

Daily Bulletin

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Research Department

12/05/2017

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Published by RESEARCH DEPARTMENT – PT VALBURY ASIA FUTURES

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Wall Street faded having notched record highs on Monday, while the dollar and Treasury yields climbed, after a major U.S. tax overhaul cleared an important hurdle.

GLOBAL ECONOMIES

- The Bank of Japan does not plan to change its massive stimulus programme and will "immediately act" if risks to the economy undermines the momentum toward achieving its inflation target, central bank Governor Haruhiko Kuroda said on Monday.
- Investor sentiment in the euro zone fell more than expected in December, research group Sentix said on Monday, adding that the fall was no reason for concern given the headline figure had been rising sharply and hit a 10-year high last month.
- Greece's economy expanded for a third straight quarter in the July-to-September period but grew at a slower clip than it had in the previous quarter, driven by stronger tourism and higher government spending, statistics service (ELSTAT) said on Monday.
- Britain agreed on Monday to keep Northern Ireland in "regulatory alignment" with the European Union after Brexit, Irish government sources said, raising hopes Prime Minister Theresa May can strike a deal in Brussels to start free trade talks.
- The U.S. Federal Reserve is almost certain to raise interest rates later this month, according to a Reuters poll of economists, a majority of whom now expect three more rate rises next year compared with two when surveyed just weeks ago.
- Canada will continue to explore a free trade agreement with China, Canadian Prime Minister Justin Trudeau said on Monday, as it weighs its options after the United States threatened to pull out of the North American Free Trade Agreement (NAFTA).

GLOBAL MARKETS

U.S. & Global Markets – Wall Street faded having notched record highs on Monday, while the dollar and Treasury yields climbed, after a major U.S. tax overhaul cleared an important hurdle.

Markets digested the U.S. Senate's approval on Saturday of the biggest tax law change since the 1980s, taking President Donald Trump closer to his goal of slashing taxes on businesses.

On Wall Street, the benchmark S&P 500 set a record intraday high, but then pulled back and finished lower, while the Dow industrials still managed a record high close. MSCI's gauge of stocks across the globe gained 0.14 percent and also hit an all-time peak, but was well off its session high.

The Republicans' tax plan is expected to add \$1.4 trillion over 10 years to the \$20 trillion national debt to finance changes that they say would further boost an already growing economy.

The Dow Jones Industrial Average rose 58.46 points, or 0.24 percent, to 24,290.05, the S&P 500 lost 2.78 points, or 0.11 percent, to 2,639.44 and the Nasdaq Composite dropped 72.22 points, or 1.05 percent, to 6,775.37.

Some of the biggest gainers were from areas expected to benefit from a lower corporate tax rate. The S&P 500 banks index surged 2.3 percent, while the Dow Jones Transport Average jumped 1.8 percent.

But the technology sector, which has led Wall Street's record-setting rally this year, tumbled 1.9 percent.

"You're seeing what amounts to a pretty significant rotation going on in the market. The biggest evidence of that is tech," Chuck Carlson, chief executive officer at Horizon Investment Services in Hammond, Indiana.

"People are taking some profits off the table in those sectors and areas that have been very strong this year," Carlson said.

Aetna shares fell 1.4 percent after drugstore chain operator CVS Health agreed to buy the health insurer for \$69 billion. CVS shares fell 4.6 percent.

In Europe, the pan-European FTSEurofirst 300 index rose 0.97 percent.

Gains in the dollar helped Germany's dollar-exposed DAX leap from a two-month low, up 1.5 percent.

The dollar rose against a basket of currencies after the tax package moved forward.

The dollar index rose 0.26 percent, with the euro down 0.26 percent to \$1.1858. The Japanese yen weakened 0.23 percent versus the greenback at 112.38 per dollar.

"Dollar bulls are pinning their hopes on the sweeping tax deal leading to a more rapid pace of interest rate hikes from the Federal Reserve," said Jake Spark, U.S. corporate hedging manager at Western Union Business Solutions, in Washington.

Benchmark 10-year notes last fell 3/32 in price to yield 2.3723 percent, from 2.363 percent late on Friday.

Gains in the dollar and Treasury yields were capped by political concerns in Washington, as investors remained worried about an investigation into Russian attempts to influence the 2016 U.S. election of Trump, analysts said. [\(Source Reuters – @her1en\)](#)

GLOBAL ECONOMIES

Japan – The Bank of Japan does not plan to change its massive stimulus programme and will "immediately act" if risks to the economy undermines the momentum toward achieving its inflation target, central bank Governor Haruhiko Kuroda said on Monday.

While offering a sanguine view of the global economy, Kuroda warned of factors that could threaten the recovery including geopolitical risks and the rising tide of protectionism.

"Particularly, what I'm concerned about are protectionist tendencies in some countries and geopolitical risks surrounding the world economy," Kuroda told a Europlace financial forum.

"I sincerely hope that the multilateral trading system would be maintained in coming years," he said.

U.S. President Donald Trump's "America First" approach has raised concerns among some policymakers in Asia, where many export-reliant economies including Japan benefit from free trade and advocate multilateral trade agreements.

Asked if he has become more worried about the demerits of ultra-loose policy, Kuroda said the BOJ had not changed its message since revamping its policy framework last September.

The BOJ changed its strategy by revamping its framework last September, when it noted the yield curve had become "too flat" and wasn't good for the banking system, Kuroda said.

"We have been able to maintain yield curve control quite effectively and efficiently without creating financial problems," he said, adding that current levels of the BOJ's yield targets were "quite appropriate".

"We will continue our current extremely accommodative monetary policy to achieve the 2 percent inflation target as soon as possible," the governor said.

The BOJ has been dropping subtle, yet intentional, hints that it could edge away from crisis-mode stimulus earlier than expected, sources have said.

Kuroda said that while geopolitical risks were "very difficult to predict," the BOJ would be mindful of the possibility they could threaten Japan's economic recovery.

"If anything happens to undermine the momentum toward achieving our price stability target, we would immediately act in accordance to specific needs," Kuroda said.

"At this stage, I'm not concerned about that," since the global economic outlook is "fairly strong and robust".

The BOJ revamped its policy framework last September to one targeting interest rates from the pace of asset purchases after three years of heavy money printing failed to fire up inflation to its 2 percent target.

It now guides short-term interest rates at minus 0.1 percent and the 10-year government bond yield around zero percent.

Euro Zone – Investor sentiment in the euro zone fell more than expected in December, research group Sentix said on Monday, adding that the fall was no reason for concern given the headline figure had been rising sharply and hit a 10-year high last month.

Sentix's economic sentiment index for the euro zone, based on a survey of 975 investors, fell to 31.1 in December from 34.0 last month.

It attributed the fall to a sub-index measuring expectations about the economy falling by six points.

"In the eyes of surveyed investors the euro zone is doing great, but looking forward there is a question mark," the Frankfurt-based research firm said.

"Investors are asking whether 2018 can be even better, and are hedging their bets on the future by placing their expectations below those of September 2017," it added.

It said the decline was no reason for concern as the fall had come after a 10-year high record reading.

A separate index tracking Germany also fell. Sentix linked the fall to uncertainty created by Conservative Chancellor Angela Merkel's failure last month to form a government with the ecologist Greens and the pro-business Free Democrats.

Merkel has turned to Social Democrats (SPD) in the hope of renewing a "grand coalition" with the centre left party that has ruled Germany for the last four years.

It said investors now wanted to know how expensive a tie-up with the SPD, who want to significantly increase investments on infrastructure and education, broaden a social security net and improve worker rights, would be.

"The price for a continuation of Merkel's governance and for German finances could be high," Sentix said. "Foreign investors will be particularly paying attention how high the additional spending will be and whether labour market conditions will worsen."

Merkel, whose conservatives were weakened in an election on Sept. 24 that vaulted a far-right party into parliament, is seeking a fourth term.

Greece – Greece's economy expanded for a third straight quarter in the July-to-September period but grew at a slower clip than it had in the previous quarter, driven by stronger tourism and higher government spending, statistics service (ELSTAT) said on Monday.

The seasonally adjusted data showed gross domestic product grew by 0.3 percent in the third quarter, down from an upwardly revised 0.8 percent in the April-to-June quarter.

The data also showed annual growth decelerated to 1.3 percent pace from an upwardly revised 1.6 percent growth rate in the second quarter.

The economy's gradual recovery after a deep recession that shrank it by 25 percent is boosting hopes that Greece will emerge successfully from years of bailouts in August next year, when its current aid programme ends.

"The recovery continues to be mainly driven by consumption and services exports - tourism," said Eurobank's chief economist Platon Monokroussos.

"On a less positive note, investment expenditure remains quite volatile without signaling a convincing recovery trend as of yet," he said.

The government, which reached a technical agreement with creditors checking progress over reform commitments, has cut its annual growth projection to 1.6 percent from May's 2.7 percent. The EU Commission in its autumn forecast also cut its projection, to 1.6 from 2.1 percent.

The main driver behind the rise in third-quarter economic output was a 5.0 percent rise in exports compared with the previous quarter. That was coupled with just a 0.4 percent increase in imports.

"For the year as a whole and assuming no significant revisions of past data, real GDP growth is expected to be higher than 1.0 percent," Monokroussos said. "It will likely come close to 1.5 percent."

