



Daily Bulletin

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

Research Department

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

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GLOBAL ECONOMIES

- Australia's central bank sees no need to follow its peers abroad and raise interest rates, noting price pressures remained subdued across the economy while households laboured under a heavy load of debt.
- New Zealand's inflation rate jumped in the third quarter to overtake central bank forecasts, but was unlikely to alter the bank's determination to keep rates on hold for years.
- 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.
- Confidence among Japanese manufacturers rebounded in October to match a peak last seen in mid-2007, a Reuters poll found, further evidence that the economic recovery is gathering momentum helped by a weak yen and strong overseas demand.
- The European Union told Britain on Tuesday it must make more concessions in talks over its departure from the bloc, offering little hope of a breakthrough for Prime Minister Theresa May at a summit later this week.
- Greece fell into recession again last year, confounding its international creditors who had predicted some growth after years of budget austerity and bailouts.
- The Bank of England's new deputy governor Dave Ramsden said on Tuesday he was not close to voting to raise interest rates, surprising some investors who are betting that the BoE will soon make its first hike in more than a decade.
- U.S. industrial output rose in September as the effects of Hurricanes Harvey and Irma began to fade and construction and utilities production bounced back, the Federal Reserve said on Tuesday.

GLOBAL MARKETS

U.S. & Global Markets – U.S. stocks rose on Tuesday after company earnings reports were better than expected, with the Dow Jones Industrial Average breaching the 23,000 mark for the first time, while the U.S. Treasury yield curve flattened and the dollar rose to a one-week high on increased inflation expectations.

The Dow briefly touched a new high of 23,002.20, powered by earnings from UnitedHealth and Johnson & Johnson. The S&P 500 had been negative as traders were left unimpressed by some bank earnings, but it ticked up before the market closed.

Gains on world stock markets petered out near record-high levels, in part because a rally in commodities helped underpin one of the most durable bull runs in recent history.

Goldman Sachs Group Inc and rival Morgan Stanley topped analysts' expectations with their third-quarter earnings, but shares of Goldman fell because the results were fueled by a volatile unit that has sharp revenue swings, analysts said.

The Dow Jones Industrial Average rose 40.48 points, or 0.18 percent, to 22,997.44, the S&P 500 gained 1.72 points, or 0.07 percent, to 2,559.36 and the Nasdaq Composite dropped 0.35 points, or 0.01 percent, to 6,623.66.

European shares lost ground, with the FTSEurofirst 300 index dropping 0.17 percent, though they were underpinned by solid earnings from food group Danone and education specialist Pearson and talk of a break-up of investment bank Credit Suisse.

MSCI's gauge of stocks across the globe shed 0.11 percent.

Meanwhile, the yield spread between U.S. 5-year and 30-year Treasuries fell to its lowest since November 2007, and 2-year yields rose to their highest in nearly nine years.

Spread compression between shorter- and longer-dated maturities was due to increased expectations for interest rate tightening by the Federal Reserve and minimal signs of a pick-up in long-term inflation.

Speculation that U.S. President Donald Trump was leaning toward nominating Stanford University economist John Taylor to head the

Federal Reserve helped drive the expectations for rates and inflation rises.

"Taylor is perceived as more hawkish than Ms.(Janet) Yellen so under his potential tutelage, the central bank might lift borrowing rates more aggressively, which would bolster the dollar's allure," said Joe Manimbo, senior market analyst at Western Union Business Solutions in Washington.

The increased expectations, also pushed by the strongest reading on U.S. import prices in more than a year, helped lift the dollar.

The Labor Department said import prices jumped 0.7 percent last month, the biggest gain since June 2016, after an unrevised 0.6 percent rise in August.

A fourth day of gains for the dollar index, which hit a one-week high, was also supported by broad-based weakness for the euro and the pound.

(Source Reuters – @her1en)

GLOBAL ECONOMIES

Australia – Australia's central bank sees no need to follow its peers abroad and raise interest rates, noting price pressures remained subdued across the economy while households laboured under a heavy load of debt.

Minutes of the Reserve Bank of Australia's (RBA) October meeting showed the policy-making board would not be rushed into matching policy tightening elsewhere.

"Members observed that moves towards higher interest rates in other economies were a welcome development, but did not have mechanical implications for the setting of policy in Australia," the minutes showed.

Any move in rates would be dependent on the domestic economy, where inflation and wages remained subdued.

The Board also noted that policy in other rich nations had been eased "significantly more" than in Australia, where rates had been held at 1.5 percent for over a year.

Central banks in the United States and Canada have already hiked this year, while the Bank of England has flagged the chance of a tightening. The head of the RBA, Philip Lowe, last month said it was more likely than not that the next move in domestic rates would be upward but that it would not happen for some time yet.

Tuesday's minutes showed the RBA had also softened its objections to a higher Australian dollar by adding the caveat "material" to its usual warning on the currency.

"A material further appreciation of the exchange rate would be expected to result in a slower pick-up in economic activity and inflation," the minutes showed.

The local dollar is presently just under \$0.7900, having fallen back from atop \$0.8000 a couple of months ago.

The central bank's economic outlook was guardedly optimistic, noting that strong jobs growth across the country was supporting household incomes and spending.

Spending on public infrastructure was also rising "very strongly" and would likely support economic growth for another couple of years.

Inflation, however, remained tame and the bank's liaison with firms suggested many would be absorbing sharp increases in energy prices into their margins rather than passing them on.

Conditions in the once-hot housing markets of Sydney and Melbourne were easing, due in part to tighter lending rules imposed by regulators.

New Zealand – New Zealand's inflation rate jumped in the third quarter to overtake central bank forecasts, but was unlikely to alter the bank's determination to keep rates on hold for years.

The consumer price index (CPI) picked up 0.5 percent in the three months to the end of September, after a flat reading for the previous quarter, Statistics New Zealand data showed on Tuesday.

The CPI grew 1.9 percent on an annual basis, driven by housing and food costs and beating analysts' expectations for a 1.8 percent rise.

The reading was also well above the 1.6 percent predicted in August by the Reserve Bank of New Zealand (RBNZ).

