

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

- Global equities markets advanced on Monday as confidence over economic growth around the world helped investors brush off concerns about the collapse of government coalition talks in Germany, which sent the euro lower against the U.S. dollar.

GLOBAL ECONOMIES

- Australia's economy is expected to accelerate at a "modest" pace as weak wage growth is seen weighing on consumption, keeping the need for stimulative monetary and fiscal policies, the International Monetary Fund said on Monday.
- Japan's export growth held steady in October, suggesting that brisk global demand for Japanese cars and electronics will likely carry its economic recovery into the current quarter.
- The euro zone's recovery is firm but the European Central Bank needs to keep the money taps open to help boost salaries, the ECB's President Mario Draghi said on Monday.
- Greece expects to overshoot its budget surplus targets for a third consecutive year in 2018, a senior government official said on Monday, an outcome that could help ease the austerity burden imposed on a recession-weary population.
- Prime Minister Theresa May on Monday announced 4 billion pounds (\$5.28 billion) of spending on research and development and regional growth strategies, setting out plans to help the economy grow after Brexit.
- U.S. Republicans are not expected to push major tax cuts through Congress this year, according to a majority of economists in a Reuters poll, who in any case were skeptical that the legislation would provide a significant boost to the economy.

GLOBAL MARKETS

U.S. & Global Markets – Global equities markets advanced on Monday as confidence over economic growth around the world helped investors brush off concerns about the collapse of government coalition talks in Germany, which sent the euro lower against the U.S. dollar.

In the latest indication of global growth, the central bank in Germany said the German economy is expanding into the end of the year on strong industrial activity and firms are struggling to find workers to satisfy orders.

Adding to the growth story, the Conference Board's leading economic index for the United States rose 1.2 percent in October, or double the rate economists polled by Reuters had expected.

Investors shrugged off the political impasse in Germany while the U.S. leading economic indicators provided further evidence of fairly strong economic data and an economy that is still gaining traction, said Michael Arone, chief investment strategist at State Street Global Advisors in Boston.

A tug of war among investors over how to view tax reform efforts in the U.S. Congress has left the market without a strong leaning, he said.

"It doesn't seem the market can get any direction. As a result, it's two steps forwards, one step back," Arone said.

The DAX benchmark for German stocks closed up 0.50 percent, the pan-European FTSEurofirst 300 index of leading regional stocks rose 0.63 percent and MSCI's gauge of stocks across the globe gained 0.05 percent. On Wall Street, the Dow Jones Industrial Average rose 72.09 points, or 0.31 percent, to 23,430.33. The S&P 500 gained 3.29 points, or 0.13 percent, to 2,582.14 and the Nasdaq Composite added 7.92 points, or 0.12 percent, to 6,790.71.

The dollar touched its highest against a basket of major currencies in nearly a week as the euro weakened after German Chancellor Angela Merkel failed to form a three-way coalition and said she would prefer a new election to ruling with a minority.

The breakdown of talks between Merkel's conservative bloc, the liberal, pro-business Free Democrats (FDP) and environmentalist Greens raises the prospect of new elections and clouds her future after 12 years in power.

The news revived "a key risk factor" for the European single currency, said Joe Manimbo, senior market analyst at Western Union Business Solutions in Washington.

"With the euro losing favor, given the messy can of worms that has been tipped over in Europe, that's helping the U.S. dollar weather its own political uncertainties," he said.

The dollar index rose to 94.074, its highest since Nov. 14.

The euro fell to \$1.1720 in overnight trading following news of failed coalition talks. It fell dramatically against the Japanese yen to 131.16 yen, its weakest since Sept. 15.

The yen weakened 0.48 percent versus the greenback at 112.61 per dollar.

Oil prices slipped, extending recent weakness ahead of a meeting of the Organization of the Petroleum Exporting Countries next week, while the dollar's rally negatively affected commodities.

Brent dropped 0.80 percent to settle at \$62.22 a barrel, while U.S. crude fell 0.81 percent to settle at \$56.09 a barrel.

U.S. gold futures settled down 1.6 percent at \$1,275.30.

Benchmark copper on the London Metal Exchange rose 0.77 percent to \$6,829.50 per tonne.

U.S. Treasury yields rose as investors awaited minutes on Wednesday from the Fed's last meeting.

The U.S. central bank kept interest rates unchanged when it concluded its two-day meeting on Nov. 1 and pointed to solid U.S. economic growth and a strengthening labor market while playing down the impact of recent hurricanes.

Benchmark 10-year Treasury notes fell 3/32 in price to yield 2.3648 percent. [\(Source Reuters – @her1en\)](#)

GLOBAL ECONOMIES

Australia – Australia's economy is expected to accelerate at a "modest" pace as weak wage growth is seen weighing on consumption, keeping the need for stimulative monetary and fiscal policies, the International Monetary Fund said on Monday.

The IMF said that interest rates in Australia were "appropriately accommodative."

The Reserve Bank of Australia (RBA) has left rates at a record low 1.50 percent for more than a year now with core inflation below its 2-3 percent target band for two full years.

"With stronger momentum in domestic demand and inflation close to the mid-point of the target range not yet secured, continued macroeconomic

policy support will remain essential," the IMF said in a report after visiting the country.

"With Australia's recovery lagging that of other major advanced economies, monetary policy should remain firmly focused on ensuring stronger sustained momentum in domestic demand and inflation."

The IMF believes that Australia's A\$1.7 trillion (\$1.3 trillion) economy could still grow at "above-trend rates" thanks to infrastructure spending by the government.

The boost from infrastructure will have positive spillovers to private investment and more than offset the declining contribution from residential investment.

The report said there was scope to expand on infrastructure spending, beyond the government's current projects.

"Further increases in investment have the potential to improve physical and digital interconnectivity, both internally and with Australia's trading partners, thereby contributing to higher growth."

Japan – Japan's export growth held steady in October, suggesting that brisk global demand for Japanese cars and electronics will likely carry its economic recovery into the current quarter.

Ministry of Finance (MOF) data out on Monday showed that exports rose 14.0 percent year-on-year in October, led by shipments of cars to Australia and liquid-crystal device production equipment and raw materials for plastics to China.

That compares with a 15.8 percent annual gain expected by economists following a 14.1 percent increase in September.

The trade figures followed data that showed last week Japan's economy expanded at an annualised rate of 1.4 percent in the third quarter, driven by solid external demand.

Analysts expect exports will continue to drive growth in October-December as China is seen likely to avoid a sharp slowdown thanks to infrastructure investment, and as progress on tax cuts brightens prospects for the United States.

"Looking at the near term, demand for electronics parts used for new-model smartphones are expected to help Japan's exports," said Masaki Kuwahara, senior economist at Nomura Securities.

"In the longer term, brisk demand for capital expenditure in advanced nations will support the global economy and Japan's exports as receding political uncertainty releases pent-up demand for upgrades of existing production facilities."

In volume terms, Japan's exports rose 3.8 percent in October from a year ago, after a 4.8 percent annual gain in September.

The value of exports to the United States rose 7.1 percent in the year to October led by motors and construction and mining machinery, following an 11.1 percent gain in the previous month.

Japan's trade surplus with the United States rose an annual 11.3 percent in October to 644.7 billion yen (\$5.75 billion), a source of concern given President Donald Trump's demand for bilateral trade talks to fix trade imbalances under his "America First" policy.

Monday's data marked the fourth straight month of annual growth in Japan's trade surplus with the United States.

Shipments to China, Japan's largest trading partner, rose 26.0 percent year-on-year in October to 1.35 trillion yen, the highest value on record.

Japan's imports rose 18.9 percent in the year to October, versus the median estimate for a 20.2 percent annual increase. It was the fastest annual increase since January 2014, pushed up by a weak yen and imports of crude oil, oil products and coal.

The resulting trade balance was a surplus of 285.4 billion yen in October versus the median estimate for a positive balance of 330.0 billion yen, a fifth straight surplus month.

Euro Zone – The euro zone's recovery is firm but the European Central Bank needs to keep the money taps open to help boost salaries, the ECB's President Mario Draghi said on Monday.

"The improvements in labour markets that we have observed still need time to translate into more dynamic wage growth," Draghi told the European Parliament. "The re-calibration of our policies for the period beyond the end of this year is meant to preserve the degree of monetary stimulus that is still necessary to secure a sustained return of inflation."

Greece – Greece expects to overshoot its budget surplus targets for a third consecutive year in 2018, a senior government official said on Monday, an outcome that could help ease the austerity burden imposed on a recession-weary population.

