



Daily Bulletin

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

Research Department

10/17/2017

DISCLAIMER:

All contents of This Report have been prepared by Research Dept. of Valbury Asia Futures and are provided solely for informational purpose. We have taken reasonable measures to ensure the accuracy of the report, however, do not guarantee its accuracy and will not accept liability for any consequential loss or damage which may arise directly or indirectly from any use of the report

Published by RESEARCH DEPARTMENT – PT VALBURY ASIA FUTURES

Menara Karya 9th Floor, Jl. HR Rasuna Said Blok X-5 Kav. 1-2 Jakarta 12950 Indonesia, Phone : +6221-25533777

Email: research@valbury.com | Twitter: [@researchvaf](https://twitter.com/researchvaf) | Web-Link: www.valburyfutures.co.id/futures_research.php

GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Wall Street closed at record highs, the dollar edged up and copper touched a three-year peak on Monday as upbeat Chinese data drove optimism about the world's second-biggest economy, while oil prices jumped due to supply worries after Iraqi forces seized the oil-rich city of Kirkuk from Kurdish fighters.

GLOBAL ECONOMIES

- Growth in New Zealand's services sector slipped in September as an inconclusive general election hit sales activity, a survey showed on Monday.
- China's economic growth is expected to ease to 6.8 percent in the third quarter from 6.9 percent in the previous quarter due to a cooling property sector and the government's battle against debt risks, a Reuters poll showed.
- Euro zone's trade surplus shrank in August as the stronger euro fuelled an import boom that was only partly offset by a rise in exports, official estimates released on Monday showed.
- Prime Minister Theresa May is unlikely to offer new concessions to Brussels over the terms of Britain's divorce from the European Union when she meets European Commission chief Jean-Claude Juncker over dinner on Monday, her spokesman indicated.
- The Federal Reserve will probably need to raise interest rates in December and then three or four times "over the course of next year," assuming the U.S. unemployment rate continues to fall and inflation rises, Boston Fed President Eric Rosengren said.

GLOBAL MARKETS

U.S. & Global Markets – Wall Street closed at record highs, the dollar edged up and copper touched a three-year peak on Monday as upbeat Chinese data drove optimism about the world's second-biggest economy, while oil prices jumped due to supply worries after Iraqi forces seized the oil-rich city of Kirkuk from Kurdish fighters.

Asian shares rallied to a decade high after figures showed China's producer prices beat market expectations, rising 6.9 percent in September from a year earlier.

Major U.S. stock indexes rose to record high closes as banking stocks recovered from last week's losses, with the S&P financial index posting its first gain in four days. Energy stocks rose on higher oil prices and technology shares also rallied, driven by a 1.6 percent increase in Apple Inc.

Wall Street's rise comes ahead of a barrage of quarterly earnings reports this week.

"The market is going higher despite all the news flow of geopolitical events," said Jeff Zipper, managing director at U.S. Bank Private Client Reserve in Palm Beach, Florida. "There is optimism on earnings, economic indicators and hopes of budget resolution."

The Dow Jones Industrial Average rose 85.24 points, or 0.37 percent, to 22,956.96, the S&P 500 gained 4.47 points, or 0.18 percent, to 2,557.64 and the Nasdaq Composite added 18.20 points, or 0.28 percent, to 6,624.01.

In China, upbeat data came before the Communist Party Congress on Wednesday and third-quarter economic data on Thursday.

MSCI's broadest index of Asia-Pacific shares outside Japan closed up 0.57 percent at its highest level since late 2007.

"What has helped risk appetite this morning is that the Chinese inflation data suggests the world's second biggest economy is doing much better than people expected this time a year ago for 2017," said Michael Hewson, chief markets analyst at CMC Markets.

Japan's Nikkei climbed 0.47 percent to a level not seen since late 1996.

Traders said that belief that Japan's ruling party bloc will win the general election later this month continued to underpin market sentiment, and a weaker yen raised hopes that Japanese companies will report strong earnings.

MSCI's gauge of stocks across the globe gained 0.09 percent. Emerging market stocks rose 0.49 percent.

Copper jumped 3.7 percent to \$7,134 per tonne on the London Metal Exchange, after touching the July 2014 high of \$7,177 a tonne, driven by economic data from China, the world's top copper consumer.

Prices are up about 29 percent year to date, on track for the biggest annual gain since 2010.

Oil prices rose after Iraqi forces entered Kirkuk, briefly cutting some crude output from OPEC's second-biggest producer.

U.S. crude rose 0.82 percent to \$51.87 per barrel and Brent was last at \$57.86, up 1.21 percent on the day.

The euro weakened after the Austrian election put conservative Sebastian Kurz on track to become the next leader. He is seen as likely to seek a coalition with the resurgent far right because his party is far short of a majority.

The euro slumped 0.25 percent to \$1.1792, while the dollar index added to gains, rising 0.21 percent as investors repositioned following disappointing inflation data on Friday that sent the greenback lower.

Spanish stocks lagged Europe after Catalan leader Carles Puigdemont failed to clarify whether he had declared independence from Spain last week, possibly paving the way for the central government to take control of the wealthy region.

Spain's country index IBEX fell 0.75 percent, compared to the pan-European FTSEurofirst 300 index, which ticked up 0.04 percent.

(Source Reuters – @her1en)

GLOBAL ECONOMIES

New Zealand – Growth in New Zealand's services sector slipped in September as an inconclusive general election hit sales activity, a survey showed on Monday.

The Bank of New Zealand-Business NZ's seasonally adjusted performance of services index (PSI) fell 1.2 points to 56.0 from the previous month.

A reading above 50 indicates expansion in activity.

There was a "higher number of negative comments specifically mentioning uncertainty around the general election," Business NZ Chief Executive Kirk Hope said in a statement.

The country has been in political limbo since Sept. 23 when neither the National Party, which has led the government since 2008, nor the Labour Party, won enough seats to form a government.

China – China's economic growth is expected to ease to 6.8 percent in the third quarter from 6.9 percent in the previous quarter due to a

cooling property sector and the government's battle against debt risks, a Reuters poll showed.

Analysts' projected slowdown was at odds with central bank governor Zhou Xiaochuan's forecast suggesting an upside surprise as the economy could grow 7 percent in the second half of the year, versus 6.9 percent in the first six months.

The poll of 54 analysts, conducted before Zhou's forecast, showed a modest cooling in GDP growth - but within Beijing's comfort zone, as President Xi Jinping is set to strengthen his grip on power at a Communist Party Congress this week.

Zhang Yiping, an economist at Merchants Securities, said Zhou's forecast may have raised upside risks for his prediction of 6.8 percent growth for the third quarter, although he still expected a gradual cooling in the economy.

"The economy is likely to slow steadily given that property investment and infrastructure investment could slow, although the impact from rising borrowing costs on the economy could be limited," Zhang said.

Analysts have penciled in a gradual GDP slowdown due to an expected softening in property investment and construction as more cities try to cool surging housing prices, while a government campaign against riskier lending pushes up borrowing costs.

China will release third-quarter GDP on Oct. 19 - a day after the opening of the Party Congress - along with September industrial output, retail sales and fixed asset investment.

A surprisingly upbeat gross domestic product reading would likely lift stocks and global commodity prices, and boost bullish sentiment on the yuan, which has gained about 5.6 percent against the dollar so far this year.

Economists in the poll estimated GDP grew 1.7 percent quarter-on-quarter, unchanged from the second-quarter, though only 18 analysts gave sequential forecasts.

Euro Zone – Euro zone's trade surplus shrank in August as the stronger euro fuelled an import boom that was only partly offset by a rise in exports, official estimates released on Monday showed.

Although the euro has depreciated against the dollar from a 2017 peak in early September, it is still up more than 12 percent this year. Cheaper imports have complicated European Central Bank's plans to raise inflation in the euro zone.

The European statistics office Eurostat said the 19-country currency bloc's surplus in goods trade dropped to 16.1 billion euros (\$18.9 billion) in August from 23.2 billion in July. It was also lower than in August 2016 when it stood at 17.5 billion euros.

