



# 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 stocks fell on Monday, with electronics heavyweights such as Samsung Electronics knocked lower by a slide in U.S. tech shares and caution ahead of this week's U.S. Federal Reserve policy meeting.
- European stocks were hit on Monday by big falls in Apple suppliers and other tech shares, overshadowing well-received election results in France and Italy.
- A sell-off in Apple and other tech heavyweights dragged stocks down for a second session on Monday, while the dollar slipped ahead of the U.S. Federal Reserve meeting this week.

### GLOBAL ECONOMIES

- Chinese regulators on Monday published draft rules and solicited public feedback for a long-awaited "Bond Connect" programme intended to link China's huge domestic bond market with overseas investors.
- Japan's core machinery orders fell more than expected in April, casting doubt on the strength of companies' capital spending and adding to concerns about the country's fragile economic recovery.
- The Bank of France on Monday maintained its earlier estimate for second-quarter French gross domestic product (GDP) growth of 0.5 percent, and forecast a pick up in the services and construction sectors for June.
- Britain's descent into political crisis just days before Brexit talks begin has sapped confidence among business leaders and infuriated bosses who were already grappling with the fallout from the vote to leave the EU.
- A small majority of traders in China's financial markets think its central bank will likely raise short-term interest rates this week if the U.S. Federal Reserve hikes its key policy rate, as widely expected, according to a Reuters poll.

### GLOBAL MARKETS

**Asia** – Asian stocks fell on Monday, with electronics heavyweights such as Samsung Electronics knocked lower by a slide in U.S. tech shares and caution ahead of this week's U.S. Federal Reserve policy meeting.

MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.8 percent, with the tech index sliding 1.5 percent.

Technology stocks sold off sharply on Wall Street on Friday on concerns about Apple's new iPhones and a cautious Goldman Sachs report about the stocks, prompting heavy profit taking after an extended rally.

Asia's tech giants followed suit on Monday, with South Korea's Samsung Electronics losing 1.8 percent, Taiwan Semiconductor Manufacturing Co down 1.6 percent and Japan's Sharp Corp shedding 2.7 percent.

Japan's Nikkei was down 0.6 percent and South Korea's KOSPI slid 1 percent. Hong Kong's Hang Seng lost 1.2 percent while Shanghai fell 0.6 percent.

Electronics shipments have helped lead an export revival for many of Asia's trade-reliant economies.

The Fed will begin a two-day meeting ending on Wednesday at which it is widely expected to hike interest rates. The focus is on whether the Fed thinks the U.S. economy is robust enough to withstand further rate increases through 2017 and how it plans to whittle down its massive balance sheet.

**Euro Zone** – European stocks were hit on Monday by big falls in Apple suppliers and other tech shares, overshadowing well-received election results in France and Italy.

Shares in chipmakers STMicro, Dialog and AMS all fell between 6.7 percent to 9.2 percent following heavy losses in U.S. and Asian peers.

Apple's worst drop in 14 months on Wall Street on Friday sparked a bout of profit-taking across richly valued tech stocks that have soared to record highs.

"It's really hard to say whether this counter-rotation can be considered the start of something structural or just a natural correction," Alessandro Balsotti, Head of Asset Management at JCI Capital, said.

Europe's tech index fell 3.6 percent, leading sectoral losers in Europe and posting its biggest one-day loss since the post Brexit sell-off in June last year.

The index has soared around 40 percent over the last year to hit a 15 year high earlier this month.

Meanwhile, the pan-European index STOXX 600 closed 1 percent lower, having hit its lowest level in seven weeks earlier in the session.

The index was mildly supported by gains in oil prices which lifted energy stocks and by parliamentary election results in France that looked set to give President Emmanuel Macron a huge majority to push through his pro-business reforms.

Italy also offered some comfort to markets after the eurosceptic 5-Star Movement (M5S) suffered a severe setback in local elections.

While the big win for Macron was expected, the result in Italy came as a surprise.

France's CAC index fell 1.1 percent and Italy's blue chip index fell 1 percent, after briefly inching up into positive territory earlier in the day.

Among individual stock movers, Temenos fell 6.4 percent after the banking software firm terminated a share buyback programme earlier than expected.

The stock has gained 50 percent and raced to record highs since the programme was announced in November 2016.

An upbeat note from Citi supported shares in French carmaker Renault, which helped lift Europe's car index by 0.4 percent, the only sector to trade in positive territory along with a flat energy index.

Oil & gas firms Petrofac Saipem and Tullow Oil were the biggest individual gainers.

Among other gainers on the STOXX was Italian lender UBI Banca, which rose nearly 4 percent on the first day of a 400 million euro cash call to strengthen its capital position.

**U.S. & Global Markets** – A sell-off in Apple and other tech heavyweights dragged stocks down for a second session on Monday, while the dollar slipped ahead of the U.S. Federal Reserve meeting this week.

The technology sector rout weighed on all three major U.S. stock indexes and raised concerns about lofty U.S. share levels.

The Nasdaq ended down 0.5 percent after falling 1.8 percent on Friday. Apple lost 2.5 percent, though other tech giants Alphabet, Facebook and Microsoft also were down.

At the same time, energy shares added to Friday's gains, suggesting that investors were seeking value. The S&P energy index, which has had the biggest declines among sectors so far this year, ended up 0.7 percent.

"You're seeing people not want to come out of the market. They're selling what's been a winner, rotating into what's been a loser because they want to stay in the market. That's not necessarily a bullish omen because when markets are at tops, people want to stay fully invested," said Michael O'Rourke, chief market strategist at JonesTrading in Greenwich, Connecticut.

The S&P technology index ended down 0.8 percent on Monday, but well off its worst levels of the session and it remains up 17.6 percent for the year to date. The sector had ballooned to its most expensive since early 2008 in terms of price-to-earnings expectations.

The Apple-led worries had taken a heavy toll on Asian rivals, including Samsung overnight, and then hit Europe's big chipmakers STMicro and Dialog.

An ebbing of the reflation trade that was based on U.S. President Donald Trump's tax and spending promises, and a run of negative U.S. economic surprises, have prompted some investors to review the mix of their portfolios.

The Dow Jones Industrial Average fell 36.3 points, or 0.17 percent, to 21,235.67, the S&P 500 lost 2.38 points, or 0.10 percent, to 2,429.39 and the Nasdaq Composite dropped 32.45 points, or 0.52 percent, to 6,175.47.

The pan-European STOXX 600 was down 1 percent, while MSCI's gauge of stocks across the globe was down 0.3 percent.

In the foreign exchange market, the dollar index slipped 0.1 percent, with losses limited by investor expectations the Fed will increase U.S. interest rates this week while other central banks, including the Bank of England and Bank of Japan, are likely to remain on hold.

The euro rose 0.1 percent against the dollar to \$1.1205 after pro-European parties scored in French and Italian elections over the weekend. The first round French parliamentary election results look set to give President Emmanuel Macron a huge majority to push through pro-business reforms, which also helped.

Oil gained on signs of inventory declines in the United States. News that Saudi Arabia will limit volumes of crude to some Asian buyers in July and deepen cuts to the United States also boosted prices.

Brent crude futures ended the session up 14 cents, or 0.3 percent at \$48.29 a barrel, while U.S. crude futures gained 25 cents, or 0.6 percent, to settle at \$46.08.

U.S. Treasury yields rose after tepid demand at a 10-year Treasury auction offset strong demand at a three-year auction.

Benchmark 10-year Treasuries were last down 3/32 in price to yield 2.211 percent, from a yield of 2.199 percent late on Friday.

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

## **GLOBAL ECONOMIES**

**China** – Chinese regulators on Monday published draft rules and solicited public feedback for a long-awaited "Bond Connect" programme intended to link China's huge domestic bond market with overseas investors.

Under the draft rules published on the website of the China Foreign Exchange Trade System (CFETS), foreign investors targeting China's bond market under the connection would be required to submit quotation requests of a minimum 1 million yuan (\$147,100).

CFETS said it would have the right to investigate investors whose trading or information disclosure violate its rules or the rules of China's interbank bond market.

"Abnormal" trading activities by investors, including insider trading, market manipulation and frequently sending quotations not reflecting

"true trading intentions" could result in investors' trading rights being suspended or revoked, the draft rules said.

China's bond market was worth 66.9 trillion yuan, or about \$9.8 trillion, at the end of April, according to the People's Bank of China (PBOC).