In a final budget draft due to be submitted to parliament on Tuesday, Greek authorities will outline projections of a primary surplus - the fiscal surplus excluding debt repayments - of between 2.4 and 2.5 percent this year, and of more than 3.7 percent next year, the official told Reuters.

The figures mark an upward revision. A draft budget submitted on Oct. 2 had put the surplus at 2.2 percent for 2017 and 3.57 for 2018.

A strong fiscal surplus could allow the government - facing public fatigue with pension cuts and tax hikes - to redirect funds to vulnerable sections of the population hit hardest.

"It makes more room for targeted social and tax policy interventions," said Nikos Magginas, an economist at National Bank.

The overall narrative for Greece was still challenging when taken into context, said Takis Zamanis, chief trader at Beta Securities.

"While positive, it cannot on its own give a positive push to markets. The landscape is not favourable to investors or businesses and banks still have their problems," Zamanis said.

Businesses are heavily taxed, while banks are heaving under a mountain of non-performing loans.

UK – Prime Minister Theresa May on Monday announced 4 billion pounds (\$5.28 billion) of spending on research and development and regional growth strategies, setting out plans to help the economy grow after Brexit.

Amid stiff international competition, Britain is looking to carve out a new global role as a leader in "industries of the future" such as artificial intelligence and driverless cars after it exits the European Union in March 2019.

Badly damaged by a botched snap election and with Brexit talks running behind schedule, May is looking to stir up some economic optimism to help her fragile minority government through Britain's most uncertain period since World War Two.

On Monday, as part of the run-up to finance minister Philip Hammond's budget on Wednesday, she announced a 1.7 billion pound fund to help regenerate cities and a 2.3 billion pound boost to research and development spending, due in 2021/22. Further details of the funding were not yet available.

"This is a new long-term approach to shaping a stronger and fairer economy for decades to come," May said in a Times newspaper article.

The central challenge of Wednesday's budget will be to improve Britain's persistently weak productivity, which lags international rivals and is seen as a major limiting factor on economic growth.

The new funding is linked to Britain's "Industrial Strategy" - a push to create more skilled, high-paying jobs that was first announced by May after she took office last year to help fortify Britain's services-reliant economy against Brexit-related shocks.

May has already set a target to increase R&D spending to 2.4 percent of economic output by 2027 - a level in line with Organisation for Economic Cooperation and Development (OECD) averages.

The funding announced on Monday would take spending to 12.5 billion in 2021/22, building on an existing commitment to raise public research spending to 12 billion by 2020/21.

The transport-focused "Transforming Cities Fund" will try to better link up Britain's cities in search of productivity improvements and foster greater collaboration and innovation.

"This will help make sure people across the country have better options to combine different modes of transport - supporting projects which will improve connectivity, reduce congestion and introduce new mobility services and technology," said business minister Greg Clark, who is leading the Industrial Strategy initiative.

After nearly 18 months of policy formulation, Clark will announce the government's industrial strategy proposals on Nov. 27.

U.S. – U.S. Republicans are not expected to push major tax cuts through Congress this year, according to a majority of economists in a Reuters poll, who in any case were skeptical that the legislation would provide a significant boost to the economy.

While optimism about a tax overhaul has helped push the U.S. stock market up for most of this year, the administration of President Donald Trump, a Republican, is still seeking its first major legislative win after almost a year in office.

Skepticism about major tax cuts has been growing over the past two weeks, causing share prices to wobble.

The House of Representatives on Thursday approved a package of tax reductions estimated to raise the federal deficit by nearly \$1.5 trillion over a decade. The Senate, where the Republican majority is slimmer, will be the focus for debate.

Nearly two-thirds of the more than 60 economists who answered an extra question in the Nov. 13-17 poll, which mostly took place before the tax cuts passed the House, said they were not confident the administration would get the legislation passed this year.

"We feel that if it does pass next year, it is likely to be less ambitious and more focused on temporary cuts than reform," Ajay Rajadhyaksha, head of macro research at Barclays, wrote in a note.

The effect of tax cuts would probably be muted because of a lack of wage growth and a high level of employment, he added.

In a Reuters poll last month, a strong majority of economists said the U.S. economy did not need a big fiscal stimulus at this late stage of the business cycle.

This month's poll of more than 100 economists showed most respondents had upgraded their near-term forecasts for the U.S. economy, which they expect to grow just above the roughly 2 percent trend rate over the next two years but with muted inflation.

When asked what the economy needs most, the top pick was increased infrastructure spending. Nearly as many said the United States ought to join the Trans-Pacific Partnership trade agreement - Trump pulled the nation out of negotiations just days after becoming president - as those choosing tax cuts.

"It is hard to say with any level of confidence until we see a final plan (for tax cuts) what really are the benefits to the (economic) outlook," said Sam Bullard, senior economist at Wells Fargo in Charlotte, North Carolina.

"If we don't get one, clearly there would be a response (from the financial markets) to a failure to not pass some kind of tax legislation. But if we get it, it would support the 'glass half full' levels of sentiment we have seen."

In the meantime, most respondents did not expect the core PCE price index, the Federal Reserve's preferred gauge of inflation, to reach the central bank's target until the second quarter of 2019.

At last measure, it was no higher than it was just before the Fed first started raising interest rates from zero nearly two years ago.

The poll still showed the Fed raising rates by 25 basis points more to 1.25-1.50 percent in December, with two increases next year - less than the three the central bank is projecting.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/20-Nov-17	04:00	KR	PPI YoY	Oct	-	--	3.6%	
	04:30	NZ	Performance Services Index	Oct	55.6	--	56	55.9
	04:45	NZ	Food Prices MoM	Oct	-1.1%	--	-0.2%	
	06:50	JP	Exports YoY	Oct	14.0%	15.7%	14.1%	
	06:50	JP	Imports YoY	Oct	18.9%	20.2%	12.0%	12.1%
	06:50	JP	Trade Balance	Oct	¥285.4b	¥330.0b	¥670.2b	¥667.7b
	06:50	JP	Trade Balance Adjusted	Oct	¥322.9b	¥206.7b	¥240.3b	¥266.6b
	08:35	AU	RBA's Kearns Gives Speech in Sydney					
	10:45	AU	RBA's Kohler Gives Speech in Sydney					
	14:00	DE	PPI MoM	Oct	0.3%	0.3%	0.3%	
	14:00	DE	PPI YoY	Oct	2.7%	2.7%	3.1%	
	21:00	EZ	ECB's President Draghi speaks in Brussels					
	22:00	US	Leading Index	Oct	1.2%	0.7%	-0.2%	
	23:00	EZ	Draghi speaks in Brussels in his capacity as ESRB Chair					
	Tue/21-Nov-17	07:00	KR	Exports 20 Days YoY	Nov		--	6.9%
07:00		KR	Imports 20 Days YoY	Nov		--	3.1%	
07:30		AU	RBA Nov. Rate Meeting Minutes					
N/A		AU	RBA Governor Lowe Gives Speech in Sydney					
N/A		NZ	GDT Price Index			--	-3.5%	
11:30		JP	All Industry Activity Index MoM	Sep		-0.4%	0.1%	
14:00		CH	Exports Real MoM	Oct		--	-0.9%	
14:00		CH	Imports Real MoM	Oct		--	-3.2%	
14:00		CH	Trade Balance	Oct		--	2.92b	
15:30		HK	CPI Composite YoY	Oct		1.7%	1.4%	
16:30		GB	Central Government NCR	Oct		--	19.3b	
16:30		GB	PSNB ex Banking Groups	Oct		--	5.9b	
16:30		GB	Public Finances (PSNCR)	Oct		--	11.2b	
16:30		GB	Public Sector Net Borrowing	Oct		--	5.3b	
18:00		GB	CBI Trends Selling Prices	Nov		--	18	
18:00		GB	CBI Trends Total Orders	Nov		--	-2	
20:30		US	Chicago Fed Nat Activity Index	Oct		--	0.17	
22:00		US	Existing Home Sales	Oct		5.41m	5.39m	
22:00	US	Existing Home Sales MoM	Oct		0.4%	0.7%		
Wed/22-Nov-17	06:00	US	Fed's Yellen Speaks at Stern Business School					
	06:30	AU	Westpac Leading Index MoM	Oct		--	0.08%	
	19:30	GB	U.K. Chancellor Hammond Makes Autumn Statement to Parliament					
	20:30	US	Cap Goods Orders Nondef Ex Air	Oct P		0.3%	1.7%	
	20:30	US	Cap Goods Ship Nondef Ex Air	Oct P		--	0.9%	
	20:30	US	Initial Jobless Claims	Nov-18		--	249k	
	20:30	US	Continuing Claims	Nov-11		--	1.860m	
	20:30	US	Durable Goods Orders	Oct P		0.3%	2.0%	
	20:30	US	Durables Ex Transportation	Oct P		0.4%	0.7%	
	22:00	EZ	Consumer Confidence	Nov A		--	-1	
	22:00	US	U. of Mich. 1 Yr Inflation	Nov F		--	2.6%	
	22:00	US	U. of Mich. 5-10 Yr Inflation	Nov F		--	2.5%	
	22:00	US	U. of Mich. Current Conditions	Nov F		--	113.6	
	22:00	US	U. of Mich. Expectations	Nov F		--	87.6	
	22:00	US	U. of Mich. Sentiment	Nov F		98	97.8	
	22:30	US	DOE Cushing OK Crude Inventory	Nov-17		--	-1504k	
	22:30	US	DOE U.S. Crude Oil Inventories	Nov-17		--	1854k	
22:30	US	DOE U.S. Distillate Inventory	Nov-17		--	-799k		
22:30	US	DOE U.S. Gasoline Inventories	Nov-17		--	894k		
Thu/23-Nov-17	02:00	US	FOMC Meeting Minutes	Nov-01		--	--	

