



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

- Major global stock markets fell slightly on Wednesday as investors took profits after record gains, while U.S. Treasury yields reached nine-month highs, as a \$1.5 trillion tax bill cleared both chambers of the Republican-led U.S. Congress.

GLOBAL ECONOMIES

- New Zealand reported a slightly larger-than-expected current account deficit in the third quarter as overseas income of domestic companies was lower than that of foreign firms operating in the country, official data showed on Wednesday.
- China will deepen structural reforms and curb risks to the country's financial system while maintaining steady economic growth in 2018, the official Xinhua news agency said on Wednesday, citing leaders at an economic planning meeting.
- The Bank of Japan's holdings of government debt rose to a record in July-September under its quantitative easing programme, which could deepen concerns its policy framework is unsustainable.
- The euro zone's current account surplus narrowed in October as its net exports of goods fell slightly, European Central Bank data showed on Wednesday.
- The Bank of England said on Wednesday it planned to spare European banks costly extra capital rules once Britain left the EU, but warned of "consequences" if Brexit talks turned sour.
- U.S. home sales increased more than expected in November, hitting their highest level in nearly 11 years, the latest indication that housing was regaining momentum after almost stalling this year.

GLOBAL MARKETS

U.S. & Global Markets – Major global stock markets fell slightly on Wednesday as investors took profits after record gains, while U.S. Treasury yields reached nine-month highs, as a \$1.5 trillion tax bill cleared both chambers of the Republican-led U.S. Congress.

The legislation, which would enact the biggest U.S. tax code overhaul in more than three decades, heads to President Donald Trump for signing, although the timing was unclear.

The U.S. House of Representatives voted for a second time to pass the sweeping bill Wednesday afternoon, hours after the Senate approved it.

The bill will slash the corporate income tax rate to 21 percent from 35 percent, which analysts say will boost business earnings and lead to higher dividends and stock buybacks.

U.S. stocks rallied in the days ahead of voting on the bill, introduced six weeks ago, but some investors have begun to sell.

The Dow Jones Industrial Average fell 28.1 points, or 0.11 percent, to end at 24,726.65, the S&P 500 lost 2.22 points, or 0.08 percent, to 2,679.25 and the Nasdaq Composite dropped 2.89 points, or 0.04 percent, to 6,960.96.

MSCI's gauge of stocks across the globe shed 0.06 percent.

European stock markets fell 0.7 percent, with blue-chip indexes in Berlin, Paris and London 0.3 to 1.1 percent lower. The pan-European FTSEurofirst 300 index also lost 0.70 percent.

Japanese stocks inched up slightly as strength in financials offset a sustained sell-off in construction shares. The Nikkei share average edged up 0.1 percent to 22,891.72 after trading in the red.

Government bond yields, which move inversely to their prices, have jumped in the United States and Europe on expectations tax reform would help boost economic growth and inflation.

U.S. Treasury yields rose to nine-month highs as the bill passed.

Benchmark 10-year U.S. Treasury notes were last down 10/32 in price to yield 2.497 percent, from 2.463 percent late Tuesday. The 30-year bond was last down 1-3/32 to yield 2.8767 percent, from 2.823 percent.

Euro zone government bonds sold off sharply for a second straight day.

(Source Reuters – @her1en)

GLOBAL ECONOMIES

New Zealand – New Zealand reported a slightly larger-than-expected current account deficit in the third quarter as overseas income of domestic companies was lower than that of foreign firms operating in the country, official data showed on Wednesday.

The actual quarterly deficit was NZ\$4.679 billion in the three months to September, according to Statistics New Zealand, wider than the NZ\$4.29 billion deficit analysts had expected.

The New Zealand dollar initially dropped almost 0.3 percent to \$0.6966. It last stood at \$0.6974.

"The current account deficit was very slightly wider than market expectations...we were surprised by the (relatively low) rate of return by New Zealand's assets overseas," said Sharon Zollner, chief economist at ANZ Bank.

Net out flow in primary income, rose NZ\$136 million to NZ\$2.5 billion in the September quarter.

"New Zealand businesses earned less income from their overseas subsidiaries this quarter, while the income earned by foreign-owned businesses was relatively steady," Statistics New Zealand said in a research note.

The annual current account deficit to September was NZ\$7.1 billion, equating to 2.6 percent of gross domestic product

A record value of imports, driven by cars, was largely offset by a strong showing for New Zealand dairy exports.

A companion dataset also released on Wednesday showed a similar trend, with imports rising to a record NZ\$5.82 billion in November from NZ\$5.4 billion in the previous month.

China – China will deepen structural reforms and curb risks to the country's financial system while maintaining steady economic growth in 2018, the official Xinhua news agency said on Wednesday, citing leaders at an economic planning meeting.

China has seen better-than-expected economic growth this year even as it stepped up a campaign to cut debt, though there are growing concerns that the tighter policy environment could weigh on growth in the world's second-largest economy next year.

The annual economic conference is attended by China's top leaders and is keenly watched by investors for clues to policy priorities and economic targets in the year ahead.

The government will push forward with structural supply-side reform and maintain prudent, neutral monetary policy next year as it looks to improve the quality of growth, the news agency said citing a statement following the meeting.

"China's economic development has entered a new era. The basic feature is that our economy has shifted from the high-speed growth stage to a stage of high-quality development," the statement said.

"Pushing forward high-quality growth is a requirement for maintaining healthy development of the economy."

The statement echoes President Xi Jinping's comment at a key party congress in October that China would strive for higher quality, more efficient and fair growth.

At a Politburo meeting earlier this month, top leaders pledged to deepen structural reforms and curb systemic risks from the country's growing debt pile while maintaining steady economic growth in 2018.

In the first nine months of this year, the economy grew 6.9 percent from a year earlier. Growth was underpinned by stronger exports and sustained state spending, positioning China to exceed the government's growth target of around 6.5 percent this year.

China will maintain economic growth in a reasonable range next year and also keep credit growth reasonable, Xinhua said.

Sources have told Reuters that Chinese leaders are likely to stick with that growth target for 2018, even as they ratchet up efforts to prevent a destabilising build-up of debt.

Beijing has made progress this year controlling the level of debt in the economy as a portion of GDP, with corporate debt ratios declining slightly this year, according to data from the Bank of International Settlements.