The "Bond Connect" programme has been planned in the wake of a scheme launched in 2014 that allows two-way trading between the Hong Kong and Shanghai stock markets. Bankers say it would be a milestone in the opening of China's capital markets.

The draft rules only concern "Northbound" trade, or the trading of Chinese bonds by foreign and Hong Kong investors.

In May, the Hong Kong Monetary Authority, the city's bond market regulator, and the PBOC announced that the programme had been formally approved, but that it would only feature "Northbound" trade in its initial stage.

Regulators have not yet provided a timetable for when the "Bond Connect" would begin operation.

**Japan** – Japan's core machinery orders fell more than expected in April, casting doubt on the strength of companies' capital spending and adding to concerns about the country's fragile economic recovery.

The 3.1 percent fall in the core orders from a month earlier was much bigger than the 1.3 percent decline expected by economists in a Reuters poll, potentially dragging on economic growth in the current quarter.

It also marked the first drop in three months, following a 1.4 percent increase in March, the Cabinet Office data showed.

Though the machinery order data, which excludes ships and orders from the electric power utilities, is highly volatile, it is regarded as an indicator of capital spending in the coming six to nine months.

The reading follows a surprisingly sharp downward revision to first-quarter economic growth, as a reduction in inventories put annualised growth at 1.0 percent, much slower than the initially estimated 2.2 percent.

More recently, a run of indicators and business activity surveys have pointed to still solid exports and factory output, although wage growth and household spending remain stubbornly sluggish despite a tightening job market.

Policymakers are hoping that Japanese firms will tap their hefty profits to spur investment and boost wages to stoke a sustainable growth cycle.

"Capital expenditure will likely remain lacklustre in the current quarter," said Koya Miyamae, senior economist at SMBC Nikko Securities.

"Exports and factory output are performing well on the back of global economic recovery and a weak yen, but uncertainty over U.S. President (Donald) Trump's trade policy makes Japanese firms hesitant about domestic investment."

By sector, core orders from manufacturers rose 2.5 percent in April, up for a third straight month.

The gains were led by orders from electrical machinery companies for semiconductor production equipment and computers, and all-purpose industrial machinery firms.

Orders from the services sector fell 5.0 percent, dragged down by orders from financial and insurance firms for computer systems, down for a second consecutive month.

"The 3.1 percent may appear a big drop, but overall core orders held firm, centring on manufacturers," said a senior Cabinet Office official.

Orders from manufacturers would have logged a double-digit gain if a one-off pullback in orders from nonferrous metal firms for nuclear-powered motors was excluded.

Orders from abroad, which were not counted as core orders, jumped 17.4 percent in April, up for the first time in three months.

The Cabinet Office stuck to its assessment of machinery orders, saying the pick-up was stalling, using the same assessment for an eighth straight month.

Still, the Bank of Japan is set to upgrade its economic assessment as early as this week to signal its growing conviction the recovery is gathering momentum, people familiar with its thinking told Reuters last week.

Such an upgrade would reinforce expectations that the BOJ's next move would be to tighten monetary policy, though analysts do not expect it will begin to do so anytime soon.

**Euro Zone** – The Bank of France on Monday maintained its earlier estimate for second-quarter French gross domestic product (GDP) growth of 0.5 percent, and forecast a pick up in the services and construction sectors for June.

The central bank's business climate survey for the manufacturing industry gave a reading of 105 points, stable compared to the April reading, which was revised up to 105 points as well for the highest level in six years.

Its business climate indicator for the services sector stood at 101 points in May, stable compared to the April level which was also revised up to 101 points.

The Bank of France added that business leaders expected the construction and services sectors to improve in June, although a slower pace of growth was expected for industrial production.

**UK** – Britain's descent into political crisis just days before Brexit talks begin has sapped confidence among business leaders and infuriated bosses who were already grappling with the fallout from the vote to leave the EU.

The failure by Prime Minister Theresa May to win a parliamentary majority in last week's election has pushed the world's fifth largest economy towards a level of political uncertainty not seen since the 1970s. May called the election to secure a mandate for her vision of a "hard Brexit" -- driving down migration by taking Britain out of the single market and the customs union.

Instead, she got a hung parliament in which no single party has a majority. Business leaders demanded a re-think.

"The UK has had a reputation, earned over the generations, for stability and predictability in its government," a senior executive at a multinational company listed on the London FTSE 100 told Reuters on condition of anonymity.

"That reputation in 12 months has been destroyed, truly destroyed. First by Brexit and now through this election."

A survey by the Institute of Directors (IoD) found only 20 percent of its nearly 700 members were now optimistic about the British economy over the next 12 months, compared with 57 percent who were quite or very pessimistic.

The IoD survey, taken after the election, found a negative swing of 34 points in confidence in the economy from its previous survey in May.

"It is hard to overstate what a dramatic impact the current political uncertainty is having on business leaders, and the consequences could – if not addressed immediately – be disastrous for the UK economy," said Stephen Martin, director general of the IoD.

The collapse in confidence, which follows a short-term drop after last year's Brexit vote, coincides with a slowdown in the wider economy that has taken hold since the start of this year, as rising inflation pushes up the price of goods.

Figures from credit card firm Visa showed British consumers turned more cautious even before the shock election result, with households cutting their spending for the first time in nearly four years last month.

The Confederation of British Industry (CBI) warned there was now a risk businesses would cut back on investment which has largely held up since last year's Brexit vote.

And the trade group that represents manufacturers, the EEF, said its members were having to navigate the most uncertain political territory in Britain for decades.

Both groups called on the government to rethink its approach to Brexit, saying the country needed tariff-free access to the single market and a steady flow of migrant workers.

Some executives hoped the political paralysis would lead to a 'softer Brexit', with access to markets prioritised over a clamp down on immigration.

"Here we are again: another bolt from the blue, a political earthquake that we didn't think used to happen in the UK," CBI Director General Carolyn Fairbairn said at a conference hosted by the Resolution Foundation.

"But I do think there are opportunities in this, and it is an opportunity to refocus back on the economy to talk about jobs, growth, future prosperity."

Having slid to its lowest for nearly two months against the dollar on Friday, the pound fell broadly again on Monday.

**U.S.** – A small majority of traders in China's financial markets think its central bank will likely raise short-term interest rates this week if the U.S. Federal Reserve hikes its key policy rate, as widely expected, according to a Reuters poll.

The People's Bank of China (PBOC) surprised markets in mid-March by raising short- and medium-term interbank rates hours after the Fed raised overnight borrowing costs.

The move prompted some analysts to speculate the PBOC had decided to "synch" its moves with those of the U.S. central bank in a bid to reduce persistent depreciation pressure on the yuan currency against the dollar and discourage capital outflows.

It also dovetailed with China's pledges to tackle risks from an explosive rise in debt.

Six out of 10 traders in China's money, forex and bond markets asked by Reuters said they believed China would move rates up if the Fed did so.

But the size of the move would be more modest, and it would likely be confined to rates on open market operations (OMOs), the traders said.

They did not expect a hike in China's benchmark lending rate, which has been unchanged for nearly two years.

The Fed is expected to increase interest rates by another 25 basis points at its June 13-14 meeting.

Several increases by the PBOC earlier this year were mainly of 10 basis points, and traders expected any move this week to be of a similar magnitude.

Chinese stocks rose modestly after the Fed's March rate increase, which was seen as increasing investors' risk appetite. There was little reaction in Chinese forex and money markets.

"There are huge discrepancies between the benchmark OMO rates and market rates. A slight upward movement would be quite normal," said a Shenzhen-based trader at a Chinese bank.

She said any impact from higher market rates would not quickly filter through into the real economy, though most analysts believe slowly tightening credit and higher financing costs will begin to drag on broader activity in coming months.

However, four of the 10 traders said they did not think a PBOC rate rise was on the cards this week.

They argued monetary policy is already tightening as Beijing presses ahead with its "deleveraging" campaign to contain and reduce risks in the financial system, and as banks grow more cautious about lending as they prepare for a rigorous quarterly inspection of their books by the PBOC.

The one-month Shanghai Interbank Offered Rate (SHIBOR) has risen to its highest since April 2015.

"This mid-year timeframe is already relatively sensitive, and add to that short-term rates are already not low. To raise rates further would put a lot of pressure on the market," said a trader at a regional bank.