The CPI news sent the New Zealand dollar to a two-week high of \$0.7197, up from around \$0.7178 before the release. The currency then gave up some of its gains, settling around \$0.7185.

However, economists said the RBNZ was unlikely to waver from its determination to keep interest rates at record lows for years while it waited for previously-tepid inflation to stabilise around 2 percent.

"For now, inflation sits comfortably in line with the Reserve Bank's target. However, there is little that suggests a risk of inflation breaking higher, particularly with the New Zealand economy seemingly entering a slower growth phase," said Michael Gordon, senior economist at Westpac Bank.

New Zealand's previously robust economic growth slowed in recent quarters as skill shortages led to capacity constraints and red-hot house prices cooled.

Added to that was intense uncertainty about the direction of the country's next government after an inconclusive election last month left a small, nationalist party holding the balance of power.

The third quarter gains in price growth were led as usual by housing related costs, with rents rising an annual 2.2 percent.

New Zealand's booming population, stoked by record net migration, has created strong demand for housing in the past few years, though house prices themselves have eased this year as central bank restrictions on lending took effect.

Food bills rose 1.1 percent on strong global prices for soft commodities, while new government charges pushed non-tradables inflation, excluding housing, to a three year high of 2.2 percent.

"There are tentative signs that inflation's broadening beyond housing but we've been here before that that's petered out," said Philip Borkin, economist at ANZ Bank.

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, as 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.

Japan – Confidence among Japanese manufacturers rebounded in October to match a peak last seen in mid-2007, a Reuters poll found, further evidence that the economic recovery is gathering momentum helped by a weak yen and strong overseas demand.

The monthly poll followed an Oct. 2 Bank of Japan survey that showed big manufacturers were the most optimistic about the business outlook in a decade.

The survey results are an encouraging sign for Prime Minister Shinzo Abe ahead of an Oct. 22 lower house election as he hopes to convince voters his reflationary policies are helping to sustain a private sector-led recovery.

The Reuters Tankan service-sector sentiment index slipped from the previous month's two-year high but remained relatively high.

"Global car sales have been performing well," a manager of a transport equipment maker wrote in the survey, in which companies respond anonymously.

An electrical machinery maker said: "Currency fluctuations have been small and orders have been steady."

The poll of 548 large- and mid-sized companies was conducted Sept. 28 to Oct. 12, in which 254 firms responded.

The sentiment index for manufacturers rose six points in October to 31, driven by producers of electrical machinery, metal products and other machinery, and oil refiners. The index matched a high last seen in June 2007.

Service-sector sentiment fell to 30 from the previous month's two year-high of 34, dragged down by retailers. That could be a concern for private consumption, which constitutes some 60 percent of the economy.

The manufacturers' and service-sector indexes were expected to fall to 24 and 28 respectively in January, reflecting concerns about North Korea, the outlook for the Chinese and U.S. economies, and Japan's domestic politics.

Business sentiment will be among indicators the BOJ board will scrutinise when it issues fresh long-term economic and price forecasts at a rate review on Oct. 30-31.

BOJ policymakers hope a sustained economic recovery will boost wages and consumer spending, but analysts expect inflation to remain some way off the central bank's 2 percent target.

Euro Zone – The European Union told Britain on Tuesday it must make more concessions in talks over its departure from the bloc, offering little hope of a breakthrough for Prime Minister Theresa May at a summit later this week.

May travelled to Brussels on Monday for dinner with senior EU officials, hoping to nudge the Brexit talks forward to look at future ties which she says will help London make advances on calculating a financial settlement.

But hours after the dinner, ministers from EU countries, even those such as the Netherlands that have much to lose if there is no Brexit deal, said May needed to go further on detailing how much Britain will pay when it leaves the bloc.

After losing her governing Conservatives' majority in a June election and struggling through the party's annual conference, May has little room for manoeuvre -- unable to increase her offer on the Brexit bill for fear of angering her own party.

"We, the 27 together, find it extremely important that substantial progress is made on all three areas," Dutch Foreign Minister Bert Koenders told reporters.

But he also said the EU would offer May an olive branch at their summit on Friday by saying they would start preparing among themselves for talks on a post-Brexit transition in order to be able to engage with Britain swiftly after London delivers.

"I hope that in the UK the reality comes in that this is a possibility to come to the next stage in December," Koenders said in Luxembourg where ministers were preparing for the summit this Thursday and Friday.

After the Brussels dinner on Monday, May and European Commission chief Jean-Claude Juncker said the pace of Brexit negotiations should be stepped up after they stalled largely over the size of the divorce bill.

The EU's chief Brexit negotiator Michel Barnier struck a note of caution on Tuesday.

"It takes two to accelerate," he told reporters as he arrived to brief EU ministers in Luxembourg. "One step after another... We are not finished with the first step."

Neither side signalled there would be much movement at the EU summit after five rounds of talks, and some EU ministers in Luxembourg on Tuesday said it was hard to negotiate with a prime minister under pressure from Brexit hardliners.

"Sometimes it's very difficult to see and understand what Britain really wants from these negotiations," said Finland's deputy minister, Samuli Virtanen. "It seems that at the moment EU 27 is more unanimous than UK 1."

With only 17 months before Britain leaves, the lack of progress in the talks have prompted companies to get ready not only for London leaving without a deal but also for a prolonged lack of certainty which makes investment decisions difficult.

Britain's Brexit minister David Davis said separately that London had no plans to walk away from the negotiations and that he hoped the looming EU summit would "build on the momentum and spirit of cooperation we now have."

Greece – Greece fell into recession again last year, confounding its international creditors who had predicted some growth after years of budget austerity and bailouts.

The country's leading economic think tank, meanwhile, said there would be growth this year - but not as much as the government expects.

The economy contracted by 0.2 percent in 2016, statistics service ELSTAT said on Tuesday, releasing its revised estimate of full-year gross domestic product.

ELSTAT's estimate, based on seasonally unadjusted data, was based on lower than previously estimated household consumption, suggesting that the euro zone's largest unemployment rate is still holding back broader recovery.

