

Daily Bulletin

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

Research Department

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Oil jumped after Saudi Arabia, Egypt, the United Arab Emirates and Bahrain cut ties with Qatar on Monday while sterling slipped after the weekend attacks in London that killed at least seven people and wounded 48, just days before Britain's general national election.
- European shares slipped on Monday as energy stocks dragged and banks were led lower by Spain's Banco Popular on concerns that it could be wound down.
- Wall Street stocks dipped on Monday, weighed down by Apple, as world equity markets fell with oil prices, while the U.S. dollar recovered from a near seven-month low against the euro.

GLOBAL ECONOMIES

- Australia likely equalled the world record for the longest stretch of uninterrupted economic growth last quarter, yet celebrations will be muted as miserly wage growth saps the spending power of its citizens.
- Activity in China's services sector expanded at the fastest pace in fourth months in May thanks to a surge in new orders, a private business survey showed, helping to offset worries about unexpected weakness in manufacturing.
- Activity in Japan's services sector expanded at the fastest pace in almost two years in May, a private survey showed on Monday, further evidence that demand in the world's third-largest economy is picking up.
- Euro zone business activity remained strong in May, underpinned by increasing demand, according to a survey released on Monday, which suggested the pace of growth was putting the economy on a path towards a sustained recovery.
- EU leaders hope Theresa May is re-elected on Thursday, ideally with a bigger majority, even though the British prime minister has said this would help her drive a harder bargain on Brexit.
- U.S. services sector activity slowed in May as new orders tumbled, but a jump in employment to a near two-year high pointed to sustained labor market strength despite a deceleration in job growth last month.

GLOBAL MARKETS

Asia – Oil jumped after Saudi Arabia, Egypt, the United Arab Emirates and Bahrain cut ties with Qatar on Monday while sterling slipped after the weekend attacks in London that killed at least seven people and wounded 48, just days before Britain's general national election.

The coordinated move by the Middle Eastern countries, accusing the wealthy Gulf Arab state of supporting terrorism, dramatically escalates a simmering dispute over Qatar's support for the Muslim Brotherhood, the world's oldest Islamist movement.

In Asia, MSCI's broadest index of Asia-Pacific shares outside Japan reversed earlier losses to climb 0.1 percent.

Japan's Nikkei also added 0.1 percent as the yen surrendered some of its gains.

Chinese shares fell 0.5 percent, with news of service-sector activity rising in May at the fastest pace in four months failing to lift sentiment.

Australian shares slid 0.8 percent and South Korea's KOSPI was little changed.

Taiwan shares bucked the trend, hitting their highest level since 2000 for a second straight session, and last trading up 0.5 percent.

Euro Zone – European shares slipped on Monday as energy stocks dragged and banks were led lower by Spain's Banco Popular on concerns that it could be wound down.

The pan-European STOXX 600 index fell 0.1 percent, with activity reduced by a public holiday in the region, while Britain's FTSE, which hit a fresh record high on Friday, dropped 0.3 percent.

Banks were the biggest drag to the STOXX index with Banco Popular falling as much as 18 percent to fresh record lows on worries that it could be wound down if it does not find a buyer.

Investors dismissed attempts by the company's chairman, Emilio Saracho, to soothe nerves. In a letter sent on Friday, Saracho told his executives that the bank was solvent and urged them to remain calm and confident. A trader said the recent price slide made a recapitalisation of Banco Popular hard to achieve, while there could be risks of contagion to other Spanish banks.

Italian broadcaster Mediaset and Spanish subsidiary Mediaset Espana were also big fallers as concerns grew over Vivendi potentially freezing its stake at 10 percent, to comply with the demands of AgCom, Italy's telecoms competition regulator.

The attack in London on Saturday, which killed seven people and injured 48 just days before a national election, dented some tourism-exposed stocks but had no major impact on broader equity markets.

Budget airline Easyjet fell 1.9 percent, and Merlin, which runs attractions including London's Madame Tussaud's waxworks museum, fell 1.6 percent.

European travel and leisure stocks fell 0.8 percent, the worst-performing across sectors.

The German and some other European stock markets were closed for a public holiday, reducing overall activity.

Oil stocks were another drag as the oil price dropped after Gulf states and Egypt cut ties with Qatar, accusing it of supporting terrorism.

Shares in France's Total fell 0.8 percent while Italy's Eni declined 0.6 percent, although BP and Royal Dutch Shell rose slightly.

Meanwhile, shares in companies in which Qatar holds stakes were mixed. Miner Glencore fell 1.2 percent, in line with peers, while utility Iberdrola and Barclays bank gained, and builder Vinci was down just slightly.

In a sign that sell-side enthusiasm for European equities may be starting to wane, Morgan Stanley reined back its position on the region on Monday, saying it now preferred Japanese and U.S. stocks.

In a note entitled "Curbing our Enthusiasm", the bank's strategists said European equities are now a 'consensus overweight', and the positive catalysts of better economic and earnings trends with an increase in inflows had already begun to play out.

U.S. & Global Markets – Wall Street stocks dipped on Monday, weighed down by Apple, as world equity markets fell with oil prices, while the U.S. dollar recovered from a near seven-month low against the euro.

Sterling firmed as investors focused on the impending British election, and Friday's disappointing U.S. employment report initially lifted gold

prices to a six-week high and boosted Treasury yields as investors booked profits.

"We had a pretty significant reaction to payrolls, which was a little overdone," said Bruno Braizinha, interest rates strategist at Societe Generale in New York.

The data initially pushed gold to its recent high of \$1,282 an ounce because it dimmed prospects for an aggressive interest rate run. Higher rates pressure gold prices by increasing the opportunity cost of holding non-yielding bullion.[nL3N1J24JI]

But gold retreated and was flat at \$1,279. Even so, markets signaled they expect the U.S. Federal Reserve to raise interest rates next week.

U.S. stock indexes were pulled down by Apple shares, which fell as the iPhone maker unveiled products and services at its annual developers conference.