The lower surplus was caused by a surge in imports from countries outside the euro zone, which grew 8.6 percent on the year, according to seasonally unadjusted data.

This rise outstripped the 6.8 percent increase in exports, resulting in a smaller surplus for the euro zone. The August surplus was the lowest recorded this year, excluding a temporary deficit in January.

The strong euro, which peaked at nearly 1.20 dollars in August, contributed to the reduced surplus, as it made imports cheaper.

This in turn capped inflation, making it harder for the ECB to tighten monetary policy.

Inflation in the euro zone was 1.5 percent in September, according to Eurostat preliminary estimates, the same rate as in August and below the ECB target of a rate close to 2 percent.

The ECB is expected to extend its stimulus programme for nine months at its next meeting on Oct. 26 while scaling back the monthly purchases, sources said.

U.K. – Prime Minister Theresa May is unlikely to offer new concessions to Brussels over the terms of Britain's divorce from the European Union

when she meets European Commission chief Jean-Claude Juncker over dinner on Monday, her spokesman indicated.

After deadlock in Brexit talks appeared to dash May's hopes that a summit later this week could launch negotiations on future trade ties, the spokesman said May was hoping to move matters forward "in a constructive manner" on Monday night.

Other EU governments insist they will only open trade talks if May tells them if and how she plans to pay an exit bill they put at tens of billions of euros.

Asked if May would flesh out details of what Britain is prepared to offer in terms of a financial settlement, the spokesman said: "The PM set out her position in the Florence speech in relation to the settlement, and that's where we are."

The 90-minute meeting, due to start at 6:30 p.m. (1630 GMT), will also be attended by the bloc's Brexit negotiator Michel Barnier and his British counterpart, David Davis.

"It will either be a very expensive dinner, costing about 30 billion euros or else -- what is this?" one EU diplomat said.

After talks with Davis last week, Barnier said negotiations were deadlocked, notably over London's refusal to detail what it was offering to pay Brussels. This followed an attempt by May last month to revive the negotiations with a speech in Florence promising Britain would honour its EU commitments.

As a result, Barnier told European Union leaders not to launch the talks on a future relationship that May has demanded. As time ticks down to withdrawal in March 2019, concern is rising across Europe that the process may collapse.

"This is about reflecting upon Florence and the constructive way it's been received and that we want to continue to move forward in a constructive manner," May's spokesman said.

British Foreign Secretary Boris Johnson also urged progress in the talks: "Let's get these negotiations going and stop letting the grass grow under our feet."

But EU leaders say May has been too vague in her offer of a financial settlement -- something many diplomats believe is due to a fear that to agree even a very rough figure would spark a backlash from hardline Brexit supporters such as Johnson.

British officials say they cannot give a figure on the final bill until they know what kind of trade agreement will be sealed during the talks.

U.S. – The Federal Reserve will probably need to raise interest rates in December and then three or four times "over the course of next year," assuming the U.S. unemployment rate continues to fall and inflation rises, Boston Fed President Eric Rosengren said.

If inflation reaches the Fed's goal while the unemployment rate, now at a 16-year low of 4.2 percent, is below 4 percent that may be a signal that the economy could be overheating, Rosengren suggested in an interview.

To stabilize inflation at 2 percent, Rosengren said, "you might have to overshoot" by pushing rates higher than the level expected in a healthy economy. In September, Fed officials estimated that so-called neutral rate to be 2.8 percent.

The comments mark Rosengren, who does not vote on policy this year, as slightly more hawkish than most of his colleagues.

The Fed left rates unchanged last month, but signaled it would likely raise them again in December, and three more times next year.

Still, Rosengren's view lags the faster rate-hike path signaled by many monetary policy rules, including one authored and championed by Stanford University professor John Taylor.

Monetary policy rules specify where interest rates should be given the level of inflation and the state of the economy, and central bankers often use them to guide their rate-setting.

Rosengren spoke at an interview on Saturday at the close of a two-day conference on monetary policy rules, during which Taylor gave a formal presentation.

Taylor, among several candidates being considered by President Donald Trump to run the U.S. central bank after Fed Chair Janet Yellen's term ends in February, has long argued that the Fed has kept rates too low for too long because of the risk of unwanted inflationary pressures. Taylor also embraces legislation, now under consideration by the U.S. Congress, that would require the Fed to follow a monetary policy rule like his when setting policy. That is a requirement resisted by many Fed

officials, including Yellen and Rosengren, who said at the conference that legislating a monetary policy rule would be "counterproductive." Still, asked how he would feel if the next Fed chair wanted to enshrine a rule that suggests a faster pace of rate hikes into law, Rosengren sounded unbothered.

"My hope would be that they were flexible and pragmatic enough that if the rule wasn't working particularly well that they would make adjustments," he said. "For example, reading John Taylor's paper at this conference, he seemed pretty flexible: he talked about a variety of different rules, talked about different ways that they could be implemented." *(Source Reuters, Research - @her1en)*

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
12-Oct - 18-Oct	N/A	CN	Foreign Direct Investment YoY CNY	Sep	-	--	9.1%	
Mon/16-Oct-17	04:30	NZ	Performance Services Index	Sep	56.0	--	57.3	57.2
	08:30	CN	CPI YoY	Sep	1.6%	1.6%	1.8%	
	08:30	CN	PPI YoY	Sep	6.9%	6.3%	6.3%	
	11:30	JP	Industrial Production MoM	Aug F	2.0%	2.1%	2.1%	
	11:30	JP	Industrial Production YoY	Aug F	5.3%	--	5.4%	
	11:30	JP	Capacity Utilization MoM	Aug	3.3%	--	-1.8%	
	16:00	EZ	Trade Balance SA	Aug	21.6b	20.2b	18.6b	17.9b
	16:00	EZ	Trade Balance NSA	Aug	16.1b	23.3b	23.2b	
	19:30	US	Empire Manufacturing	Oct	30.2	20.4	24.4	
	20:00	CA	Existing Home Sales MoM	Sep	-	--	1.3%	
Tue/17-Oct-17	04:00	KR	Export Price Index MoM	Sep	-	--	0.5%	
	04:00	KR	Export Price Index YoY	Sep	-	--	10.7%	
	04:00	KR	Import Price Index YoY	Sep	-	--	9.0%	
	04:00	KR	Import Price Index MoM	Sep	-	--	1.5%	
	04:45	NZ	CPI QoQ	3Q	0.5%	0.5%	0.0%	
	04:45	NZ	CPI YoY	3Q	1.9%	1.9%	1.7%	
	07:30	AU	RBA Oct. Rate Meeting Minutes					
	15:15	GB	BOE's Carney, Ramsden and Tenreyro Testify to Lawmakers					
	15:30	GB	CPIH YoY	Sep		--	2.7%	
	15:30	GB	CPI MoM	Sep		--	0.6%	
	15:30	GB	CPI YoY	Sep		--	2.9%	
	15:30	GB	CPI Core YoY	Sep		--	2.7%	
	15:30	GB	PPI Input NSA MoM	Sep		--	1.6%	