	04:45	NZ	Retail Sales Ex Inflation QoQ	3Q		--	1.7%	
	14:00	DE	Capital Investment QoQ	3Q		--	1.0%	
	14:00	DE	Domestic Demand QoQ	3Q		--	1.0%	
	14:00	DE	Exports QoQ	3Q		--	0.7%	
	14:00	DE	GDP NSA YoY	3Q F		--	2.3%	
	14:00	DE	GDP SA QoQ	3Q F		--	0.8%	
	14:00	DE	GDP WDA YoY	3Q F		--	2.8%	
	14:00	DE	Government Spending QoQ	3Q		--	0.6%	
	14:00	DE	Imports QoQ	3Q		--	1.7%	
	14:00	DE	Private Consumption QoQ	3Q		--	0.8%	
	15:30	DE	Markit Germany Services PMI	Nov P		--	54.7	
	15:30	DE	Markit/BME Germany Composite PMI	Nov P		--	56.6	
	15:30	DE	Markit/BME Germany Manufacturing PMI	Nov P		--	60.6	
	16:00	EZ	Markit Eurozone Composite PMI	Nov P		--	56	
	16:00	EZ	Markit Eurozone Manufacturing PMI	Nov P		--	58.5	
	16:00	EZ	Markit Eurozone Services PMI	Nov P		--	55	
	18:00	GB	CBI Retailing Reported Sales	Nov		--	-36	
	18:00	GB	CBI Total Dist. Reported Sales	Nov		--	1	
	19:30	EZ	ECB account of the monetary policy meeting					
	20:30	CA	Retail Sales Ex Auto MoM	Sep		--	-0.7%	
	20:30	CA	Retail Sales MoM	Sep		--	-0.3%	
	All Day	JP	Bank Holiday/Labour Thanksgiving Day					
	All Day	US	Bank Holiday/Thanksgiving Day					
Fri/24-Nov-17	04:00	KR	Consumer Confidence	Nov		--	109.2	
	04:45	NZ	Exports NZD	Oct		--	3.78b	
	04:45	NZ	Imports NZD	Oct		--	4.92b	
	04:45	NZ	Trade Balance 12 Mth YTD NZD	Oct		--	-2908m	
	04:45	NZ	Trade Balance NZD	Oct		--	-1143m	
	07:30	JP	Nikkei Japan PMI Mfg	Nov P		--	52.8	
	12:00	JP	Coincident Index	Sep F		--	115.8	
	12:00	JP	Leading Index CI	Sep F		--	106.6	
	15:15	CH	Industrial Output WDA YoY	3Q		--	2.9%	
	15:15	CH	Industry & Construction Output WDA YoY	3Q		--	3.4%	
24-Nov - 28-Nov	N/A	DE	Import Price Index MoM	Oct		--	0.9%	
24-Nov - 28-Nov	N/A	DE	Import Price Index YoY	Oct		--	3.0%	
	16:00	DE	IFO Business Climate	Nov		--	116.7	
	16:00	DE	IFO Current Assessment	Nov		--	124.8	
	16:00	DE	IFO Expectations	Nov		--	109.1	
	16:30	GB	UK Finance Loans for Housing	Oct		--	41584	
	21:45	US	Markit US Composite PMI	Nov P		--	55.2	
	21:45	US	Markit US Manufacturing PMI	Nov P		--	54.6	
	21:45	US	Markit US Services PMI	Nov P		--	55.3	
Sat/25-Nov-17	01:00	US	Baker Hughes U.S. Rig Count	Nov-24		--	915	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's benchmark Nikkei average closed down 0.60 percent at 22,261.76 on Monday, while the broader Topix shed 0.23 percent to 1,759.65.

South Korea's KOSPI stock index weakened on Tuesday. The Korean won fell in the local platform and bond yields fell. At 0630 GMT, the KOSPI was down 6.32 points or 0.25 percent at 2,527.67. The won was quoted at 1,100.05 per U.S. dollar, down 0.62 percent from the previous day, while in one-year non-deliverable forwards it was being transacted at 1,097.1 per dollar. The won was quoted at 1,100.6 per dollar on the onshore settlement platform, where it ended the previous session at 1,097.5. The currency erased its earlier gains as foreign demand simmered down during the session. MSCI's broadest index of Asia-Pacific shares outside Japan was down 0.09 percent, after U.S. stocks ended the previous session with mild losses. Japanese stocks weakened 0.6 percent. The KOSPI is up around 25.0 percent so far this year, and up by 6.78 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 400,757,000 shares, and of the total traded issues of 874, the number of advancing shares was 443. Foreigners were net buyers of 203,855 million won worth of shares. The U.S dollar has fallen 8.8 percent against the won this year. The won's high for the year is 1,093.1 per dollar on November 17 2017 and low is 1,211.8 on January 3 2017. In money and debt markets, December futures on three-year treasury bonds rose 0.07 points to 107.93. The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.45 percent compared with a previous close of 1.45 percent, while the benchmark 3-year Korean treasury bond yielded 2.16 percent, lower than the previous day's 2.18 percent.

Hong Kong stocks rose slightly on Monday, despite pressure from a retreat on Wall Street amid tax reform uncertainty. The Hang Seng index rose 0.2 percent, to 29,260.31 points, and the China Enterprises Index lost 0.6 percent, to 11,538.28 points. The sub-index of the Hang Seng index tracking energy shares dipped 0.4 percent while the IT sector rose 3.5 percent. The top gainers among H-shares were BYD Co Ltd up 7.79 percent, followed by China Merchants Bank Co Ltd gaining 2.88 percent and Sinopharm Group Co Ltd up by 1.59 percent. The three biggest H-shares percentage decliners were China Galaxy Securities Co Ltd which has fallen 3.59 percent, China Vanke Co Ltd which has lost 3.0 percent and GF Securities Co Ltd down by 3.0 percent.

China's China stocks tumbled early on Monday after Beijing unveiled sweeping new guidelines to regulate asset management products, but they rebounded and ended the day higher as investors realized the rules will only be implemented gradually. Government bonds saw a flurry of early buying, but as with stocks the action reversed course, pushing yields on 10-year treasuries up slightly. The new guidelines, issued by the central bank on Friday, are the latest in a barrage of policies to curb risky shadow banking, which has channeled money into Chinese stocks, bonds and property. "Regulations on the asset management industry can only continue to tighten and won't relax, this is very clear," said David Qu, markets economist at ANZ in Shanghai. Qu said the new policy's significance was underscored by the fact that it was the first substantial measure to emerge after the inaugural meeting this month of the government's newly formed Financial Stability and Development Committee. At the end of 2016, the collective outstanding volume of the asset management business was 102 trillion yuan (\$15.38 trillion). Analysts expect the new rules to dampen the appetite for riskier assets, but they will not take full effect until mid-2019. Shanghai's benchmark index SSEC tumbled as much as 1.4 percent to a two-month low, and the blue-chip CSI300 Index dropped as much as 1.5 percent, before both reversed course and rose into positive territory as bargain hunters piled into blue chips such as banks. The SSEC closed up 0.3 percent and the CSI300 ended the day up 0.6 percent. "Tougher financial regulation is not totally unexpected," said Chen Yong, strategist at Lianxun Securities Co. "Therefore, selling in the morning was seen as a bargain hunting opportunity for investors who believe it's still a slow bull market." Yields on 10-year Chinese treasury bonds were hovering just shy of 4 percent after reaching three-year highs last week. The draft guidelines will unify rules covering asset management products issued by all types of financial institutions, and will set leverage ceilings on such products. There will be a transition period that lasts until June 30, 2019. Still, there was a psychological impact on the market. "Tougher rules on banks' wealth management products will seriously curb money flows into the stock market from lenders," Li Haoshu, analyst at Chuangcai Securities, wrote in a market comment. "In addition, restrictions on leverage will hurt liquidity levels, and hurt risk appetite." Li Huiyong, an economist at Shenwan Hongyuan Securities, said liquidity and market yields could suffer from the new rules, which stipulate that financial institutions must end the practice of providing investors with implicit guarantees against investment losses. "The new guideline is not the last shoe to drop, or the last piece of bad news," Li said. "The era of tough financial supervision has just begun." ([Source Reuters, Research: rizal](#))

