

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

- Shares gained worldwide on Friday and Wall Street notched closing record highs on U.S. tax legislation optimism, while the U.S. yield curve turned its flattest in a decade after the Federal Reserve hiked interest rates this week.

GLOBAL ECONOMIES

- New Zealand Finance Minister Grant Robertson said on Friday he was comfortable with the general trend of the local currency, which took a hammering over the past few months after a change of government raised uncertainty over planned policy changes.
- China's central bank announced on Friday new rules that will raise the ceiling of automatic pledge financing to lenders in a bid to improve efficiency and ward off risks in the country's payment and settlement system.
- Japan's government plans an initial budget of a record 97.7 trillion yen (\$872 billion) for the 2018/19 fiscal year, while keeping new debt issuance below this year's level thanks to hefty tax revenue as the economy picks up, government sources told Reuters.
- The European Central Bank must be careful to avoid distorting markets with its asset purchases and that is an important factor in deciding when to adjust stimulus, Governing Council member Ewald Nowotny said on Friday.
- The European Union agreed on Friday to move Brexit talks onto trade and a transition pact but some leaders cautioned that the final year of divorce negotiations before Britain's exit could be fraught with peril.
- U.S. industrial production rose less than expected in November as a drop in utilities output offset a post-hurricane rebound in the oil and gas industries and the third consecutive monthly advance for manufacturing, the Federal Reserve said on Friday.

GLOBAL MARKETS

U.S. & Global Markets – Shares gained worldwide on Friday and Wall Street notched closing record highs on U.S. tax legislation optimism, while the U.S. yield curve turned its flattest in a decade after the Federal Reserve hiked interest rates this week.

MSCI's gauge of stocks across the globe gained 0.31 percent after a week of central bank meetings that saw the Fed raise U.S. rates yet leave its rate outlook for the coming years unchanged. The European Central Bank and the Bank of England held off on hikes.

The Dow Jones Industrial Average rose 143.08 points, or 0.58 percent, to end at 24,651.74, the S&P 500 gained 23.8 points, or 0.90 percent, to 2,675.81 and the Nasdaq Composite added 80.06 points, or 1.17 percent, to 6,936.58.

Wall Street equities closed sharply higher as Republican lawmakers prepared to reveal details of their final tax bill, which is expected to cut the corporate tax rate to 21 percent from 35 percent.

"It's meaningful in terms of its impact on shareholders. You're going to see an increase in stock buybacks, maybe some dividend payouts," said David Joy, chief market strategist at Ameriprise Financial in Boston.

Votes on the legislation from the House of Representatives and the Senate are expected next week.

The long-awaited bill has been one of the catalysts for this year's surge in the stock markets.

Europe's STOXX 600 closed down 0.19 percent, as a 12.98 percent slump in fashion giant H&M and a 6.29 percent drop for Italian luxury goods firm Ferragamo spooked retailers.

In addition, worries over political risk spurred profit-taking. According to EPROM's weekly data, worries over the national election next year in Italy hit European equity funds with outflows at their highest in over a year.

Emerging market stocks lost 0.24 percent. MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.42 percent.

Japan's Nikkei stock index finished down 0.62 percent at its lowest in more than a week, with mobile firms extending a selloff on concerns of increased competition after e-commerce group Rakuten said it aims to become the country's fourth wireless carrier.

U.S. YIELD CURVE HITS FLATTEST IN DECADE

The margin between U.S. shorter-dated and longer-dated Treasury yields contracted to its slimmest in a decade on Friday after the Fed this week upgraded U.S. growth forecasts but left its inflation view unchanged.

The yield spread between five-year and 30-year Treasuries was last at 53.5 basis points. *(Source Reuters – @her1en)*

GLOBAL ECONOMIES

New Zealand – New Zealand Finance Minister Grant Robertson said on Friday he was comfortable with the general trend of the local currency, which took a hammering over the past few months after a change of government raised uncertainty over planned policy changes.

Robertson told CNBC in an interview that the New Zealand dollar, the 11th most traded currency in the world, had slipped from very high levels. "We want a sustainable exchange rate that gives our exporters a fair go," he said.

Political uncertainty following an inconclusive election and a change in government earlier this year dented the New Zealand dollar. It bounced this week after the announcement of a well-regarded former central banker as the new governor of the Reserve Bank of New Zealand (RBNZ).

"I am comfortable with the general trend but specific targets for the exchange rate are not ones for the finance minister," Robertson said.

Labour has promised to spread prosperity more broadly, and will ban some foreigners from buying New Zealand property from early next year. It is also undertaking a central bank review aimed at adding employment to its inflation-targeting mandate.

The New Zealand dollar was last up 0.11 percent on the day at \$0.6990 against the U.S. dollar, but still about 4.8 percent lower since before the Sept. 23 election.

It hit a three week high earlier this week after the well-known national pension fund chief Adrian Orr, also a former central banker, was appointed to become the RBNZ's new chief from March.

Labour took the reins in October, when it got the backing of the small nationalist party holding the balance of power after the elections, putting and end to nearly a decade of National rule.

China – China's central bank announced on Friday new rules that will raise the ceiling of automatic pledge financing to lenders in a bid to improve efficiency and ward off risks in the country's payment and settlement system.

In the so-called automatic pledge financing business, lenders who have temporarily depleted their reserves automatically borrow money from the central bank using bonds as pledge to meet settlement needs. Most such financing is repaid on the same day of borrowing.

The People's Bank of China (PBOC) said that in addition to raising the financing ceiling for lenders, the type of bonds banks can use as pledge will be broadened to include local government bonds, while the rates charged will be uniform.

The rule comes as Beijing is redoubling efforts to crack down on shadow banking, while also seeking to prevent a liquidity crisis as lenders struggle to meet increasingly stringent rules.

Smaller lenders, the main target of Beijing's crusade against shadow banking, are most at risk of a settlement crisis due to their small capital and reserve base.

Automatic pledge financing "by nature is a settlement facility arrangement, rather than a liquidity tool," the PBOC said in a statement on its web site, adding it won't have any impact on China's base money, or liquidity in the banking system.

According to the new rules, effective on January 29 next year, the ceiling for automatic pledge financing will be raised from 2 percent to 4 percent of paid-in capital for state-backed lenders. For shareholding banks, the ceiling will be lifted to 10 percent from 2 percent, and to 15 percent from 5 percent for city commercial banks.

The rates PBOC charges for the business will be determined by the interest rate of PBOC's standing lending facility (SLF).

Japan – Japan's government plans an initial budget of a record 97.7 trillion yen (\$872 billion) for the 2018/19 fiscal year, while keeping new debt issuance below this year's level thanks to hefty tax revenue as the economy picks up, government sources told Reuters.

The planned budget spending for the year beginning April 1 marks an increase from this year's 97.5 trillion yen, the sources said on condition of anonymity as the plan has not yet been finalised.

Prime Minister Shinzo Abe's cabinet is expected to approve the budget draft on Dec. 22, along with an extra budget for the current year.

The budget underscores the difficulty Japan has in curbing spending - despite the heaviest debt burden in the industrial world - as an ageing population pushes up welfare costs, and regional tensions related to North Korea mean rising military spending.

It all means a test of Abe's will to restore fiscal health and revive the world's third-largest economy at the same time, while he is seen favouring growth over austerity.

Tax income for the 2018/19 fiscal year is estimated at 59.1 trillion yen, the highest since 1991 during the asset bubble era.

Hefty tax revenue allows for reductions in new bond issuance to 33.7 trillion yen, down from 34.4 trillion yen planned this year. That would mark eighth straight year of reductions.

To limit new bond issuance, the government will tap non-tax revenue of 4.9 trillion yen, down from this fiscal year's 5.4 trillion yen, the sources said.

The government is set to trim debt-servicing costs to 23.3 trillion yen, from this year's 23.5 trillion yen, due to the Bank of Japan's negative interest rate policy, they added.

Euro Zone – The European Central Bank must be careful to avoid distorting markets with its asset purchases and that is an important factor

in deciding when to adjust stimulus, Governing Council member Ewald Nowotny said on Friday.

When asked if the central bank risked being behind the curve in reining in its stimulus given high growth and its unchanged message on Thursday, Nowotny said the question was more whether one of weighing the costs and benefits of asset-purchasing programmes, and it was important to avoid market distortions.

"That is my view the main issue, when we see for example that interest rates for bonds in the non-investment area, so of low quality, non-rated, are of the same order as the interest rates we have for government bonds, that gives me pause for thought," Nowotny said.

UK – The European Union agreed on Friday to move Brexit talks onto trade and a transition pact but some leaders cautioned that the final year of divorce negotiations before Britain's exit could be fraught with peril.

EU leaders agreed in just 10 minutes that "sufficient progress" had been made after a deal on respective citizens' rights, the Irish border and Britain's outstanding payments, giving negotiators a mandate to move on to the main phase of talks.

"This is an important step on the road to delivering the smooth and orderly Brexit that people voted for in June of last year," Prime Minister Theresa May said outside her home in Berkshire, southern England.

