



Daily Bulletin

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

Research Department

08/17/2017

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Published by RESEARCH DEPARTMENT – PT VALBURY ASIA FUTURES

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- The dollar hoarded hefty gains on Wednesday after strong U.S. retail sales revived the chance of another Federal Reserve rate hike this year, while Asia stocks inched ahead as tensions in the Korean peninsula went off the boil.
- Miners and oil stocks led Europe's major share indexes higher on Wednesday on the back of higher metals prices and improved euro zone GDP figures.
- Wall Street edged higher on Wednesday but closed well off session highs and the dollar fell on the latest turmoil in Washington and U.S. Federal Reserve meeting minutes that showed worries about low inflation.

GLOBAL ECONOMIES

- Australian wages growth had languished at record lows for an entire year by the end of June quarter, official data showed on Wednesday, an outcome that threatens to sap consumer spending by heavily indebted households and to drag on already-anaemic inflation.
- Global dairy prices slipped slightly at an auction on Wednesday, moderating further from a rally earlier in the year, but analysts said the coming spring season would be key to further price moves.
- Net foreign exchange sales by China's central bank fell to a 21-month low in July, as pressure from capital outflows eased due to tighter government curbs and a stronger Chinese yuan.
- The European Central Bank's exit from asset purchases is tied to the recovery of the euro zone economy but low rates and the bank's oversized balance sheet will provide support for years to come, ECB policymaker Ardo Hansson told an Estonian newspaper.
- Britain's labour market confounded a sluggish economy in the second quarter as the unemployment rate fell to its lowest since 1975.
- U.S. homebuilding unexpectedly fell in July amid broad declines in single- and multi-family home construction, suggesting the housing market was struggling to rebound after slumping in the second quarter.

GLOBAL MARKETS

Asia – The dollar hoarded hefty gains on Wednesday after strong U.S. retail sales revived the chance of another Federal Reserve rate hike this year, while Asia stocks inched ahead as tensions in the Korean peninsula went off the boil.

North Korean leader Kim Jong Un has delayed a decision on firing missiles towards Guam while he waits to see what the United States does, as Washington said any dialogue was up to Kim.

The break in threat and counter-threat was enough for South Korean stocks to bounce 0.6 percent, though they remain well short of a record peak touched last month.

The next flash point could be a joint U.S.-South Korean military exercise starting on Aug. 21.

MSCI's broadest index of Asia-Pacific shares outside Japan edged up 0.3 percent and Japan's Nikkei lost 0.1 percent.

Investors reacted by narrowing odds on the Fed tightening again this year and sent two-year Treasury yields up to 1.36 percent, from 1.29 percent on Friday.

Minutes of the Fed's July meeting are due later in the session and should show how the debate on rate hikes is shifting within the central bank.

Euro Zone – Miners and oil stocks led Europe's major share indexes higher on Wednesday on the back of higher metals prices and improved euro zone GDP figures.

The pan-European STOXX 600 ended the session 0.7 percent higher, its third day of gains after a sharp sell-off last week. Euro zone stocks and blue chips also jumped 0.7 percent.

Basic resource stocks provided the top boost, gaining 2.5 percent after London zinc hit a decade high, lifted by Chinese construction spending.

Glencore, Boliden, Anglo American and Outokumpu rose by between 3.4 and 4.2 percent, while oil stocks edged up 0.7 percent.

Euro zone GDP expanded by 0.6 percent quarter-on-quarter and the annual growth figure was upgraded to 2.2 percent from the earlier estimated 2.1 percent.

Stronger economic growth is part of the reason global active funds remain overwhelmingly positive on European equities, the biggest consensus overweight position according to Barclays' analysis of investor flows.

"The market mindset is that Europe is recovering from a very deep, very long recession that hit at its financial core," said Christopher Peel, chief investment officer at Tavistock Wealth.

"The banking system is finally starting to show signs of having worked through the legacy of 2008-2009," Peel added.

Earnings drove some strong moves, with British builder Balfour Beatty jumping 6.4 percent, leading construction stocks higher, after first-half profits were boosted by a rebound in construction in Britain.

By contrast, a second-quarter profit disappointment weighed on Swedish food retailer ICA, down 6.5 percent, while Danish healthcare product maker Coloplast dropped more than 6.2 percent after its third-quarter organic growth fell short.

Car insurer Admiral fell 6 percent after profits rose just 1 percent in the first half.

Second-quarter results season was drawing to a close, with earnings expected to grow 15 percent from the second quarter last year, or 12.8 percent excluding the energy sector, Thomson Reuters data showed.

"Earnings and earnings expectations are rising as you're getting a global recovery," said Tavistock's Peel.

M&A speculation again boosted Fiat Chrysler and Exor, the investment fund which owns the carmaker.

Fiat and Exor jumped 2.6 and 2.1 percent respectively, extending gains from Monday when a media report said a Chinese company may be interested in the carmaker.

Swedish healthcare firm Elekta gained 2.6 percent after JP Morgan upgraded it to "overweight".

"We believe the potential of (radiation therapy) Unity has not been fully captured by the market; this is reflected in the (approximate) ... 13 percent short interest in the stock," JP Morgan analysts said. "Consensus momentum could swing in the next six to 12 months."

U.S. & Global Markets – Wall Street edged higher on Wednesday but closed well off session highs and the dollar fell on the latest turmoil in Washington and U.S. Federal Reserve meeting minutes that showed worries about low inflation.

U.S. Treasury yields fell with benchmark yields retreating from one-week highs after the July meeting minutes and as investors worried that a backlash against President Donald Trump's comments after a violent weekend rally would stunt his ability to deliver on his pro-business promises.

Fed policymakers were ready to roll a plan to shrink its balance sheet but were increasingly wary about weak inflation and some called for a halt to interest rate hikes until it was clear the trend was transitory, according to the minutes.

"Maybe they're a little more malleable in their views than a lot of people thought," said Nathan Thooft, head of asset allocation at Manulife Asset Management in Boston. "Risk assets are OK with it because they don't want a shock to the upside on yields."

The Dow Jones Industrial Average rose 25.88 points, or 0.12 percent, to 22,024.87, the S&P 500 gained 3.5 points, or 0.14 percent, to 2,468.11 and the Nasdaq Composite added 12.10 points, or 0.19 percent, to 6,345.11.

U.S. stocks got a boost from the Fed minutes but still ended below their highs. Sellers emerged when Trump disbanded two high-profile advisory councils after several CEOs quit to protest his comments about violence in Charlottesville, Virginia.

"This calls into question the ability of the Trump administration to get anything done in terms of tax and infrastructure reforms. It's another piece of evidence of the administration's mounting problems," said John Doyle, Director of markets at Tempus Consulting in Washington.

After touching its highest level in nearly three weeks earlier in the session, the U.S. dollar fell against a basket of rival currencies, after the business council news and the Fed minutes.

The dollar index fell 0.36 percent, with the euro up 0.27 percent to \$1.1765.

U.S. Treasury yields were lower in late trading after the Fed minutes and were still near session lows reached earlier in the day as investors increased bids for government debt on the Washington news.

Benchmark 10-year notes last rose 11/32 in price to yield 2.229 percent, from 2.266 percent late on Tuesday.

The 30-year bond last rose 18/32 in price to yield 2.8127 percent, from 2.84 percent late on Tuesday. [\(Source Reuters – @ErwinRiset - @her1en\)](#)

GLOBAL ECONOMIES

Australia – Australian wages growth had languished at record lows for an entire year by the end of June quarter, official data showed on Wednesday, an outcome that threatens to sap consumer spending by heavily indebted households and to drag on already-anaemic inflation.

The Australian Bureau of Statistics (ABS) said that its wage price index rose just 0.5 percent in April-June, matching forecasts and compared with an upwardly revised 0.6 percent the previous quarter.

Annual wage growth held at 1.9 percent, the lowest on record. That was less than half the growth rate workers enjoyed a decade ago when a mining boom boosted pay across Australia.

The slowdown has contributed to an unwelcome decline in underlying inflation, which sits below the Reserve Bank of Australia's (RBA) target band of 2-3 percent.

Tepid consumer prices led to two interest rates cuts last year to a record low of 1.50 percent.

"The stagnation in annual wage growth...supports our view that the low-wage, low-inflation climate will mean the RBA won't raise interest rates

next year as the markets expect," said Paul Dales, chief economist at Capital Economics.

"With households' real wages having been unchanged over the last year, consumption growth will surely slow soon."