	15:30	GB	PPI Input NSA YoY	Sep	--	7.6%	
	15:30	GB	PPI Output NSA MoM	Sep	--	0.4%	
	15:30	GB	PPI Output NSA YoY	Sep	--	3.4%	
	15:30	GB	PPI Output Core NSA MoM	Sep	--	0.2%	
	15:30	GB	PPI Output Core NSA YoY	Sep	--	2.5%	
	16:00	EZ	CPI MoM	Sep	--	0.3%	
	16:00	EZ	CPI YoY	Sep F	--	1.5%	
	16:00	EZ	ZEW Survey Expectations	Oct	--	31.7	
	16:00	EZ	CPI Core YoY	Sep F	--	1.10%	
	16:00	DE	ZEW Survey Current Situation	Oct	--	87.9	
	16:00	DE	ZEW Survey Expectations	Oct	--	17	
	20:15	US	Industrial Production MoM	Sep	0.3%	-0.9%	
	20:15	US	Manufacturing (SIC) Production	Sep	0.2%	-0.3%	
Wed/18-Oct-17	06:00	KR	Unemployment rate SA	Sep	--	3.8%	
	06:30	AU	Westpac Leading Index MoM	Sep	--	-0.08%	
	15:30	GB	Claimant Count Rate	Sep	--	2.3%	
	15:30	GB	Jobless Claims Change	Sep	--	-2.8k	
	15:30	GB	Average Weekly Earnings 3M/YoY	Aug	--	2.1%	
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Aug	--	2.1%	
	15:30	GB	ILO Unemployment Rate 3Mths	Aug	--	4.3%	
	15:30	GB	Employment Change 3M/3M	Aug	--	181k	
	16:00	EZ	Construction Output MoM	Aug	--	0.2%	
	16:00	EZ	Construction Output YoY	Aug	--	3.4%	
	19:00	US	Fed's Dudley and Kaplan Discuss Economic Development				
	19:30	US	Housing Starts	Sep	1180k	1180k	
	19:30	US	Housing Starts MoM	Sep	0.0%	-0.8%	
	19:30	US	Building Permits	Sep	1230k	1300k	
	19:30	US	Building Permits MoM	Sep	-3.3%	5.7%	
	21:30	US	DOE U.S. Crude Oil Inventories	Oct-13	--	--	
	21:30	US	DOE Cushing OK Crude Inventory	Oct-13	--	--	
	21:30	US	DOE U.S. Gasoline Inventories	Oct-13	--	--	
	21:30	US	DOE U.S. Distillate Inventory	Oct-13	--	--	
Thu/19-Oct-17	01:00	US	U.S. Federal Reserve Releases Beige Book				
	06:50	JP	Trade Balance	Sep	¥565.1b	¥113.6b	
	06:50	JP	Trade Balance Adjusted	Sep	¥312.8b	¥367.3b	
	06:50	JP	Exports YoY	Sep	14.8%	18.1%	
	06:50	JP	Imports YoY	Sep	14.6%	15.2%	
	07:30	AU	NAB Business Confidence	3Q	--	7	
	07:30	AU	Employment Change	Sep	20.0k	54.2k	
	07:30	AU	Unemployment Rate	Sep	5.6%	5.6%	
	07:30	AU	Full Time Employment Change	Sep	--	40.1k	
	07:30	AU	Part Time Employment Change	Sep	--	14.1k	
	07:30	AU	Participation Rate	Sep	65.2%	65.3%	
	N/A	HK	Composite Interest Rate	Sep	--	0.3%	
	N/A	KR	BoK 7-Day Repo Rate	Oct-19	--	1.25%	
	N/A	KR	BoK 7-Day Repo Rate	Oct-19	--	1.25%	
	09:00	CN	GDP YoY	3Q	6.8%	6.9%	
	09:00	CN	GDP SA QoQ	3Q	1.7%	1.7%	
	09:00	CN	GDP YTD YoY	3Q	6.8%	6.9%	
	09:00	CN	Retail Sales YoY	Sep	10.1%	10.1%	
	09:00	CN	Retail Sales YTD YoY	Sep	10.3%	10.4%	
	09:00	CN	Fixed Assets Ex Rural YTD YoY	Sep	7.7%	7.8%	
	09:00	CN	Industrial Production YoY	Sep	6.4%	6.0%	
	09:00	CN	Industrial Production YTD YoY	Sep	6.7%	6.7%	
	N/A	AU	RBA's Bullock Gives Speech in Sydney				
	11:30	JP	All Industry Activity Index MoM	Aug	--	-0.1%	
	13:00	JP	Machine Tool Orders YoY	Sep F	--	45.3%	
	13:00	CH	Trade Balance	Sep	--	2.17b	

	13:00	CH	Exports Real MoM	Sep		--	2.8%	
	13:00	CH	Imports Real MoM	Sep		--	3.0%	
19-Oct - 20-Oct	N/A	EZ	European Union Leaders Hold Summit in Brussels					
	15:30	HK	Unemployment Rate SA	Sep		--	3.1%	
	15:30	GB	Retail Sales Ex Auto Fuel MoM	Sep		--	1.0%	
	15:30	GB	Retail Sales Ex Auto Fuel YoY	Sep		--	2.8%	
	15:30	GB	Retail Sales Inc Auto Fuel MoM	Sep		--	1.0%	
	15:30	GB	Retail Sales Inc Auto Fuel YoY	Sep		--	2.4%	
	19:30	US	Initial Jobless Claims	Oct-14		--	--	
	19:30	US	Philadelphia Fed Business Outlook	Oct		20.3	23.8	
	19:30	US	Continuing Claims	Oct-07		--	--	
	21:00	US	Leading Index	Sep		0.1%	0.4%	
Fri/20-Oct-17	04:00	KR	PPI YoY	Sep		--	3.2%	
	N/A	DE	Germany Sovereign Debt to be rated by Moody's					
	13:00	DE	PPI MoM	Sep		--	0.2%	
	13:00	DE	PPI YoY	Sep		--	2.6%	
	13:35	JP	BOJ Kuroda speaks in Tokyo					
	15:00	EZ	ECB Current Account SA	Aug		--	25.1b	
	15:00	EZ	Current Account NSA	Aug		--	32.5b	
	15:30	GB	Public Finances (PSNCR)	Sep		--	0.0b	
	15:30	GB	Central Government NCR	Sep		--	1.1b	
	15:30	GB	Public Sector Net Borrowing	Sep		--	5.1b	
	15:30	GB	PSNB ex Banking Groups	Sep		--	5.7b	
	19:30	CA	CPI NSA MoM	Sep		--	0.1%	
	19:30	CA	CPI YoY	Sep		--	1.4%	
	19:30	CA	Consumer Price Index	Sep		--	130.5	
	19:30	CA	CPI Core- Common YoY%	Sep		--	1.5%	
	19:30	CA	CPI Core- Trim YoY%	Sep		--	1.4%	
	19:30	CA	CPI Core- Median YoY%	Sep		--	1.7%	
	19:30	CA	Retail Sales MoM	Aug		--	0.4%	
	19:30	CA	Retail Sales Ex Auto MoM	Aug		--	0.2%	
	21:00	US	Existing Home Sales	Sep		5.30m	5.35m	
	21:00	US	Existing Home Sales MoM	Sep		-0.9%	-1.7%	
Sat/21-Oct-17	00:00	US	Baker Hughes U.S. Rig Count	Oct-20		--	928	
	01:00	US	Fed's Mester Speaks on Global Regulatory Structure					
	06:15	US	Yellen Speaks to National Economists Club in Washington					

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average rose to a fresh 21-year high on Monday as the dollar stayed steady against the yen, while index-heavyweight SoftBank surged on news that T-Mobile and Sprint plan to merge. The Nikkei climbed 0.5 percent to 21,255.56, the highest closing level since late 1996. The Nikkei extended its winning streak to 10 days, its longest since May 2015. The dollar was flat at 111.89 yen. Traders said that belief that Japan's ruling party bloc will win the general election later this month continued to underpin market sentiment, and a weaker yen raised hopes that Japanese companies will report strong earnings. While companies will start reporting first half earnings later this month, "the current foreign exchange level suggests that manufacturers' earnings will be bright," said Takuya Takahashi, a strategist at Daiwa Securities. Takahashi said Daiwa analysts expect Japanese companies to post a 14 percent rise in their pretax profits for this year under the assumption that the dollar will trade at 110 yen. SoftBank Group Corp soared 1.3 percent after people familiar with the matter told Reuters that T-Mobile U.S. Inc and Sprint Corp plan to announce a merger agreement without any immediate asset sales, as they seek to preserve as much of their spectrum holdings and cost synergies as they can before regulators ask for concessions. Sprint shareholders are expected to receive little to no premium in the deal, meaning that SoftBank, which controls Sprint, and other Sprint shareholders will own around or more than 40 percent of the combined company. Other large cap stocks such as tech shares also attracted buyers, with Advantest Corp rising 3.1 percent, Hitachi Ltd advancing 1.8 percent and Sony Corp adding 1.1 percent. Banks also gained ground. Mitsubishi UFJ Financial Group rose 1.5 percent and Mizuho Financial Group added 1.4 percent. The broader Topix gained 0.6 percent to 1,719.18.