KEY FIGURES	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
GDP (q/q, pct)	0.3	0.8*	0.7*	-0.5*	0.6*
GDP (y/y, pct)	1.3	1.6*	0.4	-0.9*	1.2*

* revised

source: ELSTAT

UK – Britain agreed on Monday to keep Northern Ireland in "regulatory alignment" with the European Union after Brexit, Irish government sources said, raising hopes Prime Minister Theresa May can strike a deal in Brussels to start free trade talks.

After intensive negotiations in recent days, Britain made what the Irish sources called a clear commitment to keep economic rules on both sides of the new UK-EU land border across the island of Ireland similar enough to allow no frontier -- and so ease fears of stirring up conflict again in Northern Ireland.

News of a deal, by raising the prospect of starting trade negotiations in the coming weeks, lifted sterling.

It triggered speculation that it could result in the whole of the United Kingdom effectively remaining in a customs union, or even the EU single market, despite May's insistence that it would not do so.

The pro-British Northern Irish party on which May relies for support in parliament immediately insisted rules on the British mainland must not deviate from those in Northern Ireland, a position May herself supports. As a result, it is hard to see that Britain could itself stray far from EU regulations.

That idea was immediately embraced by the leaders of London and Scotland, two major British regions where voters strongly opposed Brexit in last year's referendum. Scotland's first minister and the mayor of London both repeated their wish to stay in a customs union or, better, the EU single market.

That is a position May's hardline pro-Brexit supporters would not countenance, underlining the conundrums that the Irish border and other complex issues have raised over Britain's ability to make a clean break after 44 years of EU membership.

U.S. – The U.S. Federal Reserve is almost certain to raise interest rates later this month, according to a Reuters poll of economists, a majority of whom now expect three more rate rises next year compared with two when surveyed just weeks ago.

The results, from a survey taken just before the U.S. Senate voted to pass tax cuts that are expected to add about \$1.4 trillion to the national debt over the next decade, show economists were already becoming more convinced that rates will need to go even higher.

While about 80 percent of economists surveyed in October said such tax cuts were not necessary, the passage of the bill, President Donald Trump's first major legislative success, means the forecast risks have shifted toward higher rates, and faster.

The poll's newly raised expectations for three rate rises next year are now in line with the Fed's own projections. But they come despite a split among U.S. policymakers on the outlook for inflation, which has remained persistently low.

That is a similar challenge faced by other major central banks, who are generally turning away from easy monetary policy put in place since the financial crisis, looking through still-weak wage inflation and overall price pressures for now.

The core personal consumption expenditures price index (PCE), which excludes food and energy and is the Fed's preferred inflation measure, has undershot the central bank's 2 percent target for nearly 5-1/2 years.

The latest Reuters poll results suggest it is expected to average below 2 percent until 2019.

While the U.S. economy expanded in the third quarter at a 3.3 percent annualized rate, its fastest pace in three years, the latest Reuters poll - taken mostly before the release of that data - suggested that may be the best growth rate at least until the second half of 2019.

The most optimistic growth forecast at any point over the next year or so was 3.7 percent, well below the post-financial crisis peak of 5.6 percent in the fourth quarter of 2009.

Still, all the 103 economists polled, including 19 large banks that deal directly with the Fed, said the federal funds rate will go up again in December by 25 basis points, to 1.25-1.50 percent.

"This is about just getting back to a neutral level where monetary policy is neither encouraging growth or pushing against growth," said Brett Ryan, senior U.S. economist at Deutsche Bank, which recently shifted its view to four rate rises next year.

"The Fed is still accommodative at the moment and we are still some ways away from the neutral fed funds rate which would in the Fed's view be closer to 2.75 percent. The Fed can hike without slowing the economy."

Financial markets are also pricing in over a 90 percent chance of a 25 basis-point hike in December, largely based on the falling unemployment rate and reasonably strong economic growth this year.

Asked what is the primary driver behind the Fed's wish to raise rates further, over 40 percent of respondents said it was to tap down future inflation.

However, almost a third of economists said it is to gather enough ammunition to combat the next recession.

"At some point we are going to have a downturn and they (the Fed) are going to need to react and it is harder to do that when rates are closer to zero," said Sam Bullard, an economist at Wells Fargo.

The remaining roughly 30 percent had varied responses, including some who said higher rates were needed to avoid risks to financial stability.

Over 90 percent of the 66 economists who answered another question said that the coming changes at the Fed - a new Fed Chair along with

several new Fed Board members - will also not alter the current expected course of rate hikes.

"Both the rate tightening outlook and balance sheet reduction program will remain in place as the Fed officials fill open seats. Easing of financial regulation is likely the area that has the most forthcoming changes," Bullard said.

Canada – Canada will continue to explore a free trade agreement with China, Canadian Prime Minister Justin Trudeau said on Monday, as it weighs its options after the United States threatened to pull out of the North American Free Trade Agreement (NAFTA).

Speaking after a meeting with Chinese Premier Li Keqiang, Trudeau said if "done properly", such an agreement would benefit both countries and strengthen the middle class.

"It's an opportunity that makes sense for Canadian businesses," he said at the start of a five-day trip to China. "Canada is and always has been a trading nation. But the landscape of trade is shifting and we need to adjust to it."

Li said China remained open to exploring a free trade deal with Canada as part of joint efforts to safeguard world trade liberalisation and advance globalisation.

"We have an open attitude toward the process of negotiations, and an open attitude towards their contents," Li said.

Canada is considering whether to launch talks on a free trade deal with China, which wants a trade pact similar to the ones it has with Australia and New Zealand.

But Trudeau, aware of domestic unease at the idea, is moving slowly. Although polls consistently show Canadians are split over the merits of a trade deal, Canada needs to diversify exports to offset the possible damage done if the United States pulls out of NAFTA.

Trudeau's visit, which began on Sunday, comes as plane maker Bombardier Inc is eager to win a breakthrough order from Chinese carriers for its CSeries jet, whose fuselage is made in China.

But the chance of sealing such deals has become more cloudy after Canada encouraged Bombardier to sell a controlling stake in the CSeries programme to Airbus <SE AIR.PA> rather than a Chinese firm.

"On the agricultural front, I'm pleased to announce the Canadian beef and pork will have greater access to the Chinese market," Trudeau said, without elaborating.

China has been loosening restrictions on beef imports this year to feed the appetite of the country's growing middle class for more Western food.

Trudeau said he also agreed with Li a joint statement that affirms a commitment to "mitigating the global threat of climate change" and lays out a plan for closer collaboration.

Earlier on Monday, Trudeau promoted Chinese tourism to Canada at an event held at the headquarters of China's Twitter-like online media company, Sina Weibo.

Canada has said it will co-host a January meeting with the United States of up to 16 foreign ministers in Vancouver to produce "better ideas" to ease tensions over North Korea's nuclear and ballistic tests.

In late November, North Korea tested its most advanced intercontinental ballistic missile yet, putting the continental United States within range and increasing pressure on U.S. President Donald Trump to deal with the nuclear-armed nation.

