

# Daily Bulletin

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

Research Department

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## GLOBAL MARKETS & ECONOMIES

### GLOBAL MARKETS

- Asian shares bounced back on Thursday after U.S. President Donald Trump and congressional leaders unexpectedly agreed to raise the government debt limit until December, eliminating the near-term risk of a government shutdown.
- European shares closed in positive territory on Thursday after the European Central Bank reaffirmed its ultra-easy policy stance and said details on the future of its massive stimulus would come in October.
- The euro surged on Thursday after the European Central Bank indicated it was preparing to scale back its stimulus program, while gold rose to a one-year high after the U.S. dollar tumbled.

### GLOBAL ECONOMIES

- China's foreign exchange reserves edged up for a seventh straight month in August as a surging yuan and tighter regulations signal the tide may be turning in China's battle against outflows.
- The euro's strength is already weighing on inflation and will be a key factor for the European Central Bank next month when it decides how to proceed with its massive stimulus programme in 2018, ECB President Mario Draghi said on Thursday.
- Brexit minister David Davis called on parliament on Thursday to back legislation to sever Britain's political, financial and legal ties with the European Union, saying that opposing the bill would lead to chaos.
- U.S. worker productivity was stronger than initially thought in the second quarter, leading to a modest increase in labor costs that could keep inflation muted in the near term.

### GLOBAL MARKETS

**Asia** – Asian shares bounced back on Thursday after U.S. President Donald Trump and congressional leaders unexpectedly agreed to raise the government debt limit until December, eliminating the near-term risk of a government shutdown.

MSCI's broadest index of Asia-Pacific shares gained 0.3 percent while Japan's Nikkei rose 0.2 percent.

South Korea's KOSPI, which has been burdened by tensions over North Korea, jumped 1.2 percent too, on course to mark its biggest gain in four months amid signs that major powers were talking intensively on the situation.

Speaking in Russia, South Korean President Moon Jae-in said he was having discussions with the leaders of Russia, Japan and the United States and that there would be no war on the peninsula.

**Euro Zone** – European shares closed in positive territory on Thursday after the European Central Bank reaffirmed its ultra-easy policy stance and said details on the future of its massive stimulus would come in October.

While the pan-European STOXX 600 index rose 0.3 percent at the end of a choppy session, European bourses didn't all end on a positive note.

Paris, London and Frankfurt posted gains from 0.3 to 0.7 percent but Milan and Madrid ending in the red, down 0.4 and 0.1 percent respectively due to heavy losses in their banking and financial sectors.

ECB President Mario Draghi's cautious comments raised the chance that the central bank will opt to phase out its 2.3 trillion euro (\$2.8 trillion) bond buying scheme only very slowly next year, a possibility which hurt financial shares.

The banking sector whose lending business benefits from higher interest rates, fell 0.8 percent as fears grew that the strength in the euro could delay monetary policy tightening.

Among top euro zone bank decliners were Spain's Sabadell and Italy's Banco BPM down 3.6 and 2.6 percent respectively.

"We still expect that the ECB will continue to take steps towards a tighter policy framework in a very gradual manner," said Handelsbanken Capital economist Rasmus Gudum Sessingö.

While financial stocks were hurt, the rest of the market was comforted by the fact that the ECB was in no rush to end its stimulus to the economy.

A fifth day of gains in auto stocks helped German shares shrug off a spike in the euro as cheap valuations have revived investor interest in the sector.

Carmakers were a bright spot, up 0.4 percent. Traders said investors were lured by cheap valuations, expectations that sales could be driven up by people replacing cars damaged during hurricanes in the United States, while efforts by German Chancellor Angela Merkel to avert bans of diesel vehicles in some cities also buoyed interest.

All was not positive in the sector however with Ferrari falling 6.9 percent after a double downgrade from Morgan Stanley to "underweight" from "overweight".

Elsewhere Tobacco firm Imperial Brands rose 2.8 percent after selling part of its stake in Spanish logistics company Logista.

British outsourcer Capita fell 2.4 percent after restating its 2016 profit following accounting changes.

**U.S. & Global Markets** – The euro surged on Thursday after the European Central Bank indicated it was preparing to scale back its stimulus program, while gold rose to a one-year high after the U.S. dollar tumbled.

The dollar index, which measures the greenback against a basket of six major rivals, fell as much as 1.1 percent to 91.405, its lowest since January 2015.

It also fell against the euro as ECB head Mario Draghi said the central bank was looking at how to wind down its 60 billion-euro-a-month buying program. The bank kept its growth and inflation outlooks unchanged.

"We will be ready for much of what we have to decide (to scale back stimulus) by October," Draghi said at the ECB's post-meeting news conference.

The euro soared to a nine-day high of \$1.2059. It was last up 0.92 percent at \$1.2025.

Major world stock markets climbed, while the day's gains in European stocks were halved at the prospect of ongoing euro strength.

The pan-European FTSEurofirst 300 index rose 0.23 percent and MSCI's gauge of stocks across the globe gained 0.32 percent.

The price of gold rose to a one-year peak after the dollar tumbled on weak U.S. jobs data and unchanged expectations for growth and inflation from the ECB.

In the United States, the economic outlook was less clear. Markets were still digesting comments on Tuesday from influential dovish Federal Reserve Governor Lael Brainard, who said the Fed should delay raising interest rates until it is confident inflation that is now "well short" of target will rebound.

The dollar also fell against the yen as traders grew uncomfortable with the outlook for U.S. fiscal policy once a three-month extension to the U.S. debt limit that U.S. President Donald Trump said he agreed to on Wednesday expires.

"The risk for the dollar still exists," said Kathy Lien, managing director at BK Asset Management in New York. "The can has been kicked down the road, so the problem hasn't been resolved."

Stocks were damped down by a Labor Department report that showed the number of Americans filing for unemployment benefits jumped to its highest in more than two years last week amid a surge in applications in hurricane-ravaged Texas.

Another major hurricane, Irma, was on track to hit Florida by the weekend after decimating the Caribbean, further pressuring risk-on sentiment.

The Dow Jones Industrial Average fell 22.86 points, or 0.1 percent, to 21,784.78, the S&P 500 lost 0.44 points, or 0.02 percent, to 2,465.1 and the Nasdaq Composite added 4.56 points, or 0.07 percent, to 6,397.87.

*(Source Reuters – @ErwinRiset - @her1en)*

#### **GLOBAL ECONOMIES**

**China** – China's foreign exchange reserves edged up for a seventh straight month in August as a surging yuan and tighter regulations signal the tide may be turning in China's battle against outflows.

August was the best month since 1994 for the yuan, which has gained more than 6.5 percent against the dollar this year, erasing all of its 2016 losses.

In August, FX reserves rose nearly \$11 billion to \$3.092 trillion, the highest level since October last year. July's increase was \$24 billion.

Economists polled by Reuters had expected foreign exchange reserves to increase \$19 billion last month to \$3.1 trillion.

August marks the first time that China's reserves have climbed seven months in a row since June 2014.

A dramatic slowdown in capital outflows - which are seen as one of China's biggest risks - has helped boost confidence in its economy this year ahead of a key political leadership reshuffle next month.

A slowdown in outflows and market-driven gains for the yuan mean the People's Bank of China may have been a net purchaser of foreign exchange in August for the first time since October 2015, Julian Evans-Pritchard at Capital Economics wrote in a note.

#### **SHIFT OF SENTIMENT**

"The big picture will still be that capital outflows have eased markedly since the start of the year," Evans-Pritchard said after the August data was released on Thursday.

"This is partly the result of tighter restrictions on outbound direct investment but it also reflects a shift in sentiment," he said.

Capital Economics estimates outflows were about \$10 billion in August.

Last year, China burned through nearly \$320 billion of reserves but the yuan still fell about 6.5 percent against the then-surging dollar, its biggest annual drop since 1994.

China's forex pile, the world's largest, fell below the closely watched \$3 trillion level in January for the first time in nearly six years, raising market fears that Beijing may devalue its currency to relieve the pressure.

But the Chinese currency this year has erased its 2016 losses, thanks largely to the U.S. currency's sharp reversal and Beijing's steady tightening of forex controls.