The RBA is worried about the impact on the A\$1.7 trillion (\$1.3 trillion) economy from surging household debt, which is already at 190 percent of disposable income.

Policymakers hope wages growth will eventually tick higher given a recent revival in employment and the end of a slump in mining investment.

Yet, there was scant sign of a pick-up in Wednesday's report. Not a single industry from manufacturing to healthcare raised wages more than 2.6 percent annually.

Miners got the highest pay rise in the quarter but their annual pay hike was still the smallest of all industries at a mere 1.1 percent.

Wage hikes were more attractive in the public sector at 2.4 percent, compared with just 1.8 percent in the private sector.

New Zealand – Global dairy prices slipped slightly at an auction on Wednesday, moderating further from a rally earlier in the year, but analysts said the coming spring season would be key to further price moves.

The GDT Price Index dipped 0.4 percent, with an average selling price of \$3,339 per tonne, in the auction held in the early hours of Wednesday morning.

A recent drop in price at four of the last five auctions has not yet caused alarm given it follows a strong three-month rally, which gave farmers confidence in an ongoing dairy price recovery after years of falls.

A total of 32,260 tonnes was sold at the latest auction, down 1.6 percent on the previous sale. Prices for whole milk powder, a major New Zealand export, fell 0.6 percent, as skim milk powder prices rose 0.3 percent.

The outlook for prices was now largely being driven by weather in the New Zealand spring season over the next three months given the country is the world's largest dairy exporter.

"Early season NZ production is ... key," said ASB economists in a research note, adding that an expected production lift could be curbed if there were more rain than usual.

The auction results can affect the New Zealand dollar as the dairy sector generates more than 7 percent of the nation's gross domestic product.

The currency fell around 0.7 percent to a two-month low of \$0.7230 in the wake of the auction results.

GDT Events, one of the world's major dairy auction platforms, is owned by New Zealand's Fonterra Co-operative Group Ltd, but operates independently from the dairy giant.

U.S.-listed CRA International Inc is the trading manager for the twice-monthly Global Dairy Trade auction.

Companies including Dairy America and Murray Goulburn, use the platform to sell milk powder and other dairy products.

The auctions are held twice a month, with the next one scheduled for September 5.

China – Net foreign exchange sales by China's central bank fell to a 21-month low in July, as pressure from capital outflows eased due to tighter government curbs and a stronger Chinese yuan.

The People's Bank of China (PBOC) sold a net 4.6 billion yuan (\$687.85 million) worth of foreign exchange in July - the lowest since October 2015, down from 34.3 billion yuan in June, according to Reuters calculations based on central bank data released on Wednesday.

The data suggested the central bank had scaled back its intervention in the foreign exchange market in July.

Separately, State Administration of Foreign Exchange (SAFE) data on Wednesday showed that commercial banks' net sales fell to \$15.5 billion in July, the lowest in three months and down from \$20.9 billion in June.

For the January to July period, commercial banks sold a net \$109.3 billion of foreign exchange.

The SAFE said in an accompanying statement that it expects cross-border capital flows to remain stable in the future.

The amount of individual purchases of foreign exchange in July fell 35 percent from June, as market expectations of the currency further stabilised, SAFE added.

China purchased the most U.S. Treasuries in six years in June, vaulting past Japan as the largest overseas lender to the U.S. government, according to data released by the U.S. Treasury Department on Tuesday.

The world's second-largest economy has steadily ratcheted up its holdings of U.S. government debt as it has seen a sharp reduction in capital outflows.

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

Following a flurry of measures to check the yuan's volatility and tougher rules on cross-border investments, the Chinese currency has rebounded and foreign reserves have risen to multi-month highs.

China has said more than once that it will continue to monitor "irrational" overseas investments in property, hotel, entertainment, sports and movie industries.

China's non-financial outbound direct investment plummeted 44.3 percent on year to \$57.2 billion in January-July, the commerce ministry said on Tuesday.

Mergers and acquisitions by Chinese companies in countries that are part of President Xi Jinping's ambitious Belt and Road initiative, however, have soared.

Spot yuan closed at 6.6955 per dollar at the official local close on Wednesday. So far this year, it has risen 3.8 percent versus the dollar.

China's foreign exchange reserves hit a nine-month high in July.

But the yuan's recent strengthening has not doused depreciation expectations, with many market participants expecting it will decline against the dollar in the next year.

Beijing's move to impose stability and contain risks in the financial system comes as China's top Communist party leadership prepares to gather for a once-in-five-years congress in the autumn.

Euro Zone – The European Central Bank's exit from asset purchases is tied to the recovery of the euro zone economy but low rates and the bank's oversized balance sheet will provide support for years to come, ECB policymaker Ardo Hansson told an Estonian newspaper.

"As the exit from the asset buying programme is in line with the recovery of economic activity, everything is calm," Hansson, who sits on the ECB's rate-setting Governing Council said.

"After the completion of the purchase of bonds, the reinvestment of bonds already bought will continue for some time; that is, when the earlier purchased bonds expire, new ones will be bought instead," Hansson was quoted as saying in Estonian daily Aripaev on Wednesday.

Hansson said that given the ECB's asset buys for more than two years, the main support to the economy comes not from monthly bond purchases but the bank's already large balance sheet.

The ECB has bought more than 2 trillion euros worth of bonds, mostly government debt, in the past two and a half year, hoping to cut borrowing costs to revive investment, growth and ultimately inflation.

The European Central Bank rate-setting Governing Council will next meet on September 7 and policymakers have pledged to decide this "autumn" whether to claw back stimulus at the start of next year.

UK – Britain's labour market confounded a sluggish economy in the second quarter as the unemployment rate fell to its lowest since 1975.

Wage growth remained muted, however, and analysts said the tepid economy could yet take a toll on jobs.

Sterling jumped nearly half a cent against the dollar and British government bond prices slid after data on Wednesday showed the jobless rate edged down to 4.4 percent in the three months to June, against expectations for it to hold at 4.5 percent in a Reuters poll of economists.

Figures on wage growth also came in better than expected but they were flattered by bonus payments in the financial sector. The underlying picture still showed households feeling the strain of rising prices since last year's Brexit vote.

There were also signs the decision to leave the European Union is having an impact on foreign workers. The number of EU-born people working in Britain rose just 1.6 percent year-on-year in the second quarter, the weakest increase in seven years.

Andrew Sentance, senior economic adviser at accountants PwC and a former Bank of England rate-setter, said the labour market data were consistent with modest economic growth.

"Though unemployment is at its lowest level since the mid-1970s, it would not be surprising to see the jobless rate edging up later this year in response to the current economic slowdown," he said.

Inflation has eased slightly since May when it hit an almost four-year high of 2.9 percent, but prices are still rising faster than wages.

The Office for National Statistics said workers' total earnings including bonuses rose by an annual 2.1 percent in the three months to June, compared with 1.9 percent in the period to May, boosted by a 27 percent surge in bonus payments in the financial sector in June alone.

Economists taking part in a Reuters poll had expected wage growth of 1.8 percent.

Overall wage growth in real terms fell by 0.5 percent, the same as in the three months to May and one of the steepest declines in the past three years.

Excluding bonuses - which analysts say gives a better picture of the underlying trend - earnings in nominal terms rose by 2.1 percent year-on-year, the fastest rate since January and beating expectations for a 2.0 percent rise.

The Bank of England is watching wage growth closely as it gauges whether the increase in inflation is creating longer-lasting pressure on prices. It expects wages to rise by 2 percent this year before picking up in 2018 and 2019.

Separate ONS figures showed productivity -- perhaps Britain's biggest economic weak point since the financial crisis fell by 0.1 percent in output-per-hours terms during the second quarter compared with the first quarter, when it fell 0.5 percent.

"Given the uncertain economic and political outlook, it may be that several companies are trying to meet extra work by taking on labour rather than commit to investment," said Howard Archer, chief economic adviser to the EY ITEM Club.

While growth of workers born in other EU countries hit a seven-year low during the second quarter, the number of workers born outside the EU working in Britain continued to rise strongly - up 225,000 or 7.3 percent compared with a year ago.

U.S. – U.S. homebuilding unexpectedly fell in July amid broad declines in single- and multi-family home construction, suggesting the housing market was struggling to rebound after slumping in the second quarter.

Housing starts declined 4.8 percent to a seasonally adjusted annual rate of 1.16 million units, the Commerce Department said on Wednesday. June's sales pace was revised down to 1.21 million units from the previously reported 1.22 million units.

