

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

- Investors discovered a taste for the dollar and commodities on Thursday as upbeat Chinese and U.S. economic news whetted appetite for riskier assets globally, even as tensions over North Korea simmered in the background.
- European shares rose for a second day on Thursday following heavy losses on jitters over North Korea but posted a third straight month of decline, while a profit warning from Carrefour sank the retail sector.
- U.S. stocks rose on Thursday after data showed domestic inflation increased at its slowest pace since late 2015, boosting expectations that the Federal Reserve will hold off from increasing interest rates again this year.

GLOBAL ECONOMIES

- Australian business investment rose in the second quarter while companies upgraded their spending plans for the year ahead, reflecting a long-awaited and much-needed revival outside of mining.
- Growth in China's manufacturing sector unexpectedly accelerated in August, suggesting the world's second-largest economy is still expanding at a healthy clip despite rising financing costs and a cooling housing market.
- Bank of Japan board member Takako Masai said she is confident that the economy is getting closer to achieving the bank's elusive inflation target, countering market views that slow wage growth and fragile consumption will constrain price growth.
- Rapid gains by the euro against the dollar are worrying a growing number of policymakers at the ECB, raising the chance its asset purchases will be phased out only slowly, three sources familiar with discussions told Reuters.
- Britain's exit negotiations with the European Union this week failed to make the kind of progress needed to open talks on their future relationship in October, the bloc's chief negotiator Michel Barnier said on Thursday.
- U.S. consumer spending rose slightly less than expected in July and annual inflation advanced at its slowest pace in more than 1-1/2 years, diminishing expectations of an interest rate increase in December.

GLOBAL MARKETS

Asia – Investors discovered a taste for the dollar and commodities on Thursday as upbeat Chinese and U.S. economic news whetted appetite for riskier assets globally, even as tensions over North Korea simmered in the background.

One big gainer was U.S. gasoline which surged 6 percent to two-year peaks as flooding and damage from Tropical Storm Harvey shut nearly a quarter of U.S. refinery capacity. Prices are now up more than 20 percent in the past week.

Adding to the bullish mood, a survey showed Chinese factory growth unexpectedly accelerated in August, confounding forecasts for a slight slowdown. The official PMI firmed to 51.7, from 51.4 in July.

That gave a fresh boost to industrial metals, with copper nearing its highest since late 2014 and on track for gains of 7 percent for August.

In Asia, Japan's Nikkei closed up 0.7 percent, its best level in two weeks, helped by a pullback in the yen.

MSCI's broadest index of Asia-Pacific shares outside Japan edged down 0.1 percent on the day but was a modest 0.3 percent firmer for the month.

Euro Zone – European shares rose for a second day on Thursday following heavy losses on jitters over North Korea but posted a third straight month of decline, while a profit warning from Carrefour sank the retail sector.

The pan-European STOXX 600 ended up 0.8 percent, boosted by strong gains for miners and construction stocks, while the retail sector dropped 1.3 percent.

Also buoying the market was a Reuters report that rapid gains in the euro, which helped drag the STOXX to a six-month low this week, were worrying a growing number of ECB policymakers, raising the chance asset purchases will be phased out only slowly.

Carrefour shares fell 13 percent, their biggest daily drop in 20 years, after the French supermarket chain warned 2017 profit could decline by 12 percent and cut its sales growth target.

It reported weaker-than-expected first-half earnings as intense retail competition weighed on margins.

"Although Carrefour's weak first-half results are partly related to some external or non-recurring factors (integration of Eroski stores in Spain, change in credit regulation in Brazil), they also illustrate the group's structural challenges," Barclays analysts wrote.

French peer Casino fell 2.8 percent as investors saw similar pressures hitting it. Analysts at Jefferies said Carrefour's results had forced a re-evaluation of their investment thesis.

The retail index has been one of the worst-performing in Europe this year as competition and structural pressures mount.

"It's been a tough time for the sector, with the more macro theme that Amazon is slowly eating everyone's lunch, though that's not the case in Europe to the same extent as the U.S.," said Paul Harper, equity strategist at DNB Bank.

"Another problem is that the retail sector is relatively highly priced, so there's not really much room for disappointment," he added.

Pernod Ricard shares slipped 1.9 percent after the world's second-biggest spirits group said currency exchange would be a bigger weight on earnings than previously expected.

Miners Antofagasta, Anglo American and Glencore rose sharply, helping to lift the index as copper prices gained on stronger Chinese demand.

Chipmakers AMS and Dialog Semiconductor rose 5.1 and 4.3 percent respectively as the suppliers to smartphone maker Apple benefited from increased investor enthusiasm ahead of the next iPhone release, a trader said.

Though banking stocks helped stoke gains on Thursday, they suffered their worst monthly losses since June last year when Britain's vote to exit the EU roiled markets.

The STOXX 600 ended in the red for a third month.

While a global consensus has formed this year around stronger prospects for European equities, the region's main benchmarks have slipped in the summer as company earnings were measured up against lofty expectations and a surging euro reined stocks back.

"You can explain a significant chunk of the dip by the currency," DNB Bank's Harper said.

"Consensus earnings for the MSCI Europe peaked in mid-May and estimates started lowering in the second quarter as analysts had to mark to market their currency assumptions."

U.S. & Global Markets – U.S. stocks rose on Thursday after data showed domestic inflation increased at its slowest pace since late 2015, boosting expectations that the Federal Reserve will hold off from increasing interest rates again this year.

The dollar surrendered early gains against a basket of major currencies, and gold prices rose as simmering tensions on the Korean peninsula supported sentiment.

U.S. consumer spending rose slightly less than expected in July and annual inflation increased at its slowest pace since late 2015.

Investors' focus now turns to the monthly U.S. payrolls report, to be released on Friday.

The combination of moderate consumer spending and tepid inflation casts doubts on whether the Fed will raise rates at its December policy meeting.

The S&P 500 Index has been building momentum this week and closed above its 50-day moving average for a second straight day. This was a technical level that acted as resistance in the past week.

"People are coming back from vacation and noticing the market is near its all-time highs still, that a hurricane and all the North Korea bluster didn't impact it," said Michael Antonelli, managing director, institutional sales trading at Robert W. Baird in Milwaukee.

"There's no doubt that the market is still in an uptrend. We've been throwing all sorts of bricks into the wall of worry and it's still reaching for the sky."

Stocks extended gains after U.S. Treasury Secretary Steven Mnuchin said President Donald Trump's administration has a detailed plan on tax reform and is still on track to execute the agenda by the end of this year.

MSCI's world index, which tracks shares in 46 countries, was up 0.55 percent, having touched a three-week high.

The Dow Jones Industrial Average rose 55.67 points, or 0.25 percent, to finish at 21,948.1, the S&P 500 gained 14.06 points, or 0.57 percent, to close at 2,471.65 and the Nasdaq Composite added 60.35 points, or 0.95 percent, to end at 6,428.66.

European stocks rallied after Reuters reported that the euro's rapid gains are worrying a growing number of European Central Bank policymakers, raising the chance asset purchases will be phased out only slowly.

The pan-European STOXX 600 closed up 0.77 percent.

The euro, which hit a more than 2-1/2-year high against the dollar on Tuesday, slipped on the Reuters report, before recovering to trade up 0.19 percent at \$1.1904.

The dollar, which weakened after the U.S. inflation data, edged lower as month-end investment flows and caution ahead of Friday's U.S. jobs report weighed.

The dollar index, which measures the greenback against a basket of six major rivals, was 0.28 percent lower at 92.62.

The weaker dollar and continued security concerns related to North Korea helped gold prices rise. Spot gold was up 1.06 percent at \$1,322.17 an ounce.

U.S. Treasury prices gained after the U.S. data and as tensions with North Korea kept up demand for safe-haven bonds.

Benchmark 10-year U.S. Treasury notes were up 7/32 in price to yield 2.1222 percent, down from 2.145 percent on Wednesday.

[\(Source Reuters – @ErwinRiset - @her1en\)](#)

GLOBAL ECONOMIES

Australia – Australian business investment rose in the second quarter while companies upgraded their spending plans for the year ahead, reflecting a long-awaited and much-needed revival outside of mining.

Investment grew a seasonally adjusted 0.8 percent in April-June to nearly A\$28.3 billion (\$22.37 billion), data from the Australian Bureau of Statistics (ABS) showed on Thursday, beating expectations of a 0.3 percent gain.

Importantly, spending on equipment, plant and machinery climbed 2.7 percent and should add directly to economic growth in the second quarter.

Figures due next week are likely to show Australia's A\$1.7 trillion gross domestic product (GDP) expanded by around 0.7 percent, up from a sluggish 0.3 percent in the first quarter.