Li said he discussed international and regional issues with Trudeau, but did not elaborate. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
01-Dec - 07-Dec	N/A	JP	Official Reserve Assets	Nov		--	\$1260.9b	
Mon/04-Dec-17	06:50	JP	Monetary Base End of period	Nov	¥471.5t	--	¥476.6t	
	06:50	JP	Monetary Base YoY	Nov	13.2%	13.2%	14.5%	
	07:00	AU	Melbourne Institute Inflation MoM	Nov	0.2%	--	0.3%	
	07:00	AU	Melbourne Institute Inflation YoY	Nov	2.7%	--	2.6%	
	07:30	AU	Inventories SA QoQ	3Q	0.2%	0.0%	-0.4%	-0.5%
	12:00	JP	Consumer Confidence Index	Nov	44.9	44.8	44.5	
	16:00	CH	Domestic Sight Deposits CHF	Dec-01	475.3b	--	477.9b	
	16:30	GB	Markit/CIPS UK Construction PMI	Nov	53.1	51.2	50.8	
	16:30	EZ	Sentix Investor Confidence	Dec	31.1	32.7	34	
	17:00	EZ	PPI MoM	Oct	0.4%	0.3%	0.6%	0.5%
	17:00	EZ	PPI YoY	Oct	2.5%	2.6%	2.9%	2.8%
	22:00	US	Cap Goods Orders Nondef Ex Air	Oct F	0.3%	--	-0.5%	
	22:00	US	Cap Goods Ship Nondef Ex Air	Oct F	1.1%	--	0.4%	
	22:00	US	Durable Goods Orders	Oct F	-0.8%	-1.1%	-1.2%	
	22:00	US	Durables Ex Transportation	Oct F	0.9%	--	0.4%	
	22:00	US	Factory Orders	Oct	-0.1%	-0.4%	1.4%	1.7%
	22:00	US	Factory Orders Ex Trans	Oct	0.8%	--	0.7%	1.1%
Tue/05-Dec-17	04:00	KR	Foreign Reserves	Nov	-	--	\$384.46b	
	05:00	AU	CBA Australia PMI Composite	Nov	54.3	--	53.1	
	05:00	AU	CBA Australia PMI Services	Nov	54.0	--	53	
	05:30	AU	AiG Perf of Services Index	Nov	51.7	--	51.4	
	06:00	KR	BoP Current Account Balance	Oct		--	\$12205.0m	
	06:00	KR	BoP Goods Balance	Oct		--	\$15013m	
	07:00	NZ	ANZ Commodity Price	Nov		--	-0.30%	
	07:30	AU	BoP Current Account Balance	3Q		--	-A\$9.6b	
	07:30	HK	Nikkei Hong Kong PMI	Nov		--	50.3	
	07:30	JP	Nikkei Japan PMI Composite	Nov		--	53.4	
	07:30	JP	Nikkei Japan PMI Services	Nov		--	53.4	
	07:30	AU	Retail Sales MoM	Oct		--	0.0%	
	08:45	CN	Caixin China PMI Composite	Nov		--	51	
	08:45	CN	Caixin China PMI Services	Nov		--	51.2	
	10:30	AU	RBA Cash Rate Target	Dec-05		1.50%	1.50%	
	15:55	DE	Markit Germany Services PMI	Nov F		--	54.9	
	15:55	DE	Markit/BME Germany Composite PMI	Nov F		--	57.6	
	16:00	EZ	Markit Eurozone Composite PMI	Nov F		--	57.5	
	16:00	EZ	Markit Eurozone Services PMI	Nov F		--	56.2	
	16:30	GB	Markit/CIPS UK Composite PMI	Nov		--	55.8	
	16:30	GB	Markit/CIPS UK Services PMI	Nov		--	55.6	
	16:30	GB	Official Reserves Changes	Nov		--	\$30m	
	17:00	EZ	GDP SA QoQ	3Q F		--	0.6%	
	17:00	EZ	GDP SA YoY	3Q F		--	2.5%	
	17:00	EZ	Govt Expend QoQ	3Q		--	0.5%	
	17:00	EZ	Gross Fix Cap QoQ	3Q		--	0.9%	
	17:00	EZ	Household Cons QoQ	3Q		--	0.5%	
	17:00	EZ	Retail Sales MoM	Oct		-0.6%	0.7%	
	17:00	EZ	Retail Sales YoY	Oct		--	3.7%	
	20:30	US	Trade Balance	Oct		-\$44.8b	-\$43.5b	
	21:45	US	Markit US Composite PMI	Nov F		--	54.6	
	21:45	US	Markit US Services PMI	Nov F		55.3	54.7	
	22:00	US	ISM Non-Manf. Composite	Nov		59	60.1	
	Tentative	NZ	GDT Price Index			--	-3.4%	
Wed/06-Dec-17	07:30	AU	GDP SA QoQ	3Q		--	0.8%	
	07:30	AU	GDP YoY	3Q		--	1.8%	
	08:30	JP	BOJ Masai makes a speech					
	14:00	DE	Factory Orders MoM	Oct		--	1.0%	
	14:00	DE	Factory Orders WDA YoY	Oct		--	9.5%	

	15:15	CH	CPI EU Harmonized MoM	Nov		--	0.1%	
	15:15	CH	CPI EU Harmonized YoY	Nov		--	0.8%	
	15:15	CH	CPI MoM	Nov		0.1%	0.1%	
	15:15	CH	CPI YoY	Nov		--	0.7%	
	15:30	DE	Markit Germany Construction PMI	Nov		--	53.3	
	16:10	EZ	Markit Eurozone Retail PMI	Nov		--	51.1	
	16:10	DE	Markit Germany Retail PMI	Nov		--	51.2	
	17:30	EZ	ECB Executive Board member Yves Mersch speaks in Frankfurt					
	20:15	US	ADP Employment Change	Nov		175k	235k	
	20:30	US	Nonfarm Productivity	3Q F		3.2%	3.0%	
	20:30	US	Unit Labor Costs	3Q F		0.3%	0.5%	
	22:00	CA	Bank of Canada Rate Decision	Dec-06		1.00%	1.00%	
	22:30	US	DOE Cushing OK Crude Inventory	Dec-01		--	-2914k	
	22:30	US	DOE U.S. Crude Oil Inventories	Dec-01		--	-3429k	
	22:30	US	DOE U.S. Distillate Inventory	Dec-01		--	2747k	
	22:30	US	DOE U.S. Gasoline Inventories	Dec-01		--	3627k	
Thu/07-Dec-17	05:30	AU	AiG Perf of Construction Index	Nov		--	53.2	
	07:30	AU	Trade Balance	Oct		--	A\$1745m	
	N/A	CN	Foreign Reserves	Nov		--	\$3109.2b	
	N/A	HK	Foreign Reserves	Nov		--	\$419.2b	
	12:00	JP	Coincident Index	Oct P		--	116.2	
	12:00	JP	Leading Index CI	Oct P		106.2	106.4	
	12:30	AU	Foreign Reserves	Nov		--	A\$78.1b	
	13:45	CH	Unemployment Rate	Nov		--	3.0%	
	13:45	CH	Unemployment Rate SA	Nov		3.1%	3.1%	
	14:00	DE	Industrial Production SA MoM	Oct		1.0%	-1.6%	
	14:00	DE	Industrial Production WDA YoY	Oct		--	3.6%	
	15:00	CH	Foreign Currency Reserves	Nov		--	741.5b	
	15:30	GB	Halifax House Price 3Mths/Year	Nov		--	4.5%	
	15:30	GB	Halifax House Prices MoM	Nov		0.2%	0.3%	
	20:30	CA	Building Permits MoM	Oct		--	3.8%	
	20:30	US	Initial Jobless Claims	Dec-02		--	238k	
	20:30	US	Continuing Claims	Nov-25		--	1957k	
	22:00	CA	Ivey Purchasing Managers Index SA	Nov		--	63.8	
Fri/08-Dec-17	03:00	US	Consumer Credit	Oct		\$17.000b	\$20.830b	
	04:45	NZ	Mfg Activity SA QoQ	3Q		--	3.9%	
	04:45	NZ	Mfg Activity Volume QoQ	3Q		--	1.0%	
	06:50	JP	GDP Annualized SA QoQ	3Q F		--	1.4%	
	06:50	JP	GDP Business Spending QoQ	3Q F		--	0.2%	
	06:50	JP	GDP Deflator YoY	3Q F		--	0.1%	
	06:50	JP	GDP Nominal SA QoQ	3Q F		--	0.6%	
	06:50	JP	GDP Private Consumption QoQ	3Q F		--	-0.5%	
	06:50	JP	GDP SA QoQ	3Q F		--	0.3%	
	07:00	JP	Labor Cash Earnings YoY	Oct		--	0.9%	
	07:00	JP	Real Cash Earnings YoY	Oct		--	-0.1%	
	07:30	AU	Home Loans MoM	Oct		--	-2.3%	
	07:30	AU	Investment Lending	Oct		--	-6.2%	
	N/A	JP	Eco Watchers Survey Current SA	Nov		--	52.2	
	N/A	JP	Eco Watchers Survey Outlook SA	Nov		--	54.9	
	N/A	CN	Exports YoY	Nov		--	6.9%	
	N/A	CN	Exports YoY CNY	Nov		--	6.1%	
08-Dec - 18-Dec	N/A	CN	Foreign Direct Investment YoY CNY	Nov		--	5.0%	
	N/A	CN	Imports YoY	Nov		--	17.2%	
	N/A	CN	Imports YoY CNY	Nov		--	15.9%	
	N/A	CN	Trade Balance	Nov		--	\$38.17b	
	N/A	CN	Trade Balance CNY	Nov		--	254.47b	
	14:00	DE	Current Account Balance	Oct		--	25.4b	
	14:00	DE	Exports SA MoM	Oct		--	-0.4%	
	14:00	DE	Imports SA MoM	Oct		--	-1.0%	
	14:00	DE	Labor Costs SA QoQ	3Q		--	0.3%	
	14:00	DE	Labor Costs WDA YoY	3Q		--	2.3%	
	14:00	DE	Trade Balance	Oct		--	24.1b	