While the statement following this year's economic conference made no mention of the need to lower corporate leverage - in contrast to last year's readout - that does not mean China is de-emphasising the deleveraging drive, said Yang Zhao, Nomura's chief China economist.

"(Deleveraging) might not be intensified with new policies, but for policies already rolled out, they will materialise and be implemented next year," said Zhao, who added that deleveraging is a component of China's supply-side reform strategy. "The deleveraging, I think, will remain in place."

The leadership said the fight to control risks was primarily focused on dealing with financial risks, Xinhua said.

That aligns with a campaign this year to defuse points of risk in China's financial markets, including reining in the massive shadow banking sector and rolling out new rules for micro-lenders.

China will also take concrete measures to strengthen the regulation of local government debt, promote private investment, and will deepen reform of state-owned firms in 2018, Xinhua added.

In the property sector, which saw a rapid run-up in prices in recent years though gains have slowed, China will maintain the stability and continuity of property tightening measures, Xinhua said.

Japan – The Bank of Japan's holdings of government debt rose to a record in July-September under its quantitative easing programme, which could deepen concerns its policy framework is unsustainable.

The BOJ held a record 445 trillion yen (\$3.94 trillion) in government debt at the end of September, up 7.6 percent from the same period a year earlier, central bank data showed on Wednesday.

The central bank held 40.9 percent of all government debt at the end of September, also the highest on record. Insurance companies and pensions were the second-largest holders, accounting for 21.6 percent of all bonds outstanding.

The BOJ has slowed the pace of government debt purchases since it switched its policy benchmark last year in September to targeting interest rates from the size of the monetary base.

However, some economists would argue that data for the third quarter shows government debt holdings are still rising at an alarming rate, which will make it more difficult for the BOJ to unwind its massive stimulus policy.

Central bank data showed that assets held by Japanese households rose 4.7 percent in the third quarter from a year earlier to a record 1,845 trillion yen due to gains in stocks and investment trusts.

Cash, savings, and financial assets held by Japanese companies also rose 15.3 percent year-on-year in the third quarter to a record 1,207 trillion yen.

Prime Minister Shinzo Abe has repeatedly urged Japanese companies to use their large cash reserves to raise capital expenditure and wages to help boost consumption, but the data shows that companies have so far resisted these pleas.

Euro Zone – The euro zone's current account surplus narrowed in October as its net exports of goods fell slightly, European Central Bank data showed on Wednesday.

The currency bloc recorded a surplus of 30.8 billion euros (\$36.48 billion) in October, compared to 39.2 billion euros one month earlier, the data showed.

On a cumulative basis, the euro zone's current account surplus was equal to 3.2 percent of its gross domestic product in the first 10 months of 2017.

UK – The Bank of England said on Wednesday it planned to spare European banks costly extra capital rules once Britain left the EU, but warned of "consequences" if Brexit talks turned sour.

Setting out its position for a tussle with Brussels over London's status as a global financial hub, the BoE said keeping Britain open to foreign banks after Brexit was key for economic growth at home and beyond.

Bank of England Governor Mark Carney said big European banks operating in Britain would face little change, as long as their supervisors in the European Union cooperated with London after Brexit.

"But we retain all our options and if that is not forthcoming there will be consequences for those institutions," he told lawmakers shortly after the BoE plan was published.

Deputy Governor Sam Woods said cooperation had worked well to date. "However Brexit is throwing up a point of tension which I think will probably build rather than subside."

The BoE's announcement, which was backed by Britain's finance ministry, was a first salvo in an expected struggle with the EU over banking rules that will decide the long-term fate of London's lucrative financial centre.

Prime Minister Theresa May has said Brexit will entail leaving the EU's single market, raising questions about how British companies will do business in the bloc and European ones in Britain.

A bitter British divorce from the EU would make cross-border supervisory cooperation harder and potentially hurt banks with a big London presence, such as Germany's Deutsche Bank.

The BoE said it would allow larger banks - for example, with assets of more than 15 billion pounds (\$20 billion) in Britain - to operate as branches in the UK only if their home supervisors agreed to cooperate more closely with the BoE.

Otherwise, they would be classed as subsidiaries, which would require them to park costly extra capital in Britain.

There are 77 branches of banks from the European Economic Area in Britain - 23 of which have assets of around or above 15 billion pounds - plus 80 branches of insurers.

The BoE's proposal indicated a softer British position than that of the EU. It has so far insisted that London-based banks will lose their free access to EU banking markets if Britain sticks to its plan to impose new controls on migration, which is popular with British voters but would breach one of the conditions for membership of the single market.

But Carney said the two sides had a lot in common and sounded upbeat about prospects of a deal.

"I don't accept the argument that just because it hasn't been done in the past it can't be done in the future," he said.

London vies with New York for the title of the world's financial capital. It dominates the \$5.1-trillion-a-day global foreign exchange market and is home to more banks than any other centre. But many other EU capitals see Brexit as an opportunity to grab new business.

The EU has already proposed that clearing of euro-denominated derivatives, done mainly in London, could move to the euro zone if there is no comprehensive Brexit deal between EU and UK regulators.

The BoE's conditions on whether branches should become subsidiaries will be seen as a riposte the euro clearing plans in Brussels, which also emphasises the need for strong supervisory cooperation to avoid forced relocation.

The tough EU line on banking is extremely sensitive for Britain which collects over 70 billion pounds a year in tax from the financial services sector.

U.S. – U.S. home sales increased more than expected in November, hitting their highest level in nearly 11 years, the latest indication that housing was regaining momentum after almost stalling this year.

The National Association of Realtors said on Wednesday that existing home sales surged 5.6 percent to a seasonally adjusted annual rate of 5.81 million units last month amid continued recovery in areas in the South ravaged by Hurricanes Harvey and Irma. That was the highest level since December 2006 and followed an upwardly revised 5.50 million-unit pace in October.

Economists polled by Reuters had forecast home sales rising 0.9 percent to a 5.52 million-unit rate in November from a previously reported 5.48 million-unit pace in October.

Existing home sales make up about 90 percent of U.S. home sales. They rose 3.8 percent on a year-on-year basis in November.

The NAR said sales in the South, which accounts for almost half of the existing homes sales market, increased 8.3 percent last month. Sales rose 6.7 percent in the Northeast and jumped 8.4 percent in the Midwest. They, however, fell 2.3 percent in the West, which has seen a strong increase in house prices.