It said gross domestic product in volume terms and measured at constant prices was 175.9 billion euros last year, down from 178.1 billion euros in 2015. Consumption dropped by an annual 0.3 percent, versus a 0.6 percent rise estimated by the agency in March.

"It's a small change that has minor impact on other indices and on fiscal figures. It is a slightly weaker depiction of the real economy in 2016 due to the downwardly revised consumption expenditure," said National Bank economist Nikos Magginas.

He said that the registered trend in consumption would also be a challenge for 2017.

Years of austerity imposed by the International Monetary Fund and euro zone lenders in exchange for bailouts have made many Greeks far poorer and shrunk consumption accordingly.

The European Commission, in its winter forecast published in February, projected GDP growth of 0.3 percent in 2016 while the International Monetary Fund's upwardly revised estimate saw GDP growth of 0.4 percent.

Greece's leading IOBE think tank said on Tuesday the economy will expand by "slightly below" 1.5 percent this year and pick up to around 2 percent in 2018.

"The Greek economy's growth rate in 2017 will be in the area of 1.3 percent, slower than was previously projected. Next year, growth will most likely accelerate to 2.0 percent or slightly higher," IOBE said in its quarterly review.

The think tank's projections are below government forecasts. The government, which faces a third review to its international bailout this autumn, has cut this year's economic growth estimate to 1.8 percent from 2.7 percent in May.

The Commission has also cut its forecast to 2.1 percent from 2.7 percent. Greece's central bank sees gross domestic product growing by 1.7 percent this year and picking up to 2.4 percent in 2018.

Economic recovery will be key to bringing down a jobless rate of 21 percent, the highest in the euro zone, and attaining a primary budget surplus of 1.75 percent - excluding debt servicing outlays - this year as demanded by Greece's creditors.

U.K. – The Bank of England's new deputy governor Dave Ramsden said on Tuesday he was not close to voting to raise interest rates, surprising some investors who are betting that the BoE will soon make its first hike in more than a decade.

Deputy Governor Dave Ramsden distanced himself from the majority of BoE policymakers who believe a rate hike is likely to be needed "in the coming months" because he saw little sign of inflation pressure building in Britain's labour market.

"Despite continued robust growth in employment, there is no sign of second-round effects onto wages from higher recent inflation," he told a committee of British lawmakers in his first public comments on monetary policy.

Ramsden joined the BoE last month after serving as the British finance ministry's top economic adviser.

Silvana Tenreyro, an external member of the Monetary Policy Committee, said she might back a rate hike "in the coming months" if inflation pressure builds in the labour market, but she was keeping a close eye on how the economy performs.

"My view is that we are approaching a tipping point at which it would be necessary or justified to remove some of that stimulus," she said, also making her first policy comments to parliament's Treasury Committee.

"However that is very contingent on the data."

Tenreyro, a professor at the London School of Economics, said raising rates too soon would be a costly mistake.

U.S. – U.S. industrial output rose in September as the effects of Hurricanes Harvey and Irma began to fade and construction and utilities production bounced back, the Federal Reserve said on Tuesday.

Overall industrial production increased 0.3 percent in September after an upwardly revised 0.7 percent decline in August.

However, output in July was revised to a decline of 0.1 percent from the previously reported 0.4 percent gain.

Industrial production data for August had been heavily impacted by the hurricanes which temporarily shut down oil, gas and chemical plants along the U.S. Gulf Coast.

The Fed said that the impact of Harvey and, to a lesser extent, Irma, held back production growth in September by 0.25 percentage point.

Economists polled by Reuters had forecast industrial output rising 0.3 percent in September.

The Fed's measure of the industrial sector is made up of manufacturing, mining, and electric and gas utilities.

The manufacturing sector, which comprises about 12 percent of the U.S. economy, edged up 0.1 percent after an upwardly revised 0.2 percent decline in August.

With overall output rising, the percentage of industrial capacity in use increased 0.2 percentage points to 76.0 percent in September from a downwardly revised 75.8 percent in August.

(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	2.8%	2.8%	2.7%	
	15:30	GB	CPI MoM	Sep	0.3%	0.3%	0.6%	
	15:30	GB	CPI YoY	Sep	3.0%	3.0%	2.9%	
	15:30	GB	CPI Core YoY	Sep	2.7%	2.7%	2.7%	
	15:30	GB	PPI Input NSA MoM	Sep	0.4%	1.2%	1.6%	2.3%
15:30	GB	PPI Input NSA YoY	Sep	8.4%	8.2%	7.6%	8.4%	
15:30	GB	PPI Output NSA MoM	Sep	0.2%	0.2%	0.4%		
15:30	GB	PPI Output NSA YoY	Sep	3.3%	3.3%	3.4%		

