

Daily Bulletin

GLOBAL MARKETS & ECONOMIES | WEEKLY ECONOMIC INDICATORS | ASIAN STOCK INDEX | CURRENCIES | PRECIOUS METAL | O I L |

Research Department

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Asian stocks held steady on Wednesday, capping a fifth consecutive month of gains as data showed China's factory activity grew at a steady clip this month, reassuring investors worried about a slowdown in the world's second-biggest economy.
- European shares posted their fourth straight month of gains on Wednesday though fresh political worries and the lack of new catalysts following a surprisingly strong earnings season spurred investors to lock in some profits in banks and commodities-related stocks.
- Major stock markets around the globe ended a solid May on a weak note on Wednesday, while the British pound fell as conflicting poll results stoked worries whether the ruling Conservatives could lose seats in next week's UK general election.

GLOBAL ECONOMIES

- The Reserve Bank of New Zealand (RBNZ) said on Wednesday risks at home and abroad to the country's financial system had receded in recent months, but it remained wary of any rise in house prices or global protectionism.
- China's industrial engine cranked up again in May, reassuring investors worried about slowing growth in the world's second-biggest economy as it grappled with debt risks and tried to shake off a stinging ratings downgrade from Moody's Investors Service.
- Japan's factory output rebounded in April from March and grew at the fastest pace in almost six years, taking production to its highest level since 2008.
- Euro zone inflation eased by more than expected in May, reflecting dips in Germany and Spain among others and supporting European Central Bank policymakers wanting only slow adjustments to rates and monetary stimulus.
- Greek retail sales by volume fell 1.0 percent in March compared to the same month a year ago after an upwardly revised 9.9 percent increase in February, statistics service ELSTAT said on Wednesday.
- The number of mortgages approved by British lenders slid to a seven-month low in April, adding to evidence that the housing market is slowing, Bank of England data showed on Wednesday.
- Contracts to buy previously owned U.S. homes fell for a second straight month in April amid a supply squeeze, but the housing market recovery remains supported by a strong labor market.

GLOBAL MARKETS

Asia – Asian stocks held steady on Wednesday, capping a fifth consecutive month of gains as data showed China's factory activity grew at a steady clip this month, reassuring investors worried about a slowdown in the world's second-biggest economy.

MSCI's broadest index of Asia-Pacific shares outside Japan was broadly flat on Wednesday as Chinese stocks ran out of steam after an early run higher. China stocks rise, but gains pared as investors weigh new trading rules. Japan's Nikkei fell 0.1 percent.

Activity in China's manufacturing sector grew at the same pace in May as in April, with a headline reading of 51.2, official data showed, in a reassuring sign the world's second-biggest economy is not losing too much steam after a solid first quarter performance.

Euro Zone – European shares posted their fourth straight month of gains on Wednesday though fresh political worries and the lack of new catalysts following a surprisingly strong earnings season spurred investors to lock in some profits in banks and commodities-related stocks.

The pan-European STOXX 600 index ended the day little changed and up 0.9 percent in May, the slimmest rise since the streak of monthly gains began in February.

Robust corporate profits, relatively cheap valuations and diminishing political risks have lured investors back into regional stocks.

However, with valuations now back above historical averages, jitters over early autumn elections in Italy and the looming election in Britain has soured sentiment.

"Markets don't like political uncertainty and anticipating it is an inevitable excuse to take profits," said JCI Capital fund manager Alessandro Balsotti. The past week has been marked by investors locking in some gains in sectors such as banks and mining and moving into safer stocks that tend to outperform during periods of uncertainty.

This was evident on Wednesday where strength in defensive, dividend-paying blue chips such as GlaxoSmithKline, Novartis and Sanofi helped

limit losses on the index as consumer, banks and commodities-related stocks were sold.

Deutsche Bank shares ended the day down more than 3.4 percent as warnings from U.S. bellwethers JPMorgan and Bank of America on revenue weakness hit European peers.

The STOXX 600 has fallen 1.4 percent from its 21-month high hit earlier in May which much of the retreat seen in the latter half of the month.

In Britain, the FTSE ended the day little changed but posted its best month of the year, helped by a weaker pound.

Italian stocks, which suffered a heavy sell-off earlier this week on growing expectations the euro zone country may hold early elections, remained under pressures and fell XXX percent dragged lower primarily by banks.

The local banking index, hit by concerns over the rescue of two regional lenders, fell 0.7 percent, and touched its lowest levels in more than a month.

Among Italian lenders, Carige fell 6.5 percent as a row over the company's management fuelled worries that its recapitalisation plans could be delayed.

On the broader market, the Basic Resources index, where major mining companies are listed, was the biggest sectoral faller, slumped 2 percent, following iron ore prices' sharpest rout of the year on fears of a supply glut.

On the flipside, Ericsson rose 4.5 percent, after activist investor Cevian Capital bought a stake of more than 5 percent, saying it saw significant potential in the Swedish firm.

Cellnex soared 4 percent after a Bloomberg report said that American Tower may bid. Cellnex said its management has had no contact with American Towers.

U.S. & Global Markets – Major stock markets around the globe ended a solid May on a weak note on Wednesday, while the British pound fell as

conflicting poll results stoked worries whether the ruling Conservatives could lose seats in next week's UK general election.

MSCI's global equity index, which tracks 45 stock markets, dipped 0.1 percent, paring its month-to-date gain to 1.8 percent. The index booked seven months of increases, which would be its longest monthly winning streak in over a decade.

The diminished appeal of stocks on Wednesday underpinned safe-haven bids for gold and low-risk U.S. and German government bonds.

Oil prices declined to a three-week low as news of a rebound in Libyan production exacerbated worries about a global oversupply despite OPEC's pact to extend output cuts last week.

Despite Wednesday's losses, hopes for an economic pickup in Europe, together with signs of stability in Japan and China and moderate U.S. growth, supported expectations for steady gains in stocks, corporate bonds and other risky assets in the near term, analysts said.

"You have some cyclical recovery in some of the major countries in Europe," said Robert Tipp, chief market strategist at PGIM Fixed Income in Newark, New Jersey. "This should be a favorable environment for risky assets."

The Dow Jones Industrial Average ended down 22.39 points, or 0.11 percent, at 21,007.08, the S&P 500 finished 1.12 points, or 0.05 percent, lower at 2,411.79 and the Nasdaq Composite closed down 4.67 points, or 0.08 percent, at 6,198.52.

For May, the Dow gained 0.3 percent; the S&P 1.2 percent and the Nasdaq 2.5 percent.

Europe's broad FTSEurofirst 300 index ended 0.1 percent lower, at 1,532.14. It gained 0.8 percent in May.

A sharp fall in euro zone inflation led investors to believe the European Central Bank will not be quite as hawkish at its policy meeting next week as had originally been expected.

Benchmark 10-year Treasury note yields were down nearly 1 basis point at 2.208 percent, a near two-week low, while 10-year German Bund yields hit 0.286 percent, the lowest in over five weeks.

(Source Reuters – @ErwinRiset - @her1en)

GLOBAL ECONOMIES

New Zealand – The Reserve Bank of New Zealand (RBNZ) said on Wednesday risks at home and abroad to the country's financial system had receded in recent months, but it remained wary of any rise in house prices or global protectionism.

While the global economic outlook had improved and domestic house price growth slowed, political uncertainty in the world remained high and the rate of housebuilding in New Zealand was insufficient to meet demand, it said in its half-yearly Financial Stability Report.

The central bank said it would soon release a consultation paper proposing the addition of restrictions on high debt to income loans into its macroprudential arsenal to combat the risk of a sharp downturn in house prices. It said it had no immediate plans to use such tools even if they became available.

"The Reserve Bank would not apply it at this stage, given that LVR (loan-to-value ratio) restrictions appear to be mitigating housing risks," the RBNZ said in its report.

"Should high house price growth return and the proportion of housing lending at high DTI (debt-to-income) ratios remains high, a DTI restriction could be warranted."

The New Zealand dollar was largely unchanged, inching down to \$0.7092 immediately after the release from near three-month highs of \$0.7097. The currency was trading around \$0.7089 by 0425 GMT.

The central bank reiterated that pockets of the dairy sector were overly-indebted, while global uncertainties remained high.

"I think there's still a great deal of uncertainty about where the U.S. might go on trade policy," RBNZ Governor Graeme Wheeler told a news conference. "But it's not just the U.S. There (are) issues around China and the debt situation. There (are) issues around North Korea, as we know, and around the Middle East, around Syria."

In March, Wheeler had said U.S. President Donald Trump's 'America First' policy was the greatest source of uncertainty for the trade-dependent economy.

China – China's industrial engine cranked up again in May, reassuring investors worried about slowing growth in the world's second-biggest economy as it grappled with debt risks and tried to shake off a stinging ratings downgrade from Moody's Investors Service.

Moody's sees an improving global outlook even as it warned of a slowdown in China later in the year as liquidity-tightening measures take effect.

The ratings agency said the biggest risks to global growth, including protectionism and European Union exits, seemed to have subsided, although an opinion poll in Britain pointed to the danger of a hung parliament in elections next week.

Moody's expects 2017 growth for China at 6.6 percent, in line with the official target of at least 6.5 percent.

