

Daily Bulletin

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

Research Department

06/05/2017

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Published by RESEARCH DEPARTMENT – PT VALBURY ASIA FUTURES

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Global stocks hit a record high on Friday and Asian markets rose to their best levels in more than two years as upbeat data on U.S. manufacturing and employment and buoyant European factory growth boosted investor optimism.
- European shares rose on Friday as investors maintained strong flows into the region but top regional benchmarks came off earlier highs after a disappointing U.S. jobs growth.
- The dollar fell to seven-month lows on Friday after data showed the U.S. economy created fewer jobs than expected in May, but equity investors took the news in stride and pushed leading American, British and German stock indexes to record highs.

GLOBAL ECONOMIES

- Australia's central bank is all but certain to keep its cash rate at a record low of 1.5 percent at its monthly policy meeting next week, a Reuters poll of economists found.
- Japan's economy was expected to have expanded more quickly in the first quarter than initially estimated, buoyed by gains in corporate capital spending, a Reuters poll showed on Friday.
- The European Central Bank has rejected a staff appeal against the handpicking of President Mario Draghi's policy adviser, batting back the most high-profile challenge to date to hiring practices at the top of the euro zone's mightiest institution.
- Greece's economy expanded in the first three months of 2017, its statistics service said on Friday, upwardly revising a previous flash estimate in May that showed a 0.1 percent quarterly contraction.
- British construction activity grew at its fastest rate since the end of 2015 last month, as a pick-up in housebuilding helped builders shake off a lacklustre start to the year, a survey showed on Friday.
- U.S. job growth slowed in May and employment gains in the prior two months were not as strong as previously reported, suggesting the labor market was losing momentum despite the unemployment rate falling to a 16-year low of 4.3 percent.
- It was meant to be a landslide victory for Prime Minister Theresa May.

GLOBAL MARKETS

Asia – Global stocks hit a record high on Friday and Asian markets rose to their best levels in more than two years as upbeat data on U.S. manufacturing and employment and buoyant European factory growth boosted investor optimism.

The MSCI ACWI, an index of 46 stock markets in the world, rose 0.2 percent to a record high. MSCI's broadest index of Asia-Pacific shares outside Japan gained 0.6 percent, while Japan's Nikkei rose 1.6 percent, topping the psychologically important 20,000-point mark and taking the benchmark to its highest level since August 2015.

Following the latest data, the Atlanta Federal Reserve upgraded its closely-watched GDP Now forecast for April-June growth to a 4.0 percent annualised pace from 3.8 percent.

Further signs of solid U.S. growth led traders to almost fully price in the chance that the Federal Reserve will raise interest rates at its June 13-14 policy meeting. They also supported the outlook for possibly another hike by the year-end, likely in September.

That helped the dollar recover in the foreign exchange market, although traders said concerns about U.S. politics could cap its gains.

Euro Zone – European shares rose on Friday as investors maintained strong flows into the region but top regional benchmarks came off earlier highs after a disappointing U.S. jobs growth.

The pan-European STOXX 600 ended up 0.2 percent. Germany's DAX rose 1.25 percent and UK's FTSE added 0.05 percent, having both hit fresh record highs earlier in the day.

U.S. non-farm payrolls showed only a modest rise which could raise concerns about the health of the economy after growth slowed in the first quarter.

"This is not what financial markets were expecting," said Aberdeen Asset Management Senior Economist Paul Diggle.

Supporting the DAX were gains among carmakers after better than expected U.S. car sales data, as well as in Linde after boards approved a

\$73 billion merger deal with U.S. peer Praxair to create an industrial gases leader.

Linde shares rose 2 percent but remained at a discount to the price implied by the merger terms.

"Based on recent M&A in the chemical sector we believe this discount is appropriate reflecting the value leakage from disposals asked for by regulators and the time to closing," said UBS analysts led by Geoff Haire in a note.

Dealmaking has been a powerful engine driving shares higher in 2017. According to Reuters data, merger and acquisition volumes have reached \$361 billion year-to-date, up 37 percent.

Meanwhile, U.S. President Donald Trump delivered a blow to the renewable energy agenda, withdrawing from the landmark 2015 global agreement to fight climate change.

Shares in Danish wind energy provider Vestas fell 1.8 percent, while Europe's energy stock index, which includes oil and gas as well as renewable companies, was the worst-performing, down 1.3 percent.

French pharmaceuticals firm Ipsen rose 3.7 percent but pared some gains after its finance chief doused investors' expectations of a potential 1.67 billion euro share buyback.

Cable maker Prysmian rose 3.8 percent after it secured a spot on Goldman Sachs' "conviction" list of stocks.

B&M European Value Retail was among top fallers, down 2.5 percent after private equity firms CD&R and SSA sold a 12.5 percent stake in the firm.

European equities saw a 10th consecutive week of inflows, according to Bank of America Merrill Lynch which reaffirmed the region's attractiveness to international investors.

U.S. & Global Markets – The dollar fell to seven-month lows on Friday after data showed the U.S. economy created fewer jobs than expected in May, but equity investors took the news in stride and pushed leading American, British and German stock indexes to record highs.

U.S. job creation slowed last month and employment gains in the prior two months were revised lower, suggesting the labor market was losing momentum despite the unemployment rate falling to a 16-year low of 4.3 percent.

The lackluster data lifted gold prices to a six-week peak as the report lowered expectations for the Federal Reserve to raise benchmark U.S. interest rates this year after a hike that most analysts still anticipate later in June.

Nonfarm payrolls increased 138,000 in May as the government, manufacturing and retail sectors lost jobs, the Labor Department said. The U.S. economy created 66,000 fewer jobs than previously reported in March and April.

Still, investors continue to give both the economy and President Donald Trump's administration the benefit of the doubt, said Michael Arone, chief investment strategist at State Street Global Advisors in Boston.

"Should we see the earnings begin to decline, I do think the market will have trouble," he said.

The market has priced in a global growth rebound, though skepticism on the part of bond investors, a tepid market for small-capitalized stocks and a downward drift in oil prices point to sluggish growth, low inflation and low rates, he said.

"The rest is kind of this noise, the monetary policy, what's going on in DC," Arone said, referring to Washington.

Slower U.S. population growth is dragging on the economy and the rate of inflation, said Russell Price, senior economist at Ameriprise Financial Services Inc in Troy, Michigan.

Yet the broad view of the U.S. labor market is that it is still quite healthy. Initial claims for jobless benefits as a percentage of total employment have never been lower since state programs began in the 1940s, Price said.

MSCI's all-country world stock index hit a record high, rising 0.63 percent, as it posted a seventh straight week of gains and its longest winning streak since 2010.

Financial stocks in Britain lifted the FTSE 100 index of top UK blue chips to all-time peaks while Germany's DAX index also set new highs. Both later trimmed gains but closed the day higher.

DOLLAR DROPS

The greenback fell to seven-month lows against the euro and Swiss franc, while sliding to a two-week bottom versus the yen.

Analysts said the less rosy jobs data was unlikely to derail the U.S. central bank from raising rates this month.

"A hike in June is still on the table but the news flow will have to improve for the Fed to keep tightening in the second part of the year," said Thomas Julien, U.S. economist, at Natixis North America in New York.

The dollar index, tracking the unit against key foreign currencies, fell to a seven-month low and was last down 0.53 percent at 96.679.

The euro was 0.62 percent higher against the dollar to \$1.1281. Against the yen, the dollar fell from one-week highs and last changed hands at 110.42 yen, down 0.83 percent.

Brent crude dipped below \$50 to post a second week of losses on worries Trump's decision to abandon a climate pact could spur U.S. drilling and worsen a global oil glut.

Benchmark Brent crude futures fell 68 cents to settle at \$49.95 per barrel. U.S. West Texas Intermediate crude futures settled down 70 cents at \$47.66 per barrel.

Long-dated U.S. Treasury yields fell to nearly seven-month lows while short-dated yields touched their lowest in more than two weeks after the U.S. employment data suggested a cautious Fed policy beyond June.

U.S. 10-year Treasuries rose 18/32 in price to push their yields down to 2.1539 percent. [\(Source Reuters – @her1en\)](#)

GLOBAL ECONOMIES

Australia – Australia's central bank is all but certain to keep its cash rate at a record low of 1.5 percent at its monthly policy meeting next week, a Reuters poll of economists found.

Out of 55 economists polled by Reuters, 53 forecast the Reserve Bank of Australia (RBA) would stand pat at its policy meeting on June 6, following two rate cuts last year, as it balances the risk of fuelling further borrowing in the country's red-hot property market against tepid inflation.

While the majority predicted the central bank would keep rates steady until the middle of next year, half of the 44 respondents forecast that it would raise rates by September next year, against 5 who expect an easing.

Japan – Japan's economy was expected to have expanded more quickly in the first quarter than initially estimated, buoyed by gains in corporate capital spending, a Reuters poll showed on Friday.

Economic growth was seen at an annualised 2.4 percent in the first quarter, revised up from a preliminary estimate of 2.2 percent, the median forecast of 18 analysts showed.

That translates into 0.6 percent growth from the previous quarter, slightly up from the 0.5 percent gain seen in preliminary data.

The poll found capital spending was seen to rise 0.5 percent in the first quarter, up from a preliminary estimate of 0.2 percent.

The revised data is expected to affirm an export-led recovery in Japan helped by a pickup in the global economy, although households remain cautious over spending, given sluggish wage growth.

"Rises in capital spending suggests a positive spillover from growth in exports," said Takeshi Minami, chief economist at Norinchukin Research Institute.

"The level of consumer spending remains low but it is picking up very, very slowly."

Analysts expect the economy to continue growing in the current quarter thanks to robust offshore demand, but risks from some Trump administration policies and in China's economy remain.

The Cabinet Office will release GDP data at 8:50 a.m. on June 8 Japan time (2350 GMT on June 7).

Japan's April current account data is also due next week and is expected to show the surplus shrinking due in part to a narrowing trade surplus.

The poll's median forecast put Japan's April current account surplus at 1.6988 trillion yen (\$15.22 billion), from 2.9 trillion yen in March. (\$1 = 111.6100 yen)

Euro Zone – The European Central Bank has rejected a staff appeal against the handpicking of President Mario Draghi's policy adviser, batting back the most high-profile challenge to date to hiring practices at the top of the euro zone's mightiest institution.

The appeal, filed by staff representative Carlos Bowles, said a perception of favouritism at the bank risked fuelling euro scepticism among the public and demoralising personnel at the bank.

The ECB is in charge of supervising banks and controlling inflation in the euro zone.

The ECB's board decided the direct appointment of Roland Straub as Draghi's top aide without a full recruitment process could not be challenged because it did not affect Bowles personally and was in line hiring rules and practice.

"The appointment was made in compliance with the ECB rules on selection and appointment and is consistent with previous appointments to this position," an ECB spokesman said.