The yuan has also been boosted by fresh steps by the central bank to flush out speculators who were betting the currency would continue to fall.

In August alone, the yuan rose 2.1 percent against the dollar, and on Thursday it broke through 6.5 yuan per dollar for the first time since May 2016.

**Euro Zone** – The euro's strength is already weighing on inflation and will be a key factor for the European Central Bank next month when it decides how to proceed with its massive stimulus programme in 2018, ECB President Mario Draghi said on Thursday.

The euro, which has gained 14 percent against the dollar this year is "very important" and needs careful monitoring, Draghi said after keeping rates at record lows and leaving the door open to even more stimulus if necessary.

His cautious comments raise the chances that the ECB will opt to phase out its 2.3 trillion euro (\$2.8 trillion) bond buying scheme only very slowly next year, despite solid economic growth in the euro zone and worries about real estate bubbles in richer countries such as Germany.

A sharp rally in the euro since the start of the summer was the main reason for a downgrade in the ECB's new 2018-19 inflation forecasts, which are now even farther away from the ECB's target of almost 2 percent.

"The medium-term outlook for inflation was revised downward in the staff's projections, mainly due to the appreciation of the exchange rate, which means that we will have to take into account this element in our information set in our future policy decisions," Draghi said.

Confirming a Reuters report from last week, Draghi added that there was now broad consensus within the ECB that currency volatility was a "source of uncertainty" in formulating monetary policy.

Underlining the dilemma faced by the ECB, the euro hit a nine-day high above \$1.20 as Draghi spoke, as investors piled into euro zone bonds on the prospect of continued ECB buying.

The ECB decided to retain the option to boost its bond purchases if needed, suggesting policymakers are still far from contemplating the end of the programme.

"The recalibration will be very gradual with a particular attention accorded to the market reaction to rates, spreads and forex as they impact financial conditions," Gilles Pradère, a portfolio manager at RAM Active Investments, said.

The key problem for the ECB in deciding whether to continue or wind down the asset purchases is that while growth is robust, inflation will remain under the ECB's target for years to come given a sizable slack in the labour market and the absence of meaningful wage growth.

Indeed, while the ECB upgraded some of its growth forecasts and predicted a faster decline in unemployment, it also cut its inflation projection.

The bank now sees price growth at 1.2 percent next year compared with 1.3 percent predicted in June, and at 1.5 percent in 2019, down from 1.6 percent forecast three months ago.

While no projections for 2020 will be made until December, Draghi said he personally expected inflation to converge with the ECB's target in 2020.

**UK** – Brexit minister David Davis called on parliament on Thursday to back legislation to sever Britain's political, financial and legal ties with the European Union, saying that opposing the bill would lead to chaos.

At a rowdy session of parliament, Davis accused the opposition Labour Party of pursuing a "cynical and unprincipled" path by challenging the repeal bill, or EU withdrawal bill, designed to disentangle Britain from more than 40 years of EU lawmaking.

Labour, in turn, said the government was using the bill to give itself wide-ranging powers and a "blank cheque" to do away with laws if ministers did not like them, threatening the rights of ordinary Britons.

The legislation is a vital stepping-stone towards Britain's departure from the EU in March 2019. It faces stormy debate and a likely barrage of attempted amendments as Prime Minister Theresa May, weakened by the loss of her majority in a June election and criticised by Brussels over her Brexit strategy, attempts to steer it through parliament.

"Without this legislation a smooth and orderly exit is impossible ... To delay or oppose the bill will be reckless in the extreme," Davis told lawmakers, describing support for a proposed amendment by Labour as a "vote for a chaotic exit".

Labour's Brexit spokesman, Keir Starmer, said several clauses in the bill amounted to a "power grab" by government.

He said it would prevent Britain from remaining in the EU's single market and customs union during a transition phase, as Labour now argues should happen.

"That we are leaving (the EU) is settled, how we leave is not. This bill invites us to surrender all power and influence over that question to the government and to ministers. That would betray everything we have been sent here to do," Starmer said.

"Unless the government makes a very significant concession before we vote on Monday Labour will table, and has tabled, a reasoned amendment and will vote against the bill."

**U.S.** – U.S. worker productivity was stronger than initially thought in the second quarter, leading to a modest increase in labor costs that could keep inflation muted in the near term.

The Labor Department said on Thursday that nonfarm productivity, which measures hourly output per worker, rose at a 1.5 percent annualized rate. Productivity was previously reported to have increased at a 0.9 percent pace in the April-June period. It grew at a 0.1 percent rate in the first quarter.

Economists polled by Reuters had expected that productivity would be revised up to a 1.3 percent pace in the second quarter.

The government last week revised up second-quarter gross domestic product growth to a 3.0 percent rate from a 2.6 percent pace.

Despite the upward revision to productivity, the trend remains weak, suggesting it would be difficult to achieve robust economic growth. President Donald Trump has vowed to boost annual growth to 3 percent through tax cuts, infrastructure spending and regulatory rollbacks.

Compared to the second quarter of 2016, productivity increased at a 1.3 percent rate, instead of the previously reported 1.2 percent pace. That was the strongest performance in two years. With productivity rising, unit labor costs, the price of labor per single unit of output, increased at only a 0.2 percent pace in the second quarter. Unit labor costs were previously reported to have risen at a 0.6 percent pace. They surged at a 4.8 percent rate in the January-March period. Compared to the second quarter of 2016, unit labor costs fell at a 0.2 percent rate as previously reported.

Wage growth has remained sluggish even as the labor market nears full employment. Productivity increased at an average annual rate of 1.2 percent from 2007 to 2016, below its long-term rate of 2.1 percent from 1947 to 2016, indicating the economy's potential growth rate has declined. Some economists blame soft productivity on a shortage of workers as well as the impact of rampant drug addiction in some parts of the country. Others also argue that low capital expenditure, which they say has resulted in a sharp drop in the capital-to-labor ratio, is holding down productivity. There is also a belief that productivity is being inaccurately measured, especially on the information technology side. Hours worked rose at a rate of 2.5 percent in the April-June period as previously reported. That was the quickest pace since the fourth quarter of 2015, and followed a 1.6 percent rate of increase in the first quarter. As a result, output per worker surged at a 4.0 percent rate, the fastest since the third quarter of 2014, after rising at a 1.8 percent pace at the start of the year.

Output was previously reported to have increased at a 3.4 percent pace in the second quarter. [\(Source Reuters, Research – @her1en\)](#)

## WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
<b>31-Aug - 07-Sep</b>	N/A	JP	Official Reserve Assets	Aug		--	\$1260.0b	
<b>Mon/04-Sep-17</b>	06:50	JP	Monetary Base YoY	Aug	16.3%	15.6%	15.6%	
	06:50	JP	Monetary Base End of period	Aug	¥469.2t	--	¥468.3t	
	08:00	AU	Melbourne Institute Inflation MoM	Aug	0.1%	--	0.1%	
	08:00	AU	Melbourne Institute Inflation YoY	Aug	2.6%	--	2.7%	
	15:30	EZ	Sentix Investor Confidence	Sep	28.2	27.4	27.7	
	15:30	GB	Markit/CIPS UK Construction PMI	Aug	51.1	52	51.9	
	16:00	EZ	PPI MoM	Jul	0.0%	0.1%	-0.1%	-0.2%
	16:00	EZ	PPI YoY	Jul	2.0%	2.1%	2.5%	2.4%
	<b>All Day</b>	<b>CA</b>	<b>Bank Holiday/Labour Day</b>					
	<b>All Day</b>	<b>US</b>	<b>Bank Holiday/Labor Day</b>					
<b>Tue/05-Sep-17</b>	06:00	AU	CBA Australia PMI Services	Aug	54.2	--	57	
	06:00	AU	CBA Australia PMI Composite	Aug	54.1	--	56.7	
	06:00	KR	BoP Current Account Balance	Jul	\$7020m	--	\$5080m	
	06:00	KR	BoP Goods Balance	Jul	-	--	\$9706m	
	06:30	AU	AiG Perf of Services Index	Aug	53.0	--	56.4	
	07:30	HK	Nikkei Hong Kong PMI	Aug	49.7	--	51.3	
	07:30	JP	Nikkei Japan PMI Services	Aug	51.6	--	52	
	07:30	JP	Nikkei Japan PMI Composite	Aug	51.9	--	51.8	
	08:30	AU	BoP Current Account Balance	2Q	-A\$9.6b	-A\$7.5b	-A\$3.1b	-A\$4.8b
	08:45	CN	Caixin China PMI Composite	Aug	52.4	--	51.9	
	08:45	CN	Caixin China PMI Services	Aug	52.7	--	51.5	
	N/A	AU	RBA Governor Lowe's Remarks at Board Dinner					
	11:30	AU	RBA Cash Rate Target	Sep-05	1.50%	1.5%	1.5%	
	12:45	CH	GDP QoQ	2Q	0.3%	0.5%	0.3%	0.1%
	12:45	CH	GDP YoY	2Q	0.3%	1.0%	1.1%	0.6%
	14:15	CH	CPI EU Harmonized MoM	Aug	-0.1%	--	0.1%	
	14:15	CH	CPI EU Harmonized YoY	Aug	0.5%	--	0.6%	
	14:15	CH	CPI MoM	Aug	0.0%	0.0%	-0.3%	
	14:15	CH	CPI YoY	Aug	0.5%	0.5%	0.3%	
	14:55	DE	Markit Germany Services PMI	Aug F	53.5	53.4	53.4	
	14:55	DE	Markit/BME Germany Composite PMI	Aug F	55.8	55.7	55.7	
	15:00	EZ	Markit Eurozone Services PMI	Aug F	54.7	54.9	54.9	
	15:00	EZ	Markit Eurozone Composite PMI	Aug F	55.7	55.8	55.8	55.7
	15:30	GB	Markit/CIPS UK Services PMI	Aug	53.2	53.5	53.8	
	15:30	GB	Markit/CIPS UK Composite PMI	Aug	54.0	54.0	54.1	
	16:00	EZ	Retail Sales MoM	Jul	-0.3%	-0.3%	0.5%	0.6%
	16:00	EZ	Retail Sales YoY	Jul	2.6%	2.6%	3.1%	3.3%
	18:30	US	Fed's Brainard Speaks to The Economic Club of New York					
	21:00	US	Factory Orders	Jul	-3.3%	-3.3%	3.0%	3.2%
	21:00	US	Factory Orders Ex Trans	Jul	0.5%	--	-0.2%	0.1%
	21:00	US	Durable Goods Orders	Jul F	-6.8%	-2.9%	-6.8%	
	21:00	US	Durables Ex Transportation	Jul F	0.6%	--	0.5%	
	21:00	US	Cap Goods Orders Nondef Ex Air	Jul F	1.0%	--	0.4%	
	21:00	US	Cap Goods Ship Nondef Ex Air	Jul F	1.2%	--	1.0%	
<b>Wed/06-Sep-17</b>	00:10	US	Fed's Kashkari Holds Townhall Event in Minneapolis					
	06:00	US	Fed's Kaplan Speaks in Dallas					
	07:00	JP	Labor Cash Earnings YoY	Jul	-0.3%	0.5%	-0.4%	
	07:00	JP	Real Cash Earnings YoY	Jul	-0.8%	0.0%	-0.8%	-0.1%
	08:30	AU	GDP SA QoQ	2Q	0.8%	0.9%	0.3%	
	08:30	AU	GDP YoY	2Q	1.8%	1.9%	1.7%	1.8%
	09:30	AU	RBA's Heath Gives Speech in Tasmania					
	13:00	DE	Factory Orders MoM	Jul	-0.7%	0.2%	1.0%	
	13:00	DE	Factory Orders WDA YoY	Jul	5.0%	5.8%	5.1%	

	14:30	DE	Markit Germany Construction PMI	Aug	54.9	--	55.8	
	15:10	EZ	Markit Eurozone Retail PMI	Aug	50.8	--	51	
	15:10	DE	Markit Germany Retail PMI	Aug	53.0	--	50.7	
	19:30	US	Trade Balance	Jul	-\$43.7b	-\$44.6b	-\$43.6b	-\$43.5b
	20:45	US	Markit US Services PMI	Aug F	56.0	56.9	56.9	
	20:45	US	Markit US Composite PMI	Aug F	55.3	--	56	
	21:00	CA	Bank of Canada Rate Decision	Sep-06	1.00%	0.75%	0.75%	
	21:00	US	ISM Non-Manf. Composite	Aug	55.3	55.5	53.9	
<b>Thu/07-Sep-17</b>	01:00	US	U.S. Federal Reserve Releases Beige Book					
	06:30	AU	AiG Perf of Construction Index	Aug	55.3	--	60.5	
	08:30	AU	Retail Sales MoM	Jul	0.0%	0.2%	0.3%	0.2%
	08:30	AU	Trade Balance	Jul	A\$460m	A\$1000m	A\$856m	A\$888m
	N/A	CN	Foreign Reserves	Aug	\$3091.5b	\$3095.0b	\$3080.7b	
	12:00	JP	Leading Index CI	Jul P	105.0	105.1	105.9	105.7
	12:00	JP	Coincident Index	Jul P	115.6	115.8	117.1	116.8
	13:00	DE	Industrial Production SA MoM	Jul	0.0%	0.5%	-1.1%	
	13:00	DE	Industrial Production WDA YoY	Jul	4.0%	4.6%	2.4%	2.7%
	15:30	HK	Foreign Reserves	Aug	\$413.7.	--	\$413.3b	
	16:00	EZ	GDP SA QoQ	2Q F	0.6%	0.6%	0.6%	
	16:00	EZ	GDP SA YoY	2Q F	2.3%	2.2%	2.2%	
	18:45	EZ	ECB Main Refinancing Rate	Sep-07	0.0%	0.0%	0.0%	
	18:45	EZ	ECB Marginal Lending Facility	Sep-07	0.25%	0.25%	0.25%	
	18:45	EZ	ECB Deposit Facility Rate	Sep-07	-0.4%	-0.4%	-0.4%	
	18:45	EZ	ECB Asset Purchase Target	Sep	EU60b	EU60b	EU60b	
	19:30	US	Initial Jobless Claims	Sep-02	298k	245k	236k	
	19:30	US	Continuing Claims	Aug-26	1940k	1945k	1942k	1945k
	19:30	US	Productivity Revised	2Q F	1.5%	1.3%	0.9%	
	19:30	US	Labor Costs Revised	2Q F	0.2%	0.3%	0.6%	
	21:00	CA	Ivey Purchasing Managers Index SA	Aug	56.3	--	60	
	22:00	US	DOE U.S. Crude Oil Inventories	Sep-01	4580k	4000k	-5392k	
	22:00	US	DOE U.S. Distillate Inventory	Sep-01	797k	--	748k	689k
	22:00	US	DOE U.S. Gasoline Inventories	Sep-01	-3199k	-5200k	35k	
	23:15	US	Fed's Mester on Economic Outlook and Monetary Policy					
<b>Fri/08-Sep-17</b>	05:45	NZ	Mfg Activity SA QoQ	2Q	3.9%	--	2.8%	
	05:45	NZ	Mfg Activity Volume QoQ	2Q	1.0%	--	-0.3%	
	06:00	US	Fed's Dudley Speaks on U.S. Economic Outlook, Monetary Policy					
	06:50	JP	BoP Current Account Adjusted	Jul		¥1664.0b	¥1522.5b	
	06:50	JP	Trade Balance BoP Basis	Jul		--	¥518.5b	
	06:50	JP	BoP Current Account Balance	Jul		¥2058.6	¥934.6b	
	06:50	JP	GDP SA QoQ	2Q F		--	1.0%	
	06:50	JP	GDP Annualized SA QoQ	2Q F		--	4.0%	
	06:50	JP	GDP Nominal SA QoQ	2Q F		--	1.1%	
	06:50	JP	GDP Deflator YoY	2Q F		--	-0.4%	
	06:50	JP	GDP Private Consumption QoQ	2Q F		--	0.9%	
	06:50	JP	GDP Business Spending QoQ	2Q F		--	2.4%	
	07:30	US	Fed's Bostic to Discuss Economy at New Orleans Forum					
	N/A	CN	Trade Balance CNY	Aug		--	321.20b	
	N/A	CN	Imports YoY CNY	Aug		--	14.7%	
	N/A	CN	Exports YoY CNY	Aug		--	11.2%	
	N/A	CN	Imports YoY	Aug		10.0%	11.0%	
	N/A	CN	Exports YoY	Aug		6.6%	7.2%	
	N/A	CN	Trade Balance	Aug		\$49.30b	\$46.74b	
	10:00	AU	RBA's Debelle Participates in Panel in Sydney					
	12:45	CH	Unemployment Rate	Aug		--	3.0%	
	12:45	CH	Unemployment Rate SA	Aug		--	3.2%	
	13:00	DE	Trade Balance	Jul		--	21.2b	
	13:00	DE	Current Account Balance	Jul		--	23.6b	
	13:00	DE	Exports SA MoM	Jul		1.25%	-2.8%	
	13:00	DE	Imports SA MoM	Jul		3.0%	-4.5%	