China's official Purchasing Managers' Index (PMI) eased worries about a sudden slowdown after a run of weak readings of April data. The PMI was at 51.2 in May, steady from April's 51.2 and up versus forecasts of 51.0 in a Reuters poll.

"The latest official PMI readings add to broader evidence that downward pressure on growth has eased lately," said Julian Evans-Pritchard, China Economist at Capital Economics.

"Looking ahead, however, we suspect that the current stability... will prove temporary. With the regulatory crackdown on financial risks still weighing on credit growth, it will be difficult to avoid a further slowdown in the coming months."

Private surveys on factory activity for most Asian economies will be released on Thursday.

Chinese stocks, edged higher and the onshore yuan hit a four-month high against the dollar.

Activity in China's steel industry grew at the fastest pace in a year in May, supported by an increase in new orders. The steel sector PMI rose to 54.8 from 49.1 in April, climbing above the 50-point mark that separates growth from contraction.

Trade headwinds remain a risk, with U.S. President Donald Trump's administration keen to tackle what it regards as China's "unfair and illegal" sales of underpriced steel.

The steel sector helped drive China's strong first-quarter growth, but the reliance on the investment-led model has raised questions about whether it will be sustainable given official pledges to cut debt levels of nearly 300 percent of GDP.

In cutting China's sovereign rating for the first time in nearly 30 years last week, Moody's cited the contradiction between using stimulus to meet growth targets and trying to reduce debt in the economy.

The big question for investors is how far Chinese authorities will go in their attempts to curb bubble risks.

Most analysts argue that Beijing will tread carefully for fear of knocking the economy hard, though investors worry that a significant credit contraction in China will reverberate through financial markets and the global economy.

Japan – Japan's factory output rebounded in April from March and grew at the fastest pace in almost six years, taking production to its highest level since 2008.

Japan's industrial output rose 4.0 percent in April from the previous month, the strongest growth since posting a 4.2 percent gain in June 2011, although slightly shy of the median estimate in a Reuters poll for a 4.3 percent rise.

Cars and car parts, plus equipment for making flat panel displays and semiconductors, were the fastest-growing among the 11 sectors in the 15-sector index showing growth.

The seasonally-adjusted production index for April hit 103.8, the highest level since October 2008's peak at 107.4, as robust overseas demand continued to support growth.

"Output grew at a very high level in April. I think production will continue to grow as a trend," said Norio Miyagawa, senior economist at Mizuho Securities.

"The result kicked off a start to the second quarter that gives us hope for positive growth," Miyagawa added.

Overall inventories increased 1.5 percent in April from March, the fifth straight rising month, as stocks of cars and trucks rose.

The rise in inventory of cars may have been partly due to holidays in early May that delayed shipments, a Cabinet Office official said.

The official noted that production and inventories were not completely balanced, with companies starting to build larger inventories.

"I don't think inventories will continue to rise at a worrying level," said Takeshi Minami, chief economist at Norinchukin Research Institute.

Manufacturers surveyed by the ministry expect output to fall 2.5 percent in May on decreased output of transport equipment, fabricated metals, and iron and steel, but to rise 1.8 percent in June.

Japan's economy grew in the first quarter at the fastest rate in a year to mark the longest period of expansion in a decade, thanks to solid exports and a helpful boost from private consumption.

Euro Zone – Euro zone inflation eased by more than expected in May, reflecting dips in Germany and Spain among others and supporting European Central Bank policymakers wanting only slow adjustments to rates and monetary stimulus.

Inflation in the 19 countries sharing the euro slipped to 1.4 percent, its lowest level since December, from 1.9 percent year-on-year in April, statistis agency Eurostat said on Wednesday. This was slightly below expectations in a Reuters poll of 1.5 percent.

The inflation measure which excludes the volatile energy and unprocessed food prices also fell -- to 1.0 percent from 1.2 percent, in line with expectations.

The ECB, which meets next week, wants to keep inflation below, but close to 2 percent over the medium term and has been buying 60 billion euros (\$67.1 billion) worth of bonds per month to inject more cash into the economy and drive price growth closer to its target.

Reuters reported on Tuesday that ECB policymakers were set to take a more positive view of the economy when they meet on June 8 and will even discuss dropping some of their pledges to ramp up stimulus if needed.

Having fought off the threat of deflation with years of extraordinary stimulus, the debate within the ECB is shifting to the pace of normalisation, pitting doves who want incremental changes against conservatives who fear that the ECB could miss its cue, forcing more abrupt moves later.

Capital Economics European Economist Jack Allen said the May fall of inflation would not stop the ECB from changing its guidance.

Greece – Greek retail sales by volume fell 1.0 percent in March compared to the same month a year ago after an upwardly revised 9.9 percent increase in February, statistics service ELSTAT said on Wednesday.

Retail sales were led lower by foods, beverage, tobacco, lubricants, fuels, department stores and supermarkets, the data showed.

Data on gross domestic product showed Greece's economy contracted in the first three months of the year but less than in the final quarter of 2016 as jitters over the conclusion of a bailout review hurt business confidence.

The seasonally adjusted data showed a 0.1 percent decline in economic output in January-to-March compared to last year's final quarter.

UK – The number of mortgages approved by British lenders slid to a seven-month low in April, adding to evidence that the housing market is slowing, Bank of England data showed on Wednesday.

Banks and building societies approved 64,645 mortgages last month, slipping from a downwardly revised 66,043 in March and well below average forecasts in a Reuters poll of economists.

With Britons just over a week away from voting in a national election, the BoE figures added to signs that they are reining in spending the face of higher inflation since last year's Brexit vote.

Net mortgage lending slowed to its weakest in a year and unsecured lending to consumers also grew by a smaller amount than in March, the BoE said.

Britain's housing market has slowed markedly - especially in London - since last June's vote to leave the European Union, although to date there have not been widespread falls in house prices that some commentators had predicted.

The BoE said net mortgage lending, which lags approvals, rose by 2.731 billion pounds in April, short of the poll consensus for an increase of 2.95 billion pounds. That was the smallest rise in a year.

Borrowing by consumers also slowed. Consumer credit in April rose by 1.525 billion pounds, in line with the poll forecast and down from an increase of 1.613 billion pounds in March.

Spending by households helped Britain's economy to grow strongly last year, despite the shock of the vote in June to leave the European Union.

But there have been growing signs of caution among consumers since the start of 2017, although concerns about the slowdown of the economy are not a major theme in campaigning for next week's national election. Prime Minister Theresa May wants to strengthen her hand in Britain's talks to leave the EU.

A survey published earlier on Wednesday showed British consumers were slightly more upbeat about their finances over the next 12 months while they remained gloomy about the economy.

The annual growth rate in consumer borrowing was little changed at 10.3 percent, marginally higher than in March and not far off its 11-year peak of 10.9 percent seen in November 2016.

Net credit card borrowing hit a more than one-year high of 606 million pounds, up from 517 million in March.

The BoE expects economic growth to slow in 2017 as rising inflation, triggered by the post-Brexit vote fall in the value of the pound, eats into the spending power of consumers.

The BoE also said foreign investors were net buyers of British government bonds. Net purchases totalled 1.947 billion pounds in April, the highest amount since November 2016, and up from purchases of 218 million the previous month.

U.S. – Contracts to buy previously owned U.S. homes fell for a second straight month in April amid a supply squeeze, but the housing market recovery remains supported by a strong labor market.

The National Association of Realtors said on Wednesday its Pending Home Sales Index, based on contracts signed last month, dropped 1.3 percent to 109.8.

Economists had forecast pending home sales rising 0.5 percent last month. Pending home sales fell 3.3 percent from a year ago. That is the first year-on-year drop since last December and the largest since June 2014.

"Much of the country for the second straight month saw a pullback in pending sales as the rate of new listings continues to lag the quicker pace of homes coming off the market," said NAR chief economist Lawrence Yun. "Realtors are indicating that foot traffic is higher than a year ago."

Pending home contracts become sales after a month or two, and last month's fall suggested a further decline in home resales after they dropped 2.3 percent in April.

Demand for housing is being driven by a tight labor market, marked by a 4.4 percent unemployment rate, which is generating wage increases and boosting employment opportunities for young Americans.

Sales activity, however, remains constrained by tight inventories, which are driving up home prices. Housing inventory has dropped for 23 straight months on a year-on-year basis.