South Korean shares edged up to hit a record high on Monday on a rally in steel and cosmetics stocks, though further gains were capped by a foreign sell-off in major tech firms following a recent run-up in the sector. The Korea Composite Stock Price Index (KOSPI) closed up 0.3 percent at 2,480.05 points, a new closing high. Steelmaker Posco climbed nearly 6 percent and the sub-index for overall steel shares was up 4.1 percent. Hankook Cosmetics ended up 21 percent while Amorepacific gained 5.2 percent. Market heavyweight SK Hynix and Samsung Electronics declined 2.2 percent and 0.2 percent, respectively, as investors took profits following the rally in tech sector. Electronics goods shares rose 4.7 percent last week. Offshore investors trimmed a net 28 billion won (\$24.86 million) worth of KOSPI shares from their portfolios. The South Korean won strengthened to a four-week high as the dollar was weighed by tepid U.S. underlying inflation. The won was quoted at 1,127.8 to the dollar at the conclusion of onshore trade, up 0.1 percent versus Friday's close of 1,128.9.

Hong Kong stocks rose to near 10-year highs on Monday, joining a rally in Asian markets and boosted by a surprisingly rosy growth forecast for the world's second-biggest economy. The Hang Seng index rose 0.8 percent,

to 28,692.80, while the China Enterprises Index gained 0.7 percent, to 11,602.92 points. The People's Bank of China governor Zhou Xiaochuan said the economy was expected to grow 7 percent in the second half of this year, accelerating from the first six months and defying widespread expectations for a slowdown. Zhou's growth forecast followed robust lending and inflation data for September and was more bullish than markets had expected. Most economists had seen some slowing starting in the fourth quarter. UBS Securities China strategist Gao Ting warned of a "modest" economic slowdown in the next six months, citing investor sentiment. Meanwhile, investors are keenly watching China's Communist Party Congress that starts on Wednesday, where President Xi Jinping is expected to shape the country's future direction for the next five years. "When it comes to the Congress, we expect policy consistency. It would be concerning if that wasn't the case." Catherine Yeung, Investment Director, Fidelity International said in an emailed comment. "One of the biggest risks could be around property which remains as an anchor for China's economy." Most sectors rose, with property shares among the biggest gainers

China's major share indexes fell on Monday as a surprisingly strong central bank economic growth projection failed to spur buying while tech stocks slumped after disappointing profit forecasts. Central bank governor Zhou Xiaochuan said the economy was expected to grow 7 percent in the second half of this year, accelerating from the first six months and defying widespread expectations for a slowdown. The blue-chip CSI300 index fell 0.2 percent, to 3,913.45 points, while the Shanghai Composite Index lost 0.4 percent to 3,378.47 points. The tech-heavy start-up board index ChiNext slumped 2.3 percent, posting its worst day in three months, as investors retreated after lacklustre profit forecasts by big-name tech plays. Wangsu Science & Technology dived the maximum allowed 10 percent to a seven-week low after predicting a big fall in net profit in the first nine months. Leshi Internet, a listed unit of Chinese conglomerate LeEco, said after the market's close on Friday that it expect to swing to a large loss for the first nine months. Shares in the firm have been suspended since April. Many analysts expect stability in China's share market this week, when a key party congress opens. Chen Xiaopeng, Shenzhen-based strategist at Sealand Securities, said the market would likely remain highly stable in the near term. "There's limited room for stocks to fall due to the congress, and there's not much catalyst on the upside either," Chen said. There was little excitement after data showed China's producer price inflation (PPI) unexpectedly accelerated to a six-month high in September, and Chinese banks extended more loans than expected last month. "We think the general market outlook is for a 'modest' economic slowdown in the next six months," UBS Securities China strategist Gao Ting wrote on Monday. Gao identified several sources of concern, including higher interest rates due to supervisory tightening, a continuing slowdown in the housing market, and forceful planned production curbs over the coming winter in areas surrounding Beijing. ([Source Reuters](#), [Research: rizal](#))

ASIA AND GLOBAL MARKET SPOT PRICE 2017

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	328.11 (12/Oct/2017)	31958.41 (30/Oct/07)	22956.96 (16/Oct/2017)	2557.64 (16/Oct/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	21255.56 (16/Oct/2017)	328.11 (12/Oct/2017)	28692.80 (16/Oct/2017)	22956.96 (16/Oct/2017)	2557.64 (16/Oct/2017)	3391.64350 (14/Sep/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 October 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	22956.96	↑ 85.24/ 0.37%	.N225	21255.56	↑ 100.38/0.47%
/.SPX	2557.64	↑ 4.47/ 0.175%	.KS200	327.82	↑ 0.47/0.14%
/.IXIC	6624.005	↑ 18.204/ 0.28%	.HSI	28692.80	↑ 216.37/0.76%
JPY=	112.18	↑ 0.34/ 0.30%	/.SSEC	3378.80450	↓ 11.71880/0.35%
KRW=	1127.28	↑ 1.61/ 0.14%	/Clc1 (Oil)	51.92	↑ 0.50/0.97%

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



- The trend is still bullish.
 - The support area is 20935, and the resistance area at 21556
 - The RSI enters the overbought area, the trend may reverse
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Oct SSIpmZ7	21270	21345	21240	105	21330	---	↑ 55	0.26	16685
16 Oct SSIamZ7	21245	21350	21190	160	21275	21275	↑ 115	0.54	57838
13 Oct SSIpmZ7	21150	21260	21115	145	21225	---	↑ 65	0.31	27398
13 Oct SSIamZ7	20965	21210	20930	280	21160	21160	↑ 210	1.00	84760
12 Oct SSIpmZ7	20955	21035	20935	100	20975	---	↑ 25	0.12	21878
12 Oct SSIamZ7	20940	21000	20915	85	20950	20950	↑ 85	0.41	56451
11 Oct SSIpmZ7	20865	20970	20840	130	20930	---	↑ 65	0.31	21443
11 Oct SSIamZ7	20790	20900	20785	115	20865	20865	↑ 30	0.14	46375
10 Oct SSIpmZ7	20830	20840	20745	95	20815	---	↓ 20	0.10	20860
10 Oct SSIamZ7	20685	20835	20655	180	20835	20835	↑ 150	0.80	53271

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
21350	20670	21350	20370	20425	19085	21350	18190
(16/Oct)	(09/Oct)	(16/Oct)	(02/Oct)	(27/Sep)	(08/Sep)	(16/Oct)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	22048	Fibo Projections (423.6%)
	21744	Fibo Projections (261.8%)
	21556	Fibo Projections (161.8%)
	21439	Fibo Projections (100.0%)
SUPPORT	21115	Low 13/Oct/2017
	20935	Low 12/Oct/2017
	20745	Low 10/Oct/2017
	20635	Reaction Low 06/Oct/2017 (Daily)
RECOMMENDATION	BUY	21295
	SELL	----
	STOP LOSS	21195
	TARGET	21445 21495

KSZ7 (Kospi Dec Futures) – Exp. Date: 14 Dec 2017



- Bullish Trend.
- Daily RSI is already in the overbought zone, be alert of a rebound.