	16:30	GB	BoE/TNS Inflation Next 12 Mths	Nov		--	2.8%	
	16:30	GB	Construction Output SA MoM	Oct		--	-1.6%	
	16:30	GB	Construction Output SA YoY	Oct		--	1.1%	
	16:30	GB	Industrial Production MoM	Oct		--	0.7%	
	16:30	GB	Industrial Production YoY	Oct		--	2.5%	
	16:30	GB	Manufacturing Production MoM	Oct		--	0.7%	
	16:30	GB	Manufacturing Production YoY	Oct		--	2.7%	
	16:30	GB	Trade Balance	Oct		--	£2754	
	16:30	GB	Trade Balance Non EU GBP/Mn	Oct		--	£2982	
	16:30	GB	Visible Trade Balance GBP/Mn	Oct		--	£11253	
	20:00	GB	NIESR GDP Estimate	Nov		--	0.5%	
	20:15	CA	Housing Starts	Nov		--	222.8k	
	20:30	CA	Capacity Utilization Rate	3Q		--	85.0%	
	20:30	US	Average Hourly Earnings MoM	Nov		0.3%	0.0%	
	20:30	US	Average Hourly Earnings YoY	Nov		--	2.4%	
	20:30	US	Average Weekly Hours All Employees	Nov		34.4	34.4	
	20:30	US	Change in Manufact. Payrolls	Nov		15k	24k	
	20:30	US	Change in Nonfarm Payrolls	Nov		200k	261k	
	20:30	US	Change in Private Payrolls	Nov		203k	252k	
	20:30	US	Labor Force Participation Rate	Nov		--	62.7%	
	20:30	US	Two-Month Payroll Net Revision	Nov		--	90k	
	20:30	US	Underemployment Rate	Nov		--	7.9%	
	20:30	US	Unemployment Rate	Nov		4.1%	4.1%	
	22:00	US	U. of Mich. 1 Yr Inflation	Dec P		--	2.5%	
	22:00	US	U. of Mich. 5-10 Yr Inflation	Dec P		--	2.4%	
	22:00	US	U. of Mich. Current Conditions	Dec P		--	113.5	
	22:00	US	U. of Mich. Expectations	Dec P		--	88.9	
	22:00	US	U. of Mich. Sentiment	Dec P		97.8	98.5	
	22:00	US	Wholesale Inventories MoM	Oct F		--	-0.4%	
	22:00	US	Wholesale Trade Sales MoM	Oct		0.3%	1.3%	
Sat/09-Dec-17	01:00	US	Baker Hughes U.S. Rig Count	Dec-08		--	929	
	08:30	CN	CPI YoY	Nov		1.8%	1.9%	
	08:30	CN	PPI YoY	Nov		--	6.9%	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average fell on Monday with weakness in large-cap stocks such as Fanuc and SoftBank taking a toll, while tech shares also lost ground, offsetting gains in retail stocks which rose on strong monthly sales.

The Nikkei dropped 0.5 percent to 22,707.16. The broader Topix slipped 0.5 percent to 1,786.87, with turnover of only 2.41 trillion yen (\$21.36 billion), the lowest in more than a week.

Industrial robot maker Fanuc Corp shed 2.0 percent and SoftBank Group Corp declined 1.1 percent.

Tech shares were sold, with Advantest Corp falling 1.4 percent and Panasonic Corp shedding 1.2 percent.

Department store operators gained ground, with Isetan Mitsukoshi Holdings rising 1.3 percent, J. Front Retailing and Takashimaya Co both adding 1.7 percent after they posted strong monthly sales in November thanks to higher inbound-tourism demand and strong sales of winter clothes.

South Korea's KOSPI stock index rose on Monday. The Korean won fell in the local platform while bond yields rose.

At 06:30 GMT, the KOSPI was up 26.26 points or 1.06 percent at 2,501.67. The benchmark index rose sharply in the late session as foreign investors increased their net buying amount, especially of stocks in the tech sector. The won was quoted at 1,088.7 per dollar on the onshore settlement platform, or 0.21 percent weaker than its previous close at 1,086.4.

In offshore trading, the won was quoted at 1,087.92 per U.S. dollar, down 0.5 percent from the previous day, while in one-year non-deliverable forwards it was being transacted at 1,085 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.41 percent, after U.S. stocks ended the previous session with mild losses. Japanese stocks weakened 0.49 percent.

The KOSPI is up around 22.2 percent so far this year, and down by 0.57 percent in the previous 30 days.

The current price-to-earnings ratio is 12.10, the dividend yield is 1.28 percent and the market capitalisation is 1,242.04 trillion won.

The trading volume during the session on the KOSPI index was 320,891,000 shares, and of the total traded issues of 873, the number of advancing shares was 400.

Foreigners were net buyers of 17305 billion won worth of shares.

In money and debt markets, December futures on three-year treasury bonds were unchanged at 108.26.

The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.66 percent compared with a previous close of 1.66 percent, while the benchmark 3-year Korean treasury bond yielded 2.088 percent, higher than the previous day's 2.09 percent.

Hong Kong shares rose slightly on Monday, led by index heavyweight Tencent.

At close of trade, the Hang Seng index was up 64.04 points or 0.22 percent at 29,138.28. The Hang Seng China Enterprises index rose 0.6 percent to 11,518.07.

The sub-index of the Hang Seng tracking energy shares rose 1.2 percent while the IT sector rose 0.83 percent, the financial sector was 0.21 percent higher and property sector dipped 0.52 percent.

The top gainer on Hang Seng was WH Group Ltd up 3.58 percent, while the biggest loser was Hang Lung Properties Ltd which was down 2.35 percent.

China's main Shanghai Composite index closed down 0.22 percent at 3,310.3694 points while its blue-chip CSI300 index ended up 0.53 percent. Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.36 percent while Japan's Nikkei index closed down 0.49 percent.

The yuan was quoted at 6.6192 per U.S. dollar at 08:14 GMT, 0.02 percent firmer than the previous close of 6.6206.

So far this year, the Hang Seng index is up 32.15 percent, while China's H-share index is up 21.9 percent. The Hang Seng has declined 0.35 percent this month.

The top gainers among H-shares were New China Life Insurance Co Ltd up 4.02 percent, followed by China Pacific Insurance Group Co Ltd gaining 3.38 percent and Air China Ltd up by 3.22 percent.

The three biggest H-shares percentage decliners were Sinopharm Group Co which was down 1.44 percent, CGN Power Co Ltd which fell 0.9 percent and China Railway Construction Corp Ltd down by 0.9 percent.

About 1.67 billion Hang Seng index shares were traded, roughly 85.4 percent of the market's 30-day moving average of 1.96 billion shares a day. The volume traded in the previous trading session was 2.15 billion.

At close, China's A-shares were trading at a premium of 30.63 percent over the Hong Kong-listed H-shares.

China's blue-chip shares rallied on Monday, bolstered by strong gains in consumer firms.

At the close, the Shanghai Composite index was down 7.25 points or 0.22 percent at 3,310.37.

The blue-chip CSI300 index was up 0.53 percent, with its financial sector sub-index higher by 0.43 percent, the consumer staples sector up 2.75 percent, the real estate index down 0.12 percent and healthcare sub-index up 0.82 percent.

The smaller Shenzhen index ended down 0.73 percent and the start-up board ChiNext Composite index was weaker by 0.38 percent.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.47 percent while Japan's Nikkei index closed down 0.49 percent.

At 07:01 GMT, the yuan was quoted at 6.6162 per U.S. dollar, 0.07 percent firmer than the previous close of 6.6206.

The largest percentage gainers in the main Shanghai Composite index were Hebei Jinniu Chemical Industry Co Ltd up 10.01 percent, followed by Gansu Ronghua Industry Group Co Ltd gaining 9.95 percent and Sichuan Swellfun Co Ltd up by 8.56 percent.

The largest percentage losses in the Shanghai index were SJEC Corp down 10.01 percent, followed by Tederic Machinery Co Ltd losing 10.01 percent and Lawton Development Co Ltd down by 9.98 percent.

About 14.81 billion shares were traded on the Shanghai exchange, roughly 84.9 percent of the market's 30-day moving average of 17.44 billion shares a day. The volume in the previous trading session was 13.92 billion.

As of 07:02 GMT, China's A-shares were trading at a premium of 30.19 percent over the Hong Kong-listed H-shares.

The Shanghai stock index is below its 50-day moving average and above its 200-day moving average. ([Source Reuters](#), [Research: rizal](#))

ASIA AND GLOBAL MARKET SPOT PRICE 2017

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	31958.41 (30/Oct/07)	24327.82 (30/Nov/2017)	2657.74 (30/Nov/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	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24327.82 (30/Nov/2017)	2657.74 (30/Nov/2017)	3450.49490 (14/Nov/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 – 04 December 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	24290.05	↑ 58.46/0.24	.N225	22707.16	↓ 111.87/0.49%
/.SPX	2639.40	↓ 2.82/0.11	.KS200	328.77	↑ 3.99/1.23%
/.IXIC	6775.366	↓ 72.220/1.05	.HSI	29138.28	↑ 64.04/0.22%
JPY=	112.40	↑ 0.30/0.27%	/.SSEC	3310.36940	↓ 7.24800/0.22%
KRW=	1085.29	↑ 2.82/0.26%	/CLC1 (Oil)	57.44	↓ 0.85/1.46%

SSIamU7 (Nikkei Sep Futures) – Last Trading Date: 07 Sep 2017



- Daily RSI is down
 - Important resistance level 23435, support 22420.
- [\(Research – rial\)](#)