Pending home sales fell in the Northeast, Midwest and South last month, but surged 5.8 percent in the West.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/29-May-17	08:15	US	Fed's Williams Speaks in Singapore					
	15:00	EZ	M3 Money Supply YoY	Apr	4.9%	5.2%	5.3%	
	20:00	EZ	Draghi Speaks at European Parliament Economic Committee					
	All Day	CN	Bank Holiday/Dragon Boat Festival					
	All Day	DE	UK Bank Holiday					
	All Day	GB	Bank Holiday/Spring Bank Holiday					
All Day	US	Bank Holiday/Memorial Day						
Tue/30-May-17	05:45	NZ	Building Permits MoM	Apr	-7.6%	--	-1.8%	-1.2%
	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	May-28		--	110.5	
	06:30	JP	Jobless Rate	Apr	2.8%	2.8%	2.8%	
	06:30	JP	Job-To-Applicant Ratio	Apr	1.48	1.46	1.45	
	06:30	JP	Overall Household Spending YoY	Apr	-1.4%	-0.7%	-1.3%	
	06:50	JP	Retail Sales MoM	Apr	1.4%	0.1%	0.2%	
	08:30	AU	Building Approvals MoM	Apr	4.4%	3.0%	-13.4%	-10.3%
	08:30	AU	Building Approvals YoY	Apr	-17.2%	-18.1%	-19.9%	
	14:00	CH	KOF Leading Indicator	May	101.6	--	106	106.3
	16:00	EZ	Economic Confidence	May	109.2	110.0	109.6	109.7
	16:00	EZ	Business Climate Indicator	May	0.90	1.11	1.09	1.10
	16:00	EZ	Industrial Confidence	May	2.8	3.2	2.6	
	16:00	EZ	Services Confidence	May	13.0	14.2	14.2	
	16:00	EZ	Consumer Confidence	May F	-3.3	-3.3	-3.3	-3.6
	19:00	DE	CPI MoM	May P	-0.2%	-0.1%	0.0%	
	19:00	DE	CPI YoY	May P	1.5%	1.6%	2.0%	
	19:00	DE	CPI EU Harmonized MoM	May P	-0.2%	-0.1%	0.0%	
	19:00	DE	CPI EU Harmonized YoY	May P	1.4%	1.6%	2.0%	
	19:30	CA	Current Account Balance	1Q	-\$14.05b	-\$12.00b	-\$10.73b	-\$11.78b
	19:30	US	Personal Income	Apr	0.4%	0.4%	0.2%	
	19:30	US	Personal Spending	Apr	0.4%	0.4%	0.0%	0.3%
19:30	US	Real Personal Spending	Apr	0.2%	0.2%	0.3%	0.5%	

	19:30	US	PCE Deflator MoM	Apr	0.2%	0.2%	-0.2%	
	19:30	US	PCE Deflator YoY	Apr	1.7%	1.7%	1.8%	1.9%
	19:30	US	PCE Core MoM	Apr	0.2%	0.1%	-0.1%	
	19:30	US	PCE Core YoY	Apr	1.5%	1.5%	1.6%	
	21:00	US	Consumer Confidence	May	117.9	119.5	120.3	119.4
	21:30	US	Dallas Fed Manf. Activity	May	17.2	15	16.8	
	All Day	CN	Bank Holiday/Dragon Boat Festival					
Wed/31-May-17	04:00	KR	Business Survey Manufacturing	Jun	-	--	84	
	04:00	KR	Business Survey Non-Manufacturing	Jun	-	--	78	
	06:00	KR	Industrial Production SA MoM	Apr	-2.2%	0.8%	1.0%	1.2%
	06:00	KR	Industrial Production YoY	Apr	1.7%	5.0%	3.0%	3.3%
	06:01	GB	GfK Consumer Confidence	May	-5	-8	-7	
	06:50	JP	Industrial Production MoM	Apr P	4.0%	4.2%	-1.9%	
	06:50	JP	Industrial Production YoY	Apr P	5.7%	6.1%	3.5%	
	08:00	CN	Manufacturing PMI	May	51.2	51	51.2	
	08:00	CN	Non-manufacturing PMI	May	54.5	--	54	
	08:00	NZ	ANZ Activity Outlook	May	38.3	--	37.7	
	08:00	NZ	ANZ Business Confidence	May	14.9	--	11	
	14:55	DE	Unemployment Change (000's)	May	-9k	-15k	-15k	
	14:55	DE	Unemployment Claims Rate SA	May	5.7%	5.8%	5.8%	
	16:00	EZ	Unemployment Rate	Apr	9.3%	9.4%	9.5%	9.4%
	16:00	EZ	CPI Estimate YoY	May	1.4%	1.5%	1.9%	
	16:00	EZ	CPI Core YoY	May A	1.0%	1.0%	1.2%	
	19:00	US	Fed's Kaplan Speaks in New York					
	19:30	CA	Quarterly GDP Annualized	1Q	3.7%	3.9%	2.6%	2.7%
	19:30	CA	GDP MoM	Mar	0.5%	0.2%	0.0%	
	19:30	CA	GDP YoY	Mar	3.2%	2.9%	2.5%	2.4%
	19:30	DE	Merkel, Lautenschlaeger Address German Credit-Union Conference					
	21:00	US	Pending Home Sales MoM	Apr	-1.3%	0.5%	-0.8%	-0.9%
	21:00	US	Pending Home Sales NSA YoY	Apr	-5.4%	--	0.5%	
Thu/01-Jun-17	01:00	US	U.S. Federal Reserve Releases Beige Book					
	05:45	NZ	Terms of Trade Index QoQ	1Q	5.1%	3.9%	5.7%	
	06:00	KR	CPI MoM	May		0.2%	-0.1%	
	06:00	KR	CPI YoY	May		2.0%	1.9%	
	06:00	KR	CPI Core YoY	May		1.4%	1.3%	
	06:30	AU	AiG Perf of Mfg Index	May		--	59.2	
	07:00	KR	Exports YoY	May		16.5%	24.2%	
	07:00	KR	Imports YoY	May		14.0%	16.6%	
	07:00	KR	Trade Balance	May		\$7180m	\$13300m	
	07:10	US	Fed's Williams Speaks in Seoul					
	07:30	JP	Nikkei Japan PMI Mfg	May F		--	52	
	07:30	KR	Nikkei South Korea PMI Mfg	May		--	49.4	
	08:30	AU	Private Capital Expenditure	1Q		0.8%	-2.1%	
	08:30	AU	Retail Sales MoM	Apr		0.3%	-0.1%	
	08:30	JP	BOJ Harada speaks in Gifu					
	08:45	CN	Caixin China PMI Mfg	May		50.1	50.3	
	12:45	CH	GDP QoQ	1Q		--	0.1%	
	12:45	CH	GDP YoY	1Q		--	0.6%	
	14:15	EZ	ECB's Villeroy Speaks at Brussels Economic Forum in Brussels					
	N/A	EZ	China's Li Meets With EU's Tusk, Juncker in Brussels					
	N/A	EZ	EU-China Summit in Brussels June 1-2					
	14:15	CH	Retail Sales Real YoY	Apr		--	2.1%	
	14:30	CH	PMI Manufacturing	May		--	57.4	
	14:55	DE	Markit/BME Germany Manufacturing PMI	May F		59.4	59.4	
	15:00	EZ	Markit Eurozone Manufacturing PMI	May F		57	57	
	15:30	HK	Retail Sales Value YoY	Apr		2.8%	3.1%	
	15:30	HK	Retail Sales Volume YoY	Apr		2.5%	2.7%	

	15:30	GB	Markit UK PMI Manufacturing SA	May		56.1	57.3	
	16:00	EZ	EU's Dombrovskis Speaks at Brussels Economic Forum					
	16:00	EZ	ECB's Hakkaraïnen, Costa, EBA's Enria Speak in Lisbon					
	19:00	EZ	EU's Moscovici Speaks at Brussels Economic Forum in Brussels					
	19:00	EZ	Italy's Padoaon on Panel at Brussels Economic Forum in Brussels					
	19:00	US	Fed's Powell Speaks on Normalization of Monetary Policy					
	19:15	US	ADP Employment Change	May		185k	177k	
	19:30	US	Initial Jobless Claims	w/e		239k	234k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		--	235.25k	
	19:30	US	Continuing Jobless Claims	w/e		1.920m	1.923m	
	20:30	CA	Markit Canada Manufacturing PMI	May		--	55.9	
	20:45	US	Markit US Manufacturing PMI	May F		--	52.5	
	21:00	US	ISM Manufacturing	May		54.5	54.8	
	21:00	US	ISM Prices Paid	May		66.4	68.5	
	21:00	US	ISM New Orders	May		--	57.5	
	21:00	US	ISM Employment	May		--	52	
	21:00	US	Construction Spending MoM	Apr		0.5%	-0.2%	
	22:00	US	EIA Weekly Crude Stocks	w/e		-2.830m	-4.432m	
	22:00	US	EIA Weekly Dist. Stocks	w/e		-0.785m	-0.485m	
	22:00	US	EIA Weekly Gasoline Stocks	w/e		-0.970m	-0.787m	
Fri/02-Jun-17	06:00	KR	GDP SA QoQ	1Q F		0.9%	0.9%	
	06:00	KR	GDP YoY	1Q F		2.7%	2.7%	
	06:50	JP	Monetary Base YoY	May		--	19.8%	
	06:50	JP	Monetary Base End of period	May		--	¥462.2t	
	08:00	AU	HIA New Home Sales MoM	Apr		--	-1.1%	
	12:00	JP	Consumer Confidence Index	May		43.5	43.2	
	N/A	GB	United Kingdom Sovereign Debt to be rated by Moody's					
	15:30	GB	Markit/CIPS UK Construction PMI	May		52.7	53.1	
	16:00	EZ	PPI MoM	Apr		0.2%	-0.3%	
	16:00	EZ	PPI YoY	Apr		4.5%	3.9%	
	19:30	CA	Labor Productivity QoQ	1Q		--	0.4%	
	19:30	US	Change in Nonfarm Payrolls	May		185k	211k	
	19:30	US	Trade Balance	Apr		-\$46.1b	-\$43.7b	
	19:30	US	Two-Month Payroll Net Revision	May		--	-6k	
	19:30	US	Change in Private Payrolls	May		173k	194k	
	19:30	US	Change in Manufact. Payrolls	May		5k	6k	
	19:30	US	Unemployment Rate	May		4.4%	4.4%	
	19:30	US	Average Hourly Earnings MoM	May		0.2%	0.3%	
	19:30	US	Average Hourly Earnings YoY	May		2.7%	2.5%	
	19:30	US	Average Weekly Hours All Employees	May		34.4	34.4	
	19:30	US	Labor Force Participation Rate	May		--	62.9%	
	19:30	US	Underemployment Rate	May		--	8.6%	
Sat/03-Jun-17	00:00	US	Baker Hughes U.S. Rig Count	Jun-02		--	--	

(Source: Reuters-FXstreet-DailyFX- Tradingeconomics-forexfactory, Research: @LukmanLoeng,@her1en,@ErwinRiset)

ASIAN STOCK INDICATORS – Daily Outlook

Japanese stocks slipped on Wednesday after weakness in U.S. shares and a stronger yen hurt sentiment, while sliding oil prices dragged down the mining sector.