The appointment of staff based on their connections, rather than individual merit, has been raised as a key issue by ECB personnel.

Recent appeals by Bowles have resulted in five appointments being annulled, including that of the bank official in charge of relations with other European institutions in Brussels.

Bowles had argued the bank's rules do not allow for Straub to be handpicked for the dual role, which involves both advising Draghi and coordinating the counsels of the five other board members.

But the Executive Board, which makes policy proposals, runs the organisation and is chaired by Draghi, considered his appeal inadmissible.

"The Executive Board considers that such appointments cannot be legally challenged by a staff member, because they are based on trust," the ECB's staff committee, chaired by Bowles, said in an email to staff.

"(This) underlines the seriousness of the governance flaws of our internal appeal system, as the authority in charge of deciding on the merit of the appeal is the one who took the questionable decision."

Bowles was also not entitled to make a claim on behalf of other staff members, as he himself was not affected by the appointment.

Bowles has until late July to file any appeal with the Luxembourg-based European Court of Justice, the highest authority in cases against the ECB and the European Union's other institutions.

Straub, who was appointed to the new role in February after working as counsellor to board member Benoit Coeure, declined to comment.

His qualifications, which include dozens of scholarly articles and economic papers, were not questioned in the appeal, which instead focused on the "perception of favouritism" at the ECB.

An ECB staff survey conducted in 2015 showed 65 percent of respondents chose "knowing the 'right people'" as a way of getting ahead at the bank, a higher proportion than chose any other factor.

Staff representatives complained last year to the European Parliament, which oversees the ECB, that dissent was discouraged at the bank, potentially hobbling its ability to spot the next financial crisis.

Greece – Greece's economy expanded in the first three months of 2017, its statistics service said on Friday, upwardly revising a previous flash estimate in May that showed a 0.1 percent quarterly contraction.

Data showed the economy grew by 0.4 percent in January-to-March compared to the final quarter of 2016 when gross domestic product contracted by 1.1 percent.

The seasonally adjusted data also showed that Greece's economy grew at a year-on-year pace of 0.4 percent in the first quarter, after contracting by 1.0 percent in the fourth quarter of 2016, with May's flash -0.5 percent estimate also revised upwards.

"The readings are better as we had more accurate estimates in the time that has intervened after the flash projections," said a senior official at ELSTAT.

The government, keen to wrap up a bailout review and get more clarity on further debt relief from its official lenders, has downwardly revised this year's growth projection to 1.8 percent from 2.7 percent previously.

It expects the recovery to strengthen next year with gross domestic product growing by 2.4 percent. The EU Commission has also cut its economic growth forecast for Greece to 2.1 percent growth this year from 2.7 percent previously.

A recovery will be key to bringing down an unemployment rate of nearly 23 percent, the highest in the euro zone, and attaining a projected primary budget surplus of 1.75 percent - excluding debt servicing outlays - demanded by Greece's creditors.

The main drivers behind the rise in first-quarter economic output were stronger consumption and gross capital formation, offsetting a negative contribution from net exports.

Consumption rose 0.4 percent compared to the fourth quarter, with imports rising by 4.5 percent while exports declined 2.3 percent. Gross capital formation jumped 48.3 percent from the previous quarter.

"Based on this revision, the government baseline scenario of 1.8 percent full-year growth in 2017 looks pretty attainable," said National Bank economist Nikos Magginas.

"The surprise was that consumption proved more resilient than expected during a difficult quarter marked by uncertainty over the bailout review talks."

Had there been a positive contribution from net exports, we would have seen growth of more than 1.0 percent in the first three months, he said.

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KEY FIGURES Q1 2017 Q4 2016 Q3 2016 Q2 2016 Q1 2016

GDP (q/q, pct) 0.4 -1.1* 0.7* 0.4* -1.0*

GDP (y/y, pct) 0.4 -1.0* 2.1* -0.4 -0.8*

* revised

source: ELSTAT

UK – British construction activity grew at its fastest rate since the end of 2015 last month, as a pick-up in housebuilding helped builders shake off a lacklustre start to the year, a survey showed on Friday.

The Markit/CIPS construction purchasing managers' index (PMI) jumped to 56.0 from 53.1, its highest since December 2015 and above all forecasts in a Reuters poll.

"A sustained rebound in residential building provides an encouraging sign that the recent soft patch for property values has not deterred new housing supply," said Tim Moore, an economist at IHS Markit.

"Instead, strong labour market conditions, resilient demand and ultra-low mortgage rates appear to have helped boost work."

Construction only accounts for about 6 percent of Britain's economy. But alongside a similar robust manufacturing survey released on Thursday, it adds to signs that the economy may be recovering from near-stagnation at the start of 2017.

The picture will become clearer on Monday, when Markit releases its PMI for the much-larger services sector, which is more exposed to slowing consumer spending as households grapple with accelerating inflation.

Britain's opposition Labour Party has highlighted squeezed living standards ahead of a national election due on June 8, though polls still show Prime Minister Theresa May's Conservatives lead among those most likely to vote.

Friday's report showed housebuilding rising at the fastest rate since December 2015, while commercial construction, such as shops and offices, rose by the most since March last year.

Builders hired more workers and ordered more supplies to deal with a faster inflow of new projects last month, Markit said. That contrasts with reports earlier on Wednesday and Thursday of greater caution from banks and homebuyers.

Mortgage lender Nationwide reported a third consecutive monthly decline in house prices on Thursday - the longest run of declines since the 2008-2009 recession - and the Bank of England said loan approvals fell to a 7-month low in April.

U.S. – U.S. job growth slowed in May and employment gains in the prior two months were not as strong as previously reported, suggesting the labor market was losing momentum despite the unemployment rate falling to a 16-year low of 4.3 percent.

Nonfarm payrolls increased 138,000 last month as the manufacturing, government and retail sectors lost jobs, the Labor Department said on Friday. The economy created 66,000 fewer jobs than previously reported in March and April.

May's job gains marked a sharp deceleration from the 181,000 monthly average over the past 12 months. Job growth is slowing as the labor

market nears full employment. Last month's job gains could still be sufficient for the Federal Reserve to raise interest rates this month.

"The weak job growth number isn't a disaster because it still keeps up with population growth," said Paul Diggle, senior economist at Aberdeen Asset Management. "Today's numbers probably won't stop the Fed from raising rates this month. But they might well influence what happens next."

The economy needs to create 75,000 to 100,000 jobs per month to keep up with growth in the working-age population.

The unemployment rate fell one-tenth of a percentage point to its lowest level since May 2001. It has dropped five-tenths of a percentage point this year. Last month's decline came as people left the labor force. The survey of households from which the jobless rate is derived also showed a drop in employment.

Economists polled by Reuters had forecast payrolls increasing by 185,000 jobs last month and the unemployment rate holding steady at 4.4 percent. The closely watched employment report was released less than two weeks before the Fed's June 13-14 policy meeting.

U.S. financial markets are almost pricing in a 25 basis point increase in the Fed's benchmark overnight interest rate at that meeting, according to CME FedWatch.

The dollar fell against a basket of currencies on the data, while U.S. government bond prices rose. U.S. stock index futures trimmed gains.

The modest payrolls increase could raise concerns the economy was struggling to gain speed after growth slowed in the first quarter.

Minutes of the Fed's May 2-3 policy meeting, which were published last week, showed that while policymakers agreed they should hold off hiking rates until there was evidence the growth slowdown was transitory, "most participants" believed "it would soon be appropriate" to raise borrowing costs.

The U.S. central bank raised interest rates by 25 basis points in March. Data on consumer spending and manufacturing have offered hope that growth picked up early in the second quarter after gross domestic product increased at a tepid 1.2 percent annualized rate at the start of the year.

The Atlanta Fed is forecasting GDP increasing at a 4.0 percent pace in the second quarter.

GLOBAL ECONOMY WEEKAHEAD – It was meant to be a landslide victory for Prime Minister Theresa May.

But the odds on that outcome in the British general election on Thursday are lengthening by the day, raising the prospect of a government weakened just as it starts divorce talks with a European Union showing more unity and economic strength than at anytime in the past decade.

May is still favoured to win, but anything short of an increased majority could weaken her hold over eurosceptic lawmakers in her own Conservative Party and raise the chance of an acrimonious fight with Brussels.

"From the EU's standpoint, this looks like a win-win situation," René Defossez at Natixis said. "If Theresa May does end up with a comfortable majority, it will be that much easier (for her) to make concessions."

"If there is no clear majority after the June elections, the UK will be weakened, placing the EU in a position of strength," Defossez said. "A small majority would likely give more weight to the Brexiters in the Conservative Party, heightening the probability of a clash."

Most polls show the Conservatives' lead narrowing, with one, admittedly outlier survey, giving the party just a 3 point lead. However, opinion polls

in Britain have had a relatively poor track record recently, raising expectations that this election could again spring a surprise.

The vote will offers starkly different choices on traditional economic policies with Britons having to pick between the status quo of the low-tax Conservatives and left-wing Labour's plans to renationalise public utilities, increase spending and raise taxes for top earners and companies.

While both major parties are committed to taking Britain out of the European Union, May has accepted that limiting immigration would inherently mean losing access to the single market, a conclusion Labour has yet to draw.

Many economists have warned about the impact on the British economy - the world's fifth-biggest - of leaving the EU's single market, which enshrines freedom of movement for goods, services, capital and people.

Labour, under radical left-winger Jeremy Corbyn, says Britain should keep the benefits of being in the single market. But that aim jars with his commitment to end freedom of movement for EU workers to come to Britain, which other EU countries insist is non-negotiable for single market membership.

Consultancy Capital Economics said that a big parliamentary majority for May would ease uncertainty for companies and investors and pave the way for the Bank of England to raise interest rates sooner than markets expect.

"The sanguine market reaction to U.S. President Trump's stimulus plans suggests that higher debt projections might not result in a significant rise in borrowing costs through an increased risk premium for holding government debt," it said.

ECB

While Britons vote on Thursday, European Central Bank policymakers meeting in Tallinn, Estonia, will likely take another baby step towards removing the extraordinary monetary stimulus the bank has provided.

With growth broadening and political risk declining after Emmanuel Macron's victory in France's presidential election, the euro zone is on its best economic run in a decade, raising hopes for normalisation after years of crisis fighting.

Indeed, with over 5 million jobs created in recent years, unemployment is at an 8-year-low and sentiment indicators point to jobs and consumption-fed growth, making the recovery more resilient to swings in the global economy.

While progress on vital reforms to cement growth have been lacking, political leaders have displayed unusual unity in recent weeks, raising hopes for an EU reboot and some relief for the ECB, which has carried the bulk of the burden since the crisis.

The ECB could honour this progress by adapting a balanced risk assessment, dropping a long-standing negative view on risks to growth. It could also discuss dropping its so-called easing bias, a pledge to provide even more stimulus if necessary.

