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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

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- European shares ended little changed on Tuesday as disappointing earnings updates weighed on banks and pharma stocks, but a well-received outlook from Vodafone helped Britain's FTSE 100 touch a record high.
- The U.S. dollar index touched its lowest level since early November on Tuesday, hurt by weaker-than-expected U.S. housing data and as political turmoil in Washington raised anew concerns about the outlook for passing expected legislation.

GLOBAL ECONOMIES

- Australia's central bank was confident core inflation would pick up by early 2018, but worries about a subdued labour market amid soaring household debt forced it to stand pat on rates earlier this month.
- China's growth is set for its weakest patch since the global financial crisis as authorities pull back on the stimulus that helped the economy get off to an unexpectedly strong start this year, and keep funds tight to deter risky lending.
- Bank of Japan Governor Haruhiko Kuroda said he was "quite sure" the central bank could smoothly exit from its massive monetary stimulus when the appropriate time to do so came.
- The euro zone increased its trade surplus with the rest of the world in March with both exports and imports rising markedly, in a sign that global commerce has so far not been hampered by protectionist calls.
- Greece is eyeing its first sovereign bond issue in three years as early as July if its international lenders specify longer term debt relief for the country, and the European Central Bank includes it in its bond-buying programme.
- British inflation hit its highest level since September 2013 last month, extending its sharp rise since the vote to leave the European Union and tightening the squeeze on living costs as a national election approaches.
- U.S. homebuilding unexpectedly fell in April to the lowest level in five months amid persistent weakness in the construction of multi-family housing units, suggesting a slowdown in the housing market recovery.

GLOBAL MARKETS

Asia – Asian stocks climbed to a fresh-two year high on Tuesday on the back of an overnight rise in Wall Street, while oil extended gains after major producers Saudi Arabia and Russia pledged to push for an extension of supply cuts into 2018.
Investors in regional equities, however, are growing increasingly wary as valuations look stretched and with the latest rally taking place in thin volumes and led by just a few sectors.
In Hong Kong, the broader market rose to its highest level since June 2015 on the back of extended buying into Chinese lenders and market heavyweight Tencent before declining 0.1 percent. China stocks reversed earlier losses to end higher for the fourth straight day
In currencies, the U.S. dollar nursed deep losses after a weak manufacturing report trimmed expectations of a Federal Reserve rate increase next month, a key factor behind the dollar's gains in recent weeks. Expectations of a rate increase in June fell to 74 percent compared to 84 percent last week, according to the CME Fedwatch.

Euro Zone – European shares ended little changed on Tuesday as disappointing earnings updates weighed on banks and pharma stocks, but a well-received outlook from Vodafone helped Britain's FTSE 100 touch a record high.
Germany's DAX also hit a fresh all-time peak before reversing course to end flat. The pan-European STOXX 600 index ended little changed, while France's CAC fell 0.2 percent.
The FTSE 100 index rose 0.9 percent, however, buoyed by a near 4 percent rise in Vodafone as investors overlooked its 6.1 billion euro ($6.7 billion) net loss for the year through March and focused instead on its forecast for earnings growth in the current year.
Analysts at Jefferies highlighted Vodafone's strong cost reduction as supporting its confident dividend growth guidance.
Vodafone lifted Europe's telecoms sector, which is up 4.8 percent so far this year but remains among the weakest sectoral performers, and has underperformed a 9.6 percent gain in the broader STOXX 600 index.
"At the moment it's a moderate performance by the sector as a whole," said Ken Odeluga, market analyst at City Index, adding that weakness in BT has weighed on the sector.
"As we've seen with Vodafone, its margins are the best in Europe and organic service revenue growth in Europe is still in the single digit percentage points, so it's highly competitive. That's why you see (firms) like Vodafone looking overseas to Africa, India, where it's faced its biggest troubles in the year," Odeluga said.
Healthcare was weakened by a 6.8 percent drop in BTG's shares after the British healthcare firm published its full year figures, disappointing with a slower-than-expected growth forecast.
Likewise disappointing updates also hit shares in budget airline easyJet, lender CYBG and support services firm DCC.
As the first-quarter earnings season gathers pace the overall picture, however, is a bright one for Europe. Of the 76 percent of companies that have reported first-quarter updates, 66 percent have beaten analysts' expectations, pointing to earnings growth of around 20 percent, according to Thomson Reuters I/B/E/S data.
Swedish packing materials firm BillerudKorsnas saw its shares drop 3 percent, touching their lowest level since July 2016, after warning of a significant financial impact in the second quarter following a breakdown of a pulp line at its Gruvon Mill.
Banking stocks were also weak, with UBS down more than 2 percent, extending losses from the previous session after Singapore sovereign wealth fund GIC Private Limited cut its stake in the Swiss bank at a loss.
Europe's energy sector also provided support earlier in the session as the oil price rose on expectations of extended supply cuts, before easing to trade flat.

U.S. & Global Markets – The U.S. dollar index touched its lowest level since early November on Tuesday, hurt by weaker-than-expected U.S. housing data and as political turmoil in Washington raised anew concerns about the outlook for passing expected legislation.

A rally in the euro was reinforced by dollar losses, prompted by reports that U.S. President Donald Trump disclosed highly sensitive intelligence information to senior Russian officials at a meeting last week.
The disclosure adds to concern over the administration's chances of passing legislation, including tax reform, that has been priced in partly by financial markets. Major U.S. stock indexes remain at or near record highs, supported by the strongest earnings season for S&P 500 components since 2011.
The dollar fell even after U.S. manufacturing production recording its largest increase in more than three years.
The downtrend in the U.S. currency could extend further, according to Boris Schlossberg, managing director of FX strategy at BK Asset Management, given the potential for further political fallout relating to Trump's intelligence disclosure.
"It seems like progressively every single day it gets more and more beyond any sense of normal leadership and ultimately that kind of political volatility does translate into economic volatility," Schlossberg said.
The dollar index fell 0.73 percent, with the euro up 0.99 percent to $1.1082.
The dollar index had reached 14-year highs in early January on the view that Trump's plans for tax cuts and infrastructure spending would boost growth and inflation. It has now fallen four consecutive sessions, hitting six-month lows.
The Japanese yen strengthened 0.63 percent versus the greenback, at 113.08 per dollar, while sterling was last trading at $1.2916, up 0.18 percent.
On Wall Street, the S&P 500 and Nasdaq Composite touched record highs but the S&P retreated to trade slightly negative. Technology stocks remain a key engine of gains for the Nasdaq and S&P, but traders are concerned about the feasibility of the Trump agenda of tax cuts and deregulation.
"There's a lot of political data but not a lot of economic data that's changing the landscape," said Paul Nolte, portfolio manager at Kingsview Asset Management in Chicago.
The Dow Jones Industrial Average fell 2.19 points, or 0.01 percent, to 20,979.75, the S&P 500 lost 1.65 points, or 0.07 percent, to 2,400.67 and the Nasdaq Composite added 20.20 points, or 0.33 percent, to 6,169.87.
The pan-European FTSEurofirst 300 index rose 0.08 percent and MSCI's gauge of stocks across the globe gained 0.27 percent. Emerging market stocks rose 0.48 percent.
Oil prices extended losses after API data showed an unexpected build in U.S. crude inventories.
U.S. crude fell 1.27 percent to $48.23 per barrel, and Brent was last at $51.22, down 1.16 percent.
U.S. Treasury yields fell after the housing data added to recent soft economic news that has raised new doubts over how many times the Federal Reserve will raise interest rates this year.
Benchmark 10-year notes last rose 4/32 in price to yield 2.3257 percent, from 2.338 percent late on Monday.
(Source Reuters – @ErwinRiset - @her1en)