"If they really insist on following (the Fed funds rate) higher, the timeframe will probably be pushed back."  
 Uncertainty over policy has also increased after sharp, sudden gains in the yuan in recent weeks, which some analysts believe were engineered by the PBOC as a pre-emptive buffer to flush out short sellers ahead of the expected Fed hike and dampen any resulting depreciation pressure.  
 Market players were split on whether the central bank would raise rates on its medium-term lending facility (MLF). The PBOC has been lending at longer maturities, which has increased borrowing costs for banks.  
 One trader at a major Chinese bank said if the central bank decided to raise the OMO rate, it would likely wait to increase the MLF until July when it is likely to renew maturing MLF loans.

June is traditionally a tense month for liquidity in the financial system, as companies pay taxes and banks scramble for funds to meet a quarterly health check.  
 Analysts say while the PBOC has taken some steps to clarify its intentions, it remains vague in telegraphing rate moves.  
 "Banks want to know what their cost of funding is going to be, so that volatility isn't great in terms of managing their business and liquidity," said Julian Evans-Pritchard, China economist at Capital Economics.  
 Central bank governor Zhou Xiaochuan has been historically reluctant to reveal too much about the PBOC's strategies, even likening the bank in an interview with Caixin last year to a chess player unwilling to reveal tricks to an opponent. *(Source Reuters, Research - @her1en)*

## WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
09-Jun - 18-Jun	N/A	CN	Foreign Direct Investment YoY CNY	May		--	-4.3%	
10-Jun - 15-Jun	N/A	CN	Money Supply M2 YoY	May		10.4%	10.5%	
	N/A	CN	Money Supply M1 YoY	May		17.6%	18.5%	
	N/A	CN	Money Supply M0 YoY	May		6.0%	6.2%	
	N/A	CN	New Yuan Loans CNY	May		1000.0b	1100.0b	
	N/A	CN	Aggregate Financing CNY	May		1190.0b	1390.0b	
<b>Mon/12-Jun-17</b>	06:50	JP	Machine Orders MoM	Apr	0.0%	0.5%	1.4%	
	06:50	JP	Machine Orders YoY	Apr	2.7%	7.3%	-0.7%	
	06:50	JP	PPI MoM	May	0.0%	0.1%	0.2%	
	06:50	JP	PPI YoY	May	2.1%	2.2%	2.1%	
	13:00	JP	Machine Tool Orders YoY	May P	24.4%	--	34.7%	
	15:30	AU	RBA's Debelle Speech in Hong Kong					
	<b>All Day</b>	<b>AU</b>	<b>Bank Holiday/Queen's Birthday</b>					
<b>Tue/13-Jun-17</b>	01:00	US	Monthly Budget Statement	May	-\$88.4b	-\$87.0b	-\$52.5b	
	06:50	JP	BSI Large All Industry QoQ	2Q		--	1.3	
	06:50	JP	BSI Large Manufacturing QoQ	2Q		1.5	1.1	
	08:30	AU	NAB Business Conditions	May		--	14	
	08:30	AU	NAB Business Confidence	May		--	13	
	15:30	HK	PPI YoY	1Q		--	4.0%	
	15:30	HK	Industrial Production YoY	1Q		--	-0.8%	
	15:30	GB	CPIH YoY	May		--	2.6%	
	15:30	GB	CPI MoM	May		0.2%	0.5%	
	15:30	GB	CPI YoY	May		2.7%	2.7%	
	15:30	GB	CPI Core YoY	May		2.3%	2.4%	
	15:30	GB	PPI Input NSA MoM	May		-0.3%	0.1%	
	15:30	GB	PPI Input NSA YoY	May		13.7%	16.6%	

	15:30	GB	PPI Output NSA MoM	May		0.1%	0.4%	
	15:30	GB	PPI Output NSA YoY	May		3.6%	3.6%	
	15:30	GB	PPI Output Core NSA MoM	May		--	0.5%	
	15:30	GB	PPI Output Core NSA YoY	May		--	2.8%	
	15:30	GB	House Price Index YoY	Apr		4.0%	4.1%	
	16:00	EZ	ZEW Survey Expectations	Jun		--	35.1	
	16:00	DE	ZEW Survey Current Situation	Jun		85.4	83.9	
	16:00	DE	ZEW Survey Expectations	Jun		21.8	20.6	
	17:00	US	NFIB Small Business Optimism	May		105	104.5	
	17:30	EZ	Estonia's Orlova Speaks on EU Presidency, Trade in Brussels					
	19:30	US	PPI Final Demand MoM	May		0.0%	0.5%	
	19:30	US	PPI Ex Food and Energy MoM	May		0.2%	0.4%	
	19:30	US	PPI Ex Food, Energy, Trade MoM	May		0.1%	0.7%	
	19:30	US	PPI Final Demand YoY	May		2.4%	2.5%	
	19:30	US	PPI Ex Food and Energy YoY	May		2.0%	1.9%	
	19:30	US	PPI Ex Food, Energy, Trade YoY	May		--	2.1%	
<b>Wed/14-Jun-17</b>	05:45	NZ	BoP Current Account Balance NZD	1Q		1.000b	-2.335b	
	05:45	NZ	Current Account GDP Ratio YTD	1Q		-2.7%	-2.7%	
	06:00	KR	Unemployment rate SA	May		4.00%	4.00%	
	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	Jun-11		--	112.9	
	07:30	AU	Westpac Consumer Conf Index	Jun		--	98	
	07:30	AU	Westpac Consumer Conf SA MoM	Jun		--	-1.1%	
	09:00	CN	Retail Sales YoY	May		10.6%	10.7%	
	09:00	CN	Retail Sales YTD YoY	May		10.3%	10.2%	
	09:00	CN	Fixed Assets Ex Rural YTD YoY	May		8.8%	8.9%	
	09:00	CN	Industrial Production YoY	May		6.4%	6.5%	
	09:00	CN	Industrial Production YTD YoY	May		6.6%	6.7%	
	11:30	JP	Industrial Production MoM	Apr F		--	4.0%	
	11:30	JP	Industrial Production YoY	Apr F		--	5.7%	
	11:30	JP	Capacity Utilization MoM	Apr		--	-1.6%	
	13:00	DE	CPI MoM	May F		-0.2%	-0.2%	
	13:00	DE	CPI YoY	May F		1.5%	1.5%	
	13:00	DE	CPI EU Harmonized MoM	May F		-0.2%	-0.2%	
	13:00	DE	CPI EU Harmonized YoY	May F		1.4%	1.4%	
	15:00	EZ	ECB's Knot Speaks in Dutch Parliament					
	15:30	GB	Claimant Count Rate	May		--	2.3%	
	15:30	GB	Jobless Claims Change	May		20.3k	19.4k	
	15:30	GB	Average Weekly Earnings 3M/YoY	Apr		2.4%	2.4%	
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Apr		2.0%	2.1%	
	15:30	GB	ILO Unemployment Rate 3Mths	Apr		4.6%	4.6%	
	15:30	GB	Employment Change 3M/3M	Apr		135k	122k	
	16:00	EZ	Industrial Production SA MoM	Apr		0.5%	-0.1%	
	16:00	EZ	Industrial Production WDA YoY	Apr		1.4%	1.9%	
	16:00	EZ	Employment QoQ	1Q		--	0.3%	
	16:00	EZ	Employment YoY	1Q		--	1.1%	
	19:30	US	CPI MoM	May		0.0%	0.2%	
	19:30	US	CPI Ex Food and Energy MoM	May		0.2%	0.1%	
	19:30	US	CPI YoY	May		2.0%	2.2%	
	19:30	US	CPI Ex Food and Energy YoY	May		1.9%	1.9%	
	19:30	US	CPI Core Index SA	May		--	251.172	
	19:30	US	CPI Index NSA	May		244.866	244.524	
	19:30	US	Real Avg Weekly Earnings YoY	May		--	0.3%	
	19:30	US	Real Avg Hourly Earning YoY	May		--	0.4%	
	19:30	US	Retail Sales Advance MoM	May		0.1%	0.4%	
	19:30	US	Retail Sales Ex Auto MoM	May		0.2%	0.3%	
	19:30	US	Retail Sales Ex Auto and Gas	May		0.3%	0.3%	
	19:30	US	Retail Sales Control Group	May		0.3%	0.2%	
	21:00	US	Business Inventories	Apr		-0.2%	0.2%	