But any move by the bank will be just a slight tweak around the wording of ECB President Mario Draghi's opening statement, steering clear of any hint about its next policy move on worries that heightened expectations could set off a cycle of self-defeating market turbulence.

"Even a blind man can see that risks to the Eurozone outlook are currently much more balanced than tilted to the downside," ING economist Carsten Brzeski said. "At the same time, however, the cyclical upswing has not led to any inflationary pressure."

"Consequently, the ECB will not be in any rush to unwind QE. However, next week's ECB meeting could mark the start of taper tiptoeing," Brzeski added. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.	
Mon/29-May-17	08:15	US	Fed's Williams Speaks in Singapore						
	15:00	EZ	M3 Money Supply YoY	Apr	4.9%	5.2%	5.3%		
	20:00	EZ	Draghi Speaks at European Parliament Economic Committee						
	All Day	CN	Bank Holiday/Dragon Boat Festival						
	All Day	DE	UK Bank Holiday						
	All Day	GB	Bank Holiday/Spring Bank Holiday						
All Day	US	Bank Holiday/Memorial Day							
Tue/30-May-17	05:45	NZ	Building Permits MoM	Apr	-7.6%	--	-1.8%	-1.2%	
	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	May-28		--	110.5		
	06:30	JP	Jobless Rate	Apr	2.8%	2.8%	2.8%		
	06:30	JP	Job-To-Applicant Ratio	Apr	1.48	1.46	1.45		
	06:30	JP	Overall Household Spending YoY	Apr	-1.4%	-0.7%	-1.3%		
	06:50	JP	Retail Sales MoM	Apr	1.4%	0.1%	0.2%		
	08:30	AU	Building Approvals MoM	Apr	4.4%	3.0%	-13.4%	-10.3%	
	08:30	AU	Building Approvals YoY	Apr	-17.2%	-18.1%	-19.9%		
	14:00	CH	KOF Leading Indicator	May	101.6	--	106	106.3	
	16:00	EZ	Economic Confidence	May	109.2	110.0	109.6	109.7	
	16:00	EZ	Business Climate Indicator	May	0.90	1.11	1.09	1.10	
	16:00	EZ	Industrial Confidence	May	2.8	3.2	2.6		
	16:00	EZ	Services Confidence	May	13.0	14.2	14.2		
	16:00	EZ	Consumer Confidence	May F	-3.3	-3.3	-3.3	-3.6	
	19:00	DE	CPI MoM	May P	-0.2%	-0.1%	0.0%		
	19:00	DE	CPI YoY	May P	1.5%	1.6%	2.0%		
	19:00	DE	CPI EU Harmonized MoM	May P	-0.2%	-0.1%	0.0%		
	19:00	DE	CPI EU Harmonized YoY	May P	1.4%	1.6%	2.0%		
	19:30	CA	Current Account Balance	1Q	-\$14.05b	-\$12.00b	-\$10.73b	-\$11.78b	
	19:30	US	Personal Income	Apr	0.4%	0.4%	0.2%		
	19:30	US	Personal Spending	Apr	0.4%	0.4%	0.0%	0.3%	
	19:30	US	Real Personal Spending	Apr	0.2%	0.2%	0.3%	0.5%	
	19:30	US	PCE Deflator MoM	Apr	0.2%	0.2%	-0.2%		
	19:30	US	PCE Deflator YoY	Apr	1.7%	1.7%	1.8%	1.9%	
	19:30	US	PCE Core MoM	Apr	0.2%	0.1%	-0.1%		
	19:30	US	PCE Core YoY	Apr	1.5%	1.5%	1.6%		
	21:00	US	Consumer Confidence	May	117.9	119.5	120.3	119.4	
	21:30	US	Dallas Fed Manf. Activity	May	17.2	15	16.8		
	All Day	CN	Bank Holiday/Dragon Boat Festival						
	Wed/31-May-17	04:00	KR	Business Survey Manufacturing	Jun	-	--	84	
		04:00	KR	Business Survey Non-Manufacturing	Jun	-	--	78	
		06:00	KR	Industrial Production SA MoM	Apr	-2.2%	0.8%	1.0%	1.2%
06:00		KR	Industrial Production YoY	Apr	1.7%	5.0%	3.0%	3.3%	
06:01		GB	GfK Consumer Confidence	May	-5	-8	-7		
06:50		JP	Industrial Production MoM	Apr P	4.0%	4.2%	-1.9%		
06:50		JP	Industrial Production YoY	Apr P	5.7%	6.1%	3.5%		
08:00		CN	Manufacturing PMI	May	51.2	51	51.2		
08:00		CN	Non-manufacturing PMI	May	54.5	--	54		
08:00		NZ	ANZ Activity Outlook	May	38.3	--	37.7		
08:00		NZ	ANZ Business Confidence	May	14.9	--	11		
14:55		DE	Unemployment Change (000's)	May	-9k	-15k	-15k		
14:55		DE	Unemployment Claims Rate SA	May	5.7%	5.8%	5.8%		
16:00		EZ	Unemployment Rate	Apr	9.3%	9.4%	9.5%	9.4%	
16:00		EZ	CPI Estimate YoY	May	1.4%	1.5%	1.9%		
16:00		EZ	CPI Core YoY	May A	1.0%	1.0%	1.2%		
19:00		US	Fed's Kaplan Speaks in New York						
19:30		CA	Quarterly GDP Annualized	1Q	3.7%	3.9%	2.6%	2.7%	

	19:30	CA	GDP MoM	Mar	0.5%	0.2%	0.0%	
	19:30	CA	GDP YoY	Mar	3.2%	2.9%	2.5%	2.4%
	19:30	DE	Merkel, Lautenschlaeger Address German Credit-Union Conference					
	21:00	US	Pending Home Sales MoM	Apr	-1.3%	0.5%	-0.8%	-0.9%
	21:00	US	Pending Home Sales NSA YoY	Apr	-5.4%	--	0.5%	
Thu/01-Jun-17	01:00	US	U.S. Federal Reserve Releases Beige Book					
	05:45	NZ	Terms of Trade Index QoQ	1Q	5.1%	3.9%	5.7%	
	06:00	KR	CPI MoM	May	0.1%	0.1%	-0.1%	
	06:00	KR	CPI YoY	May	2.0%	1.95%	1.9%	
	06:00	KR	CPI Core YoY	May	-	1.4%	1.3%	
	06:30	AU	AiG Perf of Mfg Index	May	54.8	--	59.2	
	07:00	KR	Exports YoY	May	-	16.5%	24.2%	
	07:00	KR	Imports YoY	May	-	14.0%	16.6%	
	07:00	KR	Trade Balance	May	-	\$7180m	\$13300m	
	07:10	US	Fed's Williams Speaks in Seoul					
	07:30	JP	Nikkei Japan PMI Mfg	May F	53.1	--	52	
	07:30	KR	Nikkei South Korea PMI Mfg	May	49.2	--	49.4	
	08:30	AU	Private Capital Expenditure	1Q	0.3%	0.8%	-2.1%	-1.0%
	08:30	AU	Retail Sales MoM	Apr	1.0%	0.3%	-0.1%	-0.2%
	08:30	JP	BOJ Harada speaks in Gifu					
	08:45	CN	Caixin China PMI Mfg	May	49.6	50.1	50.3	
	12:45	CH	GDP QoQ	1Q	0.3%	0.4%	0.1%	0.2%
	12:45	CH	GDP YoY	1Q	1.1%	--	0.6%	0.7%
	14:15	EZ	ECB's Villeroy Speaks at Brussels Economic Forum in Brussels					
	N/A	EZ	China's Li Meets With EU's Tusk, Juncker in Brussels					
	N/A	EZ	EU-China Summit in Brussels June 1-2					
	14:15	CH	Retail Sales Real YoY	Apr	-1.2%	--	2.1%	
	14:30	CH	PMI Manufacturing	May	55.6	--	57.4	
	14:55	DE	Markit/BME Germany Manufacturing PMI	May F	59.5	59.4	59.4	
	15:00	EZ	Markit Eurozone Manufacturing PMI	May F	57	57	57	
	15:30	HK	Retail Sales Value YoY	Apr	0.1%	2.8%	3.1%	
	15:30	HK	Retail Sales Volume YoY	Apr	-	2.5%	2.7%	
	15:30	GB	Markit UK PMI Manufacturing SA	May	56.7	56.5	57.3	
	16:00	EZ	EU's Dombrovskis Speaks at Brussels Economic Forum					
	16:00	EZ	ECB's Hakkarainen, Costa, EBA's Enria Speak in Lisbon					
	19:00	EZ	EU's Moscovici Speaks at Brussels Economic Forum in Brussels					
	19:00	EZ	Italy's Padoan on Panel at Brussels Economic Forum in Brussels					
	19:00	US	Fed's Powell Speaks on Normalization of Monetary Policy					
	19:15	US	ADP Employment Change	May	253.0k	185k	177k	174k
	19:30	US	Initial Jobless Claims	w/e	248k	239k	234k	235k
	19:30	US	Jobless Claims 4-wk Avg	w/e	238k	--	235.25k	235.5k
	19:30	US	Continuing Jobless Claims	w/e	1.915m	1.920m	1.923m	1.924m
	20:30	CA	Markit Canada Manufacturing PMI	May	55.1	--	55.9	
	20:45	US	Markit US Manufacturing PMI	May F	52.7	--	52.5	
	21:00	US	ISM Manufacturing	May	54.9	54.5	54.8	
	21:00	US	ISM Prices Paid	May	60.5	66.4	68.5	
	21:00	US	ISM New Orders	May	59.5	--	57.5	
	21:00	US	ISM Employment	May	53.5	52.8	52	
	21:00	US	Construction Spending MoM	Apr	-1.4%	0.5%	-0.2%	1.1%
	22:00	US	EIA Weekly Crude Stocks	w/e	-6.428m	-2.517m	-4.432m	
	22:00	US	EIA Weekly Dist. Stocks	w/e	0.394m	-0.755m	-0.485m	
	22:00	US	EIA Weekly Gasoline Stocks	w/e	-2.858m	-1.091m	-0.787m	
Fri/02-Jun-17	06:00	KR	GDP SA QoQ	1Q F	1.1%	0.9%	0.9%	
	06:00	KR	GDP YoY	1Q F	2.9%	2.7%	2.7%	
	06:50	JP	Monetary Base YoY	May	19.4%	--	19.8%	