"There is still more to do but we're well on the road to delivering a Brexit that will make Britain prosperous, strong and secure," May said, adding that Britain would be leaving the EU on March 29, 2019.

Summit chair Donald Tusk said the world's biggest trading bloc would start "exploratory contacts" with Britain on what London wants in a future trade relationship, as well as starting discussion on the immediate post-Brexit transition.

A transition period is crucial for investors and businesses who fear that a "cliff-edge" Brexit would disrupt trade flows and sow chaos through financial markets.

The head of the EU executive, Jean-Claude Juncker, cast May as a "tough, smart, polite and friendly negotiator". Officials said they understood the pressures on the prime minister, who leads a minority government and a deeply divided country.

U.S. – U.S. industrial production rose less than expected in November as a drop in utilities output offset a post-hurricane rebound in the oil and gas industries and the third consecutive monthly advance for manufacturing, the Federal Reserve said on Friday.

Overall industrial output rose 0.2 percent following an upwardly revised 1.2 percent gain in October.

Economists polled by Reuters had forecast industrial output rising 0.3 percent last month. The U.S. central bank's measure of the industrial sector is comprised of manufacturing, mining, and electric and gas utilities.

Output in the mining sector registered a 2 percent gain as oil and gas extraction "returned to normal levels" after the impact of Hurricane Nate in October, the Fed said.

The manufacturing sector, which makes up about 12 percent of the nation's economy, rose 0.2 percent last month following an upwardly revised 1.4 percent gain in October.

Output in the utilities sector, however, fell 1.9 percent on weak output among electricity providers.

The percentage of industrial capacity in use rose slightly to 77.1 percent in November from an unrevised 77.0 percent in October. The November figure was 2.8 percentage points below the long-run average from 1972 to 2016. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
08-Dec - 18-Dec	N/A	CN	Foreign Direct Investment YoY CNY	Nov	-	--	5.0%	
Mon/11-Dec-17	06:50	JP	BSI Large All Industry QoQ	4Q	6.2	5.8	5.1	
	06:50	JP	BSI Large Manufacturing QoQ	4Q	9.7	10.0	9.4	
11-Dec - 15-Dec	N/A	AU	HIA New Home Sales MoM	Oct	-	--	-6.1%	
	13:00	JP	Machine Tool Orders YoY	Nov P	46.9%	--	49.8%	
Tue/12-Dec-17	06:50	JP	PPI MoM	Nov	0.4%	0.2%	0.3%	
	06:50	JP	PPI YoY	Nov	3.5%	3.3%	3.4%	
	07:30	AU	House Price Index QoQ	3Q	-0.2%	0.5%	1.9%	
	07:30	AU	House Price Index YoY	3Q	8.3%	8.8%	10.2%	
	07:30	AU	NAB Business Conditions	Nov	12	--	21	
	07:30	AU	NAB Business Confidence	Nov	6	--	8	9
	11:30	JP	Tertiary Industry Index MoM	Oct	0.3%	0.2%	-0.2%	
	16:30	GB	CPI Core YoY	Nov	2.7%	2.7%	2.7%	
	16:30	GB	CPI MoM	Nov	0.3%	0.2%	0.1%	
	16:30	GB	CPI YoY	Nov	3.1%	3.0%	3.0%	
	16:30	GB	CPIH YoY	Nov	2.8%	2.9%	2.8%	
	16:30	GB	House Price Index YoY	Oct	4.5%	5.2%	5.4%	4.8%
	16:30	GB	PPI Input NSA MoM	Nov	1.8%	1.5%	1.0%	
	16:30	GB	PPI Input NSA YoY	Nov	7.3%	6.7%	4.6%	4.8%
	16:30	GB	PPI Output Core NSA MoM	Nov	0.2%	0.2%	0.1%	
	16:30	GB	PPI Output Core NSA YoY	Nov	2.2%	2.2%	2.1%	
	16:30	GB	PPI Output NSA MoM	Nov	0.3%	0.3%	0.2%	
	16:30	GB	PPI Output NSA YoY	Nov	3.0%	3.0%	2.8%	
	16:30	GB	Retail Price Index	Nov	275.8	276.1	275.3	
	16:30	GB	RPI Ex Mort International Payments (YoY)	Nov	4.0%	4.1%	4.2%	
	16:30	GB	RPI MoM	Nov	0.2%	0.3%	0.1%	
	16:30	GB	RPI YoY	Nov	3.9%	4.0%	4.0%	
	17:00	DE	ZEW Survey Current Situation	Dec	89.3	88.7	88.8	
	17:00	EZ	ZEW Survey Expectations	Dec	29.0	--	30.9	
	17:00	DE	ZEW Survey Expectations	Dec	17.4	18.0	18.7	
	18:00	US	NFIB Small Business Optimism	Nov	107.5	104.0	103.8	
	20:15	US	Alabama Special General Election - U.S. Senate					
	20:30	US	PPI Ex Food and Energy MoM	Nov	0.3%	0.2%	0.4%	
	20:30	US	PPI Ex Food and Energy YoY	Nov	2.4%	2.4%	2.4%	
	20:30	US	PPI Ex Food, Energy, Trade MoM	Nov	0.4%	0.2%	0.2%	
	20:30	US	PPI Ex Food, Energy, Trade YoY	Nov	2.4%	--	2.3%	
	20:30	US	PPI Final Demand MoM	Nov	0.4%	0.3%	0.4%	
	20:30	US	PPI Final Demand YoY	Nov	3.1%	2.9%	2.8%	
Wed/13-Dec-17	04:45	NZ	Food Prices MoM	Nov	-0.4%	--	-1.1%	
	05:15	AU	RBA Governor Lowe Gives Speech in Sydney					
	06:00	KR	Unemployment rate SA	Nov	-	--	3.6%	
	06:30	AU	Westpac Consumer Conf Index	Dec	103.3	--	99.7	
	06:30	AU	Westpac Consumer Conf SA MoM	Dec	3.6%	--	-1.7%	
	06:50	JP	Core Machine Orders MoM	Oct	5.0%	2.4%	-8.1%	
	06:50	JP	Core Machine Orders YoY	Oct	2.3%	-3.3%	-3.5%	
	07:00	AU	RBA's Kent Gives Speech in Sydney					
	09:00	AU	RBA's Richard Participates in Panel in Sydney					
	14:00	DE	CPI EU Harmonized MoM	Nov F	-	--	0.3%	
	14:00	DE	CPI EU Harmonized YoY	Nov F	-	--	1.8%	
	14:00	DE	CPI MoM	Nov F	0.3%	0.3%	0.3%	
	14:00	DE	CPI YoY	Nov F	1.8%	1.8%	1.8%	
	16:00	JP	BOJ Kuroda makes a brief speech at Economists' Gathering					
	16:30	GB	Average Weekly Earnings 3M/YoY	Oct	2.5%	2.5%	2.2%	2.3%
	16:30	GB	Claimant Count Rate	Nov	2.3%	--	2.3%	
	16:30	GB	Employment Change 3M/3M	Oct	-56k	-40k	-14k	
	16:30	GB	ILO Unemployment Rate 3Mths	Oct	4.3%	4.2%	4.3%	
	16:30	GB	Jobless Claims Change	Nov	5.9k	--	1.1k	6.5k

