



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 shares rose on Tuesday as investors looked to a barrage of economic data around the world to confirm recent signs the global economy is in fine fettle with inflation staying well contained.
- European shares rose on Tuesday, looking to recover after two straight months of losses, with corporate earnings reports spurring brisk trading ahead of a what is typically a sleepy summer period for markets.
- A gauge of world stocks advanced on Tuesday after scoring its longest monthly winning streak in over a decade on signs of an improving global economy and solid corporate earnings, while the U.S. dollar bounced after touching 15-month lows.

GLOBAL ECONOMIES

- Australia's central bank on Tuesday marked a full year without changing interest rates, and many economists suspect rates could stay at record lows of 1.5 percent for yet another year as it wrestles with a strong currency and weak inflation.
- Growth in China's manufacturing quickened in July, a private survey showed on Tuesday, as output and new orders rose at the fastest pace since February on strong export sales.
- The euro zone economy confirmed a robust expansion in the second quarter of the year, growing twice as much as Britain for the second consecutive quarter, preliminary estimates released by the European Union's statistics agency showed on Tuesday.
- The biggest surge in export orders since 2010 helped British factories to recover in July from a seven-month low, according to a survey on Tuesday that may temper some of the concerns among Bank of England officials about a slowdown in the economy.
- A measure of U.S. factory activity fell from a near three-year high in July amid a drop in new orders and consumer spending barely rose in the prior month, setting the economy on a moderate growth path in the third quarter.

GLOBAL MARKETS

Asia – Asian shares rose on Tuesday as investors looked to a barrage of economic data around the world to confirm recent signs the global economy is in fine fettle with inflation staying well contained.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.7 percent, led by gains in financials and energy shares and coming within a whisker of last Thursday's heights not seen since January 2008, while Tokyo's Nikkei rose 0.3 percent.

Hong Kong's Hang Seng added 0.8 percent, touching its highest since June 2015, and the Hang Seng China Enterprises index was up 1.8 percent and at its highest since August 2015.

Strong inflows from mainland investors via the stock connect program linking Hong Kong and the mainland are seen to be helping drive the recent rise in Hong Kong stocks.

Australian stocks advanced 0.9 percent on the strength of financials and materials shares.

Euro Zone – European shares rose on Tuesday, looking to recover after two straight months of losses, with corporate earnings reports spurring brisk trading ahead of a what is typically a sleepy summer period for markets.

The pan-European STOXX 600 index, nursing two straight months of losses, rose 0.6 percent. Blue chips closed 0.9 percent higher, their best one-day gains in three weeks.

Germany's DAX advanced 1.1 percent while Britain's commodities-heavy FTSE 100 gained 0.7 percent as oil stocks rose.

Earnings updates dominated the action, with oil heavyweight BP rising 2.8 percent and boosting the oil & gas sector after beating forecasts as new projects supported production.

"BP has covered the cash component of the dividend with free cash flow for the second straight quarter and the Upstream business is performing well," analysts at Jefferies said in a note.

"Valuation is not challenging, but the company's ability to de-lever the balance sheet remains a concern."

The European second-quarter earnings season is nearing the halfway mark and so far 60 percent of MSCI Europe firms have met or beaten analysts' expectations, according to Thomson Reuters data.

Earnings per share growth in Europe was tracking at about 13 percent, including a significant boost from energy firms, according to the latest data from JPMorgan.

"You have seen some signs of (the) green shoots of recovery within the European economy and that, of course, is good for companies," Laith Khalaf, senior analyst at Hargreaves Lansdown, said.

Morgan Stanley analysts said the euro's surge this year could weigh on European corporate profits, however, joining the chorus of big brokers warning the currency could dent earnings growth.

British companies were the top gainers, with aerospace and defence firm Rolls-Royce shooting up 11.6 percent, its best day in a year, after beating expectations with a rise in first-half profit thanks to a step-up in production.

It was joined by testing firm Intertek Group, insurer Direct Line and Dutch chemicals company DSM, which all gained between 5.8 percent to 9 percent on the back of well-received results.

Lender CYBG was the top-gaining bank, rocketing 9.3 percent on strong third-quarter results. Financials were the biggest contributors to gains on the STOXX. Morgan Stanley had pointed to the sector as one of the least vulnerable to the stronger euro, due to its low overseas exposure.

A late faller was motor insurance company AA which plummeted 12.8 percent after the firm fired its executive chairman and lowered its full-year forecasts.

While moves among fallers were otherwise fairly muted, precious metals miner Fresnillo was the worst-performing in the basic resources sector, dropping 2.3 percent after its first-half update.

U.S. & Global Markets – A gauge of world stocks advanced on Tuesday after scoring its longest monthly winning streak in over a decade on signs of an improving global economy and solid corporate earnings, while the U.S. dollar bounced after touching 15-month lows.

Tepid U.S. inflation along with political turmoil in Washington has dented expectations of another Federal Reserve interest rate hike in coming months. Improving data in other major economies around the world has also served to push the greenback down nearly 11 percent from January peaks.

Preliminary estimates released by the European Union's statistics agency showed euro zone growth remained robust in the second quarter after a strong reading in the first three months of the year.

A measure of U.S. factory activity fell from a near three-year high in July amid a drop in new orders, while consumer spending barely rose in the prior month, setting the economy on a moderate growth path in the third quarter.

"It's all about negative dollar momentum," said Vassili Serebriakov, FX strategist at Credit Agricole in New York. "If you're short the dollar, the move has been playing out in your favor and there is little reason to change the view."

The dollar's decline, low inflation and robust global growth has stoked appetite for stocks, however, with the MSCI ACWI index extending its run after the index in July logged its longest streak of monthly gains since 2003-04.

MSCI's gauge of stocks across the globe gained 0.38 percent and the pan-European FTSEurofirst 300 index rose 0.62 percent.

European shares rose after two straight monthly declines, aided by gains in oil and financial shares.

The Dow Jones Industrial Average rose 72.80 points, or 0.33 percent, to close at 21,963.92, the S&P 500 gained 6.05 points, or 0.24 percent, to 2,476.35 and the Nasdaq Composite added 14.82 points, or 0.23 percent, to 6,362.94.

The dollar bounced slightly from a 15-month low against major currencies in the wake of the data, although the outlook remained cautious due to political turmoil in Washington and uncertainty about the Federal Reserve's path of rate hikes.

The dollar index rose 0.22 percent to 93.068 from a low of 92.777, with the euro down 0.35 percent to \$1.1799.

The softer dollar is expected to benefit earnings for U.S. companies. Thomson Reuters data through Tuesday morning shows second-quarter earnings growth of 10.9 percent, with 72 percent of S&P 500 companies topping expectations.

Apple Inc, the largest U.S. company by market capitalization, is scheduled to report after the closing bell on Tuesday.

Bets on another quarter-percentage-point U.S. rate increase this year have fallen to about 43 percent, according to Thomson Reuters data.

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

GLOBAL ECONOMIES

Australia – Australia's central bank on Tuesday marked a full year without changing interest rates, and many economists suspect rates could stay at record lows of 1.5 percent for yet another year as it wrestles with a strong currency and weak inflation.

The Reserve Bank of Australia (RBA) stepped up its rhetoric against a rising local dollar saying the higher exchange rate will further compress consumer prices, weighing on the outlook for growth and employment.

The Australian dollar has jumped about 8 percent since June to a two-year peak, largely driven by a battered greenback. It was last steady at \$0.8010.

In response the RBA inserted a new paragraph in its latest policy statement, saying, "an appreciating exchange rate would be expected to result in a slower pick-up in economic activity and inflation than currently forecast."

While the RBA did sound upbeat about the overall economy, its optimism was restrained by tepid inflation, record-low wages growth and mounting consumer debt.

Subdued inflation, however, is not an Australian phenomenon. Consumer prices remain low or sluggish in most major economies including the United States, Europe and China even as growth has stayed largely solid.

That has partly led the Federal Reserve to tamp down on market expectations over the future pace of tightening.

Core inflation - the main focus for policymakers - has remained below the RBA's target band since early 2016, prompting it to lower interest rates twice last year.

The central bank expects a gradual pick-up in inflation and forecast the A\$1.7 trillion economy to grow at around 3 percent over the next couple of years.