The drop partly offset gains in energy and financial stocks, some of this year's worst-performing sectors that attracted bids despite lower oil prices and a flat yield curve.

The Dow Jones Industrial Average fell 22.25 points, or 0.1 percent, to 21,184.04, the S&P 500 lost 2.97 points, or 0.12 percent, to 2,436.1 and the Nasdaq Composite dropped 10.11 points, or 0.16 percent, to 6,295.68.

The pan-European FTSEurofirst 300 index lost 0.13 percent and MSCI's gauge of stocks across the globe shed 0.13 percent.

In the Middle East, Qatar's main stock index fell more than 7 percent. Saudi Arabia - the world's biggest crude oil exporter - the United Arab Emirates, Egypt and Bahrain cut ties with Qatar, accusing the Gulf Arab state of supporting terrorism.

Qatar is the world's biggest supplier of liquefied natural gas (LNG) and a major supplier of condensate.

Brent crude fell nearly 1 percent on concerns that the cutting of ties with Qatar could hamper a global deal to reduce oil production.

Brent was last at \$49.47, down 0.96 percent, and U.S. crude fell 0.59 percent to \$47.38 per barrel.

Qatar's crude output ranks as one of the smallest among the Organization of the Petroleum Exporting Countries, but tension within the cartel could weaken the supply deal aimed at supporting prices.

"While we would not want to read too much into this in terms of looming trouble for OPEC, the fact that Qatar's stance toward Iran is a key element in this issue does make for a potentially more complicated setup at future meetings should the issue not have been resolved in due time," JBC Energy analysts said in a note.

Britain's pound initially fell half a cent against the dollar after the third militant attack in Britain in less than three months but recovered and was 0.09 percent higher.

Prime Minister Theresa May said Thursday's election would go ahead. Opinion polls in the past week have put her Conservatives ahead, though with a narrowing lead over the Labor opposition.

"Even if May does just about enough to increase the majority - that could still potentially be sterling positive," said ING currency strategist Viraj Patel.

The dollar steadied against a basket of currencies, recovering from a near-seven-month low hit on Friday, as investors turned their focus to this week's impending European Central Bank meeting and the UK election.

The dollar index rose 0.09 percent, having hit its lowest since Nov. 9 after Friday's U.S. jobs report. [\(Source Reuters – @ErwinRiset-@her1en\)](#)

GLOBAL ECONOMIES

Australia – Australia likely equalled the world record for the longest stretch of uninterrupted economic growth last quarter, yet celebrations will be muted as miserly wage growth saps the spending power of its citizens.

Analysts estimate Australia's A\$1.7 trillion (\$1.27 trillion) annual gross domestic product (GDP) grew a slim 0.2 percent in the first quarter, a setback from the previous quarter's brisk 1.1 percent.

The GDP report, due out on Wednesday, is also forecast to show annual growth slowed to 1.6 percent from 2.4 percent.

That would still mark 103 quarters without a recession, a feat only matched by the Netherlands in modern history, but workers will be wondering where the rewards are going.

Government figures out on Monday showed wages and salaries paid by businesses across the country bounced just 0.3 percent in the first quarter, after a 0.5 percent drop the previous quarter.

Wage growth for the year to March was only 0.9 percent, well below consumer price inflation of 2.1 percent.

"Spare capacity in the labour market is expected to weigh on wage growth over the next year," said David Plank, head of Australian economics at ANZ.

"This in turn, is likely to have implications for consumption growth given the high levels of household debt and expected moderation in house price growth."

The danger is all the greater as household debt is at all-time highs and red-hot housing markets in Sydney and Melbourne are vulnerable to a major correction.

The heat in housing has made the Reserve Bank of Australia (RBA) reluctant to cut interest rates further, even as consumers struggle.

The central bank holds its June policy meeting on Tuesday and is considered certain to keep rates at 1.5 percent, where they have been stuck since May last year.

Some analysts had feared the economy may actually have gone backwards in the first quarter following disappointing readings on retail sales and home building.

The risk of an outright contraction did look to have diminished slightly on Monday as data showed inventories held by firms jumped a surprisingly large 1.2 percent in the quarter. That alone should add around 0.4 percentage points to GDP, when analysts had expected next to nothing.

Businesses also seemed to be doing better than their workers when it came to making money. Company gross operating profits rose 6.0 percent in the March quarter to be up no less than 40 percent for the year.

Profits in the mining sector more than doubled in

China – Activity in China's services sector expanded at the fastest pace in fourth months in May thanks to a surge in new orders, a private business survey showed, helping to offset worries about unexpected weakness in manufacturing.

The Caixin/Markit services purchasing managers' index (PMI) rose to 52.8 in May from April's 51.5, breaking a four-month decline and marking the highest reading since January. There was no breakdown by business segment in the survey.

The findings are in sync with an official survey last week which also pointed to accelerated growth and stronger demand in services. The sector accounts for more than half of China's gross domestic product.

The new orders sub-index rose to 53.5 in May from April's 53.0, signalling the strongest customer demand since December.

The 12-month business outlook among the mostly small and medium-sized services providers in the survey also rose from a five-month low in April.

That bodes well for a government that is counting on services, particularly high value-added services in finance and technology, to lessen the economy's traditional reliance on heavy industry and investment.

A similar Caixin survey last week showed the manufacturing sector unexpectedly contracted in May as demand ebbed and shrinking factory prices dented profits.

That contrasted with slow but steady growth shown in official data, but the weaker-than-expected private survey underlined investors' nervousness about the outlook for the rest of the year. Most China watchers are expecting the economy to cool in coming months after a strong first quarter, but believe the loss of momentum will be gradual.

"The improvement in the services sector bolstered the Chinese economy in May," said Zhengsheng Zhong, director of macroeconomic analysis at CEBM Group in an accompanying note to the data.

"However, the rapid deterioration in the manufacturing industry is worrying."

Caixin's composite manufacturing and services PMI, also released on Monday, rose to 51.5 in May from 51.2 in March.