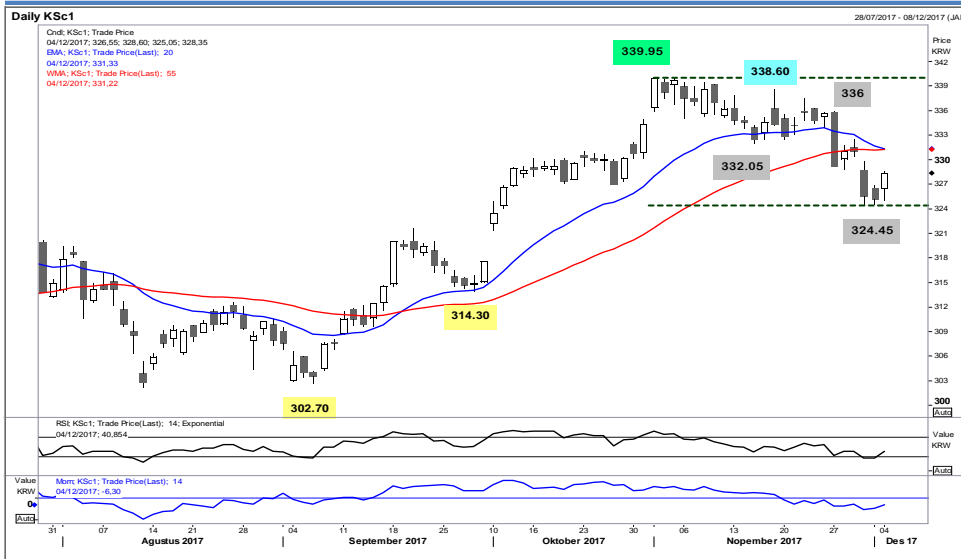
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
04 Dec SSIpmZ7	22715	22805	22595	210	22600	---	↓ 120	0.53	39893
04 Dec SSIamZ7	22880	22880	22700	180	22710	22710	↓ 105	0.46	59181
01 Dec SSIpmZ7	22845	22860	22375	485	22665	---	↓ 150	0.66	54686
01 Dec SSIamZ7	22895	22995	22665	330	22805	22815	↑ 70	0.31	61746
30 Nov SSIpmZ7	22745	22965	22740	225	22885	---	↑ 150	0.66	25962
30 Nov SSIamZ7	22660	22775	22515	260	22735	22735	↑ 110	0.49	59308
29 Nov SSIpmZ7	22625	22800	22555	245	22620	---	↓ 5	0.02	28698
29 Nov SSIamZ7	22620	22670	22515	155	22625	22625	↑ 120	0.53	46943
28 Nov SSIpmZ7	22505	22645	22500	145	22615	---	↑ 110	0.49	19434
28 Nov SSIamZ7	22460	22595	22360	235	22510	22510	↑ 10	0.04	48354

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22880	22595	22995	22375	23435	21840	23435	18190
(04/Dec)	(04/Dec)	(04/Dec)	(01/Dec)	(09/Nov)	(15/Nov)	(09/Nov)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	23718	Fibo. Projections (261.8%)
	23435	High 09/Nov/2017
	22995	High 01/Dec/2017
	22880	High 04/Dec/2017
SUPPORT	22515	Low 30/Nov/2017
	22420	Low 27/Nov/2017
	22315	Low 23/Nov/2017
	22210	Low 20/Nov/2017
RECOMMENDATION	BUY	22570
	SELL	----
	STOP LOSS	22420
	TARGET	22770 22820

KSZ7 (Kospi Dec Futures) – Exp. Date: 14 Dec 2017



- The series drops to a low level in the daily movement
- Daily RSI is flat
[\(Research – rizal\)](#)

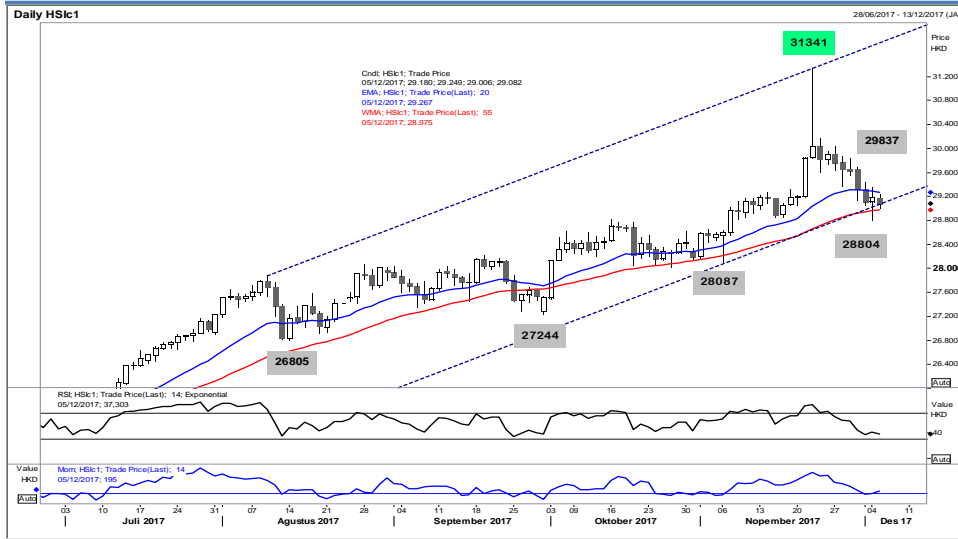
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
04 Dec	326.55	328.60	325.05	3.55	328.35	328.35	↑ 3.15	0.97	173637
01 Dec	326.50	326.85	324.55	2.30	325.20	325.20	↓ 0.40	0.12	179660
30 Nov	328.75	329.85	324.45	5.40	325.60	325.60	↓ 5.45	1.65	247991
29 Nov	331.50	332.55	330.40	2.15	331.05	331.05	FLAT	FLAT	129570
28 Nov	330.15	331.75	328.95	2.80	331.05	331.05	↓ 1.80	0.55	192758
27 Nov	335.85	336.00	329.25	6.75	329.25	329.25	↓ 6.35	1.89	223017

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
328.60 (04/Dec)	324.55 (01/Dec)	328.60 (04/Dec)	324.55 (01/Dec)	339.95 (03/Nov)	324.45 (30/Nov)	339.95 (03/Nov)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	337.50	High 22/Nov/2017
	336.30	High 23/Nov/2017
	332.55	High 29/Nov/2017
	329.85	High 30/Nov/2017
SUPPORT	325.05	Low 04/Dec/2017
	324.10	Low 11/Oct/2017
	318.15	Low 20/Sept/2017
	314.65	Low 18/Sept/2017
RECOMMENDATION	BUY	328.05
	SELL	----
	STOP LOSS	326.05
	TARGET	330.05 330.55

HSIZ7 (Hang Seng December Futures) – Exp. Date: 28 Dec 2017



- The series goes down to the daily high.
- Be alert of RSI entering the oversold area.
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
04 Dec	29145	29354	28828	526	29193	29193	↑ 77	0.26	174580
01 Dec	29335	29376	29048	328	29116	29116	↓ 203	0.69	178353
30 Nov	29475	29478	29139	339	29319	29319	↓ 348	1.17	185470
29 Nov (HSIZ7)	29862	29880	29593	287	29667	29667	↓ 32	0.10	154041
29 Nov (HSIX7)	29608	29650	29559	91	29623	29623	↓ 36	0.12	24110
28 Nov (HSIZ7)	29744	29744	29412	332	29699	29699	↓ 106	0.35	116239
28 Nov (HSIX7)	29633	29703	29373	330	29659	29659	↓ 111	0.37	172939

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
29354	28828	29376	28828	30189	28087	30189	21863
(04/Dec)	(04/Dec)	(01/Dec)	(04/Dec)	(22/Nov)	(06/Nov)	(22/Nov)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	30250	High 05/Nov/2007
	30168	High 23/Nov/2017
	29837	High 29/Nov/2017
	29438	High 01/Dec/2017
SUPPORT	28555	Low 07/Nov/2017
	28087	Low 06/Nov/2017
	27928	Low Oct 03 (Hourly chart)
	27688	Low Oct 03 (Hourly chart)
RECOMMENDATION	BUY	29155
	SELL	----
	STOP LOSS	28955
	TARGET	29355
		29405

CURRENCIES – *Daily Outlook*

Dollar climbs to 3-week peak vs yen on U.S. tax reform prospects - Reuters News



The dollar rose on Monday, hitting a three-week high versus the yen after the U.S. Senate approved a major tax overhaul over the weekend that aims to cut taxes for businesses, while proposing a mixed package of changes for individual Americans.

"Dollar bulls are pinning their hopes on the sweeping tax deal leading to a more rapid pace of interest rate hikes from the Federal Reserve," said Jake Spark, U.S. corporate hedging manager at Western Union Business Solutions, in

Washington.

The Republican tax legislation would be the largest change to U.S. tax laws since the 1980s. Republicans want to add \$1.4 trillion over 10 years to the \$20 trillion national debt to finance changes that they say would further boost the economy.

Talks will begin, likely this week, between the Senate and the House of Representatives, which already approved its own version of the legislation, to reconcile their respective bills.

But Lennon Sweeting, chief market strategist at XE in Toronto, said he expects the dollar's gains to be capped by political concerns in Washington.

Former national security adviser Michael Flynn was the first member of Trump's administration to plead guilty to a crime uncovered by Special Counsel Robert Mueller's investigation into Russian attempts to influence the 2016 U.S. election and potential collusion by Trump aides.

Some market participants were also skeptical about how significant the impact of the tax bill would be on U.S. growth.

Jeremy Stretch, head of G10 FX strategy at CIBC Capital Markets in London, said U.S. growth could rise by just 0.2 to 0.3 percent annually, not enough to persuade the Fed to raise rates at a faster pace.

The dollar rose to 113.08 yen, the highest since mid-November, and was last at 112.64, up 0.3 percent.

The euro, meanwhile, also fell against the dollar, down 0.3 percent at \$1.1856, pushing the dollar index to trade up 0.3 percent on the day at 93.181.

Investors are also focused this week on a key U.S. non-farm payrolls report, with analysts forecasting a 200,000 jobs gain for November versus 260,000 the previous month.

This would be the last employment report before the Fed holds its last policy meeting for the year next week and markets have already priced in a rate hike for that meeting.