	06:50	JP	Monetary Base End of period	May	¥455.9t	--	¥462.2t	
	08:00	AU	HIA New Home Sales MoM	Apr	0.8%	--	-1.1%	
	12:00	JP	Consumer Confidence Index	May	43.6	43.5	43.2	
	N/A	GB	United Kingdom Sovereign Debt to be rated by Moody's					
	15:30	GB	Markit/CIPS UK Construction PMI	May	56.0	52.7	53.1	
	16:00	EZ	PPI MoM	Apr	0.0%	0.3%	-0.3%	
	16:00	EZ	PPI YoY	Apr	4.3%	4.5%	3.9%	
	19:30	CA	Labor Productivity QoQ	1Q	1.4%	--	0.4%	
	19:30	US	Change in Nonfarm Payrolls	May	138k	185k	211k	174k
	19:30	US	Trade Balance	Apr	-\$47.6b	-\$46.1b	-\$43.7b	-\$45.3b
	19:30	US	Two-Month Payroll Net Revision	May	-66k	--	-6k	
	19:30	US	Change in Private Payrolls	May	147k	173k	194k	173k
	19:30	US	Change in Manuf. Payrolls	May	-1k	5k	6k	11k
	19:30	US	Unemployment Rate	May	4.3%	4.4%	4.4%	
	19:30	US	Average Hourly Earnings MoM	May	0.2%	0.2%	0.3%	0.2%
	19:30	US	Average Hourly Earnings YoY	May	2.5%	2.6%	2.5%	
	19:30	US	Average Weekly Hours All Employees	May	34.4	34.4	34.4	
	19:30	US	Labor Force Participation Rate	May	62.7%	62.9%	62.9%	
	19:30	US	Underemployment Rate	May	8.4%	--	8.6%	
Sat/03-Jun-17	00:00	US	Baker Hughes U.S. Rig Count	Jun-02	916	--	908	

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/05-Jun-17	04:00	KR	Foreign Reserves	May		--	\$376.57b	
	06:00	KR	BoP Current Account Balance	Apr		--	\$5931.8m	
	06:00	KR	BoP Goods Balance	Apr		--	\$9801m	
	06:30	AU	AiG Perf of Services Index	May		--	53	
	07:30	HK	Nikkei Hong Kong PMI	May		--	51.1	
	07:30	JP	Nikkei Japan PMI Services	May		--	52.2	
	07:30	JP	Nikkei Japan PMI Composite	May		--	52.6	
	08:00	AU	Melbourne Institute Inflation MoM	May		--	0.5%	
	08:00	AU	Melbourne Institute Inflation YoY	May		--	2.6%	
	08:45	CN	Caixin China PMI Composite	May		--	51.2	
	08:45	CN	Caixin China PMI Services	May		--	51.5	
	15:30	GB	Markit/CIPS UK Services PMI	May		55.0	55.8	
	15:30	GB	Markit/CIPS UK Composite PMI	May		56.8	56.2	
	15:30	GB	Official Reserves Changes	May		--	\$1362m	
	20:45	US	Markit US Services PMI	May F		--	54	
	20:45	US	Markit US Composite PMI	May F		--	53.9	
	21:00	US	ISM Non-Manf. Composite	May		57.0	57.5	
	21:00	US	Durable Goods Orders	Apr F		--	-0.7%	
	All Day	CH	Bank Holiday/Whit Monday					
	All Day	DE	Bank Holiday/Whit Monday					
	All Day	NZ	Bank Holiday/Queen's Birthday					
Tue/06-Jun-17	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	Jun-04		--	112.2	
	07:00	JP	Labor Cash Earnings YoY	Apr		0.3%	-0.4%	
	07:00	JP	Real Cash Earnings YoY	Apr		--	-0.8%	
	08:30	AU	BoP Current Account Balance	1Q		-A\$0.5b	-A\$3.9b	
	08:30	AU	Net Exports of GDP	1Q		-0.4	0.2	
	11:30	AU	RBA Cash Rate Target	Jun-06		1.5%	1.5%	
	14:55	DE	Markit Germany Services PMI	May F		55.2	55.2	
	14:55	DE	Markit/BME Germany Composite PMI	May F		57.3	57.3	
	15:00	EZ	Markit Eurozone Services PMI	May F		56.2	56.2	
	15:00	EZ	Markit Eurozone Composite PMI	May F		56.8	56.8	
	15:30	EZ	Sentix Investor Confidence	Jun		27.5	27.4	
	16:00	EZ	Retail Sales MoM	Apr		0.2%	0.3%	
	16:00	EZ	Retail Sales YoY	Apr		2.3%	2.3%	

	20:00	NZ	Dairy Prices	w/e		--	3.2%	
	20:00	NZ	Milk Auctions	w/e		--	3313.0T	
	21:00	CA	Ivey Purchasing Managers Index SA	May		--	62.4	
Wed/07-Jun-17	06:50	JP	Official Reserve Assets	May		--	\$1242.3b	
	08:30	AU	GDP SA QoQ	1Q		0.2%	1.1%	
	08:30	AU	GDP YoY	1Q		1.6%	2.4%	
	N/A	CN	Foreign Reserves	May		\$3045.0b	\$3029.5b	
	12:00	JP	Leading Index CI	Apr P		104.3	105.5	
	12:00	JP	Coincident Index	Apr P		117.5	114.4	
	13:00	DE	Factory Orders MoM	Apr		0.0%	1.0%	
	13:00	DE	Factory Orders WDA YoY	Apr		4.8%	2.4%	
	13:30	AU	Foreign Reserves	May		--	A\$79.9b	
	N/A	EZ	EU's Juncker Speaks at Development Days Conference in Brussels					
07-Jun - 08-Jun	N/A	EZ	EU Development Days Two-Day Conference in Brussels					
	14:00	CH	Foreign Currency Reserves	May		--	695.9b	
	14:30	DE	Markit Germany Construction PMI	May		--	54.6	
	15:10	EZ	Markit Eurozone Retail PMI	May		--	52.7	
	15:10	DE	Markit Germany Retail PMI	May		--	56.2	
	15:30	HK	Foreign Reserves	May		--	\$400.0b	
	16:00	EZ	OECD Economic Outlook					
	16:00	EZ	Gross Fix Cap QoQ	1Q		1.0%	0.6%	
	16:00	EZ	Govt Expend QoQ	1Q		0.4%	0.4%	
	16:00	EZ	Household Cons QoQ	1Q		0.3%	0.4%	
	16:00	EZ	GDP SA QoQ	1Q F		0.5%	0.5%	
	16:00	EZ	GDP SA YoY	1Q F		1.7%	1.7%	
	19:30	CA	Building Permits MoM	Apr		--	-5.8%	
	21:30	US	EIA Weekly Crude Stocks	w/e		--	-6.428m	
	21:30	US	EIA Weekly Dist. Stocks	w/e		--	0.394m	
	21:30	US	EIA Weekly Gasoline Stocks	w/e		--	-2.858m	
Thu/08-Jun-17	06:01	GB	RICS House Price Balance	May		20%	22%	
	06:50	JP	GDP SA QoQ	1Q F		0.6%	0.5%	
	06:50	JP	GDP Annualized SA QoQ	1Q F		2.4%	2.2%	
	06:50	JP	GDP Nominal SA QoQ	1Q F		0.0%	0.0%	
	06:50	JP	GDP Deflator YoY	1Q F		-0.8%	-0.8%	
	06:50	JP	GDP Private Consumption QoQ	1Q F		0.4%	0.4%	
	06:50	JP	GDP Business Spending QoQ	1Q F		0.5%	0.2%	
	06:50	JP	BoP Current Account Balance	Apr		¥1719.9b	¥2907.7b	
	06:50	JP	BoP Current Account Adjusted	Apr		¥1628.8b	¥1731.2b	
	06:50	JP	Trade Balance BoP Basis	Apr		¥497.0b	¥865.5b	
	08:30	AU	Trade Balance	Apr		A\$1900m	A\$3107m	
08-Jun - 18-Jun	N/A	CN	Foreign Direct Investment YoY CNY	May		--	-4.3%	
	N/A	CN	Trade Balance CNY	May		336.00b	262.30b	
	N/A	CN	Imports YoY CNY	May		18.0%	18.6%	
	N/A	CN	Exports YoY CNY	May		15.0%	14.3%	
	N/A	CN	Imports YoY	May		9.3%	11.9%	
	N/A	CN	Exports YoY	May		7.0%	8.0%	
	N/A	CN	Trade Balance	May		\$47.40b	\$38.05b	
	12:45	CH	Unemployment Rate	May		--	3.3%	
	12:45	CH	Unemployment Rate SA	May		--	3.3%	
	13:00	DE	Industrial Production SA MoM	Apr		0.5%	-0.4%	
	13:00	DE	Industrial Production WDA YoY	Apr		2.3%	1.9%	
	13:30	EZ	Estonia's Loite Speaks on EU Presidency Priorities in Brussels					
	14:15	CH	CPI MoM	May		0.0%	0.2%	
	14:15	CH	CPI YoY	May		0.3%	0.4%	
	14:15	CH	CPI EU Harmonized MoM	May		--	0.5%	
	14:15	CH	CPI EU Harmonized YoY	May		--	0.7%	
	18:45	EZ	ECB Main Refinancing Rate	Jun-08		0.0%	0.0%	

	18:45	EZ	ECB Marginal Lending Facility	Jun-08		0.25%	0.25%	
	18:45	EZ	ECB Deposit Facility Rate	Jun-08		-0.4%	-0.4%	
	18:45	EZ	ECB Asset Purchase Target	Jun		EU60b	EU60b	
	19:15	CA	Housing Starts	May		205.0k	214.1k	
	19:30	CA	New Housing Price Index MoM	Apr		--	0.2%	
	19:30	CA	New Housing Price Index YoY	Apr		--	3.3%	
	19:30	EZ	ECB President Mario Draghi Holds Press Conference					
	19:30	US	Initial Jobless Claims	w/e		--	248k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		--	238k	
	19:30	US	Continuing Jobless Claims	w/e		--	1.915m	
	21:30	CA	Bank of Canada Releases Financial System Review					
Fri/09-Jun-17	08:30	AU	Home Loans MoM	Apr		-1.0%	-0.5%	
	08:30	AU	Investment Lending	Apr		--	0.8%	
	08:30	CN	CPI YoY	May		1.5%	1.2%	
	08:30	CN	PPI YoY	May		5.7%	6.4%	
	13:00	DE	Trade Balance	Apr		25.0b	25.4b	
	13:00	DE	Current Account Balance	Apr		--	30.2b	
	13:00	DE	Exports SA MoM	Apr		0.3%	0.4%	
	13:00	DE	Imports SA MoM	Apr		-1.0%	2.4%	
	15:30	GB	Industrial Production MoM	Apr		0.8%	-0.5%	
	15:30	GB	Industrial Production YoY	Apr		-0.2%	1.4%	
	15:30	GB	Manufacturing Production MoM	Apr		0.9%	-0.6%	
	15:30	GB	Manufacturing Production YoY	Apr		0.7%	2.3%	
	15:30	GB	Construction Output SA MoM	Apr		0.3%	-0.7%	
	15:30	GB	Construction Output SA YoY	Apr		-0.4%	2.4%	
	15:30	GB	Visible Trade Balance GBP/Mn	Apr		--	-£13441	
	15:30	GB	Trade Balance Non EU GBP/Mn	Apr		--	-£4674	
	15:30	GB	Trade Balance	Apr		-£3400	-£4900	
	19:00	GB	NIESR GDP Estimate	May		--	0.2%	
	19:30	CA	Capacity Utilization Rate	1Q		--	82.2%	
	19:30	CA	Net Change in Employment	May		11.3k	3.2k	
	19:30	CA	Unemployment Rate	May		6.6%	6.5%	
	19:30	CA	Full Time Employment Change	May		--	-31.2	
	19:30	CA	Part Time Employment Change	May		--	34.3	
	19:30	CA	Participation Rate	May		--	65.6	
10-Jun - 15-Jun	N/A	CN	Money Supply M2 YoY	May		10.4%	10.5%	
10-Jun - 15-Jun	N/A	CN	Money Supply M1 YoY	May		17.9%	18.5%	
10-Jun - 15-Jun	N/A	CN	Money Supply M0 YoY	May		6.0%	6.2%	
10-Jun - 15-Jun	N/A	CN	New Yuan Loans CNY	May		1000.0b	1100.0b	
10-Jun - 15-Jun	N/A	CN	Aggregate Financing CNY	May		1200.0b	1390.0b	
10-Jun - 14-Jun	N/A	NZ	REINZ House Sales YoY	May		--	-31.0%	
Sat/10-Jun-17	00:00	US	Baker Hughes U.S. Rig Count	Jun-09		--	--	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average broke through the 20,000-point level for the first time since December 2015 on Friday as strong U.S. economic data and a weaker yen boosted investor confidence.