	15:30	AU	RBA Governor Lowe Gives Speech in Sydney					
	15:30	GB	Industrial Production MoM	Jul		--	0.5%	
	15:30	GB	Industrial Production YoY	Jul		--	0.3%	
	15:30	GB	Manufacturing Production MoM	Jul		--	0.0%	
	15:30	GB	Manufacturing Production YoY	Jul		--	0.6%	
	15:30	GB	Construction Output SA MoM	Jul		--	-0.1%	
	15:30	GB	Construction Output SA YoY	Jul		--	0.9%	
	15:30	GB	Visible Trade Balance GBP/Mn	Jul		--	-£12722	
	15:30	GB	Trade Balance Non EU GBP/Mn	Jul		--	-£4471	
	15:30	GB	Trade Balance	Jul		--	-£4564	
	15:30	GB	BoE/TNS Inflation Next 12 Mths	Aug		--	2.8%	
	19:00	GB	NIESR GDP Estimate	Aug		--	0.2%	
	19:30	CA	Capacity Utilization Rate	2Q		--	83.3%	
	19:30	CA	Net Change in Employment	Aug		--	10.9k	
	19:30	CA	Unemployment Rate	Aug		--	6.3%	
	19:30	CA	Full Time Employment Change	Aug		--	35.1	
	19:30	CA	Part Time Employment Change	Aug		--	-24.3	
	19:30	CA	Participation Rate	Aug		--	65.7	
	19:45	US	Fed's Harker Speaks on Consumer Finance in Philadelphia					
	21:00	US	Wholesale Inventory	Jul		0.4%	0.4%	
	21:00	US	Wholesale Sales	Jul		0.4%	0.7%	
	02:00	US	Consumer Credit	Jul		15b	12.4b	
<b>Sat/09-Sep-17</b>	00:00	US	Baker Hughes U.S. Rig Count	09-Sep		--	943	
	02:00	US	Consumer Credit	Jul		\$15.500b	\$12.397b	
	08:30	CN	CPI YoY	Aug		1.6%	1.4%	
	08:30	CN	PPI YoY	Aug		5.4%	5.5%	

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



## ASIAN STOCK INDICATORS – Daily Outlook

**Japan's Nikkei share** average rose on Thursday, pulling away from the previous session's four-month intraday lows after news of an agreement in Washington to raise the U.S. debt limit helped restore investors' risk appetites.

The Nikkei ended 0.2 percent higher at 19,396.52.

Major U.S. stock indexes finished higher overnight after President Donald Trump forged a surprising deal with Democrats in Congress on Wednesday to extend the U.S. debt ceiling and provide government funding until Dec. 15.

Investors also pondered news that U.S. Federal Reserve Vice Chair Stanley Fischer will step down in mid-October, potentially accelerating Trump's opportunity to reshape the direction of the central bank.

Trump also said on Wednesday that he would get into "great detail" over the next two weeks on his U.S. tax reform plan, which has been short on specifics.

He also warned on Wednesday that the United States would no longer tolerate North Korea's actions after its sixth nuclear test, but said the use of military force against Pyongyang would not be his "first choice."

Investors remained wary of Hurricane Irma, which could strike Florida over the weekend.

The broader Topix gained 0.4 percent at 1,598.24 and the JPX-Nikkei Index 400 added 0.3 percent to 14,161.14.

**South Korean shares** snapped a five-day losing streak and ended near a one-week high on Thursday as global investor sentiment improved and the United States suspended immediate plans to end its free trade pact with Seoul for now.

The Korea Composite Stock Price Index (KOSPI) closed up 1.1 percent at 2,346.19 points.

Foreign investors also returned to purchase local equities, buying a net 72.4 billion won (\$64.10 million) worth on the day.

The South Korean won also strengthened to end at 1,1129.4 to the dollar at the conclusion of onshore trade, up 0.5 percent versus Wednesday's close of 1,135.4.

Despite the rally, North Korea risks remain in view with South Korea deploying additional anti-missile defences to protect against further provocations from Pyongyang.

**Hong Kong stocks** reversed earlier gains to end lower on Thursday, pressured by losses in the mainland share market.

The Hang Seng index fell 0.3 percent, to 27,522.92 points, while the China Enterprises Index lost 0.3 percent, to 11,098.72 points.

Sector performance was mixed.

Information technology and energy firms fell, losing 1 percent and 0.6 percent, respectively.

Developers rose 1.1 percent, led by China Vanke, which leapt 9.6 percent to a record high.

An index tracking major material firms moved up 0.9 percent to a 27-month high, having gained 34.5 percent so far this year amid a weaker dollar and expectations that China's economic growth will remain largely robust through the year-end.

Knitwear products maker Shenzhou International Group Holdings Ltd slumped 6.8 percent in its worst day in nearly two years, as two key shareholders plan to sell shares worth HK\$3.22 billion (\$411.64 million) in a placement to institutional and other investors.

**China stocks** fell on Thursday, as profit taking in resource shares following their recent rally and weakness in the banking sector offset strong gains in real estate companies.

The blue-chip CSI300 index fell 0.5 percent, to 3,829.87 points, while the Shanghai Composite Index lost 0.6 percent to 3,365.50 points.

However, the Shanghai index remains firmly above the 3,300 mark for the 10th session in a row, a level that had posed stiff resistance for the benchmark since early 2016.

The real estate sector led the gains with a 4.5 percent jump, posting its best day in two months.

Banking and energy firms dragged on the market, with losses of 0.9 percent and 1.5 percent, respectively.

*(Source Reuters, Research: @ErwinRiset)*

## ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
<b>RECORD HIGH</b>	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)
<b>2016 HIGH</b>	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)
<b>2017 HIGH</b>	20318.11 (20/June/2017)	322.16 (25/Jul/2017)	28127.90 (30/Aug/2017)	22179.11 (08/Aug/2017)	2490.87 (08/Aug/2017)	3391.01050 (06/Sep/2017)
<b>2017 LOW</b>	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)
<b>2016 LOW</b>	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)
<b>RECORD LOW</b>	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 – 07 September 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21784.78	↓ 22.86/ 0.10%	.N225	19396.52	↑ 38.55/0.20%
/.SPX	2465.10	↓ 0.44/ 0.02%	.KS200	306.97	↑ 3.79/1.25%
/.IXIC	6397.869	↑ 4.555/ 0.07%	.HSI	27522.92	↓ 90.84/0.33%
JPY=	108.44	↓ 0.78/ 0.71%	/.SSEC	3366.43240	↓ 18.95640/0.56%
KRW=	1126.89	↓ 4.96/ 0.44%	/Clc1 (Oil)	49.09	↓ 0.07/0.14%



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



- Correction continues, facing strong support at 19140
  - Consider the trendline support area around 18930
  - Beware of rebound will develop if able to hold above 19255
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
07 Sep SSIpmZ7	19275	19335	19210	125	19285	---	↑ 5	0.03	24617
07 Sep SSIamZ7	19330	19345	19220	125	19280	19280	↑ 70	0.36	65675
07 Sep SSIamU7	19460	19485	19365	120	19430	19430	↑ 80	0.41	28707
06 Sep SSIpmU7	19345	19485	19295	190	19460	---	↑ 110	0.57	34556
06 Sep SSIamU7	19335	19370	19255	115	19350	19350	↓ 85	0.44	109412
05 Sep SSIpmU7	19400	19465	19265	200	19350	---	↓ 85	0.44	43321
05 Sep SSIamU7	19570	19585	19350	235	19435	19435	↑ 5	0.03	113225
04 Sep SSIpmU7	19465	19545	19440	105	19520	---	↑ 90	0.46	37321
04 Sep SSIamU7	19565	19625	19425	200	19430	19430	↓ 265	1.35	77223
01 Sep SSIpmU7	19700	19730	19670	60	19685	---	↓ 10	0.05	27231
01 Sep SSIamU7	19700	19740	19620	120	19695	19695	UNCH	UNCH	50209