	15:30	GB	PPI Output Core NSA MoM	Sep	0.0%	0.1%	0.2%	
	15:30	GB	PPI Output Core NSA YoY	Sep	2.5%	2.6%	2.5%	
	16:00	EZ	CPI MoM	Sep	0.4%	0.4%	0.3%	
	16:00	EZ	CPI YoY	Sep F	1.5%	1.5%	1.5%	
	16:00	EZ	ZEW Survey Expectations	Oct	26.7	--	31.7	
	16:00	EZ	CPI Core YoY	Sep F	1.1%	1.1%	1.1%	
	16:00	DE	ZEW Survey Current Situation	Oct	87.0	88.5	87.9	
	16:00	DE	ZEW Survey Expectations	Oct	17.6	20	17	
	20:15	US	Industrial Production MoM	Sep	0.3%	0.3%	-0.9%	-0.7%
	20:15	US	Manufacturing (SIC) Production	Sep	0.1%	0.2%	-0.3%	-0.2%
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		--	-2747k	
	21:30	US	DOE Cushing OK Crude Inventory	Oct-13		--	1322k	
	21:30	US	DOE U.S. Gasoline Inventories	Oct-13		--	2490k	
	21:30	US	DOE U.S. Distillate Inventory	Oct-13		--	-1480k	
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 for an 11th straight day in choppy trade on Tuesday as a stable yen supported exporting automakers, while expectations that the ruling bloc will win the election later this month continued to underpin sentiment. The Nikkei ended 0.4 percent higher at 21,336.12, the highest level since November 1996. The Nikkei dipped into negative territory briefly, but swung back to positive territory to extend its winning streak to 11 days, the longest stretch since May 2015. "The Japanese market's main buyers are seen to be foreign investors because the election outcome could lead to their favourite pattern," said Masahiro Yamaguchi, a senior market analyst at SMBC Trust Bank. "Foreign investors become risk takers on Japan stocks when there is political stability and the hope that the current monetary policy will continue." A survey showed on Monday that Japanese Prime Minister Shinzo Abe's ruling coalition is on track for a big win in Sunday's general election. But such an "election hope rally" is expected to run its course by the end of the week, with traders pointing to a technical sign that the market is overbought. The recent gains have pushed the Nikkei into overbought territory on a technical basis, with its relative strength index (RSI) at 84, leaving it vulnerable to profit-taking. A level above 70 is considered to show that the market is overbought. Kobe Steel Ltd, soared 3.1 percent as worries about costs stemming from a data falsification scandal receded. Kobe Steel's shares plunged to near five-year lows in the wake of the scandal which raised fears of a heavy financial and legal fallout. An analyst who attended a briefing given by Kobe Steel executives late on Monday said that the financial impact appears limited. "Obviously, Kobe Steel cannot rule out the risk of future impact, but so far, so good, in our view," Thanh Ha Pham, an analyst at Jefferies in Tokyo, wrote in a note after the briefing. Other steelmakers also gained ground, with Nippon Steel & Sumitomo Metal Corp surging 2.1 percent and JFE Holdings soaring 1.7 percent. Automakers were steady, with Toyota Motor Corp and Honda Motor Co both rising 0.8 percent, supported by a stable yen rate. The broader Topix was up 0.2 percent at 1,723.37.

South Korean Shares in Seoul closed at an all-time high on Tuesday as gains in large tech firms offset market caution about possible North Korean action during joint military drills by South Korea and the United States this week. The Korea Composite Stock Price Index (KOSPI) ended up 0.2 percent at 2,484.37 points, a record closing high. Market heavyweight Samsung Electronics rose 1.6 percent. Offshore investors sold a net 51.7 billion won (\$45.67 million) worth of KOSPI shares for the day. The South Korean won edged down as the greenback's global strength weighed on the currency. The won was quoted at 1,132.5 to the dollar at the conclusion of onshore trade, down 0.4 percent versus Monday's close of 1,127.8.

Hong Kong stocks were little changed in quiet trading on Tuesday, with the main index hovering around 10-year peak as investors await a congress of China's Communist Party and third-quarter Chinese economic data this week. The Hang Seng index was unchanged at 28,697.49, while the China Enterprises Index lost 0.3 percent, to 11,568.31 points. Asian equities were generally firm, drawing inspiration from another record

high on Wall Street overnight. Investors in Hong Kong are closely watching the twice-a-decade party congress that starts on Wednesday, where President Xi Jinping is expected to lay out new policy initiatives and further consolidate his power for his second five-year term. Markets are also awaiting third-quarter gross domestic product (GDP) data on Thursday and will be watching for any signs of a long-expected slowdown after a strong first half. Economists polled by Reuters expect economic growth dipped marginally to 6.8 percent in the third quarter from 6.9 percent in April-June as government crackdowns on debt risks and speculation in the housing market start to bite. However, China's 10-year treasury futures dropped to the lowest level in nearly five months on Tuesday, as some traders bet on a possible GDP upside surprise, after central bank governor Zhou Xiaochuan said the economy could grow 7 percent in the year's second half, versus 6.9 percent in the first six months. Sector performance was mixed in Hong Kong. Energy shares rose on higher oil prices, but industrial stocks fell.

China stocks ended little changed on Tuesday as investors awaited key mainland economic data and a major leadership summit later in the week, though resources firms posted losses on concerns the sector's recent rally may be over. The blue-chip CSI300 index was unchanged at 3,913.07 points, while the Shanghai Composite Index lost 0.2 percent to 3,372.04 points. For the day, most sectors were little changed although resource firms dragged, with the materials industry losing 1 percent, reflecting market views that the sector's 30 percent surge this year - fuelled by capacity cuts and a jump in commodity prices - has run its course. Blue-chip sectors in which the government controls sizeable stakes, such as financials and utilities, held steady. Chinese authorities are keen to see stability in financial markets heading into the twice-a-decade party congress starting on Wednesday, where President Xi Jinping is expected to lay out new policy initiatives and further consolidate his power for his second five-year term. The central bank injected 190 billion yuan (\$28.73 billion) into the interbank market, a move apparently aimed at easing liquidity concerns after China's benchmark 10-year treasury yield climbed above 3.7 percent on Monday to its highest level this year. Markets are also awaiting third-quarter gross domestic product (GDP) data on Thursday and will be closely watching for any signs of a long-expected slowdown after a strong first half. Economists polled by Reuters expect economic growth dipped marginally to 6.8 percent in the third quarter from 6.9 percent in the previous quarter as government crackdowns on debt risks and speculation in the housing market start to bite. UBS strategist Gao Ting also cited the prospects of high interest rates and government-mandated cuts in industrial production as risks to growth, advising investors in A-shares to stay balanced between cyclicals and defensive stocks. Beijing has embarked on its toughest campaign yet to curb winter air pollution, ordering many mills and factories in northern areas to reduce output or shut altogether. In another possible sign that economic growth rates may fade, government spending in China increased at the slowest pace in 11 months in September, after Beijing frontloaded most of its spending early in the year.