	21:30	US	EIA Weekly Crude Stocks	w/e		--	3.295m	
	21:30	US	EIA Weekly Dist. Stocks	w/e		--	4.355m	
	21:30	US	EIA Weekly Gasoline Stocks	w/e		--	3.324m	
<b>Thu/15-Jun-17</b>	01:00	US	FOMC Rate Decision (Upper Bound)	Jun-14		1.25%	1.00%	
	01:00	US	FOMC Rate Decision (Lower Bound)	Jun-14		1.00%	0.75%	
	05:45	NZ	GDP SA QoQ	1Q		0.7%	0.4%	
	05:45	NZ	GDP YoY	1Q		2.7%	2.7%	
	08:00	AU	Consumer Inflation Expectation	Jun		--	4.0%	
	08:30	AU	Employment Change	May		10.0k	37.4k	
	08:30	AU	Unemployment Rate	May		5.7%	5.7%	
	08:30	AU	Full Time Employment Change	May		--	-11.6k	
	08:30	AU	Part Time Employment Change	May		--	49.0k	
	08:30	AU	Participation Rate	May		64.8%	64.8%	
15-Jun - 16-Jun	N/A	EZ	EU/Euro-Area Finance Ministers Meet in Luxembourg					
	14:15	CH	Producer & Import Prices MoM	May		--	-0.2%	
	14:15	CH	Producer & Import Prices YoY	May		--	0.8%	
	14:30	CH	SNB Sight Deposit Interest Rate	Jun-15		--	-0.75%	
	14:30	CH	SNB 3-Month Libor Lower Target Range	Jun-15		--	-1.25%	
	14:30	CH	SNB 3-Month Libor Upper Target Range	Jun-15		--	-0.25%	
	14:40	AU	RBA's Debelle Speech in Sydney					
	15:30	GB	Retail Sales Ex Auto Fuel MoM	May		-0.8%	2.0%	
	15:30	GB	Retail Sales Ex Auto Fuel YoY	May		1.9%	4.5%	
	15:30	GB	Retail Sales Inc Auto Fuel MoM	May		-0.7%	2.3%	
	15:30	GB	Retail Sales Inc Auto Fuel YoY	May		1.7%	4.0%	
	16:00	EZ	Trade Balance SA	Apr		--	23.1b	
	16:00	EZ	Trade Balance NSA	Apr		--	30.9b	
	18:00	GB	Bank of England Bank Rate	Jun-15		0.25%	0.25%	
	18:00	GB	BOE Asset Purchase Target	Jun		435b	435b	
	18:00	GB	BOE Corporate Bond Target	Jun		10b	10b	
	19:30	US	Empire Manufacturing	Jun		5	-1	
	19:30	US	Initial Jobless Claims	w/e		242k	245k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		--	242.00k	
	19:30	US	Continuing Jobless Claims	w/e		1.923m	1.917m	
	19:30	US	Philadelphia Fed Business Outlook	Jun		24.0	38.8	
	20:00	CA	Existing Home Sales MoM	May		--	-1.70%	
	20:15	US	Industrial Production MoM	May		0.1%	1.0%	
	21:00	US	NAHB Housing Market Index	Jun		70	70	
<b>Fri/16-Jun-17</b>	N/A	JP	BOJ Policy Balance Rate	Jun-16		-0.10%	-0.10%	
	N/A	JP	BOJ 10-Yr Yield Target	Jun-16		0.0%	0.0%	
	13:30	JP	BOJ Kuroda speaks at press conference after MPM					
	16:00	EZ	CPI MoM	May		-0.1%	0.4%	
	16:00	EZ	CPI YoY	May F		1.4%	1.9%	
	16:00	EZ	CPI Core YoY	May F		0.9%	0.9%	
	19:30	US	Housing Starts	May		1210k	1172k	
	19:30	US	Housing Starts MoM	May		4.3%	-2.6%	
	19:30	US	Building Permits	May		1249k	1229k	
	19:30	US	Building Permits MoM	May		1.8%	-2.5%	
	21:00	US	U. of Mich. Sentiment	Jun P		97.1	97.1	
	21:00	US	U. of Mich. Current Conditions	Jun P		111.7	111.7	
	21:00	US	U. of Mich. Expectations	Jun P		87.5	87.7	
	21:00	US	U. of Mich. 1 Yr Inflation	Jun P		--	2.6%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	Jun P		--	2.4%	
	23:45	US	Fed's Kaplan Speaks in Dallas					
<b>Sat/17-Jun-17</b>	00:00	US	Baker Hughes U.S. Rig Count	Jun-16		--	--	

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

## ASIAN STOCK INDICATORS – *Daily Outlook*

**Japan's Nikkei share** average ended lower on Monday, dragged down by declines in technology shares after their U.S. counterparts were sold off sharply in the previous session.

The Nikkei ended down 0.5 percent at 19,908.58.

Chip manufacturing equipment makers and Apple suppliers led the declines, with Tokyo Electron ending 3 percent down, Advantest Corp closing down 3.3 percent, Alps Electric shedding 3.2 percent and Taiyo Yuden declining 3.1 percent.

On Friday, Apple Inc shares dropped 3.9 percent in their biggest daily percentage decline since April 2016, after a report that iPhones to be launched this year would use modem chips with slower download speeds than rival smartphones.

Bucking the weakness, Toshiba Corp surged more than 9 percent after a person familiar with the matter told Reuters that Western Digital Corp plans to raise its offer for Toshiba's prized semiconductor unit to \$18 billion or more.

The broader Topix was flat at 1,591.55.

**South Korean shares** fell on Monday as a drop for the U.S. technology sector hurt sentiment, dragging the local sub-index for electric and electronics shares down nearly 2 percent.

The Korea Composite Stock Price Index (KOSPI) closed down 1 percent at 2,357.87 points.

LG Display was one of the biggest losers, ending 4.9 percent down. At one point, it was off 5.5 percent, the biggest daily percentage drop since mid-February.

Foreign investors sold a net 144.7 billion won (\$128.35 million) of KOSPI shares for the day.

The South Korean won buckled against the dollar due to a cautious mood ahead of Federal Reserve's June meeting, where a U.S. rate hike is largely expected.

The won was quoted at 1,127.3 to the dollar at the conclusion of onshore trade, down 0.4 percent from Friday's close of 1,123.2.

**Hong Kong stocks** fell the most in nearly two months on Monday, as a slump in tech shares - fanned by the sell-off in their U.S. counterparts - triggered broader profit-taking in what had been one of the world's best-performing equity markets this year.

Sentiment was also hurt by worries that tighter credit in China could slow growth in the world's second-biggest economy.

The Hang Seng index fell 1.2 percent, to 25,708.04, while the China Enterprises Index lost 1.0 percent, to 10,485.85 points.

Hong Kong-listed tech shares dropped sharply, following a sell-off on Friday in technology stocks on Wall Street that was

triggered by concerns about Apple's new iPhones and a cautious Goldman Sachs report about the sector.

An index tracking IT shares tumbled 2.4 percent, led by Chinese tech giant Tencent Holdings Ltd.

Shares fell across the board.

Bucking the trend, China Vanke rose 1.7 percent in Hong Kong, after Shenzhen Metro became its top shareholder, replacing rival developer China Evergrande Group.

**China stocks** fell on Monday as tech plays succumbed to a sell-off in the U.S. and other Asian markets, and as investors worried that tighter credit will drag on corporate profitability and economic growth in coming months.

The blue-chip CSI300 index ended little changed at 3,574.39 points, while the Shanghai Composite Index lost 0.6 percent to 3,139.88.

Tech shares dropped sharply, following a sell-off on Wall Street on Friday triggered by concerns about Apple's new iPhones and a cautious Goldman Sachs report about the sector.

The tech-heavy growth board ChiNext lost 1.1 percent, while the CSI TMT Index dropped 1.5 percent.

Elsewhere, investors dumped cyclical stocks on views that the economic will lose momentum in the second half of the year as borrowing costs continue to rise and as regulators continue their crackdown on riskier forms of lending.

UBS strategist Gao Ting said that although Chinese investors "are likely mentally prepared for short-term liquidity pressure due to financial regulations, we don't believe they pay enough attention to future economic trends."