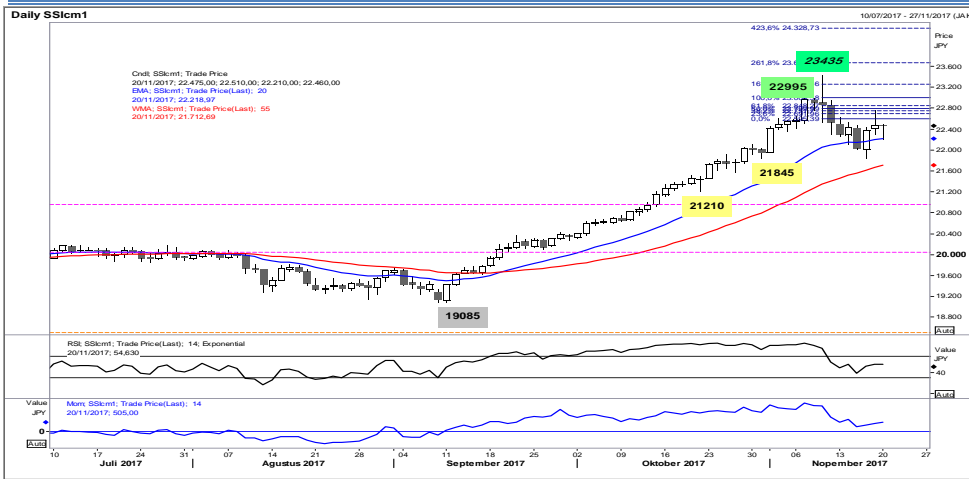
ASIA AND GLOBAL MARKET SPOT PRICE 2017

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	338.83 (03/Nov/2017)	31958.41 (30/Oct/07)	23548.42 (06/Nov/2017)	2591.13 (06/Nov/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)	29260.31 (20/Nov/2017)	23602.12 (07/Nov/2017)	2597.02 (07/Nov/2017)	3448.68070 (13/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 November 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	23430.33	↑ 72.09.12/ 0.31%	.N225	22261.76	↓ 135.04/0.60%
/.SPX	2582.14	↑ 3.29/ 0.13%	.KS200	332.92	↓ 1.26/0.38%
/.IXIC	6790.714	↑ 7.923/ 0.12%	.HSI	29260.31	↑ 61.27/0.21%
JPY=	112.62	↑ 0.55/ 0.49%	/.SSEC	3393.02250	↑ 10.11500/0.30%
KRW=	1096.03	↑ 2.58/ 0.23%	/CLC1 (Oil)	56.38	↓ 0.30/0.53%

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



- Watch the daily RSI is down
 - Important resistance level 23435, support 21590.
- [\(Research – rizal\)](#)

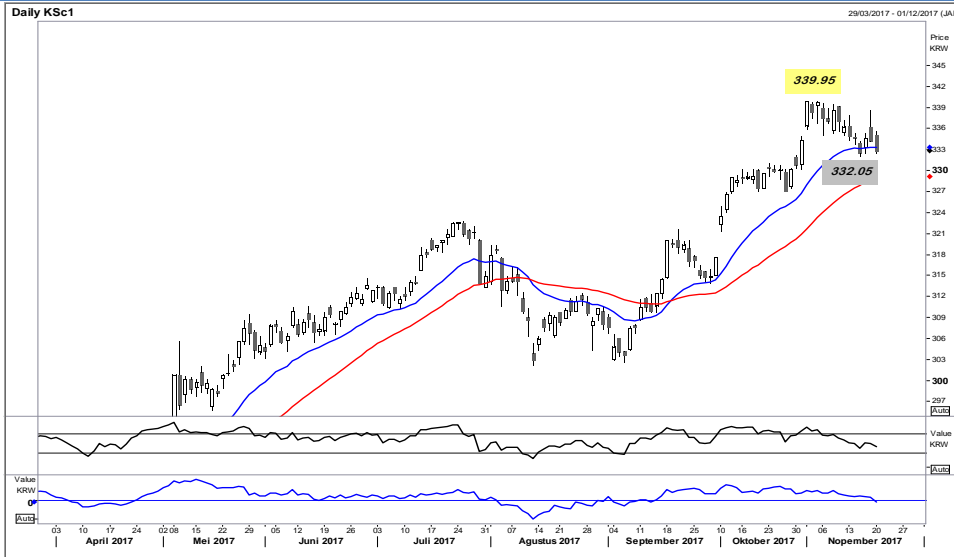
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
20 Nov SSIpmZ7	22230	22510	22170	340	22460	---	↑ 230	1.03	28872
20 Nov SSIamZ7	22290	22425	22210	215	22225	22225	↓ 250	1.11	44668
17 Nov SSIpmZ7	22475	22500	22280	220	22305	---	↓ 170	0.76	19884
17 Nov SSIamZ7	22585	22765	22320	445	22475	22475	↑ 95	0.42	116489
16 Nov SSIpmZ7	22420	22615	22385	230	22585	---	↑ 205	0.92	31547
16 Nov SSIamZ7	22095	22430	21985	445	22385	22385	↑ 345	1.57	74601
15 Nov SSIpmZ7	22025	22155	21840	315	22095	---	↑ 55	0.25	52828
15 Nov SSIamZ7	22315	22320	22005	315	22040	22040	↓ 405	1.80	98448
14 Nov SSIpmZ7	22425	22485	22265	220	22295	---	↓ 150	0.67	34682
14 Nov SSIamZ7	22390	22545	22330	215	22445	22445	↑ 135	0.61	70423

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22510	22170	23435	21840	22220	20370	23435	18190
(20/Nov)	(20/Nov)	(09/Nov)	(15/Nov)	(31/Oct)	(02/Oct)	(09/Nov)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	23666	Fibo Projection 261.8% (Daily)
	23435	High 09/Nov/2017
	22945	High 10/Nov/2017
	22765	High 17/Nov/2017
SUPPORT	22210	Low 20/Nov/2017
	21960	Low 01/Nov/2017
	21845	Low 31/Oct/2017
	21745	Low 27/Oct/2017
RECOMMENDATION	BUY	22430
	SELL	----
	STOP LOSS	22330
	TARGET	22580 22630

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



- Correction occurs in daily movement.
- Daily flat RSI ([Research – rizal](#))