The Nikkei climbed 1.6 percent to 20,177.28 points, its highest close since mid-August 2015. For the week, it gained 2.5 percent.

Both trading volume and turnover were heavy, with 2.3 billion shares changing hands on the main board with a trading value of 3.2 trillion yen, both the highest level since May 8.

The broader Topix advanced 1.6 percent to 1,612.20.

The threshold of "20,000 is a big technical and psychological level for traders, so we should be not be surprised if we see some resistance at this level," said Gavin Parry, managing director at Parry International Trading Ltd.

Traders added that when there is a recovery seen in the global environment, there is a greater focus on Japan Inc. earnings, which saw profit growth of 16 percent in the fiscal year through March.

"Japanese stocks would have risen to this level earlier if we did not see global risks and the rising yen," said Norihiro Fujito, a senior investment strategist at Mitsubishi UFJ Morgan Stanley Securities.

But U.S. political turmoil could unnerve investors next week again, Fujito said.

Former FBI Director James Comey will testify next Thursday before a U.S. Senate panel investigating Russia's alleged meddling in the 2016 U.S. election, in a hearing that could add to difficulties facing President Donald Trump.

"The market is worried that the allegations against Trump over his interference with a federal investigation would delay his efforts on tax cuts and economic policy," Fujito said, adding that there is also a risk that the dollar will fall against the yen, hurting Japanese stocks.

This week's gains have also pushed the Nikkei into overbought territory on a technical basis, with its Relative Strength Index (RSI) at 77, leaving it vulnerable to profit taking.

Cyclical sectors were pushed up by recovering risk appetite, with financials and exporters outperforming.

Nomura Holdings jumped 5.3 percent, Mitsubishi UFJ Financial Group soared 4.4 percent, while insurer T&D Holdings surged 4.1 percent. Subaru Corp added 3.9 percent and Kyocera Corp advanced 3.3 percent.

Seoul shares extended gains to close at a fresh record high on Friday as the market sentiment was boosted by strong economic growth at home and as Wall Street received a boost from strong U.S. employment data.

The Korea Composite Stock Price Index (KOSPI) gained 1.2 percent to hit 2,371.72, its highest ever closing level.

The KOSPI's gaining run began on April 11 and has added 11.7 percent since, while advancing 17 percent this year. High expectations for robust second-quarter earnings among local companies helped drive the index higher.

Since the index breached an all-time closing high on May 4, it has renewed the record eight times in less than a month.

For the week, the main bourse gained 0.7 percent. It posted its seventh straight week of gains, the longest weekly run since early March of 2015.

The South Korean won was quoted at 1,121.8 to the dollar at the conclusion of onshore trade, barely changed compared to Thursday's close of 1,122.0.

Hong Kong stocks closed the week at a near two-year high, supported by an upbeat mood in global equity markets and continuous money inflows from China.

Both the Hang Seng index and the Hong Kong China Enterprises Index rose 0.4 percent, to 25,924.05 and 10,666.43 points, respectively.

For the week, the Hang Seng rose 1.1 percent, while the HSCI gained 0.4 percent.

Global stocks hit record highs and Asian markets rose to their best levels in more than two years, as solid data on U.S. manufacturing and employment and buoyant European factory growth boosted investor optimism.

Hong Kong stocks continued to benefit from investment from mainland China. On Friday, Chinese investors used up 14.3 percent of the daily quota under the Shanghai-Hong Kong Stock Connect to buy Hong Kong shares.

Most sectors rose on Friday, but an index tracking the telecom sector dropped over 1 percent.

China stocks ended the week little changed on Friday, bucking a global equity rally as investors worried about tightening liquidity and conflicting signals on the health of the world's second-largest economy.

The blue-chip CSI300 index fell 0.3 percent to 3,486.51 points, while the Shanghai Composite Index added 0.1 percent to 3,105.54.

For the week, the CSI300 inched up 0.2 percent, while the SSEC slipped 0.1 percent.

Over the weekend, the securities regulator published rules aimed at preventing major shareholders of listed companies from reducing their holdings in an "intensive, massive and disorderly" manner that "disturbed market order and dented investor confidence".

The new regulations were widely expected to help maintain stability in the market dragged by expectations of more equity supply.

However, some analysts saw limited help from that.

"Share sales restrictions don't address the fundamental issues," said Su Peihai, analyst at brokerage Guangzheng Hang Seng. "Sentiment is weak because investors worry about liquidity and are pessimistic toward the economy."

The new policy is not a decisive factor that could determine medium-range movements in the stock market, UBS strategist Gao Ting wrote.

Sentiment was also hit by the Caixin manufacturing survey on Thursday, which suggested activity contracted last month as demand weakened.

That contrasted with official business readings on Wednesday which showed solid growth in factories and services, but underlined investors' nervousness about the outlook for the rest of the year.

Most market watchers expect China's economic growth to slow gradually in coming months after a strong first quarter.

This month, the U.S. Federal Reserve is likely to raise rates and Chinese banks face mid-year health checks from the central bank, so "deleveraging and tighter liquidity" remain the biggest concerns for investors, offsetting any short-term relief from a strengthening yuan, Su said.

Echoing such fears, a Moody's survey published on Friday suggests China's slowdown and higher corporate debt levels represents the biggest risk to emerging market credit.

(Source Reuters, Research: @her1en)

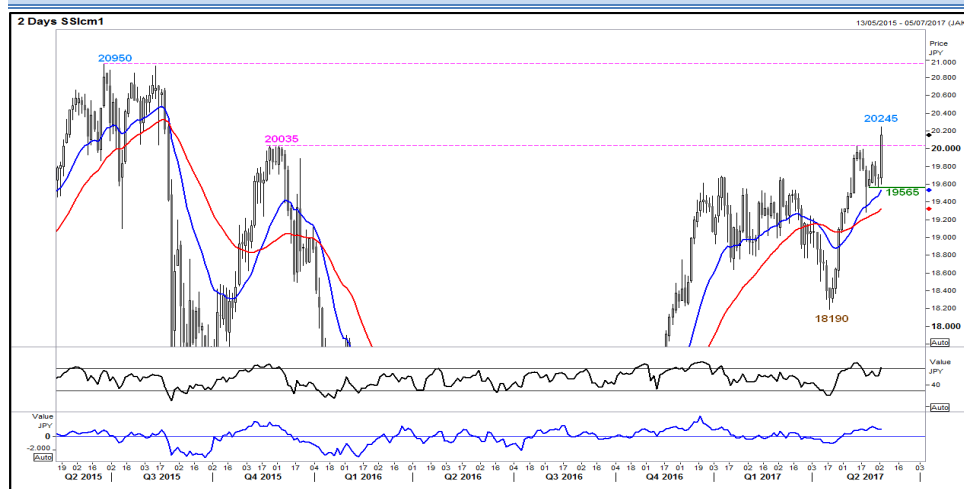
ASIA AND GLOBAL MARKET SPOT PRICE 2016

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	20239.81 (02/June/2017)	309.32 (29/May/2017)	25973.00 (02/Jun/2017)	21225.04 (02/Jun/2017)	2440.23 (02/Jun/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 – 02 June 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21206.29	↑ 62.11/ 0.29%	.N225	20177.28	↑ 317.25/1.60%
/.SPX	2439.07	↑ 9.01/ 0.37%	.KS200	307.83	↑ 3.80/1.25%
/.IXIC	6305.796	↑ 58.966/ 0.94%	.HSI	25924.05	↑ 114.83/0.44%
JPY=	110.40	↓ 0.94/ 0.84%	/.SSEC	3105.98150	↑ 3.35830/0.11%
KRW=	1117.39	↓ 3.74/ 0.33%	/Clc1 (Oil)	47.74	↓ 0.62/1.28%

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



- Rebound breakouts the peak-level at 20035, hit high at 20245
- The next resistance around 20350
- Pay attention to the psychological level of 20000
- Beware of RSI is in overbought zone ([Research – @ErwinRiset](#))

