treasury International Capital (TIC report)

(*) deviation info taken from Forex Factory as Bloomberg didn't keep track of it

- January 2006
TIC report out at +15.1B deviation.
GBPUSD whipsawed violently up and down in the initial 5 mins bar.
- February 2006
No data available
- March 2006
TIC report out at +6B deviation.
GBPUSD up (!) 15 pips in the initial 5 mins bar spike.
- April 2006
TIC report out at +26.5B deviation.
GBPUSD down 30 pips in the initial 5 mins bar spike.
- May 2006
TIC report out at -10.4B deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike but snapped back quickly.
- June 2006
TIC report out at -13.8B deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- July 2006
TIC report out at +24.6B deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike but snapped back quickly.
- August 2006
TIC report out at +12.3B deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike but snapped back quickly.
- September 2006
TIC report out at -37.0B deviation.
Current Account out at -6.4B deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.
- October 2006
TIC report out at 61B deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike.
- November 2006
TIC report out at +2.1B deviation.
GBPUSD down 55 pips in the initial 5 mins bar spike.

- Conclusions
The TIC Report effect on GBPUSD shows an average of 25 pips everytime a +/- 10B deviation or higher is released. However, we have seen a number of times this move lacking gas and thus retracing back to the starting point very quickly.

A possible way to trade this would be to enter with an pre-set 15 pip price target so we cash in before retracing back, and also punching the entry in along with a trailing stop of 10 pip in case the spike losses gas before getting out of the position.

Producers Price Index (PPI)

(*): Sometimes, it comes out together with Retail Sales data, so they might affect each other and their impact on prices.

- January 2006
PPI out at +0.5% deviation and PPI Core out at -0.1% deviation.
Retail Sales out at -0.1% deviation & Retail Sales excl. out at -0.2% deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- February 2006
PPI out at +0.0% deviation and PPI Core out at +0.2% deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike but snapped back fast.
- March 2006
PPI out at -1.2% deviation and PPI Core out at +0.2% deviation.
GBPUSD whipsawed up and down without clear direction.
- April 2006
PPI out at 0.0% deviation and PPI Core out at -0.1% deviation.
Housing Starts out at -90k deviation & Permits out at -10k deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike.
- May 2006
PPI out at +0.1% deviation and PPI Core out at -0.1% deviation.
Housing Starts out at -101k deviation & Permits out at 0k deviation.
GBPUSD up 40 pips in the initial 5 mins bar spike.
- June 2006
PPI out at -0.3% deviation and PPI Core out at +0.1% deviation.
Retail Sales out at +0.1% deviation & Retail Sales excl. out at 0.0% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike but with strong whipsaws.
- July 2006
PPI out at +0.3% deviation and PPI Core out at 0.0% deviation.
GBPUSD down 25 pips in the initial 5 mins bar spike but snapped back fast.
- August 2006
PPI out at -0.3% deviation and PPI Core out at -0.5% deviation.
GBPUSD up 80 pips in the initial 5 mins bar spike.
- September 2006
PPI out at -0.2% deviation and PPI Core out at -0.6% deviation.
Housing Starts out at -85k deviation & Permits out at -40k deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.
- October 2006
PPI out at -0.5% deviation and PPI Core out at +0.4% deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike.
- November 2006
PPI out at -1.0% deviation and PPI Core out at -1.1% deviation.
Retail Sales out at +0.2% deviation & Retail Sales excl. out at -0.1% deviation.
GBPUSD up 55 pips in the initial 5 mins bar spike.
- Conclusions
The PPI Core outweighs the Regular PPI, so trigger should be based on it. However, if Regular PPI strongly disagrees with Core PPI (such as in March), it could nullify it. So as usual, it's best if they both point to the same direction. However, it seems difficult to establish a direct relation between the length of the ride and the deviation obtained. For example, in February a +0.2 dev drove price down only 20 pips, whereas in May a -0.1% dev (and against Regular PPI data) pushed price up for 40 pips.