"The data shows finally a more convincing, stronger picture on the non-mining capex front. I won't be surprised to see consensus estimate for GDP lift from here," said Su-Lin Ong, senior economist at RBC Capital Markets.

Latest estimates for business investment in the year to June 2018 were revised up sharply to A\$101.8 billion, from a previous A\$85.4 billion. Spending plans for sectors including utilities, construction and retail trade, were running at record highs.

"Non-mining capex rose for the third straight quarter. I think it's a bit more encouraging than it has been for a while. The fact that its continuing and the plans are a bit stronger is a good sign," added Ong.

That would be welcomed by the Reserve Bank of Australia (RBA) which has kept interest rates at a record low 1.50 percent since August 2016 hoping that economic growth will accelerate to around 3 percent.

RBA governor Philip Lowe recently reiterated that the drag on Australia's economy from mining was almost over and cutting rates further would only serve to inflate a debt-ridden bubble in the country's housing market.

Other measures of economic growth have also been buoyant. Data on Wednesday showed construction spending boasted its biggest increase on record last quarter.

Separate data on Wednesday offered upbeat news on the outlook for housing construction, a mainstay of the economy in recent years.

Measures of business conditions and confidence have also been trending near decade highs.

"If you get a pick-up in business investment it's a pretty good sign for the economy," RBC's Ong said.

China – Growth in China's manufacturing sector unexpectedly accelerated in August, suggesting the world's second-largest economy is still expanding at a healthy clip despite rising financing costs and a cooling housing market.

Along with stronger U.S. economic growth reported overnight, China's official factory readings indicated the global economy remains on solid footing for now, despite concerns that growth may begin to fade in coming months.

China's resilience so far this year has surprised economists and given an extra boost to a global recovery despite Beijing's crackdown on riskier types of lending and ever-tougher curbs to get the overheated housing market under control.

The official Purchasing Managers' Index (PMI) released on Thursday rose to 51.7 in August from the previous month's 51.4, confounding economists' expectations for a marginal decline.

Production, total new orders and business expectations all shifted into higher gear, while a separate industry survey showed activity in the steel sector expanded at the fastest pace since April 2016 thanks to a year-long, government-led construction boom.

In particular, a sharp pick-up in input prices bodes well for resource companies' earnings and investment in coming months, ANZ said.

"The price-driven recovery will continue at least in the third quarter", said Raymond Yeung, Greater China chief economist for ANZ in Hong Kong.

"On the demand side, infrastructure spending and fixed asset investment continue to maintain (at decent levels)...I see no reason for a sharp downturn even after the fourth quarter this year."

The sustained rally in industrial commodities' prices largely reflects stronger demand for building materials and government efforts to reduce excess capacity by shutting inefficient and heavily polluting mines and mills.

Demand is so robust that futures prices for steel reinforcing bars used in construction have surged 9 percent this month and more than 50 percent this year.

Output prices also rose at the fastest pace since December, indicating strong pricing power for producers, which should fatten profit margins and give firms extra breathing room in the country's fight against a rapid build-up in debt.

"We expect domestic steel production and sales to remain strong in September, with market prices remaining elevated," the China Federation of Logistics & Purchasing (CFLP) said in survey on the sector.

Japan – Bank of Japan board member Takako Masai said she is confident that the economy is getting closer to achieving the bank's elusive inflation target, countering market views that slow wage growth and fragile consumption will constrain price growth.

Geopolitical risks, such as escalating tensions over North Korea, could hurt household and corporate sentiment if they jolt financial markets, though no such damage was seen for now, she said.

"What would be worrying is for geopolitical risks to trigger market turmoil and hurt sentiment," Masai told reporters on Thursday after meeting business leaders in Matsuyama, southwestern Japan.

"That's a risk we're keeping an eye out for. But recent data has shown some encouraging signs" on corporate and consumer spending, she said.

Masai said Japanese companies were likely to boost investment to increase productivity as they faced labour shortages in a tightening job market, noting that the BOJ's policy to cap borrowing costs would assist in this effort.

"It's true there is some distance to achieving our 2 percent inflation target. But I believe the (economy's) momentum towards achieving the target is strengthening," Masai said in a speech to business leaders in Matsuyama.

Masai said it was "unfortunate" that the BOJ had been forced to delay the expected timing for achieving its inflation target.

"But what's important is to explain the factors behind the delay and pursue policy to lay the groundwork for achieving 2 percent inflation," she said.

A steady rise in household income and the tightening job market will boost domestic demand, helping inflation accelerate toward the BOJ's target, she added.

Japan's economy expanded at the fastest pace in more than two years in the second quarter as consumer and company spending picked up, but price pressures have been negligible.

Core consumer inflation remained stubbornly low at just 0.5 percent in July from a year earlier, forcing the BOJ to push back the timing for meeting its price target last month. It now expects inflation to hit its target by March 2020.

Masai rebuffed calls by some analysts to lower the BOJ's price target, saying that doing so could destabilise markets.

"An inflation target of 2 percent has become a global standard among major central banks," she said. "The fact many countries share roughly

the same level of inflation target helps stabilise exchange-rate moves and financial markets."

Under a policy framework adopted last year, the BOJ has pledged to guide short-term interest rates to minus 0.1 percent and the 10-year government bond yield to around zero percent.

It has also been continuing to buy large amounts of government bonds in an attempt to stimulate the economy.

Euro Zone – Rapid gains by the euro against the dollar are worrying a growing number of policymakers at the ECB, raising the chance its asset purchases will be phased out only slowly, three sources familiar with discussions told Reuters.

The scheme is due to expire at the end of 2017 but formal talks over its future are only beginning, meaning the European Central Bank is highly unlikely to take any decision at next Thursday's rate meeting, the sources said.

Pressure is building for a gentle rather than a rapid reduction in the pace of asset buying from some policymakers, particularly in the bloc's weaker economies, who are concerned that the strong euro could dampen inflation and hamper growth by making exports dearer, the sources said.

"The exchange rate has become a bigger issue," one of the sources told Reuters. "It is now less favourable for an exit and a stronger argument for a middle-through option."

The ECB has said it will announce in autumn if it will extend the asset buys, known as quantitative easing (QE) and launched two and a half years ago to bring down borrowing costs, revive growth and prop up inflation.

ECB head Mario Draghi has said that the programme will continue until the central bank is happy that inflation is consistent with its medium-term target of just below 2 percent.

UK – Britain's exit negotiations with the European Union this week failed to make the kind of progress needed to open talks on their future relationship in October, the bloc's chief negotiator Michel Barnier said on Thursday.

However, British Brexit minister David Davis said, the two sides had made "some concrete progress" and there was "high degree of convergence" on the future border with Ireland.

Britain would "rigorously" question how much it had to pay the EU when it leaves, Davis said. However, London may consider paying more than the bare legal minimum given its desire for a future partnership with the bloc, he said.

"We are a country that meets its international obligations and will continue to do so, but those obligations have to be well specified and they have to be real," Davis told a news conference. "They don't necessarily have to be legal. We also recognise moral obligations sometimes."

The EU has said that talks on the future relationship can only start after the other 27 EU governments are satisfied that "sufficient progress" has been made on the terms of Britain's departure. It is due to leave the union, deal or no deal, in late March 2019.

That gives the two sides less than two years to reach a deal and ratify it. The alternative is a scenario in which Britain crashes out from the EU with little legal clarity for the businesses and citizens affected.

Barnier told reporters after talks in Brussels the two sides managed to agree on some technical clarifications and recognised that discussions on the Ireland border had been "fruitful", but no decisive progress had been made on the main subjects.

"We are quite far from being able to say that sufficient progress has taken place, sufficient for me to be able to recommend to the European Council that it engage in discussions on the future relationship between the UK and EU."

Barnier scolded London for demanding "the impossible" in position papers released last week, including having a say on the EU's single-market rules even after it's outside the union.

He said Britain still rejected the EU's demand that the European Court of Justice police the enforcement of the rights of EU citizens living in Britain after Brexit.

Beyond safeguarding expatriate rights, the other priority areas for the EU are the future border between the United Kingdom's province of Northern Ireland and the Republic of Ireland, an EU member, and agreeing an exit bill.

"Our discussions this week have exposed yet again that UK's approach is substantially more flexible and pragmatic than that of the EU," Davis said.

"I remain of the view there is an unavoidable overlap between withdrawal and the future and they cannot be neatly compartmentalised," he said, reiterating London's stance that talks on splitting from the EU and forging a new relationship should largely run in parallel.

U.S. – U.S. consumer spending rose slightly less than expected in July and annual inflation advanced at its slowest pace in more than 1-1/2 years, diminishing expectations of an interest rate increase in December.