The report also showed a decline in building permits, which could temper expectations of an acceleration in residential construction after it

contracted in the second quarter at its steepest pace since the third quarter of 2010.

Housing subtracted 0.27 percentage point from second-quarter gross domestic product. Economists had forecast groundbreaking activity to be little changed at a rate of 1.22 million units in July. Homebuilding fell 5.6 percent on a year-on-year basis.

Last month's drop in starts pushed them further below their historic average of 1.5 million, a rate realtors say would eliminate an acute shortage of houses on the market that has driven up prices.

The dollar fell against a basket of currencies after the data before paring losses. Prices for U.S. government bonds trimmed losses, while U.S. stock futures were trading higher.

Single-family homebuilding, which accounts for the largest share of the housing market, slipped 0.5 percent to a rate of 856,000 units last month. Despite strong demand for housing, groundbreaking on single-family housing projects has slowed since racing to near a 9-1/2-year high in

February. Homebuilders continue to complain they cannot find skilled labor, especially framers, and that buildable lots remain in short supply.

Builders also say the costs of their materials are rising. Prices for building materials were increasing even before the U.S. government slapped anti-subsidy duties on imports of Canadian softwood lumber in April.

A survey on Tuesday showed confidence among homebuilders increased in August amid rising demand for new houses.

Last month, starts for the volatile multi-family housing segment tumbled 15.3 percent to a rate of 299,000 units. Groundbreaking for buildings with five units or more fell to its lowest level since September 2016.

Multi-family homebuilding is slowing as apartments come on the market, leading to an increase in the rental vacancy rate this year.

Building permits last month fell 4.1 percent to a rate of 1.22 million units. Single-family home permits were unchanged, while permits for the construction of multi-family homes plunged 11.2 percent in July.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/14-Aug-17	05:45	NZ	Retail Sales Ex Inflation QoQ	2Q	2.0%	0.7%	1.5%	1.6%
	06:35	AU	RBA's Kent Gives Speech in Sydney					
	06:50	JP	GDP SA QoQ	2Q P	1.0%	0.6%	0.3%	0.4%
	06:50	JP	GDP Annualized SA QoQ	2Q P	4.0%	2.5%	1.0%	1.5%
	06:50	JP	GDP Nominal SA QoQ	2Q P	1.1%	0.7%	-0.3%	
	06:50	JP	GDP Deflator YoY	2Q P	-0.4%	-0.5%	-0.8%	
	06:50	JP	GDP Private Consumption QoQ	2Q P	0.9%	0.5%	0.3%	0.4%
	06:50	JP	GDP Business Spending QoQ	2Q P	2.4%	1.2%	0.6%	0.9%
11-Aug - 15-Aug	N/A	CN	Money Supply M2 YoY	Jul	9.2%	9.5%	9.4%	
11-Aug - 15-Aug	N/A	CN	Money Supply M1 YoY	Jul	15.3%	14.0%	15.0%	
11-Aug - 15-Aug	N/A	CN	Money Supply M0 YoY	Jul	6.1%	6.5%	6.6%	
11-Aug - 15-Aug	N/A	CN	New Yuan Loans CNY	Jul	825.5b	800.0b	1540.0b	
11-Aug - 15-Aug	N/A	CN	Aggregate Financing CNY	Jul	1220.0b	1000.0b	1780.0b	1776.2b
11-Aug - 18-Aug	N/A	CN	Foreign Direct Investment YoY CNY	Jul	-	--	2.3%	
	09:00	CN	Retail Sales YoY	Jul	10.4%	10.8%	11.0%	
	09:00	CN	Retail Sales YTD YoY	Jul	10.4%	10.5%	10.4%	
	09:00	CN	Industrial Production YoY	Jul	6.4%	7.1%	7.6%	
	09:00	CN	Industrial Production YTD YoY	Jul	6.8%	6.9%	6.9%	
	16:00	EZ	Industrial Production SA MoM	Jun	-0.6%	-0.5%	1.3%	1.2%
	16:00	EZ	Industrial Production WDA YoY	Jun	2.6%	2.8%	4.0%	3.9%
	19:00	CA	Canada Foreign Minister gives speech on Nafta in Ottawa					
	21:00	CA	Foreign Minister Freeland testifies about Nafta					
Tue/15-Aug-17	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	Aug-13	111.7	--	113.7	
	08:30	AU	RBA Aug. Rate Meeting Minutes					
	11:30	JP	Industrial Production MoM	Jun F	2.2%	--	1.6%	
	11:30	JP	Industrial Production YoY	Jun F	5.5%	--	4.9%	

	11:30	JP	Capacity Utilization MoM	Jun	2.1%	--	-4.1%	
	13:00	DE	GDP SA QoQ	2Q P	0.6%	0.7%	0.6%	0.7%
	13:00	DE	GDP WDA YoY	2Q P	2.1%	1.9%	1.7%	2.0%
	13:00	DE	GDP NSA YoY	2Q P	0.8%	0.6%	2.9%	3.2%
	14:15	CH	Producer & Import Prices MoM	Jul	0.0%	0.0%	-0.1%	
	14:15	CH	Producer & Import Prices YoY	Jul	-0.1%	0.0%	-0.1%	
	15:30	GB	CPIH YoY	Jul	2.6%	2.7%	2.6%	
	15:30	GB	CPI MoM	Jul	-0.1%	0.0%	0.0%	
	15:30	GB	CPI YoY	Jul	2.6%	2.7%	2.6%	
	15:30	GB	CPI Core YoY	Jul	2.4%	2.5%	2.4%	
	15:30	GB	PPI Input NSA MoM	Jul	0.0%	0.4%	-0.4%	-0.3%
	15:30	GB	PPI Input NSA YoY	Jul	6.5%	6.9%	9.9%	10.0%
	15:30	GB	PPI Output NSA MoM	Jul	0.1%	0.0%	0.0%	
	15:30	GB	PPI Output NSA YoY	Jul	3.2%	3.1%	3.3%	
	15:30	GB	PPI Output Core NSA MoM	Jul	0.1%	0.1%	0.2%	
	15:30	GB	PPI Output Core NSA YoY	Jul	2.4%	2.5%	2.9%	
	19:30	US	Empire Manufacturing	Aug	25.2	10	9.8	
	19:30	US	Retail Sales Advance MoM	Jul	0.6%	0.3%	-0.2%	0.3%
	19:30	US	Retail Sales Ex Auto MoM	Jul	0.5%	0.3%	-0.2%	
	19:30	US	Retail Sales Ex Auto and Gas	Jul	0.5%	0.4%	-0.1%	
	19:30	US	Retail Sales Control Group	Jul	0.6%	0.4%	-0.1%	0.1%
	20:00	CA	Existing Home Sales MoM	Jul	-2.1%	--	-6.7%	
	21:00	US	Business Inventories	Jun	0.5%	0.4%	0.3%	
		KR	National Liberation Day					
Wed/16-Aug-17	07:30	AU	Westpac Leading Index MoM	Jul	0.12%	--	-0.14%	-0.15%
	15:30	GB	Claimant Count Rate	Jul	2.3%	--	2.3%	
	15:30	GB	Jobless Claims Change	Jul	-4.2k	--	5.9k	3.5k
	15:30	GB	Average Weekly Earnings 3M/YoY	Jun	2.1%	1.8%	1.8%	1.9%
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Jun	2.1%	2.0%	2.0%	
	15:30	GB	ILO Unemployment Rate 3Mths	Jun	4.4%	4.5%	4.5%	
	15:30	GB	Employment Change 3M/3M	Jun	125k	97k	175k	
	16:00	EZ	GDP SA QoQ	2Q P	0.6%	0.6%	0.6%	
	16:00	EZ	GDP SA YoY	2Q P	2.2%	2.1%	2.1%	
	19:30	US	Housing Starts	Jul	1155k	1220k	1215k	1213k
	19:30	US	Housing Starts MoM	Jul	-4.8%	0.4%	8.3%	7.4%
	19:30	US	Building Permits	Jul	1223k	1250k	1254k	1257k
	19:30	US	Building Permits MoM	Jul	-4.1%	-2.0%	7.4%	9.2%
	21:30	US	DOE U.S. Crude Oil Inventories	Aug-11	-8945k	-3382k	-6451k	
	21:30	US	DOE Cushing OK Crude Inventory	Aug-11	678k	--	569k	
	21:30	US	DOE U.S. Gasoline Inventories	Aug-11	22k	-900k	3424k	
	21:30	US	DOE U.S. Distillate Inventory	Aug-11	702k	0k	-1729k	
Thu/17-Aug-17	01:00	US	FOMC Meeting Minutes	Jul-26		--	--	
	05:45	NZ	PPI Output QoQ	2Q	1.3%	--	1.4%	
	05:45	NZ	PPI Input QoQ	2Q	1.4%	--	0.8%	
	06:50	JP	Trade Balance	Jul		¥353.6b	¥439.9b	
	06:50	JP	Trade Balance Adjusted	Jul		¥196.3b	¥81.4b	
	06:50	JP	Exports YoY	Jul		13.4%	9.7%	
	06:50	JP	Imports YoY	Jul		17.3%	15.5%	
	08:00	NZ	ANZ Consumer Confidence Index	Aug		--	125.4	
	08:00	NZ	ANZ Consumer Confidence MoM	Aug		--	-1.9%	
	08:30	AU	Employment Change	Jul		20.0k	14.0k	
	08:30	AU	Unemployment Rate	Jul		5.6%	5.6%	
	08:30	AU	Full Time Employment Change	Jul		--	62.0k	
	08:30	AU	Part Time Employment Change	Jul		--	-48.0k	
	08:30	AU	Participation Rate	Jul		65.0%	65.0%	
	N/A	HK	Composite Interest Rate	Jul		--	0.31%	
	15:20	AU	RBA's Ellis Gives Speech in Canberra					
	15:30	HK	Unemployment Rate SA	Jul		3.2%	3.1%	
	15:30	GB	Retail Sales Ex Auto Fuel MoM	Jul		0.0%	0.9%	