"The main surprise was a ramping up in the level of concern about the stronger Aussie," said CBA economist Michael Blythe.

"The RBA last pulled the policy lever in August 2016. We suspect another year of masterly inactivity is in store from here. And any serious debate about lifting rates is unlikely before late 2018."

A majority of the 42 economists polled by Reuters forecast a steady rate outlook over a one-year horizon, with only 9 expecting a rate hike.

China – Growth in China's manufacturing quickened in July, a private survey showed on Tuesday, as output and new orders rose at the fastest pace since February on strong export sales.

But even as firms boosted purchasing in anticipation of more business, employment levels at factories fell at the fastest pace in 10 months and a reading on business outlook was the lowest since last August - a sign that economic momentum may start to ebb in the months ahead.

The Caixin/Markit Manufacturing Purchasing Managers' Index (PMI) rose to 51.1 in July, above the 50-point mark that separates growth from contraction, and well ahead of the 50.4 in June which was also the median figure forecast by 21 analysts in a Reuters survey.

A resurgent export sector underpinned by a brightening global economy helped China post surprisingly strong gross domestic product growth of 6.9 percent in the first half of the year.

The Caixin readings diverged from an official PMI survey released on Monday which showed growth in China's manufacturing sector cooled slightly last month due to slackening export demand. The private survey, however, tends to focus on smaller firms while the official PMI covers mostly larger firms, many of them state-owned manufacturers.

"Operating conditions in the manufacturing sector improved further in July, suggesting the economy's growth momentum will be sustained." Zhengsheng Zhong, Director of Macroeconomic Analysis at CEBM Group, said in a note accompanying the data release.

"That said, it's unlikely that financial regulatory tightening will be relaxed."

The broader consensus among China watchers is that economic growth will cool in coming months as a government crackdown on financial risks raises borrowing costs, squeezing profits and output. Yet, there appears more than enough momentum to reach Beijing's growth target of around 6.5 percent for the year.

The Caixin new export orders reading came in at 53.5 in July, up from 50.9 in June and the highest since February.

While China's foreign trade faces a mostly positive environment in the second half of the year, uncertainties still exist, Vice Commerce Minister Qian Keming said in Beijing on Monday.

The United States and China failed earlier this month to agree on major new steps to reduce the U.S. trade deficit with China, casting doubt over President Donald Trump's economic and security relations with Beijing.

Chinese goods producers in July were able to raise output prices the most since March, Tuesday's PMI showed, as input inflation also accelerated, though the price gains were much milder than those seen around the turn of the year.

Companies still expected to increase output over the next 12 months, but the reading was the lowest since August.

On the whole, while China's manufacturing sector has remained resilient, companies' outlook has now worsened or held steady since hitting a nearly two-year high in February.

That turning point roughly corresponds to when the Chinese government stepped up a campaign to rein in debt risks through a concerted deleveraging effort, which has driven up borrowing costs.

A Caixin/Markit survey covering China's services sector will be released on Wednesday. The official survey showed the sector remained robust despite a slight slowdown last month.

Euro Zone – The euro zone economy confirmed a robust expansion in the second quarter of the year, growing twice as much as Britain for the second consecutive quarter, preliminary estimates released by the European Union's statistics agency showed on Tuesday.

The reading confirmed the trend begun this year as the 19-country currency bloc consolidates its recovery while Britain starts to feel the negative impact of its decision to quit the European Union.

Gross domestic product (GDP) in the euro zone increased 0.6 percent on the quarter, after a slightly downwardly revised 0.5 percent rise in the first quarter, Eurostat's data showed.

In the March-June period, Britain's economic output grew by 0.3 percent on the quarter, edging up from a sluggish rate of 0.2 percent in the first three months of the year.

Britain's slowdown comes after the country showed robust growth last year, outgrowing the euro zone in the last three quarters.

The loss of pace coincides with the beginning of divorce talks with the EU in March and increased prospects of no access to the EU market after Brexit for Britain-based companies.

Meanwhile, the euro zone economy has picked up speed, bolstered by higher business optimism, strong domestic consumption and decreasing unemployment, which in June reached its lowest level since 2009.

In annualised terms, the euro zone economy expanded 2.3 percent in the second quarter after a 2.0 percent rise in the first three months of the year, Eurostat said.

"All in all, the euro zone economy has rounded out the first half of the year in a very healthy state and seems to be set up nicely for continued firm growth for the rest of 2017," Bert Colijn, senior economist at ING said.

In its latest forecasts, released in July, the International Monetary Fund estimated the euro zone would grow 1.9 percent this year and 1.7 percent in 2018, above Britain's projected growth of 1.7 percent this year and 1.5 percent next.

The EU economics commissioner, Pierre Moscovici, said the new estimates could likely lead to an upwardly revision of the commission's forecasts, which in May predicted a 1.7 percent rise of euro zone's output this year and 1.8 percent in 2018.

Updated estimates of euro zone GDP growth in the second quarter will be released by Eurostat on August 16 and final data will come on September 7.

The healthier state of the bloc's economy could support European Central Bank's plans to begin a tightening of monetary policy in autumn, although headline inflation remained stable at 1.3 percent in July, below the ECB target of below but close to 2 percent.

UK – The biggest surge in export orders since 2010 helped British factories to recover in July from a seven-month low, according to a survey on Tuesday that may temper some of the concerns among Bank of England officials about a slowdown in the economy.

Sterling hit its highest level in 10 months against the U.S. dollar and British government bond prices fell after Tuesday's Markit/CIPS UK Manufacturing Purchasing Managers' Index (PMI) rose to 55.1 from a downwardly revised 54.2 in June.

The PMI exceeded the consensus forecast of 54.4 in a Reuters poll of economists.

Supporters of Britain's decision to leave the European Union have said that sterling's fall since last year's referendum will help the economy by making exports more competitive. However, growth in the first half of 2017 slowed sharply as consumers felt the pinch of inflation, caused in part by the pound's fall.

"Sterling's slide – along with stronger global growth – appears to be providing significant support for manufacturers by boosting external demand," said Scott Bowman, an economist with Capital Economics.

"In addition, the survey suggests that the peak impact of sterling's depreciation on manufacturing prices has now passed."

Although the PMI survey showed growth in manufacturing output cooled to a four-month low, new orders surged almost to the all-time high hit in April 2010, particularly from abroad, and employment also rose strongly.

EEF, a manufacturing industry association, said the improvement suggested the factory sector's drag on the economy in the second quarter was likely to be temporary.

That ought to hearten BoE policymakers ahead of Thursday's interest rate announcement, as should the signs that price pressures are now fading.

U.S. – A measure of U.S. factory activity fell from a near three-year high in July amid a drop in new orders and consumer spending barely rose in the prior month, setting the economy on a moderate growth path in the third quarter.

Other data on Tuesday showed a sharp drop in construction spending in June as investment in public projects recorded its biggest decline since March 2002.

The Institute for Supply Management (ISM) said its index of national factory activity fell to a reading of 56.3 last month from 57.8 in June, which was the highest level since August 2014.

A reading above 50 in the ISM index indicates an expansion in manufacturing, which accounts for about 12 percent of the U.S. economy. Manufacturing is slowing as a boost from the energy sector ebbs after a burst in oil well drilling activity.

It is also being hurt by declining automobile production as companies respond to falling sales that have left them with an inventory bloat. Motor vehicle production has dropped for three straight quarters.

Last month, the ISM survey's production sub-index fell 1.8 points to a reading of 60.6. A gauge of new orders slipped to 60.4 from 63.5 in June. Though a measure of factory employment dropped two points to 55.2, labor market conditions in the sector are tightening. Manufacturers reported an increase in turnover, with employees leaving for other opportunities.