A sensible trigger seems to be +/-0.2% deviation aiming for a 20 pip target. PPI doesn't seem to be a great market shaker unless it's a monster outcome such as in August, September or November. Lastly, +/-0.1% deviation on Core PPI and +/-0.2% (same direction) on regular PPI should be good for 20 pips too.

Lastly, if it comes out together with Retail Sales data, I'd recommend to wait for both data to come out and trigger manually if they point in the same direction.

Current Account

- Quarter 1 2006
Current Account out at -4.9B deviation.
Retail Sales out at -0.4% deviation & Retail Sales excl. out at +0.1% deviation.
GBPUSD down 15 pips in the initial 5 mins bar spike.
- Quarter 2 2006
Current Account out at +11.3B deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike.
- Quarter 3 2006
Current Account out at -6.4B deviation.
TIC report out at -37.0B deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.

- Conclusions
The Current Account doesn't really seem to be a market mover, plus there are only four announcements per year. I don't think it's worth taking it into consideration.

Industrial Production and Capacity Utilization Rate

- January 2006
Industrial Prod. out at +0.1% dev. and Capacity Utilization out at +0.1% dev.
GBPUSD stood still.
- February 2006
Industrial Prod. out at -0.5% dev. and Capacity Utilization out at 0.0% dev.
GBPUSD stood still.
- March 2006
Industrial Prod. out at -0.2% dev. and Capacity Utilization out at -0.3% dev.
GBPUSD down 15 pips in the initial 5 mins bar spike but snapped back fast.
- April 2006
Industrial Prod. out at +0.2% dev. and Capacity Utilization out at -0.2% dev.
GBPUSD stood still.
- May 2006
Industrial Prod. out at +0.3% dev. and Capacity Utilization out at +0.3% dev.
GBPUSD down 20 pips in the initial 5 mins bar spike.
- June 2006
Industrial Prod. out at -0.3% dev. and Capacity Utilization out at -0.3% dev.
GBPUSD up 20 pips in the initial 5 mins bar spike but snapped back fast.
- July 2006
Industrial Prod. out at +0.3% dev. and Capacity Utilization out at +2.4% dev.
GBPUSD down 30 pips in the initial 5 mins bar spike.
- August 2006
Industrial Prod. out at -0.2% dev. and Capacity Utilization out at -0.3% dev.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- September 2006
Industrial Prod. out at -0.2% dev. and Capacity Utilization out at 0.0% dev.
GBPUSD stood still.
- October 2006
Industrial Prod. out at -0.6% dev. and Capacity Utilization out at -0.3% dev.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- November 2006
Industrial Prod. out at 0.0% dev. and Capacity Utilization out at +0.2% dev.
GBPUSD stood still.

- Conclusions
Industrial Production seems to not shake GBPUSD much. Only when both Industrial Production and Capacity Utilization come out with a large deviation pointing to the same direction we get some 20-to-30 pip moves.

I reckon we would require both figures coming out at +/-0.3% deviation to the same direction to pull the trigger, with a 15 pip target and a 10 pip trailing stop for security.

ISM Manufacturing Index

- January 2006
ISM Manufacturing out at -3.3 deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- February 2006
ISM Manufacturing out at -0.7 deviation.
GBPUSD up 15 pips in the initial 5 mins bar spike but snapped back fast.
- March 2006
ISM Manufacturing out at +0.7 deviation.
GBPUSD down 15 pips in the initial 5 mins bar spike.
- April 2006
ISM Manufacturing out at -2.3 deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike.
- May 2006
ISM Manufacturing out at +2.3 deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- June 2006
ISM Manufacturing out at +1.6 deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- July 2006
ISM Manufacturing out at -1.2 deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- August 2006
ISM Manufacturing out at +0.9 deviation.
GBPUSD down 25 pips in the initial 5 mins bar spike.
- September 2006
ISM Manufacturing out at 0.0 deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- October 2006
ISM Manufacturing out at -0.6 deviation.
GBPUSD stood still.
- November 2006
ISM Manufacturing out at -1.3 deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.