(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)	328.51 (17/Oct/2017)	31958.41 (30/Oct/07)	22997.44 (17/Oct/2017)	2559.36 (17/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	21336.12 (17/Oct/2017)	328.51 (17/Oct/2017)	28697.49 (17/Oct/2017)	22997.44 (17/Oct/2017)	2559.36 (17/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 – 17 October 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	22997.44	↑ 40.48/ 0.18%	.N225	21336.12	↑ 80.56/0.38%
/.SPX	2559.36	↑ 1.72/ 0.067%	.KS200	328.51	↑ 0.69/0.21%
/.IXIC	6623.657	↓ 0.348/ 0.01%	.HSI	28697.49	↑ 4.69/0.02%
JPY=	112.19	↑ 0.01/ 0.00%	/.SSEC	3373.43680	↓ 5.03360/0.15%
KRW=	1130.21	↑ 2.93/ 0.26%	/CLc1 (Oil)	51.94	↑ 0.02/0.04%

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



- The trend is still bullish.
 - The support area is 20230, 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
17 Oct SSIpmZ7	21360	21370	21310	60	21355	---	↑ 5	0.02	22216
17 Oct SSIamZ7	21340	21395	21230	165	21350	21350	↑ 75	0.35	61997
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
21395	21190	21395	20370	20425	19085	21395	18190
(17/Oct)	(16/Oct)	(17/Oct)	(02/Oct)	(27/Sep)	(08/Sep)	(17/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	21230	Low 17/Oct/2017
	21115	Low 13/Oct/2017
	20935	Low 12/Oct/2017
	20745	Low 10/Oct/2017
RECOMMENDATION	BUY	21325
	SELL	----
	STOP LOSS	21225
	TARGET	21475 21525

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



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

[\(Research – rizal\)](#)

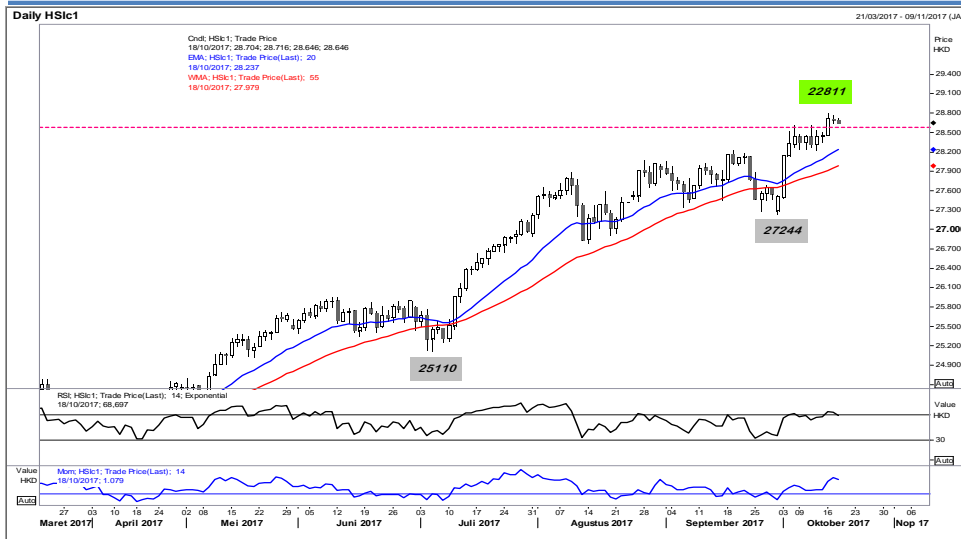
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
17 Oct	328.90	329.85	328.70	1.15	329.15	329.15	↑ 0.30	0.09	128127
16 Oct	329.00	330.25	328.15	2.10	328.85	328.85	↑ 0.20	0.06	132287
13 Oct	328.40	329.30	327.90	1.40	328.65	328.65	↓ 0.35	0.11	126207
12 Oct	326.95	329.10	326.80	2.30	329.00	329.00	↑ 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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
330.25 (16/Oct)	328.15 (16/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
17 Oct	28669	28738	28643	95	28703	28703	↓ 15	0.00	78006
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
28811	28643	28811	27688	28225	27272	28811	21863
(16/Oct)	(17/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	----
	SELL	28735
	STOP LOSS	28835
	TARGET	28635 28585

CURRENCIES – *Daily Outlook*

Dollar rises on talk of potential Fed chief nominee - Reuters News



The dollar rose to a one-week high against a basket of currencies on Tuesday on speculation that U.S. President Donald Trump was leaning towards nominating a Federal Reserve head who would be more inclined to raise interest rates at a faster pace.

The greenback was also supported by U.S. two-year Treasury yields hitting nine-year highs on Tuesday. Yields climbed as well on growing expectations that Trump favored Stanford economist John Taylor to head the U.S. central bank.

"Taylor is perceived as more hawkish than Ms.(Janet) Yellen so under his potential tutelage, the central bank might lift borrowing rates more aggressively, which would bolster the dollar's allure," said Joe Manimbo, senior market analyst, at Western Union Business Solutions in Washington.

The dollar index, which measures the greenback against a basket of six major peers, hit a one-week high of 93.729.

The index was last up 0.2 percent at 93.488.

Interest rates futures implied traders saw a 93 percent chance the Fed would raise rates in December, CME Group's FedWatch program showed.

MUFG currency economist Lee Hardman, in London, said the bank would "not be surprised" to see an initial jump in the dollar of between 3 percent and 5 percent should Taylor be chosen.

Bloomberg reported on Monday that Trump was impressed with Taylor after meeting with him last week.

Trump's shortlist also includes Jerome Powell, a Fed governor; Trump's top economic adviser Gary Cohn; Yellen, whose term expires in February; and Kevin Warsh, a former Fed governor, sources have said, though investors say the chances of Warsh being selected have fallen.

Trump is expected to announce his pick before going to Asia in early November.

Knocked by a stronger dollar, the euro slipped to a one-week low of \$1.1734, having fallen almost 3 percent since hitting a 2-1/2-year high last month. The euro was last down 0.2 percent at \$1.1770.

The euro did not budge on German ZEW economic sentiment data that fell short of forecast by coming at 17.6 points, below an expected 20.1 points.

Markets are wary of chasing the euro lower before a European Central Bank policy meeting next week.

Sterling dropped below \$1.32 for the first time since Thursday, after comments by Bank of England policymakers were interpreted by markets as broadly dovish.