The Nikkei share average fell 0.1 percent to 19,650.57 points.

Overall market sentiment was sour after the sterling stumbled as a new poll found British Prime Minister Theresa May's Conservative Party risks falling short of an overall majority in next month's national election.

The vote in Britain, political uncertainties in Italy and doubts over debt relief for Greece have enhanced the yen's safe haven appeal, putting a drag on Japanese exporters' revenues.

The broader Topix shed 0.3 percent to 1,568.37.

South Korean shares rebounded slightly on Wednesday to post the biggest monthly gains in more than five years on strong expectations for upbeat earnings in the second quarter and amid an optimistic growth outlook for the local economy.

The Korea Composite Stock Price Index (KOSPI) closed 0.2 percent higher at 2,347.38, with the index gaining 6.4 percent in May, the biggest monthly percentage gain since January, 2012.

The South Korean won strengthened later in the session as investment sentiment was supported by better-than-expected Chinese PMI data.

The won was quoted at 1,119.5 to the dollar at the conclusion of onshore trade, up 0.5 percent versus Tuesday's close of 1,125.1. The currency also posted monthly gains of 1.6 percent against the greenback, the biggest in three months.

Hong Kong stocks ended Wednesday roughly flat, capping a fifth month of gains as steady inflows of Chinese money helped push the main share index to its highest in nearly 23 months.

Sentiment on Wednesday was underpinned by a survey showing China's manufacturing sector expanded at a solid pace in May, easing concerns of a renewed economic slowdown.

Both the Hang Seng index and the China Enterprises Index fell 0.2 percent, to 25,660.65 and 10,602.97 points, respectively.

For the month, the Hang Seng was up 4.2 percent, while the HSCE gained 3.7 percent.

China's official manufacturing Purchasing Managers' Index (PMI) was at 51.2 in May, unchanged from April, suggesting the authorities were having some success in stabilising the broader economy without risking a sharper slowdown in growth as they try to defuse bubble risks from years of credit-fuelled stimulus.

Sector performance was mixed.

Consumer goods shares rose but IT and raw material stocks dropped.

China stocks ended higher on Wednesday, but the bulk of early gains were erased as investors sought to weigh the impact of new trading rules on bulk selling.

The blue-chip CSI300 index closed up 0.4 percent, at 3,492.88 points, while the Shanghai Composite Index added 0.2 percent to 3,117.18 points.

During May, the SSEC lost 1.2 percent, its third straight monthly loss, while the CSI300 gained 1.6 percent.

Both main indexes jumped in early morning trade, as investors cheered government rules to restrict "intensive" and "viscous" selling by shareholders, but the initial euphoria quickly evaporated as investors contemplated the rules' side effects.

Regulators' intention is to prevent massive selling of shares and to stabilize the market. But for shareholders with no intention to sell, the rules "would prod them to sell sooner, for fear sales restrictions would only become tougher in future," said Wang Yu, strategist at Pacific Securities.

Echoing that view, UBS strategist Gao Ting wrote:

"The new regulations could be easily interpreted as stabilizing the market in the short term ... However, we don't think this is a decisive factor that could determine medium-range movements in the stock market."

A Reuters poll also found Chinese fund managers kept their suggested equity exposure for the next three months unchanged from the previous month, reflecting widespread caution amid tighter regulations and liquidity conditions.

For the day, sentiment was somewhat lifted by an official survey showing China's manufacturing sector grew faster than expected in May.

(Source Reuters, Research: @ErwinRiset)

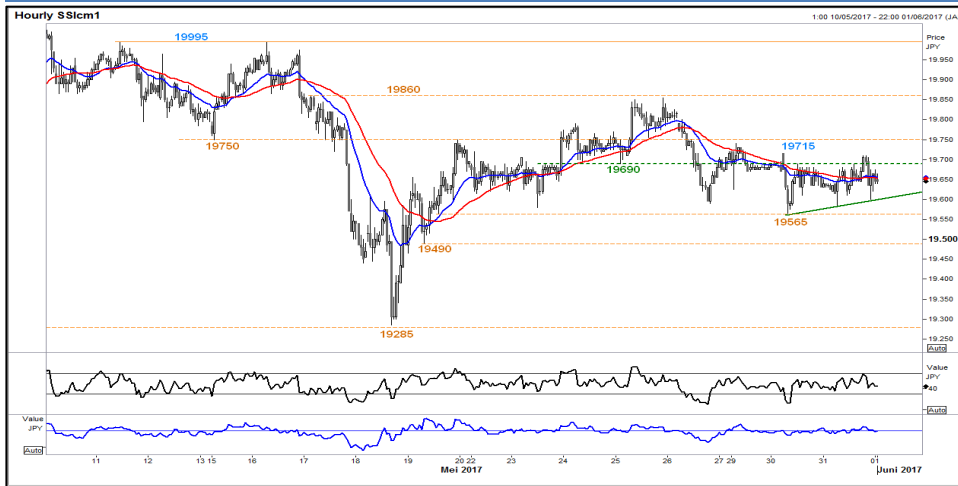
ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	309.32 (29/May/2017)	31958.41 (30/Oct/07)	21169.11 (01/Mar/2017)	2400.98 (01/Mar/2017)	6124.04400 (16/Oct/07)
2016 HIGH	19592.90 (21/Dec/16)	264.42 (21/Dec/16)	24364.00 (09/Sep/16)	19987.63 (20/Dec/16)	2277.53 (13/Dec/16)	3538.68940 (04/Jan/16)
2017 HIGH	19998.49 (16/May/2017)	309.32 (29/May/2017)	25817.95 (31/May/2017)	21169.11 (01/Mar/2017)	2418.71 (26/May/2017)	3295.18700 (07/Apr/2017)
2017 LOW	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
2016 LOW	14864.01 (24/Jun/16)	222.92 (20/Jan/16)	18278.80 (12/Feb/16)	15450.56 (20/Jan/16)	1810.10 (11/Feb/16)	2638.30160 (27/Jan/16)
RECORD LOW	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov/82)	325.92200 (29/Jul/94)

Closing Prices – 31 May 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21008.65	↓ 20.82/ 0.10%	.N225	19650.57	↓ 27.28/0.14%
/.SPX	2411.80	↓ 1.11/ 0.05%	.KS200	304.67	↑ 0.08/0.03%
/.IXIC	6198.517	↓ 4.672/ 0.08%	.HSI	25660.65	↓ 40.98/0.16%
JPY=	110.75	↓ 0.07/ 0.06%	/.SSEC	3117.48050	↑ 7.42180/0.24%
KRW=	1118.65	↓ 4.84/ 0.43%	/Clc1 (Oil)	48.63	↓ 1.03/2.07%

SSIamM7 (Nikkei Jun Futures) – Last Trading Date: 12 June 2017



- Area of 19600 is still effective to withstand the pressure
 - Horizontal support at 19565 became an important support at the moment
 - Short-term resistance at 19715 - 19750
- [\(Research – @ErwinRiset\)](#)