	16:30	GB	Weekly Earnings ex Bonus 3M/YoY	Oct	2.3%	2.2%	2.2%	
	17:00	EZ	Employment QoQ	3Q	0.4%	--	0.4%	
	17:00	EZ	Employment YoY	3Q	1.7%	--	1.6%	
	17:00	EZ	Industrial Production SA MoM	Oct	0.2%	0.1%	-0.6%	-0.5%
	17:00	EZ	Industrial Production WDA YoY	Oct	3.7%	3.2%	3.3%	3.4%
	20:30	US	CPI Core Index SA	Nov	253.724	253.932	253.428	
	20:30	US	CPI Ex Food and Energy MoM	Nov	0.1%	0.2%	0.2%	
	20:30	US	CPI Ex Food and Energy YoY	Nov	1.7%	1.8%	1.8%	
	20:30	US	CPI Index NSA	Nov	246.669	246.816	246.663	
	20:30	US	CPI MoM	Nov	0.4%	0.4%	0.1%	
	20:30	US	CPI YoY	Nov	2.2%	2.2%	2.0%	
	20:30	US	Real Avg Hourly Earning YoY	Nov	0.8%	--	0.4%	0.3%
	20:30	US	Real Avg Weekly Earnings YoY	Nov	0.2%	--	0.4%	0.2%
	22:30	US	DOE Cushing OK Crude Inventory	Dec-08	-3317k	--	-2753k	
	22:30	US	DOE U.S. Crude Oil Inventories	Dec-08	-5117k	-2894k	-5610k	
	22:30	US	DOE U.S. Distillate Inventory	Dec-08	-1370k	1200k	1667k	
	22:30	US	DOE U.S. Gasoline Inventories	Dec-08	5664k	2300k	6780k	
Thu/14-Dec-17	02:00	US	FOMC Rate Decision (Lower Bound)	Dec-13	1.25%	1.25%	1.00%	
	02:00	US	FOMC Rate Decision (Upper Bound)	Dec-13	1.50%	1.50%	1.25%	
	02:30	US	Yellen Holds Press Conference Following FOMC Meeting					
	07:00	AU	Consumer Inflation Expectation	Dec	3.7%	--	3.7%	
	07:01	GB	RICS House Price Balance	Nov	0%	0%	1%	
	07:30	AU	Employment Change	Nov	61.6k	19.0k	3.7k	7.8k
	07:30	AU	Full Time Employment Change	Nov	41.9k	--	24.3k	31.0k
	07:30	JP	Nikkei Japan PMI Mfg	Dec P	54.2	--	53.6	
	07:30	AU	Part Time Employment Change	Nov	19.7k	--	-20.7k	-23.2k
	07:30	AU	Participation Rate	Nov	65.5%	65.1%	65.1%	65.2%
	07:30	AU	Unemployment Rate	Nov	5.4%	5.4%	5.4%	
	09:00	CN	Industrial Production YoY	Nov	6.1%	6.1%	6.2%	
14-Dec - 15-Dec	09:00	CN	Industrial Production YTD YoY	Nov	6.6%	6.6%	6.7%	
	09:00	CN	Retail Sales YoY	Nov	10.2%	10.3%	10.0%	
	09:00	CN	Retail Sales YTD YoY	Nov	10.3%	10.3%	10.3%	
	11:30	JP	Capacity Utilization MoM	Oct	0.2%	--	-1.5%	
	11:30	JP	Industrial Production MoM	Oct F	0.5%	--	0.5%	
	11:30	JP	Industrial Production YoY	Oct F	5.9%	--	5.9%	
	N/A	EZ	European Union Leaders Hold Summit in Brussels					
	15:15	CH	Producer & Import Prices MoM	Nov	0.6%	--	0.5%	
	15:15	CH	Producer & Import Prices YoY	Nov	1.8%	--	1.2%	
	15:30	HK	Industrial Production YoY	3Q	-	--	0.4%	
	15:30	DE	Markit Germany Services PMI	Dec P	55.8	--	54.3	
	15:30	DE	Markit/BME Germany Composite PMI	Dec P	58.7	--	57.3	
	15:30	DE	Markit/BME Germany Manufacturing PMI	Dec P	63.3	62.0	62.5	
	15:30	HK	PPI YoY	3Q	-	--	3.7%	
	15:30	CH	SNB 3-Month Libor Lower Target Range	Dec-14	-1.25%	-1.25%	-1.25%	
	15:30	CH	SNB 3-Month Libor Upper Target Range	Dec-14	-0.25%	-0.25%	-0.25%	
	16:00	EZ	Markit Eurozone Composite PMI	Dec P	58.0	57.2	57.5	
	16:00	EZ	Markit Eurozone Manufacturing PMI	Dec P	60.6	59.7	60.1	
	16:00	EZ	Markit Eurozone Services PMI	Dec P	56.5	56.0	56.2	
	16:30	GB	Retail Sales Ex Auto Fuel MoM	Nov	1.2%	0.4%	0.1%	0.4%
	16:30	GB	Retail Sales Ex Auto Fuel YoY	Nov	1.5%	0.2%	-0.3%	0.0%
	16:30	GB	Retail Sales Inc Auto Fuel MoM	Nov	1.1%	0.4%	0.3%	0.5%
	16:30	GB	Retail Sales Inc Auto Fuel YoY	Nov	1.6%	0.3%	-0.3%	0.0%
	19:00	GB	Bank of England Bank Rate	Dec-14	0.50%	0.50%	0.50%	
	19:00	GB	BOE Asset Purchase Target	Dec	435b	435b	435b	
	19:00	GB	BOE Corporate Bond Target	Dec	10b	10b	10b	
	19:45	EZ	ECB Deposit Facility Rate	Dec-14	-0.4%	-0.4%	-0.4%	
	19:45	EZ	ECB Main Refinancing Rate	Dec-14	0.0%	0.0%	0.0%	
	19:45	EZ	ECB Marginal Lending Facility	Dec-14	0.25%	0.25%	0.25%	
	20:30	US	Initial Jobless Claims	Dec-09	225k	236k	236k	
	20:30	US	Continuing Claims	Dec-02	1886k	1900k	1908k	1913k
	20:30	EZ	ECB President Draghi holds news conference in Frankfurt					
	20:30	US	Retail Sales Advance MoM	Nov	0.8%	0.3%	0.2%	0.5%

	20:30	US	Retail Sales Control Group	Nov	0.8%	0.4%	0.3%	0.4%
	20:30	US	Retail Sales Ex Auto and Gas	Nov	0.8%	0.4%	0.3%	0.4%
	20:30	US	Retail Sales Ex Auto MoM	Nov	1.0%	0.6%	0.1%	0.4%
	21:45	US	Markit US Composite PMI	Dec P	53	--	54.5	
	21:45	US	Markit US Manufacturing PMI	Dec P	55	53.9	53.9	
	21:45	US	Markit US Services PMI	Dec P	52.4	54.7	54.5	
	22:00	US	Business Inventories	Oct	-0.1%	-0.1%	0.0%	
Fri/15-Dec-17	00:25	CA	Bank of Canada's Poloz Speech to Canadian Club of Toronto					
	04:30	NZ	Business NZ Manufacturing PMI	Nov	57.7	--	57.2	57.3
	06:50	JP	Tankan Large All Industry Capex	4Q	7.4%	7.5%	7.7%	
	06:50	JP	Tankan Large Mfg Index	4Q	25	24	22	
	06:50	JP	Tankan Large Mfg Outlook	4Q	19	22	19	
	06:50	JP	Tankan Large Non-Mfg Index	4Q	23	24	23	
	06:50	JP	Tankan Large Non-Mfg Outlook	4Q	20	21	19	
	06:50	JP	Tankan Small Mfg Index	4Q	15	11	10	
	06:50	JP	Tankan Small Mfg Outlook	4Q	11	9	8	
	06:50	JP	Tankan Small Non-Mfg Index	4Q	9	9	8	
	06:50	JP	Tankan Small Non-Mfg Outlook	4Q	5	5	4	
	N/A	GB	United Kingdom Sovereign Debt to be rated by DBRS					
	17:00	EZ	Trade Balance NSA	Oct	18.9b	--	26.4b	
	17:00	EZ	Trade Balance SA	Oct	19.0b	24.3b	25.0b	24.5b
	20:30	US	Empire Manufacturing	Dec	18.0	17.8	19.4	
	20:30	CA	Manufacturing Sales MoM	Oct	-0.4%	1.0%	0.5%	0.4%
	21:00	CA	Existing Home Sales MoM	Nov	-	--	0.9%	
	21:15	US	Capacity Utilization	Nov	77.1%	77.2%	77.0%	
	21:15	US	Industrial Production MoM	Nov	0.2%	0.3%	0.9%	1.2%
	21:15	US	Manufacturing (SIC) Production	Nov	0.2%	0.2%	1.3%	1.4%
Sat/16-Dec-17	01:00	US	Baker Hughes U.S. Rig Count	Dec-15	930	--	931	

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/18-Dec-17	06:50	JP	Exports YoY	Nov		14.7%	14.0%	
	06:50	JP	Imports YoY	Nov		19.6%	18.9%	
	06:50	JP	Trade Balance	Nov		-¥59.8b	¥285.4b	
	06:50	JP	Trade Balance Adjusted	Nov		¥243.9b	¥322.9b	
	07:00	NZ	ANZ Consumer Confidence Index	Dec		--	123.7	
	07:00	NZ	ANZ Consumer Confidence MoM	Dec		--	-2.1%	
	08:15	AU	Australian Government Releases MYEFO					
	08:30	CN	China November Property Prices					
18-Dec - 20-Dec	N/A	CN	China holds Central Economic Work Conference Dec. 18-20					
	15:30	HK	Unemployment Rate SA	Nov		--	3.0%	
	17:00	EZ	CPI Core YoY	Nov F		0.9%	0.9%	
	17:00	EZ	CPI MoM	Nov		--	0.1%	
	17:00	EZ	CPI YoY	Nov F		1.5%	1.5%	
	22:00	US	NAHB Housing Market Index	Dec		70	70	
Tue/19-Dec-17	04:00	KR	PPI YoY	Nov		--	3.5%	
	04:00	NZ	Westpac Consumer Confidence	4Q		--	112.4	
	07:00	NZ	ANZ Activity Outlook	Dec		--	6.5	
	07:00	NZ	ANZ Business Confidence	Dec		--	-39.3	
	07:30	AU	RBA Dec. Rate Meeting Minutes					
	N/A	HK	Composite Interest Rate	Nov		--	0.5%	
	13:00	JP	Machine Tool Orders YoY	Nov F		--	46.9%	
	13:45	CH	SECO Dec. 2017 Economic Forecasts					
	16:00	DE	IFO Business Climate	Dec		117.6	117.5	
	16:00	DE	IFO Current Assessment	Dec		--	124.4	
	16:00	DE	IFO Expectations	Dec		--	111	
	17:00	EZ	Construction Output MoM	Oct		--	0.1%	
	17:00	EZ	Construction Output YoY	Oct		--	3.1%	
	20:30	US	Building Permits	Nov		1270k	1297k	
	20:30	US	Building Permits MoM	Nov		-3.5%	5.9%	