Despite the recent gains, existing home sales remain constrained by a chronic shortage of houses at the lower end of the market, which is keeping prices elevated and sidelining some first-time buyers, who accounted for 29 percent of transactions last month.

Economists and realtors say a 40 percent share of first-time buyers is needed for a robust housing market.

The number of previously owned homes on the market dropped 7.2 percent to 1.67 million units in November. That was the second lowest reading since 1999. Housing inventory has dropped for 30 straight months on a year-on-year basis.

At November's sales pace, it would take a record low 3.4 months to exhaust the current inventory, down from 3.9 months in October. A six-month supply is viewed as a healthy balance between supply and demand.

With supply still tight, the median house price increased 5.8 percent from a year ago to \$248,000 in November. That was the 69th consecutive month of year-on-year price gains. In contrast, annual wage growth has struggled to break above 2.9 percent since the 2007/09 recession ended. The report came on the heels of data this week showing homebuilder confidence vaulting to a near 18-1/2-year high in December and single-family homebuilding and permits rising in November to levels last seen in the third quarter of 2007. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.	
Mon/18-Dec-17	06:50	JP	Exports YoY	Nov	16.2%	14.7%	14.0%		
	06:50	JP	Imports YoY	Nov	17.2%	19.6%	18.9%		
	06:50	JP	Trade Balance	Nov	¥113.4b	-¥59.8b	¥285.4b		
	06:50	JP	Trade Balance Adjusted	Nov	¥364.1b	¥243.9b	¥322.9b	¥349.3b	
	07:00	NZ	ANZ Consumer Confidence Index	Dec	121.8	--	123.7		
	07:00	NZ	ANZ Consumer Confidence MoM	Dec	-1.5%	--	-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	1.1%	0.9%	0.9%		
17:00		EZ	CPI MoM	Nov	0.1%	--	0.1%		
17:00		EZ	CPI YoY	Nov F	1.5%	1.5%	1.5%		
22:00		US	NAHB Housing Market Index	Dec	74	70	70	69	
Tue/19-Dec-17	04:00	KR	PPI YoY	Nov	--	--	3.5%		
	04:00	NZ	Westpac Consumer Confidence	4Q	107.4	--	112.4		
	07:00	NZ	ANZ Activity Outlook	Dec	15.6	--	6.5		
	07:00	NZ	ANZ Business Confidence	Dec	-37.8	--	-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	46.8%	--	46.9%		
	13:45	CH	SECO Dec. 2017 Economic Forecasts		--				
	16:00	DE	IFO Business Climate	Dec	117.2	117.6	117.5	117.6	
	16:00	DE	IFO Current Assessment	Dec		--	124.4		
	16:00	DE	IFO Expectations	Dec	109.5	110.7	111		
	17:00	EZ	Construction Output MoM	Oct	-0.4%	--	0.1%		
	17:00	EZ	Construction Output YoY	Oct	2.0%	--	3.1%	3.5%	
	20:30	US	Building Permits	Nov	1298k	1270k	1297k	1316k	
	20:30	US	Building Permits MoM	Nov	-1.4%	-3.5%	5.9%	7.4%	
	20:30	US	Current Account Balance	3Q	-\$100.6b	-\$116.5b	-\$123.1b	-\$124.4b	
	20:30	US	Housing Starts	Nov	1297k	1248k	1290k	1256k	
	20:30	US	Housing Starts MoM	Nov	3.3%	-3.3%	13.7%	8.4%	
	N/A	NZ	GDT Price Index		-3.9%		0.4%		
	Wed/20-Dec-17	04:45	NZ	BoP Current Account Balance NZD	3Q	-4.679b	-4.200b	-0.618b	-0.514b
04:45		NZ	Current Account GDP Ratio YTD	3Q	-2.6%	-2.5%	-2.8%	-2.7%	
04:45		NZ	Exports NZD	Nov	4.63b	4.61b	4.56b	4.55b	
04:45		NZ	Imports NZD	Nov	5.82b	5.10b	5.43b	5.40b	
04:45		NZ	Trade Balance 12 Mth YTD NZD	Nov	-3439b	-2700m	-2986m	-2969m	
04:45		NZ	Trade Balance NZD	Nov	-1193m	-550m	-871m	-843m	
06:30		AU	Westpac Leading Index MoM	Nov	0.10%	--	0.13%	0.14%	
11:30		JP	All Industry Activity Index MoM	Oct	0.3%	0.3%	-0.5%		
14:00		DE	PPI MoM	Nov	0.1%	0.2%	0.3%		
14:00		DE	PPI YoY	Nov	2.5%	2.6%	2.7%		
16:00		EZ	Current Account NSA	Oct	35.9b	--	41.8b	43.2b	
16:00		EZ	ECB Current Account SA	Oct	30.8b	--	37.8b	39.2b	
22:00		US	Existing Home Sales	Nov	5.81m	5.53m	5.48m	5.50m	
22:00		US	Existing Home Sales MoM	Nov	5.6%	0.9%	2.0%	2.4%	
22:30		US	DOE Cushing OK Crude Inventory	Dec-15	754k	-	-3317k		
22:30		US	DOE U.S. Crude Oil Inventories	Dec-15	-6595k	-3150k	-5117k		
22:30		US	DOE U.S. Distillate Inventory	Dec-15	769k	250k	-1370k		
22:30	US	DOE U.S. Gasoline Inventories	Dec-15	1237k	2300k	5664k			
Thu/21-Dec-17	04:45	NZ	GDP SA QoQ	3Q	0.6%	0.6%	0.8%	1.0%	
	04:45	NZ	GDP YoY	3Q	2.7%	2.4%	2.5%	2.8%	
	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 eked out modest gains on Wednesday in choppy trade as strength in financials offset a sustained sell-off in construction shares amid a suspected bid-rigging scandal.

The Nikkei share average edged up 0.1 percent to 22,891.72 after trading in the red.

Financial firms took heart from higher U.S. yields as they invest in high-yielding products such as foreign bonds. Mitsubishi UFJ Financial Group advanced 2.1 percent and Dai-ichi Life Holdings rose 2.5 percent.

The construction sector slipped 0.7 percent and was the second worst sectoral performer, with Taisei Corp sliding 2.7 percent after the Nikkei business daily reported that the construction firm had asked rival Obayashi Corp to refrain from bidding on a project for magnetic levitation (maglev) trains.