Inflation remains stubbornly low even as the labor market is near full employment, a conundrum for the Federal Reserve. Other data on Thursday showed a small increase in new applications for unemployment benefits last week amid a tightening job market.

"The consumer continues to do the heavy lifting when it comes to economic growth," said Chris Rupkey, chief economist at MUFJ in New York. "Inflation is in the slow lane for now and this is likely to make Fed officials cautious on the need to raise rates a third time this year."

The Commerce Department said consumer spending, which accounts for more than two-thirds of U.S. economic activity, increased 0.3 percent last month after a 0.2 percent gain in June. Economists had forecast consumer spending rising 0.4 percent in July.

The personal consumption expenditures (PCE) price index excluding food and energy edged up 0.1 percent in July. The so-called core PCE price index, which is the Fed's preferred inflation measure, has now risen by the same margin for three straight months.

The 12-month increase in the core PCE price index dipped to 1.4 percent, the smallest gain since December 2015. The index rose 1.5 percent in the 12 months through June. The annual rate has dropped by half a percentage point since February and the PCE price index has undershot the U.S. central bank's 2 percent target for the past five years.

The combination of moderate consumer spending and tepid inflation casts doubts on whether the Fed will increase interest rates at its December policy meeting, as most economists expect.

The Fed has raised borrowing costs twice this year. It is, however, expected to announce a plan to start reducing its \$4.2 trillion portfolio of Treasury bonds and mortgage-backed securities next month.

"We expect core inflation to get worse on a year-over-year basis before it gets better, making it an easy decision for the Fed to skip raising rates at its September meeting and focus on the balance sheet only," said Ellen Zentner, chief U.S. economist at Morgan Stanley in New York.

Financial markets are pricing in a roughly 31 percent probability of a rate increase at the Fed's December meeting, down from about 35 percent earlier, according to CME Group's FedWatch program.

U.S. stocks were trading higher on the diminishing rate hike prospects, as were prices of U.S. Treasuries. The dollar was flat against a basket of currencies. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
20-Aug - 30-Aug	N/A	AU	11 Trans-Pacific Partnership Signatories Discuss Prospects					
25-Aug - 31-Aug	N/A	CN	Foreign Direct Investment YoY CNY	Jul		--	2.3%	
Mon/28-Aug-17	08:10	JP	BOJ Outright Bond Purchase 1~3 Years					
	08:10	JP	BOJ Outright Bond Purchase 3~5 Years					
	N/A	JP	Cabinet Office Monthly Economic Report for August					
	15:00	EZ	M3 Money Supply YoY	Jul	4.5%	4.9%	5.0%	
	19:30	US	Wholesale Inventories MoM	Jul P	0.4%	0.3%	0.7%	
	19:30	US	Advance Goods Trade Balance	Jul	-\$65.1b	-\$64.6b	-\$63.9b	-\$64.0b
	19:30	US	Retail Inventories MoM	Jul	-0.2%	--	0.6%	
	21:30	US	Dallas Fed Manf. Activity	Aug	17	17	16.8	
	<i>All Day</i>	<i>GB</i>	<i>Bank Holiday/ Summer Bank Holiday</i>					
Tue/29-Aug-17	04:00	KR	Business Survey Manufacturing	Sep	-	--	78	
	04:00	KR	Business Survey Non-Manufacturing	Sep	-	--	77	
	06:30	JP	Jobless Rate	Jul	2.8%	2.8%	2.8%	
	06:30	JP	Job-To-Applicant Ratio	Jul	1.52	1.52	1.51	
	06:30	JP	Overall Household Spending YoY	Jul	-0.2%	0.7%	2.3%	
	13:00	DE	GfK Consumer Confidence	Sep	10.9	10.8	10.8	
	N/A	EZ	Bettel Hosts France's Macron, Belgium's Michel in Luxembourg					
	15:30	HK	Retail Sales Value YoY	Jul	4.0%	1.0%	0.1%	
	15:30	HK	Retail Sales Volume YoY	Jul	-	--	0.4%	
	21:00	US	Conf. Board Consumer Confidence	Aug	122.9	120.7	121.1	120
	21:00	US	Conf. Board Present Situation	Aug	151.2	--	147.8	145.4
	21:00	US	Conf. Board Expectations	Aug	104	--	103.3	103
Wed/30-Aug-17	05:45	NZ	Building Permits MoM	Jul	-0.7%	--	-1.0%	
	06:50	JP	Retail Sales MoM	Jul	1.1%	0.32%	0.2%	
	06:50	JP	Retail Trade YoY	Jul	1.9%	1.0%	2.1%	2.2%
	08:10	JP	BOJ Outright Bond Purchase 5~10 Years					
	08:10	JP	BOJ Outright Bond Purchase 10~25 Years					
	08:10	JP	BOJ Outright Bond Purchase 25 Years~					
	08:30	AU	Construction Work Done	2Q	9.3%	1.0%	-0.7%	
	08:30	AU	Building Approvals MoM	Jul	-1.7%	-5.0%	10.9%	
	08:30	AU	Building Approvals YoY	Jul	-13.9%	-16.6%	-2.3%	
	12:00	JP	Small Business Confidence	Aug	49	--	50	
	13:00	CH	UBS Consumption Indicator	Jul	1.38	--	1.38	1.30
	14:00	CH	KOF Leading Indicator	Aug	104.1	107	106.8	108
	15:00	CH	Credit Suisse Survey Expectations	Aug	25	--	34.7	
	15:30	GB	Money Supply M4 MoM	Jul	0.5%	--	-0.2%	-0.1%
	15:30	GB	M4 Money Supply YoY	Jul	4.4%	--	5.3%	
	15:30	GB	M4 Ex IOFCs 3M Annualised	Jul	3.3%	--	5.4%	5.3%
	16:00	EZ	Economic Confidence	Aug	111.9	111.3	111.2	111.3
	16:00	EZ	Business Climate Indicator	Aug	1.09	1.05	1.05	1.04
	16:00	EZ	Industrial Confidence	Aug	5.1	4.7	4.5	
	16:00	EZ	Services Confidence	Aug	14.9	13.9	14.1	14.2
	16:00	EZ	Consumer Confidence	Aug F	-1.5	-1.5	-1.5	
	19:00	DE	CPI MoM	Aug P	0.1%	0.1%	0.4%	
	19:00	DE	CPI YoY	Aug P	1.8%	1.8%	1.7%	
	19:00	DE	CPI EU Harmonized MoM	Aug P	0.2%	0.1%	0.4%	
	19:00	DE	CPI EU Harmonized YoY	Aug P	1.8%	1.7%	1.5%	
	19:15	US	ADP Employment Change	Aug	237k	185k	178k	201k
	19:30	CA	Current Account Balance	2Q	-\$16.32b	-\$17.40b	-\$14.05b	-\$12.92
	19:30	US	GDP Annualized QoQ	2Q S	3.0%	2.7%	2.6%	
	19:30	US	Personal Consumption	2Q S	3.3%	3.0%	2.8%	