Earlier on Tuesday, official data showed Britain's inflation rate hit 3 percent, above the BoE's 2 percent target but in line with expectations. [\(Source Reuters, Research – @her1en\)](#)

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 down
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 17	1.17960	1.17963	1.17351	61,2	1.17652	↓ 30,0	1.17952
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18184 (16/Oct)	1.17351 (17/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	1.1785
	STOP LOSS	1.1850
	TARGET	1.1715 1.1685

USD/JPY

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 17	112.129	112.467	112.025	44,2	112.181	↑ 6	112.175
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

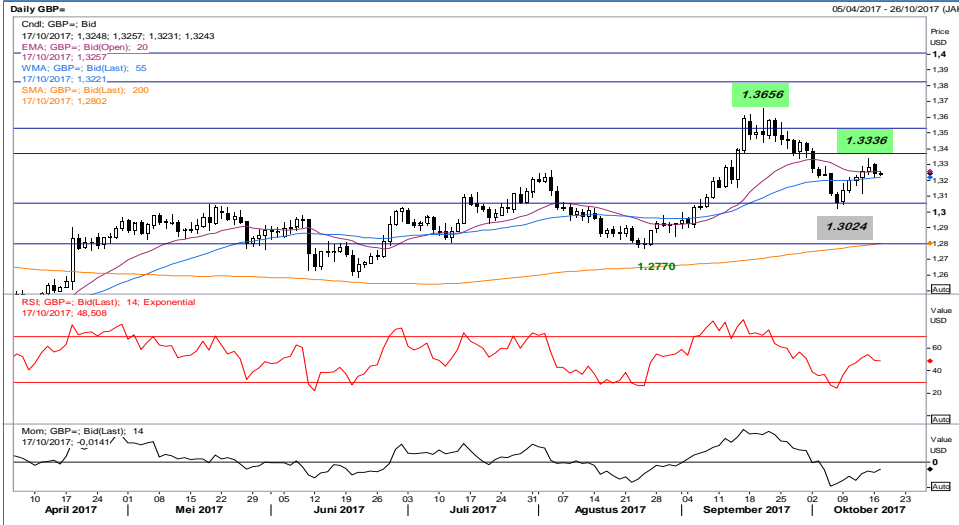
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
112.467 (17/Oct)	111.641 (16/Oct)	113.427 (03/Oct)	111.976 (10/Oct)	113.245 (27/Sep)	107.307 (08/Sep)	118.60 (03/Jan)	107.307 (08/Sep)

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	112.00
	SELL	----
	STOP LOSS	111.40
	TARGET	112.70 113.00

GBP/USD

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



- The movement is *bullish*.
- RSI rebounds the oversold area.

[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 17	1.32498	1.32859	1.31536	132,3	1.31851	↓ 65,9	1.32510
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.33105 (16/Oct)	1.31536 (17/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	----
	SELL	1.3220
	STOP LOSS	1.3320
	TARGET	1.3120 1.3070

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 17	0.97500	0.98077	0.97469	60,8	0.97826	↑ 29,3	0.97533
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

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	0.9750
	SELL	----
	STOP LOSS	0.9680
	TARGET	0.9820 0.9850

AUD/USD

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



- The series drops to a low level in the daily movement
- The main resistance at 0.8124, support 0.7671
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 17	0.78522	0.78597	0.78171	42,6	0.78442	↓ 4,8	0.78490
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

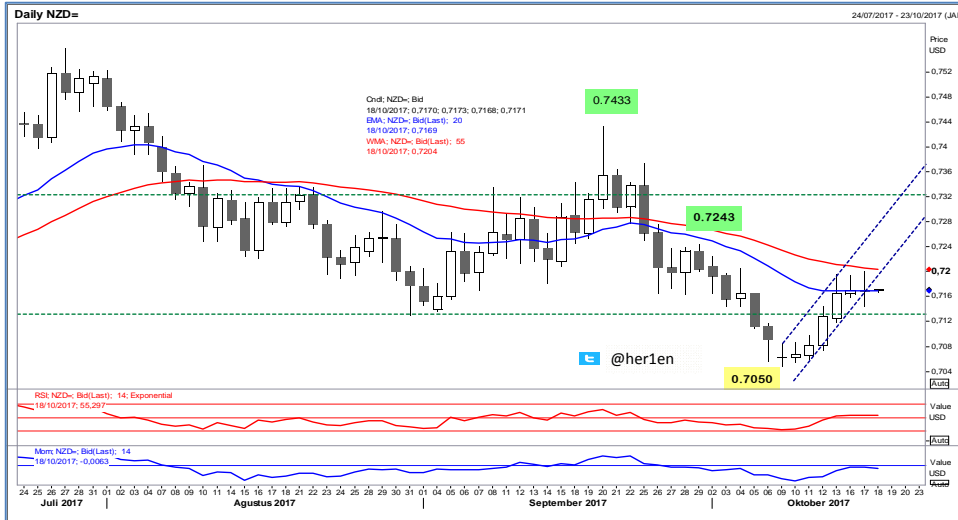
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.78885 (16/Oct)	0.78171 (17/Oct)	0.78960 (13/Oct)	0.77318 (06/Oct)	0.81239 (08/Sep)	0.77984 (28/Sep)	0.81239 (08/Sep)	0.7182 (03/Jan)

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	0.7783	Low Oct 12
	0.7721	Low July 14
	0.7671	Low July 13
	0.7567	Low July 05
ECOMMENDATION	BUY	-----
	SELL	0.7860
	STOP LOSS	0.7920
	TARGET	0.7790 0.7760

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 17	0.71892	0.71968	0.71459	50,9	0.71697	↓ 1,3	0.71710
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