The U.S. dollar touched a 15-month low against a basket of currencies after the data. Prices of U.S. Treasuries reversed course to trade higher and U.S. stocks rallied, with the Dow Jones Industrial Average hitting a record high. *(Source Reuters, Research – @her1en)*

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/31-Jul-17	05:45	NZ	Building Permits MoM	Jun	-1.0%	--	7.0%	6.9%
	06:01	GB	Lloyds Business Barometer	Jul	30	--	30	
	06:50	JP	Industrial Production MoM	Jun P	1.6%	1.5%	-3.6%	
	06:50	JP	Industrial Production YoY	Jun P	4.9%	4.8%	6.5%	
	06:50	JP	Loans & Discounts Corp YoY	Jun	4.10%	--	3.91%	
	08:00	AU	Melbourne Institute Inflation MoM	Jul	0.1%	--	0.1%	
	08:00	AU	Melbourne Institute Inflation YoY	Jul	2.7%	--	2.3%	
	08:00	AU	HIA New Home Sales MoM	Jun	-6.9%	--	1.1%	
	08:00	CN	Manufacturing PMI	Jul	51.4	51.5	51.7	
	08:00	CN	Non-manufacturing PMI	Jul	54.5	--	54.9	
	08:00	NZ	ANZ Activity Outlook	Jul	40.3	--	42.8	
	08:00	NZ	ANZ Business Confidence	Jul	19.4	--	24.8	
	08:10	JP	BOJ Outright Bond Purchase 10~25 Years					
	08:10	JP	BOJ Outright Bond Purchase 25 Years~					
	08:30	AU	Private Sector Credit MoM	Jun	0.6%	0.4%	0.4%	
	08:30	AU	Private Sector Credit YoY	Jun	5.4%	5.2%	5.0%	
	N/A	HK	Budget Balance HKD	Jun	-	--	-11.3b	
	N/A	HK	Money Supply M1 HKD YoY	Jun	-	--	14.6%	
	N/A	HK	Money Supply M2 HKD YoY	Jun	-	--	15.5%	
	N/A	HK	Money Supply M3 HKD YoY	Jun	15.9%	--	15.5%	
	11:00	JP	Vehicle Production YoY	Jun	6.9%	--	5.5%	
	12:00	JP	Annualized Housing Starts	Jun	1.003m	0.987m	0.998m	
	12:00	JP	Housing Starts YoY	Jun	1.7%	-0.1%	-0.3%	
	12:00	JP	Construction Orders YoY	Jun	2.3%	--	-0.5%	
	13:00	DE	Retail Sales MoM	Jun	1.1%	0.2%	0.5%	
	13:00	DE	Retail Sales YoY	Jun	1.5%	2.7%	4.8%	4.9%
	15:30	GB	Money Supply M4 MoM	Jun	-0.2%	0.2%	-0.1%	
	15:30	GB	M4 Money Supply YoY	Jun	5.3%	--	6.7%	
	15:30	GB	M4 Ex IOFCs 3M Annualised	Jun	5.4%	--	5.6%	5.7%
	16:00	EZ	Unemployment Rate	Jun	9.1%	9.2%	9.3%	9.2%
	16:00	EZ	CPI Estimate YoY	Jul	1.3%	1.3%	1.3%	
	16:00	EZ	CPI Core YoY	Jul A	1.3%	1.1%	1.1%	
	19:30	CA	Industrial Product Price MoM	Jun	-1.0%	-0.3%	-0.2%	0.1%
20:45	US	Chicago Purchasing Manager	Jul	58.9	60	65.7		
21:00	US	Pending Home Sales MoM	Jun	1.5%	0.7%	-0.8%	-0.7%	
21:00	US	Pending Home Sales NSA YoY	Jun	0.7%	--	0.5%	0.7%	
21:30	US	Dallas Fed Manf. Activity	Jul	16.8	14	15		
Tue/01-Aug-17	06:00	AU	Commonwealth Bank Australia PMI Mfg	Jul	54.4	--	56.2	
	06:00	KR	CPI MoM	Jul	0.2%	--	-0.1%	
	06:00	KR	CPI YoY	Jul	2.2%	--	1.9%	
	06:00	KR	CPI Core YoY	Jul	-	--	1.4%	
	06:30	AU	AiG Perf of Mfg Index	Jul	56	--	55	
	07:00	KR	Exports YoY	Jul	-	--	13.7%	
	07:00	KR	Imports YoY	Jul	-	--	18.0%	
	07:00	KR	Trade Balance	Jul	-	--	\$11403m	
	07:30	JP	Nikkei Japan PMI Mfg	Jul F	52.1	--	52.2	
	07:30	KR	Nikkei South Korea PMI Mfg	Jul	49.1	--	50.1	
	08:45	CN	Caixin China PMI Mfg	Jul	51.1	50.4	50.4	
	11:30	AU	RBA Cash Rate Target	Aug-01	1.50%	1.5%	1.5%	
	12:00	JP	Vehicle Sales YoY	Jul	-1.1%	--	9.7%	
	13:30	AU	Commodity Index SDR YoY	Jul	17.1%	--	25.0%	23.7%
	13:30	AU	Commodity Index AUD	Jul	114.4	--	119.5	118.3
	14:55	DE	Markit/BME Germany Manufacturing PMI	Jul F	58.1	58.3	58.3	
	14:55	DE	Unemployment Change (000's)	Jul	-9k	-5k	7k	6k
	14:55	DE	Unemployment Claims Rate SA	Jul	5.7%	5.7%	5.7%	
	15:00	EZ	Markit Eurozone Manufacturing PMI	Jul F	56.6	56.8	56.8	

	15:30	GB	Markit UK PMI Manufacturing SA	Jul	55.1	54.4	54.3	54.2
	16:00	EZ	GDP SA QoQ	2Q A	0.6%	0.6%	0.6%	0.5%
	16:00	EZ	GDP SA YoY	2Q A	2.1%	2.1%	1.9%	
	19:30	US	Personal Income	Jun	0.0%	0.4%	0.4%	0.3%
	19:30	US	Personal Spending	Jun	0.1%	0.2%	0.1%	
	19:30	US	Real Personal Spending	Jun	0.0%	0.1%	0.1%	0.2%
	19:30	US	PCE Deflator MoM	Jun	0.0%	0.0%	-0.1%	0.0%
	19:30	US	PCE Deflator YoY	Jun	1.5%	--	1.4%	1.5%
	19:30	US	PCE Core MoM	Jun	0.1%	0.1%	0.1%	
	19:30	US	PCE Core YoY	Jun	1.4%	1.3%	1.4%	1.5%
	20:00	NZ	Dairy Prices	w/e	-1.6%	--	0.2%	
	20:00	NZ	Milk Auctions	w/e	3343T	--	3387.0T	
	20:30	CA	Markit Canada Manufacturing PMI	Jul	55.5	--	54.7	
	20:45	US	Markit US Manufacturing PMI	Jul F	53.3	--	53.2	
	21:00	US	ISM Manufacturing	Jul	56.3	56.5	57.8	
	21:00	US	ISM Prices Paid	Jul	62.0	55.5	55	
	21:00	US	ISM New Orders	Jul	60.4	--	63.5	
	21:00	US	ISM Employment	Jul	55.2	55.1	57.2	
	21:00	US	Construction Spending MoM	Jun	-1.3%	0.4%	0.0%	0.3%
	All Day	CH	Bank Holiday/National Day					
Wed/02-Aug-17	05:45	NZ	Unemployment Rate	2Q		4.8%	4.9%	
	05:45	NZ	Employment Change QoQ	2Q		0.8%	1.2%	
	05:45	NZ	Employment Change YoY	2Q		4.1%	5.7%	
	05:45	NZ	Participation Rate	2Q		70.6%	70.6%	
	05:45	NZ	Pvt Wages Ex Overtime QoQ	2Q		0.5%	0.4%	
	05:45	NZ	Pvt Wages Inc Overtime QoQ	2Q		--	0.4%	
	05:45	NZ	Average Hourly Earnings QoQ	2Q		--	0.3%	
	06:50	JP	Monetary Base YoY	Jul		--	17.0%	
	06:50	JP	Monetary Base End of period	Jul		--	¥468.0t	
	08:30	AU	Building Approvals MoM	Jun		1.5%	-5.6%	
	08:30	AU	Building Approvals YoY	Jun		--	-19.7%	
	08:30	JP	BOJ Funo speaks in Sapro					
	12:00	JP	Consumer Confidence Index	Jul		--	43.3	
	12:45	CH	SECO Consumer Confidence	Jul		--	-8	
	14:15	CH	Retail Sales Real YoY	Jun		--	-0.3%	
	14:30	CH	PMI Manufacturing	Jul		--	60.1	
	15:30	HK	Retail Sales Value YoY	Jun		--	0.5%	
	15:30	HK	Retail Sales Volume YoY	Jun		--	0.7%	
	15:30	GB	Markit/CIPS UK Construction PMI	Jul		54.0	54.8	
	16:00	EZ	PPI MoM	Jun		-0.1%	-0.4%	
	16:00	EZ	PPI YoY	Jun		2.4%	3.3%	
	19:15	US	ADP Employment Change	Jul		185k	158k	
	21:30	US	DOE U.S. Crude Oil Inventories	Jul-28		--	-7208k	
	21:30	US	DOE Cushing OK Crude Inventory	Jul-28		--	-1699k	
	21:30	US	DOE U.S. Gasoline Inventories	Jul-28		--	-1015k	
	21:30	US	DOE U.S. Distillate Inventory	Jul-28		--	-1852k	
	23:00	US	Fed's Mester Speaks to Community Banking Conference					
Thu/03-Aug-17	02:30	US	Fed's Williams Speaks in Las Vegas on Monetary Policy					
	04:00	KR	Foreign Reserves	Jul		--	\$380.57b	
	06:00	AU	Commonwealth Bank Australia PMI Composite	Jul		--	57.2	
	06:00	AU	Commonwealth Bank Australia PMI Services	Jul		--	57	
	06:00	KR	BoP Current Account Balance	Jun		--	\$5937.3m	
	06:00	KR	BoP Goods Balance	Jun		--	\$8834m	
	06:30	AU	AiG Perf of Services Index	Jul		--	54.8	
	07:30	HK	Nikkei Hong Kong PMI	Jul		--	51.1	
	07:30	JP	Nikkei Japan PMI Services	Jul		--	53.3	
	07:30	JP	Nikkei Japan PMI Composite	Jul		--	52.9	
	08:00	NZ	ANZ Commodity Price	Jul		--	2.1%	
	08:30	AU	Trade Balance	Jun		A\$1800m	A\$2471m	