GLOBAL ECONOMIES

Australia – Australia's central bank was confident core inflation would pick up by early 2018, but worries about a subdued labour market amid soaring household debt forced it to stand pat on rates earlier this month.
Minutes of the Reserve Bank of Australia's (RBA) May meeting showed jobs and housing were at the forefront of policy makers' minds.
“The board continued to judge that developments in the labour and housing markets warranted careful monitoring," the six-page minutes of the policy meeting showed.
The central bank left interest rates at a record low 1.50 percent for a ninth straight month in May after last easing in August 2016.
Board members felt there was "significant uncertainty" about how to measure the degree of spare capacity, given the high levels of underemployment in recent years.
The unemployment rate is at a 13-month high of 5.9 percent while measures of underemployment - which capture workers who want to work more hours - was near all-time highs.
Data out last month showed tentative signs of a turnaround in an otherwise uninspiring employment sector with 60,900 jobs added in March, all full-time. Besides, leading indicators of the economy have generally been more positive.
Yet board members also saw greater risks in the housing market as borrowing for investment fuelled breakneck price rises in Sydney and Melbourne with home values are racing at a blistering 16 percent and 15 percent, respectively.
The surge in home prices in the major cities skidded to a halt in April, but the RBA made no reference to the slowdown in its statement, repeating prices have been rising "briskly" in some markets.
Australian regulators announced measures earlier this year to restrain lending to speculative property investors in a bid to cool the sizzling market and tighten lending standards.
RBA Governor Philip Lowe has repeatedly argued that cutting rates further would only encourage more borrowing by households who are already heavily indebted, outweighing any economic benefits.
With wages growing at record lows, debt was outpacing incomes and threatening to weigh on consumer spending.
"Subdued growth in labour costs and strong competition in the retail sector had continued to have a dampening effect on aggregate inflation," the minutes showed. "A fall in housing prices could also weigh on consumption growth."
The RBA's angst over housing has convinced financial markets there will be no more cuts in interest rates despite weakness in the labour market.
The central bank said the economy likely grew at a moderate pace in the first quarter and repeated its warning that a rise in the Australian dollar could complicate the outlook.
Futures market imply scant chance of a change to interest rates this year.
The RBA said it was seeing signs of higher inflation in some components of non-tradables inflation such as electricity prices and dwelling construction costs.
Latest data showed Australia's consumer price inflation tiptoed atop 2 percent last quarter for the first time since 2015 but the RBA's favoured measures of underlying inflation stayed below its target band of 2-3 percent.

China – China's growth is set for its weakest patch since the global financial crisis as authorities pull back on the stimulus that helped the economy get off to an unexpectedly strong start this year, and keep funds tight to deter risky lending.
After clocking 6.9 percent in the first quarter thanks to spending on infrastructure and a property boom that policymakers want to rein in, analysts surveyed by Reuters reckon economic growth will just about make Beijing's target of 2017 of 6.5 percent as it slows over the rest of the year.
Massive debt - standing at nearly 300 percent of GDP - and serious budgetary imbalances mean Beijing can't carry on pump priming. The brakes went on in April, when annual growth in fiscal spending dropped to 3.8 percent from 21 percent the first quarter.
And worries about speculative bubbles have forced the central bank to tighten short term liquidity, while trying to keep medium term funding available for investment.

"Noticing how serious policymakers seem to be at the moment about reining in financial risks, it's not impossible we're going to see a significantly lower economic growth target next year," said Louis Kuijs, an economist at Oxford Economics in Hong Kong.

Scope for further tightening in monetary policy could be limited if economic growth became uncomfortably slow.

"I don't think we're going to see much more additional tightening… but the risks now are on the downside," said Julian Evans-Pritchard, an economist at Capital Economics in Singapore.

Trying to generate growth through exports by letting the yuan depreciate isn't an option, due to concern about capital flight that saw foreign exchange reserves fall below $3 trillion earlier this year, and the worry that it could provoke the Trump administration into some kind of retaliation.

Policymakers want to move the economy onto a path where consumer spending becomes the main driver, but it's not there yet.

"Consumption has been very steady and that has been a huge benefit - it has been a very nice buffer," said Kuijs.

"But in my view, unlike in the United States where consumption by itself can drive the cycle, I would argue that in China, that is not yet really possible...because consumption is still following on to what is happening in investment and wages."

Household spending only accounted for 37.1 percent of China's economy in 2015, according to World Bank data. While that is up from a low of 35.8 percent in 2007, it is far below the 54.2 percent average for middle income countries.

Japan – Bank of Japan Governor Haruhiko Kuroda said he was "quite sure" the central bank could smoothly exit from its massive monetary stimulus when the appropriate time to do so came.

But he also said the BOJ "always" had room to expand monetary stimulus to achieve its 2 percent inflation target, indicating that wages and prices had been slow to respond to improvements in the economy.

The remarks suggest the BOJ is in no rush to swing monetary policy in either direction, particularly toward cutting back on stimulus with the economic recovery still fragile.

"There may be some challenging issues, but I'm quite sure the BOJ has enough tools" to manage an exit from its stimulus programme, Kuroda told a seminar hosted by the Wall Street Journal in Tokyo on Tuesday.

For whenever the BOJ decides to withdraw stimulus, Kuroda said there may be lessons to learn from how the U.S. Federal Reserve normalises its ultra-loose monetary policy.

"But the United States is the United States, Japan is Japan. At this stage, we're not exiting," Kuroda added, stressing that the BOJ was nowhere near an exit from its massive stimulus programme with inflation distant from its 2 percent target.

Under a new framework dubbed yield curve control (YCC) that was put in place last year, the BOJ caps long-term interest rates around zero percent via aggressive asset purchases.

With inflation stubbornly stuck around zero percent, BOJ officials have stressed that any exit from massive monetary support would be some time away.

But many market participants expect the BOJ's next move to be a withdrawal, not an expansion, of stimulus as the economy shows signs of strength, thanks to a rebound in global demand.

Some analysts worry about the sustainability of the BOJ's stimulus programme, with the central bank having already gobbled up 40 percent of the Japanese government bond market.

Kuroda dismissed such concerns, saying the BOJ still has 60 percent of the market left to buy from. "I really don't think there is any constraint to our yield curve control," he said.

He also shrugged off concerns that expected interest rate hikes by the Fed could disrupt global markets and cool growth.

"I'm not very concerned about the normalisation process the Fed is implementing...as it reflects the strength of the U.S. economy," Kuroda said.

He added that the Fed's policy would not have a direct impact on the BOJ's monetary policy, which is focused on the domestic mandate of achieving 2 percent inflation.

"Our inflation rate is still quite low, so our monetary policy is targeted at achieving the 2 percent price target at the earliest possible time," Kuroda said.

Euro Zone – The euro zone increased its trade surplus with the rest of the world in March with both exports and imports rising markedly, in a sign that global commerce has so far not been hampered by protectionist calls.

The European Union statistics office Eurostat said on Tuesday the 19-country currency area recorded a 30.9 billion euro ($34.1 billion) surplus in March in its goods trade balance with states outside the bloc, according to data not adjusted for seasonal factors.

The March surplus is nearly double that of February when the bloc has a positive balance of 17.8 billion euros, and also higher than a year earlier when the surplus was 28.2 billion euros.

The 19-country bloc, driven by Germany, expanded its exports by 13 percent in March on a yearly basis to a total value of 202.3 billion euros, unadjusted figures show.

Imports to the bloc also increased by 14 percent, although from a lower basis, showing that trade flows have not been affected by growing protectionist calls, such as from U.S. President Donald Trump.

Exports of the 28 EU countries to the United States in the first quarter increased by 11 percent compared with the same quarter last year.

Imports from the U.S. rose a more modest 4 percent, resulting in an expanded EU trade surplus with the U.S. totalling 30.6 billion euros from 23.6 billion euros recorded in the first quarter of 2016.

The EU increased its exports to all major trade partners in the first quarter of this year, with a 28 percent surge in sales to Russia and 22 percent increase in exports to China.

Imports from China grew only 3 percent, reducing the EU trade deficit with Beijing to 41.7 billion euros from 47.3 billion euros a year ago.

Figures adjusted for seasonal factors showed the euro zone surplus was 23.1 billion euros in March from 18.8 billion euros in February, with a 1.4 percent increase in exports on the month and a 1.1 percent drop in imports.

Greece – Greece is eyeing its first sovereign bond issue in three years as early as July if its international lenders specify longer term debt relief for the country, and the European Central Bank includes it in its bond-buying programme.

Sources familiar with the plan say Athens wants to test market appetite for Greek debt before a current bailout programme, worth up to 86 billion euros, expires in mid-2018.

Greece's last venture onto international bond markets was with two issues in 2014, a year before it plunged into crisis in a tense standoff between lenders and Greece's newly elected left-wing government which vowed to end bailout-induced austerity.

That part of the crisis ended with the country signing up to a new bailout, its third since 2010.

"We are considering swapping a five-year (bond) which was issued in 2014, with a new five-year bond, and possibly raising a small amount (over and above) the same issue," a Greek government official told Reuters on condition of anonymity.

The 2014 five-year bond raised 3.0 billion euros.

The move, Greek officials said, is contingent on lenders specifying how the country could restructure an existing mountain of debt, which at 179 percent of gross domestic product is the highest in the euro zone. Euro zone finance ministers are scheduled to discuss Greece on May 22.

A second bond issue could follow by the end of the year, other Greek officials said without providing details. No deal at the EU meeting on Monday could mean pushing back the issue to the autumn, another official said.

Three primary dealers in London confirmed Greek authorities had already started talking on a potential market return.