Despite stronger increases in activity and new work, however, services company raised their staffing levels only slightly in May, with the rate of job creation falling to its lowest in nine months.

China's small and medium-sized companies employ about 80 percent of the country's working population.

Profit margins also remained under pressure, with services companies only able to pass on a marginal portion of their rising input costs to consumers.

A flurry of official measures targeting financial deleveraging is expected to further squeeze financing costs and erode profits in the coming months.

Most economists expect China's quarterly economic growth to slow in the coming months from 6.9 percent in January-March. The government has set a GDP growth target of around 6.5 percent for this year.

Japan – Activity in Japan's services sector expanded at the fastest pace in almost two years in May, a private survey showed on Monday, further evidence that demand in the world's third-largest economy is picking up. The Markit/Nikkei Japan Services Purchasing Managers Index (PMI) rose to 53.0 from 52.2 in April on a seasonally adjusted basis.

The index remained above the 50 threshold, which separates expansion from contraction, for the eighth consecutive month and reached the highest level since August 2015.

"Following the 0.5 percent GDP expansion during Q1, the PMI data are suggestive of further national output expansion in the second quarter," said Paul Smith, senior economist at IHS Markit, which compiles the index.

The index for new business rose to a four-year high of 53.5 in May from 52.2 in March, while business confidence reached its highest level since mid-2013.

The survey also showed jobs were being created at a more rapid pace, good news for policymakers who hope a tightening labour market will soon translate into higher wages and stronger consumer spending.

Services account for around two-thirds of Japan's GDP, so expansion in the sector would support overall economic growth.

A sister survey on Thursday showed manufacturing activity grew at its fastest pace in three months as new orders rose.

Taken together, the composite PMI, which includes both manufacturing and services, rose to 53.4 in May from 52.6, its highest in over three years.

Japan's economic growth in January-March is forecast to be revised up this week to a 2.4 percent annualised expansion from a preliminary 2.2 percent due to strong business investment, a Reuters survey showed.

Rising industrial output and solid exports have also shown that Japan's economy appears to be on track to expand steadily this year.

Euro Zone – Euro zone business activity remained strong in May, underpinned by increasing demand, according to a survey released on Monday, which suggested the pace of growth was putting the economy on a path towards a sustained recovery.

Markit's final composite Purchasing Managers' Index for the euro zone was 56.8 in May, unchanged from both April's index and the May flash estimate. It has been above the 50 mark that divides growth from contraction since mid-2013.

The survey compiler, IHS Markit, said its data was consistent with gross domestic product growth of 0.7 percent in the second quarter. That is considerably higher than the 0.5 percent rate economists predicted in a Reuters survey.

"The outlook for the euro zone economy seems to be tilting to the upside, and it seems likely that we'll start to see many forecasters' expectations for 2017 growth revised higher," said Chris Williamson, chief economist at survey compiler Markit.

The new businesses sub-index, which climbed to 55.9 from a flash reading of 55.5, suggests activity in the coming months will remain solid. Although several other indices pointed to lower levels.

"With the rate of job creation rising to one of the highest seen over the past decade, the recovery is also becoming more sustainable, as the improved labor market should feed through to higher consumer spending," Williamson said.

The output prices index showed output prices rose at a slower pace in May, falling to 52.4 compared with a flash estimate of 52.8.

Euro zone inflation slipped to 1.4 percent, its lowest level since December, suggesting the European Central Bank policymakers will remain cautious about any change to its monetary stimulus.

The services PMI edged down to 56.3 in May from 56.4 in April, although it was up marginally from a flash reading of 56.2.

UK – EU leaders hope Theresa May is re-elected on Thursday, ideally with a bigger majority, even though the British prime minister has said this would help her drive a harder bargain on Brexit.

EU chief executive Jean-Claude Juncker will find her a "bloody difficult woman", May has said. Yet a drop in her Conservatives' lead caused concern in Brussels as they do not want her weakened nor do they want an anti-Brexit government.

A collapse in talks is the main risk for the European Union in the 22 months until Britain ceases to be a member. That would leave businesses and 3 million EU citizens in Britain in legal limbo, disrupting the economy. It could also leave Brussels billions of euros out of pocket and could delay a trade deal.

EU Brexit negotiators fear a 12-seat majority she inherited leaves May, who opposed Brexit, vulnerable to pressure from party hardliners who reject the EU demands and would rather she walk out without agreed divorce terms.

"We need a government strong enough to negotiate," said a senior EU lawmaker of talks that chief EU negotiator Michel Barnier expects to start on June 19. "We need a stable partner."

The strong majority that May hoped for when she called the vote, and which many senior EU figures still expect her to get, would give her leeway to anger some Conservatives by accepting the kind of compromises which Brussels argues will be necessary.

Barnier, bound by some aggressive negotiating guidelines set by the other 27 EU states, will seek British agreement to a host of guarantees for EU citizens living in Britain and to paying outstanding financial commitments estimated by Juncker at some 60 billion euros before opening any talks on a new trade deal.

May and Brexit Secretary David Davis, a veteran critic of the EU whose role in the talks after the election is unclear, have rejected paying a big "bill" or waiting for months before opening discussions on a post-Brexit EU-UK free trade agreement.

U.S. – U.S. services sector activity slowed in May as new orders tumbled, but a jump in employment to a near two-year high pointed to sustained labor market strength despite a deceleration in job growth last month.

Other data on Monday showed orders for manufactured goods fell in April for the first time in five months, while worker productivity was unchanged in the first quarter.

The Institute for Supply Management (ISM) said its non-manufacturing activity index fell six-tenths of a percentage point to a reading of 56.9. A reading above 50 indicates expansion in the sector, which accounts for more than two-thirds of U.S. economic activity.

Services industries reported a 1.7 percentage points drop in production last month and new orders tumbled 5.5 percentage points. But a measure of services sector employment surged 6.4 percentage points to 57.8, the highest reading since July 2015.