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19625	19210	19740	19210	20100	19140	20290	18190
(04/Sep)	(07/Sep)	(01/Sep)	(07/Sep)	(02/Aug)	(29/Aug)	(20/Jun)	(17/Apr)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	19625	Reaction high (hourly)
	19585	Reaction high (hourly)
	19485	Reaction high (hourly)
	19345	Reaction high (hourly)
<b>SUPPORT</b>	19140	Low 29/Aug/2017 (Bottom)
	19055	Low 26/Apr/2017
	18850	Low 25/Apr/2017
	18550	Low 24/Apr/2017
<b>RECOMMENDATION</b>	BUY	----
	SELL	19315
	STOP LOSS	19400
	TARGET	19180 19100

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



- Rebound sharply, facing trendline resistance around 308.00
- Important resistance at 310.55, and strong resistance at 312.55  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
07 Sep	304.55	307.70	304.30	3.40	307.55	307.55	↓ 3.90	1.28	197147
06 Sep	304.10	304.20	302.70	1.50	303.65	303.65	↓ 0.40	0.13	161567
05 Sep	305.95	306.00	303.50	2.50	304.05	304.05	↓ 0.80	0.26	191694
04 Sep	303.10	306.60	303.00	3.60	304.85	304.85	↓ 2.80	0.91	219499
01 Sep	309.10	309.50	306.85	2.65	307.65	307.65	↓ 0.35	0.11	175475
31 Aug	309.90	310.55	307.40	3.15	308.00	308.00	↓ 2.35	0.76	173453

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
307.70 (07/Sep)	302.70 (06/Sep)	309.50 (01/Sep)	302.70 (06/Sep)	319.45 (01/Aug)	302.30 (11/Aug)	322.75 (25/Jul)	259.25 (02/Jan)

#### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	312.55	High 25/Aug/2017
	312.05	High 28/Aug/2017
	310.55	High 31/Aug/2017
	309.50	High 01/Sep/2017
<b>SUPPORT</b>	306.05	Pivot line (hourly)
	304.30	Low 07/Sep/2017
	302.70	Low 04/Sep/2017
	302.30	Low 06/Sep/2017 (Bottom)
<b>RECOMMENDATION</b>	BUY	306.60
	SELL	----
	STOP LOSS	305.90
	TARGET	308.75 309.85

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



- Crucial area of 27600 is still tested
  - If it can hold above 27600, then the rebound potentially develops
  - While the strong support area around 26800
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
07 Sep	27737	27788	27430	358	27478	27478	↓ 107	0.39	122509
06 Sep	27614	27650	27350	300	27585	27585	↓ 126	0.45	130068
05 Sep	27775	27824	27628	196	27711	27711	↓ 46	0.17	102122
04 Sep	27807	27870	27611	259	27757	27756	↓ 113	0.41	109967
01 Sep	27980	28050	27851	199	27870	27869	↓ 69	0.25	101179
31 Aug (HSIU7)	27932	27966	27820	146	27939	27937	↓ 40	0.14	104355
30 Aug (HSIU7)	27750	28008	27740	268	27979	27979	↑ 377	1.37	112511

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
27870 (04/Sep)	27350 (06/Sep)	28050 (01/Sep)	27350 (06/Sep)	28071 (28/Aug)	26834 (11/Aug)	28071 (28/Aug)	21863 (03/Jan)

#### ANALYSIS & RECOMMENDATION

RESISTANCE	28071	High 28/Aug/2017
	27968	Reaction high (hourly)
	27824	Reaction high (hourly)
	27788	Reaction high (hourly)
SUPPORT	27430	Reaction low (hourly)
	27350	Low 06/Sep/2017
	27130	Low 22/Aug/2017
	26924	Low 18/Aug/2017 (Reaction low)
RECOMMENDATION	BUY	27490
	SELL	----
	STOP LOSS	27400
	TARGET	27680
		27825

## CURRENCIES – Daily Outlook

### Euro rises past \$1.20 on ECB outcome; dollar falls vs yen - Reuters News



The euro jettied past \$1.20 and was on course for its biggest daily percentage gain against the U.S. dollar in nearly two weeks on Thursday amid European Central Bank indications a decision on tapering stimulus is likely in October, while the dollar also plunged against the yen.

The ECB must take into account the weakening of inflation owing to the strong euro as it prepares to wind down its unprecedented stimulus program, bank chief Mario Draghi said after the ECB kept rates at record lows and confirmed that asset purchases would continue at least until December.

Draghi reiterated, however, that policymakers would decide on tapering this autumn, adding: "Probably the bulk of these decisions will be taken in October."

The dollar index, which measures the greenback against a basket of six major rivals, fell as much as 1.1 percent to its lowest since January 2015 of 91.405.

"Even though Mr. Draghi tried to sound dovish, in my opinion it sounded like there was a decent level of confidence in economic growth," said Sireen Harajli, FX strategist at Mizuho in New York. "The likelihood to announce tapering in October I think probably drove the euro higher."

The euro rallied as much as 1.2 percent on the day to \$1.2059, its highest since Aug. 29, when the currency hit a more than 2-1/2-year high of \$1.2069.

The euro has surged more than 14 percent so far this year through Thursday trading, and Draghi cited the strength as a reason for the ECB lowering its inflation forecasts for next year and 2019.

The dollar fell more than 1 percent against the safe-haven yen to a roughly 10-month low of 108.07 yen. Analysts said the yen rallied as U.S. and German government bond yields declined on the back of the ECB decision to keep rates at record lows.

The dollar also fell against the yen as traders grew uncomfortable with the outlook for U.S. fiscal policy once a three-month extension to the U.S. debt limit that U.S. President Donald Trump said he agreed to Wednesday expires.

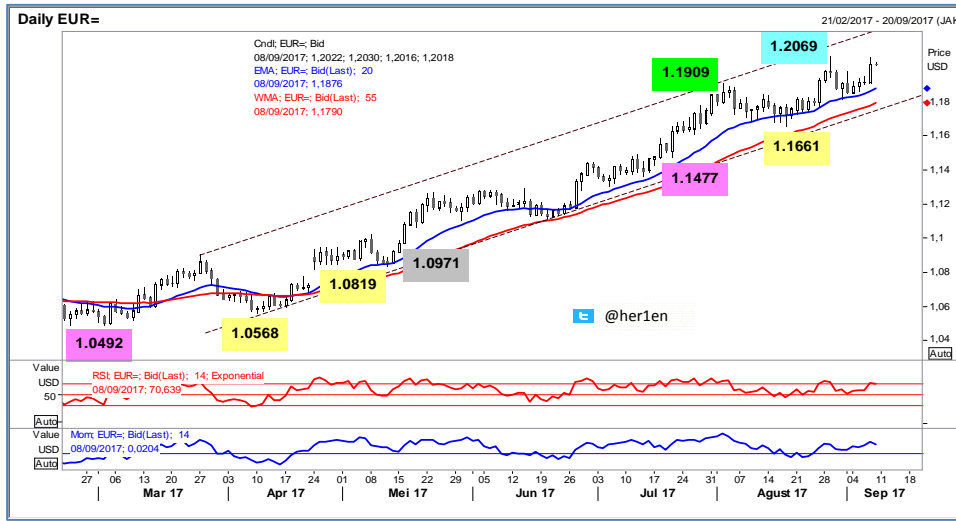
"The risk for the dollar still exists," said Kathy Lien, managing director at BK Asset Management in New York. "The can has been kicked down the road, so the problem hasn't been resolved."

The dollar fell to a fresh more than two-year low against the Canadian dollar of C\$1.2120 a day after the Bank of Canada raised interest rates.