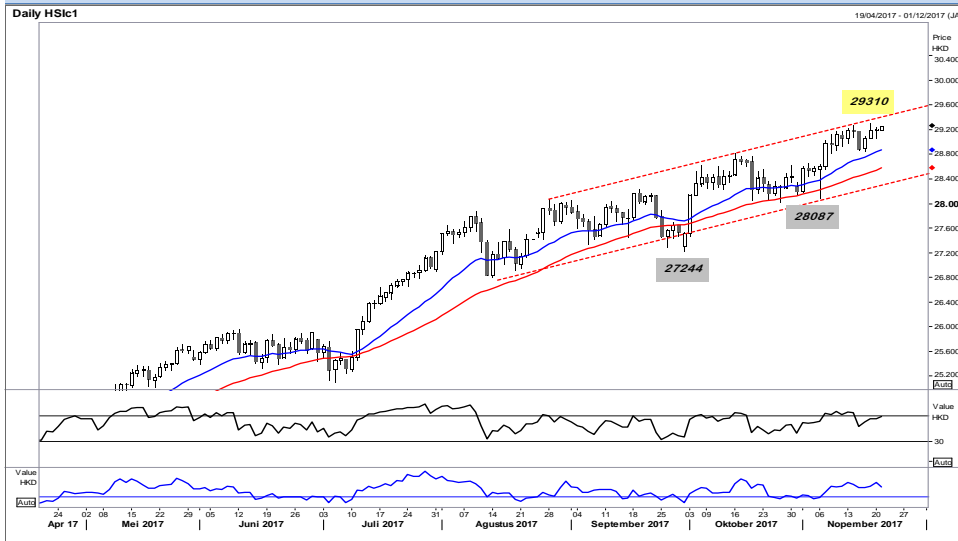
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
20 Nov	335.05	335.60	332.55	3.05	332.80	332.80	↓ 1.50	0.45	177831
17 Nov	336.25	338.60	334.20	4.40	334.30	334.30	↓ 0.35	0.10	228720
16 Nov	333.40	335.25	332.55	2.70	334.65	334.65	↑ 2.15	0.65	130737
15 Nov	334.00	334.20	332.05	2.15	332.50	332.50	↓ 2.15	0.64	193511
14 Nov	334.80	335.30	333.80	1.50	334.65	334.65	↓ 0.25	0.07	154520
13 Nov	336.30	337.90	334.40	3.50	334.90	334.90	↓ 1.35	0.40	185406

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
335.60 (20/Nov)	332.55 (20/Nov)	339.95 (03/Nov)	332.05 (15/Nov)	334.85 (31/Oct)	321.40 (10/Oct)	339.95 (03/Nov)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	339.95	High 03/Nov/2017
	339.25	High 09/Nov/2017
	337.20	Reactions High 10/Nov/2017 (Daily)
	335.60	High 20/Nov/2017
SUPPORT	332.05	Reactions Low 15/Nov/2017 (Daily)
	330.30	Low 30/Oct/2017
	327.45	Low 27/Oct/2017
	324.10	Low 11/Oct/2017
RECOMMENDATION	BUY	332.50
	SELL	----
	STOP LOSS	331.50
	TARGET	334.00 334.50

HSIX7 (Hang Seng November Futures) – Exp. Date: 29 Nov 2017



- Correction occurs daily.
- Beware of RSI approaching overbought area.
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
20 Nov	29120	29220	29061	159	29198	29198	↑ 5	0.02	110507
17 Nov	29230	29253	29141	112	29193	29193	↑ 135	0.46	128042
16 Nov	28946	29095	28931	164	29058	29058	↑ 171	0.59	115187
15 Nov	29074	29077	28867	210	28887	28887	↓ 288	0.98	130943
14 Nov	29222	29275	29135	140	29175	29175	↓ 12	0.04	105509
13 Nov	29095	29227	29105	122	29187	29187	↑ 118	0.40	98993
10 Nov	29054	29179	29033	146	29069	29069	↓ 58	0.20	136193

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
29220	29061	29275	28087	28811	27688	29275	21863
(20/Nov)	(20/Nov)	(14/Nov)	(06/Nov)	(16/Oct)	(03/Oct)	(14/Nov)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	30250	High 05/Nov/2007
	30094	High 07/Des/2007
	29420	High 11/Des/2007
	29275	High 14/Nov/2017
SUPPORT	29059	Low 17/Nov/2017
	28870	Low 09/Nov/2017
	28555	Low 07/Nov/ 2017
RECOMMENDATION	28087	Low 06/Nov/2017
	BUY	29165
	SELL	----
	STOP LOSS	29065
TARGET	29285	
	29315	

CURRENCIES – *Daily Outlook*

Dollar near one-week high as euro drops on German political risk - Reuters News



The dollar touched its highest against a basket of major currencies in nearly a week on Monday as the euro weakened on political risks linked to German Chancellor Angela Merkel's failure to form a three-way coalition government.

Merkel, whose conservatives

were weakened after they won an election in September with a reduced number of seats, said she would inform the German president that she could not form a coalition, after the pro-business Free Democrats withdrew from negotiations.

The development thrust Germany, Europe's biggest economy, into a political crisis that raised worries among investors of a new election if Merkel cannot form a minority government.

The news revived "a key risk factor" for the continental currency, said Joe Manimbo, senior market analyst at Western Union Business Solutions in Washington.

"With the euro losing favor, given the messy can of worms that has been tipped over in Europe, that's helping the U.S. dollar weather its own political uncertainties," he said.

The dollar index rose to 94.104, its highest since Nov. 14.

The greenback also climbed against the Japanese yen, rising to a session high of 112.72 yen, climbing with U.S. stocks as traders took risk-on positions.

The Swiss franc, also favored in times of market risk aversion, fell against the dollar. The U.S. currency was last up 0.45 percent at 0.9928 franc.

The euro fell to \$1.1720 following news of the failure to form a coalition German government. It dipped sharply against the yen to 131.16 yen, its weakest since Sept. 15.

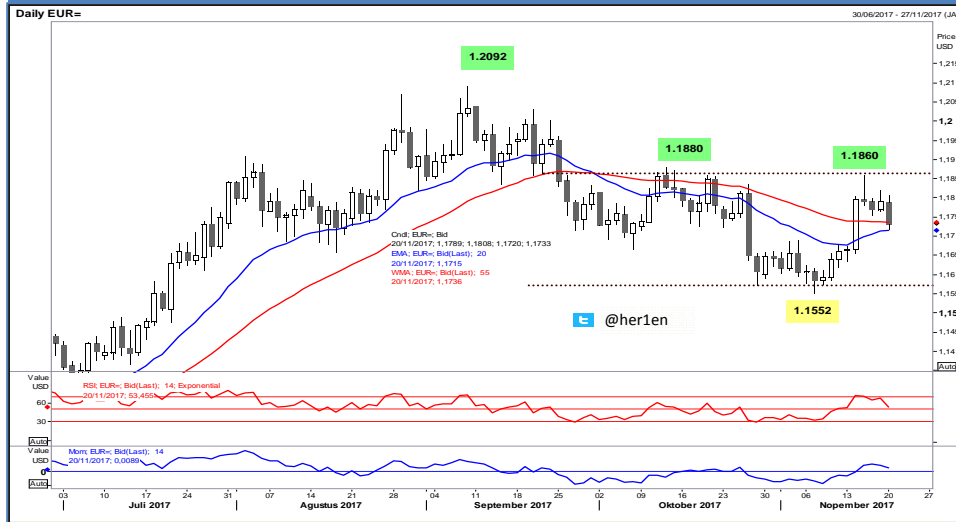
Bitcoin was trading at just above \$8,100 after hitting a record high of \$8,226 on the Luxembourg-based Bitstamp exchange on Sunday.

Many analysts expect this to be a relatively calm week of trading, with U.S. markets closed for the Thanksgiving holiday on Thursday and with few major data releases.

Traders will await a speech by Federal Reserve Chair Janet Yellen late on Tuesday and the release on Wednesday of minutes from the Fed's November meeting for clues on the direction of U.S. monetary policy. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

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



- With support area at 1.1369
- Crucial resistance around 1.2031
- Daily RSI is down
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	1.17668	1.18074	1.17213	86,1	1.17323	↓ 62,2	1.17945
Nov 17	1.17694	1.18207	1.17642	56,5	1.17945	↑ 24,7	1.17698
Nov 16	1.17684	1.17997	1.17555	44,2	1.17698	↓ 19,9	1.17897
Nov 15	1.17966	1.18593	1.17835	75,8	1.17897	↓ 5,3	1.17950
Nov 14	1.16631	1.18039	1.16603	143,6	1.17950	↑ 129,5	1.16655