	15:30	GB	Retail Sales Ex Auto Fuel YoY	Jul		1.1%	3.0%	
	15:30	GB	Retail Sales Inc Auto Fuel MoM	Jul		0.1%	0.6%	
	15:30	GB	Retail Sales Inc Auto Fuel YoY	Jul		1.3%	2.9%	
	16:00	EZ	Trade Balance SA	Jun		--	19.7b	
	16:00	EZ	Trade Balance NSA	Jun		--	21.4b	
	16:00	EZ	CPI MoM	Jul		-0.5%	0.0%	
	16:00	EZ	CPI YoY	Jul F		1.3%	1.3%	
	16:00	EZ	CPI Core YoY	Jul F		1.2%	1.2%	
	18:30	EZ	ECB account of the monetary policy meeting					
	19:30	US	Initial Jobless Claims	Aug-12		240k	244k	
	19:30	US	Continuing Claims	Aug-05		1953k	1951k	
	19:30	US	Philadelphia Fed Business Outlook	Aug		18.5	19.5	
	20:15	US	Industrial Production MoM	Jul		0.3%	0.4%	
	20:15	US	Capacity Utilization	Jul		76.7%	76.6%	
	20:15	US	Manufacturing (SIC) Production	Jul		0.2%	0.2%	
	21:00	US	Leading Index	Jul		0.3%	0.6%	
Fri/18-Aug-17	00:00	US	Fed's Kaplan Speaks in Lubbock, Texas					
	08:30	CN	China July Property Prices					
	13:00	DE	PPI MoM	Jul		0.0%	0.0%	
	13:00	DE	PPI YoY	Jul		2.2%	2.4%	
	15:00	EZ	ECB Current Account SA	Jun		--	30.1b	
	15:00	EZ	Current Account NSA	Jun		--	18.3b	
	16:00	EZ	Construction Output MoM	Jun		--	-0.7%	
	16:00	EZ	Construction Output YoY	Jun		--	2.6%	
	19:30	CA	CPI NSA MoM	Jul		0.1%	-0.1%	
	19:30	CA	CPI YoY	Jul		1.3%	1.0%	
	19:30	CA	Consumer Price Index	Jul		--	130.4	
	19:30	CA	CPI Core- Common YoY%	Jul		--	1.4%	
	19:30	CA	CPI Core- Trim YoY%	Jul		--	1.2%	
	19:30	CA	CPI Core- Median YoY%	Jul		--	1.6%	
	21:00	US	U. of Mich. Sentiment	Aug P		94	93.4	
	21:00	US	U. of Mich. Current Conditions	Aug P		113.3	113.4	
	21:00	US	U. of Mich. Expectations	Aug P		81.0	80.5	
	21:00	US	U. of Mich. 1 Yr Inflation	Aug P		--	2.6%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	Aug P		--	2.6%	
	21:15	US	Fed's Kaplan Speaks in Dallas					
Sat/19-Aug-17	00:00	US	Baker Hughes U.S. Rig Count	Aug-18		--	949	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average was nearly flat on Wednesday with the previous day's rally running out of steam as the yen's weakening slowed, while Japan Airlines bucked the trend helped by a brokerage's bullish view.

The Nikkei inched down 0.1 percent to 19,729.28.

Japanese stocks have seen volatile trade recently, first spooked by growing tensions between the United States and North Korea, which strengthened the yen, but then rebounding on bargain hunting as fears of conflict ebbed.

But analysts said that investors remain wary of tensions between Washington and Pyongyang mounting again.

"It's not that risks on North Korea completely faded, but for now, after a sharp rise on the previous day, investors decided to wait for more catalysts before investing actively," said Norihiro Fujito, a senior investment strategist at Mitsubishi UFJ Morgan Stanley Securities.

Japan Airlines rose 1.6 percent after Nomura Securities raised its rating to 'buy' from 'neutral', saying it now expects a milder decline than initially forecast due to strong domestic passenger revenues and improving cargo revenues.

Rival ANA Holdings gained 0.4 percent.

With the Trump administration launching renegotiation of the 23-year-old NAFTA trade pact this week, automakers underperformed on uncertainty about the fate of Mexico, where Japanese automakers have plants.

Trump aims to shrink a growing trade deficit with Mexico and tighten the rules of origin for cars and parts.

"We still don't know how much impact NAFTA deals would give on Japanese automakers, but the event is souring sentiment on the auto sector," said a fund manager at a Japanese asset management firm.

Mazda Motor Corp dropped 0.3 percent and Toyota Motor Corp shed 1.3 percent. Tire manufacturer Bridgestone Corp slipped 0.8 percent.

Elsewhere, shares of discount store operator Don Quijote Holdings Co fell as much as 3.3 percent as its operating profit forecast for the year through June 2018 was 48 billion yen (\$434 million), below the 52 billion yen forecast by analysts polled by Thomson Reuters StarMine.

Japan Drilling Co climbed 3 percent after the company said it would provide offshore drilling services to Malaysia's Petronn Sdn Bhd.

The broader Topix ended the day flat at 1,616.00.

South Korean shares ended higher on Wednesday, in line with gains in global stock markets after North Korean leader Kim Jong Un delayed a decision to fire missiles towards Guam.

The Korea Composite Stock Price Index (KOSPI) closed up 0.6 percent at 2,348.26 points.

Foreign investors, who have been net sellers of KOSPI shares for five consecutive sessions, increased their sale volume to 103.8 billion won (\$90.96 million) worth, while individual investors purchased a net 156.5 billion won worth.

The South Korean won finished a touch softer, with the U.S. dollar buoyed by upbeat U.S. economic data.

The won was quoted at 1,141.5 to the dollar at the conclusion of onshore trade from Monday's close of 1,139.7.

South Korean markets were closed on Tuesday for a national holiday.

Hong Kong shares rose on Wednesday as investors took heart from strong quarterly earnings despite signs of slowing growth in China.

The Hang Seng index ended up 0.9 percent at 27,409.07 points, while the China Enterprises Index gained 0.7 percent to 10,817.88.

"Many company results have been coming in above expectations, and some sectors in particular, like raw materials, shipping and non-ferrous metals, are seeing a significant improvement over last year," said Huang Bo, an analyst at Guotai Junan Securities in Hong Kong.

"From this we can see that Hong Kong is still enjoying a clear bull market." Hong Kong investors were unperturbed by data showing that China's new loans in July fell to their lowest in 8 months.

Slowing credit growth lends credence to expectations that China's economic activity will slow in the second half, though most analysts believe there will be only a gradual cooldown, not a sharp decline.

Shares in Cathay Pacific Airways Ltd ended up 0.9 percent. The airline, which is under strong pressure from state-supported mainland China carriers, had been due to announce first-half earnings at 12 p.m. Hong Kong time (0400 GMT), but had not done so as of the market's close.