*(Source Reuters, Research – @her1en)*

## EUR/USD

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



- With support area at 1.1771
- Crucial resistance around 1.2254  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	1.19196	1.20583	1.19130	145,3	1.20205	↑ 105,3	1.19152
Sep 06	1.19122	1.19489	1.19017	47,2	1.19152	↑ 9,7	1.19055
Sep 05	1.18969	1.19392	1.18669	72,3	1.19055	↑ 12,3	1.18932
Sep 04	1.18770	1.19208	1.18760	44,8	1.18932	↑ 26,5	1.18667
Sep 01	1.19193	1.19776	1.18478	129,8	1.18667	↓ 39,4	1.19061

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.20583 (07/Sep)	1.18669 (05/Sep)	1.20583 (07/Sep)	1.18478 (01/Sep)	1.20693 (29/Aug)	1.16611 (17/Aug)	1.20693 (29/Aug)	1.0342 (03/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	1.2352	High Dec 18, 2014
	1.2254	High Dec 25, 2014
	1.2108	High Jan 02, 2015
	1.2059	High Sept 07
SUPPORT	1.1901	Low Sept 06
	1.1864	Low Sept 05
	1.1771	Low Aug 25
	1.1729	Low Aug 21
RECOMMENDATION	BUY	1.1995
	SELL	-----
	STOP LOSS	1.1920
	TARGET	1.2075 1.2105

## USD/JPY

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



- Consecutive lower highs formation still supports a bearish signal
  - However be alert the RSI near the oversold zone
  - If the crucial resistance at 108.80 remains intact, the downtrend will likely continue
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	109.228	109.251	108.036	121,5	108.422	↓ 79,0	109.212
Sep 06	108.719	109.385	108.439	94,6	109.212	↑ 42,3	108.789
Sep 05	109.655	109.822	108.620	120,2	108.789	↓ 87,7	109.666
Sep 04	109.819	109.923	109.372	55,1	109.666	↓ 55,4	110.220
Sep 01	109.923	110.488	109.540	94,8	110.220	↑ 24,8	109.972

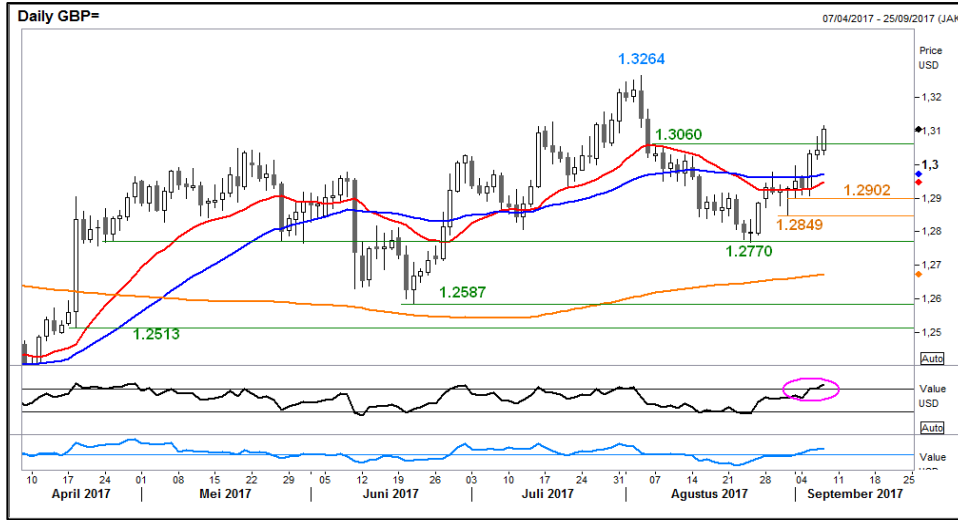
WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
109.923 (04/Sep)	108.036 (07/Sep)	110.488 (01/Sep)	108.036 (07/Sep)	111.038 (04/Aug)	108.256 (29/Aug)	118.60 (03/Jan)	108.036 (07/Sep)

### ANALYSIS & RECOMMENDATION

RESISTANCE	111.04	High 04/Aug/2017 (Reaction high)
	110.66	High 31/Aug/2017 (Reaction high)
	109.92	Reaction high (hourly)
	109.39	Peak (hourly)
SUPPORT	108.04	Low 07/Sep/2017
	107.74	Low 15/Nov/2016
	106.51	Low 14/Nov/2016
	106.00	Low 11/Nov/2016
RECOMMENDATION	BUY	----
	SELL	108.60
	STOP LOSS	109.50
	TARGET	107.80 107.25

## GBP/USD

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



- Rally continues to form consecutive higher lows pattern, facing the resistance level at 1.3264
- However RSI in the overbought zone
- Be alert of a reversal if it fails to hold above 1.3060  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	1.30394	1.31146	1.30315	83,1	1.30992	↑ 59,0	1.30402
Sep 06	1.30338	1.30812	1.30174	63,8	1.30402	↑ 12,6	1.30276
Sep 05	1.29286	1.30415	1.29076	133,9	1.30276	↑ 110,7	1.29169
Sep 04	1.29609	1.29649	1.29114	53,5	1.29169	↓ 38,6	1.29555
Sep 01	1.29254	1.29931	1.29043	88,8	1.29555	↑ 74,4	1.28811

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.30812 (06/Sep)	1.29076 (05/Sep)	1.30812 (06/Sep)	1.29043 (01/Sep)	1.32665 (03/Aug)	1.27728 (24/Aug)	1.32665 (03/Aug)	1.1986 (16/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	1.3346	High 12/Sep/2016 (Reaction high)
	1.3278	High 15/Sep/2016 (Reaction high)
	1.3264	High 03/Aug/2017 (Peak)
	1.3164	High 04/Aug/2017
SUPPORT	1.3030	Low 07/Sep/2017
	1.2999	Pivot line (hourly)
	1.2902	Low 01/Sep/2017
	1.2849	Low 31/Aug/2017
RECOMMENDATION	BUY	1.3075
	SELL	----
	STOP LOSS	1.3005
	TARGET	1.3165 1.3235



## USD/CHF

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



- Reversal develops after failing to hold above the crucial level of 0.9580
- Correction is currently facing the support area at 0.9436 - 0.9428  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	0.95596	0.95936	0.94927	100,9	0.95036	↓ 63,2	0.95668
Sep 06	0.95503	0.95808	0.95266	54,2	0.95668	↑ 15,3	0.95515
Sep 05	0.95782	0.96130	0.95331	79,9	0.95515	↓ 37,9	0.95894
Sep 04	0.96086	0.96166	0.95506	66,0	0.95894	↓ 57,3	0.96467
Sep 01	0.95815	0.96513	0.95443	107,0	0.96467	↑ 60,8	0.95859

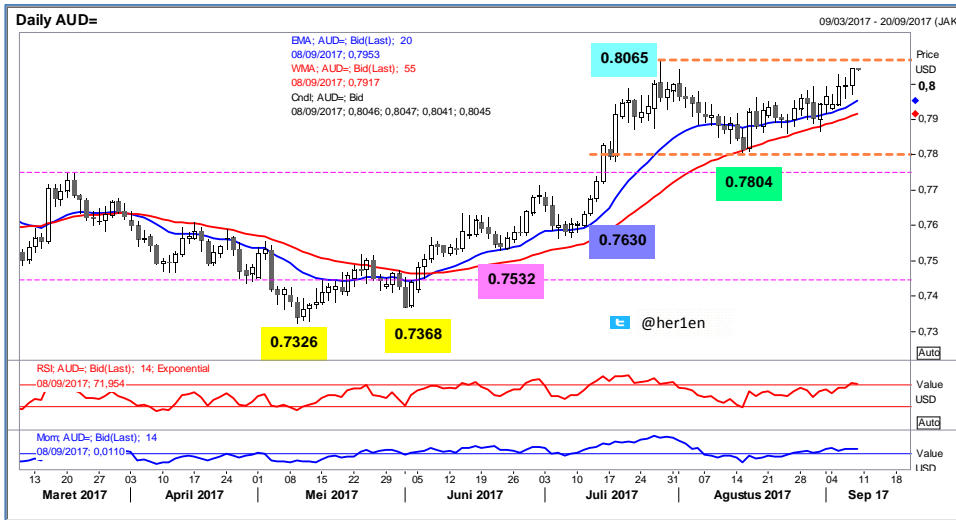
WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.96166 (04/Sep)	0.94927 (07/Sep)	0.96513 (01/Sep)	0.94927 (07/Sep)	0.97715 (08/Aug)	0.94269 (29/Aug)	1.0335 (03/Jan)	0.94269 (29/Aug)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.9808	High 30/May/2017 (Reaction high)
	0.9772	High 08/Aug/2017 (Reaction high)
	0.9696	High 23/Aug/2017 (Reaction high)
	0.9614	High 05/Sep/2017
SUPPORT	0.9428	Low 29/Aug/2017
	0.9379	Low 26/Aug/2015
	0.9295	Low 25/Aug/2015
	0.9241	Low 29/Jun/2015 (Reaction low)
RECOMMENDATION	BUY	----
	SELL	0.9535
	STOP LOSS	0.9620
	TARGET	0.9450 0.9420