	20:30	US	Current Account Balance	3Q		--	-\$123.1b
	20:30	US	Housing Starts	Nov		1248k	1290k
	20:30	US	Housing Starts MoM	Nov		-3.3%	13.7%
	N/A	NZ	GDT Price Index				0.4%
Wed/20-Dec-17	04:45	NZ	BoP Current Account Balance NZD	3Q		--	-0.618b
	04:45	NZ	Current Account GDP Ratio YTD	3Q		--	-2.8%
	04:45	NZ	Exports NZD	Nov		--	4.56b
	04:45	NZ	Imports NZD	Nov		--	5.43b
	04:45	NZ	Trade Balance 12 Mth YTD NZD	Nov		--	-2986m
	04:45	NZ	Trade Balance NZD	Nov		--	-871m
	06:30	AU	Westpac Leading Index MoM	Nov		--	0.13%
	11:30	JP	All Industry Activity Index MoM	Oct		--	-0.5%
	14:00	DE	PPI MoM	Nov		--	0.3%
	14:00	DE	PPI YoY	Nov		--	2.7%
	16:00	EZ	Current Account NSA	Oct		--	41.8b
	16:00	EZ	ECB Current Account SA	Oct		--	37.8b
	22:00	US	Existing Home Sales	Nov		5.52m	5.48m
	22:00	US	Existing Home Sales MoM	Nov		0.7%	2.0%
	22:30	US	DOE Cushing OK Crude Inventory	Dec-15		--	-3317k
	22:30	US	DOE U.S. Crude Oil Inventories	Dec-15		--	-5117k
	22:30	US	DOE U.S. Distillate Inventory	Dec-15		--	-1370k
	22:30	US	DOE U.S. Gasoline Inventories	Dec-15		--	5664k
Thu/21-Dec-17	04:45	NZ	GDP SA QoQ	3Q		--	0.8%
	04:45	NZ	GDP YoY	3Q		--	2.5%
	07:00	KR	Exports 20 Days YoY	Dec		--	9.7%
	07:00	KR	Imports 20 Days YoY	Dec		--	14.0%
	07:01	GB	GfK Consumer Confidence	Dec		--	-12
	N/A	JP	BOJ Monetary Policy Statement				
	N/A	JP	BOJ Policy Balance Rate	Dec-21		--	-0.1%
	N/A	JP	Cabinet Office Monthly Economic Report for December				
	13:30	JP	BOJ Kuroda speaks at press conference after MPM				
	14:00	CH	Exports Real MoM	Nov		--	-1.8%
	14:00	CH	Imports Real MoM	Nov		--	-1.1%
	14:00	CH	Trade Balance	Nov		--	2.33b
	15:30	HK	BoP Current Account Balance	3Q		--	\$16.41b
	15:30	HK	BoP Overall	3Q		--	\$76.11b
	15:30	HK	CPI Composite YoY	Nov		--	1.5%
	16:30	GB	PSNB ex Banking Groups	Nov		--	8.0b
	16:30	GB	Public Finances (PSNCR)	Nov		--	-3.8b
	16:30	GB	Public Sector Net Borrowing	Nov		--	7.5b
	20:30	CA	Consumer Price Index	Nov		--	130.9
	20:30	CA	CPI Core- Common YoY%	Nov		--	1.6%
	20:30	CA	CPI Core- Median YoY%	Nov		--	1.7%
	20:30	CA	CPI Core- Trim YoY%	Nov		--	1.5%
	20:30	CA	CPI NSA MoM	Nov		--	0.1%
	20:30	CA	CPI YoY	Nov		--	1.4%
	20:30	US	GDP Annualized QoQ	3Q T		3.3%	3.3%
	20:30	US	GDP Price Index	3Q T		2.1%	2.1%
	20:30	US	Core PCE QoQ	3Q T		--	1.4%
	20:30	US	Personal Consumption	3Q T		--	2.3%
	20:30	US	Initial Jobless Claims	Dec-16		--	225k
	20:30	US	Continuing Claims	Dec-09		--	1886k
	20:30	US	Chicago Fed Nat Activity Index	Nov		--	0.65
	20:30	US	Philadelphia Fed Business Outlook	Dec		21	22.7
	20:30	CA	Retail Sales Ex Auto MoM	Oct		--	0.3%
	20:30	CA	Retail Sales MoM	Oct		--	0.1%
	21:00	US	FHFA House Price Index MoM	Oct		--	0.3%
	22:00	EZ	Consumer Confidence	Dec A		--	0.1
	22:00	US	Leading Index	Nov		0.4%	1.2%
Fri/22-Dec-17	07:01	GB	Lloyds Business Barometer	Dec		--	24
	14:00	DE	GfK Consumer Confidence	Jan		--	10.7
	15:00	CH	KOF Leading Indicator	Dec		--	110.3
	16:30	GB	Current Account Balance	3Q		--	-23.2b

	16:30	GB	GDP QoQ	3Q F		--	0.4%	
	16:30	GB	GDP YoY	3Q F		--	1.5%	
	16:30	GB	Total Business Investment QoQ	3Q F		--	0.2%	
	16:30	GB	Total Business Investment YoY	3Q F		--	1.3%	
	20:30	US	Cap Goods Orders Nondef Ex Air	Nov P		--	0.3%	
	20:30	US	Cap Goods Ship Nondef Ex Air	Nov P		--	1.1%	
	20:30	US	Durable Goods Orders	Nov P		1.7%	-0.8%	
	20:30	US	Durables Ex Transportation	Nov P		0.4%	0.9%	
	20:30	CA	GDP MoM	Oct		--	0.2%	
	20:30	CA	GDP YoY	Oct		--	3.3%	
	20:30	US	PCE Core MoM	Nov		0.1%	0.2%	
	20:30	US	PCE Core YoY	Nov		--	1.4%	
	20:30	US	PCE Deflator MoM	Nov		0.4%	0.1%	
	20:30	US	PCE Deflator YoY	Nov		--	1.6%	
	20:30	US	Personal Income	Nov		0.4%	0.4%	
	20:30	US	Personal Spending	Nov		0.4%	0.3%	
	20:30	US	Real Personal Spending	Nov		--	0.1%	
	22:00	US	New Home Sales	Nov		650k	685k	
	22:00	US	New Home Sales MoM	Nov		-5.1%	6.2%	
	22:00	US	U. of Mich. 1 Yr Inflation	Dec F		--	2.8%	
	22:00	US	U. of Mich. 5-10 Yr Inflation	Dec F		--	2.5%	
	22:00	US	U. of Mich. Current Conditions	Dec F		--	115.9	
	22:00	US	U. of Mich. Expectations	Dec F		--	84.6	
	22:00	US	U. of Mich. Sentiment	Dec F		97.3	96.8	
	23:00	US	Kansas City Fed Manf. Activity	Dec		--	16	
Sat/23-Dec-17	01:00	US	Baker Hughes U.S. Rig Count	Dec-22		--	930	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japanese stocks fell to their lowest in more than a week on Friday, with mobile firms extending a sell-off on concerns of increased competition after e-commerce group Rakuten said it aims to become the country's fourth wireless carrier. Taking the cue from weak U.S. stocks overnight, the Nikkei share average declined 0.6 percent to 22,553.22, the lowest closing since Dec. 7. For the week, the Nikkei shed 1.1 percent. The information and communication sector slumped 3.2 percent and was the worst performer on the board. KDDI Corp tumbled 6.7 percent, NTT Docomo skidded 4.6 percent and SoftBank, which has a more diversified business portfolio, shed 2.4 percent. The sell-off was triggered after Rakuten Inc said it was weighing entry into the mobile carrier market, which would set it up to compete with the telecom giants. On the other hand, heavyweight stocks such as clothing company Fast Retailing Co rose 1.3 percent, while chip equipment makers also gained ground, with Tokyo Electron rising 1.4 percent and Advantest gaining 0.9 percent. The broader Topix dropped 0.8 percent to 1,793.47.