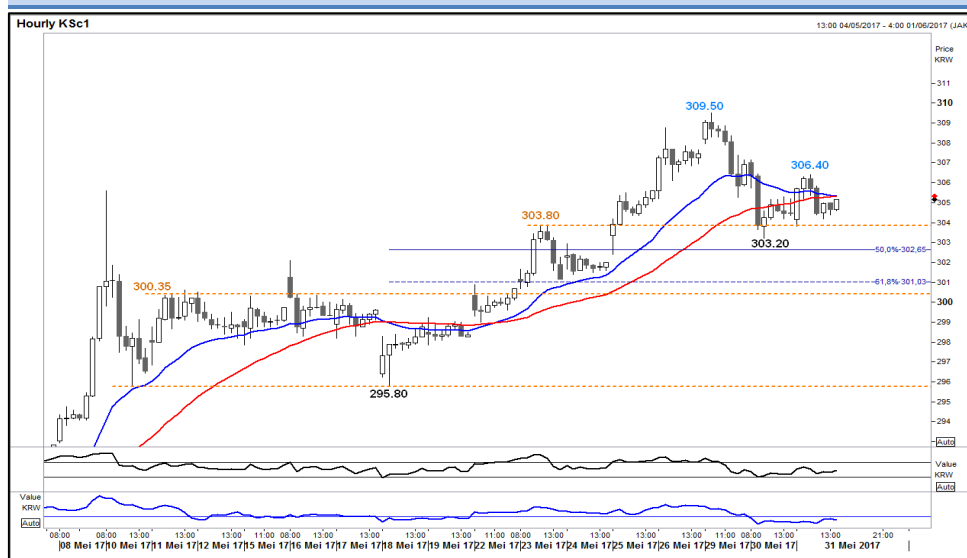
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 May SSIpmM7	19670	19710	19600	110	19680	---	↑ 15	0.08	26883
31 May SSIamM7	19640	19680	19585	95	19665	19665	UNCH	UNCH	36299
30 May SSIpmM7	19650	19680	19610	70	19635	---	↓ 30	0.15	17842
30 May SSIamM7	19715	19715	19565	150	19665	19665	↓ 25	0.13	37602
29 May SSIpmM7	19675	19695	19670	25	19690	---	UNCH	UNCH	3972
29 May SSIamM7	19720	19740	19625	115	19690	19690	↓ 15	0.08	28133
26 May SSIpmM7	19680	19720	19590	130	19715	---	↑ 10	0.05	22066
26 May SSIamM7	19775	19800	19680	120	19705	19705	↓ 110	0.56	35358
25 May SSIpmM7	19805	19855	19755	100	19815	---	UNCH	UNCH	25044
25 May SSIamM7	19710	19850	19710	140	19815	19815	↑ 85	0.43	39866

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19740	19565	20030	19165	19325	18190	20030	18190
(29/May)	(30/May)	(09/May)	(01/May)	(26/Apr)	(17/Apr)	(09/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	19995	Horizontal resistance
	19860	Reaction high (hourly)
	19800	Reaction high (hourly)
	19715	Reaction high (hourly)
SUPPORT	19565	Horizontal support (hourly)
	19490	Reaction low (hourly)
	19280	Reaction low (hourly)
	19160	Horizontal support (hourly)
RECOMMENDATION	BUY	19610
	SELL	----
	STOP LOSS	19530
	TARGET	19750 19815

KSM7 (Kospi Jun Futures) – Exp. Date: 08 June 2017



- The pivot line area at 303.80 is still effective to reduce pressure
 - Crucial support at 303.20
 - Short-term resistance at 306.40
- [\(Research – @ErwinRiset\)](#)

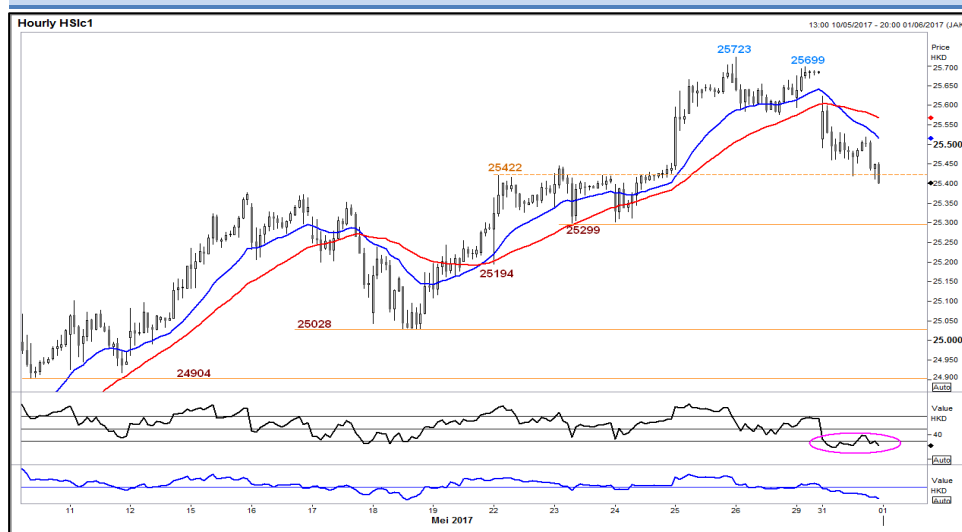
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 May	304.15	306.40	303.80	2.60	305.15	305.15	↑ 0.70	0.23	198417
30 May	307.00	307.15	303.20	3.95	304.45	304.45	↓ 2.45	0.80	238132
29 May	308.20	309.50	305.25	4.25	306.90	306.90	↓ 0.55	0.18	229693
26 May	305.60	308.75	305.20	3.55	307.45	307.45	↑ 1.85	0.61	264607
25 May	303.35	305.60	302.40	3.20	305.45	305.60	↑ 3.60	1.19	227780
24 May	302.25	302.95	301.40	1.55	302.00	302.00	↑ 0.85	0.28	140933

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
309.50 (29/May)	303.20 (30/May)	309.50 (29/May)	288.65 (02/May)	288.90 (28/Apr)	275.45 (11/Apr)	309.50 (29/May)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	310.88	50% Fib. Projection (Daily)
	309.50	High 29/May/2017
	307.15	High 30/May/2017
	306.40	Reaction high (hourly)
SUPPORT	303.20	Reaction low (hourly)
	301.15	Reaction low (hourly)
	299.00	Reaction low (hourly)
	295.80	Low 18/May/2017
RECOMMENDATION	BUY	304.35
	SELL	----
	STOP LOSS	303.00
	TARGET	306.50 307.55

HSIM7 (Hang Seng June Futures) – Exp. Date: 29 June 2017



- Reversal develops after failing to hold above the area of 25700
 - Correction is currently facing the support area at 25299 after breakout of the pivot line area at 25422
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 May (HSIM7)	25515	25623	25460	163	25481	25481	↓ 6	0.02	79419
30 May (HSIM7)		H	O	L	I	D	A	Y	
29 May (HSIM7)	25410	25555	25377	178	25487	25483	↑ 65	0.26	71261
26 May (HSIM7)	25455	25521	25385	136	25422	-	↓ 6	0.02	71777
26 May	25669	25723	25585	138	25625	25625	↓ 8	0.03	105608
25 May	25446	25666	25436	230	25632	25633	↑ 212	0.83	172666
24 May	25378	25422	25303	119	25420	25420	↑ 18	0.07	135487

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25623	25377	25723	24220	24646	23706	25723	21863
(31/May)	(29/May)	(26/May)	(05/May)	(26/Apr)	(19/Apr)	(26/May)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	26723	High 03/Jul/2015 (Weekly)
	26358	High 10/Jul/2015 (Weekly)
	25723	High 26/May/2017
	25519	Reaction high (hourly)
SUPPORT	25299	Reaction low (hourly)
	25194	Reaction low (hourly)
	25028	Reaction low (hourly)
	24991	Reaction low (hourly)
RECOMMENDATION	BUY	----
	SELL	25460
	STOP LOSS	25550
	TARGET	25280 25195

CURRENCIES – *Daily Outlook*

Dollar wobbles on U.S. political tension, eyes jobs data - Reuters News



The dollar fell broadly on Wednesday, sliding to two-week lows against the yen and a more than one-week trough versus the euro amid growing political tension in Washington.

The greenback in May posted its worst monthly performance against the euro in more than a year, even as the European Central Bank committed to keep its stimulus plan in the region.

Against a basket of major currencies, the dollar ended the month with its largest monthly percentage loss since January.

"The dollar remains pressured by the mounting dysfunction in Washington that has all but eliminated hopes for a bold fiscal stimulus package from the Trump administration," said Omer Esiner, chief market analyst at Commonwealth Foreign Exchange in Washington.

President Donald Trump's administration has been the focus of independent investigations by the Federal Bureau of Investigation and several congressional panels over alleged Russian meddling in the 2016 presidential election and potential collusion by the Trump campaign.

U.S. economic data, meanwhile, was mixed on Wednesday.

Pending home sales fell for a second straight month in April, hindered by a lack of supply, while an index of U.S. Midwest manufacturing activity rose in May.

These reports though have little bearing on expectations for next month's expected tightening by the Federal Reserve, although the number of hikes this year is still up for debate.

Currently, futures markets have priced in an 86 percent chance the Fed will raise rates by 25 basis points in June, but much could change depending on economic data in the run-up to that meeting, most notably Friday's jobs report.

A Reuters poll showed Wall Street economists forecasting 185,000 new jobs in May.

Britain's pound, meanwhile, recovered on Wednesday after a poll showed the country's ruling Conservative party still in the lead, overriding a previous projection of a hung parliament in elections next week.

In late trade, the dollar was down 0.1 percent at 110.67 yen after earlier falling to two-week lows.

The euro was up 0.5 percent at \$1.1236, while the dollar index fell 0.3 percent to 96.99.

"Euro/dollar has now formed a strongly bullish technical trend that spans the past two months," said James Chen, head of research at Forex.com in Bedminster, New Jersey.