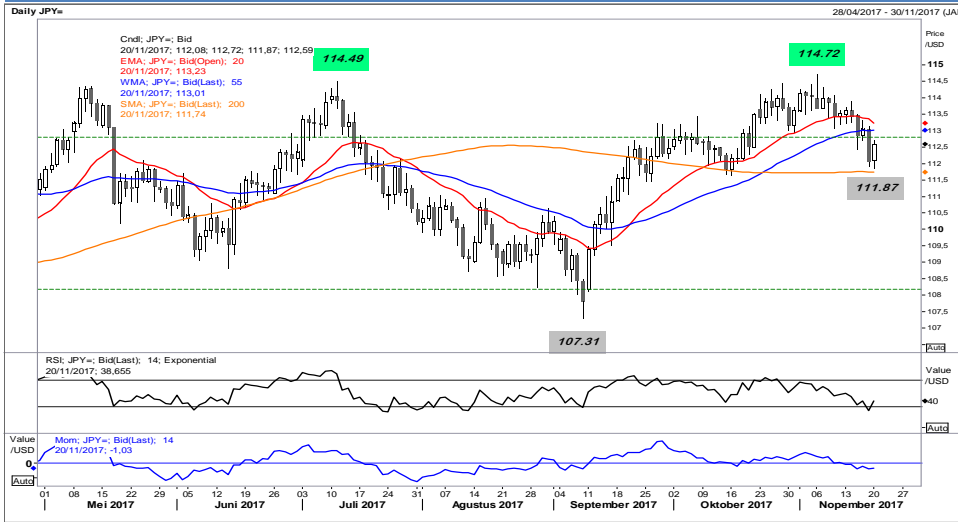
WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18074 (20/Nov)	1.17213 (20/Nov)	1.18593 (15/Nov)	1.15528 (07/Nov)	1.18785 (12/Oct)	1.15729 (27/Oct)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2092	Reaction high (High Sept 08)
	1.2031	Reaction high (High Sept 20)
	1.1960	High Sept 25
	1.1860	High Nov 15
SUPPORT	1.1658	Low Nov 14
	1.1584	Low Nov 09
	1.1477	Low Jul 20
	1.1369	Low Jul 13
RECOMMENDATION	BUY	-----
	SELL	1.1755
	STOP LOSS	1.1830
	TARGET	1.1680 1.1645

USD/JPY

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



- The main resistance at 115.19, support 111.64.
- Daily RSI is flat
- Hourly occurs correction ([Research – rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	112.178	112.706	111.875	83,1	112.599	↑ 47,0	112.129
Nov 17	113.101	113.132	111.933	119,9	112.129	↓ 86,3	112.992
Nov 16	112.871	113.319	112.723	59,6	112.992	↑ 13,1	112.861
Nov 15	113.456	113.484	112.465	101,9	112.861	↓ 57,2	113.433
Nov 14	113.590	113.898	113.297	60,1	113.433	↓ 17,9	113.612

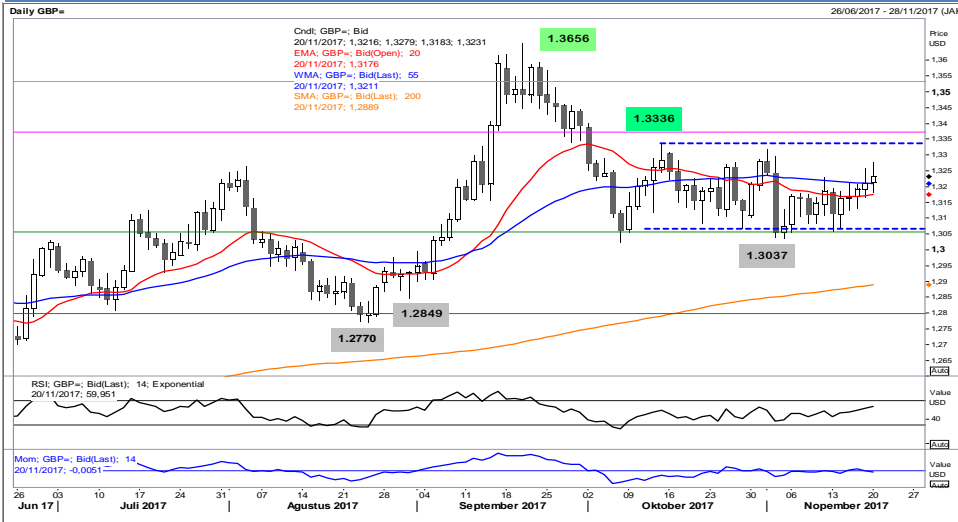
WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
112.706 (20/Nov)	111.875 (20/Nov)	114.723 (06/Nov)	111.875 (20/Nov)	114.438 (27/Oct)	111.976 (10/Oct)	118.60 (03/Jan)	107.307 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	116.85	High 11/Jan/2017
	115.19	High 14/Mar/2017
	114.72	High 06/Nov/2017
	113.33	Reactions High 16/Nov/2017 (Daily)
SUPPORT	111.64	Low 16/Nov/2017
	110.87	Low 18/Sep/2017
	109.54	Low 15/Sep/2017
	108.12	Low 11/Sep/2017
RECOMMENDATION	BUY	112.30
	SELL	----
	STOP LOSS	111.60
	TARGET	113.10 113.30

GBP/USD

Interest Rate: 0.50% (GB)/1.00%-1.25% (US)



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	1.32114	1.32781	1.31846	93,5	1.32302	↑ 14,9	1.32153
Nov 17	1.31909	1.32592	1.31685	63,1	1.32153	↑ 24,4	1.31909
Nov 16	1.31703	1.32064	1.31341	72,3	1.31909	↑ 20,5	1.31704
Nov 15	1.31599	1.32127	1.31294	83,3	1.31704	↑ 8,2	1.31622
Nov 14	1.31121	1.31859	1.30734	112,5	1.31622	↑ 50,0	1.31122

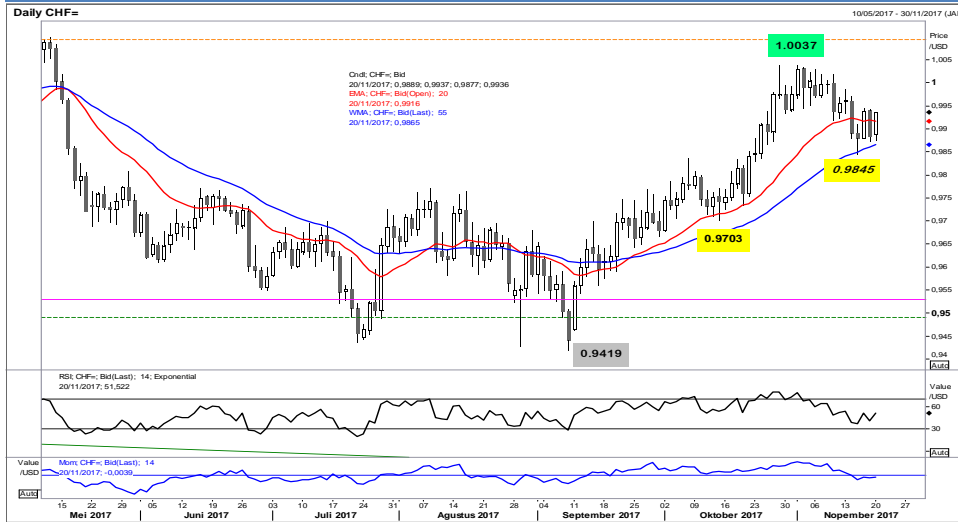
WEEKLY		NOVEMBER		OKTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.32781 (20/Nov)	1.31846 (20/Nov)	1.33198 (01/Nov)	1.30382 (03/Nov)	1.33969 (02/Oct)	1.30259 (06/Oct)	1.36565 (20/Sep)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3514	High 26/Sep/2017
	1.3455	Reaction high 28/Sep/2017 (Daily)
	1.3336	High 13/Oct/2017
	1.3298	High 02/Nov/2017
SUPPORT	1.3037	Low 03/Nov/2017
	1.2907	Low 05/Sep/2017
	1.2849	Low 31/Aug/2017
	1.2770	Low 24/Aug/2017
RECOMMENDATION	BUY	1.3205
	SELL	----
	STOP LOSS	1.3105
	TARGET	1.3335 1.3355

USD/CHF

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



- Daily RSI is up
- Daily corrections
- The main resistance is 1.0170, support 0.9874
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	0.98984	0.99364	0.98775	93,5	0.99336	↑ 48,7	0.98849
Nov 17	0.99391	0.99407	0.98776	63,1	0.98849	↓ 57,3	0.99422
Nov 16	0.98906	0.99442	0.98815	62,7	0.99422	↑ 58,3	0.98839
Nov 15	0.98946	0.99100	0.98450	65,0	0.98839	↓ 9,1	0.98930
Nov 14	0.99615	0.99696	0.98807	88,9	0.98930	↓ 67,5	0.99605

WEEKLY		NOVEMBER		OKTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99364 (20/Nov)	0.98775 (20/Nov)	1.00363 (01/Nov)	0.98450 (15/Nov)	1.00371 (27/Oct)	0.96809 (02/Oct)	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	0.9735	Reaction Low 19/Oct/2017 (Daily)
	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
	0.9463	Low 11/Sep/2017
RECOMMENDATION	BUY	----
	SELL	0.9905
	STOP LOSS	0.9975
	TARGET	0.9825 0.9805