	08:45	CN	Caixin China PMI Composite	Jul	--	51.1	
	08:45	CN	Caixin China PMI Services	Jul	--	51.6	
	14:55	DE	Markit Germany Services PMI	Jul F	53.5	53.5	
	14:55	DE	Markit/BME Germany Composite PMI	Jul F	55.1	55.1	
	15:00	EZ	ECB Publishes Economic Bulletin				
	15:00	EZ	Markit Eurozone Services PMI	Jul F	55.4	55.4	
	15:00	EZ	Markit Eurozone Composite PMI	Jul F	55.8	55.8	
	15:30	GB	Markit/CIPS UK Services PMI	Jul	53.5	53.4	
	15:30	GB	Markit/CIPS UK Composite PMI	Jul	--	53.8	
	15:30	GB	Official Reserves Changes	Jul	--	\$491m	
	16:00	EZ	Retail Sales MoM	Jun	0.2%	0.4%	
	16:00	EZ	Retail Sales YoY	Jun	2.5%	2.6%	
	18:00	GB	Bank of England Inflation Report				
	18:00	GB	Bank of England Bank Rate	Aug-03	0.25%	0.25%	
	18:00	GB	BOE Asset Purchase Target	Aug	435b	435b	
	18:00	GB	BOE Corporate Bond Target	Aug	--	10b	
	19:30	US	Initial Jobless Claims	Jul-29	242k	244k	
	19:30	US	Continuing Claims	Jul-22	1955k	1964k	
	20:45	US	Markit US Services PMI	Jul F	--	54.2	
	20:45	US	Markit US Composite PMI	Jul F	--	54.2	
	21:00	US	ISM Non-Manf. Composite	Jul	57.0	57.4	
	21:00	US	Factory Orders	Jun	2.9%	-0.8%	
	21:00	US	Factory Orders Ex Trans	Jun	--	-0.3%	
	21:00	US	Durable Goods Orders	Jun F	--	6.5%	
	21:00	US	Durables Ex Transportation	Jun F	--	0.2%	
	21:00	US	Cap Goods Orders Nondef Ex Air	Jun F	--	--	
	21:00	US	Cap Goods Ship Nondef Ex Air	Jun F	--	--	
Fri/04-Aug-17	07:00	JP	Labor Cash Earnings YoY	Jun	--	0.7%	
	07:00	JP	Real Cash Earnings YoY	Jun	--	0.1%	
	08:30	AU	Retail Sales MoM	Jun	0.0%	0.6%	
	08:30	AU	Retail Sales Ex Inflation QoQ	2Q	1.3%	0.1%	
	08:30	AU	RBA Statement on Monetary Policy				
	13:00	DE	Factory Orders MoM	Jun	0.8%	1.0%	
	13:00	DE	Factory Orders WDA YoY	Jun	--	3.7%	
	14:30	DE	Markit Germany Construction PMI	Jul	--	55.1	
	15:10	EZ	Markit Eurozone Retail PMI	Jul	--	53.2	
	15:10	DE	Markit Germany Retail PMI	Jul	--	54.5	
	19:30	CA	Int'l Merchandise Trade	Jun	--	-1.09b	
	19:30	CA	Net Change in Employment	Jul	14.5k	45.3k	
	19:30	CA	Unemployment Rate	Jul	6.5%	6.5%	
	19:30	CA	Full Time Employment Change	Jul	--	8.1	
	19:30	CA	Part Time Employment Change	Jul	--	37.1	
	19:30	CA	Participation Rate	Jul	--	65.9	
	19:30	US	Change in Nonfarm Payrolls	Jul	183k	222k	
	19:30	US	Two-Month Payroll Net Revision	Jul	--	47k	
	19:30	US	Change in Private Payrolls	Jul	180k	187k	
	19:30	US	Change in Manufact. Payrolls	Jul	5k	1k	
	19:30	US	Unemployment Rate	Jul	4.3%	4.4%	
	19:30	US	Average Hourly Earnings MoM	Jul	0.3%	0.2%	
	19:30	US	Average Hourly Earnings YoY	Jul	--	2.5%	
	19:30	US	Average Weekly Hours All Employees	Jul	34.5	34.5	
	19:30	US	Labor Force Participation Rate	Jul	--	62.8%	
	19:30	US	Underemployment Rate	Jul	--	8.6%	
	19:30	US	Trade Balance	Jun	-\$45.0b	-\$46.5b	
Sat/05-Aug-17	00:00	US	Baker Hughes U.S. Rig Count	Aug-04	--	958	
	00:00	US	Baker Hughes U.S. Rotary Gas Rigs	Aug-04	--	--	
	00:00	US	Baker Hughes U.S. Rotary Oil Rigs	Aug-04	--	--	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average rose on Tuesday, buoyed by companies such as Nitto Denko and Mitsui Sumitomo Financial Group reporting strong earnings, though gains were tempered by a stronger yen.

The Nikkei ended 0.3 percent higher at 19,985.79 points.

On Monday, the Nikkei fell 0.2 percent to its lowest close since June 15.

For July, it shed 0.5 percent, snapping a three-month winning streak.

The broader Topix gained 0.6 percent to 1,628.50.

Meanwhile, small-to-mid sized stocks tumbled, with the Mothers market dropping 4.0 percent.

The yen gained against the dollar, which dropped 0.2 percent to 110.01 yen earlier in the day to its lowest levels since mid-June amid U.S. political turmoil and doubts over about the prospects for another Federal Reserve rate hike this year.

With Japanese first quarter earnings in focus, Daiwa Securities said more companies were upgrading their annual outlooks compared with the same time last year.

"About 20 percent of the companies that we cover have raised their full-year profit outlooks so far, and that's more than last year," said Kazuhiro Takahashi, an equity strategist at Daiwa Securities.

"Most companies have conservative dollar-yen assumptions, while other companies such as factory automation equipment makers benefit from strong demand in China."

According to the Nikkei business daily, more than 70 percent of Japan's public companies have posted increases in their net profits.

Industrial tape maker Nitto Denko Corp, which reported its quarterly earnings on Monday, soared 3.7 percent and contributed a hefty 14 points to the Nikkei benchmark index's gains.