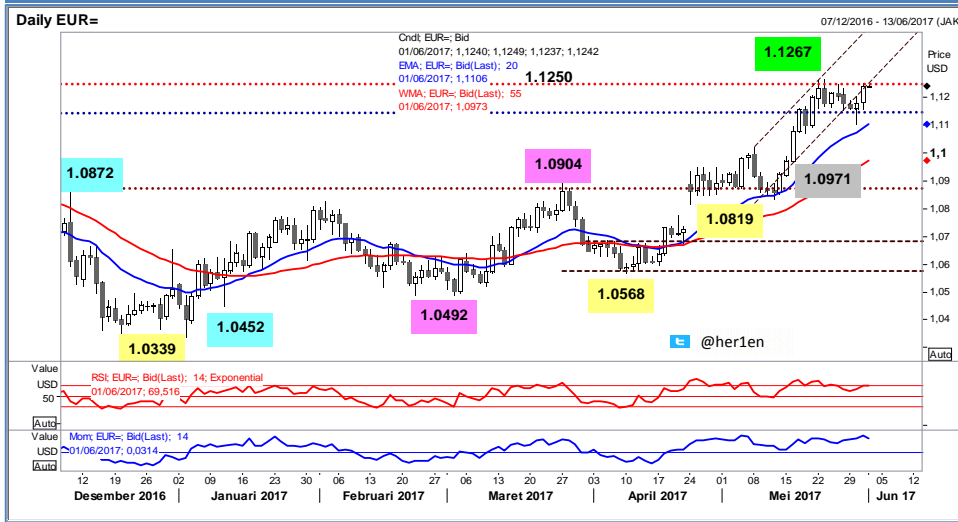
Sterling was up 0.2 percent at \$1.2883.

In China, the yuan surged to a more than six-month high against the dollar on views the Chinese central bank is now less inclined to markedly weaken its currency against the greenback.

(Source Reuters, Research – @her1en)

EUR/USD

Interest Rate: 0.00% (EU)/ 0.75%-1.00% (US)



- Daily RSI rises
- With the resistance at 1.1430
- Important support at the 1.0970 level ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	1.11779	1.12510	1.11633	87,7	1.12445	↑ 60,6	1.11839
May 30	1.11377	1.12042	1.11084	95,8	1.11839	↑ 9,5	1.11744
May 29	1.11817	1.11887	1.11607	28,0	1.11744	↓ 1	1.11745
May 26	1.12071	1.12335	1.11594	74,1	1.11745	↓ 34,0	1.12085
May 25	1.12125	1.12490	1.11927	56,3	1.12085	↓ 8,5	1.12170

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.12510 (31/May)	1.11084 (30/May)	1.12671 (23/May)	1.08379 (11/May)	1.0950 (25/Apr)	1.0571 (10/Apr)	1.12671 (23/May)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1528	High May 04, 2016
	1.1432	High June 24, 2016
	1.1365	Reaction high on 1-H chart
	1.1299	High 09/Nov/2016
SUPPORT	1.1163	Low May 31
	1.1094	Low May 19
	1.0971	Low May 16
	1.0920	Low May 15
RECOMMENDATION	BUY	1.1220
	SELL	-----
	STOP LOSS	1.1150
	TARGET	1.1300 1.1330

USD/JPY

Interest Rate: 0.75%-1.00% (US)/-0.1% (JP)



- Correction continues though quite limited, facing the support level at 110.21
- Watch the crucial level at 110.84
- Short-term resistance at 111.23 - 111.46

[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	110.839	111.215	110.471	74,4	110.738	↓ 9,0	110.828
May 30	111.217	111.278	110.653	62,5	110.828	↓ 45,9	111.287
May 29	111.202	111.456	111.188	26,8	111.287	↑ 10,8	111.179
May 26	111.807	111.835	110.867	96,8	111.179	↓ 62,9	111.808
May 25	111.553	111.939	111.500	43,9	111.808	↑ 32,7	111.481

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
111.456 (29/May)	110.471 (31/May)	114.356 (10/May)	110.471 (31/May)	111.77 (26/Apr)	108.14 (17/Apr)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	113.85	Reaction high (hourly)
	113.12	High 17/May/2017
	112.56	Reaction high (hourly)
	111.46	Reaction high (hourly)
SUPPORT	110.21	Low 18/May/2017 (Reaction low)
	109.57	Low 25/Apr/2017 (Reaction low)
	108.69	Low 20/Apr/2017
	108.11	Low 17/Apr/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	110.95
	STOP LOSS	111.65
	TARGET	110.15 109.80

GBP/USD

Interest Rate: 0.25% (GB)/ 0.75%-1.00% (US)



- Moves quite volatile, with the support area at 1.2758 is still intact
- Rebound faces trendline resistance around 1.2950
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	1.27970	1.29199	1.27678	152,1	1.28861	↑ 31,0	1.28551
May 30	1.28227	1.28872	1.27928	94,4	1.28551	↑ 18,6	1.28365
May 29	1.28154	1.28490	1.28099	39,1	1.28365	↑ 26,1	1.28104
May 26	1.29344	1.29400	1.27741	165,9	1.28104	↓ 122,7	1.29331
May 25	1.29689	1.30137	1.29305	83,2	1.29331	↓ 28,1	1.29612

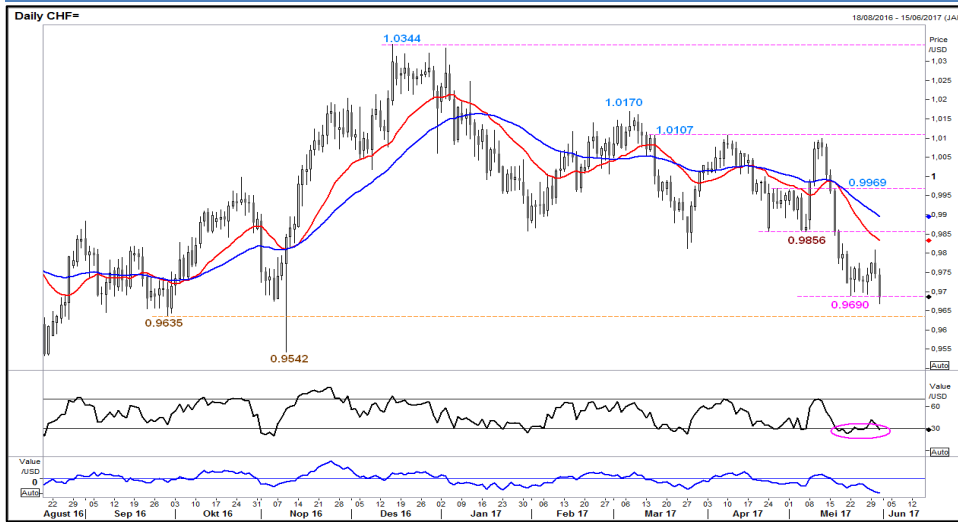
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.29199 (31/May)	1.27678 (31/May)	1.30466 (18/May)	1.27678 (31/May)	1.2965 (28/Apr)	1.2367 (10/Apr)	1.30466 (18/May)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3278	High 15/Sep/2016 (Reaction high)
	1.3120	High 22/Sep/2016
	1.3058	High 29/Sep/2016
	1.2947	High 26/Sep/2016
SUPPORT	1.2758	Low 21/Apr/2017 (Reaction low)
	1.2586	SMA200
	1.2513	Low 18/Apr/2017 (Reaction low)
	1.2477	Low 12/Apr/2017
RECOMMENDATION	BUY	1.2825
	SELL	----
	STOP LOSS	1.2745
	TARGET	1.2920 1.2960

USD/CHF

Interest Rate: 0.75%-1.00% (US)/-1.25 to -0.25% (CH)



- Correction continues to breakout the support level at 0.9690
- Correction is facing crucial support at 0.9635, with strong support at 0.9542
- Beware of RSI is entering oversold zone
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	0.97509	0.97601	0.96683	91,8	0.96737	↓ 67,2	0.97409
May 30	0.97850	0.98067	0.97361	70,6	0.97409	↓ 19,1	0.97600
May 29	0.97431	0.97666	0.97304	36,2	0.97600	↑ 14,9	0.97451
May 26	0.97273	0.97599	0.96951	64,8	0.97451	↑ 32,5	0.97126
May 25	0.97346	0.97378	0.96992	38,6	0.97126	↓ 12,9	0.97255

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.98067 (30/May)	0.96683 (31/May)	1.00987 (11/May)	0.96683 (31/May)	1.0107 (10/Apr)	0.9863 (24/Apr)	1.0335 (03/Jan)	0.96683 (31/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0107	High 14/Mar/2017 (horizontal resistance)
	0.9969	Pivot line
	0.9861	High 17/May/2017
	0.9808	High 30/May/2017
SUPPORT	0.9635	Pivot line
	0.9542	Low 09/Nov/2016 (Bottom)
	0.9532	Low 18/Aug/2016 (Bottom)
	0.9473	Low 15/Oct/2015 (Bottom)
RECOMMENDATION	BUY	----
	SELL	0.9725
	STOP LOSS	0.9815
	TARGET	0.9655 0.9605

AUD/USD

Interest Rate: 1.5% (AU)/ 0.75%-1.00% (US)