[\(Research – rizal\)](#)

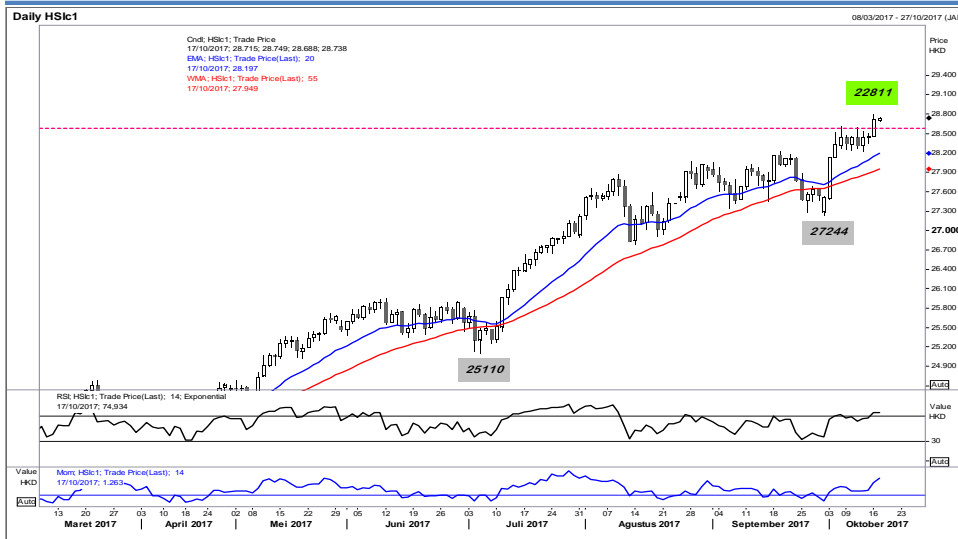
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Oct	329.00	330.25	328.15	2.10	328.85	328.85	↑ 0.20	0.06	132287
13 Oct	328.40	329.30	327.90	1.40	328.65	328.65	↓ 0.35	0.11	126207
12 Oct	326.95	329.10	326.80	2.30	329.00	329.00	↑ 2.40	0.73	234844
11 Oct	324.50	326.90	324.10	2.80	326.60	326.60	↑ 3.10	0.96	203158
10 Oct	322.30	324.85	321.40	3.45	323.50	323.50	↑ 5.85	1.84	233665
09 Oct		H	O	L	I	D	A	Y	

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
330.25 (16/Oct)	321.40 (10/Oct)	330.25 (16/Oct)	321.40 (10/Oct)	321.60 (20/Sep)	302.70 (06/Sep)	330.25 (16/Oct)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	339.09	Fibo Projections (161.8%)
	334.31	Fibo Projections (100.0%)
	331.36	Fibo Projections (61.8%)
	330.45	Fibo Projections (50.0%)
SUPPORT	324.10	Low 11/Oct/2017
	321.40	Low 10/Oct/2017
	318.15	Low 20/Sep/2017
	314.65	Low 18/Sep/2017
RECOMMENDATION	BUY	328.45
	SELL	----
	STOP LOSS	327.45
	TARGET	329.95 330.45

HSIV7 (Hang Seng October Futures) – Exp. Date: 30 Oct 2017



- Be alert for daily rebounds.
 - Beware of RSI approaching overbought area.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Oct	28755	28811	28662	149	28718	28718	↑ 260	0.91	97470
13 Oct	28395	28512	28389	123	28458	28458	↑ 20	0.07	77479
12 Oct	28411	28529	28362	167	28438	28438	↑ 121	0.43	92362
11 Oct	28547	28554	28274	280	28317	28317	↓ 118	0.41	102735
10 Oct	28304	28472	28244	228	28435	28435	↑ 88	0.31	93965
09 Oct	28336	28399	28255	144	28347	28347	↓ 88	0.31	102869
06 Oct	28448	28503	28386	117	28435	28435	↑ 95	0.34	10821

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
28811	28255	28811	27688	28225	27272	28811	21863
(16/Oct)	(09/Oct)	(16/Oct)	(03/Oct)	(19/Sep)	(28/Sep)	(16/Oct)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	30250	High 05/Nov/2007
	30094	High 07/Des/2007
	29248	High 10/Des/2007
	28822	High 12/Des/2007
SUPPORT	28356	Low 13/Oct/2017
	28255	Low 09/Oct/2017
	28141	Low 04/Oct/2017
	27483	Low 03/Oct/2017
RECOMMENDATION	BUY	28675
	SELL	----
	STOP LOSS	28525
	TARGET	28825 28875

CURRENCIES – Daily Outlook

Dollar up as selloff pauses, inflation in focus - Reuters News

The U.S. dollar gained slightly on Monday as investors repositioned after disappointing inflation data on Friday sent the greenback to its lowest levels in more than two weeks, and with no major U.S. releases on Monday to sway direction.

Consumer price data on Friday showed still benign inflation, disappointing investors who had expected it to increase.

That came after minutes from the Federal Reserve's September meeting released on Wednesday showed that Fed policymakers had a prolonged debate about the prospects of a pickup in inflation and the path of future interest rate rises if it did not.

"We've got a lot of negative news priced in," said Mark McCormick, North American head of FX strategy at TD Securities in Toronto.

"We're just seeing some squaring up of positioning now, we'll probably see it for the next day or two, and then I think we'll focus a bit more back on the negative U.S. outlook," McCormick said.

The dollar index against a basket of six major currencies rose 0.22 percent to 93.287. It fell to 92.75 on Friday immediately after the consumer price data, the lowest since Sept. 26.

Fed Chair Janet Yellen on Sunday reaffirmed the U.S. central bank's commitment to raising rates gradually, saying that the economy and labor market are strong despite low inflation.

Traders expect the Fed to raise rates at its December meeting, but are less bullish on further increases next year, even as Fed projections show that three additional rate hikes are likely in 2018.

"U.S. data surprises have started to accelerate a little bit, but the big key is U.S. inflation surprises have been underperforming the rest of the world," said McCormick.

The dollar also gained after Bloomberg on Monday reported that U.S. President Donald Trump was impressed with Stanford University economist John Taylor during an interview for Fed Chair.

Taylor is seen as more hawkish than Yellen.

The euro was also weaker after an election in Austria put conservative Sebastian Kurz on track to become the country's next leader.

Spain also moved closer on Monday to imposing central rule over Catalonia to thwart its push for independence after Catalan leader Carles Puigdemont missed an initial deadline to make his intentions clear. [\(Source Reuters, Research – @her1en\)](#)



EUR/USD

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



- With support area at 1.1477
- Crucial resistance around 1.2092
- Daily RSI is flat
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	1.18056	1.18184	1.17792	39,2	1.17952	↓ 22,7	1.18179
Oct 13	1.18298	1.18737	1.18041	69,6	1.18179	↓ 8,2	1.18261
Oct 12	1.18593	1.18785	1.18258	52,7	1.18261	↓ 31,4	1.18575
Oct 11	1.18074	1.18679	1.17940	73,9	1.18575	↑ 51,2	1.18063
Oct 10	1.17399	1.18243	1.17381	86,2	1.18063	↑ 68,1	1.17382

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18184 (16/Oct)	1.17792 (16/Oct)	1.18785 (12/Oct)	1.16670 (06/Oct)	1.20915 (08/Sep)	1.17157 (27/Sep)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2092	High Sept 08
	1.2004	High Sept 22
	1.1960	High Sept 25
	1.1880	High Oct 12
SUPPORT	1.1737	Low Oct 10
	1.1667	Low Oct 06
	1.1477	Low Jul 20
	1.1369	Low Jul 13
RECOMMENDATION	BUY	-----
	SELL	1.1820
	STOP LOSS	1.1880
	TARGET	1.1750 1.1720

USD/JPY

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



- The bearish trend
 - RSI rebounded at the daily level
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	111.921	112.276	111.641	63,5	112.175	↑ 31,0	111.865
Oct 13	112.264	112.293	111.675	61,8	111.865	↓ 40,5	112.270
Oct 12	112.495	112.511	112.114	39,7	112.270	↓ 19,6	112.466
Oct 11	112.365	112.574	112.068	50,6	112.466	↑ 1,66	112.450
Oct 10	112.649	112.816	111.976	84,0	112.450	↓ 20,7	112.657