The government reported on Friday that the economy added 138,000 jobs last month after creating 174,000 positions in April. U.S. stocks were trading higher, while the dollar edged up against a basket of currencies. Prices for U.S. Treasuries fell.

The Federal Reserve is expected to increase borrowing costs at its June 13-14 policy meeting. The U.S. central bank raised its benchmark overnight interest rate by 25 basis points in March.

In a separate report on Monday, the Commerce Department said factory goods orders dropped 0.2 percent in April after jumping 1.0 percent in March. Factory orders were up 4.4 percent from a year ago.

Manufacturing, which accounts for about 12 percent of the U.S. economy, is being supported by a recovery in the energy sector that has led to demand for oil and gas drilling equipment. A manufacturing survey last week showed a measure of factory activity steady in May after two straight months of declines.

The Commerce Department also showed orders for non-defense capital goods excluding aircraft - seen as a measure of business confidence and spending plans - edging up 0.1 percent instead of being unchanged as reported last month.

Shipments of these so-called core capital goods, which are used to calculate business equipment spending in the gross domestic product report, nudged up 0.1 percent instead of the previously reported 0.1 percent decrease.

A third report from the Labor Department showed nonfarm productivity, which measures hourly output per worker, was unchanged in the last quarter. It was previously reported to have declined at a 0.6 percent annualized pace.

The government also reported that the growth in labor costs at the start of the year was not as strong as reported in May, which could cast doubts on the tightening labor market's ability to unleash robust wage growth.

The revision to first-quarter productivity was in line with economists' expectations. Productivity increased at an unrevised 1.8 percent pace in the fourth quarter.

Productivity has increased at an average annual rate of 0.6 percent over the last five years, below its long-term rate of 2.1 percent from 1947 to 2016, indicating that the economy's potential rate of growth has declined. That suggests the Trump administration could struggle to achieve its 3 percent annual gross domestic product growth target. The economy grew at a 1.2 percent pace in the first quarter. It grew 1.6 percent in 2016 and annual GDP growth has not exceeded 2.6 percent since the 2007-09 recession ended.

Economists blame low capital expenditure, which they say has resulted in a sharp drop in the capital-to-labor ratio, for the weakness in productivity. There are also perceptions that productivity is being inaccurately measured, especially on the information technology side.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

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	51.5	--	53	
	07:30	HK	Nikkei Hong Kong PMI	May	50.5	--	51.1	
	07:30	JP	Nikkei Japan PMI Services	May	53.0	--	52.2	
	07:30	JP	Nikkei Japan PMI Composite	May	53.4	--	52.6	
	08:00	AU	Melbourne Institute Inflation MoM	May	0.0%	--	0.5%	
	08:00	AU	Melbourne Institute Inflation YoY	May	2.8%	--	2.6%	
	08:45	CN	Caixin China PMI Composite	May	51.5	--	51.2	
	08:45	CN	Caixin China PMI Services	May	52.8	--	51.5	
	15:30	GB	Markit/CIPS UK Services PMI	May	53.8	55.0	55.8	
	15:30	GB	Markit/CIPS UK Composite PMI	May	54.4	55.5	56.2	
	15:30	GB	Official Reserves Changes	May	\$1115m	--	\$1362m	
	20:45	US	Markit US Services PMI	May F	53.6	--	54	
	20:45	US	Markit US Composite PMI	May F	53.6	--	53.9	
	21:00	US	ISM Non-Manf. Composite	May	56.9	57.0	57.5	
	21:00	US	Durable Goods Orders	Apr F	-0.8%	--	-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		240k	248k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		--	238k	
	19:30	US	Continuing Jobless Claims	w/e		1.920m	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 barely changed on Monday, keeping close to a 22-month high scaled at the end of last week as the yen's rise against the dollar stalled.

Construction machinery sales and rental company Kanamoto Co surged 8.4 percent after it revised up its operating forecast on brisk sales and market reaction to its plans to reallocate assets was positive.

The Nikkei ended 0.03 percent lower at 20,170.82.

The broader Topix shed 0.15 percent to 1,609.97 and the JPX-Nikkei Index 400 slipped 0.2 percent to 14,358.44.

The South Korean won closed moderately higher with the greenback weighed by news of slower-than-expected U.S. job growth, indicating the labour market may be losing momentum despite a fall in the unemployment rate.

The won was quoted at 1,118.3 to the dollar at the conclusion of onshore trade, up 0.31 percent versus Friday's close of 1,121.8.

The Korea Composite Stock Price Index (KOSPI) closed down 0.13 percent at 2,368.62 points, pausing after ending trade on Friday at 2,371.72 - its highest ever close.

Hong Kong stocks closed lower on Monday, taking a breather after hitting fresh 23-month intraday highs, with investors awaiting Chinese economic data for May and the U.S. Federal Reserve's rate decision later this month.

The Hang Seng index fell 0.2 percent, to 25,862.99, while the China Enterprises Index lost 0.7 percent, to 10,597.05 points.

The Hang Seng has jumped more than 17 percent so far this year, aided by Chinese money inflows, but investors are getting increasingly cautious amid signs global investors are cashing out.

Hong Kong-focused exchange-traded funds (ETFs) have witnessed HK\$8.5 billion (\$1.09 billion) of net outflows during the first five months of this year, including HK\$5.4 billion flowing out of Tracker Fund of Hong Kong ETF, according to China Investment Securities (HK).

This reflects the waning attraction of emerging markets as U.S. and European markets power higher. Another rate hike by the Federal Reserve this month could attract more money into the United States.

Meanwhile, investors are awaiting a series of economic data from China to assess the health of the world's second-largest economy.

Sector performance was mixed. An index tracking Chinese developers jumped roughly 3 percent to a record high.

Hong Kong shares in China Shenhua jumped as much as 6.8 percent on speculation of a possible merger deal between its parent and another large state-owned power producer.

China's stocks fell on Monday, as a cooling pace of initial public offerings failed to offset large losses in financial and healthcare stocks.