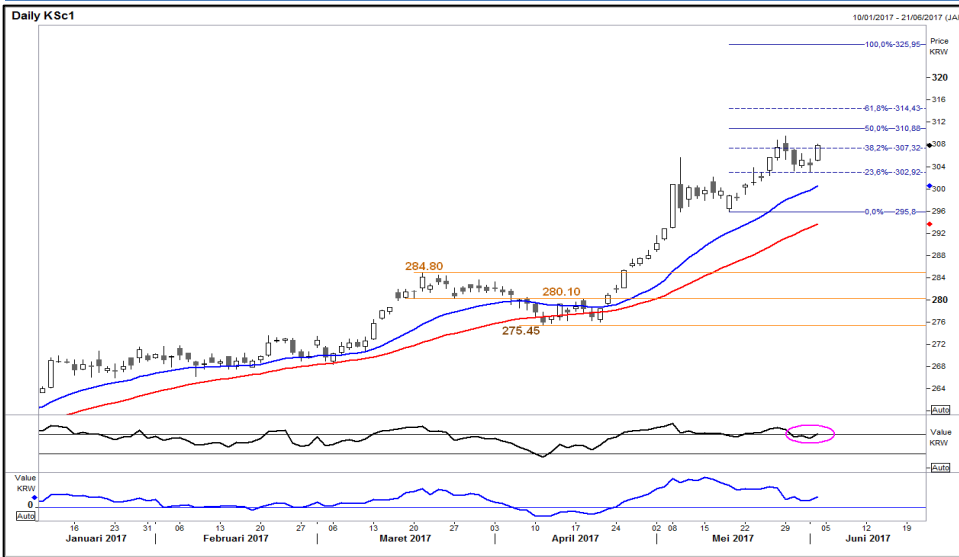
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
02 June SSIpmM7	20175	20230	20065	165	20145	---	↓ 20	0.10	44736
02 June SSIamM7	19935	20245	19920	325	20165	20165	↑ 310	1.56	88479
01 June SSIpmM7	19840	19950	19835	115	19945	---	↑ 90	0.45	25068
01 June SSIamM7	19695	19900	19660	240	19855	19855	↑ 190	0.97	60234
31 May SSIpmM7	19670	19710	19600	110	19680	---	↑ 15	0.08	26883
31 May SSIamM7	19640	19680	19585	95	19665	19665	UNCH	UNCH	36299
30 May SSIpmM7	19650	19680	19610	70	19635	---	↓ 30	0.15	17842
30 May SSIamM7	19715	19715	19565	150	19665	19665	↓ 25	0.13	37602
29 May SSIpmM7	19675	19695	19670	25	19690	---	UNCH	UNCH	3972
29 May SSIamM7	19720	19740	19625	115	19690	19690	↓ 15	0.08	28133

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
20245	19565	20245	19660	20030	19165	20245	18190
(02/Jun)	(30/May)	(02/Jun)	(01/Jun)	(09/May)	(01/May)	(02/Jun)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	20680	High 18/Aug/2015 (Reaction high)
	20565	High 19/Aug/2015
	20340	High 20/Aug/2015
	20245	High 02/Jun/2017
SUPPORT	20065	Reaction low (hourly)
	19830	Reaction low (hourly)
	19565	Horizontal support (hourly)
	19490	Reaction low (hourly)
RECOMMENDATION	BUY	20105
	SELL	----
	STOP LOSS	20025
	TARGET	20250 20315

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



- Rebound developed, facing the resistance area at 309.50, hit high at 308.10
- RSI enters the overbought zone
- Medium term at 310.88 (50% Fib. Projection)
- The important support at 303.15
[\[Research – @ErwinRiset\]](#)

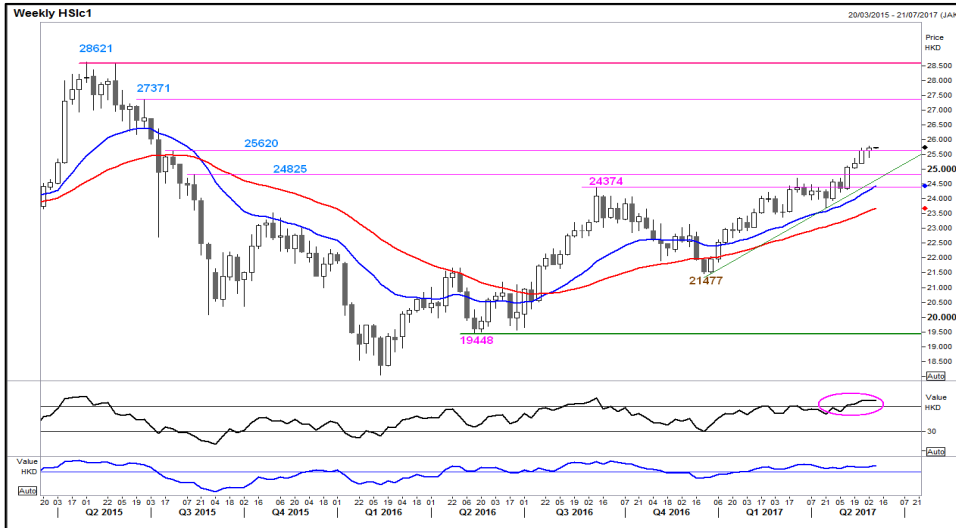
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
02 June	305.20	308.10	305.05	3.05	307.85	307.85	↑ 3.60	1.18	210515
01 June	304.70	305.45	303.15	2.30	304.25	304.25	↓ 0.90	0.29	194357
31 May	304.15	306.40	303.80	2.60	305.15	305.15	↑ 0.70	0.23	198417
30 May	307.00	307.15	303.20	3.95	304.45	304.45	↓ 2.45	0.80	238132
29 May	308.20	309.50	305.25	4.25	306.90	306.90	↓ 0.55	0.18	229693
26 May	305.60	308.75	305.20	3.55	307.45	307.45	↑ 1.85	0.61	264607

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
309.50 (29/May)	303.15 (01/Jun)	308.10 (02/Jun)	303.15 (01/Jun)	309.50 (29/May)	288.65 (02/May)	309.50 (29/May)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	325.95	100% Fib. Projection (Daily)
	314.43	61.8% Fib. Projection (Daily)
	310.88	50% Fib. Projection (Daily)
	309.50	High 29/May/2017
SUPPORT	306.40	Pivot line (hourly)
	305.05	Low 02/Jun/2017
	303.20	Low 01/Jun/2017 (Reaction low)
	301.15	Reaction low (hourly)
RECOMMENDATION	BUY	306.95
	SELL	----
	STOP LOSS	306.00
	TARGET	309.10 310.20

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



- Rebound continues, posting new highs this year
 - Rebound faces psychological level at 26000
 - While support area around 25650 - 25600
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
02 June	25702	25780	25621	159	25713	25713	↑ 112	0.44	84102
01 June	25479	25608	25415	193	25601	25601	↑ 120	0.47	100459
31 May (HSIM7)	25515	25623	25460	163	25481	25481	↓ 6	0.02	79419
30 May (HSIM7)		H	O	L	I	D	A	Y	
29 May (HSIM7)	25410	25555	25377	178	25487	25483	↑ 65	0.26	71261
26 May (HSIM7)	25455	25521	25385	136	25422	-	↓ 6	0.02	71777
26 May	25669	25723	25585	138	25625	25625	↓ 8	0.03	105608

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25780	25377	25780	25415	25723	24220	25780	21863
(02/Jun)	(29/May)	(02/Jun)	(01/Jun)	(26/May)	(05/May)	(02/Jun)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	27158	High 26/Jun/2015
	26723	High 29/Jun/2015
	26496	High 30/Jun/2015
	26358	High 06/Jul/2015
SUPPORT	25675	Reaction low (hourly)
	25561	Reaction low (hourly)
	25400	Bottom (hourly)
	25299	Reaction low (hourly)
RECOMMENDATION	BUY	25705
	SELL	----
	STOP LOSS	25625
	TARGET	25885 25975

CURRENCIES – *Daily Outlook*

Dollar sinks to 7-month low after soft U.S. jobs report - Reuters News



The dollar dropped to seven-month lows on Friday after data showed the U.S. economy created fewer jobs than expected last month, which could derail a possible interest rate hike by the Federal Reserve in the second half of this year.

The greenback fell to seven-month troughs against the euro and Swiss franc, while sliding to a two-week bottom versus the yen.

Data showed that U.S. nonfarm payrolls increased just 138,000 last month as the manufacturing, government and retail sectors lost jobs. The

consensus forecast had been 185,000 new jobs.

March and April data was revised to show 66,000 fewer jobs created than previously reported. May's job gains marked a sharp deceleration from the 181,000 monthly average over the past 12 months.

The unemployment rate, however, fell to a 16-year low of 4.3 percent.

Despite the big miss in payrolls, analysts said this would not necessarily prevent the Fed from raising interest rates this month.

"This is a broadly grim jobs report, but not quite grim enough to blow the Fed off course," said David Lamb, head of dealing at FEXCO Corporate Payments in Edinburgh.

"The momentum - and expectation - for a June interest rate hike is sufficiently strong to ensure that (Fed Chair) Janet Yellen will still pull the trigger as expected on June 14th."

He noted, however, that the Fed's plan to push rates higher repeatedly later this year now looks far from certain.

In late trading, interest rate futures have priced in a 96 percent chance of a Fed rate increase on June 14, according to the CME's FedWatch.

Traders continue to see a slightly less than an even chance for one more rate hike before the end of the year, based on the price of fed funds futures contracts traded at CME Group Inc's Chicago Board of Trade.

In late trading, the dollar index fell to a seven-month low and was last down 0.5 percent at 96.725.

The euro was 0.6 percent higher against the dollar at \$1.1276, after earlier rising to a seven-month peak of \$1.1282.

Against the yen, the dollar fell to two week lows and last changed hands at 110.44 yen, down 0.8 percent.

The dollar also slid to seven-month troughs versus the Swiss franc, trading last at 0.9633 franc, down 0.9 percent. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	1.12127	1.12812	1.12038	77,4	1.12748	↑ 63,7	1.12111
June 01	1.12417	1.12555	1.12009	54,6	1.12111	↓ 33,4	1.12445
May 31	1.11779	1.12510	1.11633	87,7	1.12445	↑ 60,6	1.11839
May 30	1.11377	1.12042	1.11084	95,8	1.11839	↑ 9,5	1.11744
May 29	1.11817	1.11887	1.11607	28,0	1.11744	↓ 1	1.11745

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.12812	1.11084	1.12812	1.12009	1.12671	1.08379	1.12812	1.0342
(02/Jun)	(30/May)	(02/Jun)	(01/Jun)	(23/May)	(11/May)	(02/Jun)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1528	High May 04, 2016
	1.1432	High June 24, 2016
	1.1365	Reaction high on 1-H chart
	1.1299	High 09/Nov/2016
SUPPORT	1.1201	Low June 01
	1.1163	Low May 31
	1.1094	Low May 19
	1.0971	Low May 16
RECOMMENDATION	BUY	1.1255
	SELL	-----
	STOP LOSS	1.1190
	TARGET	1.1325 1.1355

USD/JPY

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



- Correction is developing, facing a crucial level at 110.30 (SMA200)
 - Next support around 109.50
 - Resistance around 111.80
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	111.356	111.699	110.319	138,0	110.496	↓ 82,6	111.322
June 01	110.831	111.469	110.701	76,8	111.322	↑ 58,4	110.738
May 31	110.839	111.215	110.471	74,4	110.738	↓ 9,0	110.828
May 30	111.217	111.278	110.653	62,5	110.828	↓ 45,9	111.287
May 29	111.202	111.456	111.188	26,8	111.287	↑ 10,8	111.179