It raised its profit outlook for the April-September period thanks to strong demand for optical film used in smartphones. It now expects an operating profit of 65 billion yen for the first half, up from previously forecast 47.5 billion yen.

Elsewhere, Sumitomo Mitsui Financial Group surged 2.3 percent after the bank's net profit for the April-June quarter rose 31 percent, helped by the sale of stock holdings.

Japan Airlines rose 2.8 percent after it raised its net profit outlook to 108 billion yen from 100 billion yen for the year through March and increased its annual dividend payout outlook to 96 yen per share from 90 yen.

South Korean shares rose on Tuesday as investors cheered strong exports growth, which has continued to support the domestic economy and helped boost corporate profits.

The Korea Composite Stock Price Index (KOSPI) closed up 0.8 percent at 2,422.96 points.

Local institutions purchased a net 180.8 billion won (\$161.37 million) worth of KOSPI shares, offsetting foreign investors selling a net 36.4 billion won worth for the day.

The South Korean won reversed course to end slightly weaker as investors grappled with political turmoil in the United States and lingering jitters about North Korea's nuclear ambitions.

The won was quoted at 1,121.3 to the dollar at the conclusion of onshore trade, down 0.2 percent compared to Monday's close of 1,119.0.

Hong Kong stocks ended at a 26-month high, aided by strong gains in state-backed mainland firms, as investors cheered a private survey showing China's factory activity accelerated in July.

The benchmark Hang Seng index rose 0.8 percent, to 27,540.23 points, its highest close since June 2015.

The China Enterprises Index, an index tracking major state-owned mainland firms, gained 1.8 percent to finish at 11,024.13 points, a two-year high.

In July, HSI was up 6.1 percent, marking its seventh straight month of gains, while HSCE gained 4.5 percent.

Growth in China's manufacturing picked up its pace in July, a private survey showed on Tuesday, as output and new orders rose at the fastest pace since February on strong export sales.

Investors also looked to a barrage of economic data around the world to confirm recent signs the global economy is solid, with inflation staying well contained.

Financials led the advance, as investors poured into dual-listed big-cap insurers including New China Life Insurance, a leading life insurance firm in China, which leapt 6.9 percent to its highest since May 2015.

China's online gaming giant Tencent Holdings ended up 0.3 percent at a record high.

Hong Kong's rally could be attributed in part to strong southbound inflows via the stock connects linking Hong Kong and the mainland, traders said.

Data showed mainland investors in July spent a total of 42.3 billion yuan (\$6.30 billion), the largest monthly amount so far in 2017, buying Hong Kong stocks via the stock connects linking Shanghai, Shenzhen and Hong Kong.

Mainland shares also gained on Tuesday, with China's blue-chip CSI300 index rising 0.9 percent to finish at its highest close since December 2015.

China blue chips ended at a 19-month high on Tuesday, led by strong gains in heavyweight financial firms, as investors cheered a private survey showing the country's factory activity accelerated in July.

China's blue-chip CSI300 index rose 0.9 percent to finish at 3,770.38 points, its highest close since December 2015.

The Shanghai Composite Index added 0.6 percent to 3,292.64 points. In July, the CSI300 advanced 2.0 percent, while the SSECS gained 2.5 percent. Growth in China's manufacturing picked up pace in July, a private survey showed on Tuesday, as output and new orders rose at the fastest pace since February on strong export sales.

The Caixin/Markit Manufacturing Purchasing Managers' Index (PMI) rose to 51.1 in July, above the 50-point mark that separates growth from contraction, and well above June's 50.4, which was also the median projection from 21 analysts in a Reuters survey.

Alleviating concerns that Beijing's deleveraging efforts could hurt economic growth, a top official at the nation's central bank said it will continue to force financial institutions to cut debt but ensure the process is smooth and orderly to limit the impact on market liquidity.

In sharp contrast with continued gains in blue-chips, start-ups remained sluggish, with the start-up board index up 0.3 percent on Tuesday after notching a loss of 4.5 percent in July.

Last Thursday, the index rose 3.62 percent, its best day in 14 months, raising hopes start-ups could rebound after their sustained weakness in the past two years.

But many analysts expect little prospect of a reversal of fortunes at those firms amid concerns over their falling profit growth and a fast pace of initial public offerings.

Most sectors firmed, with financials leading the gains, while material plays took a breather.

Shares of listed firms, including developer Financial Street Holdings in which Anbang Insurance Group holds major stakes, were underpinned after Anbang said it had no plans to sell its overseas assets.

(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)	27558.00 (01/Aug/2017)	21990.96 (01/Aug/2017)	2484.04 (27/Jul/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 – 01 August 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21963.92	↑ 72.80/ 0.33%	.N225	19985.79	↑ 60.61/0.30%
/.SPX	2476.35	↑ 6.05/ 0.24%	.KS200	317.04	↑ 2.44/0.78%
/.IXIC	6362.938	↑ 14.815/ 0.23%	.HSI	27540.23	↑ 216.24/0.79%
JPY=	110.35	↑ 0.10/ 0.09%	/.SSEC	3292.28470	↑ 19.25640/0.59%
KRW=	1120.53	↑ 2.13/ 0.19%	/CLc1 (Oil)	48.79	↓ 1.38/2.75%

SSIamU7 (Nikkei Sep Futures) – Last Trading Date: 11 Sep 2017



- Rebound develops with the support area at 19860 remains intact
- Rebound faces trendline resistance around 20150
- Consider a descending triangle pattern that could potentially support bearish signal
[\[Research – @ErwinRiset\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
01 Aug SSIpmU7	19975	20045	19955	90	20040	---	↑ 60	0.30	17005
01 Aug SSIamU7	19945	19980	19910	70	19980	19980	↑ 35	0.18	34970
31 July SSIpmU7	19940	19985	19905	80	19905	---	↓ 40	0.20	13305
31 July SSIamU7	19960	19960	19895	65	19945	19945	↓ 15	0.08	41910
28 July SSIpmU7	19960	19970	19920	50	19965	---	↑ 5	0.03	18239
28 July SSIamU7	19990	20025	19910	115	19960	19960	↓ 95	0.47	54288
27 July SSIpmU7	20055	20125	19950	175	20040	---	↓ 15	0.07	19690
27 July SSIamU7	20005	20170	19990	180	20055	20055	↑ 20	0.10	58321
26 July SSIpmU7	20030	20090	19995	95	20015	---	↓ 20	0.10	14622
26 July SSIamU7	20080	20100	20005	95	20035	20035	↑ 105	0.53	38711

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
20045	19895	20045	19910	20200	19830	20290	18190
(01/Aug)	(31/Jul)	(01/Aug)	(01/Aug)	(03/Jul)	(07/Jul)	(20/Jun)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	20200	Reaction high (hourly)
	20170	Reaction high (hourly)
	20125	Reaction high (hourly)
	20045	Reaction high (hourly)
SUPPORT	19895	Reaction low (hourly)
	19830	Reaction low (hourly)
	19705	Low 16/Jun/2017 (Reaction low)
	19565	Low 30/May/2017 (Reaction low)
RECOMMENDATION	BUY	19975
	SELL	----
	STOP LOSS	19885
	TARGET	20045
		20115

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



- Rebound continues, facing the resistance area at 320.30
- Crucial support at 314.60
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
01 Aug	314.15	319.45	313.85	5.60	317.90	317.90	↑ 3.00	0.95	268590
31 July	313.35	315.50	313.25	2.25	314.90	314.90	↑ 1.00	0.32	199083
28 July	320.00	320.20	313.90	6.30	313.90	313.90	↓ 7.30	2.27	315478
27 July	321.20	322.15	320.35	1.80	321.20	321.20	↑ 0.90	0.28	178263
26 July	321.45	321.60	319.50	2.10	320.30	320.30	↓ 0.70	0.22	206966
25 July	322.55	322.75	320.70	2.05	321.00	321.00	↓ 1.60	0.50	139018