	19:30	US	GDP Price Index	2Q S	1.0%	1.0%	1.0%	
	19:30	US	Core PCE QoQ	2Q S	0.9%	0.9%	0.9%	
	20:15	US	Fed's Powell Speaks at Large-Bank Directors Conference					
	21:30	US	DOE U.S. Crude Oil Inventories	Aug-25	-5392k	-1750k	-3327k	
	21:30	US	DOE Cushing OK Crude Inventory	Aug-25	689k	--	-503k	
	21:30	US	DOE U.S. Gasoline Inventories	Aug-25	35k	0k	-1223k	
	21:30	US	DOE U.S. Distillate Inventory	Aug-25	748k	157k	28k	
Thu/31-Aug-17	06:00	KR	Industrial Production SA MoM	Jul	1.9%	0.1%	-0.2%	-0.5%
	06:00	KR	Industrial Production YoY	Jul	0.1%	-0.5%	-0.3%	-0.5%
	06:01	GB	GfK Consumer Confidence	Aug	-10	-13	-12	
	06:01	GB	Lloyds Business Barometer	Aug	17	--	30	
	06:50	JP	Industrial Production MoM	Jul P	-0.8%	-0.3%	2.2%	
	06:50	JP	Industrial Production YoY	Jul P	4.7%	5.2%	5.5%	
	N/A	KR	BoK 7-Day Repo Rate	Aug-31	1.25%	1.25%	1.25%	
	08:00	AU	HIA New Home Sales MoM	Jul	-3.7%	--	-6.9%	
	08:00	CN	Manufacturing PMI	Aug	51.7	51.3	51.4	
	08:00	CN	Non-manufacturing PMI	Aug	53.4	--	54.5	
	08:00	CN	Swift Global Payments CNY	Jul	2.00%	--	1.98%	
	08:00	NZ	ANZ Activity Outlook	Aug	38.2	--	40.3	
	08:00	NZ	ANZ Business Confidence	Aug	18.3	--	19.4	
	08:30	AU	Private Sector Credit MoM	Jul	0.5%	0.5%	0.6%	
	08:30	AU	Private Sector Credit YoY	Jul	5.3%	5.4%	5.4%	
	08:30	AU	Private Capital Expenditure	2Q	0.8%	0.2%	0.3%	
	08:30	JP	BOJ Masai speaks in Matsuyama					
	N/A	HK	Budget Balance HKD	Jul	-	--	40.1b	
	N/A	HK	Money Supply M1 HKD YoY	Jul	-	--	13.0%	
	N/A	HK	Money Supply M2 HKD YoY	Jul	-	--	15.9%	
	N/A	HK	Money Supply M3 HKD YoY	Jul	15.8%	--	15.9%	
	10:00	AU	RBA's Harris Panel Participation at Conference					
	11:00	JP	Vehicle Production YoY	Jul	1.4%	--	6.9%	
	12:00	JP	Housing Starts YoY	Jul	-2.3%	-0.2%	1.7%	
	12:00	JP	Annualized Housing Starts	Jul	0.974m	0.995m	1.003m	
	12:00	JP	Construction Orders YoY	Jul	14.9%	--	2.3%	
	13:00	DE	Retail Sales MoM	Jul	-1.2%	-0.6%	1.4%	1.3%
	13:00	DE	Retail Sales YoY	Jul	2.7%	2.9%	1.5%	2.6%
	14:55	DE	Unemployment Change (000's)	Aug	-5k	-6k	-9k	-8k
	14:55	DE	Unemployment Claims Rate SA	Aug	5.7%	5.7%	5.7%	
	16:00	EZ	Unemployment Rate	Jul	9.1%	9.1%	9.1%	
	16:00	EZ	CPI Estimate YoY	Aug	1.5%	1.4%	1.3%	
	16:00	EZ	CPI Core YoY	Aug A	1.2%	1.2%	1.2%	
	19:30	CA	Quarterly GDP Annualized	2Q	4.5%	3.7%	3.7%	
	19:30	CA	GDP MoM	Jun	0.3%	0.1%	0.6%	
	19:30	CA	GDP YoY	Jun	4.3%	4.1%	4.6%	4.7%
	19:30	US	Initial Jobless Claims	Aug-26	236k	238k	234k	235k
	19:30	US	Continuing Claims	Aug-19	1942k	1951k	1954k	
	19:30	US	Personal Income	Jul	0.4%	0.3%	0.0%	
	19:30	US	Personal Spending	Jul	0.3%	0.4%	0.1%	0.2%
	19:30	US	Real Personal Spending	Jul	0.2%	0.3%	0.0%	0.2%
	19:30	US	PCE Deflator MoM	Jul	0.1%	0.1%	0.0%	
	19:30	US	PCE Deflator YoY	Jul	1.4%	1.4%	1.4%	
	19:30	US	PCE Core MoM	Jul	0.1%	0.1%	0.1%	
	19:30	US	PCE Core YoY	Jul	1.4%	1.4%	1.5%	
	20:45	US	Chicago Purchasing Manager	Aug	58.9	58.5	58.9	
	21:00	US	Pending Home Sales MoM	Jul	-0.8%	0.3%	1.5%	1.3%
	21:00	US	Pending Home Sales NSA YoY	Jul	-0.5%	0.5%	0.7%	0.4%
Fri/01-Sep-17	06:00	AU	Commonwealth Bank Australia PMI Mfg	Aug		--	54.4	
	06:00	KR	GDP SA QoQ	2Q F		--	0.6%	
	06:00	KR	GDP YoY	2Q F		2.7%	2.7%	

	06:00	KR	CPI MoM	Aug		--	0.2%	
	06:00	KR	CPI YoY	Aug		2.2%	2.2%	
	06:00	KR	CPI Core YoY	Aug		1.8%	1.8%	
	06:30	AU	AiG Perf of Mfg Index	Aug		--	56	
	07:00	AU	CoreLogic House Px MoM	Aug		--	1.5%	
	07:00	KR	Exports YoY	Aug		16.2%	19.5%	
	07:00	KR	Imports YoY	Aug		12.5%	14.5%	
	07:00	KR	Trade Balance	Aug		\$7548m	\$10646m	
	07:30	JP	Nikkei Japan PMI Mfg	Aug F		--	52.8	
	07:30	KR	Nikkei South Korea PMI Mfg	Aug		--	49.1	
	08:45	CN	Caixin China PMI Mfg	Aug		51	51.1	
	12:00	JP	Consumer Confidence Index	Aug		43.6	43.8	
	N/A	JP	Official Reserve Assets	Aug		--	\$1260.0b	
	13:30	AU	Commodity Index SDR YoY	Aug		--	17.1%	
	13:30	AU	Commodity Index AUD	Aug		--	114.4	
	13:30	AU	Commodity Index SDR YoY	Aug		--	17.1%	
	N/A	EZ	EU's Barnier, Moscovici Attend Ambrosetti Forum in Cernobbio					
	N/A	DE	Germany Sovereign Debt to be rated by Fitch					
	14:15	CH	Retail Sales Real YoY	Jul		--	1.5%	
	14:30	CH	PMI Manufacturing	Aug		--	60.9	
	14:55	DE	Markit/BME Germany Manufacturing PMI	Aug F		59.4	59.4	
	15:00	EZ	Markit Eurozone Manufacturing PMI	Aug F		57.4	57.4	
	15:30	GB	Markit UK PMI Manufacturing SA	Aug		55	55.1	
	19:30	US	Change in Nonfarm Payrolls	Aug		180k	209k	
	19:30	US	Two-Month Payroll Net Revision	Aug		--	2k	
	19:30	US	Change in Private Payrolls	Aug		179k	205k	
	19:30	US	Change in Manufact. Payrolls	Aug		9k	16k	
	19:30	US	Unemployment Rate	Aug		4.3%	4.3%	
	19:30	US	Average Hourly Earnings MoM	Aug		0.2%	0.3%	
	19:30	US	Average Hourly Earnings YoY	Aug		2.6%	2.5%	
	19:30	US	Average Weekly Hours All Employees	Aug		34.5	34.5	
	19:30	US	Labor Force Participation Rate	Aug		--	62.9%	
	19:30	US	Underemployment Rate	Aug		--	8.6%	
	20:30	CA	Markit Canada Manufacturing PMI	Aug		--	55.5	
	20:45	US	Markit US Manufacturing PMI	Aug F		--	52.5	
	21:00	US	ISM Manufacturing	Aug		56.5	56.3	
	21:00	US	ISM Prices Paid	Aug		61.5	62	
	21:00	US	ISM New Orders	Aug		--	60.4	
	21:00	US	ISM Employment	Aug		--	55.2	
	21:00	US	Construction Spending MoM	Jul		0.6%	-1.3%	
	21:00	US	U. of Mich. Sentiment	Aug F		97.4	97.6	
	21:00	US	U. of Mich. Current Conditions	Aug F		111.0	111	
	21:00	US	U. of Mich. Expectations	Aug F		88.6	89	
	21:00	US	U. of Mich. 1 Yr Inflation	Aug F		--	2.6%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	Aug F		--	2.5%	
Sat/02-Sep-17	00:00	US	Baker Hughes U.S. Rig Count	Sep-01		--	940	

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

ASIAN STOCK INDICATORS – Daily Outlook

Japan's Nikkei share average rose to two-week highs on Thursday, after bright U.S. economic data pushed up the dollar against the yen, which in turn lifted cyclical stocks such as automakers and financial companies.

The Nikkei finished up 0.7 percent at 19,646.24 after reaching as high as 19,687.99, its loftiest level since Aug. 17. For the month, it slipped 1.4.

Investors remain nervous about the prospect of a U.S. government shutdown, and a potential debt default if lawmakers don't raise the nation's debt ceiling by the end of September.

While North Korea's arms development remains a threat, some of the alarm raised by regional tensions following its latest missile test moderated.

The Nikkei Volatility Index, which rose 2.5 percent to 15.14 on Thursday, spiked to a one-week high of 16.32 on Tuesday after North Korea fired a ballistic missile over Japan's northern Hokkaido island into the sea.

On Thursday, Japanese exporters benefited from a weaker yen, as the dollar gained on strong U.S. gross domestic product data and U.S. private-sector employers that bolstered expectations for a solid U.S. jobs report later this week.

Subaru Corp rose 0.6 percent, Honda Motor Co gained 1.4 percent, and Hitachi Ltd soared 1.7 percent.