AUD/USD

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



- Low series low level in daily
- The main resistance at 0.7784, support 0.7368
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	0.75541	0.75726	0.75428	29,8	0.75481	↓ 16,7	0.75648
Nov 17	0.75830	0.76069	0.75347	72,2	0.75648	↓ 22,8	0.75876
Nov 16	0.75840	0.76084	0.75691	393	0.75876	↑ 5	0.75871
Nov 15	0.76285	0.76313	0.75721	59,2	0.75871	↓ 40,0	0.76271
Nov 14	0.76128	0.76486	0.76112	37,4	0.76271	↑ 5,5	0.76216

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.75726 (20/Nov)	0.75428 (20/Nov)	0.77286 (02/Nov)	0.75347 (17/Nov)	0.78960 (13/Oct)	0.76239 (27/Oct)	0.81239 (08/Sep)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7903	High Oct 26
	0.7784	High Oct 25
	0.7717	High Nov 03
	0.7632	High Nov 15
SUPPORT	0.7497	Low June 07
	0.7410	Low June 05
	0.7368	Low June 01
	0.7331	Low May 11
ECOMMENDATION	BUY	-----
	SELL	0.7570
	STOP LOSS	0.7635
	TARGET	0.7500 0.7470

NZD/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	0.67999	0.68386	0.67925	46,1	0.68092	↓ 2,4	0.68116
Nov 17	0.68484	0.68822	0.67794	102,8	0.68116	↓ 36,4	0.68480
Nov 16	0.68710	0.68749	0.68345	40,4	0.68480	↓ 28,4	0.68764
Nov 15	0.68701	0.69178	0.68609	56,9	0.68764	↑ 1	0.68763
Nov 14	0.68957	0.69002	0.68435	56,7	0.68763	↓ 25,0	0.69013

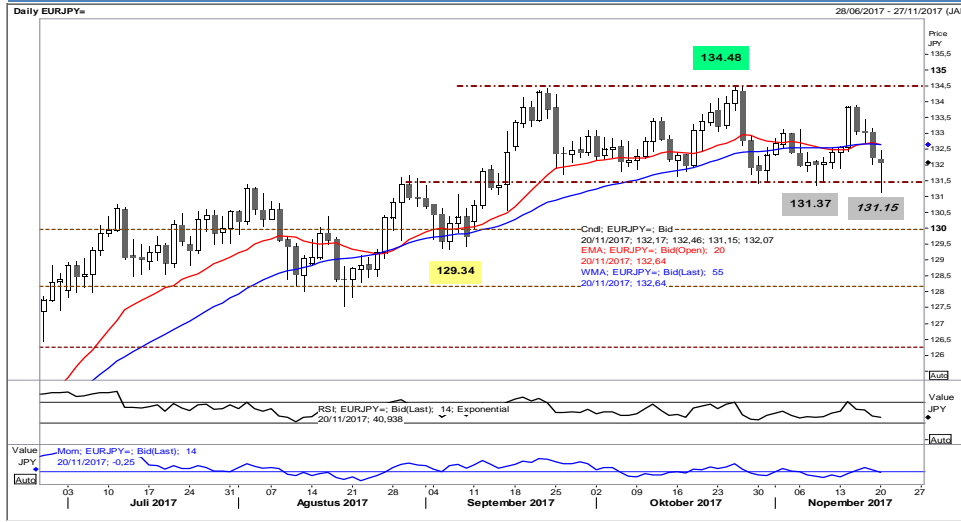
WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.68386	0.67925	0.69787	0.67794	0.72248	0.68170	0.75570	0.68166
(20/Nov)	(20/Nov)	(09/Nov)	(17/Nov)	(02/Oct)	(27/Oct)	(27/Jul)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7170	High Oct 19
	0.7036	High Oct 20
	0.6979	High Nov 09
	0.6918	High Nov 15
SUPPORT	0.6779	Low Nov 17
	0.6674	Low May 30, 2016
	0.6574	Low Mar 16, 2016
	0.6543	Low Feb 16, 2016
RECOMMENDATION	BUY	-----
	SELL	0.6830
	STOP LOSS	0.6895
	TARGET	0.6760 0.6730

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
Nov 20	131.986	132.440	131.144	129,6	132.113	↓ 13,8	132.251
Nov 17	133.115	133.131	132.025	110,6	132.251	↓ 77,0	133.021
Nov 16	132.830	133.426	132.729	69,7	133.021	↓ 3,7	133.058
Nov 15	133.839	133.842	132.879	96,3	133.058	↓ 75,2	133.810
Nov 14	132.486	133.912	132.454	145,8	133.810	↑ 127,0	132.540

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
132.440 (20/Nov)	131.144 (20/Nov)	133.912 (14/Nov)	131.144 (20/Nov)	134.472 (25/Oct)	131.427 (30/Oct)	134.472 (25/Oct)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	137.29	High 18/Sep/2015
	136.06	High 22/Oct/2015
	134.48	High 25/Oct/2017
	133.16	High 17/Nov/2017
SUPPORT	131.43	Low 30/Oct/2017
	130.59	Low 15/Sep/2017
	129.34	Low 06/Sep/2017
	128.31	Low 22/Aug/2017
RECOMMENDATION	BUY	----
	SELL	132.40
	STOP LOSS	133.40
	TARGET	131.40 131.10

USD/CAD

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



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

WEEKLY OPEN	CURRENT PRICE
1.2765	1.2812

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2820 (20/Nov)	1.2751 (20/Nov)	1.2910 (01/Nov)	1.2662 (10/Nov)	1.2916 (27/Oct)	1.2444 (04/Oct)	1.3793 (05/May)	1.2057 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3470	High 12/Jun/2017
	1.3307	Reaction High 23/Jun/2017 (Daily)
	1.3011	Reaction High 03/Jul/2017 (Daily)
	1.2916	High 27/Oct/2017
SUPPORT	1.2617	Low 24/Oct/2017
	1.2412	Low 29/Sep/2017
	1.2326	Low 26/Sep/2017
	1.2251	Reaction Low 22/Sep/2017 (Daily)
RECOMMENDATION	BUY	1.2785
	SELL	----
	STOP LOSS	1.2715
	TARGET	1.2865 – 1.2885

Precious Metal – *Daily Outlook*

Gold falls on pressure from stronger dollar, rate hikes in focus - Reuters News



Gold fell more than 1 percent on Monday, giving up the prior session's gains on pressure from the rising dollar, expectations for U.S. interest rate hikes and as the market entered a holiday week. Spot gold was down 1.4 percent at \$1,275.66 an ounce by 2:38 p.m. EST (1938 GMT), off Friday's peak of \$1,297, its strongest since Oct. 16. U.S. gold futures settled down 1.6 percent at \$1,275.30.

The U.S. dollar touched its highest against a basket of major currencies in nearly a week, as the euro weakened amid political risks linked to German Chancellor Angela Merkel's failure to form a three-way coalition government. Global equities rose as confidence over economic growth around the world helped investors brush off concerns about the collapse of government talks in Germany.

"This reversal is not terribly surprising because you've entered a holiday week and didn't make much progress in that breakout," said Rob Haworth, senior investment strategist at U.S. Bank Wealth Management, referring to the U.S. Thanksgiving holiday on Thursday and failure to extend the Nov. 17 rally to a one-month high.

"The dollar is strengthening ... and the odds of a rate increase are starting to rise. I think we've priced in December and you're starting to price in two or three next year."

The prospect of higher U.S. interest rates when the Federal Reserve meets in December helped the dollar against other major currencies such as the yen.

Goldman Sachs said it expects a tight U.S. labor market and more normal inflation picture will lead the Fed to hike interest rates four times next year.

"For gold, there are headwinds in the guise of U.S. interest rate rises, which means higher front-end bond yield curves and an opportunity cost for holding gold," said Societe Generale analyst Robin Bhar.

Higher rates typically mean sales of short-dated bonds, pushing up yields and make them cheaper for other investors, offering higher returns than gold which earns nothing and costs money to store and insure.

Silver was down 2.3 percent at \$16.91 an ounce and platinum fell 3 percent to \$922.30.

Palladium eased 0.5 percent to \$988.50 an ounce.

Traders said palladium could come under pressure from news that Norilsk Nickel is planning to boost purchases of palladium for its fund from Russian central bank reserves to help ease shortages in the market.

An executive at Norilsk, the world's largest palladium producer, told Reuters that purchases in 2017 would rise to as much as 600,000 ounces. This compares with about five tonnes (160,764 ounces) last year.