Gao also said he expected that general credit conditions may tighten, hitting property and other investment activity, and that factory gate prices "may decline rapidly."

Echoing the view, Haitong Securities analyst Jiang Chao said that "credit tightening presents the biggest risk in the second half," as the impact of Beijing's deleveraging campaign starts to ripple through the real economy.

Also souring sentiment, major state-controlled newspapers on Monday urged the stock market regulator not to "balk or backtrack" on reforms, denting hopes that approvals of new IPOs could be suspended if the market remains weak.

Bucking the trend, China Vanke hit a six-month high before ending up 4 percent, after Shenzhen Metro became the developer's largest shareholder, surpassing financial conglomerate Baoneng Group.

*(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>	20239.81 (02/June/2017)	310.02 (09/Jun/2017)	26090.33 (09/Jun/2017)	21305.35 (09/Jun/2017)	2446.20 (09/Jun/2017)	3295.18700 (07/Apr/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 – 12 June 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21235.67	↓ 36.30/ 0.17%	.N225	19908.58	↓ 104.68/0.52%
/.SPX	2429.39	↓ 2.38/ 0.10%	.KS200	306.24	↓ 3.14/1.01%
/.IXIC	6175.465	↓ 32.453/ 0.52%	.HSI	25708.04	↓ 322.25/1.24%
JPY=	109.92	↓ 0.41/ 0.37%	/.SSEC	3140.45040	↓ 17.95000/0.57%
KRW=	1129.97	↑ 5.68/ 0.51%	/CLc1 (Oil)	46.08	↑ 0.25/0.55%

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



- Resistance area at 20070 is intact, triggering a sharp reversal to face trendline support around 19700
  - Crucial support around 19565
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
12 June SSIpmU7	19860	19880	19750	130	19820	---	↓ 40	0.20	23434
12 June SSIamU7	19890	19920	19805	115	19860	19860	↓ 95	0.48	43881
09 June SSIpmU7	19985	20055	19825	230	19910	---	↓ 45	0.23	24432
09 June SSIamU7	19980	20070	19895	175	19955	19955	↑ 30	0.15	58439
08 June SSIpmU7	19925	20040	19920	120	20010	---	↑ 85	0.43	22096
08 June SSIamU7	19975	20035	19860	175	19920	19925	↑ 15	0.08	55354
08 June SSIamM7	20010	20070	19900	170	19958	19960	↑ 18	0.09	19251
07 June SSIpmM7	19950	20010	19910	100	20010	---	↑ 70	0.35	28216
07 June SSIamM7	19945	20025	19915	110	19945	19940	↓ 20	0.10	60766
06 June SSIpmM7	19970	20000	19890	110	19955	---	↓ 10	0.05	36614
06 June SSIamM7	20110	20160	19945	215	19960	19965	↓ 195	0.97	93682

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19920	19750	20245	19660	20030	19165	20245	18190
(12/Jun)	(12/Jun)	(02/Jun)	(01/Jun)	(09/May)	(01/May)	(02/Jun)	(17/Apr)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	20245	High 02/Jun/2017
	20170	Reaction high (hourly)
	20075	Reaction high (hourly)
	19920	Reaction high (hourly)
<b>SUPPORT</b>	19700	Trendline support
	19565	Horizontal support (hourly)
	19490	Reaction low (hourly)
	19285	Low 19/May/2017 (Bottom)
<b>RECOMMENDATION</b>	BUY	----
	SELL	19860
	STOP LOSS	19940
	TARGET	19720 19650

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



- Reversal occurs after opening gap down at 308.00
  - Correction facing the lowerline of the trend channel around 305.25
- [\(Research – @ErwinRiset\)](#)

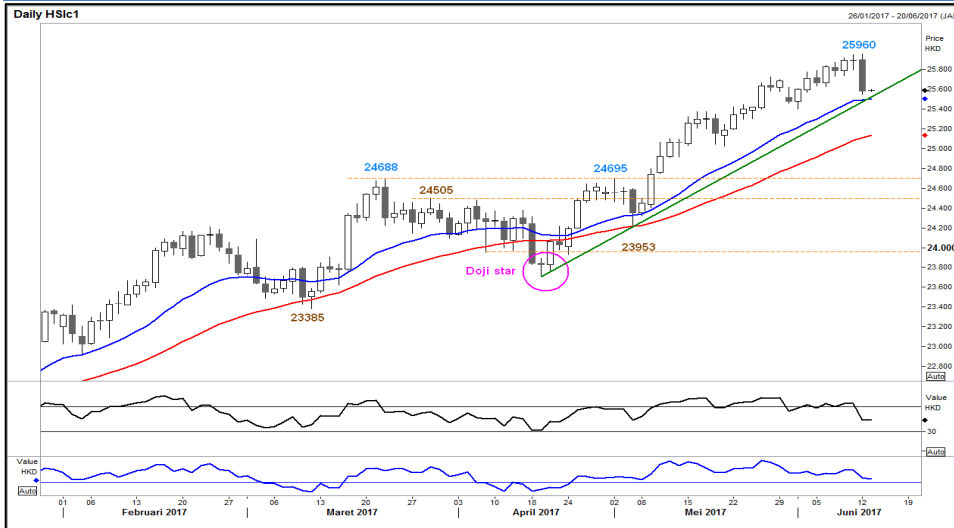
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
12 June	308.00	308.85	306.30	2.55	306.65	306.65	↓ 3.25	1.05	173022
09 June (KSU7)	307.90	310.60	307.65	2.95	309.90	309.90	↑ 1.90	0.62	202655
08 June (KSU7)	306.30	308.00	304.70	3.30	308.00	308.00	↑ 1.95	0.64	99054
08 June (KSM7)	305.75	306.85	304.15	2.70	306.75	306.25	↑ 1.25	0.41	200755
07 June	307.05	307.65	305.40	2.25	305.50	305.50	↓ 2.20	0.71	174047
06 June		H	O	L	I	D	A	Y	

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
308.85 (12/Jun)	306.30 (12/Jun)	310.60 (09/Jun)	303.15 (01/Jun)	309.50 (29/May)	288.65 (02/May)	310.60 (09/Jun)	259.25 (02/Jan)

#### ANALYSIS & RECOMMENDATION

RESISTANCE	314.43	61.8% Fib. Projection
	310.88	50% Fib. Projection
	310.60	High 09/Jun/2017
	308.85	High 12/Jun/2017
SUPPORT	304.15	Reaction low (hourly)
	303.15	Low 01/Jun/2017 (Reaction low)
	301.15	Reaction low (hourly)
	299.00	Reaction low (hourly)
RECOMMENDATION	BUY	----
	SELL	307.50
	STOP LOSS	308.90
	TARGET	305.35
		304.30

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



- Reversal occurs, facing trendline support around 25525
- Important support at 25400  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
12 June	25811	25821	25553	268	25586	25586	↓ 310	1.20	99270
09 June	25914	25952	25796	156	25896	25896	↑ 1	UNCH	92803
08 June	25756	25917	25751	166	25895	25895	↓ 107	0.41	75678
07 June	25833	25877	25733	144	25788	25788	↓ 41	0.16	73785
06 June	25630	25839	25626	213	25829	25829	↑ 167	0.65	76812
05 June	25701	25790	25636	154	25662	25665	↓ 51	0.20	75224
02 June	25702	25780	25621	159	25713	25713	↑ 112	0.44	84102

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25821 (12/Jun)	25553 (12/Jun)	25952 (09/Jun)	25415 (01/Jun)	25723 (26/May)	24220 (05/May)	25952 (09/Jun)	21863 (03/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	26496	High 30/Jun/2015
	26358	High 06/Jul/2015
	25960	Peak level (hourly)
	25821	High 12/Jun/2017
SUPPORT	25400	Low 01/Jun/2017 (Reaction low)
	25299	Low 23/May/2017
	25194	Low 22/May/2017
	25028	Low 19/May/2017 (Reaction low)
RECOMMENDATION	BUY	----
	SELL	25700
	STOP LOSS	25825
	TARGET	25520
		25390

## CURRENCIES – *Daily Outlook*

### Dollar edges down after BOC comments as markets eye central bank meetings - Reuters News

The dollar slipped against a basket of major currencies on Monday ahead of a spate of central bank meetings, starting with the U.S. Federal Open Market Committee on Wednesday.