Meanwhile, Japan Display Inc jumped 3.1 percent after Kyodo reported that it is discussing an investment of more than 200 billion yen (\$1.8 billion) from three Chinese panel makers including BOE Technology Group Co

South Korea's KOSPI stock index weakened on Wednesday. The Korean won rose to a four-week closing high on the local platform while bond yields fell.

At 06:33 GMT, the KOSPI was down 6.16 points or 0.25 percent at 2,472.37.

The won was quoted at 1,080.9 per dollar on the onshore settlement platform, 0.37 percent firmer than its previous close at 1,084.9. Sentiment for the currency got a fillip from gains in other Asian peers.

In offshore trading, the won was quoted at 1,080.1 per U.S. dollar, up 0.42 percent from the previous day, while in one-year non-deliverable forwards it was transacted at 1,073.15 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.04 percent, after U.S. stocks ended the previous session with mild losses. Japanese stocks rose 0.1 percent.

The KOSPI is up around 22.3 percent so far this year, and down 2.63 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 228,367,000 shares, and of the total traded issues of 881, the number of advancing shares was 341.

Foreigners were net sellers of 307,466 million won worth of shares.

The U.S. dollar has fallen 10.46 percent against the won this year. The won's high for the year is 1,075.71 per dollar on November 29 2017 and low is 1,211.8 on January 3 2017.

In money and debt markets, March futures on three-year treasury bonds rose 0.05 points to 108.09.

The Korean 3-month Certificate of Deposit benchmark rate was unchanged from a previous close of 1.66 percent, while the benchmark 3-year Korean treasury bond yielded 2.084 percent, lower than the previous day's 2.10 percent.

Hong Kong Hong Kong stocks dipped slightly on Wednesday as weakness in financial and IT stocks offset strength in property and utility plays

At close of trade, the Hang Seng index was down 19.57 points or 0.07 percent at 29,234.09. The Hang Seng China Enterprises index fell 0.31 percent to 11,505.88.

The sub-index of the Hang Seng tracking energy shares rose 0.2 percent while the IT sector dipped 0.78 percent, the financial sector was 0.33 percent lower and property sector rose 0.31 percent.

The top gainer on Hang Seng was Want Want China Holdings Ltd up 5.57 percent, while the biggest loser was Country Garden Holdings Company Ltd, which was down 3.35 percent.

So far this year, the Hang Seng index is up 32.97 percent, while China's H-share index is up 22.9 percent. As of the previous close, the Hang Seng has risen 0.26 percent this month.

The top gainers among H-shares were Air China Ltd up 4.36 percent, followed by Zhuzhou CRRC Times Electric Co Ltd gaining 2.83 percent and Sinopharm Group Co Ltd up by 1.41 percent.


The three biggest H-shares percentage decliners were New China Life Insurance Co Ltd which was down 3.36 percent, Byd Co Ltd which fell 2.1 percent and China Vanke Co Ltd down by 1.8 percent.

About 1.35 billion Hang Seng index shares were traded, roughly 68.7 percent of the market's 30-day moving average of 1.97 billion shares a day. The volume traded in the previous trading session was 1.68 billion.

At close, China's A-shares were trading at a premium of 31.34 percent over the Hong Kong-listed H-shares.

The price-to-earnings ratio of the Hang Seng index was 13.34 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 1.36 percent to HK\$19.15 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 0.07 percent on the day at 5,049.69 points.

China stocks were largely steady on Wednesday morning, as blue-chips firmed but small-caps dropped amid thin year-end trading. Hong Kong stocks eased.

At 04:03 GMT, the Shanghai Composite index was down 1.31 points or 0.04 percent at 3,295.23.

China's blue-chip CSI300 index was up 0.06 percent, with its financial sector sub-index lower by 0.33 percent, the consumer staples sector up 2.72 percent, the real estate index down 1.23 percent and healthcare sub-index up 0.45 percent.

Chinese H-shares listed in Hong Kong fell 0.16 percent to 11,523.72 while the Hang Seng Index was down 0.04 percent at 29,242.90.

The smaller Shenzhen index was down 0.38 percent and the start-up board ChiNext Composite index was weaker by 0.36 percent.

The largest percentage gainers in the main Shanghai Composite index were Anhui Leimingkehua Co Ltd up 10.03 percent, followed by Keda Clean Energy Co Ltd gaining 8.9 percent and Wuxi Taiji Industry Co Ltd up by 8.16 percent.

The largest percentage losses in the Shanghai index were Shanghai Chinafortune Co Ltd down 4.98 percent, followed by Xinjiang Ba Yi Iron & Steel Co Ltd losing 4.78 percent and Wuhan Xianglong Power Industry Co Ltd down 4.39 percent.

So far this year, the Shanghai stock index is up 6.22 percent, while China's H-share index is 22.9 percent higher. Shanghai stocks have declined 0.62 percent this month.

(Source Reuters, Research: rizal)

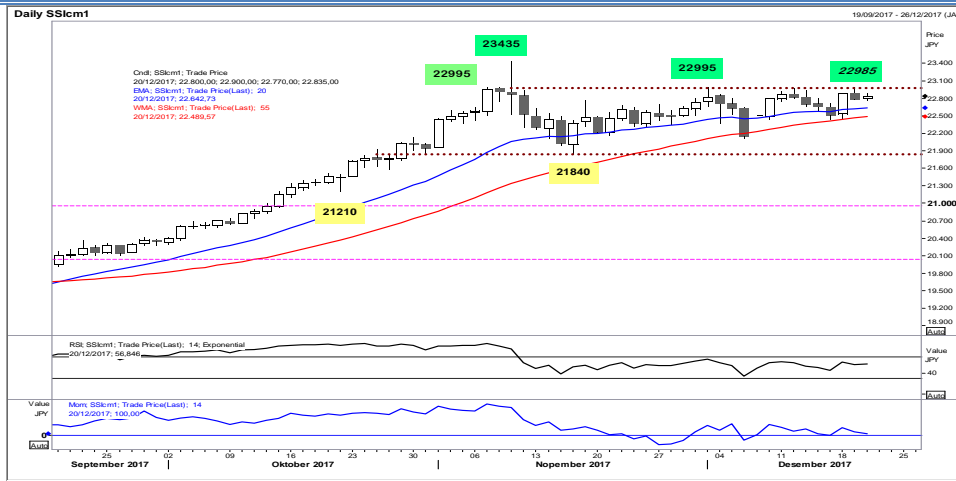
ASIA AND GLOBAL MARKET SPOT PRICE 2017

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)	24792.20 (18/Dec/2017)	2690.16 (18/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)	24792.20 (18/Dec/2017)	2690.16 (18/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 – 20 December 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	24726.65	↓ 28.10/0.11%	.N225	22891.72	↑ 23.72/0.10%
/.SPX	2679.28	↓ 2.19/0.08%	.KS200	325.79	↓ 0.97/0.30%
/.IXIC	6960.959	↓ 2.892/0.04%	.HSI	29234.09	↓ 19.57/0.07%
JPY=	113.38	↑ 0.50/0.44%	/.SSEC	3287.60570	↓ 8.93270/0.27%
KRW=	1079.56	↓ 5.49/0.50%	/CLc1 (Oil)	58.03	↑ 0.37/0.64%