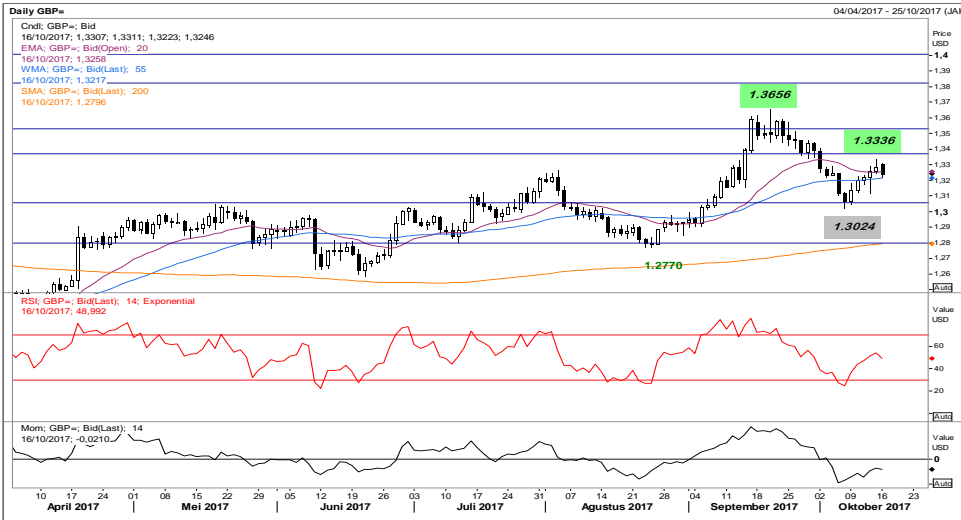
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
112.276 (16/Oct)	111.641 (16/Oct)	113.427 (03/Oct)	111.976 (10/Oct)	113.245 (27/Sep)	107.307 (08/Sep)	118.60 (03/Jan)	107.307 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	115.19	High 14/Mar/2017 (Reaction high)
	114.49	High 11/Jul/2017 (Peak)
	113.57	High 14/Jul/2017 (Reaction high)
	112.82	High 10/Oct/2017
SUPPORT	111.46	Low 25/Sep/2017
	109.54	Low 15/Sep/2017
	107.31	Low 08/Sep/2017
	106.51	Low 14/Nov/2016
RECOMMENDATION	BUY	----
	SELL	112.35
	STOP LOSS	113.00
	TARGET	111.65 111.35

GBP/USD

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



- The movement is bearish.
- RSI rebounds the oversold area.

[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	1.32790	1.33105	1.32239	86,6	1.32510	↓ 42,4	1.32934
Oct 13	1.32615	1.33367	1.32468	89,9	1.32934	↑ 36,5	1.32569
Oct 12	1.32217	1.32895	1.31204	169,1	1.32569	↑ 38,9	1.32180
Oct 11	1.32029	1.32332	1.31742	59,0	1.32180	↑ 18,9	1.31991
Oct 10	1.31400	1.32247	1.31297	95,0	1.31991	↑ 60,6	1.31385

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.33105 (16/Oct)	1.32239 (16/Oct)	1.33969 (02/Oct)	1.30259 (06/Oct)	1.36565 (20/Sep)	1.29043 (01/Sep)	1.36565 (20/Sep)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3595	High 22/Sep/2017
	1.3455	Reaction high Sept 28 (Daily)
	1.3402	High 02/Oct/2017
	1.3336	High 13/Oct/2017
SUPPORT	1.3129	Low 10/Oct/2017
	1.3054	Low 09/Oct/2017
	1.2907	Low 05/Sep/2017
	1.2849	Low 31/Aug/2017
RECOMMENDATION	BUY	1.3225
	SELL	----
	STOP LOSS	1.3155
	TARGET	1.3295 1.3325

USD/CHF

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



- The trend of RSI tends to fall.
- Be alert for daily rebounds. [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	0.97525	0.97680	0.97284	39,6	0.97533	↑ 9,9	0.97434
Oct 13	0.97498	0.97702	0.97038	66,4	0.97434	↓ 92,0	0.97526
Oct 12	0.97325	0.97625	0.97106	51,9	0.97526	↑ 22,0	0.97306
Oct 11	0.97478	0.97658	0.97158	50,0	0.97306	↓ 19,4	0.97500
Oct 10	0.97950	0.97982	0.97340	64,2	0.97500	↓ 45,2	0.97952

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.97680 (16/Oct)	0.97284 (16/Oct)	0.98354 (06/Oct)	0.96809 (02/Oct)	0.97686 (27/Sep)	0.94195 (08/Sep)	1.0335 (03/Jan)	0.94195 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0107	High 10/Apr/2017
	1.0099	High 11/May/2017
	0.9967	High 16/May/2017
	0.9825	High 18/May/2017
SUPPORT	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
	0.9419	Low 08/Sep/2017
	0.9251	Low 28/Aug/2017
RECOMMENDATION	BUY	----
	SELL	0.9780
	STOP LOSS	0.9840
	TARGET	0.9710
		0.9680

AUD/USD

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



- Correction occurs in daily
- The main resistance at 0.8124, support 0.7671
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	0.78763	0.78885	0.78418	46,7	0.78490	↓ 34,7	0.78837
Oct 13	0.78214	0.78960	0.78194	76,6	0.78837	↑ 69,6	0.78141
Oct 12	0.77871	0.78346	0.77870	47,6	0.78141	↑ 27,8	0.77863
Oct 11	0.77776	0.78078	0.77697	38,1	0.77863	↑ 10,0	0.77763
Oct 10	0.77518	0.77959	0.77487	47,2	0.77763	↑ 26,4	0.77499

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.78885 (16/Oct)	0.78418 (16/Oct)	0.78960 (13/Oct)	0.77318 (06/Oct)	0.81239 (08/Sep)	0.77984 (28/Sep)	0.81239 (08/Sep)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8162	High May 14, 2015
	0.8124	High Sept 08
	0.8036	High Sept 21
	0.7948	High Sept 26
SUPPORT	0.7823	Low Oct 12
	0.7721	Low July 14
	0.7671	Low July 13
	0.7567	Low July 05
ECOMMENDATION	BUY	-----
	SELL	0.7875
	STOP LOSS	0.7940
	TARGET	0.7805 0.7775

NZD/USD

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



- Correction happens in daily movement
- Daily RSI is flat
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	0.71707	0.71949	0.71610	33,9	0.71710	↓ 17,8	0.71888
Oct 13	0.71294	0.71955	0.71201	75,4	0.71888	↑ 58,3	0.71305
Oct 12	0.70869	0.71447	0.70852	59,5	0.71305	↑ 47,1	0.70834
Oct 11	0.70689	0.70975	0.70612	36,3	0.70834	↑ 13,6	0.70698
Oct 10	0.70562	0.70868	0.70545	32,3	0.70698	↑ 6,9	0.70629