- Conclusions
ISM Manufacturing Index seems to be pretty straight forward and without contradictive readings. Any deviation above +/-1.5 should be enough for a 15 pip target, aiming for 20 pips only if deviation is +/-2.0 or higher.

Housing Starts and Permits

(*) Often comes out along with much more relevant inflation-related news.

- January 2006
Starts out at -117k deviation & Permits out at 0k deviation.
GBPUSD down(!) 20 pips in the initial 5 mins bar spike.
- February 2006
Starts out at +276k deviation & Permits out at 0k deviation.
GBPUSD remained still.
- March 2006
Starts out at +120k deviation & Permits out at 0k deviation.
CPI out at 0.0% deviation and Core CPI out at -0.1% deviation.
GBPUSD up 40 pips in the initial 5 mins bar spike.
- April 2006
Starts out at -90k deviation & Permits out at -10k deviation.
PPI out at 0.0% deviation and PPI Core out at -0.1% deviation.
GBPUSD up 20 pips in the initial 5 mins bar spike.
- May 2006
Starts out at -101k deviation & Permits out at 0k deviation.
PPI out at +0.1% deviation and PPI Core out at -0.1% deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- June 2006
Starts out at +87k deviation & Permits out at -20k deviation.
GBPUSD down 25 pips in the initial 5 mins bar spike but snapped back fast.
- July 2006
Starts out at -40k deviation & Permits out at -40k deviation.
CPI out at 0.0% deviation and Core CPI out at +0.1% deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- August 2006
Starts out at -5k deviation & Permits out at 0k deviation.
CPI out at 0.0% deviation and Core CPI out at -0.1% deviation.
GBPUSD up 60 pips in the initial 5 mins bar spike.
- September 2006
Starts out at -85k deviation & Permits out at -40k deviation.
PPI out at -0.2% deviation and PPI Core out at -0.6% deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- October 2006
Starts out at +132k deviation & Permits out at -100k deviation.
CPI out at -0.2% deviation and Core CPI out at 0.0% deviation.
GBPUSD down 15 pips in the initial 5 mins bar spike.
- November 2006
Starts out at -194k deviation & Permits out at -110k deviation.
GBPUSD stood still.

- Conclusions
The Housing Starts release hardly has any impact on itself, plus it's always over-ruled because it often comes out with much more significant inflation-related news. Not worth keeping an eye for this data release.

UK FUNDAMENTAL RELEASES 2006

(*) Deviation figures taken from Forex Factory. Price movements taken from Meta Trader 4.

Consumer Price Index

- January 2006
CPI out at -0.1% deviation.
GBPUSD down 20 pips in the initial 5 mins bar spike.
- February 2006
CPI out at -0.1% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- March 2006
CPI out at 0.0% deviation.
GBPUSD unmoved.
- April 2006
CPI out at -0.2% deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- May 2006
CPI out at 0.0% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- June 2006
CPI out at +0.1% deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- July 2006
CPI out at +0.2% deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.
- August 2006
CPI out at -0.2% deviation & Core CPI out at -0.2% deviation.
GBPUSD down 45 pips in the initial 5 mins bar spike.
- September 2006
CPI out at +0.1% deviation & Core CPI out at +0.2% deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- October 2006
CPI out at +0.1% deviation.
GBPUSD up 40 pips in the initial 5 mins bar spike.
- November 2006
CPI out at 0.0% deviation.
GBPUSD down 50 pips in the initial 5 mins bar spike.

- Conclusions
The UK CPI data shows no contradictory outcome throughout 2006. An +/-0.1% deviation moves GBPUSD an average of 30 pips, and +/-0.2% moves it an average of 40 pips. So, it seems feasible to trigger off a +/-0.1% deviation with a 15-to-20 pip price target, or 25 pips if deviation is +/-0.2% or higher.