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
319.45 (01/Aug)	313.25 (31/Jul)	319.45 (01/Aug)	313.85 (01/Aug)	322.75 (25/Jul)	310.35 (05/Jul)	322.75 (25/Jul)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	322.15	Reaction high (hourly)
	321.35	Reaction high (hourly)
	320.20	High 28/Jul/2017
	319.45	High 01/Aug/2017
SUPPORT	315.75	Pivot line (hourly)
	313.25	Low 31/Jul/2017
	312.35	Low 11/Jul/2017
	310.35	Low 05/Jul/2017
RECOMMENDATION	BUY	316.55
	SELL	----
	STOP LOSS	315.60
	TARGET	318.75
		319.90

HSIQ7 (Hang Seng August Futures) – Exp. Date: 30 Aug 2017



- Rally tests and breaks the upperline of the trend channel
- The uptick target is at 27690
- Beware of RSI in the overbought zone
- Support area at 27300 - 27200
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
01 Aug (HSIQ7)	27221	27525	27221	304	27515	27515	↑ 287	1.05	105184
31 July (HSIQ7)	26975	27241	26951	290	27228	27228	↑ 285	1.06	87186
28 July (HSIQ7)	26982	26985	26870	115	26943	26943	↓ 114	0.42	85680
27 July (HSIQ7)	26878	27090	26867	223	27057	27057	↑ 214	0.80	83437
27 July (HSIN7)	26963	27165	26943	222	27127	27127	↑ 209	0.78	105668
26 July (HSIQ7)	26831	26920	26728	192	26843	26843	↑ 34	0.13	87810
26 July (HSIN7)	26913	26995	26802	193	26918	26918	↑ 37	0.14	156946

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
27525	26951	27525	27221	27241	25110	27525	21863
(01/Aug)	(31/Jul)	(01/Aug)	(01/Aug)	(31/Jul)	(05/Jul)	(01/Aug)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	28560	High 26/May/2015 (Peak)
	28458	High 27/May/2015
	28178	High 28/May/2015
	27660	High 04/Jun/2015 (Reaction high)
SUPPORT	27350	Reaction low (15 minutes)
	27189	Reaction low (hourly)
	27108	Pivot line (hourly)
	26915	Reaction low (hourly)
RECOMMENDATION	BUY	27450
	SELL	----
	STOP LOSS	27325
	TARGET	27650 27735

CURRENCIES – *Daily Outlook*

U.S. dollar index hits 15-month low on Fed, political uncertainty - Reuters News



The U.S. dollar briefly touched a 15-month low against a basket of major currencies on Tuesday on political turmoil in Washington and weak U.S. economic data that kept the Federal Reserve's policy outlook uncertain.

The dollar was last higher on the day as investors consolidated positions, but it was still not far from its lowest in more than a year against major rivals as political uncertainty was expected to continue weighing

on the greenback following President Donald Trump's ouster of White House communications chief Anthony Scaramucci on Monday.

Market concerns also persisted about whether the Fed would raise interest rates again this year. Traders' bets last reflected a roughly 46 percent chance of a Fed rate hike in December, according to CME Group's FedWatch tool.

The dollar index, which measures the greenback against a basket of six major rivals, was last up 0.2 percent at 93.060 after touching 92.777, the lowest since early May 2016.

The dollar index fell in July, its fifth consecutive monthly decline, the longest such stretch since December 2010 through April 2011. On a monthly basis, it was the biggest drop since March 2016.

"It's all about negative dollar momentum," said Vassili Serebriakov, FX strategist at Credit Agricole in New York. "If you're short the dollar, the move has been playing out in your favor and there is little reason to change the view."

Weak U.S. construction spending and auto sales added to the dollar's troubles, Serebriakov added.

The U.S. Commerce Department said construction spending fell 1.3 percent in June to the lowest since September 2016. Economists polled by Reuters had expected construction spending to increase by 0.4 percent.

U.S. carmakers said on Tuesday they continued to pare back on sales to daily rental fleets in July.

The dollar was last up slightly against the Japanese currency at 110.32 yen. The greenback earlier fell below 110 yen for the first time in more than six weeks, touching 109.94 yen.

The euro was down 0.3 percent against the dollar at \$1.1800, but not far from a 2-1/2-year high of \$1.1845 touched on Monday.

"Policy uncertainty in the U.S. I think has been the biggest driver of declines in the dollar recently," said Sireen Harajli, FX strategist at Mizuho in New York. "Any positive effect from the election of President Trump I think at this point has been priced out."

(Source Reuters, Research – @her1en)

EUR/USD

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



- Primary support at the 1.1480 level
- Daily RSI flat
- Strong resistance at 1.2110
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	1.18346	1.18379	1.17840	53,9	1.17995	↓ 40,5	1.18400
July 31	1.17586	1.18444	1.17220	122,4	1.18400	↑ 80,7	1.17593
July 28	1.16740	1.17628	1.16700	92,8	1.17593	↑ 84,4	1.16749
July 27	1.17462	1.17758	1.16489	126,9	1.16749	↓ 57,0	1.17319
July 26	1.16466	1.17389	1.16116	127,3	1.17319	↑ 86,2	1.16457

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18444 (31/Jul)	1.17220 (31/Jul)	1.18379 (01/Aug)	1.17840 (01/Aug)	1.18444 (31/Jul)	1.13112 (05/Jul)	1.18444 (31/Jul)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2254	High Dec 25, 2014
	1.2108	High Jan 02, 2015
	1.1968	High Jan 06, 2015
	1.1870	High Jan 12, 2015
SUPPORT	1.1721	Low Jul 31
	1.1669	Low Jul 28
	1.1611	Low Jul 26
	1.1477	Low Jul 19
RECOMMENDATION	BUY	1.1785
	SELL	-----
	STOP LOSS	1.1720
	TARGET	1.1855 1.1885

USD/JPY

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



- Rebound occurs but it is still quite limited
 - If the crucial resistance at 110.60 is effective, then the downtrend continues, facing the trendline support around 109.40
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	110.242	110.578	109.910	66,8	110.344	↑ 10,4	110.240
July 31	110.524	110.761	110.203	55,8	110.240	↓ 35,2	110.592
July 28	111.306	111.311	110.590	72,1	110.592	↓ 64,7	111.239
July 27	111.111	111.699	110.769	93,0	111.239	↑ 9,2	111.147
July 26	111.858	112.186	111.049	113,7	111.147	↓ 73,0	111.877

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
110.761 (31/Jul)	109.910 (01/Aug)	110.578 (01/Aug)	109.910 (01/Aug)	114.482 (11/Jul)	110.203 (31/Jul)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	112.86	High 17/Jul/2017
	112.41	High 20/Jul/2017 (Reaction high)
	112.18	High 26/Jul/2017 (Reaction high)
	111.33	High 28/Jul/2017
SUPPORT	109.40	Trendline support
	109.25	Low 15/Jun/2017
	108.81	Low 14/Jun/2017 (Bottom)
	108.11	Low 17/Apr/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	110.80
	STOP LOSS	111.50
	TARGET	110.00 109.65

GBP/USD

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



- Rebound continues but it is limited
- Consider the doji star pattern for potential reversal, with RSI already overbought
- Short-term resistance at 1.3278
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	1.32061	1.32436	1.31896	54,0	1.32024	↓ 10,1	1.32125
July 31	1.31459	1.32237	1.30957	128,0	1.32125	↑ 64,5	1.31480
July 28	1.30635	1.31481	1.30610	87,1	1.31480	↑ 84,7	1.30633
July 27	1.31180	1.31576	1.30511	106,5	1.30633	↓ 46,5	1.31098
July 26	1.30282	1.31217	1.29984	123,3	1.31098	↑ 85,0	1.30248

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.32436 (01/Aug)	1.30957 (31/Jul)	1.32436 (01/Aug)	1.31896 (01/Aug)	1.32237 (31/Jul)	1.28106 (12/Jul)	1.32237 (31/Jul)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3480	High 15/Jul/2016 (Reaction high)
	1.3445	High 06/Sep/2016 (Peak)
	1.3346	High 12/Sep/2016 (Reaction high)
	1.3278	High 15/Sep/2016 (Reaction high)
SUPPORT	1.3056	Low 28/Jul/2017
	1.2999	Low 26/Jul/2017
	1.2930	Low 20/Jul/2017 (Reaction low)
	1.2875	Low 13/Jul/2017
RECOMMENDATION	BUY	----
	SELL	1.3230
	STOP LOSS	1.3310
	TARGET	1.3115 1.3070