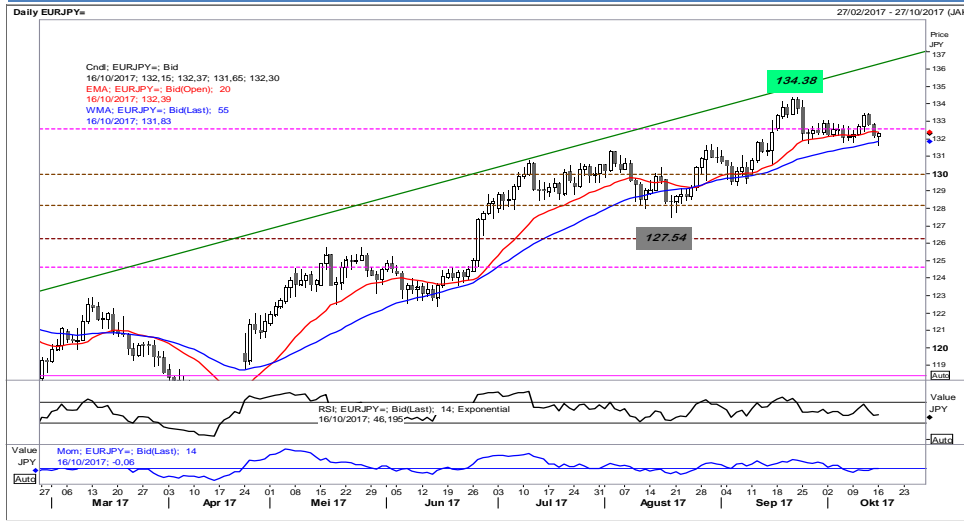
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71949	0.71610	0.72248	0.70545	0.74323	0.71446	0.75570	0.68166
(16/Oct)	(16/Oct)	(02/Oct)	(10/Oct)	(20/Sep)	(01/Sep)	(27/Jul)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7433	High Sept 20
	0.7374	High Sept 25
	0.7276	High Sept 26
	0.7243	High Sept 29
SUPPORT	0.7119	Low Oct 13
	0.7005	Low May 26
	0.6879	Low May 19
	0.6816	Low May 11
RECOMMENDATION	BUY	0.7170
	SELL	-----
	STOP LOSS	0.7110
	TARGET	0.7230 0.7260

EUR/JPY

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



- RSI occurs rebound, be alert of price fluctuations.
- The bullish trend. [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	132.131	132.359	131.632	72,7	132.318	↑ 11,9	132.199
Oct 13	132.813	132.910	132.113	79,7	132.199	↓ 58,4	132.783
Oct 12	133.415	133.459	132.739	72,0	132.783	↓ 60,2	133.385
Oct 11	132.669	133.468	132.427	104,1	133.385	↑ 61,8	132.767
Oct 10	132.250	132.843	132.218	62,5	132.767	↑ 51,7	132.250

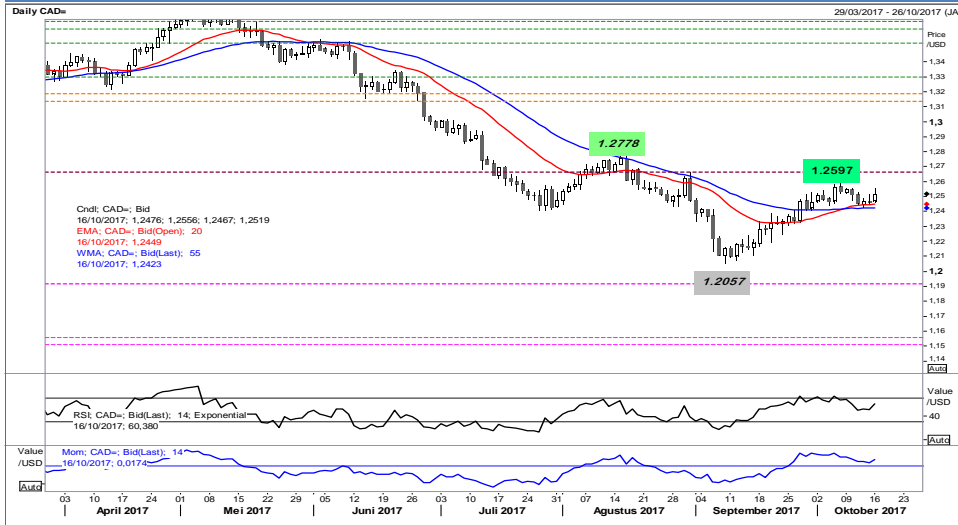
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
132.359	131.632	133.044	131.814	134.377	129.340	134.377	114.87
(16/Oct)	(16/Oct)	(02/Oct)	(05/Oct)	(22/Sep)	(06/Sep)	(22/Sep)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	137.46	High 17/Sep/2015
	136.95	High 09/Oct/2015 (Reaction high)
	136.40	High 21/Oct/2015 (Reaction high)
	134.59	High 04/Dec/2015 (Reaction high)
SUPPORT	130.59	Low 15/Sep/2017
	129.34	Low 06/Sep/2017
	128.31	Low 22/Aug/2017
	127.54	Low 18/Aug/2017
RECOMMENDATION	BUY	----
	SELL	132.50
	STOP LOSS	133.20
	TARGET	131.70 131.40

USD/CAD

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



- There was a daily rebound.
- The RSI has entered the overbought area, be alert of a rebound.
[\(Research – rizal\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2476	1.2510

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2556 (16/Oct)	1.2467 (16/Oct)	1.2597 (06/Oct)	1.2444 (04/Oct)	1.2527 (29/Sep)	1.2057 (08/Sep)	1.3793 (05/May)	1.2057 (08/Sep)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.2943	High 11/Jul/2017
	1.2778	High 15/Aug/2017
	1.2662	High 31/Aug/2017
	1.2558	Reaction High 09/Oct/2017 (Daily)
SUPPORT	1.2412	Low 29/Sep/2017
	1.2326	Low 26/Sep/2017
	1.2251	Reaction Low 22/Sep/2017 (Daily)
	1.2198	Reaction Low 20/Sep/2017 (Daily)
RECOMMENDATION	BUY	1.2480
	SELL	----
	STOP LOSS	1.2410
	TARGET	1.2550 – 1.2580

Precious Metal – *Daily Outlook*

Gold falls from three-week high, palladium off 2001 top - Reuters News

Gold turned lower on Monday, pressured by profit-taking after extending gains above the \$1,300 mark to a three-week high amid ongoing tensions over Iran and North Korea as well as recent weak U.S. economic data.

Palladium fell after making another break above \$1,000 an ounce to the highest levels since early 2001 on the back of strong Chinese auto sales.

Spot gold was down 0.6 percent at \$1,296.51 an ounce by 2:35 p.m. EDT (1835 GMT). U.S. gold futures for December delivery settled down 0.1 percent at \$1,303.

Spot gold has been rebounding since touching a two-month low of \$1,260.16 on Oct. 6, lifted by worries about North Korea and a weak dollar.

"You're seeing a little bit of profit-taking," said Bob Haberkorn, senior market strategist for RJO Futures in Chicago.

"There's a reluctance to take too much off the table because of some of the geopolitical risks that are out there."

World stocks rose on upbeat Chinese data and the U.S. dollar index edged up following disappointing inflation data on Friday.

"Last Friday we had a rather disappointing CPI number, which further enforced the view that there's no need for the Fed to be very aggressive in terms of rate hikes," said analyst Carsten Menke at Julius Baer in Zurich.

Rising U.S. interest rates tend to boost the dollar and push bond yields up, putting pressure on the greenback-denominated, non-yielding gold.

Geopolitical risks, including over Iran and North Korea, are likely to persist this week, Jeffrey Halley, a senior market analyst with OANDA, said in a note.

"This should all combine to ensure that gold maintains a safe-haven tone this week," Halley said.

Palladium was down 1.6 percent at \$972.10 an ounce after reaching its highest since February 2001 at \$1,010.50.

Some investors had been wary when the metal, mostly used for auto catalysts to clean pollution from exhaust fumes, broke above \$1,000 on Sept. 6, due to concern about weak global auto sales.

Those worries seem to have been swept aside after the world's biggest auto market China last week reported sales growth of 5.7 percent in September.

UBS strategist Joni Teves said palladium's gains were justified by supply/demand fundamentals, which include a market deficit of 830,000 ounces this year.

"This comes after persistent shortfalls over the past five years, which has clearly drawn down considerably on above-ground inventories," she said in a note.

Silver fell 0.7 percent to \$17.23 an ounce after hitting \$17.46, its highest since mid-September, while platinum eased 1.1 percent to \$932.80 an ounce.