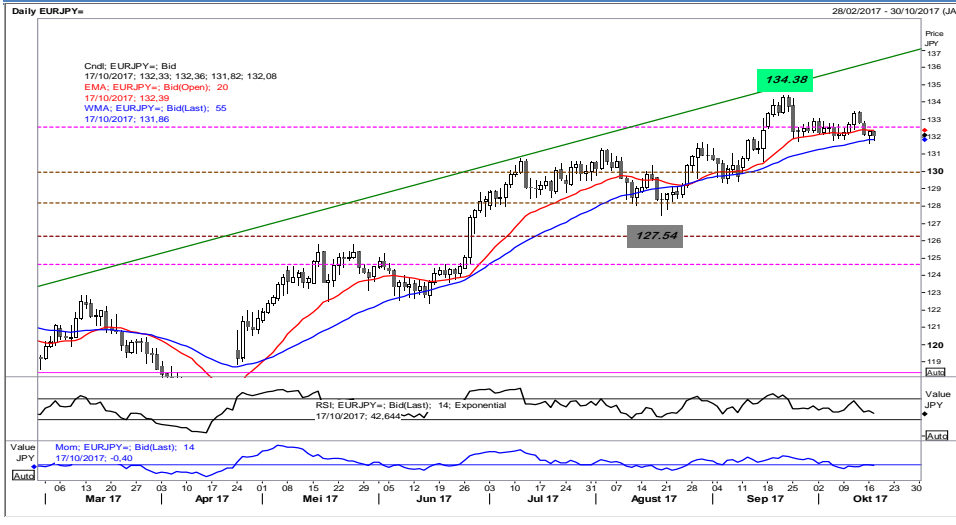
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71968 (17/Oct)	0.71459 (17/Oct)	0.72248 (02/Oct)	0.70545 (10/Oct)	0.74323 (20/Sep)	0.71446 (01/Sep)	0.75570 (27/Jul)	0.68166 (11/May)

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	0.7150
	SELL	-----
	STOP LOSS	0.7085
	TARGET	0.7220 0.7250

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 17	132.271	132.345	131.816	52,9	131.988	↓ 33,0	132.318
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

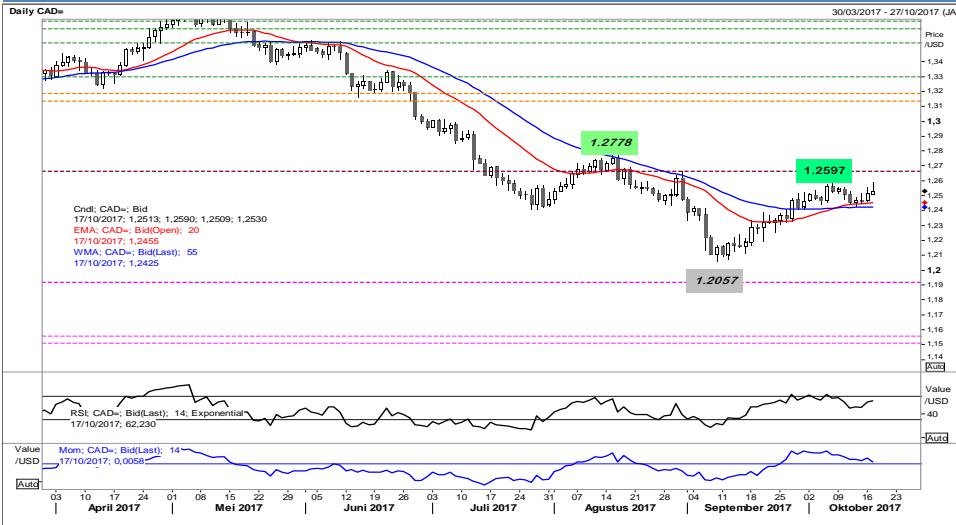
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
132.359	131.632	133.044	131.814	134.377	129.340	134.377	114.87
(16/Oct)	(16/Oct)	(02/Oct)	(05/Oct)	(22/Sep)	(06/Sep)	(22/Sep)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	136.95	High 09/Oct/2015 (Reaction high)
	136.40	High 21/Oct/2015 (Reaction high)
	134.59	High 04/Dec/2015 (Reaction high)
	132.93	High 13/Oct/2017
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	132.20
	STOP LOSS	132.90
	TARGET	131.50 131.20

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	1.2516

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2590 (17/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	1.2485
	SELL	----
	STOP LOSS	1.2415
	TARGET	1.2555 – 1.2585

Precious Metal – *Daily Outlook*

Gold falls on hawkish views about possible next Fed chair - Reuters News



Gold prices fell to a one-week low on Tuesday on speculation that the eventual successor to U.S. Federal Reserve Chair Janet Yellen will favor higher interest rates. Spot gold was down 0.6 percent at \$1,286.74 an ounce by 2:16 p.m. EDT (1816 GMT), after dipping to \$1,281.31, while U.S. gold futures for December delivery settled down \$16.80, or 1.3 percent at \$1,286.20 per ounce, hitting a one-week low of \$1,283.20.

"Uncertainty about the next Fed chair being interpreted as being more hawkish encouraged more selling," said Ryan McKay, commodity strategist at TD Securities in Toronto.

U.S. President Donald Trump was favoring policy hawk John Taylor as the next head of the Fed, Bloomberg reported, pushing the dollar higher and lifting U.S. Treasury yields.

Taylor, a Stanford economist, is seen as more likely to raise rates than Yellen, which would boost the dollar and dent gold and U.S. Treasuries

Meanwhile, the U.S. Labor Department said on Tuesday import prices jumped 0.7 percent last month, the biggest gain since June 2016, pushing inflation expectations higher and increasing the likelihood of monetary policy tightening.

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

Gold generally loses some of its appeal when interest rates are higher as it yields no interest.

Palladium, used mainly in auto catalytic converters, rose 0.9 percent at \$981.25 per ounce, after hitting its highest since February 2001 in the previous session.

Analysts are wary about the price of palladium overheating in response to higher demand in the world's biggest auto market, China, and an expected supply deficit this year.

"While fundamentals in palladium are good, they are not supportive of the kind of gains we have seen this year," Arnold said.

Raising political tensions, Iraqi government forces captured the Kurdish-held oil city of Kirkuk on Monday, responding to a Kurdish referendum on independence with force and transforming the balance of power in the oil-producing country.

Meanwhile, the United States is not ruling out the eventual possibility of direct talks with North Korea, Deputy Secretary of State John J. Sullivan said on Tuesday, hours after Pyongyang warned nuclear war might break out at any moment.