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
111.699 (02/Jun)	110.319 (02/Jun)	111.699 (02/Jun)	110.319 (02/Jun)	114.356 (10/May)	110.471 (31/May)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	113.85	Reaction high (hourly)
	113.12	High 17/May/2017
	112.56	Reaction high (hourly)
	111.71	High 02/Jun/2017
SUPPORT	110.21	Low 18/May/2017 (Reaction low)
	109.57	Low 25/Apr/2017 (Reaction low)
	108.69	Low 20/Apr/2017
	108.11	Low 17/Apr/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	110.80
	STOP LOSS	111.75
	TARGET	110.00 109.60

GBP/USD

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



- Move limited, facing trendline resistance around 1.2930
 - The important support is at 1.2758
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	1.28841	1.29024	1.28446	57,8	1.28772	↓ 1,9	1.28791
June 01	1.28735	1.29147	1.28288	85,9	1.28791	↓ 7,0	1.28861
May 31	1.27970	1.29199	1.27678	152,1	1.28861	↑ 31,0	1.28551
May 30	1.28227	1.28872	1.27928	94,4	1.28551	↑ 18,6	1.28365
May 29	1.28154	1.28490	1.28099	39,1	1.28365	↑ 26,1	1.28104

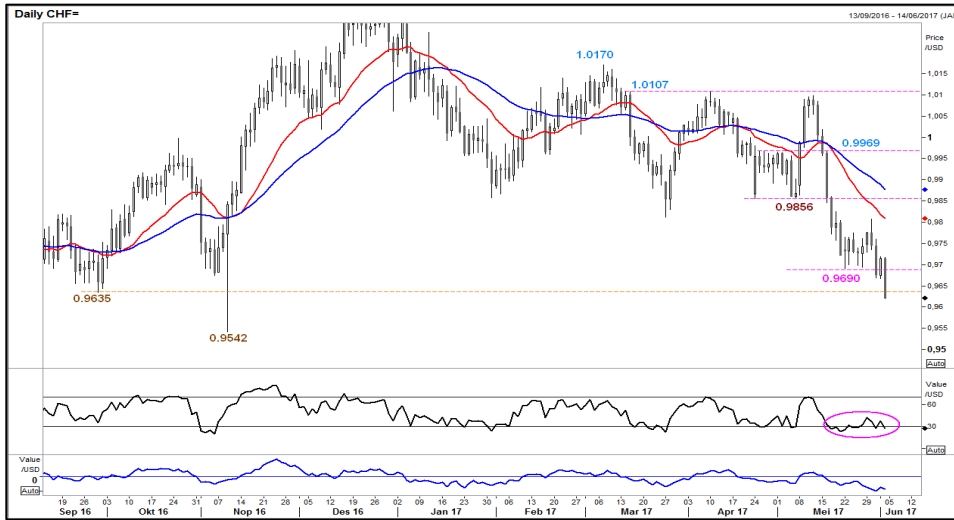
WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.29199 (31/May)	1.27678 (31/May)	1.29147 (01/Jun)	1.28288 (01/Jun)	1.30466 (18/May)	1.27678 (31/May)	1.30466 (18/May)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3278	High 15/Sep/2016 (Reaction high)
	1.3120	High 22/Sep/2016
	1.3058	High 29/Sep/2016
	1.2947	High 26/Sep/2016
SUPPORT	1.2767	Low May 31
	1.2586	SMA200
	1.2513	Low 18/Apr/2017 (Reaction low)
	1.2477	Low 12/Apr/2017
RECOMMENDATION	BUY	1.2840
	SELL	----
	STOP LOSS	1.2750
	TARGET	1.2930
		1.2975

USD/CHF

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	0.97119	0.97181	0.96307	87,4	0.96334	↓ 74,6	0.97080
June 01	0.96757	0.97184	0.96693	49,1	0.97080	↑ 34,3	0.96737
May 31	0.97509	0.97601	0.96683	91,8	0.96737	↓ 67,2	0.97409
May 30	0.97850	0.98067	0.97361	70,6	0.97409	↓ 19,1	0.97600
May 29	0.97431	0.97666	0.97304	36,2	0.97600	↑ 14,9	0.97451

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.98067 (30/May)	0.96307 (02/Jun)	0.97184 (01/Jun)	0.96307 (02/Jun)	1.00987 (11/May)	0.96683 (31/May)	1.0335 (03/Jan)	0.96307 (02/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.9861	High 17/May/2017
	0.9808	High 30/May/2017
	0.9760	High 31/May/2017
	0.9719	High 01/Jun/2017
SUPPORT	0.9542	Low 09/Nov/2016 (Bottom)
	0.9517	Low 23/Jun/2016 (Bottom)
	0.9440	Low 03/Mei/2016 (Bottom)
	0.9379	Low 26/Aug/2015
RECOMMENDATION	BUY	----
	SELL	0.9650
	STOP LOSS	0.9730
	TARGET	0.9580 0.9530

AUD/USD

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



- Daily RSI rises
- Upperline around 0.7610, while lowerline at 0.7200
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	0.73749	0.74428	0.73730	69,8	0.74351	↑ 64,3	0.73708
June 01	0.74300	0.74534	0.73699	83,5	0.73708	↓ 57,2	0.74280
May 31	0.74606	0.74745	0.74236	50,9	0.74280	↓ 34,5	0.74625
May 30	0.74382	0.74681	0.74150	53,1	0.74625	↑ 20,6	0.74419
May 29	0.74400	0.74491	0.74259	23,2	0.74419	↓ 5,5	0.74474

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.74745 (31/May)	0.73699 (01/Jun)	0.74534 (01/Jun)	0.73699 (01/Jun)	0.75549 (02/May)	0.73277 (09/May)	0.7749 (21/Mar)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7610	High 17/Apr/2017 (Reaction high)
	0.7591	High 24/Apr/2017 (Reaction high)
	0.7555	High 02/May/2017 (Reaction high)
	0.7517	High May 23
SUPPORT	0.7368	Low June 01
	0.7326	Low 09/May/2017
	0.7284	Low 06/Jan/2017
	0.7206	Low 04/Jan/2017
ECOMMENDATION	BUY	0.7420
	SELL	-----
	STOP LOSS	0.7355
	TARGET	0.7490 0.7520

NZD/USD

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



- Strong support at 0.6910
 - Important resistance at 0.7333
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	0.70618	0.71444	0.70592	85,2	0.71376	↑ 80,0	0.70576
June 01	0.70819	0.70881	0.70572	30,9	0.70576	↓ 23,6	0.70812
May 31	0.70948	0.71209	0.70762	44,7	0.70812	↓ 12,5	0.70937
May 30	0.70498	0.71005	0.70340	66,5	0.70937	↑ 40,6	0.70531
May 29	0.70562	0.70873	0.70368	50,5	0.70531	↓ 17,2	0.70703

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71444	0.70340	0.71444	0.70572	0.71209	0.68166	0.7374	0.68166
(02/Jun)	(30/May)	(02/Jun)	(01/Jun)	(31/May)	(11/May)	(07/Feb)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7402	High Nov 08, 2016
	0.7333	High Feb 08
	0.7239	High Feb 28
	0.7192	High 01/Mar/2017
SUPPORT	0.7034	Low May 30
	0.6987	Low May 24
	0.6910	Low May 22
	0.6816	Reaction low on 1-H chart
RECOMMENDATION	BUY	0.7115
	SELL	-----
	STOP LOSS	0.7050
	TARGET	0.7185 0.7215

EUR/JPY

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



- Crucial level at 124.56 is being tested after hit low at 124.39
- If it fails to hold above that area it will be potential to support further correction to the area of 123.80

[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	124.861	125.283	124.401	88,2	124.581	↓ 24,1	124.822
June 01	124.598	125.063	124.441	62,2	124.822	↑ 28,0	124.542
May 31	123.900	124.562	123.702	86,0	124.542	↑ 56,8	123.974
May 30	123.872	124.367	123.129	123,8	123.974	↓ 38,1	124.355
May 29	124.339	124.616	124.197	41,9	124.355	↑ 11,9	124.236

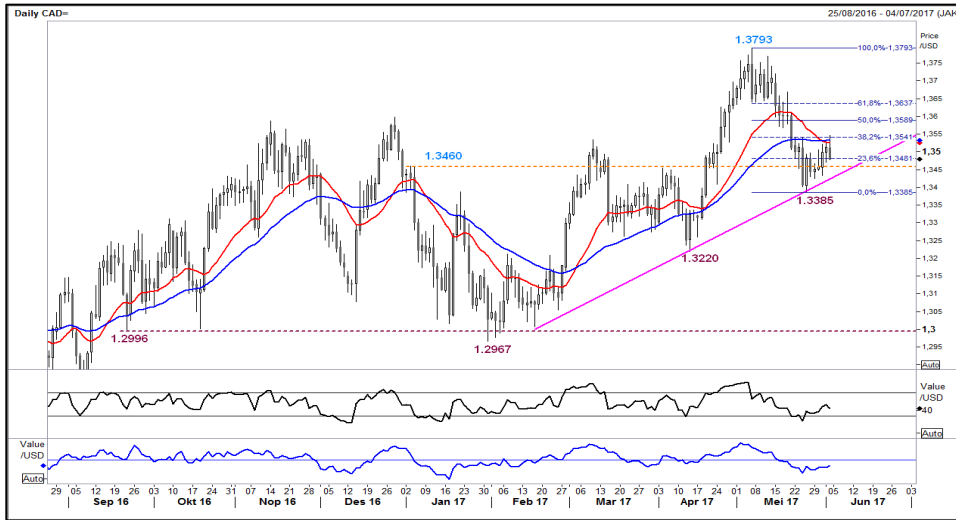
WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
125.283	123.129	125.063	124.401	125.787	121.334	125.787	114.87
(02/Jun)	(30/May)	(01/Jun)	(02/Jun)	(16/May)	(01/May)	(16/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	126.84	High 05/Apr/2016
	126.47	High 28/Apr/2016 (Reaction high)
	125.80	High 16/May/2017 (Double Top)
	125.43	High 26/May/2017
SUPPORT	123.63	Reaction low (hourly)
	123.13	Low 30/May/2017
	122.54	Low 18/May/2017
	122.00	Pivot line
RECOMMENDATION	BUY	----
	SELL	124.80
	STOP LOSS	125.50
	TARGET	123.90
		123.50

USD/CAD

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



- Correction is still quite limited, with consecutive higher lows formation supporting the bullish trend
 - Consider the crucial level around 1.3460, with the trendline support around 1.3435
- [\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.3445	1.3480

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3546	1.3424	1.3546	1.3470	1.3793	1.3385	1.3793	1.2967
(02/Jun)	(29/May)	(02/Jun)	(01/Jun)	(05/May)	(25/May)	(05/May)	(31/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3741	Reaction high (hourly)
	1.3669	High 18/May/2017 (Reaction high)
	1.3610	High 19/May/2017
	1.3546	High 02/Jun/2017
SUPPORT	1.3424	Low 29/May/2017 (Reaction low)
	1.3385	Low 25/May/2017 (Reaction low)
	1.3220	Low 13/Apr/2017 (Bottom)
	1.3162	Low 28/Feb/2017
RECOMMENDATION	BUY	1.3470
	SELL	----
	STOP LOSS	1.3400
	TARGET	1.3565 – 1.3610

Precious Metal – *Daily Outlook*

Gold hits 6-week high after disappointing U.S. jobs data - Reuters News



Gold prices rose to a six-week high on Friday after disappointing U.S. non-farm payrolls data weighed on the dollar and lowered some expectations for more aggressive U.S. interest rate increases this year.