The blue-chip CSI300 index fell 0.5 percent, to 3,468.75 points, while the Shanghai Composite Index lost 0.4 percent to 3,091.66 points.

The Shanghai SE 50 Index, dubbed "China's nifty 50 index", dropped 1 percent, in contrast with a gain of 0.9 percent in the tech-heavy start-up board ChiNext.

The China Securities Regulatory Commission (CSRC) approved on Friday only four IPOs to raise up to 1.5 billion yuan (\$220.48 million), down from 7 IPOs in the past week.

In recent weeks, the CSRC has typically approved a batch of 10 new IPOs each Friday aimed at raising about 6 billion yuan.

Expectations of the IPOs continuing at the pace seen in the past months had pressured the market, in particular those small-caps with relatively higher valuations.

However, the relief was largely offset by sharp losses in financial stocks, in particular bank stocks, whose index posted the worst day since mid-December.

There was a lack of fundamental support in the recent strong rally in those banking plays, and the correction now was mainly due to profit taking, Yang said.

The securities regulator had recently published a series of new regulations to help maintain stability in the stock market, but caution prevailed amid lingering worries over economic growth and tighter regulations.

Market reaction was largely muted to China's services sector expanding at the fastest pace in four months in May.

Main sectors fell across the board, led by financial and healthcare shares.

(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)	25998.66 (05/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 – 05 June 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21184.04	↓ 22.25/ 0.10%	.N225	20170.82	↓ 6.46/0.03%
/.SPX	2436.10	↓ 2.97/ 0.12%	.KS200	307.33	↓ 0.50/0.16%
/.IXIC	6295.684	↓ 10.112/ 0.16%	.HSI	25862.99	↓ 61.06/0.24%
JPY=	110.45	↑ 0.05/ 0.04%	/.SSEC	3091.52620	↓ 14.01380/0.45%
KRW=	1117.31	↓ 0.08/ 0.01%	/Clc1 (Oil)	47.39	↓ 0.27/0.57%

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



- Rally stuck after failing to breakout resistance area at 20245
- Consider The Harami Cross pattern and RSI condition in the overbought zone, for potential reversal development
- Short-term support at 20030
[\(Research – @ErwinRiset\)](#)

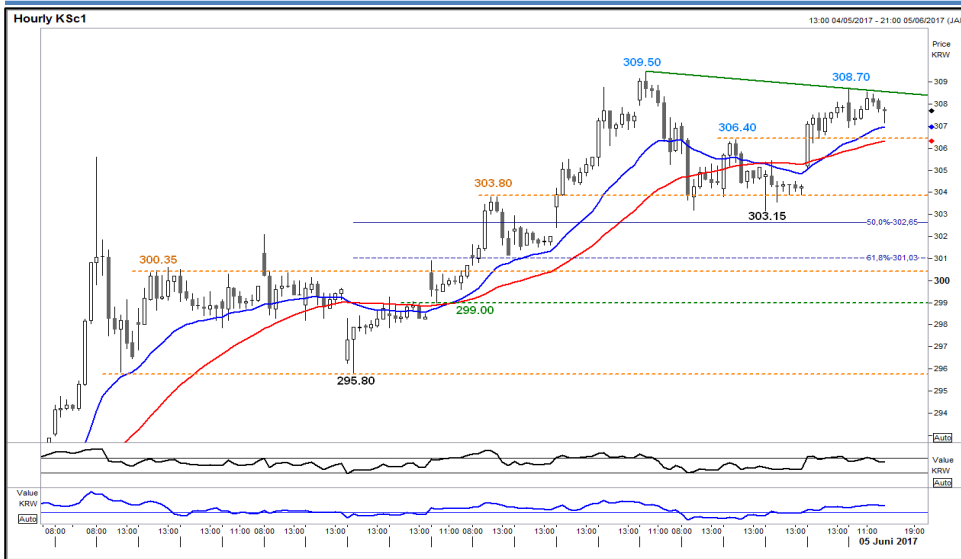
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
05 June SSIpmM7	20145	20170	20125	45	20140	---	↓ 15	0.07	18585
05 June SSIamM7	20090	20225	20085	140	20155	20155	↓ 10	0.05	66255
02 June SSIpmM7	20175	20230	20065	165	20145	---	↓ 20	0.10	44736
02 June SSIamM7	19935	20245	19920	325	20165	20165	↑ 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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
20225	20085	20245	19660	20030	19165	20245	18190
(05/Jun)	(05/Jun)	(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	----
	SELL	20200
	STOP LOSS	20300
	TARGET	20060 19990

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



- The moving index tends to be flat, with the peak level at 309.50 remaining intact
 - Correction is potentially testing a crucial level at 306.40
 - Support area at 303.80 - 303.15
 - Resistance area at 308.70 - 309.50
- [\(Research – @ErwinRiset\)](#)