However, currency markets expect the Fed to raise rates only slightly more than twice next year. Even though U.S. 10-year U.S. yields were higher on Monday, they remain effectively within a 15 basis-point range over the last two months. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

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



- With support area at 1.1658
- Crucial resistance around 1.2187
- Daily RSI is down
[\[Research – @her1en\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	1.18680	1.18774	1.18278	49,6	1.18638	↓ 26,3	1.18901
Dec 01	1.18886	1.19391	1.18497	89,4	1.18901	↓ 12,8	1.19029
Nov 30	1.18481	1.19303	1.18078	122,5	1.19029	↑ 57,7	1.18452
Nov 29	1.18460	1.18817	1.18161	65,6	1.18452	↑ 9,9	1.18353
Nov 28	1.18984	1.19187	1.18258	92,9	1.18353	↓ 59,2	1.18945

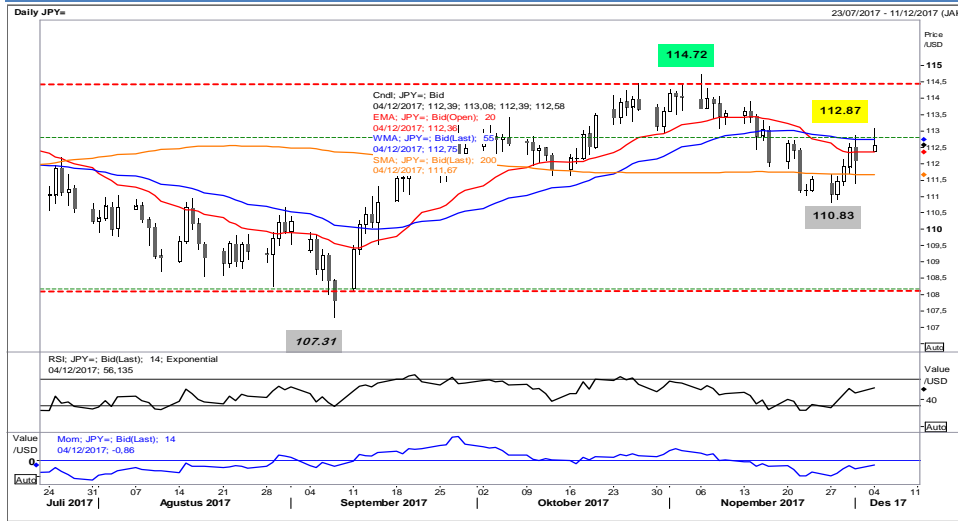
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18774 (04/Dec)	1.18278 (04/Dec)	1.19391 (01/Dec)	1.18278 (04/Dec)	1.19601 (27/Nov)	1.15528 (07/Nov)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2187	Reaction high 30/Des/2014 (Daily)
	1.2092	Reaction high (High Sept 08)
	1.2031	Reaction high (High Sept 20)
	1.1960	High Sept 25
SUPPORT	1.1811	Low Nov 23
	1.1731	Low Nov 22
	1.1658	Low Nov 14
	1.1584	Low Nov 09
RECOMMENDATION	BUY	-----
	SELL	1.1885
	STOP LOSS	1.1960
	TARGET	1.1810 1.1775

USD/JPY

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



- The main resistance at 115.19, support 108.12
- Daily RSI is in oversold zone ([Research – rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	112.730	113.078	112.353	72,5	112.399	↑ 33,8	112.061
Dec 01	112.658	112.862	111.394	146,8	112.061	↓ 46,1	112.522
Nov 30	111.991	112.626	111.724	90,2	112.522	↑ 62,0	111.902
Nov 29	111.482	112.137	111.364	77,3	111.902	↑ 39,5	111.507
Nov 28	111.053	111.627	110.919	70,8	111.507	↑ 32,4	111.183

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
113.078 (04/Dec)	112.353 (04/Dec)	113.078 (04/Dec)	111.394 (01/Dec)	114.723 (06/Nov)	110.831 (27/Nov)	118.60 (03/Jan)	107.307 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	116.85	High 11/Jan/2017
	115.19	High 14/Mar/2017
	114.72	High 06/Nov/2017
	113.33	Reactions High 16/Nov/2017 (Daily)
SUPPORT	111.41	Low 01/Dec/2017
	110.83	Low 27/Nov/2017
	109.54	Low 15/Sep/2017
	108.12	Low 11/Sep/2017
RECOMMENDATION	BUY	112.25
	SELL	----
	STOP LOSS	111.55
	TARGET	113.05 113.25

GBP/USD

Interest Rate: 0.50% (GB)/1.00%-1.25% (US)



- Daily corrections
- In hourly going up
- Daily RSI up
[\(Research – riza!\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	1.34734	1.35375	1.34119	125,6	1.34801	↑ 12,9	1.34672
Dec 01	1.35125	1.35483	1.34435	104,8	1.34672	↓ 58,3	1.35255
Nov 30	1.34109	1.35475	1.34083	139,2	1.35255	↑ 120,3	1.34052
Nov 29	1.33587	1.34468	1.33476	99,2	1.34052	↑ 60,5	1.33447
Nov 28	1.33180	1.33864	1.32197	166,7	1.33447	↑ 33,9	1.33108

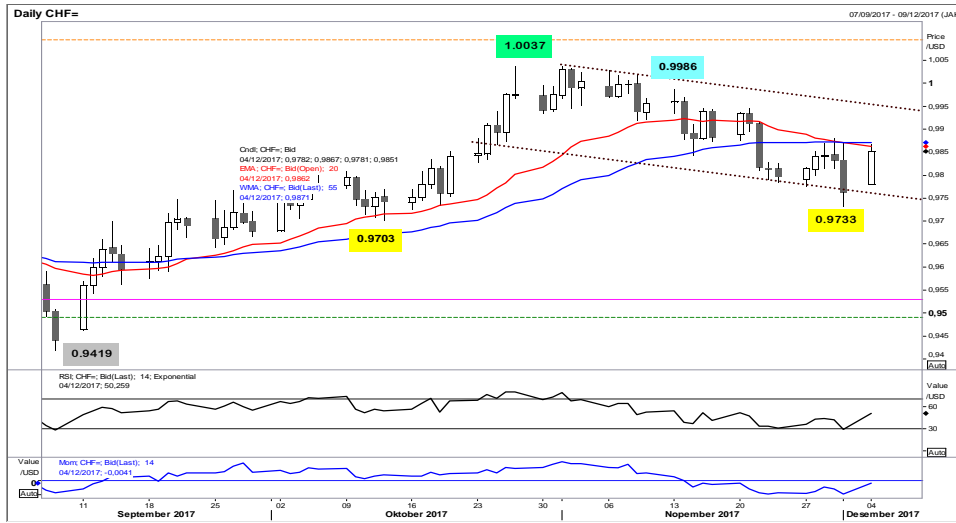
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.35375 (04/Dec)	1.34119 (04/Dec)	1.35483 (01/Dec)	1.34119 (04/Dec)	1.35475 (30/Nov)	1.30382 (03/Nov)	1.36565 (20/Sep)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.5238	Reactions High 11/Dec/2015 (Daily)
	1.5185	High 15/Dec/2015
	1.5018	High 24/Jun/2016
	1.3656	High 20/Sep/2017
SUPPORT	1.3404	Low 30/Nov/2017
	1.3308	Reaction Low 27/Nov/2017 (Daily)
	1.3211	Low 22/Nov/2017
	1.3183	Low 20/Nov/2017
RECOMMENDATION	BUY	1.3445
	SELL	----
	STOP LOSS	1.3375
	TARGET	1.3525 1.3565

USD/CHF

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



- Daily RSI is up
- Daily corrections
- The main resistance is 1.0170, support 0.9874
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	0.98002	0.98659	0.97924	73,5	0.98434	↑ 82,9	0.97605
Dec 01	0.98413	0.98696	0.97339	135,7	0.97605	↓ 69,0	0.98295
Nov 30	0.98426	0.98811	0.98147	66,4	0.98295	↓ 4,9	0.98344
Nov 29	0.98353	0.98687	0.98176	51,1	0.98344	↑ 3,8	0.98306
Nov 28	0.98108	0.98514	0.98012	50,2	0.98306	↑ 15,8	0.98148

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.98659 (04/Dec)	0.97924 (04/Dec)	0.98696 (01/Dec)	0.97339 (01/Dec)	1.00363 (01/Nov)	0.97773 (27/Nov)	1.0335 (03/Jan)	0.94195 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0107	High 10/Apr/2017
	1.0099	High 11/May/2017
	0.9986	High 13/Nov/2017
	0.9870	High 01/Dec/2017
SUPPORT	0.9733	Low 01/Dec/2017
	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
	0.9463	Low 11/Sep/2017
RECOMMENDATION	BUY	0.9820
	SELL	----
	STOP LOSS	0.9750
	TARGET	0.9900 0.9920

AUD/USD

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



- Daily RSI is down
- The main resistance at 0.7897, support 0.7368
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	0.75917	0.76128	0.75784	34,4	0.75959	↓ 12,9	0.76088
Dec 01	0.75561	0.76378	0.75551	82,7	0.76088	↑ 45,9	0.75629
Nov 30	0.75684	0.75933	0.75555	37,8	0.75629	↓ 7,5	0.75704
Nov 29	0.75993	0.76065	0.75509	55,6	0.75704	↓ 22,0	0.75924
Nov 28	0.76012	0.76188	0.75869	31,9	0.75924	↓ 7,9	0.76003