USD/CHF

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



- Correction continues, facing the crucial support area at 0.9595
- Short-term resistance at 0.9726
- RSI drops from the overbought zone

[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	0.96666	0.96824	0.96299	52,5	0.96554	↓ 11,6	0.96670
July 31	0.96839	0.97114	0.96357	75,7	0.96670	↓ 12,7	0.96797
July 28	0.96493	0.97256	0.96323	93,3	0.96797	↑ 31,9	0.96478
July 27	0.95000	0.96609	0.94890	171,9	0.96478	↑ 141,4	0.95064
July 26	0.95219	0.95940	0.94975	96,5	0.95064	↓ 16,6	0.95230

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.97114 (31/Jul)	0.96299 (01/Aug)	0.96824 (01/Aug)	0.96299 (01/Aug)	0.97256 (28/Jul)	0.94372 (21/Jul)	1.0335 (03/Jan)	0.94372 (21/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.9967	High 16/May/2017
	0.9861	High 18/May/2017
	0.9808	High 30/May/2017 (Reaction high)
	0.9770	High 15/Jun/2017 (Reaction high)
SUPPORT	0.9597	Reaction low (hourly)
	0.9489	Low 27/Jul/2017
	0.9436	Low 21/Jul/2017 (Bottom)
	0.9379	Low 26/Aug/2015
RECOMMENDATION	BUY	----
	SELL	0.9690
	STOP LOSS	0.9780
	TARGET	0.9620 0.9580

AUD/USD

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



- Trendline resistance around 0.8160
- The support area around 0.7720 - 0.7630
- The RSI is in the overbought area ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	0.79996	0.80416	0.79597	81,9	0.79675	↓ 34,1	0.80016
July 31	0.79878	0.80027	0.79551	47,6	0.80016	↑ 10,5	0.79911
July 28	0.79636	0.80060	0.79358	70,2	0.79911	↑ 25,2	0.79659
July 27	0.80103	0.80646	0.79552	109,4	0.79659	↓ 38,0	0.80039
July 26	0.79351	0.80126	0.78767	135,9	0.80039	↑ 68,7	0.79352

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.80416 (01/Aug)	0.79551 (31/Jul)	0.80416 (01/Aug)	0.79597 (01/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
	0.8233	High Jan 21, 2015
	0.8162	High May 14, 2015
	0.8065	High July 27
SUPPORT	0.7875	Low July 26
	0.7783	Low July 18
	0.7721	Low July 14
	0.7630	Low July 12
ECOMMENDATION	BUY	0.7955
	SELL	-----
	STOP LOSS	0.7885
	TARGET	0.8035 0.8065

NZD/USD

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



- Correction happens in daily
- With RSI down, beware it is still near the overbought area

[\[Research – @her1en\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	0.75097	0.75239	0.74604	63,5	0.74675	↓ 46,0	0.75135
July 31	0.75127	0.75212	0.74667	54,5	0.75135	↓ 7,2	0.75207
July 28	0.74833	0.75208	0.74594	61,4	0.75207	↑ 34,7	0.74860
July 27	0.75206	0.75570	0.74787	78,3	0.74860	↓ 33,2	0.75192
July 26	0.74179	0.75278	0.74082	119,6	0.75192	↑ 103,0	0.74162

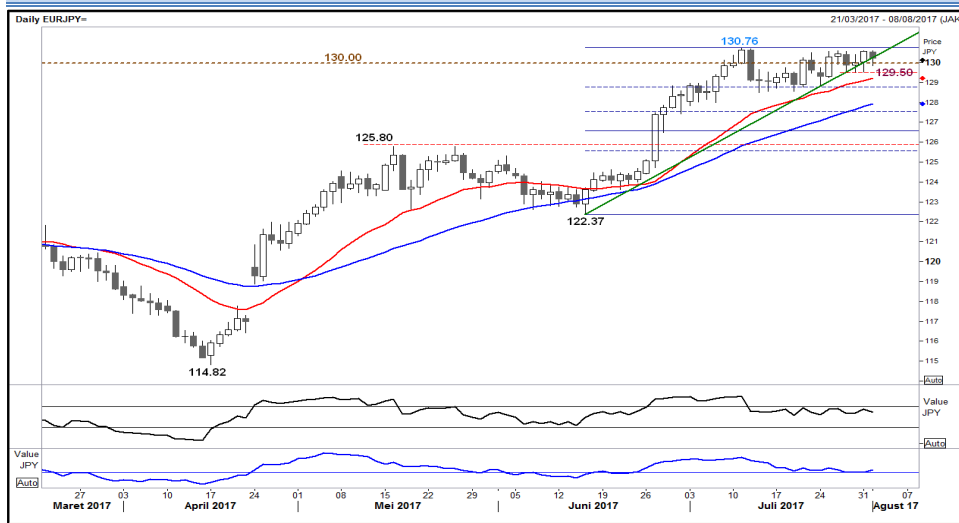
WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.75239	0.74604	0.75239	0.74604	0.75570	0.72005	0.75570	0.68166
(01/Aug)	(01/Aug)	(01/Aug)	(01/Aug)	(27/Jul)	(11/Jul)	(27/Jul)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7890	High Jan 15, 2015
	0.7744	High Apr 29, 2015
	0.7627	High May 01, 2015
	0.7562	High May 14, 2015
SUPPORT	0.7408	Low July 26
	0.7370	Trendline support
	0.7331	Low July 20
	0.7244	Low July 13
RECOMMENDATION	BUY	0.7460
	SELL	-----
	STOP LOSS	0.7395
	TARGET	0.7530
		0.7560

EUR/JPY

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



- Correction tests and breaks the trendline support area
- Correction is facing short-term support around 129.50
- While the resistance at 130.76
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	130.467	130.568	129.810	75,8	130.218	↓ 32,3	130.541
July 31	129.963	130.564	129.519	104,5	130.541	↑ 49,4	130.047
July 28	129.945	130.378	129.529	84,9	130.047	↑ 16,4	129.883
July 27	130.510	130.559	129.516	104,3	129.883	↓ 53,3	130.416
July 26	130.278	130.581	129.909	67,2	130.416	↑ 11,1	130.305

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
130.568	129.519	130.568	129.810	130.739	127.971	130.739	114.87
(01/Aug)	(31/Jul)	(01/Aug)	(01/Aug)	(11/Jul)	(06/Jul)	(11/Jul)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	132.80	High 22/Dec/2015 (Reaction high)
	132.25	High 29/Jan/2016 (Peak)
	131.65	High 04/Feb/2016 (Reaction high)
	131.04	High 05/Feb/2016
SUPPORT	129.23	Low 25/Jul/2017
	128.48	Low 13/Jul/2017 (Reaction low)
	127.97	Low 06/Jul/2017 (Reaction low)
	127.42	Low 30/Jun/2017 (Reaction low)
RECOMMENDATION	BUY	----
	SELL	130.40
	STOP LOSS	131.10
	TARGET	129.50
		129.00

USD/CAD

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



- Rebound continued after noting the bottom area at 1.2412
- RSI exits from the oversold zone, supporting bullish signal
- Short-term resistance around 1.2650
[\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2439	1.2535

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2552 (01/Aug)	1.2429 (31/Jul)	1.2552 (01/Aug)	1.2448 (01/Aug)	1.3014 (05/Jul)	1.2412 (26/Jul)	1.3793 (05/May)	1.2412 (26/Jul)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.2701	High 18/Jul/2017 (Reaction high)
	1.2652	Reaction high (hourly)
	1.2608	Reaction high (hourly)
	1.2573	High 27/Jul/2017 (Reaction high)
SUPPORT	1.2412	Low 26/Jul/2017
	1.2358	Low 30/Jun/2015
	1.2302	Low 29/Jun/2015 (Reaction low)
	1.2273	Low 24/Jun/2015 (Reaction low)
RECOMMENDATION	BUY	1.2480
	SELL	----
	STOP LOSS	1.2400
	TARGET	1.2570 – 1.2610

Precious Metal – *Daily Outlook*

Gold at 7-week high after tepid U.S. economic data - Reuters News



Gold prices rose to a seven-week high on Tuesday, after U.S. economic data showed lukewarm inflation and nearly flat consumer spending, raising the question of whether the Federal Reserve will raise interest rates in the coming months.