Daiichi Sankyo Co shares soared as much as 13 percent and was up 5.3 percent before trading was suspended, after a business magazine reported that Britain's AstraZeneca offered to buy Japanese drugmaker last year.

South Korean shares closed weaker on Thursday as foreign investors took profits, notably in the transport equipment sector following a court ruling against Kia Motors in a labour dispute. The Korea Composite Stock Price Index (KOSPI) closed down 0.3 percent at 2,363.19 points.

Shares of Kia Motors ended down 3.5 percent while Hyundai Motor and Hyundai Mobis dropped 1.8 percent and 3.5 percent, respectively.

The sub-index for transport equipment shares was down 2 percent.

Offshore investors sold a net 112.6 billion won (\$99.95 million) worth of KOSPI shares for the day.

The South Korean won also weakened against a broadly stronger dollar.

The won was quoted at 1,127.8 to the dollar at the conclusion of onshore trade, down 0.3 percent compared to Wednesday's close of 1,124.2.

Hong Kong stocks eased on Thursday, but posted an eighth successive month of gains as China's economic recovery and continuous money inflows from the mainland sustained the bullish momentum.

The Hang Seng index fell 0.4 percent, to 27,970.30, while the China Enterprises Index lost 0.7 percent, to 11,295.44 points.

But for the month, the Hang Seng gained 2.4 percent, underpinned by further signs of an expanding Chinese economy. The HSCE, which tracks Chinese firms, was even more bullish, up 4.3 percent in August.

China's manufacturing sector unexpectedly accelerated in August, an official Purchasing Managers' Index (PMI) released on Thursday showed, although some analysts question whether such a trend is sustainable.

Sector performance was mixed on Thursday.

The financial sector, which has jumped nearly 24 percent this year, softened after China's biggest banks reported healthy earnings results, as some investors took profits.

Resources shares, which have outperformed the broader market on the back of high-flying commodity prices, continued to strengthen, up 0.8 percent.

Shanghai stocks eased on Thursday as investors took a breather after a recent rally, but scored their third straight month of gains thanks to robust corporate earnings that led fund managers to boost their equity exposure.

The blue-chip CSI300 index fell 0.3 percent, to 3,822.09 points, while the Shanghai Composite Index shed 0.1 percent to 3,360.81 points. For the month, CSI300 rose 2.3 percent, while the SSEC advanced 2.7 percent, notching their fourth and third straight month of gains, respectively.

Chinese fund managers boosted their suggested equity exposure for the next three months as major indexes pierced key resistance and market sentiment picked up on further signs of an expanding economy, a monthly Reuters poll showed.

For the day, investors largely ignored a survey showing growth in China's manufacturing sector unexpectedly accelerated in August, with some analysts questioning whether such a trend is sustainable.

Most sectors fell on Thursday, led infrastructure and banking plays, which fell 1.1 percent, as investors pocketed gains, judging newly-published, strong results from China's biggest lenders have been fully priced in.

(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	20318.11 (20/June/2017)	322.16 (25/Jul/2017)	28127.90 (30/Aug/2017)	22179.11 (08/Aug/2017)	2490.87 (08/Aug/2017)	3376.64810 (30/Aug/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 August 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21948.10	↑ 55.67/ 0.25%	.N225	19646.24	↑ 139.70/0.72%
/.SPX	2471.65	↑ 14.06/ 0.57%	.KS200	308.28	↓ 1.37/0.44%
/.IXIC	6428.662	↑ 60.353/ 0.95%	.HSI	27970.30	↓ 124.31/0.44%
JPY=	109.96	↓ 0.26/ 0.24%	/.SSEC	3360.99590	↓ 2.63070/0.08%
KRW=	1123.85	↑ 0.67/ 0.06%	/Clc1 (Oil)	47.05	↑ 1.09/2.37%

SSlamU7 (Nikkei Sep Futures) – Last Trading Date: 07 Sep 2017



- Rebound continues, facing the resistance area at 19800
 - While the crucial resistance at 20100 - 20200
 - The crucial support at 19300
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 Aug SS1pmU7	19665	19735	19640	95	19680	---	↓ 15	0.08	21692
31 Aug SS1amU7	19565	19705	19560	145	19695	19695	↑ 140	0.72	60299
30 Aug SS1pmU7	19560	19590	19490	100	19565	---	↑ 10	0.05	21781
30 Aug SS1amU7	19470	19560	19430	130	19555	19555	↑ 165	0.85	62385
29 Aug SS1pmU7	19380	19500	19240	260	19475	---	↑ 85	0.44	38575
29 Aug SS1amU7	19155	19395	19140	255	19390	19390	↓ 30	0.15	88714
28 Aug SS1pmU7	19420	19485	19395	90	19480	---	↑ 60	0.31	13407
28 Aug SS1amU7	19440	19520	19400	120	19420	19420	↓ 20	0.10	46255
25 Aug SS1pmU7	19450	19530	19420	110	19460	---	↑ 20	0.10	27320
25 Aug SS1amU7	19410	19475	19365	110	19440	19440	↑ 100	0.52	45769

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19735	19140	20100	19140	20200	19830	20290	18190
(31/Aug)	(29/Aug)	(02/Aug)	(29/Aug)	(03/Jul)	(07/Jul)	(20/Jun)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	20200	High 04/Jul/2017 (Reaction high)
	20100	High 02/Aug/2017 (Reaction high)
	19860	Pivot line
	19820	Reaction high (hourly)
SUPPORT	19490	Reaction low (hourly)
	19430	Reaction low (hourly)
	19240	Reaction low (hourly)
	19140	Low 29/Aug/2017
RECOMMENDATION	BUY	19590
	SELL	----
	STOP LOSS	19475
	TARGET	19730
		19800

KSU7 (Kospi Sep Futures) – Exp. Date: 14 Sep 2017



- Reversal develops after crucial level at 310.75 effectively dampens the rally
 - Correction is facing the pivot line at 306.30
 - Beware of potential volatility will continue
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 Aug	309.90	310.55	307.40	3.15	308.00	308.00	↓ 2.35	0.76	173453
30 Aug	309.50	310.35	308.65	1.70	310.35	310.35	↑ 1.85	0.60	119325
29 Aug	307.95	309.10	304.45	4.65	308.50	308.50	↓ 1.05	0.34	278950
28 Aug	311.10	312.05	309.35	2.70	309.55	309.55	↓ 2.05	0.66	161149
25 Aug	312.25	312.55	310.75	1.80	311.60	311.60	↑ 0.15	0.05	179932
24 Aug	310.00	312.05	309.95	2.10	311.45	311.45	↑ 1.50	0.48	168399

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
312.05 (28/Aug)	304.45 (29/Aug)	319.45 (01/Aug)	302.30 (11/Aug)	322.75 (25/Jul)	310.35 (05/Jul)	322.75 (25/Jul)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	316.30	High 07/Aug/2017 (Reaction high)
	312.70	High 09/Aug/2017
	312.05	High 28/Aug/2017
	310.55	High 31/Aug/2017
SUPPORT	306.30	Pivot line
	304.45	Low 14/Aug/2017
	302.30	Low 11/Aug/2017 (Bottom)
	301.40	Low 24/May/2017
RECOMMENDATION	BUY	----
	SELL	309.15
	STOP LOSS	310.60
	TARGET	307.00 306.00

HSIU7 (Hang Seng September Futures) – Exp. Date: 28 Sep 2017



- Moves tend to be flat and limited around the psychological level of 28000
- Beware of the area of 27800. If intact, the rebound may develop
- While the crucial support area at 27600

[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 Aug (HSIU7)	27932	27966	27820	146	27939	27937	↓ 40	0.14	104355
30 Aug (HSIU7)	27750	28008	27740	268	27979	27979	↑ 377	1.37	112511
30 Aug (HSIQ7)	27877	28031	27871	160	28020	28020	↑ 297	1.07	20954
29 Aug (HSIU7)	27690	27702	27517	185	27602	27602	↓ 145	0.52	95793
29 Aug (HSIQ7)	27807	27839	27659	180	27723	27723	↓ 169	0.61	124891
28 Aug	27860	28071	27823	248	27892	27892	↓ 34	0.12	186750
25 Aug	27576	27926	27433	493	27926	27926	↑ 400	1.45	174562

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
28071	27659	28071	26834	27241	25110	28071	21863
(28/Aug)	(29/Aug)	(28/Aug)	(11/Aug)	(31/Jul)	(05/Jul)	(28/Aug)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	28458	High 27/May/2015
	28190	50% Fibon. Projection
	28178	High 28/May/2015
	28071	High 28/Aug/2017
SUPPORT	27820	Reaction low (hourly)
	27659	Low 29/Aug/2017 (Reaction low)
	27600	Pivot line (daily)
	27433	Low 25/Aug/2017
RECOMMENDATION	BUY	27860
	SELL	----
	STOP LOSS	27760
	TARGET	28090
		28150

CURRENCIES – *Daily Outlook*

Dollar edges lower on U.S. data, month-end flows - Reuters News



The dollar slipped broadly on Thursday after unimpressive U.S. economic data failed to boost expectations for another Federal Reserve rate increase this year, while month-end investment flows and caution ahead of Friday's U.S. jobs report also weighed.