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.76128 (04/Dec)	0.75784 (04/Dec)	0.76378 (01/Dec)	0.75551 (01/Dec)	0.77286 (02/Nov)	0.75309 (21/Nov)	0.81239 (08/Sep)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7897	High Oct 13
	0.7784	High Oct 25
	0.7729	High Nov 02
	0.7694	High Nov 10
SUPPORT	0.7529	Low Nov 21
	0.7497	Low June 07
	0.7410	Low June 05
	0.7368	Low June 01
ECOMMENDATION	BUY	-----
	SELL	0.7610
	STOP LOSS	0.7675
	TARGET	0.7535 0.7500

NZD/USD

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



- The series down to the daily high level
- Daily RSI is down
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	0.68609	0.68697	0.68386	31,1	0.68556	↓ 31,0	0.68866
Dec 01	0.68195	0.69108	0.68191	91,7	0.68866	↑ 56,3	0.68303
Nov 30	0.68827	0.68875	0.68291	58,4	0.68303	↓ 44,9	0.68752
Nov 29	0.68960	0.69283	0.68743	54,0	0.68752	↓ 20,1	0.68953
Nov 28	0.69192	0.69443	0.68940	50,3	0.68953	↓ 7,2	0.69025

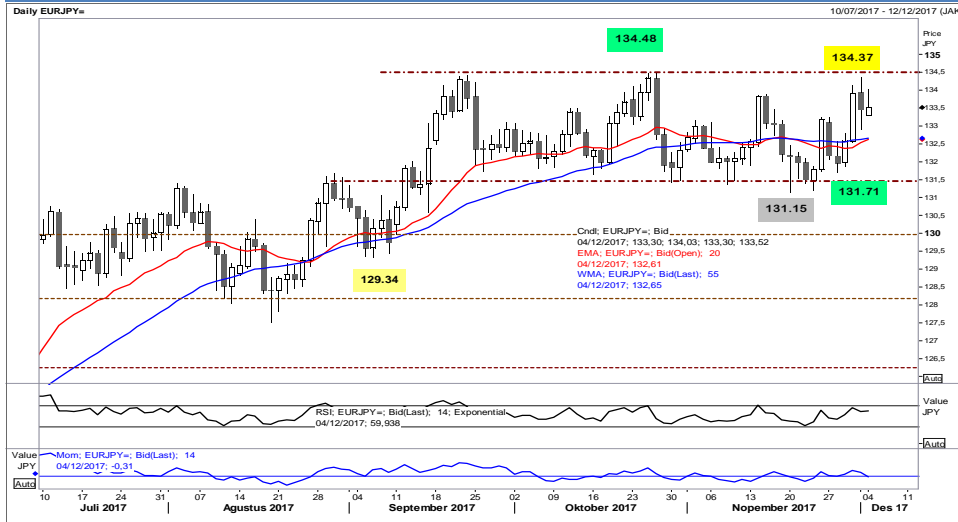
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.68697 (04/Dec)	0.68386 (04/Dec)	0.69108 (01/Dec)	0.68191 (01/Dec)	0.69787 (09/Nov)	0.67794 (17/Nov)	0.75570 (27/Jul)	0.67794 (17/Nov)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7243	High Sept 29
	0.7170	High Oct 19
	0.7036	High Oct 20
	0.6979	High Nov 09
SUPPORT	0.6815	Low Dec 01
	0.6779	Low Nov 17
	0.6674	Low May 30, 2016
	0.6574	Low Mar 16, 2016
RECOMMENDATION	BUY	-----
	SELL	0.6875
	STOP LOSS	0.6950
	TARGET	0.6800 0.6765

EUR/JPY

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



- Daily RSI flat
- Important resistance at 134.48, support 129.34
- Hourly show the pressure ([Research - rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	133.787	134.023	133.241	78,2	133.364	↑ 12,2	133.242
Dec 01	133.934	134.352	132.886	146,6	133.242	↓ 68,7	133.929
Nov 30	132.688	134.119	132.625	149,4	133.929	↑ 135,6	132.573
Nov 29	132.060	132.769	131.963	80,6	132.573	↑ 68,9	131.884
Nov 28	132.137	132.542	131.695	84,7	131.884	↓ 33,4	132.218

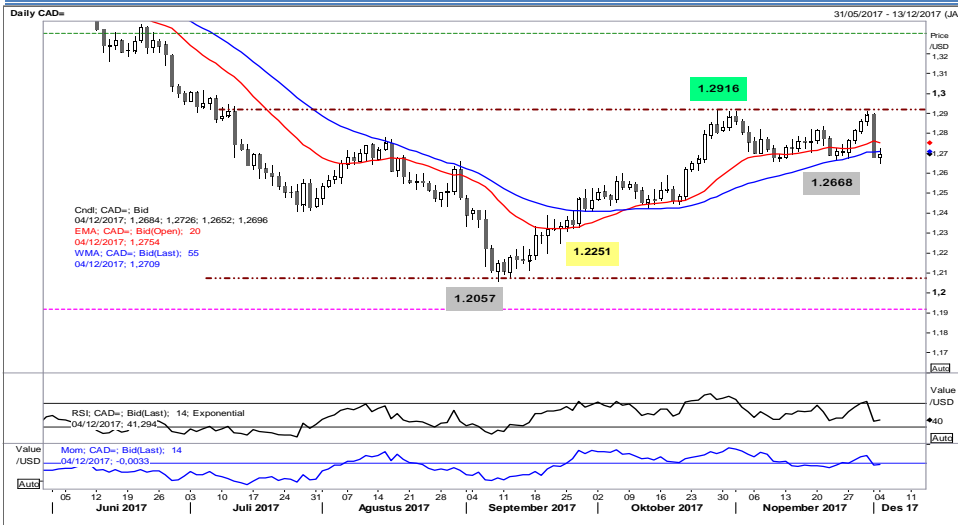
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
134.023 (04/Dec)	133.241 (04/Dec)	134.352 (01/Dec)	132.886 (01/Dec)	134.119 (30/Nov)	131.144 (20/Nov)	134.472 (25/Oct)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	138.61	High 25/Aug/2015
	137.46	High 17/Sept/2015
	136.06	High 22/Oct/2015
	134.48	High 25/Oct/2017
SUPPORT	132.53	Low 30/Nov/2017
	131.71	Low 28/Nov/2017
	130.59	Low 15/Sep/2017
	129.34	Low 06/Sep/2017
RECOMMENDATION	BUY	133.20
	SELL	----
	STOP LOSS	132.35
	TARGET	134.15 134.45

USD/CAD

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



- Correction for daily.
- Daily RSI is down
- Try to approach the peak area of the daily channel trend
[\(Research – rizal\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2684	1.2677

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2726 (04/Dec)	1.2652 (04/Dec)	1.2901 (01/Dec)	1.2652 (04/Dec)	1.2910 (01/Nov)	1.2662 (10/Nov)	1.3793 (05/May)	1.2057 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3470	High 12/Jun/2017
	1.3307	Reaction High 23/Jun/2017 (Daily)
	1.3011	Reaction High 03/Jul/2017 (Daily)
	1.2916	High 27/Oct/2017
SUPPORT	1.2617	Low 24/Oct/2017
	1.2472	Low 20/Oct/2017
	1.2331	Low 27/Sept/2017
	1.2251	Low 22/Sept/2017
RECOMMENDATION	BUY	1.2655
	SELL	----
	STOP LOSS	1.2585
	TARGET	1.2735 – 1.2755

Precious Metal – *Daily Outlook*

Gold slips on higher dollar after U.S. tax proposal advances - Reuters News



Gold prices fell on Monday toward the four-week lows hit last week as the U.S. dollar strengthened after the U.S. Senate approved a major tax overhaul and the market looked ahead to a meeting of the Federal Reserve later this month.

Spot gold was down 0.5 percent at \$1,274.16 an ounce by 1:50 p.m. EST (1850 GMT,) not far from last Thursday's \$1,270.11, its lowest level since Nov. 6.

U.S. gold futures for February delivery settled down \$4.60, or 0.4 percent, at \$1,277.70 per ounce.

The dollar was lifted by expectations that U.S. tax cuts would boost economic growth, which could fuel inflation and reinforce

the case for higher U.S. interest rates when the U.S. central bank meets on Dec. 12-13.

The U.S. Senate approved a tax reform bill on Saturday, moving President Donald Trump a big step closer to his goal of cutting taxes for businesses and the rich while offering everyday Americans a mixed bag of changes.

"The tax proposal would be bad for gold because it is expected to increase growth in the U.S., making the Fed more likely to increase interest rates. Higher rates are bad for a non-yielding asset like gold," said Ryan McKay, commodity strategist at TD Securities in Toronto.

The U.S. Senate's and House of Representatives' separate forms of the tax bill still must be reconciled. Uncertainty over whether this can be done in a timely manner and tensions over North Korean missile tests gave gold underlying support, McKay said.

Concerns over an investigation into former U.S. national security adviser Michael Flynn's contact with Russia's U.S. ambassador during Trump's election campaign also gave gold underlying support, he added.