South Korea's KOSPI stock index rose on Friday. The Korean won ended trade slightly weaker in the local platform and bond yields fell. At 06:30 GMT, the KOSPI was up 12.59 points or 0.51 percent at 2,482.07. The benchmark index gained 0.7 percent for the week, ending two straight weeks of losses. The won was quoted at 1,089.8 per dollar on the onshore settlement platform, 0.06 percent weaker than its previous close at 1,089.1. The currency gained 0.3 percent on a weekly basis. The KOSPI is up around 21.9 percent so far this year, and down by 3.02 percent in the previous 30 days. The current price-to-earnings ratio is 12.10, the dividend yield is 1.28 percent and the market capitalisation is 1,242.04 trillion won. The trading volume during the session on the KOSPI index was 334,880,000 shares, and of the 878 issues traded, 419 advanced. Foreigners were net sellers of 201,736 million won worth of shares. The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.66 percent unchanged from the previous close of 1.66 percent, while the benchmark 3-year Korean treasury bond yielded 2.074 percent, lower than the previous day's 2.08 percent.

Hong Kong stocks fell on Friday, led down by property and information technology firms tracking their mainland peers, with sentiment dented by Wall Street's weakness on concerns about the progress of U.S. tax reform. At close of trade, the Hang Seng index was down 318.27 points or 1.09 percent at 28,848.11. The Hang Seng China Enterprises index fell 1.44 percent to 11,365.92.

The sub-index of the Hang Seng tracking energy shares dipped 1.2 percent while the IT sector dipped 1.71 percent, the financial sector was 1.22 percent lower and property sector dipped 0.8 percent. The top gainer on Hang Seng was Galaxy Entertainment Group Ltd up 1.48 percent, while the biggest loser was Country Garden Holdings Company Ltd which was down 2.85 percent. So far this year, the Hang Seng index is up 32.57 percent, while China's H-share index is up 22.7 percent. As of the previous close, the Hang Seng has declined 0.04 percent this month. The top gainers among H-shares were Zhuzhou CRRC Times Electric Co Ltd up 1.28 percent, followed by China Railway Group Ltd gaining 0.17 percent and New China Life Insurance Co Ltd up by -0.29 percent. The price-to-earnings ratio of the Hang Seng index was 13.3 as of the last full trading day while the dividend yield was 3 percent. So far this week, the market capitalisation of the Hang Seng index has risen by 1.81 percent to HK\$19.12 trillion. The short and one-factor leveraged Hang Seng index, which is designed to replicate the payoff of a short or leveraged portfolio and is linked to the movements of the Hang Seng Index, was higher by 1.09 percent on the day at 5,117.65 points.

China stocks fell on Friday, leaving main indexes down for the week, as investors responded to China's hike in market interest rates by taking profits in sectors that have had robust gains this year. At the close, the Shanghai Composite index was down 26.29 points or 0.8 percent at 3,266.15. The index shed 0.7 percent for the week, extending its streak of weekly losses to five. The blue-chip CSI300 index was down 1.12 percent, with its financial sector sub-index lower by 1.11 percent, the consumer staples sector down 1.31 percent, the real estate index off 2.23 percent and healthcare sub-index down 1.22 percent. The smaller Shenzhen index ended down 0.72 percent and the start-up board ChiNext Composite index was weaker by 0.58 percent. So far this year, the Shanghai stock index is up 6.08 percent, the CSI300 is up 20.3 percent this year, while China's H-share index listed in Hong Kong is up 22.7 percent. Shanghai stocks have declined 0.75 percent this month. About 13.09 billion shares were traded on the Shanghai exchange, roughly 78.0 percent of the market's 30-day moving average of 16.79 billion shares a day. The volume in the previous trading session was 12.05 billion. As of 07:01 GMT, China's A-shares were trading at a premium of 29.66 percent over the Hong Kong-listed H-shares. The Shanghai stock index is below its 50-day moving average and above its 200-day moving average. The price-to-earnings ratio of the Shanghai index was 14.75 as of the last full trading day while the dividend yield was 2 percent. So far this week, the market capitalisation of the Shanghai stock index has risen by 0.18 percent to 28.68 trillion yuan.

[\(Source: Reuters, Research: rizal\)](#)

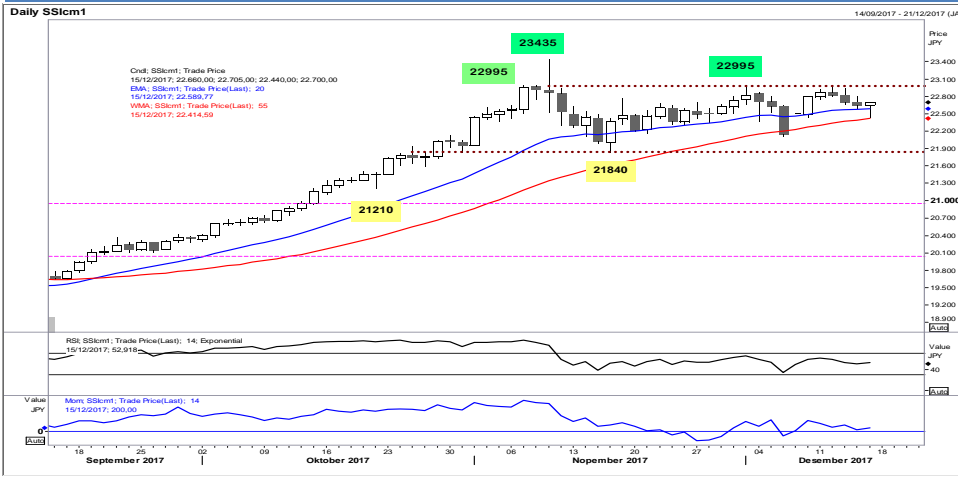
ASIA AND GLOBAL MARKET SPOT PRICE 2017

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	31958.41 (30/Oct/07)	24651.74 (15/Dec/2017)	2675.81 (15/Dec/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	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24651.74 (15/Dec/2017)	2675.81 (15/Dec/2017)	3450.49490 (14/Nov/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 – 15 December 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	24651.74	↑ 143.08/0.58%	.N225	22553.22	↓ 141.23/0.62%
/.SPX	2675.81	↑ 23.80/0.90%	.KS200	326.23	↑ 1.49/0.46%
/.IXIC	6936.583	↑ 80.057/1.17%	.HSI	28848.11	↓ 318.27/1.09%
JPY=	112.57	↑ 0.19/0.17%	/.SSEC	3266.15030	↓ 26.28820/0.80%
KRW=	1087.95	↓ 0.27/0.02%	/CLC1 (Oil)	57.36	↑ 0.19/0.33%

SSlamH8 (Nikkei Mar Futures) – Last Trading Date: 12 Mar 2018



- Daily RSI is down
 - Important resistance level 23435, support 22170.
- [\(Research – rial\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
15 Dec SS1pmH8	22535	22710	22470	240	22650	---	↑ 130	0.58	16910
15 Dec SSlamH8	22585	22720	22440	280	22520	22520	↓ 140	0.62	55651
14 Dec SS1pmH8	22660	22700	22510	190	22545	---	↓ 115	0.51	14834
14 Dec SSlamH8	22685	22750	22595	155	22660	22660	↓ 45	0.20	34970
13 Dec SS1pmH8	22710	22795	22655	140	22675	---	↓ 30	0.13	16349
13 Dec SSlamH8	22865	22885	22660	225	22705	22705	↓ 120	0.53	39653
12 Dec SS1pmH8	22830	22935	22785	150	22895	---	↑ 70	0.31	10104
12 Dec SSlamH8	22880	22965	22800	165	22825	22825	↓ 55	0.24	32414
11 Dec SS1pmH8	22875	22890	22815	75	22870	---	↓ 10	0.04	14063
11 Dec SSlamH8	22865	22915	22755	160	22880	22880	↑ 80	0.35	30384

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22965	22440	22995	22015	23435	21840	23435	18190
(12/Dec)	(15/Dec)	(01/Dec)	(06/Dec)	(09/Nov)	(15/Nov)	(09/Nov)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	23435	High 09/Nov/2017 (Daily Chart)
	23360	Hourly Chart
	23080	Hourly Chart
SUPPORT	22995	High 01/Dec/2017
	22420	Reaction Low 27/Nov/2017 (Daily)
	22315	Reaction Low 23/Nov/2017 (Daily)
	22210	Reaction Low 20/Nov/2017 (Daily)
RECOMMENDATION	21840	Low 18/Nov/2017
	BUY	22615
	SELL	----
	STOP LOSS	22465
	TARGET	22815
		22865

KSH8 (Kospi Mar Futures) – Exp. Date: 08 Mar 2018



- The series drops to a low level in the daily movement
- Daily RSI is flat
[\(Research – riza!\)](#)