UK – British inflation hit its highest level since September 2013 last month, extending its sharp rise since the vote to leave the European Union and tightening the squeeze on living costs as a national election approaches.

Consumer prices rose by an annual 2.7 percent, data showed, and they look set to rise further due to the fall in the value of the pound and the recent rise in global oil prices.

Britain's economy was barely ruffled last year by the shock vote to leave the EU. But the steady rise in inflation since then, combined with weak wage growth, has slowed its momentum this year.

The opposition Labour Party on Tuesday sought to highlight rising costs for voters as it launched its policy proposals for the June 8 election, pledging a higher minimum wage and state involvement in the energy sector to keep prices down.

Last week, Bank of England (BoE) Governor Mark Carney warned 2017 will be challenging for consumers, with inflation now almost certain to overtake wage growth.

"The last thing Britain needs is another real wage slump. But rising prices are hammering pay packets," Trades Union Congress General Secretary Frances O'Grady said.

Prime Minister Theresa May called the snap election last month to strengthen her mandate to negotiate Britain's exit from the European Union. But living standards are a big campaign issue, pushing her party into a promise to cap energy prices that breaks with its usually pro-market agenda.

Despite the rise in inflation, however, the economy is far from overheating, and all but one of the BoE's eight policymakers voted last week to keep interest rates on hold.

U.S. – U.S. homebuilding unexpectedly fell in April to the lowest level in five months amid persistent weakness in the construction of multi-family housing units, suggesting a slowdown in the housing market recovery.

Housing starts dropped 2.6 percent to a seasonally adjusted annual rate of 1.17 million units also as single-family homebuilding rebounded modestly, the Commerce Department said on Tuesday. April's reading was the lowest level since last November and followed a downwardly revised rate of 1.20 million units in March.

Economists polled by Reuters had forecast groundbreaking activity rising to a rate of 1.26 million units last month from a previously reported rate of 1.22 million units in March. Homebuilding increased 0.7 percent on a year-on-year basis.

The weakness in residential construction will probably do little to change the view that economic activity picked up by early in the second quarter. Gross domestic product increased at a pedestrian 0.7 percent annualized rate in the first three months of 2017.

Demand for housing remains underpinned by a tightening labor market, characterized by an unemployment rate at a 10-year low of 4.4 percent. A survey on Monday showed homebuilders' confidence rose in May, with bullishness about current sales and those over the next six months.

The underlying strength in the housing market helped Home Depot Inc, the No. 1 U.S. home improvement chain, to report higher-than-expected quarterly profit and same-store sales on Tuesday.

Home Depot and smaller rival Lowe's Cos Inc have remained a bright spot in the retail sector as a firming economy and higher wages drive new home sales and a rise in the value of existing houses spurs remodeling activity.

Prices of U.S. Treasuries increased slightly after the data while the U.S. dollar fell against a basket of currencies. U.S. stock index futures were trading modestly higher.

Single-family homebuilding, which accounts for the largest share of the residential housing market, rose 0.4 percent to a pace of 835,000 units last month. That left the bulk of the 5.1 percent decline in March intact.

Single-family starts surged 19.4 percent in the Midwest and advanced 9.1 percent in the West. They fell 3.4 percent in the South and tumbled 29.2 percent in the Northeast to their lowest level since June 2015.

Homebuilders are failing to take advantage of a chronic shortage of properties for sale amid complaints about expensive building materials and shortages of lots and labor.

Some of the drop in starts could be weather-related - parts of the United States experienced snowstorms in March and heavy rains in April.

"So Mother Nature had a hand in this. Looking ahead, there is room for growth," said Jennifer Lee, a senior economist at BMO Capital Markets in Toronto.

Last month, starts for the volatile multi-family housing segment dropped 9.2 percent to a pace of 337,000 units. Multi- family starts have declined for four straight months, suggesting that rental increases have probably peaked.

Building permits fell 2.5 percent, driven by a 4.5 percent drop in the single-family segment. Multi-family permits rose 1.4 percent.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
09-May - 18-May		CN	Foreign Direct Investment YoY CNY	Apr	-	--	6.7%	
Mon/15-May-17	06:01	GB	Rightmove House Prices MoM	May	-	--	1.1%	
	06:01	GB	Rightmove House Prices YoY	May	-	--	2.2%	
	06:50	JP	Corporate Goods Price MoM	Apr	0.2%	-0.1%	0.2%	
	06:50	JP	Corporate Goods Price YoY	Apr	2.1%	1.8%	1.4%	
	08:30	AU	Home Loans MoM	Mar	-0.5%	0.0%	-0.5%	-0.8%
	08:30	AU	Investment Lending	Mar	0.8%	--	-5.9%	-5.7%
	09:00	CN	Retail Sales YoY	Apr	10.7%	10.6%	10.9%	
	09:00	CN	Retail Sales YTD YoY	Apr	10.2%	10.2%	10.0%	
	09:00	CN	Fixed Assets Ex Rural YTD YoY	Apr	8.9%	9.1%	9.2%	
	09:00	CN	Industrial Production YoY	Apr	6.5%	7.1%	7.6%	
	09:00	CN	Industrial Production YTD YoY	Apr	6.7%	6.9%	6.8%	
	13:00	JP	Machine Tool Orders YoY	Apr	34.7%	--	22.8%	
	19:30	US	Empire Manufacturing	May	-1.0	7.0	5.2	
Tue/16-May-17	03:00	US	Total Net TIC Flows	Mar	-$0.7b	--	$19.3b	$13.2b
	03:00	US	Net Long-term TIC Flows	Mar	$59.8b	--	$53.4b	$53.1b
	08:30	AU	RBA May Rate Meeting Minutes					
	15:30	GB	CPI Core MoM	Apr	0.5%	0.4%	0.4%	
	15:30	GB	CPI Core YoY	Apr	2.4%	2.2%	1.8%	
	15:30	GB	CPI MoM	Apr	0.5%	0.4%	0.4%	
	15:30	GB	CPI YoY	Apr	2.7%	2.6%	2.3%	
	15:30	GB	Retail Price Index	Apr	270.6	270.5	269.3	
	15:30	GB	RPI MoM	Apr	0.5%	0.5%	0.3%	
	15:30	GB	RPI YoY	Apr	3.5%	3.4%	3.1%	
	15:30	GB	RPI Ex Mort Int.Payments (YoY)	Apr	3.8%	3.7%	3.4%	
	15:30	GB	PPI Input NSA MoM	Apr	0.1%	0.0%	0.4%	0.0%
	15:30	GB	PPI Input NSA YoY	Apr	16.6%	17.0%	17.9%	17.4%
	15:30	GB	PPI Output NSA MoM	Apr	0.4%	0.2%	0.4%	
	15:30	GB	PPI Output NSA YoY	Apr	3.6%	3.4%	3.6%	
	15:30	GB	PPI Output Core NSA MoM	Apr	0.5%	0.2%	0.3%	
	15:30	GB	PPI Output Core NSA YoY	Apr	2.8%	2.5%	2.5%	
	15:30	GB	House Price Index YoY	Mar	4.1%	5.3%	5.8%	
	16:00	EZ	Trade Balance SA	Mar	23.1b	18.7b	19.2b	18.8b
	16:00	EZ	Trade Balance NSA	Mar	30.9b	26.5b	17.8b	
	16:00	EZ	ZEW Survey Expectations	May	35.1	--	26.3	
	16:00	EZ	GDP Flash Estimate QoQ	Q1	0.5%	0.5%	0.5%	
	16:00	EZ	GDP Flash Estimate YoY	Q1	1.7%	1.7%	1.7%	
	16:00	DE	ZEW Survey Current Situation	May	83.9	82	80.1	
	16:00	DE	ZEW Survey Expectations	May	20.6	22.0	19.5	
	19:30	US	Housing Starts	Apr	1172k	1260k	1215k	1203k
	19:30	US	Housing Starts MoM	Apr	-2.6%	2.9%	-6.8%	-6.6%
	19:30	US	Building Permits	Apr	1229k	1270k	1267k	1260k
	19:30	US	Building Permits MoM	Apr	-2.5%	0.2%	4.2%	3.4%
	20:15	US	Industrial Production MoM	Apr	1.0%	0.4%	0.5%	0.4%
	20:15	US	Capacity Utilization	Apr	76.7%	76.3%	76.1%	
	20:15	US	Manufacturing (SIC) Production	Apr	1.0%	0.3%	-0.4%	
Wed/17-May-17	04:00	KR	Export Price Index MoM	Apr	--	--	-1.4%	
	04:00	KR	Export Price Index YoY	Apr	8.7%	--	4.9%	5%
	04:00	KR	Import Price Index YoY	Apr	9.3%	--	6.9%	6.8%
	04:00	KR	Import Price Index MoM	Apr	--	--	-2.0%	
	05:45	NZ	PPI Output QoQ	Q1	1.4%	--	1.5%	
	05:45	NZ	PPI Input QoQ	Q1	0.8%	--	1.0%	
	06:50	JP	Machine Orders MoM	Mar		2.1%	1.5%	
	06:50	JP	Machine Orders YoY	Mar		0.6%	5.6%	