Data showed that U.S. job growth slowed in May and employment gains in the prior two months were not as strong as previously reported, suggesting the labor market was losing momentum.

A slow recovery in the world's biggest economy dents the likelihood for higher interest rates which benefits non-interest yielding and safe-haven gold.

Spot gold was up 1 percent at \$1,277.76 per ounce by 3:34 p.m. EDT (1934 GMT), after hitting its highest since April 21 at \$1279.10 and was headed for its fourth week of gains.

U.S. gold futures ended the session up 0.8 percent at \$1,280.20 an ounce.

"You had that non farm payrolls number that surprised everyone so at this point it looks like the market wants to continue higher," said Joshua Graves, markets strategist at RJO Futures.

"I feel like \$1,300 is probably going to be the next stop ... At this point with the market getting a little bit topy up here, I think you're seeing a little bit of a flight to safe haven assets."

Expectations for stronger jobs data and upbeat data from U.S. factory activity had pushed gold to a one-week low earlier on Friday.

"There is good room to fall back to \$1,200 within the next three months," Dominic Schnider at UBS Wealth Management in Hong Kong, said.

"The world economy is still in good shape, people are risk-on, inflation is leveling off, there is no real big inflation threat anymore, policy is normalising still."

However, the upcoming June 8 elections in Britain and more political unrest possible in the U.S., North Korea, Greece, Venezuela, and Brazil is likely to keep bids in bullion, seen as a safe haven asset, analysts said.

Polls have shown varying likelihoods of British Prime Minister Theresa May winning the election. The latest polls all show the Conservatives' lead narrowing, but the advantage ranges from three to 12 points, causing uncertainty in markets.

In other markets, U.S. stocks advanced to record levels for a second straight session while the dollar dropped to seven-month lows, making gold less expensive for holders of other currencies.

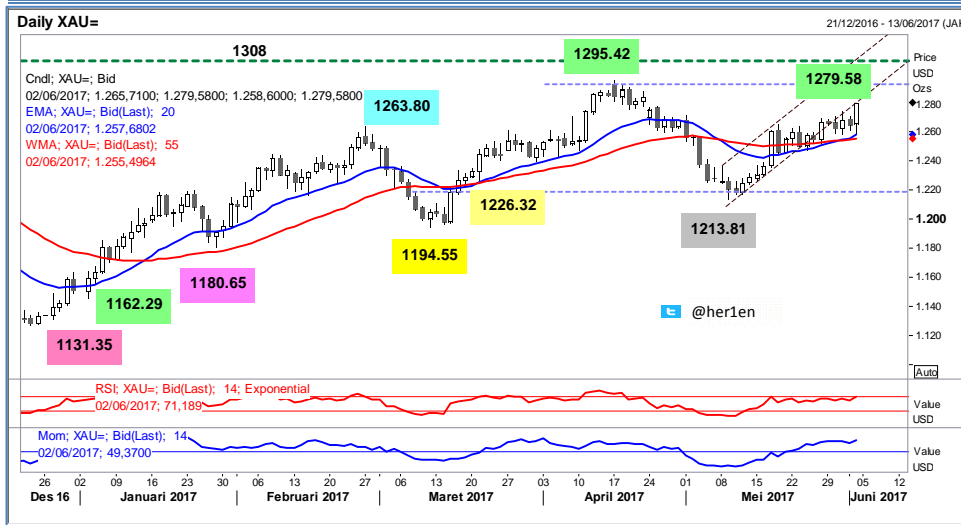
Among other precious metals, palladium was up 2 percent at \$839.75 an ounce after earlier touching \$843.10, its highest level since September 2014.

Silver rose 1.7 percent to 17.54 per ounce after hitting a more than one-month high while platinum firmed 2.4 percent to \$949.60, but poised to end the week lower.

The rise in prices also boosted chances that the precious metals share index, Philadelphia SE Gold/Silver Index would have its own upside breakout. The XAU index was up 0.6 percent and looked to attack its own resistance.

(Source Reuters, Research – @her1en)

GOLD (XAU/USD)



- Daily RSI rises
 - Important resistance at 1308 level
 - Support at 1235
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
June 02	1265.700	1278.920	1258.940	19.98	1277.300	↑ 11.61	1265.690	1260.95	1274.95
June 01	1268.700	1270.190	1261.380	8.81	1265.690	↓ 2.94	1268.630	1266.15	1264.85
May 31	1263.150	1273.960	1259.460	14.50	1268.630	↑ 5.88	1262.750	1263.80	1266.20
May 30	1266.680	1270.330	1259.250	11.08	1262.750	↓ 3.75	1266.500	1262.80	1262.70
May 29	1267.810	1268.600	1264.910	3.69	1266.500	↓ 2.42	1268.920	1265.00	1265.05

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1278.920	1258.940	1278.920	1258.940	1273.960	1214.100	1295.42	1146.31
(02/Jun)	(02/Jun)	(02/Jun)	(02/Jun)	(31/May)	(09/May)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1337.40	High Nov 09, 2016
	1308.00	Pivot line
	1295.42	High April 17
	1288.17	High 21/Apr/2017 (Reaction high)
SUPPORT	1258.60	Low June 02
	1252.50	Low May 26
	1246.11	Low May 19
	1235.90	Low May 17
RECOMMENDATION	BUY	1277.00
	SELL	-----
	STOP LOSS	1267.00
	TARGET	1288.50 1293.00

SILVER (XAG/USD)



- Continue the movement in the daily bullish trend channel
- Resistance at 18.30
- Important support at 16.77
[\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	17.260	17.565	17.114	0.45	17.503	↑ 0.23	17.273
June 01	17.307	17.362	16.989	0.37	17.723	↓ 0.03	17.306
May 31	17.371	17.410	17.219	0.19	17.306	↓ 0.08	17.383
May 30	17.369	17.453	17.197	0.26	17.383	FLAT	17.386
May 29	17.362	17.428	17.307	0.12	17.386	↑ 0.04	17.348

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.565	16.989	17.565	16.989	17.453	16.045	18.63	15.88
(02/Jun)	(01/Jun)	(02/Jun)	(01/Jun)	(30/May)	(09/May)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.64	High Mar 17
	18.33	High Mar 19
	18.00	High Mar 25
	17.65	High Apr 26
SUPPORT	17.09	Low June 02
	16.96	Low June 01
	16.85	Low May 24
	16.77	Low May 22
ECOMMENDATION	BUY	17.40
	SELL	-----
	STOP LOSS	17.05
	TARGET	17.75
		17.95

OIL – Daily Outlook

Oil down 1 percent on rising U.S. drilling fears, supply glut - Reuters News



Crude closed down more than 1 percent on Friday for a second straight week of losses, on worries that U.S. President Donald Trump's withdrawal from the Paris climate accord could accelerate U.S. production and flood the global oil market. Brent crude futures settled at \$49.95 per barrel, down 68 cents or 1.3 percent, while U.S. West Texas Intermediate crude futures fell 70 cents to settle at \$47.66 per barrel or 1.5 percent. Both contracts ended the week down more than 4 percent.

Market analysts are troubled by a growth in U.S. crude production that is offsetting efforts from the Organization of

the Petroleum Exporting Countries to reduce global oversupply.

U.S. drillers this week added 11 rigs, in a record stretch of 20 straight weeks of additions, data from energy services company Baker Hughes showed.

Trump's withdrawal from the Paris agreement, the landmark 2015 global pact to fight climate change, drew condemnation from Washington's allies and many in the energy industry - and sparked fears that U.S. oil production could expand more rapidly than it is currently.

"Trump seems to be removing any barriers he can find that would obstruct growth of crude oil or natural gas," said Stewart Glickman, energy equity analyst at CFRA in New York.

"It's kind of ironic because by doing that you're encouraging more volumes to come out of the ground."

U.S. crude production last week rose by nearly 500,000 barrels per day (bpd) from year-earlier levels and hit 9.34 million bpd, its highest since August 2015.

Last week OPEC and some non-OPEC producers extended a deal to cut 1.8 million bpd in supply until March 2018. Oil prices are down around 10 percent since the extension.

"The market is a little skeptical that OPEC staying at their current production levels will really reach their goal, which is to hit the five-year average," said James Williams, president of WTRG Economics in London, Arkansas.

Reuters sources say OPEC officials discussed deepening the cuts last week and could revisit the proposal.

U.S. output is expected to keep rising, as the U.S. Energy Information Administration forecasts production of about 10 million bpd next year, similar levels to Russia and Saudi Arabia.

Igor Sechin, chief of Russia's largest oil producer, Rosneft, said U.S. producers could add up to 1.5 million bpd to world oil output next year.

Money managers raised their net long U.S. crude futures and options positions in the week to May 30, the U.S. Commodity Futures Trading Commission said on Friday.

U.S. inventories fell 6.4 million barrels last week, their eighth straight weekly drawdown. The lower inventories caused a rise in prices on Thursday, but the small rally was brief. Williams of WTRG said that is because U.S. inventory draws tend to rise during this time of year anyway.

(Source Reuters, Research – @her1en)

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



- Important support around 45.90
- Resistance at 49.70
- Daily RSI down
 ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 02	48.03	48.18	46.73	1.45	47.72	↓ 0.30	48.02
June 01	48.61	49.15	47.89	1.26	48.02	↓ 0.60	48.62
May 31	49.62	49.69	47.73	1.96	48.62	↓ 1.01	49.63
May 30	50.05	50.05	49.03	1.02	49.63	↓ 0.34	49.97
May 29	49.83	50.27	49.50	0.77	49.97	↑ 0.11	49.86

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
50.27	46.73	49.15	46.73	51.98	43.75	55.22	43.75
(29/May)	(02/Jun)	(01/Jun)	(02/Jun)	(25/May)	(05/May)	(03/Jan)	(05/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	54.45	Reaction high on 1-H chart (High Apr 12)
	53.42	High Apr 19
	52.00	High Apr 25
	49.71	High May 31
SUPPORT	46.40	Low May 10
	45.92	Low May 09
	44.13	Reaction low on 1-H chart
	42.01	Low Apr 05, 2016
RECOMMENDATION	BUY	-----
	SELL	47.95
	STOP LOSS	49.35
	TARGET	46.45 45.95