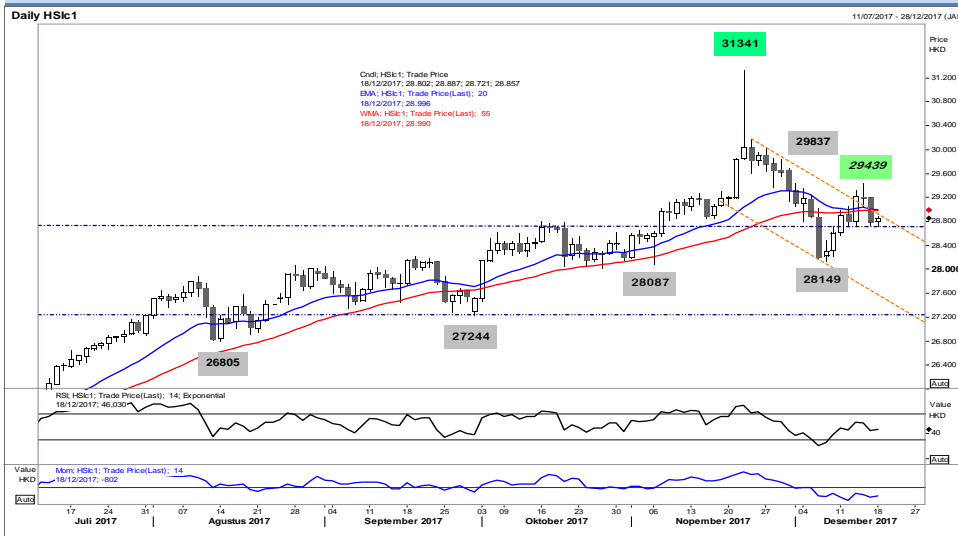
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
15 Dec	325.30	326.25	323.25	3.00	323.25	323.25	↓ 1.55	0.48	169435
14 Dec (KSH8)	324.20	328.50	323.00	5.50	324.80	324.80	↑ 1.10	0.34	139159
14 Dec (KSZ7)	327.05	331.35	326.80	4.55	327.65	327.65	↑ 1.45	0.44	252290
13 Dec (KSH8)	322.05	324.10	321.15	2.95	323.70	323.70	↑ 2.10	0.65	54610
13 Dec (KSZ7)	324.35	326.75	323.35	3.40	326.20	326.20	↑ 2.40	0.74	213503
12 Dec (KSH8)	322.70	322.95	321.00	1.95	321.60	321.60	↓ 1.40	0.43	18827

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
331.35 (14/Dec)	321.00 (12/Dec)	331.35 (14/Dec)	321.00 (12/Dec)	339.95 (03/Nov)	324.45 (30/Nov)	339.95 (03/Nov)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	337.50	High 22/Nov/2017
	336.30	High 23/Nov/2017
	332.55	High 29/Nov/2017
	329.95	High 06/Des/2017
SUPPORT	321.40	Low 10/Oct/2017
	318.15	Low 20/Sept/2017
	314.65	Low 18/Sept/2017
	311.75	Low 15/Sept/2017
RECOMMENDATION	BUY	322.90
	SELL	----
	STOP LOSS	321.40
	TARGET	324.90 325.40

HSIZ7 (Hang Seng December Futures) – Exp. Date: 28 Dec 2017



- The series goes down to the daily high.
- Be alert of RSI entering the oversold area.
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
15 Dec	29040	29050	28736	314	28790	28790	↓ 409	1.40	160755
14 Dec	29324	29439	29045	394	29199	29199	↓ 25	0.08	155774
13 Dec	28815	29318	28735	583	29224	29224	↑ 428	1.49	167654
12 Dec	28952	29048	28739	309	28796	28796	↓ 110	0.38	153663
11 Dec	28603	28981	28587	394	28906	28906	↑ 286	1.00	142839
08 Dec	28428	28715	28330	385	28620	28620	↑ 308	1.09	165621
07 Dec	28403	28479	28149	330	28312	28312	↑ 106	0.37	197003

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
29439	28587	29439	28149	30189	28087	30189	21863
(14/Dec)	(11/Dec)	(14/Dec)	(07/Dec)	(22/Nov)	(06/Nov)	(22/Nov)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	30168	High 23/Nov/2017
	30045	High 27/Nov/2017
	29837	High 29/Nov/2017
	29691	High 30/Nov/2017
SUPPORT	28587	Low 11/Dec/2017
	28411	Reaction Low 08/Dec/2017 (Hourly Chart)
	28305	Hourly Chart
RECOMMENDATION	28149	Low 07/Dec/2017
	BUY	28760
	SELL	----
	STOP LOSS	28610
TARGET		28960
		29010

CURRENCIES – *Daily Outlook*

Dollar index firmer as volumes thin ahead of holidays - Reuters News



The U.S. dollar rose on Friday as Republican negotiators in the U.S. Congress put the finishing touches on a sweeping tax overhaul, raising expectations that the bill would be passed by year-end.

Representative Kevin Brady, chairman of the tax-writing House Ways and Means Committee, told reporters that Republicans on the House-Senate negotiating committee working on the revamped bill had signed the finished product and the details would be published when the full House convenes at 5:30 p.m. EST (2230 GMT).

It comes after two Republicans sought changes to the

proposed legislation.

“People will be eyeing up the U.S. tax plan. There are expectations building they could have it done by next week, if not that pushes it off until next year,” said Mark McCormick, North American head of foreign exchange strategy at TD Securities in Toronto.

The tax bill needs a simple majority to pass in the Senate, in which Republicans hold just 52 of the 100 seats, and no Democrats are expected to support it.

The dollar index against a basket of six major currencies rose 0.49 percent to 93.944.

Many investors expect that the tax overhaul may boost U.S. growth, leading to more interest rate hikes and a higher dollar.

Tax legislation is seen as the last major event this year as investors wind down trading activity before the Christmas and New Year holidays.

“Markets are really consolidating at this point into holiday trading,” McCormick said.

The cost for banks to borrow short-term dollar funds from other banks, meanwhile, surged to its highest level since 2012 as financial institutions scrambled to secure funding before thinning trading volumes.

The cross currency basis swap “is moving in the U.S. direction as people seek funding to cover them through the end of the year,” said Marc Chandler, global head of currency strategy at Brown Brothers Harriman in New York.

The three-month euro-dollar cross currency basis swap, which measures the premium banks have to pay to swap euros into dollars, traded at 100 basis points. It has widened from under minus 52 basis points at the beginning of the month.

The rising swap cost was not yet seen impacting the greenback, though it could be negative for the dollar, said Chandler.

“It’s very expensive for Europeans, say financial institutions, to buy Treasuries ... so it’s going to deter people from buying Treasuries and its going to encourage dollar-based investors to invest overseas,” Chandler said. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

Interest Rate: 0.00% (EU)/ 1.25%-1.50% (US)



- With support area at 1.1584
- Crucial resistance around 1.2092
- Daily RSI is down
[\[Research – @her1en\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	1.17643	1.18111	1.17493	61,8	1.17569	↓ 19,3	1.17762
Dec 14	1.18244	1.18614	1.17694	92,0	1.17762	↓ 48,3	1.18245
Dec 13	1.17360	1.18304	1.17281	102,3	1.18245	↑ 84,3	1.17402
Dec 12	1.17714	1.17915	1.17163	75,2	1.17402	↓ 28,0	1.17682
Dec 11	1.17685	1.18105	1.17629	47,6	1.17682	↑ 2,0	1.17662

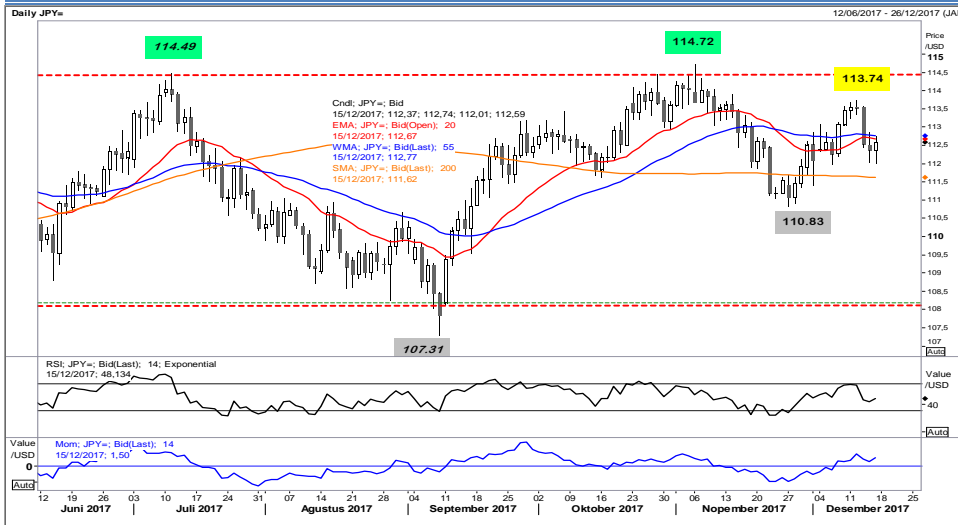
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18614 (14/Dec)	1.17163 (12/Dec)	1.19391 (01/Dec)	1.17163 (12/Dec)	1.19601 (27/Nov)	1.15528 (07/Nov)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2092	Reaction high (High Sept 08)
	1.2031	Reaction high (High Sept 20)
	1.1960	High Sept 25
	1.1888	High Dec 04
SUPPORT	1.1658	Low Nov 14
	1.1584	Low Nov 09
	1.1552	Low Nov 17
	1.1477	Low Jul 20
RECOMMENDATION	BUY	-----
	SELL	1.1775
	STOP LOSS	1.1850
	TARGET	1.1700 1.1665