"There is a negative influence coming from other commodities like oil, the dollar is stronger and risky assets are up," said Quantitative Commodity Research consultant Peter Fertig.

Lower oil prices could mean subdued price pressure, which is a negative for gold, often used as a hedge against inflation.

Gold has been stuck in a \$1,270-\$1,300 range this year, traders said.

Strong technical support for gold is around \$1,266 at the 200-day moving average, while resistance kicks in at about \$1,283 near the 21- and 55-day moving averages.

In other precious metals, silver slipped 0.8 percent to \$16.31 an ounce, after dipping to \$16.22, the last session's low. Platinum was down 1.33 percent at \$925, touching a nearly two-week low of \$918. Palladium dropped 2.3 percent to \$996.50 an ounce, hitting \$993.97, a one-week low.

(Source Reuters, Research – @her1en)

GOLD (XAU/USD)



- Resistance around 1313
 - Support area is around 1251
 - Daily RSI is down
- [\(Research – @her1en\)](#)

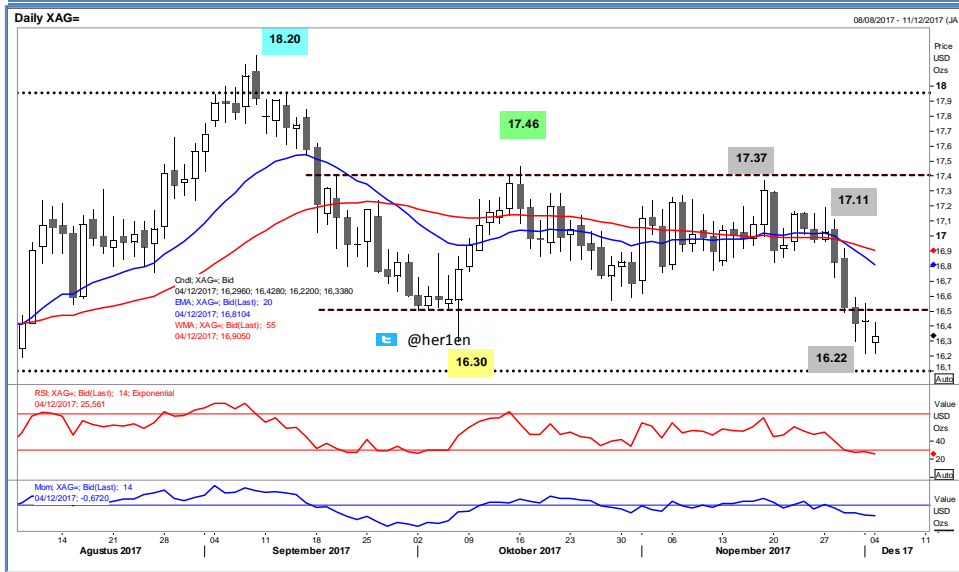
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Dec 04	1274.770	1276.970	1270.940	6.03	1275.880	↓ 6.13	1282.010	1279.10	1273.45
Dec 01	1274.690	1289.040	1271.480	17.56	1282.010	↑ 7.28	1274.730	1277.25	1275.50
Nov 30	1283.840	1285.150	1270.210	14.94	1274.730	↓ 8.70	1283.430	1282.15	1280.20
Nov 29	1293.500	1296.540	1281.900	14.64	1283.430	↓ 10.04	1293.470	1294.85	1283.85
Nov 28	1294.450	1297.290	1290.520	6.77	1293.470	↓ 0.75	1294.220	1293.90	1291.85

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1276.970	1270.940	1289.040	1270.940	1299.060	1265.340	1357.380	1146.31
(04/Dec)	(04/Dec)	(01/Dec)	(04/Dec)	(27/Nov)	(03/Nov)	(08/Sep)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1313.54	High Sep 26
	1306.06	High Oct 16
	1299.13	High Nov 27
	1285.30	High Nov 30
SUPPORT	1270.11	Low Nov 30
	1263.35	Low Oct 27
	1260.16	Low Oct 06
	1251.01	Low Aug 08
RECOMMENDATION	BUY	-----
	SELL	1277.15
	STOP LOSS	1289.00
	TARGET	1267.00 1262.00

SILVER (XAG/USD)



- With strong resistance at 16.91
 - While the crucial support area is around 15.57
- (Research – @her1en)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	16.382	16.414	16.234	0.18	16.309	↓ 0.09	16.403
Dec 01	16.415	16.538	16.226	0.31	16.403	↓ 0.02	16.418
Nov 30	16.540	16.575	16.300	0.27	16.418	↓ 0.10	16.514
Nov 29	16.851	16.903	16.503	0.40	16.514	↓ 0.32	16.836
Nov 28	17.042	17.098	16.756	0.34	16.836	↓ 0.20	17.031

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.414	16.234	16.538	16.226	17.362	16.300	18.63	14.334
(04/Dec)	(04/Dec)	(01/Dec)	(01/Dec)	(17/Nov)	(30/Nov)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.46	High Oct 16
	17.30	High Nov 20
	16.91	High Nov 29
	16.59	High Nov 30
SUPPORT	16.10	Low Aug 07
	15.94	Low Jul 17
	15.57	Low Jul 14
	15.42	Low Jul 11
ECOMMENDATION	BUY	----
	SELL	16.35
	STOP LOSS	16.70
	TARGET	16.00
		15.80

OIL – Daily Outlook

Oil eases 1 pct on profit-taking as U.S. output eyed - Reuters News



Oil fell more than 1 percent on Monday on profit-taking as the market eyed signs of rising U.S. production, though prices remained close to recent two-year highs thanks to last week's decision by OPEC and other producers to extend output cuts.

Brent crude futures settled down \$1.28, or 2 percent, at \$62.45 a barrel. U.S. West Texas Intermediate futures were down 89 cents, or 1.5 percent, at \$57.47.

Brent hit a two-year high of \$64.65 a month ago and has since attracted record investment by fund managers. Hedge funds and money managers also boosted bullish wagers on U.S. crude to the highest on record.

"Managed money is very long - both futures and options," said Tony Headrick, energy market analyst at CHS Hedging. "If the bulls are not fed, we're subject to a bit of profit-taking that I think we're seeing today." John Kilduff, a partner at Again Capital Management in New York, said the market could correct slightly, pulling further downward.

"We're in a situation where there might not be much more ammunition on the bullish side," he said.

The market is continuing to watch U.S. crude production, which is nearing a record high, according to data last week.

U.S. output rose in September to 9.5 million barrels per day (bpd), the highest monthly output since 2015, government data shows. On an annual basis, U.S. output peaked at 9.6 million bpd in 1970.

Additionally, drillers in the United States added two oil rigs in the week to Dec. 1, bringing the total count to 749, the highest since September, energy services company Baker Hughes said on Friday.

The U.S. rig count, an early indicator of future output, has risen sharply from 477 active rigs a year ago after energy companies boosted spending plans for 2017.

"Even higher prices are likely to be precluded by news from the U.S., where drilling activity is being stepped up," said Commerzbank analyst Carsten Fritsch.

U.S. producers were encouraged during 2017 to increase activity as crude prices started recovering from a multi-year price slump after the Organization of the Petroleum Exporting Countries (OPEC) and some non-OPEC producers, including Russia, agreed to production cuts a year ago.

Last week the producers agreed to extend those cuts of 1.8 million bpd until the end of next year.

"Market reaction has been positive so far. There are only two worrying aspects One is that Iraq's indiscipline has not been discussed, at least not publicly," PVM Oil Associates strategist Tamas Varga said, referring to Baghdad's compliance with output cuts. [OPEC/c]

A Reuters survey of output from the 13 OPEC members indicated production fell by 300,000 bpd in November. Supply from the 11 members with production targets under the original accord fell by 230,000 bpd.

The latest agreement allows for producers to exit the deal early if the market overheats. Russian officials had expressed concern that extending the cuts might encourage U.S. shale oil companies, which have been a thorn in OPEC's side, to pump more crude.

(Source Reuters, Research – @her1en)

CLF8/USD (OIL)
 (Exp.: 19 Dec. 2017 - Reuters)



- Daily RSI is down
 - Correction in daily
 - Important resistance at 62.58 support at 54.40.
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 04	58.23	58.31	57.34	0.97	57.44	↓ 0.84	58.28
Dec 01	57.40	58.86	57.28	1.58	58.28	↑ 0.87	57.41
Nov 30	57.39	57.96	56.85	1.11	57.41	↑ 0.04	57.37
Nov 29	57.71	58.28	56.75	1.53	57.37	↓ 0.37	57.74
Nov 28	57.84	58.09	57.42	0.67	57.74	↓ 0.09	57.83

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
58.31	57.34	58.86	57.28	59.01	53.88	59.01	42.04
(04/Dec)	(04/Dec)	(01/Dec)	(01/Dec)	(24/Nov)	(01/Nov)	(24/Nov)	(21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	69.54	High Dec 31, 2014
	62.58	High May 31, 2005
	59.69	High June 30, 2015
	58.98	High July 01, 2015
SUPPORT	56.75	Low Nov 29
	55.39	Low Nov 17
	54.40	Low Nov 03
	53.75	Low Oct 30
RECOMMENDATION	BUY	57.35
	SELL	-----
	STOP LOSS	56.15
	TARGET	58.75
		59.25