	07:30	AU	Westpac Consumer Conf Index	May		--	99	
	07:30	AU	Westpac Consumer Conf SA MoM	May		--	-0.7%	
	11:30	JP	Industrial Production MoM	Mar		--	-2.1%	
	11:30	JP	Industrial Production YoY	Mar		--	3.3%	
	11:30	JP	Capacity Utilization MoM	Mar		--	3.2%	
	15:30	GB	Claimant Count Rate	Apr		--	2.2%	
	15:30	GB	Jobless Claims Change	Apr		5k	25.5k	
	15:30	GB	Average Weekly Earnings 3M/YoY	Mar		2.4%	2.3%	
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Mar		2.2%	2.2%	
	15:30	GB	ILO Unemployment Rate 3Mths	Mar		4.7%	4.7%	
	15:30	GB	Employment Change 3M/3M	Mar		--	39k	
	16:00	EZ	CPI MoM	Apr		0.4%	0.8%	
	16:00	EZ	CPI YoY	Apr		1.9%	1.9%	
	16:00	EZ	CPI Core YoY	Apr		1.2%	1.2%	
	19:30	CA	Manufacturing Sales MoM	Mar		--	-0.2%	
	21:30	US	EIA Weekly Crude Stocks	w/e		-2.283m	-5.247m	
	21:30	US	EIA Weekly Dist. Stocks	w/e		-1.250m	-1.587m	
	21:30	US	EIA Weekly Gasoline Stocks	w/e		-0.864m	-0.150m	
Thu/18-May-17	06:50	JP	GDP SA QoQ	1Q P		0.4%	0.3%	
	06:50	JP	GDP Annualized SA QoQ	1Q P		1.7%	1.2%	
	06:50	JP	GDP Nominal SA QoQ	1Q P		0.1%	0.4%	
	06:50	JP	GDP Deflator YoY	1Q P		-0.7%	-0.1%	
	06:50	JP	GDP Private Consumption QoQ	1Q P		0.4%	0.0%	
	06:50	JP	GDP Business Spending QoQ	1Q P		-0.4%	2.0%	
	08:00	AU	Consumer Inflation Expectation	May		--	4.1%	
	08:00	NZ	ANZ Consumer Confidence Index	May		--	121.7	
	08:00	NZ	ANZ Consumer Confidence MoM	May		--	-2.8%	
	08:30	AU	Employment Change	Apr		5.0%	60.9k	
	08:30	AU	Unemployment Rate	Apr		5.9%	5.9%	
	08:30	AU	Full Time Employment Change	Apr		--	74.5k	
	08:30	AU	Part Time Employment Change	Apr		--	-13.6k	
	08:30	AU	Participation Rate	Apr		--	64.80%	
	08:30	CN	China April Property Prices					
	N/A	HK	Composite Interest Rate	Apr		--	0.32%	
	15:30	GB	Retail Sales Ex Auto Fuel MoM	Apr		1.0%	-1.5%	
	15:30	GB	Retail Sales Ex Auto Fuel YoY	Apr		2.5%	2.6%	
	15:30	GB	Retail Sales Inc Auto Fuel MoM	Apr		1.0%	-1.8%	
	15:30	GB	Retail Sales Inc Auto Fuel YoY	Apr		2.0%	1.7%	
	19:30	US	Initial Jobless Claims	w/e		240k	236k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		--	243.5k	
	19:30	US	Continuing Jobless Claims	w/e		1.960m	1.918m	
	19:30	US	Philadelphia Fed Business Outlook	May		19.5	22.0	
	21:00	US	Leading Index	Apr		0.4%	0.4%	
Fri/19-May-17	00:00	EZ	ECB's Draghi Speaks in Tel Aviv					
	00:15	US	Fed's Mester Speaks on Economy and Monetary Policy					
	13:00	DE	PPI MoM	Apr		0.2%	0.0%	
	13:00	DE	PPI YoY	Apr		3.2%	3.1%	
	15:00	EZ	EU's Dombrovskis Speaks at ECB-EU Conference in Brussels					
	15:00	EZ	ECB Current Account SA	Mar		--	37.9b	
	15:00	EZ	Current Account NSA	Mar		--	27.9b	
	15:30	HK	Unemployment Rate SA	Apr		--	3.2%	
	16:00	EZ	ECB's Praet Moderates Panel at Conference in Brussels					
	17:00	GB	CBI Trends Total Orders	May		4	4	
	17:00	GB	CBI Trends Selling Prices	May		--	29	
	19:00	EZ	ECB's Constancio Speaks at Conference in Brussels					
	19:30	CA	Retail Sales MoM	Mar		--	-0.6%	
	19:30	CA	CPI NSA MoM	Apr		--	0.2%	
	19:30	CA	CPI YoY	Apr		--	1.6%	
	19:30	CA	Retail Sales Ex Auto MoM	Mar		--	-0.1%	

	19:30	CA	Consumer Price Index	Apr		--	129.9	
	19:30	CA	CPI Core- Common YoY%	Apr		--	1.3%	
	19:30	CA	CPI Core- Trim YoY%	Apr		--	1.4%	
	19:30	CA	CPI Core- Median YoY%	Apr		--	1.7%	
	20:15	US	Fed's Bullard to Speak about U.S. Economy and Monetary Policy					
	21:00	EZ	Consumer Confidence	Apr		-3.0	-3.6	
	21:15	EZ	EU Guersen Speaks at ECB Conference in Brussels					
Sat/20-May-17	00:00	US	Baker Hughes U.S. Rig Count	May-19		--	--	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average edged up on Tuesday, drawing support from a sagging yen and a rise in U.S. shares to record highs.
The Nikkei ended the day 0.25 percent higher at 19,919.82. It earlier rose to 19,998.49, its highest since December 2015, in an initial reaction to overnight Wall Street gains. But the index lost traction as the yen recovered some of its losses.
The broader Topix added 0.27 percent to 1,584.23 and the JPX-Nikkei Index 400 rose 0.22 percent to 14,143.97.

The South Korean won finished at its highest in six weeks on Tuesday, as investor appetite for riskier assets improved in the wake of firmer global oil prices.
The won was quoted at 1,116.0 to the dollar at the conclusion of onshore trade, up 0.7 percent compared to Monday's close of 1,123.6. It was the highest closing level since April 3.
South Korean shares were slightly higher with the Korea Composite Stock Price Index (KOSPI) ending 0.2 percent higher at 2,295.33 points.
Foreign investors have been net sellers of KOSPI shares for three straight sessions, offloading 106.5 billion won ($95.5 million) worth on Tuesday.

Hong Kong stocks turned lower on Tuesday after touching 21-month intraday highs, breaking a six-session winning streak, as investors took profit despite overnight strength on Wall Street.
The Hang Seng index fell 0.1 percent, to 25,335.94, while the China Enterprises Index lost 0.2 percent, to 10,433.69 points.
Hong Kong shares appeared to have been immune so far to China's stepped-up crackdown on financial leverage, a campaign which has partly helped drive Chinese money southward into Hong Kong stocks.
On Tuesday, the Hong Kong market was weighed down by the property sector, amid lingering concern that Hong Kong-listed Chinese developers would suffer from Beijing's tighter property restrictions.
The financial sector also sagged, as Postal Savings Bank of China slumped nearly 6 percent, while China Huarong Asset Management dropped almost 2 percent.