## AUD/USD

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



- Moves in trend channel, approach the top of the daily channel trend
- Main resistance at 0.8295  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	0.80017	0.80476	0.79733	74,3	0.80441	↑ 50,2	0.79939
Sep 06	0.79952	0.80199	0.79623	57,6	0.79939	↓ 2	0.79941
Sep 05	0.79462	0.80272	0.79410	86,2	0.79941	↑ 47,3	0.79468
Sep 04	0.79591	0.79716	0.79419	29,7	0.79468	↓ 21,8	0.79686
Sep 01	0.79445	0.79918	0.79205	71,3	0.79686	↑ 25,2	0.79434

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.80476 (07/Sep)	0.79410 (05/Sep)	0.80476 (07/Sep)	0.79205 (01/Sep)	0.80416 (01/Aug)	0.78067 (15/Aug)	0.80646 (27/Jul)	0.7182 (03/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.8375	High Dec 11, 2014
	0.8295	High Jan 15, 2015 (Reaction high)
	0.8162	High May 14, 2015
	0.8065	High July 27
SUPPORT	0.7940	Low Sept 05
	0.7863	Low Aug 24
	0.7812	Low Aug 16
	0.7721	Low July 14
ECOMMENDATION	BUY	0.8020
	SELL	-----
	STOP LOSS	0.7950
	TARGET	0.8100 0.8130

## NZD/USD

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



- Trend channel pattern supports bearish signal
- Correction facing the support area at 0.7100 - 0.7050
- Daily RSI is flat  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	0.71973	0.72410	0.71711	69,9	0.72327	↑ 34,2	0.71985
Sep 06	0.72403	0.72601	0.71853	74,8	0.71985	↓ 35,0	0.72335
Sep 05	0.71642	0.72623	0.71568	105,5	0.72335	↑ 66,4	0.71671
Sep 04	0.71628	0.71812	0.71552	26,0	0.71671	↑ 2,7	0.71644
Sep 01	0.71752	0.72047	0.71446	60,1	0.71644	↓ 12,3	0.71767

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.72623 (05/Sep)	0.71552 (04/Sep)	0.72623 (05/Sep)	0.71446 (01/Sep)	0.75239 (01/Aug)	0.71305 (31/Aug)	0.75570 (27/Jul)	0.68166 (11/May)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	0.7473	High Aug 02
	0.7454	High Aug 04
	0.7335	High Aug 22
	0.7298	High 29/Aug/2017
<b>SUPPORT</b>	0.7156	Low Sept 05
	0.7112	Low June 05
	0.7054	Low June 01
	0.7005	Low May 26
<b>RECOMMENDATION</b>	BUY	-----
	SELL	0.7240
	STOP LOSS	0.7305
	TARGET	0.7170 0.7140

## EUR/JPY

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



- Rebound faces the resistance area of 131.39 - 131.70
- While the crucial support area is at 128.34
- Daily trend still tends to be bullish ([Research – @ErwinRiset](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	130.210	131.064	129.883	118,1	130.348	↑ 19,5	130.153
Sep 06	129.496	130.368	129.340	102,8	130.153	↑ 45,8	129.695
Sep 05	130.458	130.610	129.355	125,5	129.695	↓ 73,4	130.429
Sep 04	130.436	130.681	130.077	60,4	130.429	↓ 36,9	130.798
Sep 01	131.028	131.315	130.633	68,2	130.798	↓ 13,9	130.937

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
131.064 (07/Sep)	129.340 (06/Sep)	131.315 (01/Sep)	129.340 (06/Sep)	131.678 (30/Aug)	127.532 (18/Aug)	131.678 (30/Aug)	114.87 (17/Apr)

### ANALYSIS & RECOMMENDATION

RESISTANCE	133.79	High 16/Dec/2015 (Reaction high)
	132.80	High 22/Dec/2015 (Reaction high)
	132.25	High 29/Jan/2016 (Peak)
	131.70	High 30/Aug/2017
SUPPORT	129.34	Low 06/Sep/2017 (Reaction low)
	129.09	Low 25/Aug/2017
	127.82	Low 21/Aug/2017
	127.42	Low 06/Jul/2017 (Reaction low)
RECOMMENDATION	BUY	130.05
	SELL	----
	STOP LOSS	129.25
	TARGET	130.95 131.40

## USD/CAD

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



- Consecutive lower highs formation supports a bearish signal
  - Correction faces psychology level of 1.2100
  - Beware of RSI is in the oversold zone
- [\(Research – @ErwinRiset\)](#)

<b>WEEKLY OPEN</b>	<b>CURRENT PRICE</b>
<b>1.2399</b>	<b>1.2115</b>

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2428 (04/Sep)	1.2106 (07/Sep)	1.2491 (01/Sep)	1.2106 (07/Sep)	1.2778 (15/Aug)	1.2438 (29/Aug)	1.3793 (05/May)	1.2106 (07/Sep)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	1.2691	High 18/Aug/2017 (Reaction high)
	1.2491	High 01/Sep/2017
	1.2415	High 06/Sep/2015
	1.2244	Reaction high (hourly)
<b>SUPPORT</b>	1.1997	Low 18/May/2015
	1.1930	Low 19/Jan/2015
	1.1916	Low 14/May/2015 (Bottom)
	1.1799	Low 15/Jan/2015 (Reaction low)
<b>RECOMMENDATION</b>	BUY	----
	SELL	1.2140
	STOP LOSS	1.2250
	TARGET	1.2050 – 1.1990

## Precious Metal – *Daily Outlook*

### Gold hits one-year peak as dollar drops on weak U.S. jobs data - Reuters News



Gold prices rose to a one-year peak on Thursday after the dollar tumbled on the back of weak U.S. jobs data and an unchanged growth and inflation outlook from the European Central Bank.

The dollar index, which measures the greenback against a basket of six major rivals, fell as much as 1.1 percent to its lowest since January 2015 of 91.405.

Spot gold climbed to an intraday peak of \$1,349.49 an ounce, the strongest since September 7 2016,

before paring gains to \$1,348.26 by 4:18 p.m. EDT (2018 GMT), a rise of 1.1 percent. It eased 0.3 percent in the previous session.

U.S. gold futures for December delivery settled at \$1,350.30.

The number of Americans filing for unemployment benefits jumped to its highest in more than two years last week amid a surge in applications in hurricane-ravaged Texas, sending the dollar lower.

Also pressuring the dollar on Thursday was a resurgent euro, which was set for its biggest 1-day gain against the dollar since Aug. 25 after the European Central Bank broadly stuck to its outlook for growth and inflation.

"ECB President Draghi's comments bruised the already wobbly dollar which propelled gold to fresh highs of the current rally," said Tai Wong, director of base and precious metals trading for BMO Capital Markets in New York.

"Gold often benefits from dollar weakness but that reverse correlation has been particularly strong in recent weeks. Today, the chart of gold and the dollar index is quite literally a mirror image."

Higher interest rates tend to boost the dollar and push up bond yields, putting pressure on gold prices by increasing the opportunity cost of holding non-yielding bullion.

Continuing tensions with North Korea over its nuclear tests provided further support for safe-haven gold.