The Commerce Department said consumer spending, which accounts for more than two-thirds of U.S. economic activity, increased 0.3 percent last month after a 0.2 percent gain in June. Economists had forecast consumer spending rising 0.4 percent in July.

In the 12 months through July, the personal consumption expenditures (PCE) price index excluding food and energy or "core PCE" price index increased 1.4 percent, the smallest gain since December 2015.

"With today's still-weak inflation numbers and with the impact that (Tropical Storm) Harvey can have on just a more noisy data set for (the Fed) to try to decipher, I think it's more likely that they push the next rate hike into the new year," said James Brilliant, co-chief investment officer at Austin, Texas-based Century Management Investment Advisors.

The euro, which has risen more than 13 percent against the dollar this year and was set to notch its sixth straight monthly gain for August of about 0.5 percent, last traded up 0.2 percent at \$1.19. That was not far from a more than 2-1/2-year high struck Tuesday of \$1.2069.

Month-end investment flows also weakened the dollar, said Richard Franulovich, senior currency strategist at Westpac Banking Corp in New York. He said the underperformance of European equities compared to U.S. equities in August likely led to investment losses for certain investors, leading them to compensate by buying more European stocks and euros to meet minimum exposure requirements.

The dollar index, which measures the greenback against a basket of six major rivals, was last down 0.2 percent at 92.690 and was set for a sixth straight monthly decline in August. The dollar was also down 0.3 percent against the safe-haven yen at 109.93 yen, off a 15-day high of 110.66 touched earlier in the session.

Caution ahead of Friday's U.S. non-farm payrolls report also halted gains that the dollar made on Wednesday and early Thursday. Economists polled by Reuters expect the report to show U.S. employers added 180,000 jobs last month, down from 209,000 in July.

(Source Reuters, Research – @her1en)

EUR/USD

Interest Rate: 0.00% (EU)/ 1.00%-1.25% (US)



- Primary support at the 1.1660 level
- Daily RSI is flat
- Strong resistance at 1.2110
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	1.18930	1.19117	1.18221	89,6	1.19061	↑ 23,6	1.18825
Aug 30	1.19678	1.19832	1.18794	103,8	1.18825	↓ 88,5	1.19710
Aug 29	1.19769	1.20693	1.19453	124,0	1.19710	↓ 5,7	1.19767
Aug 28	1.19509	1.19827	1.19160	66,7	1.19767	↑ 97,9	1.18788
Aug 25	1.17987	1.18888	1.17720	116,8	1.18788	↑ 79,0	1.17998

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.20693 (29/Aug)	1.18221 (31/Aug)	1.20693 (29/Aug)	1.16611 (17/Aug)	1.18444 (31/Jul)	1.13112 (05/Jul)	1.20693 (29/Aug)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2352	High Dec 18, 2014
	1.2254	High Dec 25, 2014
	1.2108	High Jan 02, 2015
	1.1984	High Aug 30
SUPPORT	1.1771	Low Aug 25
	1.1729	Low Aug 21
	1.1661	Low Aug 17
	1.1611	Low July 26
RECOMMENDATION	BUY	-----
	SELL	1.1930
	STOP LOSS	1.2005
	TARGET	1.1850 1.1820

USD/JPY

Interest Rate: 1.00%-1.25% (US)/-0.1% (JP)



- Reversal tests a crucial support at 109.90
 - Correction is likely to continue if it fails to hold above 109.90
 - Consider the trendline support area around 108.65
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	110.228	110.660	109.869	79,1	109.972	↓ 25,1	110.223
Aug 30	109.628	110.428	109.530	89,8	110.223	↑ 48,5	109.738
Aug 29	108.778	109.887	108.256	163,1	109.738	↑ 50,6	109.232
Aug 28	109.254	109.402	109.012	39,0	109.232	UNCH	109.232
Aug 25	109.545	109.832	109.100	73,2	109.232	↓ 30,7	109.539

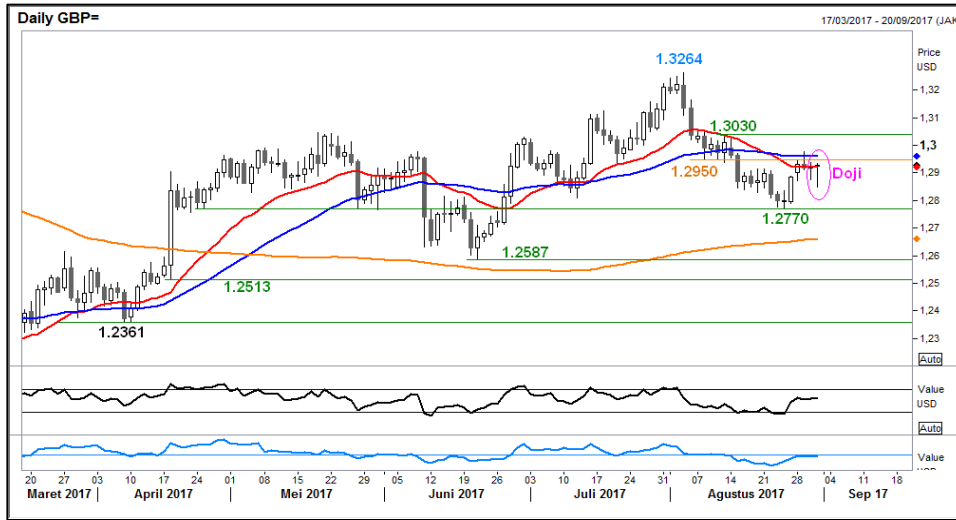
WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
110.660 (31/Aug)	108.256 (29/Aug)	111.038 (04/Aug)	108.256 (29/Aug)	114.482 (11/Jul)	110.203 (31/Jul)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	112.41	High 20/Jul/2017 (Reaction high)
	112.18	High 26/Jul/2017 (Reaction high)
	111.33	High 28/Jul/2017
	111.04	High 04/Aug/2017 (Reaction high)
SUPPORT	109.51	Low 30/Aug/2017
	108.11	Low 17/Apr/2017 (Bottom)
	107.74	Low 15/Nov/2016
	106.51	Low 14/Nov/2016
RECOMMENDATION	BUY	----
	SELL	110.20
	STOP LOSS	111.10
	TARGET	109.40 109.00

GBP/USD

Interest Rate: 0.25% (GB)/1.00%-1.25% (US)



- Moves flat, forming a doji pattern after managed to rebound
- Crucial level at 1.2950 is likely to be tested again
- While the support area at 1.2770 [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	1.29234	1.29337	1.28514	82,3	1.28811	↓ 40,4	1.29215
Aug 30	1.29195	1.29368	1.28773	59,5	1.29215	↑ 4,1	1.29174
Aug 29	1.29287	1.29775	1.29131	64,4	1.29174	↓ 12,8	1.29302
Aug 28	1.29042	1.29415	1.28723	69,2	1.29302	↑ 52,4	1.28778
Aug 25	1.27998	1.28866	1.27930	93,6	1.28778	↑ 80,1	1.27977

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.29775 (29/Aug)	1.28514 (31/Aug)	1.32665 (03/Aug)	1.27728 (24/Aug)	1.32237 (31/Jul)	1.28106 (12/Jul)	1.32665 (03/Aug)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3164	High 04/Aug/2017
	1.3060	High 07/Aug/2017
	1.3030	High 11/Aug/2017 (Reaction high)
	1.2978	High 29/Aug/2017 (Reaction high)
SUPPORT	1.2849	Low 31/Aug/2017
	1.2770	Low 24/Aug/2017
	1.2703	Low 26/Jun/2017
	1.2639	Reaction low (hourly)
RECOMMENDATION	BUY	1.2875
	SELL	----
	STOP LOSS	1.2800
	TARGET	1.2965
		1.3010