China stocks reversed earlier losses to end higher for the fourth straight day on Tuesday, as investors were relieved by central bank efforts to boost liquidity in the financial system even as regulators announced fresh curbs on shadow banking.
The blue-chip CSI300 index rose 0.9 percent, to 3,428.65 points, while the Shanghai Composite Index gained 0.7 percent to 3,112.96 points, both posting their best day in five weeks.
Late on Monday, China's banking regulator tightened disclosure rules on lenders' wealth management products (WMPs) in its latest move to curb shadow banking and risky investments.
Separately, the China Banking Regulatory Commission (CBRC) unveiled plans to publish a flurry of regulations later this year to control financial risks.
On the trading floor, however, concerns over tighter regulations that have knocked the market recently were partly offset by signs the government is moving to keep the economy well funded.
On Tuesday, China's central bank injected a net 170 billion yuan ($24.67 billion) into money market through open market operations - the most in nearly four months - to offset liquidity stress caused by corporate tax payment and maturing repos.
In a rare explanation, the central bank said the injection is meant to "offset impact from factors including tax payment and maturing open market operations", indicating Beijing's intention to maintain stability in the markets amid widespread concerns over policy tightening.
Analysts say the market is likely to stabilize after staying in the red for five consecutive weeks as regulators try not to go too hard in their quest to curb debt risks.
"The market is increasingly likely to stabilize," Li Chao, analyst at Huatai Securities wrote.
"If the market misunderstands policy intentions and continues to fall, there will be more soothing remarks from government agencies."
Most sectors gained ground, led by consumer and material stocks, while banks shares dragged the most.
Small-caps outperformed the broader market, with the index tracking small and medium sized companies in Shenzhen advancing 2 percent, posting its best day in 9 months.*(Source Reuters, Research: @ErwinRiset*

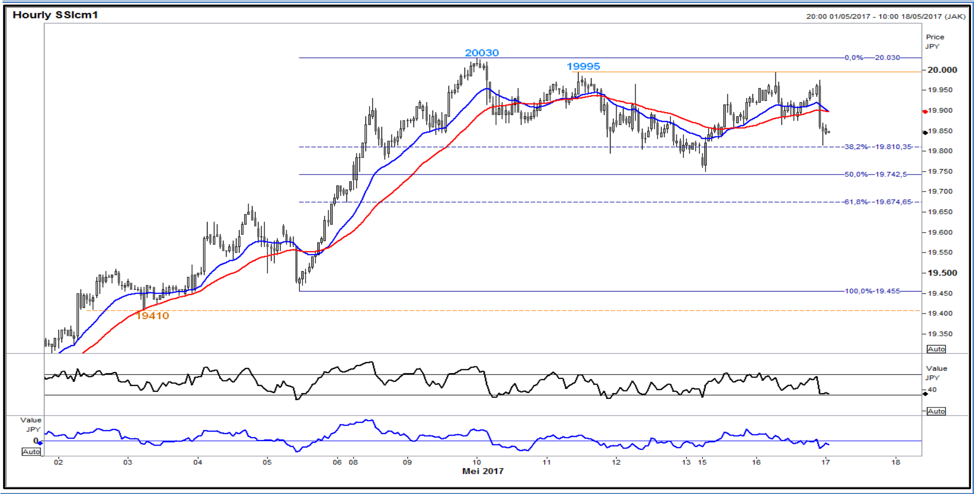
ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	295.51 (03/May/11)	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	**19998.49 (16/May/2017)**	304.26 (10/May/2017)	**25413.35 (16/May/2017)**	21169.11 (01/Mar/2017)	**2405.77 (16/May/2017)**	3295.18700 (07/Apr/2017)
2017 LOW	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
2016 LOW	14864.01 (24/Jun/16)	222.92 (20/Jan/16)	18278.80 (12/Feb/16)	15450.56 (20/Jan/16)	1810.10 (11/Feb/16)	2638.30160 (27/Jan/16)
RECORD LOW	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov./82)	325.92200 (29/Jul/94)

Closing Prices – 16 May 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	20979.75	↓ 2.19/ 0.01%	.N225	19919.82	↑ 49.97/0.25%
/.SPX	2400.67	↓ 1.65/ 0.07%	.KS200	299.67	↑ 0.80/0.27%
/.IXIC	6169.870	↑ 20.196/ 0.33%	.HSI	25335.94	↓ 35.65/0.14%
JPY=	113.11	↓ 0.66/ 0.58%	/.SSEC	3113.49550	↑ 23.26660/0.75%
KRW=	1115.06	↓ 2.05/ 0.18%	/CLc1 (Oil)	48.23	↓ 0.62/1.27%

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



- Rebound formed a horizontal resistance area at 19995
- As long as the area is intact, beware of the reversal develops to test the support area at 19800 – 19740

(Research – @ErwinRiset)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 May SSIpmM7	19890	19975	19805	170	19835	---	60	0.30	22230
16 May SSIamM7	19945	19995	19865	130	19895	19895	10	0.05	39832
15 May SSIpmM7	19890	19965	19855	110	19960	---	75	0.38	16643
15 May SSIamM7	19785	19895	19750	145	19885	19885	20	0.10	37789
12 May SSIpmM7	19875	19885	19785	100	19815	---	50	0.25	20294
12 May SSIamM7	19855	19965	19805	160	19865	19865	90	0.45	55048
11 May SSIpmM7	19955	19980	19795	185	19885	---	70	0.35	25823
11 May SSIamM7	19945	19995	19905	90	19955	19955	50	0.25	42313
10 May SSIpmM7	19925	19970	19865	105	19950	---	45	0.23	20814
10 May SSIamM7	19915	19950	19865	85	19905	19905	15	0.08	46965

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19995 (16/May)	19750 (15/May)	20030 (09/May)	19165 (01/May)	19325 (26/Apr)	18190 (17/Apr)	20030 (09/May)	18190 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	20340	High 20/Aug/2015
	20070	High 21/Aug/2015
	20035	Double top
	19995	Horizontal resistance
SUPPORT	19750	Reaction low (hourly)
	19675	Reaction low (hourly)
	19455	Bottom (hourly)
	19410	Reaction low (hourly)
RECOMMENDATION	BUY	----
	SELL	19895
	STOP LOSS	20000
	TARGET	19755
		19685

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

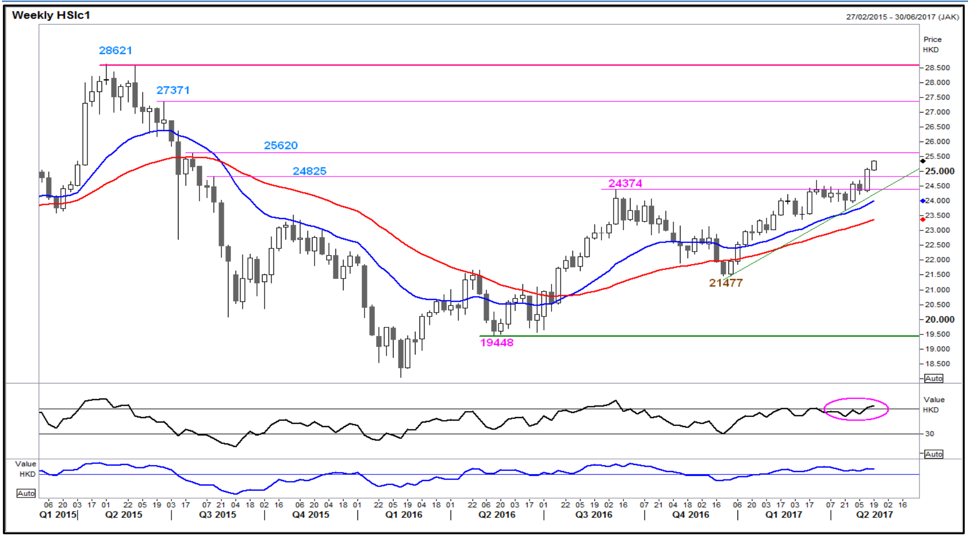
- Rebound breakout short-term resistance at 300.60, after hit high at 302.10
- Pay attention to the crucial support level around 298. If it is effective, then rebound may develop, facing resistance area at 302 - 305 ***(Research – @ErwinRiset)***

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 May	301.25	302.10	298.30	3.80	299.35	299.35	↓ 0.40	0.13	202872
15 May	299.05	300.30	297.85	2.45	299.75	299.75	↑ 1.00	0.33	158822
12 May	300.20	300.50	298.20	2.30	298.75	298.75	↓ 1.45	0.48	196177
11 May	298.10	300.60	296.85	3.75	300.20	300.20	↑ 3.65	1.23	380171
10 May	300.80	305.60	295.85	9.75	296.55	296.55	↓ 4.25	1.41	514035
09 May		H	O	L	I	D	A	Y	

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
302.10 (16/May)	297.85 (15/May)	305.60 (10/May)	288.65 (02/May)	288.90 (28/Apr)	275.45 (11/Apr)	305.60 (10/May)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	325.06	61.8% Fibo. Projection (Monthly)
	313.17	100% Fibo. Projection (Weekly)
	305.60	High 10/May/2017
	300.60	High 11/May/2017
SUPPORT	297.85	Reaction low (hourly)
	295.85	Reaction low (hourly)
	294.10	Reaction low (hourly)
	292.95	Low 08/May/2017
RECOMMENDATION	BUY	298.50
	SELL	----
	STOP LOSS	297.50
	TARGET	300.60
		302.50