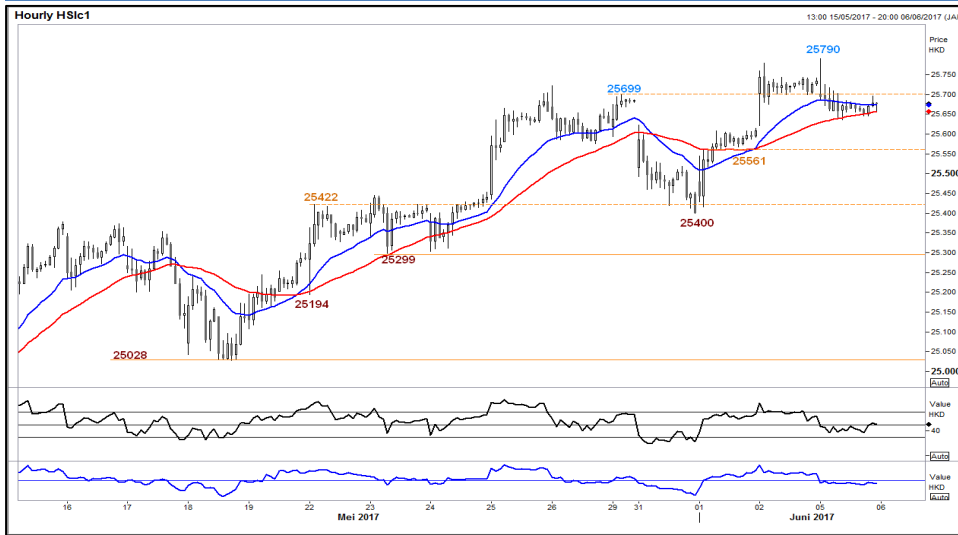
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
05 June	308.05	308.70	306.95	1.75	307.70	307.70	↓ 0.15	0.05	153637
02 June	305.20	308.10	305.05	3.05	307.85	307.85	↑ 3.60	1.18	210515
01 June	304.70	305.45	303.15	2.30	304.25	304.25	↓ 0.90	0.29	194357
31 May	304.15	306.40	303.80	2.60	305.15	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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
308.70 (05/Jun)	306.95 (05/Jun)	308.70 (05/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
	303.15	Low 01/Jun/2017 (Reaction low)
	301.15	Reaction low (hourly)
RECOMMENDATION	BUY	----
	SELL	308.50
	STOP LOSS	309.70
	TARGET	306.35 305.25

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



- The psychological level at 26000 is intact after moving fairly limited
- Note the crucial level at 25700, if effective, then the rebound is hampered
- Correction potentially facing the support area at 25561
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
05 June	25701	25790	25636	154	25662	25665	↓ 51	0.20	75224
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25790	25636	25790	25415	25723	24220	25790	21863
(05/Jun)	(05/Jun)	(05/Jun)	(01/Jun)	(26/May)	(05/May)	(05/Jun)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	26723	High 29/Jun/2015
	26496	High 30/Jun/2015
	26358	High 06/Jul/2015
	25790	High 05/Jun/2017
SUPPORT	25561	Reaction low (hourly)
	25400	Bottom (hourly)
	25299	Reaction low (hourly)
	25194	Reaction low (hourly)
RECOMMENDATION	BUY	----
	SELL	25700
	STOP LOSS	25800
	TARGET	25520 25430

CURRENCIES – *Daily Outlook*

Dollar steady as focus shifts to ECB meeting, UK election - Reuters News



The dollar steadied against a basket of currencies on Monday, recovering from a near a seven-month low hit on Friday, as investors turned their focus to this week's impending European Central Bank meeting and a parliamentary election in the UK.

The dollar index, which tracks the greenback against six major rivals, was up 0.1 percent to 96.809.

"We have seen investors square up their positions a little bit ahead of a busy week of economic events that include the ECB meeting and the UK election," said Omer Esiner, chief market analyst at Commonwealth Foreign Exchange in Washington.

The index slipped to 96.654 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.

Data on Monday showed U.S. services sector activity slowed in May as new orders tumbled, but a jump in employment to a near two-year high pointed to sustained labor market strength.

The dollar rose against the euro as traders doubted that any European Central Bank shift in policy stance could strengthen the euro further.

ECB policymakers are set to take a more benign view of the economy when they meet on Thursday and will even discuss dropping some of their pledges to ramp up stimulus if needed, four sources with direct knowledge of the discussions told Reuters last week.

Complacency that the ECB will be less dovish has left the euro vulnerable to disappointment if the central bank does not satisfy those expectations, analysts said.

"It has been very well-flagged that (the ECB) will be pivoting their language around the balance of risks and the forward guidance, and that's increasingly priced in," said Richard Franulovich, senior currency strategist at Westpac Banking Corp in New York.

The euro was last down 0.24 percent against the dollar at \$1.1253 after hitting \$1.1285 on Friday, its highest since Nov. 9.

Sterling rose to a 10-day high against the dollar, with investors taking comfort from an opinion poll that gave Britain's ruling Conservative Party a comfortable lead ahead of Thursday's parliamentary elections.

Sterling was last up 0.21 percent against the dollar at \$1.2909.

Meanwhile, Mexico's peso rose to its strongest level in seven months after the ruling Institutional Revolutionary Party (PRI) fended off a leftist rival in a key state election.

(Source Reuters, Research – @her1en)

EUR/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 05	1.12777	1.12798	1.12331	46,7	1.12526	↓ 22,2	1.12748
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.12798 (05/Jun)	1.12331 (05/Jun)	1.12812 (02/Jun)	1.12009 (01/Jun)	1.12671 (23/May)	1.08379 (11/May)	1.12812 (02/Jun)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1528	High May 04, 2016
	1.1432	High June 24, 2016
	1.1365	Reaction high on 1-H chart
	1.1299	High 09/Nov/2016
SUPPORT	1.1201	Low June 01
	1.1163	Low May 31
	1.1094	Low May 19
	1.0971	Low May 16
RECOMMENDATION	BUY	1.1235
	SELL	-----
	STOP LOSS	1.1170
	TARGET	1.1305 1.1335

USD/JPY

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



- Correction is facing the support area at 110.21 after breakout area of SMA200
- The Descending Triangle pattern supports a bearish signal
- The next support around 109.50
- Resistance around 111.71
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 05	110.464	110.719	110.301	41,8	110.435	↓ 6,1	110.496
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
110.719 (05/Jun)	110.301 (05/Jun)	111.699 (02/Jun)	110.301 (05/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	110.65
	STOP LOSS	111.75
	TARGET	109.90 109.50

GBP/USD

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



- Rebound faces trendline resistance at 1.2945, hit high at 1.2940
- Beware of a Descending Triangle pattern that could potentially limit the rebound
- Support area at 1.2758
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 05	1.28699	1.29399	1.28583	81,6	1.28988	↑ 21,6	1.28772
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