The Hong Kong flag carrier is expected to post one of its worst-ever losses for the six months ended June 30.

Tencent Holdings Ltd's shares rose 1.4 percent ahead of its second-quarter results later in the day. The market expects a popular mobile game will drive quarterly revenue up by about 50 percent.

Hong Kong-listed shares of Chinese banks continued to build on recent robust gains even as their A-shares performed poorly.

China Construction Bank Corp rose 2.2 percent in Hong Kong, while its Shanghai-listed shares fell 0.7 percent.

The index measuring price differences between dual-listed companies in Shanghai and Hong Kong stood at 127.31.

A value above 100 indicates Shanghai shares are pricing at a premium to shares in the same company trading in Hong Kong, and vice versa.

China stocks closed lower on Wednesday as investor sentiment was undermined by concerns over weakening economic growth, but losses were kept in check by solid gains for tech shares.

The blue-chip CSI300 index fell 0.1 percent, to 3,701.42, while the Shanghai Composite Index lost 0.1 percent, to 3,246.62 points.

China CSI300 stock index futures for August rose 0.1 percent, to 3,690.8, 10.77 points below the current value of the underlying index.

China's new loans in July fell to their lowest in 8 months, reinforcing views economic activity will slow in the second half.

But with broad consensus pointing to a gradual slowdown in the economy, and not a sharp deceleration, some market watchers said concerns over cooling growth had not led to heavy selling pressure.

"The data that shows slowing is related to the results of government macro policies, but this doesn't translate into pessimism," said Bo Huang, an analyst at Guotai Junan Securities in Hong Kong.

There was little pessimism around technology companies, which had helped to power the CSI300 to a 1.3-percent gain on Monday. The nine best-performing components of the CSI300 index were all technology firms.

The tech-heavy ChiNext board gained 1.5 percent for the day.

Wangsu Science & Technology Co., which provides content delivery and internet data center services, gained 6.8 percent. Voice recognition software firm iFlytek Co Ltd came within 0.44 yuan of its record high in May 2015 before giving up some ground to close up 5.8 percent.

Despite the tech gains, materials and healthcare firms weighed on the index.

Shandong Gold Mining Co Ltd lost 2.0 percent and Zijin Mining Group Ltd lost 1.6 percent.

(Source Reuters, Research: @ErwinRiset)

ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	309.32 (29/May/2017)	31958.41 (30/Oct/07)	21169.11 (01/Mar/2017)	2400.98 (01/Mar/2017)	6124.04400 (16/Oct./07)
2016 HIGH	19592.90 (21/Dec/16)	264.42 (21/Dec/16)	24364.00 (09/Sep/16)	19987.63 (20/Dec/16)	2277.53 (13/Dec/16)	3538.68940 (04/Jan/16)
2017 HIGH	20318.11 (20/June/2017)	322.16 (25/Jul/2017)	27876.12 (09/Aug/2017)	22179.11 (08/Aug/2017)	2490.87 (08/Aug/2017)	3305.43130 (02/Aug/2017)
2017 LOW	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
2016 LOW	14864.01 (24/Jun/16)	222.92 (20/Jan/16)	18278.80 (12/Feb/16)	15450.56 (20/Jan/16)	1810.10 (11/Feb/16)	2638.30160 (27/Jan/16)
RECORD LOW	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov./82)	325.92200 (29/Jul/94)

Closing Prices – 16 August 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	22024.87	↑ 25.88/ 0.12%	.N225	19729.28	↓ 24.03/0.12%
/.SPX	2468.11	↑ 3.50/ 0.14%	.KS200	307.16	↑ 2.23/0.73%
/.IXIC	6345.109	↑ 12.096/ 0.19%	.HSI	27409.07	↑ 234.11/0.86%
JPY=	110.18	↓ 0.48/ 0.43%	/.SSEC	3246.62450	↓ 4.63720/0.14%
KRW=	1134.60	↓ 0.33/ 0.03%	/Clc1 (Oil)	46.77	↓ 0.78/1.64%

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



- Rebound approaches crucial resistance at 310.35 after opening with a gap up at 308.75
 - RSI exits from the oversold zone, supporting a bullish signal
 - Short-term support at 305.50 - 304.45
- [\[Research – @ErwinRiset\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Aug	308.75	309.15	307.10	2.05	307.60	307.60	↑ 1.65	0.54	171426
15 Aug		H	O	L	I	D	A	Y	
14 Aug	305.20	306.40	304.45	1.95	305.95	305.95	↑ 3.10	1.02	179096
11 Aug	303.90	305.40	302.30	3.10	302.85	302.85	↓ 5.75	1.86	289680
10 Aug	309.00	310.35	306.40	3.95	308.60	308.60	↓ 1.40	0.45	375099
09 Aug	311.70	312.70	309.65	3.05	310.00	310.00	↓ 4.20	1.34	272029

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
309.15 (16/Aug)	304.45 (14/Aug)	319.45 (01/Aug)	302.30 (11/Aug)	322.75 (25/Jul)	310.35 (05/Jul)	322.75 (25/Jul)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	312.70	High 09/Aug/2017
	311.20	Reaction high (hourly)
	310.35	High 10/Aug/2017
	309.55	Reaction high (hourly)
SUPPORT	305.50	Pivot line
	304.45	Low 14/Aug/2017
	302.10	Pivot line
	300.70	Low 23/May/2017
RECOMMENDATION	BUY	306.50
	SELL	----
	STOP LOSS	305.25
	TARGET	308.65 309.70

HSIQ7 (Hang Seng August Futures) – Exp. Date: 30 Aug 2017



- Rebound developed, facing the psychological level at 27600 (daily chart)
- Short-term resistance at 27774, while strong resistance at 27880
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Aug	27075	27397	27036	361	27387	27386	↑ 260	0.96	114586
15 Aug	27302	27375	27097	278	27127	27127	↓ 48	0.18	126107
14 Aug	27084	27234	27006	228	27175	27173	↑ 333	1.24	120061
11 Aug	26984	27174	26834	340	26842	26842	↓ 541	1.98	163787
10 Aug	27740	27766	27214	552	27383	27385	↓ 302	1.09	160238
09 Aug	27740	27785	27550	235	27685	27685	↓ 108	0.39	103131
08 Aug	27600	27808	27561	247	27793	27793	↑ 180	0.65	87984

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
27397	27006	27808	26834	27241	25110	27808	21863
(16/Aug)	(14/Aug)	(08/Aug)	(11/Aug)	(31/Jul)	(05/Jul)	(08/Aug)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	28458	High 27/May/2015
	28178	High 28/May/2015
	27880	Peak level
	27774	Reaction high (hourly)
SUPPORT	27376	Pivot line (hourly)
	27023	Reaction low (hourly)
	26802	Bottom (hourly)
	26661	Horizontal support (hourly)
RECOMMENDATION	BUY	27480
	SELL	----
	STOP LOSS	27365
	TARGET	27670
		27770

CURRENCIES – *Daily Outlook*

Dollar falls after Fed minutes, dismantling of Trump council - Reuters News



The dollar fell on Wednesday after the release of minutes from the Federal Reserve's July meeting that showed the policymakers had grown increasingly worried about weak U.S. inflation readings, suggesting that the Fed may hold off on raising interest rates.

Fed policymakers spoke at length at the meeting about a recent streak of soft inflation readings, according to the minutes. Inflation has remained below the central bank's 2 percent target for more than five years.

The dollar sank to session lows against the yen, euro, Swiss franc and a number of other currencies after

the minutes were released.

"We've gone from the last meeting where there were a few members worried about inflation undershooting 2 percent for a while, and that group is now many," said Richard Franulovich, senior currency strategist at Westpac Banking Corporation.

"The size of the cautionary group is expanding, and it's expanding in ways that mean it's, at the margin, a little less likely the Fed will be hiking rates in December," he said.

Fed funds futures prices show traders see just a 42 percent chance of an interest rate increase by year-end and now see a marginal chance of a rate cut, according to CME Group's FedWatch tool.

The greenback had been under pressure prior to the minutes' release as an exodus from and eventual disbanding of U.S. President Donald Trump's manufacturing council and strategic policy forum pushed the dollar from its previous gains.

Trump announced he was shuttering the manufacturing council after the chief executives of 3M and Campbell Soup Co announced they would leave it in protest over his comments about a violent weekend rally and death of one person in Charlottesville, Virginia. A second strategic and advisory group was dismantled as well.