HSIK7 (Hang Seng May Futures) – Exp. Date: 29 May 2017



- Rally tends to be limited, with resistance area at 25620 (Weekly) is still intact
- While the short term support area at 24825
- Beware of RSI was overbought (Weekly)

(Research – @ErwinRiset)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 May	25340	25349	25206	143	25301	25301	↑ 44	0.17	94756
15 May	25193	25323	25133	190	25257	25257	↑ 194	0.77	104054
12 May	25008	25097	24962	135	25063	25063	↓ 5	0.02	93937
11 May	25015	25101	24925	176	25068	25068	↑ 147	0.59	107160
10 May	24801	25068	24787	281	24921	24921	↑ 177	0.72	125558
09 May	24465	24797	24407	390	24744	24744	↑ 293	1.20	117362
08 May	24474	24502	24361	141	24451	24451	↑ 96	0.39	96933

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25349 (16/May)	25133 (15/May)	25349 (16/May)	24220 (05/May)	24646 (26/Apr)	23706 (19/Apr)	25349 (16/May)	21863 (03/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	27371	High 26/Jun/2015 (Weekly)
	26723	High 03/Jul/2015 (Weekly)
	26358	High 10/Jul/2015 (Weekly)
	25620	High 24/Jul/2015 (Weekly)
SUPPORT	25237	Reaction low (hourly)
	25100	Pivot line (hourly)
	24991	Reaction low (hourly)
	24904	Reaction low (hourly)
RECOMMENDATION	BUY	25280
	SELL	----
	STOP LOSS	25200
	TARGET	25450
		25585

CURRENCIES – *Daily Outlook*

Euro surges to 6-month high after data; Trump worries hit dollar - Reuters News

The euro surged more than 1 percent against a broadly weaker dollar on Tuesday, nearly touching $1.11 as it rose to its highest level since Donald Trump was elected U.S. president in November.

The dollar fell after the release of weaker-than-expected data on U.S. housing starts, adding to the economic reports that have missed predictions.

While the dollar made a modest recovery after data showed U.S. manufacturing production recording its largest increase in more than three years, investors again soured on the greenback in later trading.

Data released earlier in the day showed the euro zone economy growing 1.7 percent year-on-year in the first quarter, in line with expectations.

Emmanuel Macron's victory in France's presidential election and growing expectations of further European integration, as he seeks deeper ties with Germany, have also helped bolster the euro, analysts said.

The euro jumped widely, touching its highest level since April 2016 against the yen and its highest level since March 31 versus sterling.

The dollar's sell-off looked like it had further to go, said Boris Schlossberg, managing director of FX strategy at BK Asset Management, given the potential for further political fallout relating to reports that Trump disclosed highly classified information to Russian officials last week.

"It seems like progressively every single day it gets more and more beyond any sense of normal leadership and ultimately that kind of political volatility does translate into economic volatility," Schlossberg said.

Fears are growing among investors that Trump might not serve out his first term, analysts said. Even if he does, they said, there would be too many political distractions for him to push through his economic stimulus program.

The dollar index had risen to 14-year highs earlier this year on the view that Trump's plans for tax cuts and infrastructure spending would boost growth and inflation, but it fell on Tuesday to its lowest level since Nov. 9.

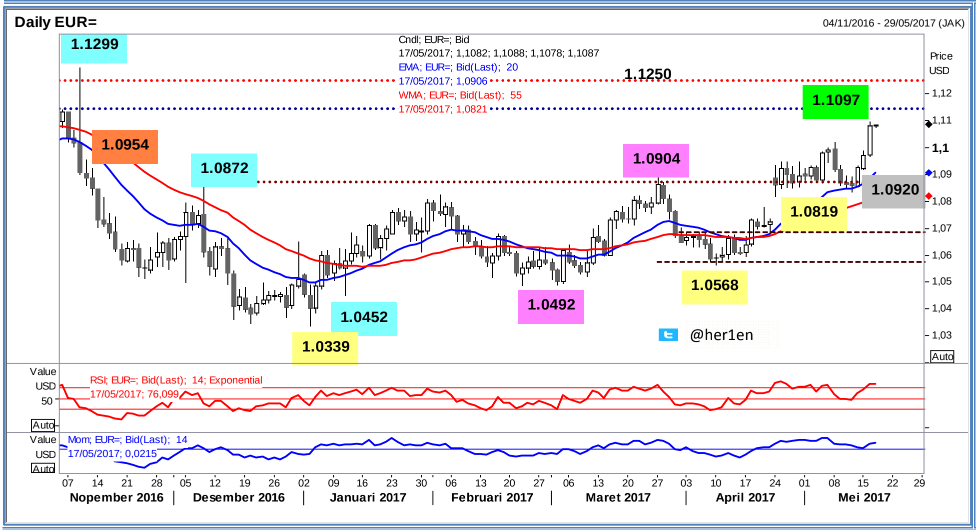
Weaker-than-expected U.S. data is causing traders to wonder whether the U.S. Federal Reserve will fail to raise rates at its policy meeting next month.

Investors are still pricing in around a 74 percent chance of a June hike, but that is down from more than 80 percent last week, according to CME Group's FedWatch tool.

(Source Reuters, Research – @her1en)

EUR/USD

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



- Daily RSI rises, entering the overbought area
- With the resistance at 1.1300
- Important support at the 1.0920 level *(Research – @her1en)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	1.09760	1.10961	1.09755	120,6	1.10808	↑ 107,2	1.09736
May 15	1.09245	1.09883	1.09214	66,9	1.09736	↑ 52,0	1.09216
May 12	1.08604	1.09331	1.08546	78,5	1.09216	↑ 62,1	1.08595
May 11	1.08663	1.08918	1.08379	53,9	1.08595	↓ 6,5	1.08660
May 10	1.08753	1.08970	1.08520	45,0	1.08660	↓ 6,9	1.08729

WEEKLY		MAY		APRIL		2017	
HIGH	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**
1.10961 (16/May)	**1.09214 (15/May)**	**1.10961 (16/May)**	**1.08379 (11/May)**	**1.0950 (25/Apr)**	**1.0571 (10/Apr)**	**1.10961 (16/May)**	**1.0342 (03/Jan)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**1.1365**	Reaction high on 1-H chart
	1.1326	High Sept 08, 2016
	1.1299	High 09/Nov/2016
	1.1119	Pivot line
SUPPORT	**1.0971**	Low May 16
	1.0920	Low May 15
	1.0819	Low 24/Apr/2017
	1.0680	Low 21/Apr/2017
RECOMMENDATION	**BUY**	**1.1065**
	SELL	**-----**
	STOP LOSS	**1.0985**
	TARGET	**1.1155**
		1.1185

USD/JPY

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

- Correction continues after failing to hold above the crucial level of 113.54
- Short-term support at 112.00
- Short-term resistance at 114.36

(Research – @ErwinRiset)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	113.590	113.761	112.918	84,3	113.096	↓ 66,7	113.763
May 15	113.291	113.840	113.217	62,3	113.763	↑ 34,6	113.417
May 12	113.804	113.443	113.188	25,5	113.417	↓ 43,1	113.848
May 11	114.269	114.356	113.447	90,9	113.848	↓ 38,6	114.234
May 10	113.959	114.356	113.614	74,2	114.234	↑ 24,6	113.988

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
113.840 (15/May)	**112.918 (15/May)**	**114.356 (10/May)**	**111.193 (01/May)**	**111.77 (26/Apr)**	**108.14 (17/Apr)**	**118.60 (03/Jan)**	**108.14 (17/Apr)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**115.19**	High 14/Mar/2017 (Reaction high)
	114.88	High 15/Mar/2017
	114.36	High 11/May/2017 (Peak)
	113.85	Reaction high (hourly)
SUPPORT	**112.06**	Low 05/May/2017 (Reaction low)
	111.75	Low 02/May/2017
	111.18	Low 01/May/2017
	110.85	Low 26/Apr/2017
RECOMMENDATION	**BUY**	----
	SELL	**113.25**
	STOP LOSS	**114.00**
	TARGET	**112.45**
		112.05

GBP/USD

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

- The moves tend to be flat in the range of 1.2829 - 1.2990
- However a rebound potentially develops as long as the short-term support area at 1.2829 remains intact

(Research – @ErwinRiset)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	1.28958	1.29563	1.28644	91,9	1.29082	↑ 18,2	1.28900
May 15	1.28846	1.29395	1.28802	59,3	1.28900	↑ 12,3	1.28777
May 12	1.28867	1.28984	1.28435	54,9	1.28777	↓ 6,2	1.28839
May 11	1.29333	1.29472	1.28481	99,1	1.28839	↓ 49,3	1.29332
May 10	1.29355	1.29868	1.29267	60,1	1.29332	↓ 0,9	1.29341