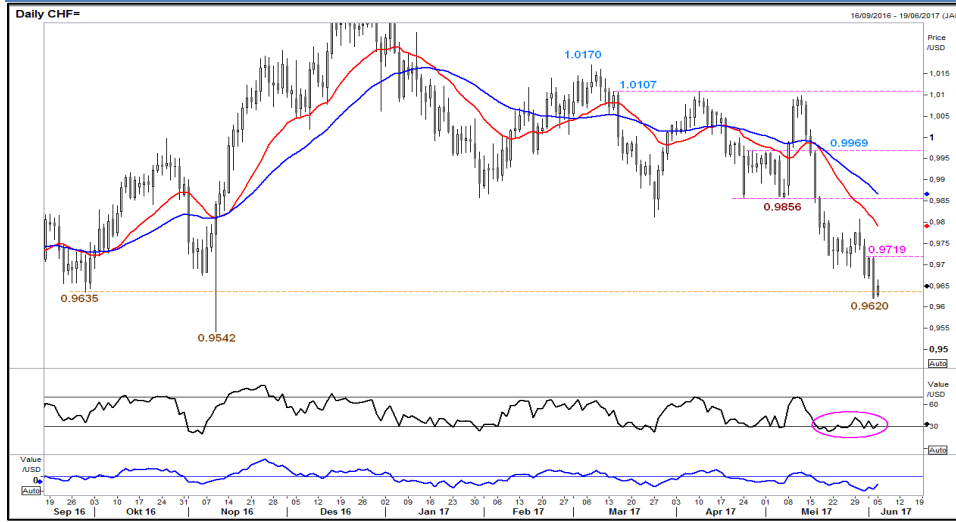
WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.29399 (05/Jun)	1.28583 (05/Jun)	1.29399 (05/Jun)	1.28288 (01/Jun)	1.30466 (18/May)	1.27678 (31/May)	1.30466 (18/May)	1.1986 (16/Jan)

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	1.2845	Low 05/Jun/2017
	1.2758	Low 21/Apr/2017 (Reaction low)
	1.2582	SMA200
	1.2513	Low 18/Apr/2017 (Reaction low)
RECOMMENDATION	BUY	1.2880
	SELL	----
	STOP LOSS	1.2800
	TARGET	1.2970 1.3015

USD/CHF

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



- Rebound is still quite limited, facing resistance area at 0.9719
- Short-term support at 0.9620, with strong support at 0.9542
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 05	0.96278	0.96632	0.96274	35,8	0.96444	↑ 11,0	0.96334
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.96632 (05/Jun)	0.96274 (05/Jun)	0.97184 (01/Jun)	0.96274 (05/Jun)	1.00987 (11/May)	0.96683 (31/May)	1.0335 (03/Jan)	0.96274 (05/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	0.9630
	SELL	----
	STOP LOSS	0.9535
	TARGET	0.9700 0.9750

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 05	0.74340	0.74973	0.74209	76,4	0.74848	↑ 49,7	0.74351
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.74973 (05/Jun)	0.74209 (05/Jun)	0.74973 (05/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	0.7460
	SELL	-----
	STOP LOSS	0.7390
	TARGET	0.7540 0.7570

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 05	0.71357	0.71483	0.71128	35,5	0.71325	↓ 5,1	0.71376
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71483 (05/Jun)	0.71128 (05/Jun)	0.71483 (05/Jun)	0.70572 (01/Jun)	0.71209 (31/May)	0.68166 (11/May)	0.7374 (07/Feb)	0.68166 (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	0.7055	Low June 02
	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)



- Correction continues after the Double Top area at 125.80 remains intact
- Correction is facing the trendline support area around 123.50
- Short-term resistance at 125.30
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 05	124.580	124.685	124.166	51,9	124.287	↓ 29,4	124.581
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
124.685 (05/Jun)	124.166 (05/Jun)	125.063 (01/Jun)	124.166 (05/Jun)	125.787 (16/May)	121.334 (01/May)	125.787 (16/May)	114.87 (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)
	125.30	High 02/Jun/2017 (Reaction high)
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	124.60
	STOP LOSS	125.50
	TARGET	123.70 123.30

USD/CAD

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



- Correction continues, facing trendline support around 1.3430
 - Important support at 1.3385
 - Resistance at 1.3546
- [\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.3491	1.3473

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3500 (05/Jun)	1.3456 (05/Jun)	1.3546 (02/Jun)	1.3456 (05/Jun)	1.3793 (05/May)	1.3385 (25/May)	1.3793 (05/May)	1.2967 (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/20174 (Bottom)
	1.3162	Low 28/Feb/2017
RECOMMENDATION	BUY	----
	SELL	1.3485
	STOP LOSS	1.3560
	TARGET	1.3390 – 1.3320

Precious Metal – *Daily Outlook*

Gold prices hit highest since April after weaker U.S. jobs data - Reuters News



Gold prices steadied after rising to a fresh six-week high on Monday as disappointing jobs data dimmed the prospects for aggressive U.S. interest rate increases, even though it was unlikely to deter a rate hike at this month's Federal Reserve policy meeting.

U.S. job growth slowed in May and employment gains in the prior two months were not as strong as previously reported, data showed on Friday, suggesting a loss of momentum in the labor market.

U.S. interest rates futures were little changed as a private measure of U.S. services industry activity fell in May within analyst forecasts, with prices declining for the first time since February 2016. Federal funds futures implied traders saw a 96 percent chance the Fed would

raise key overnight borrowing costs at its policy meeting next week.

Higher interest rates put pressure on gold prices by increasing the opportunity cost of holding non-yielding bullion. Spot gold was steady at \$1,279.11 per ounce by 3:17 p.m. EDT (1917 GMT), after climbing 1.1 percent on Friday. It hit a peak of \$1,283.27 early in the session, its highest level since April 21.

U.S. gold futures rose 0.2 percent to settle at \$1,282.70.

"The weaker-than-expected U.S. employment report, released on 2 June, boosted gold prices, but has not derailed the likelihood of a rate hike at the June FOMC meeting," Standard Chartered analysts said in a note.