Kathy Lien, managing director of BK Asset Management, called the latest development "another hit to the administration weighing on market sentiment and leading investors to sell more dollars."

Earlier, the dollar touched its highest level in nearly three weeks against a basket of rival currencies, boosted by expectations for another Fed interest rate rise in 2017 and cooling geopolitical fears.

The euro was last up 0.25 percent against the dollar at \$1.1763. The dollar was down 0.45 percent against the yen, to 110.17 yen, and 0.7 percent lower against the Swiss franc, at 0.9659 franc.

(Source Reuters, Research – @her1en)

EUR/USD

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



- Primary support at the 1.1480 level
- Daily RSI is down
- Strong resistance at 1.2110
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	1.17346	1.17775	1.16801	97,4	1.17644	↑ 31,4	1.17330
Aug 15	1.17749	1.17914	1.16860	105,4	1.17330	↓ 44,2	1.17772
Aug 14	1.18203	1.18372	1.17687	68,5	1.17772	↓ 45,4	1.18226
Aug 11	1.17707	1.18460	1.17474	98,6	1.18226	↑ 52,6	1.17700
Aug 10	1.17584	1.17842	1.17029	81,3	1.17700	↑ 14,1	1.17559

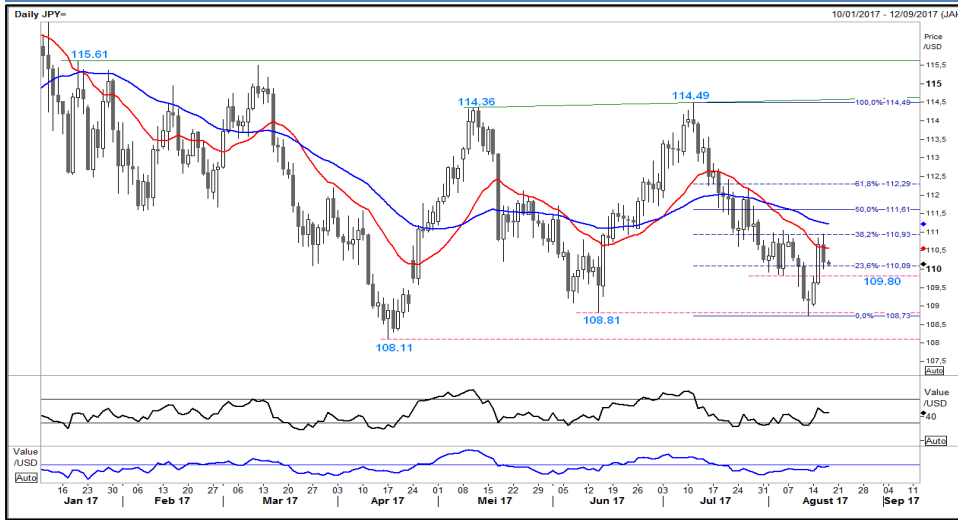
WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18372 (14/Aug)	1.16801 (16/Aug)	1.19091 (02/Aug)	1.16801 (16/Aug)	1.18444 (31/Jul)	1.13112 (05/Jul)	1.19091 (02/Aug)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1968	High Jan 06, 2015
	1.1889	High Aug 04
	1.1838	High Aug 14
	1.1792	High Aug 15
SUPPORT	1.1611	Low Jul 26
	1.1477	Low Jul 20
	1.1369	Low Jul 13
	1.1311	Low Jul 05
RECOMMENDATION	BUY	-----
	SELL	1.1780
	STOP LOSS	1.1855
	TARGET	1.1700 1.1670

USD/JPY

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



- Reversal occurs although it is still quite limited
 - However there is a chance for rebound if able to hold above 109.80
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	110.570	110.936	110.018	91,8	110.177	↓ 46,1	110.638
Aug 15	109.599	110.837	109.596	124,1	110.638	↑ 101,9	109.619
Aug 14	109.129	109.789	109.097	69,2	109.619	↑ 62,8	108.991
Aug 11	109.136	109.390	108.721	66,9	108.991	↓ 17,7	109.168
Aug 10	109.911	110.168	109.142	102,6	109.168	↓ 87,5	110.043

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
110.936 (16/Aug)	109.097 (14/Aug)	111.038 (04/Aug)	108.721 (11/Aug)	114.482 (11/Jul)	110.203 (31/Jul)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	112.18	High 26/Jul/2017 (Reaction high)
	111.70	High 27/Jul/2017
	111.33	High 28/Jul/2017
	111.04	High 04/Aug/2017 (Reaction high)
SUPPORT	109.58	Low 15/Aug/2017
	108.73	Low 11/Aug/2017
	108.29	Low 18/Apr/2017
	108.11	Low 17/Apr/2017 (Bottom)
RECOMMENDATION	BUY	109.80
	SELL	----
	STOP LOSS	109.00
	TARGET	110.55 111.15

GBP/USD

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



- Correction was halted around 1.2840 after failing to breakout an important support area at 1.2808
- Be alert of a limited rebound if fails to breakout 1.2900
- While important resistance is at 1.2950
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	1.28686	1.29020	1.28406	61,4	1.28872	↑ 21,2	1.28660
Aug 15	1.29600	1.29690	1.28450	124,0	1.28660	↓ 86,7	1.29527
Aug 14	1.30080	1.30207	1.29527	68,0	1.29527	↓ 63,5	1.30162
Aug 11	1.29737	1.30302	1.29382	92,0	1.30162	↑ 41,5	1.29747
Aug 10	1.30054	1.30141	1.29503	63,8	1.29747	↓ 22,4	1.29971

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.30207 (14/Aug)	1.28406 (16/Aug)	1.32665 (03/Aug)	1.28406 (16/Aug)	1.32237 (31/Jul)	1.28106 (12/Jul)	1.32665 (03/Aug)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3164	High 04/Aug/2017
	1.3060	High 07/Aug/2017
	1.3022	Reaction high (hourly)
	1.2950	Pivot line (hourly)
SUPPORT	1.2808	Low 12/Jul/2017
	1.2703	Low 26/Jun/2017
	1.2639	Reaction low (hourly)
	1.2587	Low 21/Jun/2017 (Bottom)
RECOMMENDATION	BUY	1.2855
	SELL	----
	STOP LOSS	1.2785
	TARGET	1.2965 1.3015

USD/CHF

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



- Reversal develops after the resistance area at 0.9772 remains intact
- Correction faces the trendline support area around 0.9620, with important support area at 0.9582
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	0.97192	0.97644	0.96470	117,4	0.96563	↓ 68,2	0.97245
Aug 15	0.97200	0.97574	0.97007	56,7	0.97245	↑ 4,6	0.97199
Aug 14	0.96215	0.97314	0.96207	110,7	0.97199	↑ 107,6	0.96123
Aug 11	0.96200	0.96372	0.95821	55,1	0.96123	↓ 10,9	0.96232
Aug 10	0.96347	0.96738	0.96173	56,5	0.96232	↓ 11,0	0.96342

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.97644 (16/Aug)	0.96207 (14/Aug)	0.97715 (08/Aug)	0.95821 (11/Aug)	0.97256 (28/Jul)	0.94372 (21/Jul)	1.0335 (03/Jan)	0.94372 (21/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.9861	High 17/May/2017
	0.9825	High 18/May/2017
	0.9808	High 30/May/2017 (Reaction high)
	0.9772	High 08/Aug/2017 (Reaction high)
SUPPORT	0.9615	Low 14/Aug/2015
	0.9582	Low 11/Aug/2015 (Reaction low)
	0.9489	Low 27/Jul/2017
	0.9436	Low 21/Jul/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	0.9690
	STOP LOSS	0.9775
	TARGET	0.9620 0.9590

AUD/USD

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



- Trendline resistance around 0.8170
 - The support area around 0.7720 - 0.7630
- [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	0.78214	0.79328	0.78157	117,1	0.79226	↑ 101,8	0.78208
Aug 15	0.78505	0.78754	0.78067	68,7	0.78208	↓ 29,2	0.78500
Aug 14	0.78893	0.79179	0.78437	74,2	0.78500	↓ 46,5	0.78965
Aug 11	0.78703	0.79083	0.78378	70,5	0.78965	↑ 27,2	0.78693
Aug 10	0.78858	0.79096	0.78655	44,1	0.78693	↓ 15,6	0.78849