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.29563 (16/May)	**1.28644 (16/May)**	**1.29868 (10/May)**	**1.28297 (04/May)**	**1.2965 (28/Apr)**	**1.2367 (10/Apr)**	**1.29868 (10/May)**	**1.1986 (16/Jan)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**1.3278**	High 15/Sep/2016 (Reaction high)
	1.3120	High 22/Sep/2016
	1.3058	High 29/Sep/2016
	1.2990	High 08/May/2017 (Reaction high)
SUPPORT	**1.2829**	Low 04/May/2017
	1.2758	Low 21/Apr/2017 (reaction low)
	1.2593	SMA200
	1.2513	Low 18/Apr/2017
RECOMMENDATION	**BUY**	**1.2875**
	SELL	**----**
	STOP LOSS	**1.2800**
	TARGET	**1.2960**
		1.3005

USD/CHF

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

- Sharp correction tests and breaks area of support at 0.9856, hit low at 0.9846
- The next support at 0.9812
- Beware of RSI near the oversold zone

(Research – @ErwinRiset)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	0.99590	0.99634	0.98462	117,2	0.98549	106,2	0.99611
May 15	1.00114	1.00187	0.99566	62,1	0.99611	58,6	1.00197
May 12	1.00762	1.00847	0.99864	98,3	1.00197	54,7	1.00744
May 11	1.00854	1.00987	1.00552	43,5	1.00744	9,7	1.00841
May 10	1.00698	1.00936	1.00473	46,3	1.00841	10,5	1.00736

WEEKLY		MAY		APRIL		2017	
HIGH	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**
1.00187 (15/May)	**0.98462 (16/May)**	**1.00987 (11/May)**	**0.98462 (16/May)**	**1.0107 (10/Apr)**	**0.9863 (24/Apr)**	**1.0335 (03/Jan)**	**0.9814 (27/Mar)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**1.0170**	High 07/Mar/2017 (Peak)
	1.0138	High 10/Mar/2017
	1.0107	High 14/Mar/2017 (horizontal resistance)
	0.9969	Pivot line
SUPPORT	**0.9812**	Low 27/Mar/2017 (Bottom)
	0.9650	Pivot line
	0.9542	Low 09/Nov/2016 (Bottom)
	0.9532	Low 18/Aug/2016 (Bottom)
RECOMMENDATION	**BUY**	----
	SELL	**0.9905**
	STOP LOSS	**0.9980**
	TARGET	**0.9835**
		0.9800

AUD/USD

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

- Daily RSI is up
- Upperline around 0.7500, while lowerline at 0.7300
  (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	0.74132	0.74368	0.73937	43,1	0.74235	↑ 14,0	0.74095
May 15	0.73860	0.74446	0.73852	59,4	0.74095	↑ 19,6	0.73899
May 12	0.73767	0.74197	0.73673	52,4	0.73899	↑ 15,6	0.73743
May 11	0.73575	0.73820	0.73374	44,6	0.73743	↑ 21,4	0.73529
May 10	0.73437	0.73933	0.73378	55,5	0.73529	↑ 10,3	0.73426

WEEKLY		MAY		APRIL		2017	
HIGH	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**
0.74446 (15/May)	**0.73852 (15/May)**	**0.75549 (02/May)**	**0.73277 (09/May)**	**0.7641 (03/Apr)**	**0.7441 (27/Apr)**	**0.7749 (21/Mar)**	**0.7182 (03/Jan)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**0.7610**	High 17/Apr/2017 (Reaction high)
	0.7591	High 24/Apr/2017 (Reaction high)
	0.7555	High 02/May/2017 (Reaction high)
	0.7489	Trend channel resistance
SUPPORT	**0.7380**	Low May 15
	0.7326	Low 09/May/2017
	0.7284	Low 06/Jan/2017
	0.7206	Low 04/Jan/2017
ECOMMENDATION	**BUY**	**0.7405**
	SELL	**-----**
	STOP LOSS	**0.7340**
	TARGET	**0.7475**
		0.7505

NZD/USD

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

- Correction is quite limited, face the support area at 0.6816
- Strong support at 0.6674
- Important resistance at 0.7053

(Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	0.68823	0.69052	0.68615	43,7	0.68767	↑ 3	0.68764
May 15	0.68664	0.69172	0.68615	55,7	0.68764	↑ 22,0	0.68544
May 12	0.68437	0.68693	0.68254	43,9	0.68544	↑ 7,5	0.68469
May 11	0.68498	0.68624	0.68166	45,8	0.68469	↓ 14,1	0.68610
May 10	0.68995	0.69497	0.68881	61,6	0.68610	↓ 32,6	0.68936

WEEKLY		MAY		APRIL		2017	
HIGH	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**	**HIGH**	**LOW**
0.69172 (15/May)	**0.68615 (15/May)**	**0.69674 (03/May)**	**0.68166 (11/May)**	**0.7053 (24/Apr)**	**0.6849 (27/Apr)**	**0.7374 (07/Feb)**	**0.68166 (11/May)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**0.7089**	High 21/Mar/2017
	0.7053	High 24/Apr/2017 (Reaction high)
	0.7016	High 25/Apr/2017
	0.6968	High 03/May/2017 (Reaction high)
SUPPORT	**0.6816**	Low 11/May/2017
	0.6798	Low 03/Jun/2016
	0.6756	Low 01/Jun/2016
	0.6674	Low 30/May/2016 (Bottom)
RECOMMENDATION	**BUY**	**0.6865**
	SELL	**-----**
	STOP LOSS	**0.6800**
	TARGET	**0.6935**
		0.6965

EUR/JPY

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

- Rally tests a medium-term resistance at 125.26 (50% Fibo.Retracement of wave 141.05 - 109.46), after hit high at 125.80
- Beware of RSI in the overbought zone
- Strong resistance around 129 ***(Research – @ErwinRiset)***

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	124.676	125.787	124.564	122,3	125.342	↑ 48,6	124.856
May 15	123.778	124.870	123.666	120,4	124.856	↑ 98,7	123.869
May 12	123.609	123.925	123.281	64,4	123.869	↑ 22,9	123.640
May 11	124.168	124.399	123.292	110,7	123.640	↓ 53,7	124.177
May 10	123.968	124.297	123.465	83,2	124.177	↑ 23,2	123.945

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
125.787 (16/May)	**123.666 (15/May)**	**125.787 (16/May)**	**121.334 (01/May)**	**121.99 (28/Apr)**	**114.87 (17/Apr)**	**125.787 (16/May)**	**114.87 (17/Apr)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**130.10**	High 10/Feb/2016
	128.22	High 31/Mart/2016 (Peak)
	127.34	High 04/Apr/2016
	126.47	High 28/Apr/2016 (Reaction high)
SUPPORT	**124.56**	Reaction low (hourly)
	123.58	Low 15/May/2017
	123.29	Low 12/May/2017
	122.55	Low 04/May/2017
RECOMMENDATION	**BUY**	**124.95**
	SELL	**----**
	STOP LOSS	**124.25**
	TARGET	**125.80**
		126.25

USD/CAD

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

- Correction continues until breakout 1.36, after hit low at 1.3572
- Correction is facing the next support at 1.3555 - 1.3528

(Research – @ErwinRiset)

WEEKLY OPEN	CURRENT PRICE
1.3694	**1.3589**

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3721 (15/May)	1.3572 (16/May)	1.3793 (05/May)	1.3572 (16/May)	1.3697 (28/Apr)	1.3220 (13/Apr)	1.3793 (05/May)	1.2967 (31/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3837	61.8% Fibo. Retracement of wave 1.4689-1.2458
	1.3793	High 05/May/2017
	1.3741	Reaction high (hourly)
	1.3668	Reaction high (hourly)
SUPPORT	1.3552	Reaction low (hourly)
	1.3528	Low 27/Apr/2017 (Reaction low)
	1.3495	Reaction low (hourly)
	1.3408	Bottom (hourly)
RECOMMENDATION	BUY	----
	SELL	1.3630
	STOP LOSS	1.3700
	TARGET	1.3510 – 1.3465

Precious Metal – *Daily Outlook*

Gold climbs for fourth day as dollar slips and euro rallies - Reuters News

Gold prices extended gains for a fourth day on Tuesday as political troubles and weaker-than-expected housing data in the United States dented the dollar while a more upbeat scenario in Europe lifted the euro.

"The dollar is weak today, which has helped precious metals across the board," said Carsten Menke, analyst at Julius Baer in Zurich. He attributed the move in the greenback to a combination of events in the United States and Europe.