The dollar index, which tracks the greenback against six major currencies, edged down 0.1 percent after a spike in the Canadian dollar.

The loonie gained 1 percent following remarks from Bank of Canada Senior Deputy Governor Carolyn Wilkins that the bank was considering reducing its monetary policy stimulus.

An interest rate increase would be the first for Canada's central bank in seven years.

The Canadian dollar is the fourth-largest component in the dollar index, which also tracks the U.S. currency against the euro, Japanese yen, British pound, Swedish crown and Swiss franc. The loonie rose to its highest against the dollar since April 18.

The yen rose 0.5 percent against the dollar, pushing its gains to more than 4 percent versus the greenback since mid-May.

The dollar's losses were limited, however, as investors almost universally expect the Fed to increase U.S. interest rates this week while other central banks, including the Bank of England and Bank of Japan, which conclude policy meetings on Thursday and Friday, respectively, are expected to remain on hold.

Fed fund futures prices show traders see about a 96 percent chance the U.S. central bank raises overnight interest rates on Wednesday, according to CME Group's Fedwatch tool.

The expected Fed rate hike, along with a more accommodative stance from the European Central Bank after last week's policy meeting and an expectation for the Bank of England to stay on the sidelines because of political uncertainty, have helped the dollar fight off a wave of recent negative data on the U.S. economy.

Sterling dipped 0.7 percent after a more than 2 percent drop following last week's snap British elections that left the Conservatives short of a ruling majority and cast a cloud of political uncertainty over the country.

"The foreign exchange narrative is being dictated by the dynamics of (British Prime Minister) Theresa May's negotiations in trying to form enough of a government so the Conservatives have the ability to rule," said Juan Perez, currency strategist at Tempus Inc in Washington.

Sterling fell 0.7 percent to \$1.2650.

The euro rose 0.1 percent against the dollar to \$1.1205.

*(Source Reuters, Research – @her1en)*



## EUR/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	1.12025	1.12310	1.11907	40,3	1.12011	↑ 5,9	1.11952
June 09	1.12036	1.12146	1.11651	49,5	1.11952	↓ 12,7	1.12079
June 08	1.12575	1.12680	1.11935	74,5	1.12079	↓ 47,1	1.12550
June 07	1.12765	1.12813	1.12029	78,4	1.12550	↓ 19,8	1.12748
June 06	1.12525	1.12828	1.12392	43,6	1.12748	↑ 22,2	1.12526

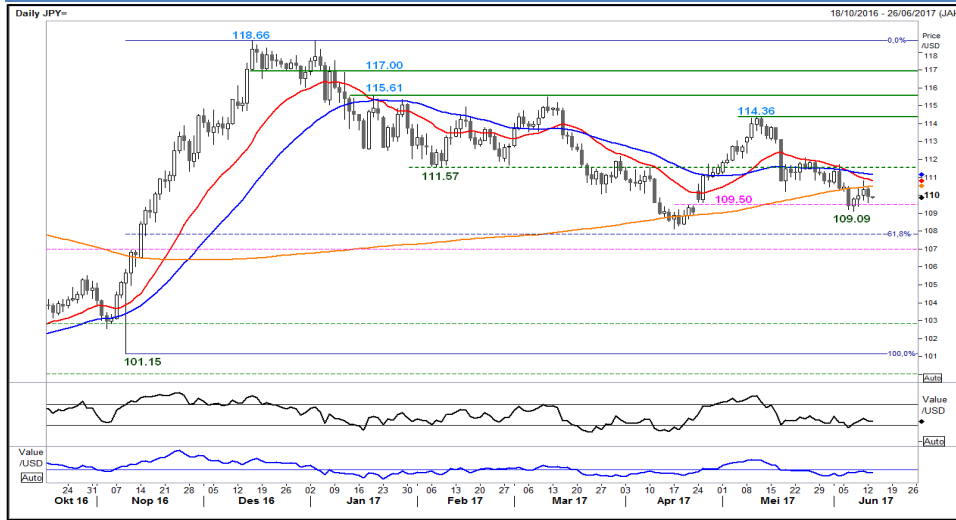
WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.12310 (12/Jun)	1.11907 (12/Jun)	1.12828 (06/Jun)	1.11651 (09/Jun)	1.12671 (23/May)	1.08379 (11/May)	1.12828 (06/Jun)	1.0342 (03/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	1.1432	High June 24, 2016
	1.1365	Reaction high on 1-H chart
	1.1299	High 09/Nov/2016
	1.1268	High June 08
SUPPORT	1.1163	Low May 31
	1.1094	Low May 19
	1.0971	Low May 16
	1.0854	Low May 12
RECOMMENDATION	BUY	1.1190
	SELL	-----
	STOP LOSS	1.1125
	TARGET	1.1260 1.1290

## USD/JPY

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



- Rally failed to continue, having failed to breakout the SMA200 area at 110.54
  - Correction faces the support area at 109.50 - 109.09
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	110.361	110.368	109.620	74,8	109.925	↓ 21,7	110.142
June 09	109.910	110.799	109.804	99,5	110.142	↑ 34,3	109.799
June 08	109.781	110.374	109.368	100,6	109.799	↓ 0,4	109.803
June 07	109.350	109.870	109.103	76,7	109.803	↑ 42,9	109.374
June 06	110.495	110.495	109.215	128,0	109.374	↓ 106,1	110.435

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
110.368 (12/Jun)	109.620 (12/Jun)	111.699 (02/Jun)	109.103 (07/Jun)	114.356 (10/May)	110.471 (31/May)	118.60 (03/Jan)	108.14 (17/Apr)

### ANALYSIS & RECOMMENDATION

RESISTANCE	113.12	High 17/May/2017
	112.56	Reaction high (hourly)
	111.71	High 02/Jun/2017
	110.80	High 09/Jun/2017 (Reaction high)
SUPPORT	109.09	Low 07/Jun/2017
	108.69	Low 20/Apr/2017
	108.11	Low 17/Apr/2017 (Bottom)
	107.74	Low 15/Nov/2016
RECOMMENDATION	BUY	----
	SELL	110.20
	STOP LOSS	111.00
	TARGET	109.40 109.05

## GBP/USD

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



- Correction is testing the crucial level at 1.2673
- Correction facing important support around 1.2573 (SMA200)
- Beware of RSI was oversold  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	1.27392	1.27683	1.26374	130,9	1.26546	↓ 73,4	1.27280
June 09	1.27393	1.28248	1.26316	193,2	1.27280	↓ 57,3	1.27853
June 08	1.29577	1.29765	1.27853	191,2	1.27853	↓ 164,6	1.29499
June 07	1.29051	1.29676	1.28864	81,2	1.29499	↑ 46,5	1.29034
June 06	1.28997	1.29487	1.28708	77,9	1.29034	↑ 4,6	1.28988

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.27683 (12/Jun)	1.26374 (12/Jun)	1.29765 (08/Jun)	1.26316 (09/Jun)	1.30466 (18/May)	1.27678 (31/May)	1.30466 (18/May)	1.1986 (16/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	1.3058	High 29/Sep/2016
	1.2977	High 08/Jun/2017
	1.2803	Reaction high (hourly)
	1.2769	Reaction high (hourly)
SUPPORT	1.2573	SMA200
	1.2513	Low 18/Apr/2017
	1.2401	Low 11/Apr/2017
	1.2361	Low 07/Apr/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	1.2705
	STOP LOSS	1.2780
	TARGET	1.2615 1.2570



## USD/CHF

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



- The moving index is limited in the range of 0.96 - 0.97
- Daily trend is likely bearish if the area of 0.9700 effectively dampens the rebound  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	0.96883	0.96937	0.96688	24,9	0.96840	↓ 5,1	0.96891
June 09	0.96768	0.97268	0.96741	52,7	0.96891	↑ 28,4	0.96607
June 08	0.96452	0.96951	0.96386	56,5	0.96607	↑ 8,1	0.96526
June 07	0.96169	0.96764	0.96157	60,7	0.96526	↑ 35,8	0.96168
June 06	0.96483	0.96523	0.96125	39,8	0.96168	↓ 27,6	0.96444