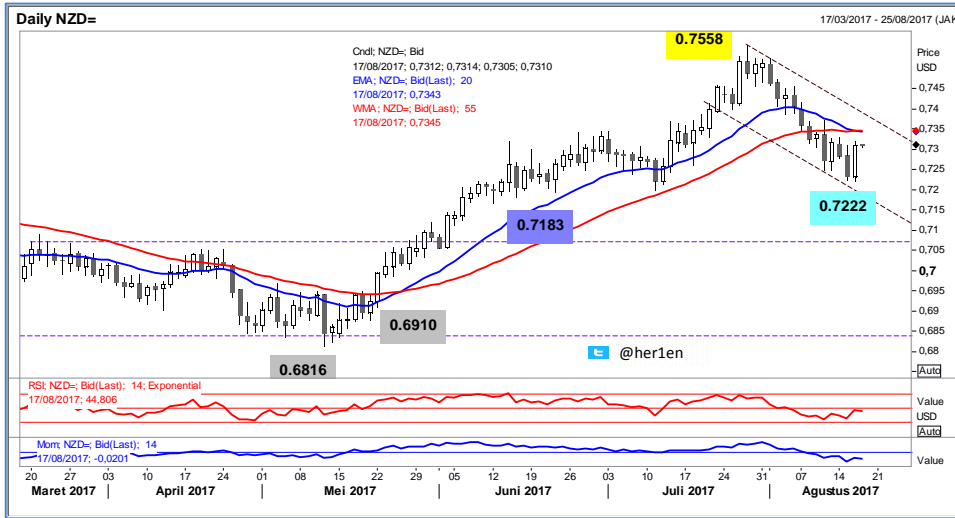
WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.79328 (16/Aug)	0.78067 (15/Aug)	0.80416 (01/Aug)	0.78067 (15/Aug)	0.80646 (27/Jul)	0.75698 (05/Jul)	0.80646 (27/Jul)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8295	High Jan 15, 2015 (Reaction high)
	0.8162	High May 14, 2015
	0.8065	High July 27
	0.7992	High Aug 02
SUPPORT	0.7812	Low Aug 16
	0.7721	Low July 14
	0.7630	Low July 12
	0.7569	Low July 07
ECOMMENDATION	BUY	0.7905
	SELL	-----
	STOP LOSS	0.7830
	TARGET	0.7985 0.8015

NZD/USD

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



- There was a correction in the daily movement
- With daily RSI is rise [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	0.72393	0.73171	0.72220	95,1	0.73113	↑ 77,3	0.72340
Aug 15	0.72854	0.73107	0.72280	82,7	0.72340	↓ 50,6	0.72846
Aug 14	0.73215	0.73215	0.72799	41,6	0.72846	↓ 36,2	0.73208
Aug 11	0.72665	0.73266	0.72511	75,5	0.73208	↑ 43,2	0.72776
Aug 10	0.73520	0.73671	0.72507	116,4	0.72776	↓ 61,6	0.73392

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.73215 (14/Aug)	0.72220 (16/Aug)	0.75239 (01/Aug)	0.72220 (16/Aug)	0.75570 (27/Jul)	0.72005 (11/Jul)	0.75570 (27/Jul)	0.68166 (11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7473	High Aug 02
	0.7454	High Aug 04
	0.7371	High Aug 10
	0.7311	High Aug 15
SUPPORT	0.7200	Low July 11
	0.7112	Low June 05
	0.7054	Low June 01
	0.7005	Low May 26
RECOMMENDATION	BUY	0.7285
	SELL	-----
	STOP LOSS	0.7210
	TARGET	0.7365 0.7395

EUR/JPY

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



- Crucial area at 129.50 is being tested. If effective, a potential rebound will develop to face a crucial resistance at 130.80
- Strong support at 128.00
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	129.743	130.368	129.490	87,8	129.628	↓ 20,6	129.834
Aug 15	129.057	130.006	129.047	95,9	129.834	↑ 71,4	129.120
Aug 14	128.994	129.621	128.892	72,9	129.120	↑ 26,5	128.855
Aug 11	128.458	129.134	128.021	111,3	128.855	↑ 34,0	128.515
Aug 10	129.241	129.527	128.201	132,6	128.515	↓ 88,7	129.402

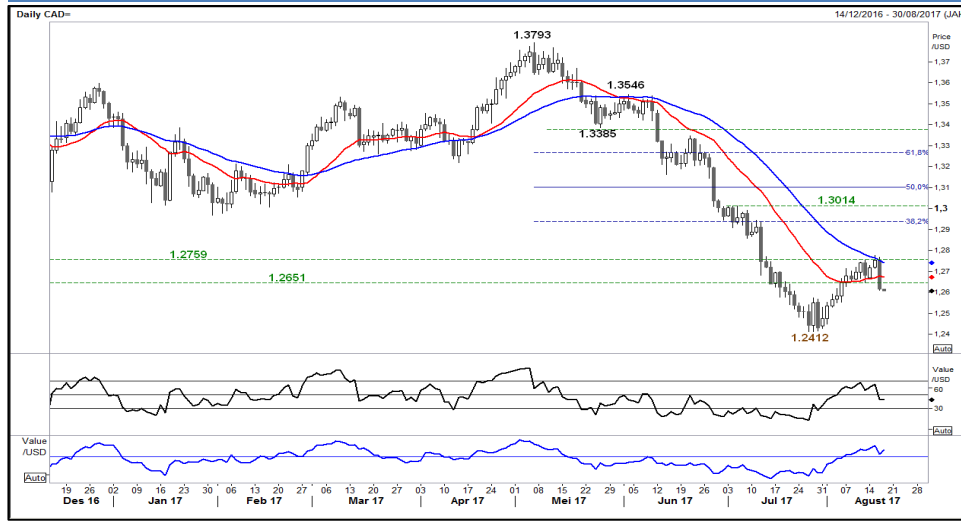
WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
130.368 (16/Aug)	128.892 (14/Aug)	131.373 (02/Aug)	128.021 (11/Aug)	130.739 (11/Jul)	127.971 (06/Jul)	130.739 (11/Jul)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	132.25	High 29/Jan/2016 (Peak)
	131.65	High 04/Feb/2016 (Reaction high)
	131.39	High 02/Aug/2017 (Peak)
	130.86	Reaction high (hourly)
SUPPORT	128.90	Reaction low (hourly)
	128.03	Low 11/Aug/2017 (Reaction low)
	127.42	Low 06/Jul/2017 (Reaction low)
	126.47	Low 28/Jun/2017
RECOMMENDATION	BUY	129.50
	SELL	----
	STOP LOSS	128.75
	TARGET	130.50 131.00

USD/CAD

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



- Sharp reversal faces area of 1.2595 (50% retracement of wave 1.2412 - 1.2778)
- Strong support at 1.2412
- Short-term resistance at 1.2778
[\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2671	1.2618

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2778 (15/Aug)	1.2616 (16/Aug)	1.2778 (15/Aug)	1.2448 (01/Aug)	1.3014 (05/Jul)	1.2412 (26/Jul)	1.3793 (05/May)	1.2412 (26/Jul)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3014	High 04/Jul/2017
	1.2943	High 11/Jul/2017 (Reaction high)
	1.2778	High 15/Aug/2017
	1.2740	Reaction high (hourly)
SUPPORT	1.2550	Reaction low (hourly)
	1.2519	Reaction low (hourly)
	1.2444	Reaction low (hourly)
	1.2412	Bottom
RECOMMENDATION	BUY	----
	SELL	1.2630
	STOP LOSS	1.2750
	TARGET	1.2540 – 1.2500

Precious Metal – *Daily Outlook*

Gold firms as dollar dips after Fed minutes; palladium hits over 16-yr high - Reuters News



Gold rose about 1 percent on Wednesday, shaking off two days of losses, as the dollar edged lower after the release of the minutes from Federal Reserve's July meeting at which policymakers voted unanimously to keep U.S. interest rates unchanged.

Fed policymakers appeared increasingly wary about recent weak inflation data and some called for a halt to further rate hikes until it was clear the trend was transitory, according to the minutes of the central bank's last policy meeting.

Spot gold was up 0.8 percent to \$1,281.15 per ounce by 2:49 p.m. EDT (1849 GMT), after rising as much as 1 percent to a session high of \$1,283.90.

U.S. gold futures for December delivery rose 0.3 percent to settle at \$1,282.90 an ounce.

Palladium jumped 3.4 percent to a high of \$916, its highest since February 2001.