"Geopolitical tensions remain elevated surrounding North Korea, so I'd expect that would keep gold pretty well supported in the short term and in the week ahead," said Jonathan Butler, commodities analyst at Mitsubishi in London.

China agreed on Thursday that the United Nations should take more action against North Korea after its latest nuclear test, while also pushing for dialogue to help ease tensions.

The market will soon start to shift its focus to the next U.S. Federal Reserve's next monetary policy meeting, due to begin on Sept. 19.

"I expect some downward pressure on gold starting next week and a rebound in the dollar short-term," said Samson Li, an analyst with Thomson Reuters-owned metals consultancy GFMS.

Silver rose 1.5 percent to \$18.104 an ounce, while platinum rose 1.3 percent to \$1,016.10 an ounce.

Palladium added 1.65 percent to \$955 an ounce.

*(Source Reuters, Research – @her1en)*

## GOLD (XAU/USD)



- Beware of daily RSI entering overbought area
  - Rebound faces resistance around 1374
  - While the crucial support area is around 1300
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Sep 07	1334.050	1349.750	1332.430	17.32	1348.900	↑ 14.93	1333.970	1340.45	1343.50
Sep 06	1339.460	1342.320	1331.540	10.78	1333.970	↓ 5.55	1339.520	1340.15	1337.85
Sep 05	1332.860	1344.200	1326.140	18.06	1339.520	↑ 5.40	1334.120	1331.15	1335.55
Sep 04	1336.000	1339.660	1331.730	7.93	1334.120	↑ 9.20	1324.920	1334.60	1333.10
Sep 01	1321.540	1328.415	1316.290	12.13	1324.920	↑ 3.73	1321.190	1318.40	1320.40

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1349.750 (07/Sep)	1326.140 (05/Sep)	1349.750 (07/Sep)	1316.290 (01/Sep)	1325.870 (29/Aug)	1251.380 (08/Aug)	1349.750 (07/Sep)	1146.31 (03/Jan)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	1374.91	High July 06, 2016 (Peak)
	1367.33	High 02/Aug/2016 (Peak)
	1352.65	High 07/Sep/2016 (Peak)
	1344.21	High Sept 05
<b>SUPPORT</b>	1326.99	Low Sept 05
	1300.35	Low Aug 31
	1291.50	Low Aug 28
	1280.20	Low Aug 21
<b>RECOMMENDATION</b>	BUY	1347.00
	SELL	-----
	STOP LOSS	1336.00
	TARGET	1358.30 1363.00



## SILVER (XAG/USD)



- With strong resistance at 18.64
- While the crucial support area is around 17.00
- Beware of daily RSI entering overbought area  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	17.856	18.133	17.781	0.35	18.098	↑ 0.24	17.855
Sep 06	17.888	17.978	17.797	0.18	17.855	↓ 0.01	17.868
Sep 05	17.841	17.988	17.765	0.22	17.868	FLAT	17.864
Sep 04	17.839	17.930	17.767	0.16	17.864	↑ 0.16	17.703
Sep 01	17.557	17.735	17.405	0.33	17.703	↑ 0.15	17.554

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
18.133	17.765	18.133	17.405	17.647	16.108	18.63	14.334
(07/Sep)	(05/Sep)	(07/Sep)	(01/Sep)	(29/Aug)	(07/Aug)	(17/Apr)	(07/Jul)

### ANALYSIS & RECOMMENDATION

RESISTANCE	18.99	High 09/Nov/2016 (Peak)
	18.64	Reaction high (High Apr 17)
	18.43	High Apr 18
	18.22	High Apr 20
SUPPORT	17.74	Low Sept 05
	17.44	Low Sept 04
	17.24	Low Aug 31
	16.99	Low Aug 28
ECOMMENDATION	BUY	18.05
	SELL	-----
	STOP LOSS	17.70
	TARGET	18.45
		18.65

## OIL – Daily Outlook

### Oil mixed, Brent rises as Irma casts shadow over Harvey recovery - Reuters News



Oil futures were mixed on Thursday, with Brent rising to a 5-1/2 month high while U.S. crude slipped on a bigger-than expected crude stock build, as the restart of U.S. refiners after Hurricane Harvey was countered by the threat of Hurricane Irma.

Brent futures gained 29 cents, or 0.5 percent, to settle at \$54.49 a barrel, its highest close since April 18 for a second day in a row.

U.S. West Texas Intermediate crude, meanwhile, lost 7 cents, or 0.1 percent, to settle at \$49.09 per barrel.

The U.S. Energy Information Administration said on Thursday U.S. weekly crude stocks increased 4.6

million barrels last week, topping analysts' forecast for a 4.0-million-barrel build in a Reuters poll.

Reflecting the impact of Harvey which hit the Gulf Coast on Aug. 25, the EIA said U.S. oil refinery utilization rates slumped 16.9 percentage points to 79.7 percent last week, the lowest rate since 2010.

U.S. Gulf Coast utilization rates dropped to 63.4 percent, the lowest rates since the EIA began collecting the data in 2010.

"The impact of Hurricane Harvey is clearly visible in the report. The data scrambles the recent trend of declining crude inventories and further rises are likely in the weeks ahead," said John Kilduff, partner at energy hedge fund Again Capital LLC in New York.

He noted the big drop in refinery utilization "almost assures" crude stockpiles will continue to rise in coming weeks.

U.S. Gulf Coast facilities were slowly recovering from the devastating effects of Harvey, which hammered Louisiana and Texas almost two weeks ago, shutting key infrastructure in the heart of the U.S. oil and natural gas industry.

As of Wednesday, about 3.8 million barrels of daily refining capacity, or 20 percent of the U.S. total, was shut in, though a number of refineries and petroleum-handling ports were restarting.

U.S. refiner Valero's five refineries located on the Texas Gulf Coast are in the process of ramping back up, Chief Executive officer Joe Gorder said on Thursday.

At the same time, prices were weighed down by fears that Hurricane Irma in the Caribbean could interrupt crude shipments in and out of the United States.

In the week after Harvey hit, U.S. crude exports dropped 749,000 barrels per day to 153,000 bpd.

Irma barreled into Caribbean islands overnight with wind speeds up to 185 miles per hour (295 kph) and was heading for Florida. Fuel shortages were reported in Florida as retailers struggled to keep up with demand from customers, many of whom were evacuating and filling tanks ahead of the storm's landfall expected this weekend.

Another Atlantic storm, Jose, is following on Irma's heels and is expected to gain in strength and intensify into a major hurricane by Friday, according to the U.S. National Hurricane Center. Yet another hurricane, Katia, is in the Gulf of Mexico.

"Demand may continue to be distorted as multiple hurricanes make their way across the Caribbean," said Jeffrey Halley, senior market analyst at futures brokerage OANDA.

*(Source Reuters, Research – @her1en)*

**CLV7/USD (OIL)**  
 (Exp.: 20 Sep. 2017 - Reuters)



- Daily RSI is rise
- Downtick target at 45.25
- Important resistance at 50.70  
 (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Sep 07	49.12	49.31	48.62	0.69	49.10	↓ 0.04	49.14
Sep 06	48.59	49.40	48.51	0.89	49.14	↑ 0.53	48.61
Sep 05	47.37	48.96	47.34	1.62	48.61	↑ 1.26	47.35
Sep 04	47.32	47.63	47.15	0.48	47.35	↑ 0.02	47.33
Sep 01	47.06	47.33	46.55	0.78	47.33	↑ 0.25	47.08

WEEKLY		SEPTEMBER		AUGUST		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
49.40	47.15	49.40	46.55	50.41	45.58	55.22	42.04
(06/Sep)	(04/Sep)	(06/Sep)	(01/Sep)	(01/Aug)	(31/Aug)	(03/Jan)	(21/Jun)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	54.87	High Apr 12 (Peak)
	53.99	High Apr 19
	52.50	High May 25
	50.70	High 30/May/2017 (Reaction high)
<b>SUPPORT</b>	48.52	Low Sept 06
	47.15	Low Sept 05
	46.56	Low Sept 01
	45.58	Low Aug 31
<b>RECOMMENDATION</b>	BUY	48.90
	SELL	----
	STOP LOSS	48.05
	TARGET	50.30 50.80