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
20 Dec SS1pmH8	22855	22900	22775	125	22850	---	↓ 5	0.02	11901
20 Dec SS1amH8	22780	22900	22770	130	22855	22855	↑ 55	0.24	31494
19 Dec SS1pmH8	22800	22845	22770	75	22795	---	↓ 5	0.02	9571
19 Dec SS1amH8	22960	22985	22790	195	22800	22800	↓ 100	0.44	35528
18 Dec SS1pmH8	22900	22970	22880	90	22945	---	↑ 45	0.20	14275
18 Dec SS1amH8	22750	22900	22710	190	22900	22900	↑ 380	1.69	51248
15 Dec SS1pmH8	22535	22710	22470	240	22650	---	↑ 130	0.58	16910
15 Dec SS1amH8	22585	22720	22440	280	22520	22520	↓ 140	0.62	55651
14 Dec SS1pmH8	22660	22700	22510	190	22545	---	↓ 115	0.51	14834
14 Dec SS1amH8	22685	22750	22595	155	22660	22660	↓ 45	0.20	34970

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22985	22710	22995	22015	23435	21840	23435	18190
(19/Dec)	(18/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
	22995	High 01/Dec/2017
SUPPORT	22665	Low 01/Dec/2017
	22515	Low 30/Nov/2017
	22420	Reaction Low 27/Nov/2017 (Daily)
	22315	Reaction Low 23/Nov/2017 (Daily)
RECOMMENDATION	BUY	----
	SELL	22880
	STOP LOSS	23030
	TARGET	22680 22630

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



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

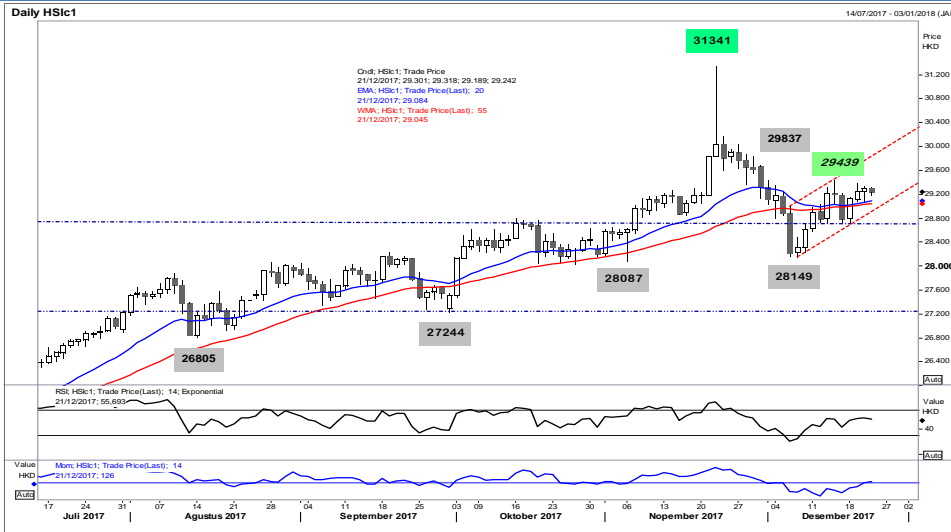
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
20 Dec	323.90	325.30	323.60	1.70	324.05	324.05	↓ 0.30	0.09	117460
19 Dec	325.15	327.25	323.65	3.60	324.35	324.35	↓ 0.30	0.09	177320
18 Dec	324.25	324.90	323.40	1.50	324.65	324.65	↑ 1.40	0.43	119463
15 Dec	325.30	326.25	323.25	3.00	323.25	323.25	↓ 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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
327.25 (19/Dec)	323.40 (18/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	332.55	High 29/Nov/2017
	329.95	High 06/Des/2017
	327.80	High Hourly Chart
	326.25	High 15/Dec/2017
SUPPORT	323.25	Low 15 Dec/2017
	321.40	Low 10/Oct/2017
	318.15	Low 20/Sept/2017
	314.65	Low 18/Sept/2017
RECOMMENDATION	BUY	----
	SELL	324.35
	STOP LOSS	325.85
	TARGET	322.35 321.85

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
20 Dec	29140	29339	29129	210	29301	29301	↑ 53	0.18	122247
19 Dec	29176	29381	29156	225	29248	29248	↑ 120	0.41	132912
18 Dec	28992	29158	28832	326	29128	29128	↑ 338	1.17	156866
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
29381	28832	29439	28149	30189	28087	30189	21863
(19/Dec)	(18/Dec)	(14/Dec)	(07/Dec)	(22/Nov)	(06/Nov)	(22/Nov)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	30045	High 27/Nov/2017
	29837	High 29/Nov/2017
	29691	High 30/Nov/2017
	29439	High 14/Dec/2017
SUPPORT	29189	Low Hourly Chart
	29045	Low 14/Dec/2017
	28804	Low 04/Dec/2017
	28661	Low 07/Nov/2017 (Hourly Chart)
RECOMMENDATION	BUY	29270
	SELL	----
	STOP LOSS	29120
	TARGET	29470 29520

CURRENCIES – *Daily Outlook*

Dollar slides as U.S. tax bill seen having limited impact - Reuters News



The dollar retreated against most currencies except the yen and Swiss franc on Wednesday, with the greenback seen having limited upside potential given that investors have already factored in a comprehensive U.S. tax bill that is all but certain to be signed into law by President Donald Trump.

"The U.S. dollar and FX markets more generally have largely been unfazed by the tax bill even though the U.S. is embarking on the biggest overhaul of the tax code since 1986," said TD Securities in a research note.