USD/JPY

Interest Rate: 1.25%-1.50% (US)/-0.1% (JP)



- The main resistance at 115.19, support 108.12
- Daily RSI is in oversold zone ([Research – riza!](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	112.365	112.732	112.020	71,2	112.596	↑ 22,4	112.372
Dec 14	112.672	112.870	112.052	81,8	112.372	↓ 18,8	112.560
Dec 13	113.531	113.562	112.448	111,4	112.560	↓ 97,0	113.530
Dec 12	113.526	113.739	113.359	38,0	113.530	↓ 1,1	113.541
Dec 11	113.566	113.677	113.230	44,7	113.541	↑ 3,2	113.509

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
113.739 (12/Dec)	112.020 (15/Dec)	113.739 (12/Dec)	111.394 (01/Dec)	114.723 (06/Nov)	110.831 (27/Nov)	118.60 (03/Jan)	107.307 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	116.85	High 11/Jan/2017
	115.19	High 14/Mar/2017
	114.72	High 06/Nov/2017
	113.91	High 14/Nov/2017 (Daily)
SUPPORT	111.41	Low 01/Dec/2017
	110.83	Low 27/Nov/2017
	109.54	Low 15/Sept/2017
	108.12	Low 11/Sept/2017
RECOMMENDATION	BUY	112.35
	SELL	----
	STOP LOSS	111.65
	TARGET	113.15 113.35

GBP/USD

Interest Rate: 0.50% (GB)/1.25%-1.50% (US)



- Daily corrections
- In hourly going up
- Daily RSI up
[\(Research – riza!\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	1.34221	1.34465	1.33004	146,1	1.33202	↓107,0	1.34272
Dec 14	1.34104	1.34637	1.33911	72,6	1.34272	↑15,7	1.34115
Dec 13	1.33136	1.34287	1.33103	118,4	1.34115	↑96,0	1.33155
Dec 12	1.33397	1.33789	1.33023	76,6	1.33155	↓20,0	1.33355
Dec 11	1.33855	1.34303	1.33297	100,6	1.33355	↓60,9	1.33964

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.34637 (14/Dec)	1.33004 (15/Dec)	1.35483 (01/Dec)	1.33004 (15/Dec)	1.35475 (30/Nov)	1.30382 (03/Nov)	1.36565 (20/Sep)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3753	Fibo. Projections (423.6%)
	1.3656	High 20/Sep/2017
	1.3519	High 08/Dec/2017
	1.3420	High 13/Dec/2017
SUPPORT	1.3211	Low 22/Nov/2017
	1.3183	Low 20/Nov/2017
	1.3060	Reaction Low 13/Nov/2017 (Daily)
	1.2907	Low 05/Sep/2017
RECOMMENDATION	BUY	1.3290
	SELL	----
	STOP LOSS	1.3210
	TARGET	1.3390 1.3420

USD/CHF

Interest Rate: 1.25%-1.50% (US)/-1.25 to -0.25% (CH)



- Daily RSI is up
- Daily corrections
- The main resistance is 1.0170, support 0.9562
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	0.98933	0.99333	0.98723	61,0	0.99052	↑ 16,7	0.98885
Dec 14	0.98606	0.99033	0.98389	64,4	0.98885	↑ 36,0	0.98525
Dec 13	0.99150	0.99273	0.98416	85,7	0.98525	↓ 61,7	0.99142
Dec 12	0.99144	0.99345	0.98888	45,7	0.99142	↑ 3,9	0.99103
Dec 11	0.99276	0.99319	0.98961	35,8	0.99103	↓ 17,2	0.99275

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99345 (12/Dec)	0.98389 (14/Dec)	0.99765 (08/Dec)	0.97339 (01/Dec)	1.00363 (01/Nov)	0.97773 (27/Nov)	1.0335 (03/Jan)	0.94195 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0170	High 07/Mar/2017
	1.0107	High 10/Apr/2017
	1.0099	High 11/May/2017
	0.9986	High 13/Nov/2017
SUPPORT	0.9835	Low 05/Dec/2017
	0.9733	Low 01/Dec/2017
	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
RECOMMENDATION	BUY	----
	SELL	0.9925
	STOP LOSS	0.9995
	TARGET	0.9845 0.9825

AUD/USD

Interest Rate: 1.5% (AU)/ 1.25%-1.50% (US)



- Daily RSI is down
- The main resistance at 0.7897, support 0.7368
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	0.76564	0.76934	0.76367	56,7	0.76460	↓ 18,0	0.76640
Dec 14	0.76293	0.76785	0.76261	52,4	0.76640	↑ 28,3	0.76357
Dec 13	0.75514	0.76385	0.75514	87,1	0.76357	↑ 81,0	0.75547
Dec 12	0.75265	0.75789	0.75181	60,8	0.75547	↑ 30,0	0.75247
Dec 11	0.75100	0.75442	0.75052	39,0	0.75247	↑ 19,9	0.75048

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.76934 (15/Dec)	0.75052 (11/Dec)	0.76934 (15/Dec)	0.75002 (08/Dec)	0.77286 (02/Nov)	0.75309 (21/Nov)	0.81239 (08/Sep)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7897	Reaction high on daily chart (Oct 13)
	0.7784	High Oct 25
	0.7729	High Nov 02
	0.7694	High Nov 10
SUPPORT	0.7497	Low June 07
	0.7410	Low June 05
	0.7368	Low June 01
	0.7331	Low May 11
ECOMMENDATION	BUY	0.7630
	SELL	-----
	STOP LOSS	0.7565
	TARGET	0.7705 0.7740

NZD/USD

Interest Rate: 2.00% (NZ)/ 1.25%-1.50% (US)



- The series rises to a daily high
- Daily RSI is flat
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	0.69789	0.70326	0.69779	54,7	0.69964	↑ 14,8	0.69816
Dec 14	0.70151	0.70220	0.69770	45,0	0.69816	↓ 40,4	0.70220
Dec 13	0.69308	0.70268	0.69305	96,3	0.70220	↑ 91,0	0.69310
Dec 12	0.69082	0.69519	0.69000	51,9	0.69310	↑ 22,1	0.69089
Dec 11	0.68389	0.69292	0.68336	95,6	0.69089	↑ 68,5	0.68404

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.70326 (15/Dec)	0.68336 (11/Dec)	0.70326 (15/Dec)	0.68191 (01/Dec)	0.69787 (09/Nov)	0.67794 (17/Nov)	0.75570 (27/Jul)	0.67794 (17/Nov)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7374	High Sept 25
	0.7243	High Sept 29
	0.7170	High Oct 19
	0.7036	High Oct 20
SUPPORT	0.6899	Low Dec 12
	0.6815	Low Dec 01
	0.6779	Low Nov 17
	0.6674	Low May 30, 2016
RECOMMENDATION	BUY	0.6975
	SELL	-----
	STOP LOSS	0.6900
	TARGET	0.7050 0.7085

EUR/JPY

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



- Daily RSI flat
- Important resistance at 134.48, support 129.34
- Hourly show the pressure ([Research - rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	132.198	132.700	132.024	67,6	132.379	↓ 2,8	132.407
Dec 14	133.224	133.731	132.207	152,4	132.407	↓ 65,6	133.063
Dec 13	133.239	133.332	132.820	51,2	133.063	↓ 29,2	133.355
Dec 12	133.643	133.731	132.980	75,1	133.355	↓ 33,2	133.687
Dec 11	133.656	133.857	133.508	34,9	133.687	↑ 13,1	133.556

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
133.857 (11/Dec)	132.024 (15/Dec)	134.352 (01/Dec)	132.024 (15/Dec)	134.119 (30/Nov)	131.144 (20/Nov)	134.472 (25/Oct)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	137.46	High 17/Sept/2015
	136.06	High 22/Oct/2015
	134.48	High 25/Oct/2017
	133.88	High.11/Dec/2017
SUPPORT	131.71	Low 28/Nov/2017
	130.59	Low 15/Sept/2017
	129.34	Low 06/Sept/2017
	128.46	Reaction Low 23/Aug/2017 (Daily)
RECOMMENDATION	BUY	132.10
	SELL	----
	STOP LOSS	131.40
	TARGET	133.00 133.20

USD/CAD

Interest Rate: 1.25%-1.50% (US)/0.75% (CA)



- Correction for daily.
- Daily RSI is down
- Try to approach the peak area of the daily channel trend
[\(Research – rizal\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2852	1.2861

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2891 (12/Dec)	1.2709 (14/Dec)	1.2901 (01/Dec)	1.2620 (05/Dec)	1.2910 (01/Nov)	1.2662 (10/Nov)	1.3793 (05/May)	1.2057 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3470	High 12/Jun/2017
	1.3307	Reaction High 23/Jun/2017 (Daily)
	1.3011	Reaction High 03/Jul/2017 (Daily)
	1.2916	High 27/Oct/2017
SUPPORT	1.2735	Low 15/Dec/2017
	1.2617	Low 24/Oct/2017
	1.2564	Low Hourly Chart
	1.2472	Low 20/Oct/2017
RECOMMENDATION	BUY	1.2830
	SELL	----
	STOP LOSS	1.2750
	TARGET	1.2930 – 1.2960

Precious Metal – *Daily Outlook*

Gold heads to first weekly gain in 4 weeks after Fed rate hike - Reuters News



Gold prices clung to earlier gains and were poised for their first weekly gain in four weeks on Friday, withstanding pressure from strong equities markets on continued support from this week's interest rate rise by the Federal Reserve.