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.96937 (12/Jun)	0.96688 (12/Jun)	0.97268 (09/Jun)	0.96125 (06/Jun)	1.00987 (11/May)	0.96683 (31/May)	1.0335 (03/Jan)	0.96125 (06/Jun)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.9861	High 17/May/2017
	0.9808	High 30/May/2017
	0.9760	High 31/May/2017
	0.9727	High 09/Jun/2017
SUPPORT	0.9612	Low 06/Jun/2017 (Bottom)
	0.9542	Low 09/Nov/2016 (Bottom)
	0.9517	Low 23/Jun/2016 (Bottom)
	0.9440	Low 03/Mei/2016 (Bottom)
RECOMMENDATION	BUY	----
	SELL	0.9700
	STOP LOSS	0.9750
	TARGET	0.9630 0.9600

## AUD/USD

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



- Daily RSI flat
- Upperline around 0.7680, while lowerline at 0.7280  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	0.75285	0.75485	0.75205	28,0	0.75380	↑ 9,6	0.75284
June 09	0.75326	0.75431	0.75182	24,9	0.75284	↓ 14,5	0.75429
June 08	0.75500	0.75532	0.75237	29,5	0.75429	↓ 3,7	0.75466
June 07	0.75068	0.75654	0.74987	66,7	0.75466	↑ 41,3	0.75053
June 06	0.74829	0.75209	0.74561	64,8	0.75053	↑ 20,5	0.74848

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.75485 (12/Jun)	0.75205 (12/Jun)	0.75654 (07/Jun)	0.73699 (01/Jun)	0.75549 (02/May)	0.73277 (09/May)	0.7749 (21/Mar)	0.7182 (03/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.7749	Reaction high on 1-H chart
	0.7679	High Mar 30
	0.7610	High 17/Apr/2017 (Reaction high)
	0.7591	High 24/Apr/2017 (Reaction high)
SUPPORT	0.7454	Low June 06
	0.7368	Low June 01
	0.7326	Low 09/May/2017
	0.7284	Low 06/Jan/2017
ECOMMENDATION	BUY	-----
	SELL	0.7545
	STOP LOSS	0.7605
	TARGET	0.7480 0.7450

## NZD/USD

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



- Strong support at 0.6980
- Important resistance at 0.7400
- Visible bullish trend channel daily  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	0.72026	0.72120	0.71697	42,3	0.71944	↓ 13,4	0.72078
June 09	0.71957	0.72195	0.71890	30,5	0.72078	↑ 3	0.72075
June 08	0.71947	0.72216	0.71862	35,4	0.72075	↑ 16,1	0.71914
June 07	0.71794	0.72053	0.71680	37,3	0.71914	↑ 8,7	0.71827
June 06	0.71346	0.72039	0.71251	78,8	0.71827	↑ 50,2	0.71325

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.72120 (12/Jun)	0.71697 (12/Jun)	0.72216 (08/Jun)	0.70572 (01/Jun)	0.71209 (31/May)	0.68166 (11/May)	0.7374 (07/Feb)	0.68166 (11/May)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	0.7485	High Sept 07, 2016
	0.7402	High Nov 08, 2016
	0.7333	High Feb 08
	0.7239	High Feb 28
<b>SUPPORT</b>	0.7168	Low June 07
	0.7112	Low June 05
	0.7055	Low June 02
	0.6987	Low May 24
<b>RECOMMENDATION</b>	BUY	-----
	SELL	0.7210
	STOP LOSS	0.7275
	TARGET	0.7140 0.7110

## EUR/JPY

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



- Correction is still quite limited, facing the support area at 122.54
- Crucial support at 122.00  
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	123.634	123.696	122.764	93,2	123.149	↓ 15,6	123.305
June 09	123.133	123.834	122.785	104,9	123.305	↑ 18,7	123.118
June 08	123.588	124.010	123.118	89,2	123.118	↓ 48,7	123.605
June 07	123.315	123.708	122.605	110,3	123.605	↑ 26,5	123.340
June 06	124.341	124.366	122.899	146,7	123.340	↓ 94,7	124.287

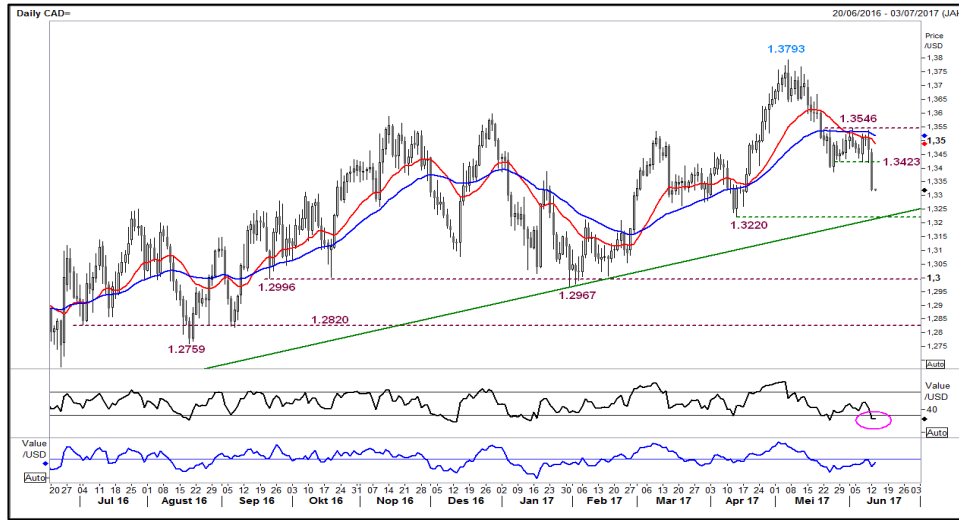
WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
123.696	122.764	125.063	122.605	125.787	121.334	125.787	114.87
(12/Jun)	(12/Jun)	(01/Jun)	(07/Jun)	(16/May)	(01/May)	(16/May)	(17/Apr)

### ANALYSIS & RECOMMENDATION

RESISTANCE	126.47	High 28/Apr/2016 (Reaction high)
	125.80	High 16/May/2017 (Double Top)
	125.30	High 02/Jun/2017 (Reaction high)
	124.39	High 06/Jun/2017
SUPPORT	122.54	Low 18/May/2017
	122.00	Pivot line
	121.30	Low 01/May/2017
	120.58	Low 27/Apr/2017
RECOMMENDATION	BUY	----
	SELL	123.75
	STOP LOSS	124.50
	TARGET	122.90 122.45

### USD/CAD

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



- Sharp correction tests the psychological level at 1.3300, hit low this morning at 1.3316
- Correction facing trendline support around 1.3220
- Beware of RSI in the oversold zone ([Research – @ErwinRiset](#))

<b>WEEKLY OPEN</b>	<b>CURRENT PRICE</b>
<b>1.3456</b>	<b>1.3318</b>

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3470 (12/Jun)	1.3317 (12/Jun)	1.3546 (02/Jun)	1.3317 (12/Jun)	1.3793 (05/May)	1.3385 (25/May)	1.3793 (05/May)	1.2967 (31/Jan)

ANALYSIS & RECOMMENDATION		
<b>RESISTANCE</b>	1.3669	High 18/May/2017 (Reaction high)
	1.3610	High 19/May/2017
	1.3546	High 02/Jun/2017
	1.3470	High 12/Jun/2017
<b>SUPPORT</b>	1.3220	Low 13/Apr/2017 (Bottom)
	1.3162	Low 28/Feb/2017
	1.3054	Low 24/Feb/2017 (Reaction low)
	1.3007	Low 16/Feb/2017 (Reaction low)
<b>RECOMMENDATION</b>	BUY	----
	SELL	1.3380
	STOP LOSS	1.3480
	TARGET	1.3285 – 1.3215

## Precious Metal – *Daily Outlook*

### **Palladium near 16-year high, gold steadies ahead of Fed meeting - Reuters News**

Strong speculative demand kept palladium near 16-year highs on Monday, though weak fundamentals are soon expected to take their toll on prices of the metal, which is used to make autocatalysts for gasoline-fueled cars.

Meanwhile, gold was little changed ahead of a U.S. Federal Reserve policy meeting on Tuesday and Wednesday, with analysts saying the U.S. central bank could take an aggressively hawkish posture of signaling a balance sheet reduction later this year and another interest rate increase in December.

Spot gold was up 0.08 percent at \$1,266.92 an ounce by 2:54 p.m. EDT (1854 GMT), having shed 1 percent on Friday in its biggest one-day percentage fall since May 18. U.S. gold futures settled down 0.2 percent at \$1,268.90.