Gross Domestic Product

- January 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD up 45 pips in the initial 5 mins bar spike.
- February 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD unmoved.
- March 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD down 35 pips
- April 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD whipsawed up and down violently.
- May 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.
- June 2006
Gross Domestic Product out at +0.1% deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.
- July 2006
Gross Domestic Product out at +0.1% deviation.
GBPUSD whipsawed without a clear direction.
- August 2006
Gross Domestic Product out at 0.0% deviation.
GBPUSD unmoved.
- September 2006
Gross Domestic Product out at -0.1% deviation.
GBPUSD down 25 pips in the initial 5 mins bar spike.
- October 2006
Gross Domestic Product out at +0.1% deviation.
GBPUSD up 25 pips in the initial 5 mins bar spike.

- Conclusions
The Gross Domestic Product has given out an average of 25 pips for +/-0.1% deviation triggers throughout 2006. In July however it didn't quite show a clear-cut trade. So for a +/-0.1% deviation, I would set a 15 pip target with a 10 pip trailing stop.

Retail Sales

- January 2006
Retail Sales out at 0.0% deviation.
GBPUSD unmoved.
- February 2006
Retail Sales out at -1.1% deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- March 2006
Retail Sales out at +0.1% deviation.
GBPUSD whipsawed without a clear direction.
- April 2006
Retail Sales out at +0.4% deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike but snapped back fast.
- May 2006
Retail Sales out at +0.1% deviation.
GBPUSD up 40 pips in the initial 5 mins bar spike.
- June 2006
Retail Sales out at +0.0% deviation.
GBPUSD unmoved.
- July 2006
Retail Sales out at +0.5% deviation.
GBPUSD up 30 pips in the initial 5 mins bar spike.
- August 2006
Retail Sales out at -0.5% deviation.
GBPUSD down 30 pips in the initial 5 mins bar spike.
- September 2006
Retail Sales out at +0.2% deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.
- October 2006
Retail Sales out at -0.7% deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- November 2006
Retail Sales out at +0.7% deviation.
GBPUSD up 35 pips in the initial 5 mins bar spike.

- Conclusions
The UK Retail Sales data is a straight forward trade with no confusing market reaction showed all throughout 2006. Average GBPUSD move for anything above +/-0.2% deviation has been 35 pips. So, trigger +/-0.2% deviation for a target price of 20 pips.

Trade Balance

- January 2006
Trade Balance out at -1.1B deviation.
GBPUSD down 55 pips in the initial 5 mins bar spike.
- February 2006
Trade Balance out at -0.5B deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- March 2006
Trade Balance out at +0.1B deviation.
Industrial Production out at +0.2% deviation.
Manufacturing Production out at -0.1% deviation.
GBPUSD whipsawed in the initial 5 mins bar spike.
- April 2006
Trade Balance out at -0.7B deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- May 2006
Trade Balance out at +0.7B deviation.
GBPUSD up 50 pips in the initial 5 mins bar spike.
- June 2006
Trade Balance out at 0.0B deviation.
GBPUSD unmoved.
- July 2006
Trade Balance out at -1.2B deviation.
GBPUSD down 45 pips in the initial 5 mins bar spike.
- August 2006
Trade Balance out at -0.1B deviation.
GBPUSD down 25 pips in the initial 5 mins bar spike but snapped back fast.
- September 2006
Trade Balance out at -0.3B deviation.
PPI Input out at -1.1% deviation & PPI output out at -0.2% deviation
GBPUSD down 40 pips in the initial 5 mins bar spike.
- October 2006
Trade Balance out at -0.5B deviation.
GBPUSD down 50 pips in the initial 5 mins bar spike.
- November 2006
Trade Balance out at -0.1B deviation.
GBPUSD unmoved.

- Conclusions
The UK Trade Balance data showed an average move of 45 pips throughout 2006 every time a +/-0.5B deviation or higher was hit, which was six times this year. So, a sensible trade plan would be: trigger +/-0.5B deviation, target price 25 pips.