Spot gold was up 0.19 percent at \$1,255.12 per ounce by 2:22 p.m. EST (1922 GMT), up 0.6 percent for the week as it recovered from Monday's five-month low of \$1,235.92. The most active U.S. gold futures for February delivery settled up 0.03 percent, at \$1,257.50 per ounce.

Higher interest rates usually push gold lower because they raise bond yields, reducing the appeal of non-

yielding bullion, and boost the dollar, making gold more expensive for holders of other currencies.

But markets had priced in Wednesday's rise and the dollar and bond yields fell after the Fed kept its outlook for three rate rises next year unchanged and said proposed U.S. tax cuts would not significantly spur growth.

U.S. inflation remained weak, which Chicago Fed President Charles Evans said on Friday undermined the case for rate rises.

The dollar recouped some losses as Republican senators worked to resolve disagreements on the tax reform. Major stock indexes hit record highs.

"The rate hike was baked in, but I think more importantly there was this slight doubt in people's minds that the Fed might be more aggressive in 2018. What we got from them this week tells us that probably isn't the case," Bill O'Neill, partner at Logic Advisors in Upper Saddle River, New Jersey.

Also helping was a rise in demand in Asia as buyers took advantage of low prices.

Societe Generale analyst Robin Bhar said gold's bounce would be short-lived because other asset classes including equities, industrial metals and even bitcoin appeared to offer better returns.

Gold is up around 9 percent this year while global shares and industrial metals have gained some 20 percent and bitcoin 1,740 percent.

In other metals, palladium was down 1.19 percent at \$1,020.72, but still up for the week after hitting \$1,038 an ounce on Thursday, the highest since early 2001.

"The palladium metal supply remains tight and until this is alleviated we can expect the premium to remain," said Miguel Perez-Santalla, vice president of Heraeus Precious Metals in New York.

Silver was up 1.01 percent at \$16.03 per ounce and set for its first weekly gain in four weeks.

Platinum rose 1.28 percent at \$889.75 per ounce, marginally higher for the week.

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

GOLD (XAU/USD)



- Resistance around 1299
- Support area is around 1214
- Daily RSI is up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Dec 15	1252.730	1261.640	1252.690	8.95	1256.080	↑ 3.62	1252.460	1257.25	1254.60
Dec 14	1254.940	1258.880	1250.310	8.57	1252.460	↓ 2.97	1255.430	1255.60	1251.00
Dec 13	1243.850	1256.900	1240.090	16.81	1255.430	↑ 11.24	1244.190	1241.60	1242.65
Dec 12	1241.650	1246.020	1236.320	9.70	1244.190	↑ 2.28	1241.910	1243.40	1240.90
Dec 11	1248.680	1251.340	1240.540	10.80	1241.910	↓ 6.45	1248.360	1251.40	1247.15

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1261.640 (15/Dec)	1236.320 (12/Dec)	1289.040 (01/Dec)	1236.320 (12/Dec)	1299.060 (27/Nov)	1265.340 (03/Nov)	1357.380 (08/Sep)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1299.13	High Nov 27
	1285.30	High Nov 30
	1277.01	High Dec 05
	1264.42	High Dec 07
SUPPORT	1239.98	Low Dec 13
	1234.74	Low Jul 20
	1227.80	Low Jul 17
	1214.55	Low Jul 14
RECOMMENDATION	BUY	1253.00
	SELL	-----
	STOP LOSS	1244.00
	TARGET	1263.00 1268.00

SILVER (XAG/USD)



- With strong resistance at 16.59
 - While the crucial support area is around 15.16
- [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15	15.885	16.068	15.879	0.19	16.051	↑ 0.18	15.875
Dec 14	16.041	16.110	15.814	0.30	15.875	↓ 0.18	16.057
Dec 13	15.715	16.134	15.656	0.48	16.057	↑ 0.34	15.712
Dec 12	15.704	15.799	15.602	0.20	15.712	↑ 0.02	15.697
Dec 11	15.834	15.868	15.675	0.19	15.697	↓ 0.12	15.820

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.134	15.602	16.538	15.602	17.362	16.300	18.63	14.334
(13/Dec)	(12/Dec)	(01/Dec)	(12/Dec)	(17/Nov)	(30/Nov)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	16.91	High Nov 29
	16.59	High Nov 30
	16.36	High Dec 05
	16.14	High Dec 06
SUPPORT	15.59	Low Dec 13
	15.42	Low Jul 11
	15.16	Low Jul 10
	14.86	Low Jul 07
ECOMMENDATION	BUY	16.00
	SELL	-----
	STOP LOSS	15.70
	TARGET	16.35
		16.55

OIL – Daily Outlook

Oil hovers below 2-year highs with focus on U.S. output - Reuters News



Oil prices were mixed on Friday, lingering below two-year highs as the continuing outage of a North Sea pipeline gave support, while climbing U.S. output and weak gasoline demand kept a lid on gains.

Brent crude futures settled down 8 cents or 0.1 percent to \$63.23 a

barrel. U.S. West Texas Intermediate (WTI) crude futures settled up 26 cents to \$57.30 a barrel. WTI hit a two-year high of \$59.05 on Nov. 24.

Brent ended the week down slightly with a 0.3 percent fall, while WTI was down 0.1 percent.

"There's definitely some pressure on crude," said John Kilduff, partner at energy hedge fund Again Capital LLC in New York. "Demand for gasoline is lower which isn't normally the case in the holiday season and supplies are steadily rising. It's something to watch."

Gasoline futures were down 3.5 percent on the week.

Hedge funds and other money managers pared their net long U.S. crude futures and options positions in the week to Dec. 12, cutting the holdings for a second week after hitting a record high, the U.S. Commodity Futures Trading Commission (CFTC) said on Friday.

The speculator group cut its combined futures and options position in New York and London by 7,542 contracts to 435,200 during the period. The cut was the second in a row.

The ongoing outage of the Forties pipeline, which carries North Sea oil to Britain, was a price support for Brent early in the session before the grade fell slightly, traders said.

The outage's main physical impact is the North Sea region, but it has global relevance as the crude is used to underpin the Brent price benchmark. Operator INEOS declared force majeure on Forties, the first such declaration in decades.

Force majeure is a legal designation that suspends a firm's contractual obligations due to situations beyond its control.

Still, U.S. oil production, which has soared 16 percent since mid-2016 to 9.78 million barrels per day (bpd), has undermined OPEC's output curbs.

U.S. supply, now close to matching levels of top producers Russia and Saudi Arabia, will likely move oil markets into a supply surplus in the first half of 2018, the International Energy Agency said.

The number of oil drilling rigs fell by four to 747 this week, data from General Electric's Baker Hughes energy services unit showed, the first cut to drilling numbers in six weeks.

The U.S. rig count, an early indicator of future output, is still much higher than a year ago when only 510 rigs were active. [\(Source Reuters, Research – @her1en\)](#)

CLF8/USD (OIL)
 (Exp.: 19 Dec. 2017 - Reuters)



- Daily RSI is flat
 - Correction in daily movement
 - Important resistance at 59.69 support at 53.75.
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 15 (CLG8)	57.18	57.49	56.99	0.50	57.38	↑ 0.19	57.19
Dec 15 (CLF8)	57.13	57.45	56.93	0.52	57.35	↑ 0.20	57.15
Dec 14	56.68	57.21	56.08	1.13	57.15	↑ 0.49	56.66
Dec 13	57.43	57.81	56.54	1.27	56.66	↓ 0.78	57.44
Dec 12	58.00	58.54	56.84	1.70	57.44	↓ 0.57	58.01
Dec 11	57.25	58.05	56.90	1.15	58.01	↑ 0.70	57.31

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
58.54 (12/Dec)	56.08 (14/Dec)	58.86 (01/Dec)	55.80 (07/Dec)	59.01 (24/Nov)	53.88 (01/Nov)	59.01 (24/Nov)	42.04 (21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	62.58	High May 31, 2005
	59.69	High June 30, 2015
	58.98	High July 01, 2015
	57.83	High Dec 13
SUPPORT	55.39	Low Nov 17
	54.40	Low Nov 03
	53.75	Low Oct 30
	52.46	Low Oct 27
RECOMMENDATION	BUY	57.15
	SELL	-----
	STOP LOSS	55.95
	TARGET	58.55 59.05