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



GOLD (XAU/USD)



- Rebound faces resistance around 1334
- While the crucial support area is around 1275
- Daily RSI is flat
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Oct 16	1302.250	1305.890	1290.240	15.65	1294.950	↓ 6.85	1301.800	1305.15	1303.30
Oct 13	1293.490	1302.590	1290.640	11.95	1301.800	↑ 8.47	1293.330	1293.90	1299.60
Oct 12	1291.700	1297.330	1289.520	7.81	1293.330	↑ 1.78	1291.550	1294.45	1290.25
Oct 11	1287.870	1293.390	1284.410	8.98	1291.550	↑ 4.00	1287.550	1290.20	1289.25
Oct 10	1283.770	1294.020	1281.960	12.06	1287.550	↑ 3.77	1283.780	1289.60	1291.40

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1305.890	1290.240	1305.890	1260.470	1357.380	1277.560	1357.380	1146.31
(16/Oct)	(16/Oct)	(16/Oct)	(06/Oct)	(08/Sep)	(28/Sep)	(08/Sep)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1367.33	High Aug 02, 2016
	1357.54	High Sept 08
	1334.36	High Sept 15
	1313.54	High Sept 26
SUPPORT	1290.63	Low Oct 13
	1281.90	Low Oct 10
	1275.01	Low Oct 09
	1267.23	Low Aug 15
RECOMMENDATION	BUY	1293.00
	SELL	----
	STOP LOSS	1283.00
	TARGET	1303.00 1308.00

SILVER (XAG/USD)



- With strong resistance at 17.85
 - While the crucial support area is around 16.30
 - Beware of RSI entering overbought area
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	17.368	17.448	17.089	0.36	17.210	↓ 0.14	17.347
Oct 13	17.224	17.375	17.161	0.21	17.347	↑ 0.12	17.225
Oct 12	17.155	17.246	17.099	0.15	17.225	↑ 0.07	17.151
Oct 11	17.104	17.220	17.044	0.18	17.151	↑ 0.06	17.093
Oct 10	16.945	17.231	16.919	0.31	17.093	↑ 0.15	16.942

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.448	17.089	17.448	16.316	18.199	16.614	18.63	14.334
(16/Oct)	(16/Oct)	(16/Oct)	(06/Oct)	(08/Sep)	(29/Sep)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.96	High Sept 13
	17.85	High Sept 15
	17.62	High Sept 18
	17.46	High Oct 16
SUPPORT	17.14	Low Oct 13
	16.77	Low Oct 09
	16.30	Low Oct 06
	16.10	Low Aug 07
ECOMMENDATION	BUY	17.20
	SELL	-----
	STOP LOSS	16.85
	TARGET	17.60
		17.80

OIL – Daily Outlook

Oil rises 1 pct as Iraq fighting shuts output in Kirkuk - Reuters News

Crude prices rose 1 percent on Monday as Iraqi forces entered the oil-rich city of Kirkuk, seizing territory from Kurdish fighters and briefly cutting some crude output from OPEC's second-largest producer.

"We're seeing increased geopolitical tension in the Middle East providing support in the market today, namely in Iraqi Kurdistan, and some uncertainty around Iran," said Anthony Headrick, energy market analyst at CHS Hedging LLC in Inver Grove Heights, Minnesota.

Iraqi Kurdistan briefly shut down some 350,000 barrels per day (bpd) of production from the major Bai Hassan and Avana oilfields due to security concerns.

Iraq launched the operation on Sunday as the crisis between Baghdad and the Kurdish Regional Government (KRG) escalated. The KRG voted for independence in a Sept. 25 referendum.

Brent crude futures settled up 65 cents, or 1.1 percent, to \$57.82 per barrel while U.S. crude ended 42 cents, or 0.8 percent, higher at \$51.87 per barrel.

The government said its troops had taken control of Iraq's North Oil Co, and the fields quickly resumed production. The KRG government said oil continued to flow through the export pipeline, and it would take no steps to stop it.

Still, the action unsettled the market. Some 600,000 bpd of oil is produced in the region, and Turkey has threatened to shut a KRG-operated pipeline at Baghdad's request.

"Government control of the oilfields and Kurdish control of the pipeline creates challenges for the continuation of oil exports," wrote the Eurasia Group in a note. "Baghdad will still need a new revenue sharing agreement with Irbil and the various Kurdish parties."

There are also renewed worries over U.S. sanctions against Iran. U.S. President Donald Trump on Friday refused to certify that Tehran was complying with the accord even though international inspectors say it is. Congress now has 60 days to decide whether to reimpose economic sanctions on Tehran.

During the previous round of sanctions, roughly 1 million bpd of Iranian oil was cut off. Analysts said renewed sanctions were unlikely to curtail that level of exports, but warned it could still be disruptive.

Cuts to U.S. drilling rigs, and an explosion overnight at an oil rig in Louisiana's Lake Pontchartrain, also supported the market.

Oil consumption has been strong, especially in China, where the central bank governor said the economy is expected to grow 7 percent in the second half, defying widespread expectations for a slowdown.

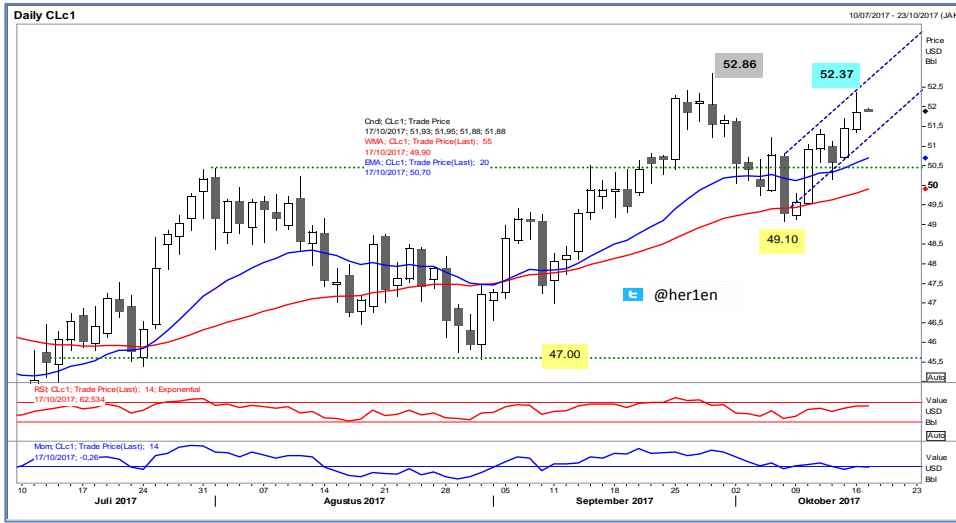
"The supportive Chinese import data from Friday generated a spark in energy markets that continued today," said CHS Hedging's Headrick.

Sources said China was offering to buy up to 5 percent of Saudi Aramco directly, a move that could give Saudi Arabia more flexibility as it plans to float the world's biggest oil producer on the stock market.

(Source Reuters, Research – @her1en)



CLX7/USD (OIL)
 (Exp.: 20 Oct. 2017 - Reuters)



- Daily RSI is flat
 - Correction occurs in daily movement
 - Important resistance at 52.86, support at 48.12.
- (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	51.42	52.35	51.36	0.99	51.91	↑ 0.50	51.41
Oct 13	50.71	51.70	50.69	1.01	51.41	↑ 0.69	50.72
Oct 12	50.97	51.11	50.14	0.97	50.72	↓ 0.29	51.01
Oct 11	50.92	51.40	50.60	0.80	51.01	↑ 0.08	50.93
Oct 10	49.53	51.04	49.52	1.52	50.93	↑ 1.39	49.54

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
52.35 (16/Oct)	51.36 (16/Oct)	52.35 (16/Oct)	49.09 (06/Oct)	52.84 (28/Sep)	46.55 (01/Sep)	55.22 (03/Jan)	42.04 (21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	54.94	High Feb 23
	54.44	High Mar 01
	53.99	High Apr 19
	52.86	High Sept 28
SUPPORT	51.35	Low Oct 16
	49.54	Low Oct 10
	48.12	Low Sept 13
	47.00	Low Sept 11
RECOMMENDATION	BUY	51.65
	SELL	----
	STOP LOSS	50.45
	TARGET	53.05 53.55