Palladium gained 0.3 percent to \$893 an ounce after rising above \$910 on Friday, its highest since 2001.

"It seems to be speculators driving the price higher," said Robin Bhar, head of metals research at Societe Generale, adding that there was a shortage of metal for immediate delivery.

That shortage has created a premium, or backwardation, of about \$6 and \$21 dollars an ounce for the June and July futures respectively over the August contract.

But analysts say declining car sales in China and the United States point to weaker demand for palladium.

"The palladium market is experiencing a short-squeeze, which we believe is driven by investment demand rather than industrial demand," said Julius Baer analyst Carsten Menke.

"Eventually, the weaker demand backdrop from automotive catalysts should be reflected in deteriorating sentiment and falling prices. We remain bearish."

NYMEX palladium stocks fell to a 14-year low of 42,450 ounces on Friday.

"NYMEX palladium stocks have been falling since 2014, and remain at low levels ... this suggests reduced availability of 'last resort' stocks while speculative positioning is closing in on record highs," said Standard Chartered in a note.

"We forecast the palladium market to swing deeper into deficit this year, at 563,000 ounces, driven by continued growth in autocatalyst demand and lackluster supply."

Johnson Matthey, a leading manufacturer of vehicle catalysts, forecast last month that the palladium market would show a deficit of 792,000 ounces in 2017.

Overall, precious metals markets are waiting for the outcome of the Fed's meeting on Wednesday at 2 p.m. EDT (1800 GMT).

Higher rates, as expected by the market, could boost the dollar, making commodities priced in the greenback more expensive for holders of other currencies.

Silver fell more than 1 percent to a 2-1/2-week low of \$16.87 an ounce, while platinum was up 1.2 percent at \$945. [\(Source Reuters, Research – @her1en\)](#)



## GOLD (XAU/USD)



- Daily RSI flat
  - Important resistance at 1308 level
  - Support at 1247
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
June 12	1267.720	1270.210	1263.460	6.75	1265.590	↓ 4.90	1270.490	1269.25	1266.40
June 09	1280.180	1280.800	1264.470	16.33	1270.490	↓ 7.22	1277.710	1274.25	1266.55
June 08	1286.660	1288.770	1271.180	17.59	1277.710	↓ 8.90	1286.610	1284.80	1273.10
June 07	1294.450	1294.600	1282.530	12.07	1286.610	↓ 7.30	1293.910	1292.70	1291.00
June 06	1279.510	1295.910	1279.460	16.45	1293.910	↑ 14.57	1279.340	1287.85	1293.50

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1270.210	1263.460	1295.910	1258.940	1273.960	1214.100	1295.910	1146.31
(12/Jun)	(12/Jun)	(06/Jun)	(02/Jun)	(31/May)	(09/May)	(06/Jun)	(03/Jan)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	1308.00	Pivot line
	1295.97	High June 06
	1288.93	High June 08
	1280.80	High June 09
<b>SUPPORT</b>	1263.23	Low June 12
	1258.60	Low June 02
	1252.50	Low May 26
	1247.25	Low May 24
<b>RECOMMENDATION</b>	BUY	-----
	SELL	1267.00
	STOP LOSS	1275.00
	TARGET	1258.50 1253.00

## SILVER (XAG/USD)



- Resistance at 18.00
- Important support at 16.30  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	17.180	17.216	16.898	0.32	16.943	↓ 0.27	17.218
June 09	17.443	17.459	17.160	0.30	17.218	↓ 0.20	17.416
June 08	17.564	17.670	17.281	0.39	17.416	↓ 0.15	17.566
June 07	17.697	17.711	17.498	0.21	17.566	↓ 0.12	17.690
June 06	17.531	17.730	17.507	0.22	17.690	↑ 0.16	17.527

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.216	16.898	17.730	16.898	17.453	16.045	18.63	15.88
(12/Jun)	(12/Jun)	(06/Jun)	(12/Jun)	(30/May)	(09/May)	(17/Apr)	(03/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	18.00	High Mar 25
	17.75	High June 06
	17.46	High June 09
	17.23	High June 12
SUPPORT	16.85	Low May 24
	16.43	Low May 18
	16.28	Low May 12
	16.01	Low May 09
ECOMMENDATION	BUY	----
	SELL	16.85
	STOP LOSS	17.10
	TARGET	16.50
		16.30



## OIL – Daily Outlook

### Oil rises on signs of U.S. inventory declines, lower Saudi exports - Reuters News



Oil edged up on Monday on signs of inventory declines in the United States and news that Saudi Arabia will limit volumes of crude to some Asian buyers in July and deepen cuts to the United States.

Saudi Arabia, the world's top oil exporter, will cut crude allocations to Asia in July to a total of about 300,000 barrels per day (bpd), deeper than in June, sources told Reuters. One source said volumes to the United States would be cut by about 35 percent in July.

Data from market intelligence firm Genscape estimating a draw of more than 1.8 million barrels at the Cushing, Oklahoma delivery point for U.S. crude futures last week added to the bullish sentiment, said traders who saw the data.

Brent crude futures ended the session up 14 cents, or 0.3 percent at \$48.29 a barrel, having risen as much as 2 percent to a session high of \$49.15. U.S. West Texas Intermediate (WTI) crude futures gained 25 cents, or 0.6 percent, to settle at \$46.08, having peaked at \$46.71.

Prices plunged about 5 percent last week after data from the U.S. Department of Energy showed a surprise increase in stockpiles.

"We think the market's negative reaction to a one-week counter-seasonal crude inventory build of 3.3 million barrels was excessive, at least relative to its lack of positive reaction to draws amounting to 10.9 million barrels in the previous two weeks of data," Standard Chartered analysts said in a note.

"We do not expect a repeat of the inventory increase this week; rather we see a further large inventory draw."

Some traders and analysts said the rise looked technical in nature, after WTI rallied and encouraged a similar move in the Brent market. But they said the move might prove fleeting.

"When you start to approach \$45 a barrel in WTI, you're in an area where you do find some price support and I think there has been some evidence last week of investment flows coming back into crude oil," Petromatrix strategist Olivier Jakob said.

"You have to be careful not to be too optimistic for now," he said. "Physical differentials are still under pressure and the time structure is still under pressure in Brent. It's a bit premature to call for much higher oil prices."

Traders also noted the price rise came as data showed speculative traders had increased their investment in crude futures by taking on large volumes of long positions.

"Oil bulls have reset for a technical bounce," said Stephen Schork, author of the Schork Report.

While financial traders have confidence in rising prices, the physical market remains under pressure, especially because of an increase in U.S. drilling and output.

"The combination of a rebound in OPEC and Russian output in the first half of 2018 and growing U.S. production will probably push the market back into oversupply next year after being in a large deficit in the second half of 2017," Capital Economics said in a note.

"As a result, it now seems more likely than not that oil prices will fall back a little next year, even with continued growth in demand, rather than slowly rising as we had previously assumed. As such, we are lowering our end-2018 forecast for Brent from \$65 per barrel to \$55." [\(Source Reuters, Research – @her1en\)](#)

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



- Important support around 42.00
- Resistance at 49.70
- Daily RSI rises  
 ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
June 12	45.92	46.68	45.65	1.03	45.97	↑ 0.07	45.90
June 09	45.69	46.16	45.25	0.91	45.90	↑ 0.22	45.68
June 08	45.83	46.16	45.20	0.96	45.68	↓ 0.07	45.75
June 07	47.97	48.20	45.65	2.55	45.75	↓ 2.21	47.96
June 06	47.39	48.38	46.93	1.45	47.96	↑ 0.58	47.38

WEEKLY		JUNE		MAY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
46.68	45.65	49.15	45.20	51.98	43.75	55.22	43.75
(12/Jun)	(12/Jun)	(01/Jun)	(08/Jun)	(25/May)	(05/May)	(03/Jan)	(05/May)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	53.42	High Apr 19
	52.00	High Apr 25
	49.71	High May 31
	48.23	High June 07
<b>SUPPORT</b>	44.13	Reaction low on 1-H chart
	42.01	Low Apr 05, 2016
	41.25	Low Feb 25, 2016
	39.96	Low Feb 11, 2016
<b>RECOMMENDATION</b>	BUY	45.80
	SELL	----
	STOP LOSS	44.80
	TARGET	47.30
		47.80