"This leads us to believe that FX has largely priced in the passage of the new legislation," it added.

The U.S. Senate approved the tax bill early Wednesday morning, while the House of Representatives gave it final approval, passing it for the second time in two days after a procedural foul-up forced another vote.

The bill essentially slashes taxes for corporations and the wealthy, while offering mixed, temporary tax relief to working individuals and families.

Some analysts though have remained skeptical about the tax bill's supposed positive impact on the U.S. economy.

While increased fiscal stimulus could lift inflation, allow the Fed to raise interest rates at a faster pace, and support the dollar, it could also expand fiscal deficits with little incentive for businesses to hire more workers, said Omer Esiner, chief market analyst at Commonwealth FX in Washington.

"It remains unclear how much fuel this bill will provide to the economy at this point in the business cycle."

In late trading, the dollar index fell 0.1 percent to 93.309. That led the euro to rise 0.3 percent versus the dollar to \$1.1879.

Year-end portfolio moves and a rise in German bond yields also helped the euro, analysts said.

Vincent Deluard, global macro strategist at INTL FCStone in San Francisco, believes the euro could reach \$1.30 in 2018. He believes the proceeds from the European Central Bank's quantitative easing program were invested by euro zone banks in U.S. Treasuries.

"The euro should appreciate massively once financial flows normalize," Deluard said.

The dollar also fell against sterling and the Australian, Canadian and New Zealand dollars.

Against the yen, however, the dollar rose to one-week highs and was last at 113.39 yen, up 0.5 percent.

Gains in the dollar were limited versus the yen, as the market looked to Thursday's outcome of the Bank of Japan's two-day policy meeting for clues to whether it will join the Federal Reserve and European Central Bank in winding back stimulus. [\(Source Reuters, Research – @her1en\)](#)

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 up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 20	1.18404	1.19006	1.18277	72,9	1.18702	↑ 32,0	1.18382
Dec 19	1.17816	1.18476	1.17753	72,3	1.18382	↑ 58,0	1.17802
Dec 18	1.17449	1.18331	1.17395	93,6	1.17802	↑ 23,3	1.17569
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

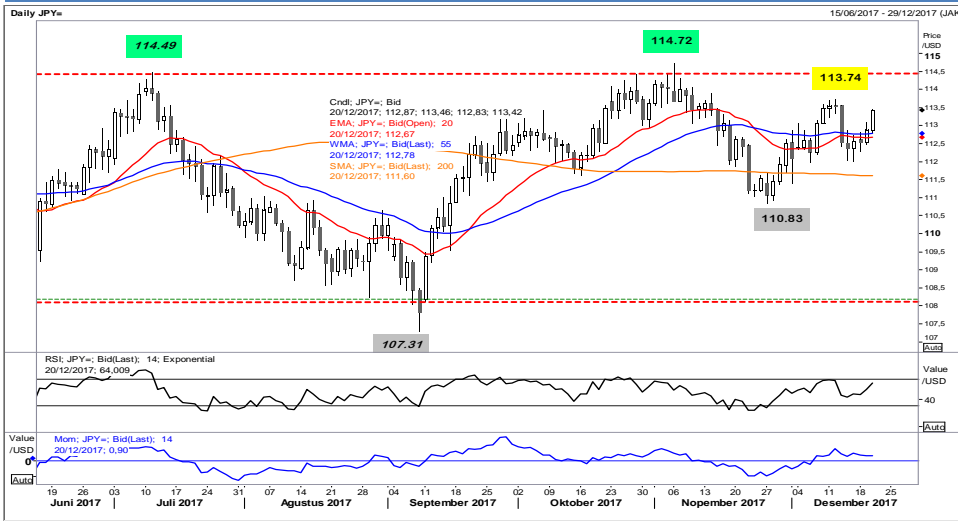
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.19006 (20/Dec)	1.17395 (18/Dec)	1.19391 (01/Dec)	1.17163 (12/Dec)	1.19601 (27/Nov)	1.15528 (07/Nov)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2254	Reaction high (High Dec 25, 2014)
	1.2092	Reaction high (High Sept 08)
	1.2031	Reaction high (High Sept 20)
	1.1960	High Sept 25
SUPPORT	1.1775	Low Dec 19
	1.1712	Low Nov 17
	1.1658	Low Nov 14
	1.1584	Low Nov 09
RECOMMENDATION	BUY	1.1845
	SELL	-----
	STOP LOSS	1.1770
	TARGET	1.1920 1.1955

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 – rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 20	112.842	113.454	112.835	61,9	113.384	↑ 51,4	112.870
Dec 19	112.548	113.066	112.499	56,7	112.870	↑ 34,1	112.529
Dec 18	112.609	112.817	112.297	52,0	112.529	↓ 6,7	112.596
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
113.454 (20/Dec)	112.297 (18/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
SUPPORT	113.06	Low 08/Dec/2017
	112.35	Low 04/Dec/2017
	111.41	Low 01/Dec/2017
	110.83	Low 27/Nov/2017
RECOMMENDATION	BUY	113.10
	SELL	----
	STOP LOSS	112.50
	TARGET	113.90 114.10

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 20	1.33858	1.34189	1.33706	48,3	1.33735	↓ 9,3	1.33828
Dec 19	1.33784	1.34012	1.33298	71,4	1.33828	↑ 2,0	1.33808
Dec 18	1.33169	1.34173	1.33092	108,1	1.33808	↑ 60,6	1.33202
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.34189 (20/Dec)	1.33092 (18/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	1.3871	Fibo. Projections (423.6%)
	1.3712	Fibo. Projections (261.8%)
	1.3656	High 20/Sep/2017
	1.3519	High 08/Dec/2017
SUPPORT	1.3308	Reaction Low Low 27/Nov/2017 (Daily)
	1.3211	Low 22/Nov/2017
	1.3183	Low 20/Nov/2017
	1.3060	Reaction Low 13/Nov/2017 (Daily)
RECOMMENDATION	BUY	----
	SELL	1.3390
	STOP LOSS	1.3455
	TARGET	1.3310 1.3290