Silver fell 0.8 percent to \$17.04 an ounce, having touched a one-week low of \$16.92, while platinum was up 0.3 percent at \$931.24 an ounce. [\(Source Reuters, Research – @her1en\)](#)

GOLD (XAU/USD)



- Resistance around 1334
 - Support area is around 1251
 - Daily RSI is down
- [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Oct 17	1295.550	1296.110	1281.270	14.84	1284.990	↓ 9.96	1294.950	1289.70	1284.75
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1305.890 (16/Oct)	1281.270 (17/Oct)	1305.890 (16/Oct)	1260.470 (06/Oct)	1357.380 (08/Sep)	1277.560 (28/Sep)	1357.380 (08/Sep)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1357.54	High Sept 08
	1334.36	High Sept 15
	1313.54	High Sept 26
	1296.28	High Oct 17
SUPPORT	1275.01	Low Oct 09
	1260.16	Low Oct 06
	1251.01	Low Aug 08
	1243.41	Low July 26
RECOMMENDATION	BUY	-----
	SELL	1286.00
	STOP LOSS	1296.00
	TARGET	1276.00 1271.00

SILVER (XAG/USD)



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 17	17.229	17.235	16.950	0.29	17.013	↓ 0.20	17.210
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.448	16.950	17.448	16.316	18.199	16.614	18.63	14.334
(16/Oct)	(17/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	----
	SELL	17.05
	STOP LOSS	17.35
	TARGET	16.70
		16.50

OIL – Daily Outlook

Oil steady as U.S. output gains offset Middle East tensions - Reuters News



Oil prices ended little changed on Tuesday, steadying after earlier gains and losses, as expectations of high U.S. production and exports offset concerns that fighting between Iraqi and Kurdish forces could threaten the country's crude output.

Brent crude futures gained 6 cents, or 0.1 percent, to settle at \$57.88 per barrel, while U.S. crude gained 1 cent to settle at \$51.88. Both contracts traded up nearly 1 percent and down over 1 percent during the day.

The Baghdad government recaptured territory across northern Iraq from Kurds on Tuesday, widening a campaign that has shifted the balance of power in the country.

The fighting in one of Iraq's main oil-producing areas helped to restore a risk premium on oil prices, though officials said that oilfields in the region were operating normally.

"The security premium built into prices from the (Iraqi-Kurdish) situation is in the process of vanishing," said John Kilduff, partner at Again Capital LLC in New York.

"Everyone is looking to see if the high level of (U.S.) crude oil exports will pull down inventories again," Kilduff said.

Analysts forecast U.S. crude inventories declined by about 4.2 million barrels in the week to Oct. 13.

The American Petroleum Institute (API), an industry trade group, will release U.S. weekly petroleum inventory data at 4:30 p.m. EDT (2030 GMT), ahead of the government's report on Wednesday.

"Market participants will closely watch the rising oil-production profile in the United States and persistently high exports from the country – factors that will continue to limit gains in oil prices," said Abhishek Kumar, senior energy analyst at Interfax Energy's Global Gas Analytics in London.

Tension between the United States and Iran is also rising, increasing the global risk premium for oil.

U.S. President Donald Trump on Friday refused to certify Iran's compliance over a nuclear deal, leaving Congress 60 days to decide on further action against Tehran.

During the previous round of sanctions against Iran, about 1 million bpd of oil was cut from global markets.

"Oil and geopolitics are very much interlinked," Fatih Birol, executive director of the International Energy Agency, told Reuters. "Oil security remains a critical issue."

With supply cuts led by the Organization of the Petroleum Exporting Countries (OPEC) tightening the market, analysts have been raising their oil price forecasts.

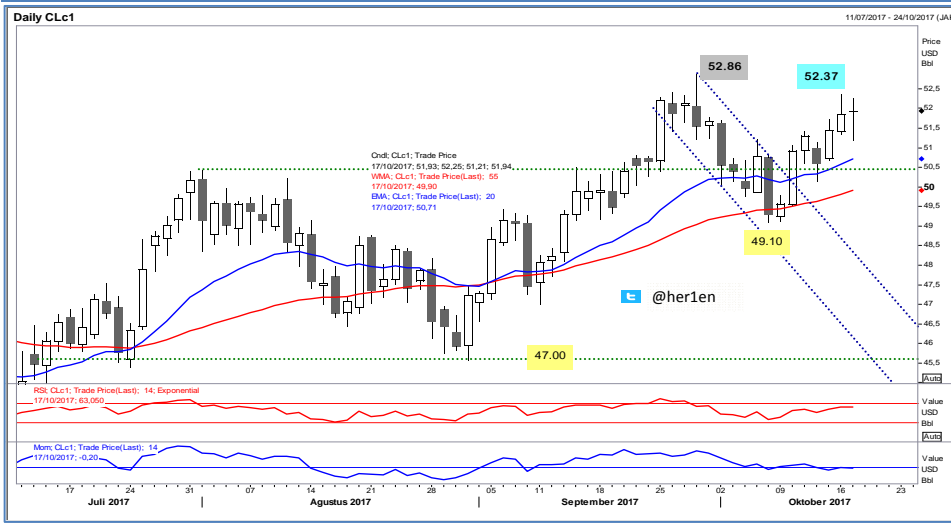
Birol said the rate of compliance by OPEC and its partners in their targeted cutting of about 1.8 million barrels per day between January this year and March 2018 was about 86 percent.

Bank of America Merrill Lynch said it was raising its oil price forecasts.

"We see Brent averaging \$54 this quarter and \$52.50 per barrel in 1H18, compared with our previous forecasts of \$50 and \$49.50 per barrel respectively," it said.

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

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



- Daily RSI is flat
 - Correction occurs in daily movement
 - Important resistance at 53.99, support at 48.12.
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 17	51.90	52.23	51.20	1.03	51.93	↑ 0.02	51.91
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

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
52.35 (16/Oct)	51.20 (17/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	-----
	SELL	52.15
	STOP LOSS	53.25
	TARGET	50.75 50.25