Spot gold rose 0.3 percent to \$1,273.26 an ounce by 1:49 p.m. EDT (1749 GMT), after rising to \$1,273.97, the highest since June 14. It rose 2.2 percent last month, its biggest monthly gain since February.

U.S. gold futures for August settled up 0.5 percent at \$1,279.40.

"The continuation of weakness in the data is

having people question the Fed and if inflation will be able to pick up longer term, and that's what's really driving (gold)," said Ryan McKay, associate commodities strategist for TD Securities.

"People are starting to question (a U.S. rate hike) more and we've seen a rebound from the lows of \$1,200, and I think that's due to people becoming less certain that this is going to happen."

The dollar edged higher as investors consolidated positions, after the falling to a 15-month low on U.S. political uncertainty and lackluster data, which kept the Federal Reserve's policy outlook uncertain.

A firmer dollar makes commodities such as gold that are priced in the greenback more expensive to buyers outside of the United States.

A measure of U.S. factory activity fell from a near three-year high in July, consumer spending barely rose, and there was little sign of inflation.

"Yesterday for the first time on a monthly close, gold broke above a downtrend that had prevailed since the high in 2011. This is quite a bullish technical signal and potentially demonstrating the start of a new trend," said analyst Jonathan Butler at Mitsubishi in London.

Investors are also looking ahead to the U.S. non-farm payrolls data later this week and how that will affect the dollar.

"We continue to expect the Fed to remain on hold in the coming months, and then to hike by 25 basis points in December, while the balance sheet adjustment should be gradual, setting a favorable backdrop for gold," Standard Chartered analyst Suki Cooper said in a note.

In other precious metals, silver fell 0.2 percent to \$16.75 per ounce.

Palladium gained 1 percent to \$891.90 per ounce, after it hit a near seven-week high of \$900. It rose almost 5 percent in July.

Platinum climbed 1.2 percent to \$947.10 per ounce, after rising to \$947.60, a high since June 14. It closed July higher, its first monthly gain since February.

(Source Reuters, Research – @her1en)

GOLD (XAU/USD)



- Daily RSI flat, beware of RSI in overbought area
- The daily highs up, the bullish trend is still strong
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Aug 01	1269.140	1273.940	1262.540	11.40	1268.680	↓ 0.62	1269.300	1267.05	1270.95
July 31	1270.110	1270.300	1265.620	4.68	1269.300	↓ 1.19	1270.490	1266.35	1267.55
July 28	1258.770	1270.680	1257.250	13.43	1270.490	↑ 11.68	1258.810	1259.60	1264.90
July 27	1260.290	1265.110	1254.390	10.72	1258.810	↓ 1.89	1260.700	1262.05	1261.10
July 26	1250.040	1263.370	1243.640	19.73	1260.700	↑ 10.96	1249.740	1245.40	1248.10

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1273.940 (01/Aug)	1262.540 (01/Aug)	1273.940 (01/Aug)	1262.540 (01/Aug)	1270.680 (28/Jul)	1204.690 (10/Jul)	1295.910 (06/Jun)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1337.40	High Nov 09, 2016
	1308.00	Trendline resistance
	1295.97	Reaction high on 1-H chart (High June 06)
	1279.37	High June 14
SUPPORT	1263.55	Low Aug 01
	1256.95	Low July 28
	1243.41	Low July 26
	1234.74	Low July 20
RECOMMENDATION	BUY	1266.00
	SELL	-----
	STOP LOSS	1257.00
	TARGET	1277.00 1282.50

SILVER (XAG/USD)



- Short-term resistance around 17.70
- Strong support at 16.10
- The bullish trend is still visible
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	16.812	16.836	16.589	0.25	16.688	↓ 0.12	16.809
July 31	16.762	16.860	16.658	0.20	16.809	↑ 0.10	16.710
July 28	16.556	16.738	16.504	0.23	16.710	↑ 0.16	16.555
July 27	16.629	16.804	16.536	0.27	16.555	↓ 0.08	16.634
July 26	16.464	16.681	16.287	0.39	16.634	↑ 0.16	16.475

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.860	16.589	16.836	16.589	16.860	14.334	18.63	14.334
(31/Jul)	(01/Aug)	(01/Aug)	(01/Aug)	(31/Jul)	(07/Jul)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.75	High June 06
	17.31	High June 14
	17.08	High June 15
	16.90	High June 29
SUPPORT	16.48	Low July 28
	16.28	Low July 26
	16.10	Low July 20
	15.57	Low July 14
ECOMMENDATION	BUY	16.65
	SELL	-----
	STOP LOSS	16.40
	TARGET	17.00
		17.20

OIL – Daily Outlook

Oil falls 2 percent, weighed by ample OPEC supply - Reuters News



Oil dropped about 2 percent from a two-month high on Tuesday as major world oil producers kept pumping out supply, causing investors to worry that several weeks of steady gains had pushed the rally too far, too fast. Selling picked up in the late morning as oil broke below Monday's lows, with more than 925,000 U.S. futures contracts traded, making it the busiest day in the market in nearly three weeks.

OPEC production rose in July, a Reuters survey found Monday, despite a deal to cut output. That prompted selling after U.S. oil futures had risen more than 16 percent since late June.

"It seems to be more technical and a combination of that and the OPEC story has everybody running for exits at the same time," said Phil Flynn, analyst at Price Futures Group in Chicago.

U.S. inventory reports due on Tuesday and Wednesday are expected to show crude stocks fell by 2.9 million barrels last week, the fifth straight week of declines.

Brent crude, the international benchmark, settled down 94 cents, or 1.8 percent, to \$51.78 a barrel, while U.S. crude ended down \$1.01, or 2 percent, to \$49.16 a barrel.

"Momentum indicators have us in overbought territory over the last few days, which is telling you (oil) is going to pull back somewhat," said Robert Yawger, director of energy futures at Mizuho Americas.

Gasoline and heating oil crack spreads, were stronger on Tuesday after Royal Dutch Shell said its Pernis refinery in the Netherlands, Europe's largest oil refinery, will remain closed through mid-August following a fire.

Industry group the American Petroleum Institute (API) reports data on U.S. inventories at 4:30 p.m. EDT (2030 GMT). The U.S. government's official data is out on Wednesday.

On the demand side, forecasters including the International Energy Agency have been raising their estimates. Oil company BP said Tuesday it sees demand growing by 1.4 to 1.5 million barrels per day (bpd). The Organization of the Petroleum Exporting Countries, along with Russia and other non-members have agreed to reduce output by 1.8 million bpd from Jan. 1, 2017 until March next year to get rid of excess supply.

Oil output by OPEC rose last month by 90,000 bpd to a 2017 high, led by Libya, one of the exempt producers. [\(Source Reuters, Research – @her1en\)](#)

CLU7/USD (OIL)
 (Exp.: 22 Aug. 2017 - Reuters)



- Daily high level rises
- Important resistance at 52.30
- Primary support around 46.30
 (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 01	50.18	50.41	48.36	2.05	48.76	↓ 1.40	50.16
July 31	49.75	50.39	49.17	1.22	50.16	↑ 0.38	49.78
July 28	49.15	49.79	48.85	0.94	49.78	↑ 0.65	49.13
July 27	48.68	49.22	48.24	0.98	49.13	↑ 0.43	48.70
July 26	48.49	48.84	47.85	0.99	48.70	↑ 0.17	48.53

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
50.41	48.36	50.41	48.36	50.39	43.64	55.22	42.04
(01/Aug)	(01/Aug)	(01/Aug)	(01/Aug)	(31/Jul)	(10/Jul)	(03/Jan)	(21/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	54.77	High Apr 12
	53.82	High Apr 19
	52.38	High May 25
	50.70	High 30/May/2017 (Reaction high)
SUPPORT	47.86	Low Jul 26
	46.38	Low Jul 25
	44.90	Reaction low (hourly)
	43.83	Low Jul 10
RECOMMENDATION	BUY	48.55
	SELL	----
	STOP LOSS	47.05
	TARGET	50.05 50.55