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 20	0.98475	0.98842	0.98272	57,0	0.98661	↑ 23,3	0.98428
Dec 19	0.98559	0.98776	0.98336	44,0	0.98428	↓ 7,7	0.98505
Dec 18	0.99067	0.99160	0.98384	77,6	0.98505	↓ 54,7	0.99052
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99160 (18/Dec)	0.98272 (20/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	0.9733	Low 01/Dec/2017
	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
	0.9463	Low 11/Sep/2017
RECOMMENDATION	BUY	0.9850
	SELL	----
	STOP LOSS	0.9785
	TARGET	0.9930 0.9950

AUD/USD

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



- Daily RSI is flat
- The main resistance at 0.7897, support 0.7410
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 20	0.76586	0.76784	0.76500	28,4	0.76644	↑ 2,5	0.76619
Dec 19	0.76646	0.76827	0.76448	37,9	0.76619	↑ 2,3	0.76596
Dec 18	0.76473	0.76765	0.76395	37,0	0.76596	↑ 13,6	0.76460
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.76827 (19/Dec)	0.76395 (18/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	0.7625	Low Dec 14
	0.7528	Low June 14
	0.7497	Low June 07
	0.7410	Low June 05
ECOMMENDATION	BUY	-----
	SELL	0.7680
	STOP LOSS	0.7745
	TARGET	0.7605 0.7570

NZD/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 20	0.69773	0.70131	0.69529	60,2	0.70125	↑ 41,8	0.69707
Dec 19	0.69923	0.70177	0.69651	52,6	0.69707	↓ 21,4	0.69921
Dec 18	0.69961	0.70269	0.69903	36,6	0.69921	↓ 4,3	0.69964
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.70269 (18/Dec)	0.69529 (20/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	-----
	SELL	0.7020
	STOP LOSS	0.7085
	TARGET	0.6950 0.6920

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 20	133.621	134.747	133.601	114,6	134.572	↑ 95,1	133.621
Dec 19	132.604	133.894	132.581	131,3	133.621	↑ 104,7	132.574
Dec 18	132.259	132.979	132.259	72,0	132.574	↑ 19,5	132.379
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

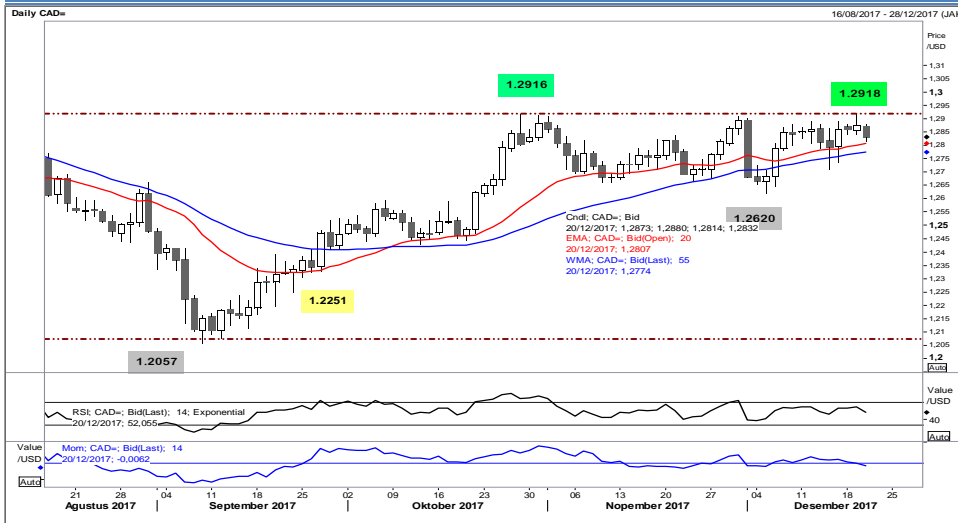
WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
134.747 (20/Dec)	132.259 (18/Dec)	134.747 (20/Dec)	132.024 (15/Dec)	134.119 (30/Nov)	131.144 (20/Nov)	134.747 (20/Dec)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	139.02	High 21/Aug/2015
	138.61	High 25/Aug/2015
	137.46	High 17/Sept/2015
	136.06	High 22/Oct/2015
SUPPORT	132.53	Low 30/Nov/2017
	131.71	Low 28/Nov/2017
	130.59	Low 15/Sept/2017
	129.34	Low 06/Sept/2017
RECOMMENDATION	BUY	134.25
	SELL	----
	STOP LOSS	133.45
	TARGET	135.25 135.45

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
1.2872	1.2833

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2918 (19/Dec)	1.2814 (20/Dec)	1.2918 (19/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)
	1.2918	High 19/Dec/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	1.2810
	SELL	----
	STOP LOSS	1.2740
	TARGET	1.2890 – 1.2910

Precious Metal – *Daily Outlook*

Weaker dollar pushes gold up to two-week high - Reuters News



Gold prices rose on Wednesday for a fourth straight session to reach a two-week high as U.S. data showing solid home sales but a fall in mortgage applications pushed the dollar to a two-week low.

Gains in bullion were limited, however, by a rise in U.S. bond yields to nine-month highs after the Congress passed the country's biggest tax overhaul in decades.

A weaker dollar makes gold cheaper for holders of other currencies, which can stimulate demand, but higher Treasury yields reduce the appeal of non-yielding bullion.

Spot gold was up 0.3 percent at \$1,265.26 an ounce by 1:53 p.m. EST (1853 GMT), after rising to \$1,267.81, the highest since Dec. 6.

U.S. gold futures settled up 0.4 percent at \$1,269.60.

Gold has risen by around 2.5 percent from a five-month low of \$1,235.92 on Dec. 12, helped by a weakening dollar.

"The price of gold continues to be rangebound between \$1,250 and \$1,270 as we approach the holiday week," said Walter Pehowich, executive vice president of investment services at Dillon Gage Metals. "Many on Wall Street seem to have flattened out their books and are getting ready for the new year after the Christmas break."

Prices are on track to register their narrowest trading range in the last quarter of 2017 than any quarter in a decade.

"Gold is coming up from a cyclical bottom. It's going to get quieter due to the upcoming holiday-long weekends," said Mun Chun Loh, director, Private Wealth at GoldSilver Central Pte Ltd in Singapore.

Holdings of the world's largest gold-backed exchange-traded fund, New York-based SPDR Gold Shares, fell 1 percent over Monday and Tuesday to the lowest level since early September.

But low prices have spurred demand for physical gold in China, with local premiums approaching \$11, said MKS PAMP trader Sam Laughlin.

Goldman Sachs said in a research note it expected gold prices to fall further, reaching \$1,200 an ounce by mid-2018.