Spot gold was up 0.6 percent at $1,237.85 an ounce by 3:30 p.m. EDT (1930 GMT), after rising to $1,239.10, the highest since May 4.

U.S. gold futures settled up 0.5 percent at $1,236.40.

The dollar index slipped to the weakest in more than six months after two U.S. officials said President Donald Trump disclosed highly classified information to Russia's foreign minister about a planned Islamic State operation.

Investors regarded Trump's difficulties as another obstacle to planned U.S. tax cuts and infrastructure spending that had boosted the dollar since the November election.

Gold is used as an alternative investment during times of political and financial uncertainty.

Also pressuring the dollar, the Commerce Department said housing starts dropped to the lowest level in five months.

"I think (the dollar) is the key catalyst," Bill O'Neill, co-founder of LOGIC Advisors, said about the session's main source of support for bullion prices.

At the same time, markets were cheered by the outlook for Europe after German Chancellor Angela Merkel and new French President Emmanuel Macron agreed to draw up a roadmap to deepen European Union integration.

Investors may become more cautious, however, due to recent global developments including a North Korean missile test and the "ransomware" cyber attack, which could lift gold prices over the next two weeks, said Mark To, head of research at Hong Kong's Wing Fung Financial Group.

Among other precious metals, silver rose 1.3 percent at $16.81 an ounce after tapping $16.86, the highest since May 3.

Platinum rose 1 percent to $936.80, with a session high at $942, a two-week high.

A bullish signal for platinum has appeared in charts, said Stéphanie Aymes, head of technical analysis at Societe Generale.

"Short term, platinum looks headed for $953, the trend line resistance and the 61.8 percent retracement of the last bout of down move, and $991," she said in a note, adding that further targets would be $1,046 and $1,080.

Producers, fabricators and traders have gathered for Platinum Week in London.

Palladium edged down 0.6 percent to $791.75 an ounce, paring losses after dropping to $784.97, the lowest since April 20. ***(Source Reuters, Research – @her1en)***

GOLD (XAU/USD)

- The rally continues despite its limited range
- Daily RSI is up
- Important resistance at 1256 level
- Support at 1213
- *(Research – @her1en)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
May 16	1231.070	1238.950	1230.150	8.80	1236.590	↑ 6.57	1230.020	1234.05	1234.20
May 15	1229.210	1237.150	1226.790	10.36	1230.020	↑ 2.43	1227.590	1231.50	1233.30
May 12	1224.920	1231.600	1224.320	7.28	1227.590	↑ 3.01	1224.580	1227.90	1231.25
May 11	1218.780	1227.550	1216.810	10.74	1224.580	↑ 5.79	1218.790	1221.00	1223.15
May 10	1221.840	1225.490	1217.430	8.06	1218.790	↓ 2.16	1220.950	1222.95	1222.95

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1238.950 (16/May)	1226.790 (15/May)	1270.950 (01/May)	1214.100 (09/May)	1295.42 (17/Apr)	1244.04 (05/Apr)	1295.42 (17/Apr)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1288.17	High 21/Apr/2017 (Reaction high)
	1271.10	High 01/May/2017 (Reaction high)
	1256.88	High 03/May/2017
	1241.27	High 04/May/2017
SUPPORT	1224.05	Low May 12
	1213.81	Low 09/Mar/2017
	1194.55	Low 10/Mar/2017 (Bottom)
	1180.65	Low 27/Jan/2017 (Bottom)
RECOMMENDATION	BUY	1234.00
	SELL	-----
	STOP LOSS	1225.00
	TARGET	1244.50
		1249.50

valbury

SILVER (XAG/USD)

- The rebound has grown since a low hit at 16.01
- Resistance at 17.25
- Important support at 15.80
  (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	16.601	16.852	16.599	0.25	16.830	↑ 0.22	16.607
May 15	16.454	16.800	16.403	0.40	16.607	↑ 0.20	16.410
May 12	16.305	16.470	16.294	0.18	16.410	↑ 0.10	16.310
May 11	16.163	16.374	16.155	0.22	16.310	↑ 0.13	16.180
May 10	16.169	16.327	16.128	0.20	16.180	↑ 0.02	16.163

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.852 (16/May)	**16.403 (15/May)**	**17.246 (01/May)**	**16.045 (09/May)**	**18.63 (17/Apr)**	**17.15 (28/Apr)**	**18.63 (17/Apr)**	**15.88 (03/Jan)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**17.65**	High Apr 26
	17.41	High 28/Apr/2017
	17.26	High 01/May/2017
	16.88	High 03/May/2017
SUPPORT	**16.40**	Low May 15
	16.01	Low 09/May/2017 (Reaction low)
	15.80	Low 30/Dec/2016 (Reaction low)
	15.59	Low 20/Dec/2016 (Bottom)
ECOMMENDATION	**BUY**	**16.80**
	SELL	**-----**
	STOP LOSS	**16.55**
	TARGET	**17.15**
		17.35

OIL – *Daily Outlook*

Oil settles flat; dips after API reports U.S. crude build - Reuters News

Oil prices settled little changed on Tuesday after several OPEC members voiced support for prolonging supply cuts through March 2018 to reduce a global crude glut.

Crude prices dipped later in post-settlement trade after data from the American Petroleum Institute showed an unexpected build in crude and distillate products inventories. Forecasters had expected another draw in U.S. crude stocks.

The market will watch to see whether the build reported by the API is confirmed by official U.S. Energy Information Administration data due at 10:30 a.m. EDT (1430 GMT) on Wednesday.

API said U.S. crude oil inventories rose 882,000 barrels for the week ended May 12, contrary to analyst forecasts in a Reuters poll for a fall of 2.4 million barrels. Distillate stocks grew 1.8 million barrels; analysts had expected a decline of 1.1 million barrels.

Brent futures were down 60 cents, or 1.1 percent, to $51.22 a barrel as of 4:43 p.m. EDT (2043 GMT). Earlier, Brent had settled down 17 cents at $51.65 a barrel. In late trade, U.S. crude dropped 58 cents to $48.26 a barrel; it had settled at $48.66, off 19 cents.

Prices have rebounded about 10 percent since hitting five-month lows 11 days ago. Members of the Organization of the Petroleum Exporting Countries have stated their intentions to keep supply cuts going through next year. The market has grown skeptical, as inventories have been drawing down slowly even after OPEC and several big non-OPEC producers agreed at the end of November to cut production 1.8 million barrels a day in the first half of 2017.

Officials in Kuwait, Iraq, Iran and Venezuela voiced support for extending the crude output cut. The meeting to decide on the output cut extension has been set for May 25.

"Be careful what you ask for. If you do get prices in the mid-to-upper $50s all that's going to do is encourage a lot of production in the U.S.," said Nauman Barakat, head of the energy desk at ADM Investor Services in New York.

Russian Energy Minister Alexander Novak said the proposed extension of output cuts aimed to bring global commercial oil inventories down to the five-year average and stabilize the market.

The International Energy Agency said the global oil market is rebalancing and the pace is picking up, even if inventories do not yet reflect the impact of OPEC supply cuts.

Goldman Sachs said output would increase from OPEC members that were exempt from the cuts.

Also, U.S. oil production is up more than 10 percent since mid-2016.

(Source Reuters, Research – @her1en)

CLM7/USD (OIL)

(Exp.: 22 May 2017 - Reuters)

- Rebound potentially faces medium-term resistance at 50.20
- Important support around 47.00
- Daily RSI is up ***(Research – @her1en)***

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 16	48.82	49.36	48.16	1.20	48.21	↓ 0.59	48.80
May 15	47.83	49.63	47.73	1.90	48.80	↑ 0.99	47.81
May 12	47.79	48.06	47.34	0.72	47.81	UNCH	47.81
May 11	47.37	48.20	47.34	0.86	47.81	↑ 0.47	47.34
May 10	46.17	47.76	46.02	1.74	47.34	↑ 1.18	46.16

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
49.63 (15/May)	**47.73 (15/May)**	**49.63 (15/May)**	**43.75 (05/May)**	**53.74 (12/Apr)**	**48.21 (27/Apr)**	**55.22 (03/Jan)**	**43.75 (05/May)**

ANALYSIS & RECOMMENDATION		
RESISTANCE	**51.38**	High Apr 20
	50.97	High 20/Apr/2017
	50.20	High 26/Apr/2017 (Reaction high)
	49.76	High 28/Apr/2017
SUPPORT	**47.75**	Low May 15
	47.01	Pivot line
	46.01	Low 10/May/2017
	45.53	Low 09/May/2017 (Reaction low)
RECOMMENDATION	**BUY**	**48.20**
	SELL	**-----**
	STOP LOSS	**47.00**
	TARGET	**49.50**
		50.00