Industrial Production & Manufacturing Production

- January 2006
Industrial Prod out at 0.0% dev. & Manufacturing Prod out at -0.1% dev.
GBPUSD up (!) 20 pips in the initial 5 mins bar spike.
- February 2006
Industrial Prod out at 0.0% dev. & Manufacturing Prod out at +0.1% dev.
GBPUSD down 25 pips in the initial 5 mins bar spike.
- March 2006
Industrial Prod out at +0.2% dev. & Manufacturing Prod out at -0.1% dev.
Trade Balance out at +0.1B deviation.
GBPUSD whipsawed in the initial 5 mins bar spike.
- April 2006
Industrial Prod out at -0.5% dev.
Services PMI out at -1.1 deviation.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- May 2006
Industrial Prod out at +0.5% dev. & Manufacturing Prod out at +0.5% dev.
GBPUSD up 40 pips in the initial 5 mins bar spike.
- June 2006
Industrial Prod out at -0.9% dev. & Manufacturing Prod out at -0.5% dev.
GBPUSD down 35 pips in the initial 5 mins bar spike.
- July 2006
Industrial Prod out at -0.1% dev. & Manufacturing Prod out at +0.2% dev.
GBPUSD down 15 pips in the initial 5 mins bar spike but snapped back fast.
- August 2006
Industrial Prod out at -0.3% dev. & Manufacturing Prod out at -0.2% dev.
GBPUSD down 20 pips in the initial 5 mins bar spike but snapped back fast.
- September 2006
Industrial Prod out at 0.0% dev. & Manufacturing Prod out at +0.1% dev.
GBPUSD down 15 pips in the initial 5 mins bar spike.
- October 2006
Industrial Prod out at -0.1% dev. & Manufacturing Prod out at +0.2 dev.
GBPUSD unmoved.
- November 2006
Industrial Prod out at +0.1% dev. & Manufacturing Prod out at -0.1% dev.
GBPUSD unmoved.

- Conclusions
The UK Industrial Production moved GBPUSD an average of 35 pips when deviation was +/-0.5% or bigger. If the deviation is less than that, it doesn't seem worth trading it. So, trigger +/-0.5% deviation, target 20 pips.

Manufacturing Production doesn't seem to have a large impact in itself.

Producers Price Index

- January 2006
PPI Input out at +0.3% deviation. PPI Output out at 0.0% deviation
GBPUSD unmoved.
- February 2006
PPI Input out at +0.7% deviation. PPI Output out at +0.2% deviation
GBPUSD up 20 pips in the initial 5 mins bar spike.
- March 2006
PPI Input out at -0.5% deviation. PPI Output out at +0.1 deviation
GBPUSD unmoved.
- April 2006
PPI Input out at +0.3% deviation. PPI Output out at +0.1 deviation
GBPUSD unmoved.
- May 2006
PPI Input out at +1.1% deviation. PPI Output out at +0.2 deviation
GBPUSD up 35 pips in the initial 5 mins bar spike.
- June 2006
PPI Input out at -0.7% deviation. PPI Output out at +0.1% deviation
GBPUSD up (!) 20 pips in the initial 5 mins bar spike.
- July 2006
PPI Input out at -0.2% deviation. PPI Output out at -0.1% deviation
GBPUSD down 20 pips in the initial 5 mins bar spike.
- August 2006
PPI Input out at +0.1% deviation. PPI Output out at -0.1% deviation
GBPUSD whipsawed violently up and down.
- September 2006
PPI Input out at -1.1% deviation. PPI Output out at -0.2% deviation
Trade Balance out at -0.3B deviation.
GBPUSD down 40 pips in the initial 5 mins bar spike.
- October 2006
PPI Input out at -0.9% deviation. PPI Output out at -0.5% deviation
GBPUSD down 15 pips in the initial 5 mins bar spike.
- November 2006
PPI Input out at +0.6% deviation. PPI Output out at -0.2% deviation
GBPUSD unmoved

- Conclusions
The UK PPI data doesn't seem to have a large enough impact on GBPUSD,
plus it's showed some chaotic behavior. I will personally stay away from trading
this news.