"We see the decline in gold as evidence that 'fear' effects, which had been keeping gold supported, have at least partially moderated as U.S. tax reform and the transition to a new (U.S. Federal Reserve) chair appear to be going smoothly," it said.

On the technical side, resistance was at the 200-day moving average at \$1,269.15 an ounce and momentum indicators suggested gold would extend its recent rise if it remained above a Fibonacci level of \$1,260.50, said analysts at ScotiaMocatta.

Among other precious metal prices, palladium gained 0.5 percent to \$1,026.97, not far from last week's peak of \$1,038, the highest since February 2001.

Spot silver was up 0.3 percent at \$16.17 an ounce, while platinum was 0.2 percent higher at \$915.74 an ounce, after both rose to 2-1/2-week highs. [\(Source Reuters, Research – @her1en\)](#)

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 20	1261.510	1267.710	1261.250	6.46	1265.240	↑ 3.84	1261.400	1265.95	1264.55
Dec 19	1261.460	1265.110	1259.090	6.02	1261.400	↓ 0.46	1261.860	1263.10	1260.35
Dec 18	1253.880	1263.810	1252.600	11.21	1261.860	↑ 5.78	1256.080	1258.65	1260.60
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1267.710 (20/Dec)	1252.600 (18/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	1306.06	High Oct 16
	1299.13	High Nov 27
	1285.30	High Nov 30
	1277.01	High Dec 05
SUPPORT	1252.36	Low Dec 18
	1249.85	Reaction Low Dec 14, Daily
	1239.98	Low Dec 13
	1234.74	Low Jul 20
RECOMMENDATION	BUY	1263.00
	SELL	----
	STOP LOSS	1254.00
	TARGET	1273.50 1278.50

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 20	16.117	16.246	16.086	0.16	16.152	↑ 0.03	16.122
Dec 19	16.119	16.207	16.036	0.17	16.122	↓ 0.01	16.128
Dec 18	16.024	16.155	15.995	0.16	16.128	↑ 0.08	16.051
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.246 (20/Dec)	15.995 (18/Dec)	16.538 (01/Dec)	15.602 (12/Dec)	17.362 (17/Nov)	16.300 (30/Nov)	18.63 (17/Apr)	14.334 (07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.11	High Nov 28
	16.91	High Nov 29
	16.59	High Nov 30
	16.36	High Dec 05
SUPPORT	15.95	Low 18/Dec/2017
	15.83	Low 15/Dec/2017
	15.74	Low 14/Dec/2017
	15.59	Low Dec 13
ECOMMENDATION	BUY	16.10
	SELL	-----
	STOP LOSS	15.80
	TARGET	16.45
		16.65

OIL – Daily Outlook

Fall in U.S. crude stocks, North Sea outage supports prices - Reuters News



Crude prices rose on Wednesday, supported by a larger-than-expected drop in U.S. inventories and the continued outage of the North Sea Forties pipeline system.

U.S. crude stocks fell by 6.5 million barrels, more than expected, in the week to Dec. 15, while gasoline stocks rose 1.2 million barrels, less than anticipated, the Energy Information Administration said on Wednesday, even though refining activity rose.

West Texas Intermediate crude futures settled up 53 cents at \$58.09 a barrel, while Brent crude ended up 76 cents at \$64.56 a

barrel.

Crude stocks, excluding the U.S. Strategic Petroleum Reserve, are at 436.5 million barrels, the lowest since October 2015.

Inventories have been steadily declining in the United States due to strong export demand and efforts by major oil producers to restrict supply.

Refiners in the United States continue to run at above-average rates than is typical for this time of year, which is offsetting strong U.S. production, and resulting in product that is ready for export or domestic use. For the most recent week, refiner capacity utilization rose to 94.1 percent, the highest since the summer, and above average for December, notes Richard Hastings, macro strategist at Seaport Global Securities in Charlotte.

"Crude oil stocks are getting gobbled up and that is preventing a buildup from U.S. oil production," he said. "It's a stable story where the floor for crude prices is looking very firm."

OPEC and 10 other producers led by Russia last month extended an agreement to cut oil production by 1.8 million bpd until the end of next year to eliminate an oil glut.

Some producers, including Russia, had raised concerns over whether the deal should continue through the end of 2018. On Wednesday, Saudi Arabian energy minister Khalid al-Falih said it would be premature to discuss changes to OPEC's policy. He said the drawdown of inventories would likely take through the second half of 2018.

On Wednesday, Kuwait's oil minister Bakhit al-Rashidi said compliance among both OPEC and non-OPEC members currently stands at 122 percent, highest since the deal was implemented in January.

Rising U.S. crude production, which has soared by 16 percent since mid-2016 to 9.8 million bpd, was capping prices. The all-time U.S. production record of more than 10 million bpd was set in the early 1970s and is based on monthly EIA figures.

Most analysts expect U.S. output to break that record soon, and take it to levels on a par with top exporter Saudi Arabia and close to top producer Russia, which pumps around 11 million bpd.

Prices have been supported by the continuing outage of Britain's Forties pipeline in the North Sea, which delivers crude underpinning Brent futures.

Operator Ineos said repairs were under way on Wednesday after a crack was found that closed the pipeline on Dec. 11. Repairs are expected to take two to four weeks. [\(Source Reuters, Research – @her1en\)](#)

CLG8/USD (OIL)
 (Exp.: 22 Jan. 2018 - Reuters)



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 20	57.64	58.10	57.47	0.63	58.02	↑ 0.37	57.65
Dec 19	57.33	57.77	57.19	0.58	57.65	↑ 0.31	57.34
Dec 18	57.52	57.79	56.87	0.92	57.34	↓ 0.04	57.38
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

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
58.10	56.87	58.86	55.80	59.01	53.88	59.01	42.04
(20/Dec)	(18/Dec)	(01/Dec)	(07/Dec)	(24/Nov)	(01/Nov)	(24/Nov)	(21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	64.20	Fibo Projections in daily chart
	62.58	High May 31, 2005
	59.69	High June 30, 2015
	58.98	High July 01, 2015
SUPPORT	56.09	Low Dec 14
	55.39	Low Nov 17
	54.40	Low Nov 03
	53.75	Low Oct 30
RECOMMENDATION	BUY	57.85
	SELL	----
	STOP LOSS	56.65
	TARGET	59.25
		59.75