U.S. event risk is unlikely to subside before the next FOMC meeting (14 June) given the Comey testimony takes place this week; but across the pond the UK general election and European Central Bank meeting take place on 8 June."

Early in the session, gold, seen as a safe-haven, was higher after assailants, in Britain's third Islamist attack in as many months, killed at least seven people in the heart of London.

British Prime Minister Theresa May resumes campaigning on Monday for the national election due in three days. The vote is expected to be much tighter than previously predicted.

"(European elections have) been an underlying supportive factor for some time, providing some good safe-haven buying but not enough to spark any panic buying. That's why we think things will be relatively subdued," ANZ analyst Daniel Hynes said.

The dollar index, which tracks exchange rates against a basket of six major currencies, kept a lid on gains in bullion by edging higher on Monday. It rose about 0.10 percent after hitting a roughly seven-month low of 96.654 Friday.

Elsewhere, palladium hit its strongest level since September 2014 at \$849.40.

UBS analyst Giovanni Staunovo said it was likely that technical factors had supported palladium in recent days after the market broke through a previous high.

"I am a little bit cautious in the near term and expect setbacks due to elevated speculative positioning and relatively weak car (sales) in the main palladium markets."

Silver hit a high of \$17.64 an ounce, its strongest since April 26. Platinum was little changed at \$952.

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

GOLD (XAU/USD)



- Daily RSI rises, be alert of overbought area
- Important resistance at 1308 level
- Support at 1235
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
June 05	1280.640	1283.280	1277.640	5.64	1279.340	↑ 2.04	1277.300	1280.70	1279.95
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1283.280 (05/Jun)	1277.640 (05/Jun)	1283.280 (05/Jun)	1258.940 (02/Jun)	1273.960 (31/May)	1214.100 (09/May)	1295.42 (17/Apr)	1146.31 (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	1277.50
	SELL	-----
	STOP LOSS	1268.00
	TARGET	1287.50 1292.00

SILVER (XAG/USD)



- The series rises to a daily high
 - Resistance at 18.30
 - Important support at 16.77
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 05	17.553	17.635	17.483	0.15	17.527	↑ 0.02	17.503
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.635	17.483	17.635	16.989	17.453	16.045	18.63	15.88
(05/Jun)	(05/Jun)	(05/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	17.45
	SELL	-----
	STOP LOSS	17.20
	TARGET	17.80
		18.00

OIL – Daily Outlook

Oil falls 1 pct on fears Mideast rift could harm OPEC cuts - Reuters News



Oil prices fell nearly 1 percent on Monday on concerns that the cutting of ties with Qatar by top crude exporter Saudi Arabia and other Arab states could hamper a global deal to reduce oil production.

Saudi Arabia, the United Arab Emirates, Egypt and Bahrain closed transport links with top liquefied natural gas (LNG) and condensate shipper Qatar, accusing it of supporting extremism and undermining regional stability.

The news initially pushed Brent crude prices up as much as 1.6 percent as geopolitical fears rippled through the market. But August Brent prices ended the session 48 cents or 0.96 percent lower at \$49.47 a barrel.

U.S. West Texas Intermediate futures settled 26 cents or 0.55 percent lower at \$47.40. U.S. gasoline futures led the energy complex lower, falling

about 2.5 percent to settle at \$1.5381 a gallon, on technical selling, brokers said.

With production capacity of about 600,000 barrels per day (bpd), Qatar's crude output ranks as one of the smallest among the Organization of the Petroleum Exporting Countries, but tension within the cartel could weaken the supply deal aimed at supporting prices.

"While we would not want to read too much into this in terms of looming trouble for OPEC, the fact that Qatar's stance towards Iran is a key element in this issue does make for a potentially more complicated setup at future meetings should the issue not have been resolved in due time," JBC Energy analysts said in a note.

The deal has shown little indication of significantly denting exports. While OPEC supplies dipped between February and April, a report on Monday by Thomson Reuters Oil Research said OPEC shipments likely jumped to 25.18 million bpd in May, up over 1 million bpd from April.

Brent futures have fallen more than 8 percent from their open on May 25, when OPEC opted to extend production cuts into 2018.

Outside of OPEC, South Sudan will drill 30 new wells this year and significantly boost oil output as it chases a peak 350,000 bpd target by mid-2018, the petroleum minister said on Monday.

However, some of Monday's price losses were limited as Libya's crude production was pegged at 809,000 barrels per day (bpd) on Monday, down from 827,000 last week due to technical issues, a Libyan oil source told Reuters.

Crude output in the United States, meanwhile, has jumped more than 10 percent since mid-2016 to 9.34 million bpd, close to levels of top producers Saudi Arabia and Russia.

The rise in U.S. production has been driven by a record 20th straight weekly climb in oil drilling, with the rig count climbing by 11 in the week to June 2, to 733, the most since April 2015.

Still, Standard Chartered analysts said their market balance projections indicated a 1.4 million barrels a day global supply deficit in the second half of the year, even allowing for a rapid increase in U.S. output.

U.S. crude stockpiles have fallen for eight straight weeks, prompting suggestions that OPEC's efforts to reduce world supply were finally materializing.

"We believe that U.S. inventories will continue falling this summer, allowing OPEC to point to lower stocks as a positive measure of success," Sandy Fielden, director of oil and products research at Morningstar, said in a note.

"But if, as we have already seen, higher refinery runs and/or crude exports are the causes of these inventory drawdowns, then the impact on OPEC's balancing act is actually negative."

(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 05	47.80	48.40	46.85	1.55	47.38	↓ 0.34	47.72
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

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
48.80	46.85	49.15	46.73	51.98	43.75	55.22	43.75
(05/Jun)	(05/Jun)	(01/Jun)	(02/Jun)	(25/May)	(05/May)	(03/Jan)	(05/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	53.42	High Apr 19
	52.00	High Apr 25
	49.71	High May 31
	48.42	High June 05
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	47.20
	SELL	----
	STOP LOSS	45.80
	TARGET	48.70
		49.20