- Daily RSI down
 - Upperline around 0.7610, while lowerline at 0.7300
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	0.74606	0.74745	0.74236	50,9	0.74280	↓ 34,5	0.74625
May 30	0.74382	0.74681	0.74150	53,1	0.74625	↑ 20,6	0.74419
May 29	0.74400	0.74491	0.74259	23,2	0.74419	↓ 5,5	0.74474
May 26	0.74537	0.74600	0.74209	39,1	0.74474	↓ 5,4	0.74528
May 25	0.74987	0.75147	0.74496	65,1	0.74528	↓ 49,7	0.75025

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.74745 (31/May)	0.74150 (30/May)	0.75549 (02/May)	0.73277 (09/May)	0.7641 (03/Apr)	0.7441 (27/Apr)	0.7749 (21/Mar)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7610	High 17/Apr/2017 (Reaction high)
	0.7591	High 24/Apr/2017 (Reaction high)
	0.7555	High 02/May/2017 (Reaction high)
	0.7517	High May 23
SUPPORT	0.7403	Low May 19
	0.7326	Low 09/May/2017
	0.7284	Low 06/Jan/2017
	0.7206	Low 04/Jan/2017
ECOMMENDATION	BUY	0.7420
	SELL	-----
	STOP LOSS	0.7355
	TARGET	0.7490 0.7520

NZD/USD

Interest Rate: 2.00% (NZ)/ 0.75%-1.00% (US)



- RSI enters the overbought area
 - Strong support at 0.6870
 - Important resistance at 0.7150
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	0.70948	0.71209	0.70762	44,7	0.70812	↓ 12,5	0.70937
May 30	0.70498	0.71005	0.70340	66,5	0.70937	↑ 40,6	0.70531
May 29	0.70562	0.70873	0.70368	50,5	0.70531	↓ 17,2	0.70703
May 26	0.70155	0.70757	0.70057	70,0	0.70703	↑ 53,0	0.70173
May 25	0.70420	0.70536	0.70151	38,5	0.70173	↓ 28,3	0.70456

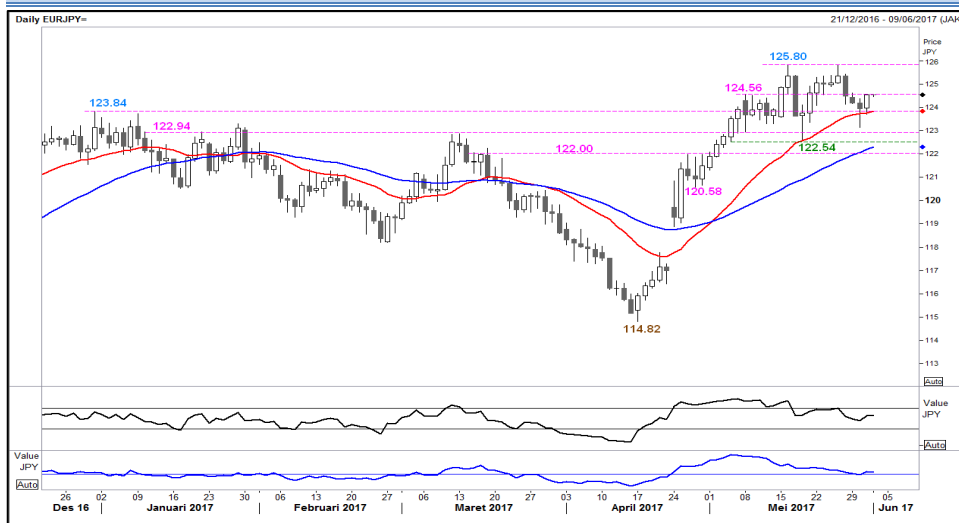
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71209	0.70340	0.71209	0.68166	0.7053	0.6849	0.7374	0.68166
(31/May)	(30/May)	(31/May)	(11/May)	(24/Apr)	(27/Apr)	(07/Feb)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7402	High Nov 08, 2016
	0.7333	High Feb 08
	0.7239	High Feb 28
	0.7150	High 02/Mar/2017
SUPPORT	0.7005	Low May 26
	0.6987	Low May 24
	0.6910	Low May 22
	0.6876	Low May 17
RECOMMENDATION	BUY	0.7075
	SELL	-----
	STOP LOSS	0.7010
	TARGET	0.7145 0.7175

EUR/JPY

Interest Rate: 0.00% (EU)/-0.1% (JP)



- Rebound tests crucial level at 124.56
- A significant breakout of the area could potentially support the rebound for test peak level at 125.80

[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	123.900	124.562	123.702	86,0	124.542	↑ 56,8	123.974
May 30	123.872	124.367	123.129	123,8	123.974	↓ 38,1	124.355
May 29	124.339	124.616	124.197	41,9	124.355	↑ 11,9	124.236
May 26	125.325	125.401	124.140	126,1	124.236	↓ 110,3	125.339
May 25	125.080	125.778	125.054	72,4	125.339	↑ 28,5	125.054

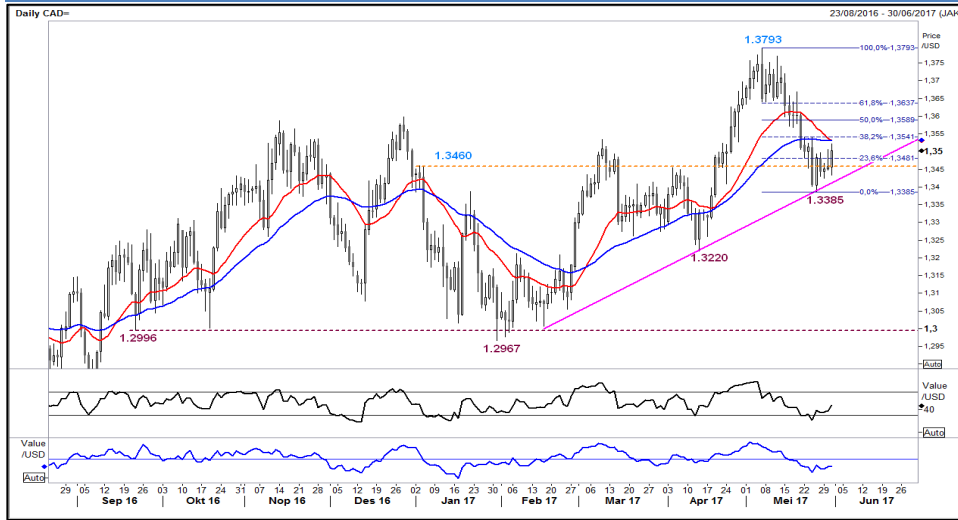
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
124.616	123.129	125.787	121.334	121.99	114.87	125.787	114.87
(29/May)	(30/May)	(16/May)	(01/May)	(28/Apr)	(17/Apr)	(16/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	126.47	High 28/Apr/2016 (Reaction high)
	125.80	High 16/May/2017 (Double Top)
	125.43	High 26/May/2017
	124.63	Reaction high (hourly)
SUPPORT	123.63	Reaction low (hourly)
	123.13	Low 30/May/2017
	122.54	Low 18/May/2017
	122.00	Pivot line
RECOMMENDATION	BUY	124.20
	SELL	----
	STOP LOSS	123.50
	TARGET	125.05
		125.50

USD/CAD

Interest Rate: 0.75%-1.00% (US)/0.5% (CA)



- Rebound continues after the trendline support around 1.3415 remains intact
- Rebound faces the resistance area at 1.3540
[\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.3445	1.3505

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3522	1.3424	1.3793	1.3385	1.3697	1.3220	1.3793	1.2967
(31/May)	(29/May)	(05/May)	(25/May)	(28/Apr)	(13/Apr)	(05/May)	(31/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3741	Reaction high (hourly)
	1.3669	High 18/May/2017 (Reaction high)
	1.3610	High 19/May/2017
	1.3540	High 24/May/2017
SUPPORT	1.3424	Low 29/May/2017 (Reaction low)
	1.3385	Low 25/May/2017 (Reaction low)
	1.3220	Low 13/Apr/20174 (Bottom)
	1.3162	Low 28/Feb/2017
RECOMMENDATION	BUY	1.3480
	SELL	----
	STOP LOSS	1.3400
	TARGET	1.3575 – 1.3625

Precious Metal – *Daily Outlook*

Gold rises as dollar dips, looming U.S. rate hike limits gains - Reuters News



Gold prices rose on Wednesday as the dollar dipped and simmering geopolitical tensions lent support, though the metal was little changed for the month amid an increased chance of a U.S. interest rate rise next month.

The dollar edged lower versus a currency basket amid growing political tension in Washington. Sterling recovered after a poll showed Britain's ruling Conservatives still leading ahead of elections next week. A previous projection indicated a hung parliament.

The greenback's losses, however, were limited by U.S. economic data this week that supported the case for a Federal

Reserve interest rate hike next month. U.S. economic data on Wednesday was mixed.

Investors are keenly awaiting Friday's U.S. non-farm payrolls report, which could set the dollar's tone in the short term.

"While electoral uncertainty in Europe and political bickering in the US buoyed gold prices in Q2 2017, we continue to forecast lower gold prices going forward," Societe Generale analysts said in a note.

"Fed tightening this year and in 2018 - whether in the form of higher interest rates or balance sheet deleveraging - will inevitably dent investors' appetite for gold."