USD/CHF

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



- Reversal occurs after rebound failed to breakout resistance area at 0.9696
- Consider the area of 0.9640. If it is effective, then correction may continue
- Strong support at 0.9428
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	0.96220	0.96785	0.95811	97,4	0.95859	↓ 48,9	0.96348
Aug 30	0.95498	0.96442	0.95372	107,0	0.96348	↑ 82,7	0.95521
Aug 29	0.95184	0.95592	0.94269	132,3	0.95521	↑ 0,5	0.95516
Aug 28	0.95493	0.95770	0.95257	51,3	0.95516	↓ 20,6	0.95722
Aug 25	0.96496	0.96612	0.95620	99,2	0.95722	↓ 81,0	0.96532

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.96785 (31/Aug)	0.94269 (29/Aug)	0.97715 (08/Aug)	0.94269 (29/Aug)	0.97256 (28/Jul)	0.94372 (21/Jul)	1.0335 (03/Jan)	0.94269 (29/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.9825	High 18/May/2017
	0.9808	High 30/May/2017 (Reaction high)
	0.9772	High 08/Aug/2017 (Reaction high)
	0.9696	High 23/Aug/2017 (Reaction high)
SUPPORT	0.9537	Low 30/Aug/2017
	0.9428	Low 29/Aug/2017
	0.9379	Low 26/Aug/2015
	0.9295	Low 25/Aug/2015
RECOMMENDATION	BUY	----
	SELL	0.9620
	STOP LOSS	0.9700
	TARGET	0.9555 0.9510

AUD/USD

Interest Rate: 1.5% (AU)/ 1.00%-1.25% (US)



- Trendline resistance around 0.8170
 - The support area around 0.7720 - 0.7630
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	0.79028	0.79488	0.78702	78,6	0.79434	↑ 50,1	0.78933
Aug 30	0.79476	0.79946	0.78891	105,5	0.78933	↓ 54,9	0.79482
Aug 29	0.79370	0.79818	0.79043	77,5	0.79482	↓ 19,2	0.79674
Aug 28	0.79447	0.79719	0.79245	47,4	0.79674	↑ 32,2	0.79352
Aug 25	0.79008	0.79528	0.78842	68,6	0.79352	↑ 38,6	0.78966

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.79946 (30/Aug)	0.78702 (31/Aug)	0.80416 (01/Aug)	0.78067 (15/Aug)	0.80646 (27/Jul)	0.75698 (05/Jul)	0.80646 (27/Jul)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8295	High Jan 15, 2015 (Reaction high)
	0.8162	High May 14, 2015
	0.8065	High July 27
	0.7992	High Aug 02
SUPPORT	0.7863	Low Aug 24
	0.7812	Low Aug 16
	0.7721	Low July 14
	0.7630	Low July 12
ECOMMENDATION	BUY	0.7925
	SELL	-----
	STOP LOSS	0.7860
	TARGET	0.7995 0.8025

NZD/USD

Interest Rate: 2.00% (NZ) / 1.00%-1.25% (US)



- The series goes down in daily highs
- Important support at 0.7054 level
- With daily RSI is down
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	0.72017	0.72087	0.71305	78,2	0.71767	↓ 23,2	0.71999
Aug 30	0.72500	0.72766	0.71880	88,6	0.71999	↓ 54,4	0.72543
Aug 29	0.72430	0.72974	0.72167	80,7	0.72543	↓ 7	0.72550
Aug 28	0.72535	0.72620	0.72296	32,4	0.72550	↑ 15,3	0.72397
Aug 25	0.72069	0.72573	0.71957	61,6	0.72397	↑ 32,8	0.72069

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.72974 (29/Aug)	0.71305 (31/Aug)	0.75239 (01/Aug)	0.71305 (31/Aug)	0.75570 (27/Jul)	0.72005 (11/Jul)	0.75570 (27/Jul)	0.68166 (11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7473	High Aug 02
	0.7454	High Aug 04
	0.7335	High Aug 22
	0.7277	High Aug 30
SUPPORT	0.7112	Low June 05
	0.7054	Low June 01
	0.7005	Low May 26
	0.6910	Low May 22
RECOMMENDATION	BUY	-----
	SELL	0.7195
	STOP LOSS	0.7265
	TARGET	0.7115 0.7085

EUR/JPY

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



- Reversal is still quite limited after failing to hold above the 131.39 area.
- Correction facing trendline support around 129.65
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	131.093	131.558	130.680	87,8	130.937	↓ 4,5	130.982
Aug 30	131.204	131.678	130.946	73,2	130.982	↓ 31,4	131.296
Aug 29	130.283	131.596	129.629	196,7	131.296	↑ 45,6	130.840
Aug 28	130.569	130.945	129.955	99,0	130.840	↑ 108,7	129.753
Aug 25	129.254	129.843	129.085	75,8	129.753	↑ 49,0	129.263

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
131.678 (30/Aug)	129.629 (29/Aug)	131.678 (30/Aug)	127.532 (18/Aug)	130.739 (11/Jul)	127.971 (06/Jul)	131.678 (30/Aug)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	133.79	High 16/Dec/2015 (Reaction high)
	132.80	High 22/Dec/2015 (Reaction high)
	132.25	High 29/Jan/2016 (Peak)
	131.70	High 30/Aug/2017
SUPPORT	129.63	Low 29/Aug/2017
	129.09	Low 25/Aug/2017
	127.82	Low 21/Aug/2017
	127.42	Low 06/Jul/2017 (Reaction low)
RECOMMENDATION	BUY	----
	SELL	131.35
	STOP LOSS	132.05
	TARGET	130.20 129.50

USD/CAD

Interest Rate: 1.00%-1.25% (US)/0.75% (CA)



- A sharp reversal occurs after failed to breakout a resistance area at 1.2691
 - However RSI is near the oversold zone
 - Be alert of a rising rebound if strong support at 1.2412 remains intact
- [\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2473	1.2483

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2662 (31/Aug)	1.2438 (29/Aug)	1.2778 (15/Aug)	1.2438 (29/Aug)	1.3014 (05/Jul)	1.2412 (26/Jul)	1.3793 (05/May)	1.2412 (26/Jul)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.2943	High 11/Jul/2017 (Reaction high)
	1.2778	High 15/Aug/2017
	1.2740	Reaction high (hourly)
	1.2691	High 18/Aug/2017 (Reaction high)
SUPPORT	1.2412	Low 26/Jul/2017 (Bottom)
	1.2302	Low 29/Jun/2015 (Reaction low)
	1.2273	Low 24/Jun/2015 (Reaction low)
	1.2210	Low 19/Jun/2015
RECOMMENDATION	BUY	1.2430
	SELL	----
	STOP LOSS	1.2350
	TARGET	1.2540 – 1.2580

Precious Metal – *Daily Outlook*

Gold rises as dollar retreats, Korean tensions support - Reuters News

Gold prices rose on Thursday, nearing Tuesday's 9-1/2-month high as the dollar retreated after data showed the pace of U.S. annual inflation slowed, while rising security concerns triggered by tensions on the Korean peninsula provided safe-haven support.

The dollar index weakened after data showed U.S. annual inflation rose at its slowest pace since late 2015, which diminished expectations of an interest-rate increase by the Federal Reserve in December. The greenback fell further after U.S. Treasury Secretary Steven Mnuchin commented on tax reform.



A falling U.S. currency, already near its lowest since 2015, makes dollar-denominated gold cheaper for holders of other currencies, which could boost demand.

Spot gold was up 0.8 percent at \$1,319.31 an ounce by 2:05 p.m. EDT (1805 GMT), on track for a nearly 4 percent rise for August, which would be its strongest monthly performance since January. On Tuesday, it rose to a 9-1/2-month high at \$1,325.94.

U.S. gold futures settled up 0.6 percent at \$1,322.20.

"Gold bulls are energized after bullion defied an overnight push under \$1,300 to close at new highs for the move," said Tai Wong, director of base and precious metals trading for BMO Capital Markets in New York.

"Secretary Mnuchin's comments suggesting that tax reform may not be revenue-neutral hamstrung the dollar, which helped drive the gold rally."

Some of this month's gain came after North Korea fired a missile over Japan. That was followed two days later by South Korea's air force conducting an exercise with two U.S. nuclear-capable bombers above the Korean peninsula on Thursday.

"The situation in Korea encouraged interest in gold, and the weaker dollar has lifted gold," Oxford Economics commodities analyst Dan Smith said.

"We don't know what's going to happen with geopolitics, but we seem to be in a fairly stable environment in terms of the macro picture, which should mean limited upside for gold."