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

GOLD (XAU/USD)



- Resistance around 1334
- Support area is around 1243
- Daily RSI is down
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Nov 20	1292.230	1294.620	1274.440	20.18	1276.660	↓ 16.73	1293.390	1292.35	1286.20
Nov 17	1278.120	1296.740	1278.120	18.62	1293.390	↑ 14.97	1278.420	1283.85	1284.35
Nov 16	1277.960	1281.630	1274.980	6.65	1278.420	↑ 0.41	1278.010	1277.70	1280.00
Nov 15	1279.900	1289.400	1276.630	12.77	1278.010	↓ 1.96	1279.970	1285.70	1282.20
Nov 14	1277.920	1283.430	1269.840	13.59	1279.970	↑ 1.88	1278.090	1273.70	1274.60

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1294.620	1274.440	1296.740	1265.340	1305.890	1260.470	1357.380	1146.31
(20/Nov)	(20/Nov)	(17/Nov)	(03/Nov)	(16/Oct)	(06/Oct)	(08/Sep)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1334.36	High Sept 15
	1313.54	High Sep 26
	1306.06	High Oct 16
	1297.00	High Nov 17
SUPPORT	1277.90	Low Nov 17
	1270.56	Low Nov 14
	1263.35	Low Oct 27
	1260.16	Low Oct 06
RECOMMENDATION	BUY	-----
	SELL	1278.00
	STOP LOSS	1291.00
	TARGET	1267.00 1262.00

SILVER (XAG/USD)



- With strong resistance at 17.62
 - While the crucial support area is around 16.30
- (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20	17.239	17.265	16.826	0.44	16.896	↓ 0.37	17.262
Nov 17	17.059	17.362	17.013	0.35	17.262	↑ 0.20	17.064
Nov 16	16.972	17.111	16.941	0.17	17.064	↑ 0.09	16.975
Nov 15	17.005	17.186	16.932	0.25	16.975	↓ 0.03	17.008
Nov 14	17.035	17.077	16.855	0.22	17.008	↓ 0.02	17.031

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.265	16.826	17.362	16.652	17.448	16.316	18.63	14.334
(20/Nov)	(20/Nov)	(17/Nov)	(01/Nov)	(16/Oct)	(06/Oct)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.85	High Sept 15
	17.62	High Sept 18
	17.46	High Oct 16
	17.30	High Nov 20
SUPPORT	16.81	Low Nov 13
	16.62	Low Nov 01
	16.30	Low Oct 06
	16.10	Low Aug 07
ECOMMENDATION	BUY	----
	SELL	16.95
	STOP LOSS	17.30
	TARGET	16.60
		16.35

OIL – Daily Outlook

Oil eases as traders, investors grow edgy ahead of OPEC - Reuters News



Oil prices fell 0.8 percent on Monday, extending recent weakness ahead of next week's OPEC meeting, while a rally in the dollar hurt commodities across the board.

U.S. West Texas Intermediate (WTI) crude futures settled down 46 cents or 0.8 percent to \$56.09, while Brent crude futures fell 50 cents or 0.8 percent to \$62.22 a barrel. Oil has been under pressure for the last two weeks since peaking in early November; U.S. crude has lost 2.6 percent.

The Organization of the Petroleum Exporting Countries, together with a group of non-OPEC producers led by Russia, has been

restraining output since the start of this year to try to lower global inventories and support prices.

The deal is due to expire in March 2018, and OPEC meets on Nov. 30 to discuss the policy. The expectation is for the group to extend the cut agreement to cover the whole of next year.

"It is widely believed that OPEC together with 10 non-OPEC countries will roll over their production for the whole of 2018, although Russia is holding its cards close to its chest," PVM Oil Associates strategist Tamas Varga said.

Still the continued increase in U.S. crude production is a cause of concern for OPEC, and Gene McGillian, manager of market research at Tradition Energy in Stamford, Connecticut, says U.S. producers have ramped up output following recent rallies in crude prices.

"The market is growing concerned about U.S. production," said McGillian, "There are expectations we can see close to 10 million barrels a day within 3 to 6 months."

OPEC last week forecast demand for its own crude would rise by 460,000 barrels per day (bpd) to 33.42 million bpd next year, in contrast with a forecast from the International Energy Agency (IEA) for a drop of 320,000 bpd to 32.38 million bpd.

The dollar's move higher overnight hit commodities, including oil. The U.S. currency strengthened against the euro after news that Germany has been unable to form a coalition government, adding to political uncertainty in the European Union. The dollar gained 0.4 percent against the euro.

Oil often moves inversely to the dollar, because oil is transacted in the dollar, and a stronger dollar theoretically makes oil more expensive for global buyers. The relationship is not consistent, but sharp reactions in the dollar can affect commodities, and vice versa.

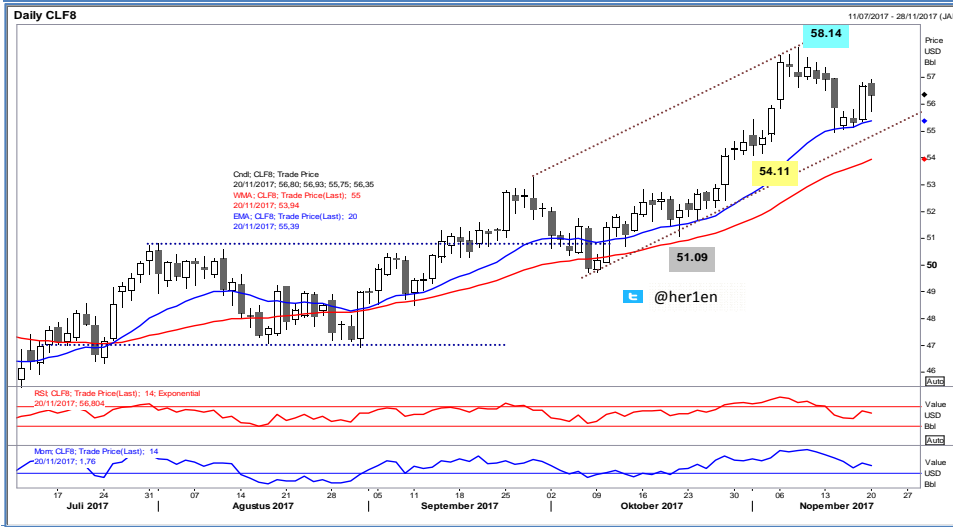
Current high levels of speculative interest in oil may have also contributed to the move lower. CFTC data last week showed a record level of long positions in RBOB gasoline futures as well, for an overall heavy speculative position in energy contracts.

"Because of those positions, we were vulnerable to profit taking, and people started to get out when the dollar took off," said Phil Flynn, analyst at Price Futures Group in Chicago.

Nebraska regulators approved a route for TransCanada Corp's Keystone XL pipeline through the state on Monday, lifting the last big regulatory obstacle for the long-delayed project that U.S. President Donald Trump wants built.

Zachary Rogers, refining and oil markets research analyst at Wood Mackenzie, said if the line is built the biggest winners will likely be Alberta's oil companies. [\(Source Reuters, Research – @her1en\)](#)

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Nov 20 (CLF8)	56.72	56.91	55.74	1.17	56.37	↓ 0.41	56.78
Nov 17 (CLF8)	55.45	56.79	55.38	1.41	56.78	↑ 1.32	55.46
Nov 16 (CLF8)	55.50	55.81	55.14	0.67	55.46	↓ 0.02	55.48
Nov 16 (CLZ7)	55.28	55.60	54.92	0.68	55.25	↓ 0.04	55.29
Nov 15	55.04	55.54	54.89	0.65	55.29	↑ 0.32	54.97
Nov 14	56.71	56.75	54.80	1.95	54.97	↓ 1.75	56.72

WEEKLY		NOVEMBER		OCTOBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
56.91	55.74	57.90	53.88	54.81	49.09	57.90	42.04
(20/Nov)	(20/Nov)	(08/Nov)	(01/Nov)	(31/Oct)	(06/Oct)	(08/Nov)	(21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	62.58	High May 31, 2005
	59.69	High June 30, 2015
	58.98	High July 01, 2015
	57.95	High July 02, 2015
SUPPORT	55.39	Low Nov 17
	54.40	Low Nov 03
	53.75	Low Oct 30
	52.25	Low Oct 27
RECOMMENDATION	BUY	56.15
	SELL	-----
	STOP LOSS	55.15
	TARGET	57.55
		58.05