The bank forecast gold prices to average \$1,200 per ounce in the fourth quarter and recommended selling gold price rallies.

Higher rates reduce demand for non-interest bearing bullion and boost the U.S. currency, making dollar-priced gold costlier for non-U.S. investors.

Spot gold rose 0.7 percent to \$1,271.14 per ounce by 2:49 p.m. EDT (1849 GMT). It closed 0.3 percent lower on Tuesday after rising to a one-month high of \$1,270.47. For the month, bullion is up about 0.2 percent.

U.S. gold futures was up 0.6 percent at \$1,270.30.

Traders see an 86.6 percent chance of a 25-basis-point rate hike at the Fed's June 13-14 policy meeting, Thomson Reuters data shows.

But some market participants said signs of softness in some economic data have raised questions about whether the U.S. central bank can keep to its plan to hike interest rates two more times this year and begin shrinking its balance sheet.

The investigations into alleged Russian meddling in the 2016 U.S. election and Moscow's possible collusion with members of Donald Trump's campaign also have clouded the prospect of a rate hike next month. Investors fear the probes could hamper the Trump administration's push for tax cuts and other stimulus measures.

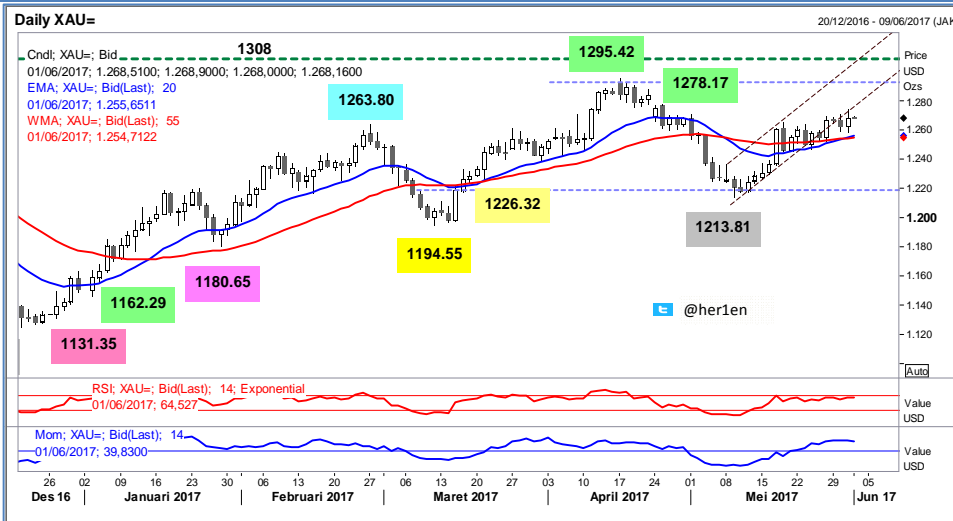
In other trading of precious metals, silver slipped 0.3 percent to \$17.31 an ounce, though it was 0.8 percent higher for the month.

Platinum was up 1.2 percent at \$945.3 an ounce after falling 1.9 percent in the previous session in its biggest one-day percentage loss in nearly a month. The metal was set for its first monthly drop this year.

Palladium was up 1.4 percent at \$816.45 an ounce and was about 0.3 percent higher for the month.

[\(Source Reuters, Research – @her1en\)](#)

GOLD (XAU/USD)



- Daily RSI rises, be alert near the overbought area
- Important resistance at 1295 level
- Support at 1224
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
May 31	1263.150	1273.960	1259.460	14.50	1268.630	↑ 5.88	1262.750	1263.80	1266.20
May 30	1266.680	1270.330	1259.250	11.08	1262.750	↓ 3.75	1266.500	1262.80	1262.70
May 29	1267.810	1268.600	1264.910	3.69	1266.500	↓ 2.42	1268.920	1265.00	1265.05
May 26	1255.340	1269.330	1252.970	16.36	1268.920	↑ 13.49	1255.430	1265.00	1265.05
May 25	1257.920	1259.510	1253.690	5.82	1255.430	↓ 3.00	1258.430	1257.10	1256.95

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1273.960	1259.250	1273.960	1214.100	1295.42	1244.04	1295.42	1146.31
(31/May)	(30/May)	(31/May)	(09/May)	(17/Apr)	(05/Apr)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1308.00	Pivot line
	1295.42	High April 17
	1288.17	High 21/Apr/2017 (Reaction high)
	1278.17	High Apr 25
SUPPORT	1258.75	Low May 31
	1252.50	Low May 26
	1246.11	Low May 19
	1235.90	Low May 17
RECOMMENDATION	BUY	1266.00
	SELL	-----
	STOP LOSS	1256.00
	TARGET	1276.50 1281.00

SILVER (XAG/USD)



- Continue the movement in the daily bullish trend channel
- Resistance at 18.00
- Important support at 16.55
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	17.371	17.410	17.219	0.19	17.306	↓ 0.08	17.383
May 30	17.369	17.453	17.197	0.26	17.383	FLAT	17.386
May 29	17.362	17.428	17.307	0.12	17.386	↑ 0.04	17.348
May 26	17.135	17.369	17.090	0.28	17.348	↑ 0.21	17.137
May 25	17.193	17.247	17.116	0.13	17.137	↓ 0.07	17.212

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.453	17.197	17.453	16.045	18.63	17.15	18.63	15.88
(30/May)	(30/May)	(30/May)	(09/May)	(17/Apr)	(28/Apr)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.64	High Mar 17
	18.33	High Mar 19
	18.00	High Mar 25
	17.65	High Apr 26
SUPPORT	17.06	Low May 26
	16.85	Low May 24
	16.77	Low May 22
	16.54	Low May 19
ECOMMENDATION	BUY	17.25
	SELL	-----
	STOP LOSS	17.00
	TARGET	17.60
		17.80

OIL – Daily Outlook

Oil prices dive 3 pct to 3-week low; OPEC crude output up - Reuters News



Oil prices sank 3 percent to a three-week low on Wednesday as an increase in Libyan output helped boost monthly OPEC crude production for the first time this year.

Brent notched its fifth straight monthly decline in a row despite OPEC-led output cuts and forecasts that U.S. crude inventories would fall for an eighth straight week since hitting a record at the end of March.

Post-settlement, prices pared some losses as data from the American Petroleum Institute (API) showed crude inventories fell by 8.7 million barrels in the week to May 26 to 513.2 million, compared with analysts' expectations for a decrease of 2.5 million barrels.

U.S. Energy Information Administration (EIA) report is due at 11:00 a.m. EDT (1500 GMT) on Thursday, delayed a day because of the Memorial Day holiday on Monday.

Brent crude futures for July fell \$1.53, or 3.0 percent, to settle at \$50.31 a barrel on their last day as the front-month. It was Brent's lowest close since May 10.

U.S. West Texas Intermediate crude fell \$1.34, or 2.7 percent, to settle at \$48.32 per barrel, its lowest close since May 12.

Brent's premium over the same U.S. month narrowed to its lowest in almost five weeks.

For the month of May, Brent fell almost 3 percent, its fifth straight monthly loss. WTI had its third straight monthly decline, ending May down more than 2 percent.

Output from the Organization of the Petroleum Exporting Countries (OPEC) rose in May, the first monthly increase this year, a Reuters survey found. Higher supply from Nigeria and Libya, OPEC members exempt from a production-cutting deal, offset improved compliance by others.

"Even if Libyan output levels from here for a few weeks, current relative strength provides an additional challenge to OPEC given the fact that the elevated Libyan production is not only eating into other OPEC members market share but is also forcing renewed weakening in Brent structure," Jim Ritterbusch, president of Chicago-based energy advisory firm Ritterbusch & Associates, said in a note.

Libya's oil production has risen to 827,000 bpd, above a three-year peak of 800,000 bpd reached earlier in May, the National Oil Corporation said

[\(Source Reuters, Research – @her1en\)](#)

CLN7/USD (OIL)
 (Exp.: 20 June 2017 - Reuters)



- Important support around 45.90
- Resistance at 52.00
- Daily RSI rises
 ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 31	49.62	49.69	47.73	1.96	48.62	↓ 1.01	49.63
May 30	50.05	50.05	49.03	1.02	49.63	↓ 0.34	49.97
May 29	49.83	50.27	49.50	0.77	49.97	↑ 0.11	49.86
May 26	48.71	49.92	48.17	1.75	49.86	↑ 1.20	48.66
May 25	51.24	51.98	48.45	3.53	48.66	↓ 2.61	51.27

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
50.27	47.73	51.98	43.75	53.74	48.21	55.22	43.75
(29/May)	(31/May)	(25/May)	(05/May)	(12/Apr)	(27/Apr)	(03/Jan)	(05/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	54.45	Reaction high on 1-H chart (High Apr 12)
	53.42	High Apr 19
	52.00	High Apr 25
	49.71	High May 31
SUPPORT	46.40	Low May 10
	45.92	Low May 09
	44.13	Reaction low on 1-H chart
	42.01	Low Apr 05, 2016
RECOMMENDATION	BUY	-----
	SELL	48.90
	STOP LOSS	50.70
	TARGET	47.10
		46.70