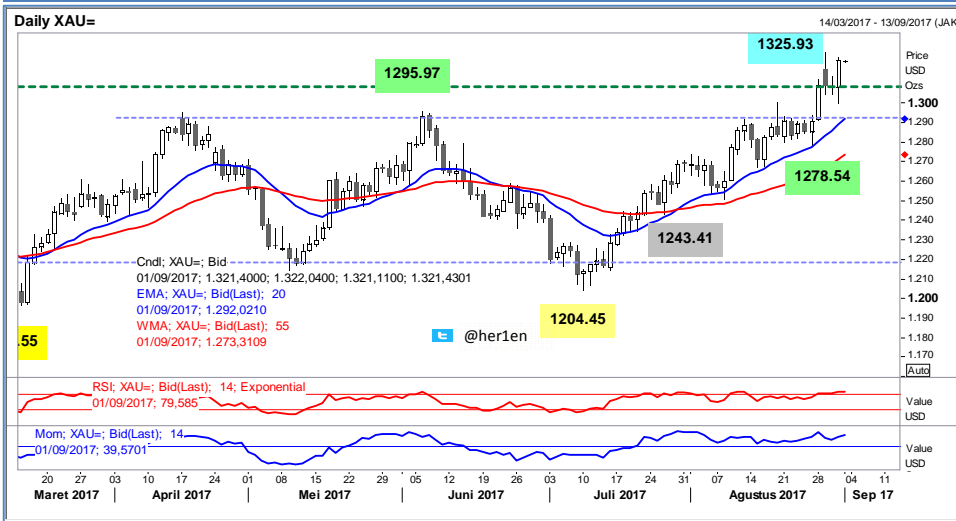
Oxford Economics expects the gold price to average \$1,265 in the fourth quarter and \$1,270 next year.

Holdings of gold in physically backed exchange traded funds have eased slightly from Monday's nearly six-week high.

"The North Korean missile test ... helped gold burst decisively through \$1,300/ounce triple-top resistance," INTL FCStone analyst Edward Meir said in a note. "It will be interesting to see if further chart-based buying materializes now that this triple-top has been breached, especially on any dips."

Elsewhere, silver rose 0.9 percent to \$17.53 an ounce, platinum gained 0.7 percent to \$993.53, and palladium added 0.8 percent to \$935. [\(Source Reuters, Research – @her1en\)](#)

GOLD (XAU/USD)



- Daily RSI is flat
 - The main resistance at 1343, support 1280
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Aug 31	1308.770	1323.500	1298.800	24.70	1321.190	↑ 12.63	1308.560	1305.80	1311.75
Aug 30	1309.710	1313.550	1305.050	8.50	1308.560	↓ 0.81	1309.370	1310.60	1308.50
Aug 29	1317.460	1325.870	1304.920	20.95	1309.370	↓ 0.35	1309.720	1323.40	1318.65
Aug 28	1293.980	1311.920	1291.700	20.22	1309.720	↑ 18.30	1291.420	1287.05	1285.30
Aug 25	1285.920	1294.220	1276.250	17.97	1291.420	↑ 5.33	1286.090	1287.05	1285.30

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1325.870 (29/Aug)	1291.700 (28/Aug)	1325.870 (29/Aug)	1251.380 (08/Aug)	1270.680 (28/Jul)	1204.690 (10/Jul)	1325.870 (29/Aug)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1343.64	High Sept 22, 2016
	1339.56	High Sept 27, 2016
	1337.40	High Sept 09, 2016
	1325.93	High Aug 29
SUPPORT	1300.35	Low Aug 31
	1291.50	Low Aug 28
	1280.20	Low Aug 21
	1267.81	Low Aug 16
RECOMMENDATION	BUY	1319.00
	SELL	-----
	STOP LOSS	1309.00
	TARGET	1331.00 1336.50

SILVER (XAG/USD)



- Short-term resistance around 18.00
 - Strong support at 16.59
 - Daily RSI is rise
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	17.410	17.608	17.258	0.35	17.554	↑ 0.15	17.403
Aug 30	17.377	17.463	17.288	0.18	17.403	↑ 0.04	17.363
Aug 29	17.525	17.647	17.262	0.38	17.363	↓ 0.07	17.432
Aug 28	17.096	17.463	17.009	0.45	17.432	↑ 0.38	17.049
Aug 25	16.945	17.167	16.716	0.45	17.049	↑ 0.09	16.954

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.647	17.009	17.647	16.108	16.860	14.334	18.63	14.334
(29/Aug)	(28/Aug)	(29/Aug)	(07/Aug)	(31/Jul)	(07/Jul)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.64	Reaction high (High Apr 17)
	18.43	High Apr 18
	18.00	High Apr 25
	17.75	High June 06 (Reaction high)
SUPPORT	17.24	Low Aug 31
	16.99	Low Aug 28
	16.76	Low Aug 25
	16.59	Low Aug 16
ECOMMENDATION	BUY	17.50
	SELL	-----
	STOP LOSS	17.20
	TARGET	17.85
		18.05

OIL – Daily Outlook

Oil rises, gasoline jumps 13 pct as U.S. refineries reel - Reuters News



Gasoline futures surged more than 13 percent on Thursday, and crude oil settled nearly 3 percent higher, as almost a quarter of U.S. refining capacity remained offline and traders scrambled to reroute millions of barrels of fuel.

U.S. gasoline futures have rallied more than 28 percent from the previous week to a two-year high above \$2 a gallon, buoyed by fears of a fuel shortage days ahead of the U.S. Labor Day weekend's traditional surge in driving. Gasoline settled up 25.52 cents, or 13.54 percent, at \$2.1399.

Hurricane Harvey, which brought record flooding to the U.S. oil heartland of Texas and killed at least 35 people, has paralyzed at least 4.4 million barrels

per day (bpd) of refining capacity, according to company reports and Reuters estimates.

The U.S. Department of the Interior's Bureau of Safety and Environmental Enforcement said that roughly 13.5 percent of oil production in the Gulf of Mexico was also shut in on Thursday.

The U.S. government tapped its strategic oil reserves for the first time in five years on Thursday, releasing 1 million barrels of crude to a working refinery in Louisiana. Traders were also scrambling to redirect fuel to the United States.

U.S. West Texas Intermediate (WTI) crude futures settled \$1.27 higher at \$47.23 per barrel, up 2.76 percent. It remained on track to close August down almost 6 percent, the steepest monthly loss since March.

International benchmark Brent crude settled \$1.52 higher, or 2.99 percent, at \$52.38 a barrel. It had fallen by just over 2 percent in the previous session.

"The market has turned in reverse pretty sharply," said Gene McGillian, manager of market research at Tradition Energy. "You do have some signs of rebalancing, regardless of Harvey."

On Wednesday, oil prices fell despite a weekly drop in closely watched U.S. commercial crude stocks of 5.39 million barrels. Crude inventories are 14.5 percent below record levels hit in March.

OPEC output this month also fell 170,000 bpd from a 2017 high, a Reuters survey found, as renewed unrest cut supplies in Libya and other members stepped up compliance with a production-cutting deal

Analysts called the status of U.S. refineries a key to oil prices.

"The disruptions in recent days may delay the ongoing global crude oil rebalancing process," Bank of America Merrill Lynch said in a note.

Analysts at Goldman Sachs and Stifel said U.S. outages would probably last several months but it was difficult to estimate the exact damage. Others said higher gasoline prices might prompt operational refineries to delay typical September seasonal maintenance.

"Refineries outside the affected area may delay maintenance to benefit from high processing margins," said Commerzbank oil analyst Carsten Fritsch. "Hence, the negative impact on crude oil demand and oil product supply might be less severe than feared."

Shrinking crude stocks and expectations for rising growth in global demand meant analysts in a monthly Reuters poll raised their oil price forecasts for the first time in six months.

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

CLV7/USD (OIL)
 (Exp.: 22 Sep. 2017 - Reuters)



- There is a correction in daily movement
- Important resistance at 50.70
- Primary support around 44.90
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 31	45.92	47.45	45.58	1.87	47.08	↑ 1.13	45.95
Aug 30	46.31	46.70	45.83	0.87	45.95	↓ 0.38	46.33
Aug 29	46.84	46.94	45.75	1.19	46.33	↓ 0.47	46.80
Aug 28	48.12	48.14	46.14	2.00	46.80	↓ 1.04	47.84
Aug 25	47.61	47.89	47.40	0.49	47.84	↑ 0.24	47.60

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
48.14	45.58	50.41	45.58	50.39	43.64	55.22	42.04
(28/Aug)	(31/Aug)	(01/Aug)	(31/Aug)	(31/Jul)	(10/Jul)	(03/Jan)	(21/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	52.50	High May 25
	50.70	High 30/May/2017 (Reaction high)
	49.16	High Aug 14
	48.43	High Aug 24
SUPPORT	45.58	Low Aug 31
	44.90	Reaction low (hourly)
	43.83	Low July 10
	42.27	Low June 21
RECOMMENDATION	BUY	46.85
	SELL	----
	STOP LOSS	45.35
	TARGET	48.35 48.85