Palladium was helped by a bullish fundamental outlook and broad-based buying across precious metals market due to geopolitical jitters and dovish statements from the Fed, said Bill O'Neill, partner with Logic Advisors in Saddle River, New Jersey.

"Demand for palladium has been strong. The newest cars in places like India and China are driving that. A lot of these markets are about psychology and emotion, like gold. But palladium has strong industrial fundamentals," he said.

The auto industry is by far the largest consumer of the metal.

The dollar weakened against a basket of currencies after the release of the Fed's meeting minutes.

Earlier in the session, the dollar had maintained its strong stance, seeming to shrug off data on Wednesday showing U.S. housing starts and permits were down sharply in July.

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

Analysts largely viewed the latest commentary from the Fed as constructive for gold as previously priced in rate hikes are now somewhat in doubt. However, the possibility of a December rate hike may still be a possibility.

"The minutes of the July meeting indicate that many participants still view the recent weakness in consumer prices as transitory, and that most expect inflation to rebound in the coming years," said Royce Mendes, director and senior economist at CIBC Capital Markets in Toronto.

"Given the still limited concerns surrounding the undershoot of inflation, a few months of healthy price increases over the back half of this year will keep a December rate hike alive."

U.S. Treasury yields, meanwhile, fell to session lows mid-afternoon on Wednesday as U.S. President Donald Trump's disbanding of two CEO advisory panels led Wall Street stocks to pare their earlier gains and increased bids for government debt.

Gold had rallied after a war of words between Trump and North Korea about Pyongyang's development of nuclear missiles. But in an example of how tensions has subsided in recent days, Trump praised North Korean leader Kim Jong Un on Wednesday for a "wise" decision not to fire missiles toward the U.S. territory of Guam.

"So far we have not seen any positive changes in worries with Russia, North Korea, Venezuela and more political headlines may be coming to support gold prices," said George Gero, managing director at RBC Wealth Management.

Among other precious metals, silver added 2.8 percent at \$17.06 per ounce and platinum rose 2.1 percent to \$976.60 per ounce. [\(Source Reuters, Research – @her1en\)](#)

GOLD (XAU/USD)



- Daily RSI is flat
- The main resistance at 1308, support 1243
- The circuit breaks the daily high level ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Aug 16	1271.500	1283.650	1267.610	16.04	1282.910	↑ 11.71	1271.200	1270.15	1272.75
Aug 15	1281.520	1281.840	1267.140	14.70	1271.200	↓ 10.42	1281.620	1274.60	1270.30
Aug 14	1288.500	1289.400	1278.470	10.93	1281.620	↓ 7.82	1289.440	1281.10	1282.30
Aug 11	1286.710	1291.670	1281.140	10.53	1289.440	↑ 3.26	1286.180	1288.30	1286.10
Aug 10	1277.330	1287.620	1274.540	13.08	1286.180	↑ 9.06	1277.120	1278.90	1284.40

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1289.400	1267.140	1291.670	1251.380	1270.680	1204.690	1295.910	1146.31
(14/Aug)	(15/Aug)	(11/Aug)	(08/Aug)	(28/Jul)	(10/Jul)	(06/Jun)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1337.40	High Sept 09, 2016
	1308.00	Trendline resistance
	1295.97	Reaction high on 1-H chart (High June 06)
	1289.73	High Aug 14
SUPPORT	1260.56	Low Aug 09
	1251.01	Low Aug 05
	1243.41	Low July 26
	1234.74	Low July 20
RECOMMENDATION	BUY	1281.00
	SELL	-----
	STOP LOSS	1272.00
	TARGET	1292.00 1297.50

SILVER (XAG/USD)



- Short-term resistance around 17.70
 - Strong support at 16.10
 - Daily RSI rise
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	16.639	17.116	16.608	0.51	17.105	↑ 0.49	16.615
Aug 15	17.049	17.056	16.563	0.49	16.615	↓ 0.44	17.056
Aug 14	17.071	17.202	16.918	0.28	17.056	↓ 0.03	17.085
Aug 11	17.126	17.182	16.877	0.31	17.085	↓ 0.02	17.103
Aug 10	16.930	17.226	16.843	0.38	17.103	↑ 0.17	16.931

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.202	16.563	17.226	16.108	16.860	14.334	18.63	14.334
(14/Aug)	(15/Aug)	(10/Aug)	(07/Aug)	(31/Jul)	(07/Jul)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.43	High Apr 18
	18.00	High Apr 25
	17.75	High June 06 (Reaction high)
	17.31	High June 14
SUPPORT	16.55	Low Aug 15
	16.42	Low Aug 09
	16.19	Low Aug 08
	15.57	Low July 14
ECOMMENDATION	BUY	17.10
	SELL	-----
	STOP LOSS	16.80
	TARGET	17.50
		17.70

OIL – Daily Outlook

Oil slides despite steep draw in U.S. crude stocks - Reuters News



Oil prices fell more than 1 percent on Wednesday even though U.S. crude stockpiles declined by the most in a year, as data suggesting domestic production was edging higher stoked worries about the global crude glut.

Brent crude futures settled down 53 cents, or about 1 percent, at \$50.27 per barrel. U.S. West Texas Intermediate (WTI) crude futures settled at \$46.78 a barrel, down 77 cents, or 1.6 percent.

U.S. crude inventories dropped for a seventh consecutive week, falling 8.95 million barrels last week to 466.5 million barrels to their lowest since January 2016, the Energy

Information Administration said. Including emergency reserves, crude stocks were at 1.15 billion barrels, the lowest since October 2015.

However, gasoline inventories did not decline as expected, and the data also showed that U.S. crude output rose to 9.5 million barrels per day from 9.4 million a week earlier.

Rising U.S. output could add to global oversupply that prompted the Organization of the Petroleum Exporting Countries and other oil producers to curtail production to boost prices.

Traders weighed the U.S. stockpile draw against the production data.

Gene McGillian, director of market research at Tradition Energy, noted that seasonally, U.S. demand peaks during the summer. "If we see these draws past Labor Day, it will drive the market, possibly past \$50.

Matt Smith, director of commodity research at ClipperData, noted that "The peak of summer driving season has now passed, and demand for crude should wane also as refinery runs drop. Gasoline demand will ebb as summer road trips are mostly over and children head back to school."

U.S. gasoline stocks were unchanged, compared with expectations in a Reuters poll for a 1.1 million-barrel drop.

OPEC and other major producers including Russia have pledged to restrict output. Still, U.S. oil production has soared almost 12 percent since mid-2016.

"OPEC and Russia still face an uphill battle in reducing the global supply surplus in the face of growth in output elsewhere and less than compliant behaviour in their midst (Iraq, UAE)," French bank BNP Paribas said.

OPEC member Angola released a loading plan showing October exports were planned at a 13-month high.

On the demand side, analysts see a gradual slowdown in fuel consumption growth.

Energy consultancy Wood Mackenzie said U.S. gasoline demand was peaking due to improving fuel efficiency and the rise of electric vehicles. In China, state-owned China National Petroleum Corporation (CNPC) said gasoline demand would likely peak around 2025 and oil consumption would top out around 2030.

This means oil demand from the world's two biggest consumers may soon stall. Consumption has already peaked in Europe and Japan. [\(Source Reuters, Research – @her1en\)](#)

CLU7/USD (OIL)

(Exp.: 22 Aug. 2017 - Reuters)



- Correction seen in daily
- Important resistance at 50.70
- Primary support around 44.90
 ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 16	47.70	47.96	46.66	1.30	46.76	↓ 0.92	47.68
Aug 15	47.47	47.87	47.02	0.85	47.68	↑ 0.19	47.49
Aug 14	48.73	49.14	47.42	1.72	47.49	↓ 1.27	48.76
Aug 11	48.50	48.95	47.97	0.98	48.76	↑ 0.27	48.49
Aug 10	49.66	50.20	48.34	1.86	48.49	↓ 1.20	49.69

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
49.14	46.66	50.41	46.66	50.39	43.64	55.22	42.04
(14/Aug)	(16/Aug)	(01/Aug)	(16/Aug)	(31/Jul)	(10/Jul)	(03/Jan)	(21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	53.82	High Apr 19
	52.38	High May 25
	50.70	High 30/May/2017 (Reaction high)
	49.16	High Aug 14
SUPPORT	46.38	Low Jul 25
	44.90	Reaction low (hourly)
	43.83	Low July 10
	42.27	Low June 21
RECOMMENDATION	BUY	46.70
	SELL	----
	STOP LOSS	45.50
	TARGET	48.20
		48.70