



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

- Asian shares were fragile on Monday as investors remained unconvinced about U.S. President Donald Trump's ability to fulfil his economic agenda, even as the departure of his controversial policy strategist raised hopes of some progress.
- European stocks fell further on Monday as geopolitical jitters trickled over from Asia, though gains in carmaker Fiat Chrysler and Danish shipping firm Maersk helped limit losses.
- A gauge of world stock indexes edged up after touching a 5-1/2-week low on Monday as geopolitical uncertainty kept gains in check but metals prices dazzled, helped in part by Chinese demand.

GLOBAL ECONOMIES

- Confidence at Japanese manufacturers rose in August to its highest level in a decade led by producers of industrial materials, a Reuters poll showed, in a further sign of broadening economic recovery.
- The German economy could grow faster this year than earlier expected on the back of exceptionally strong industrial production, exports and consumption, the Bundesbank said in a monthly report on Monday.
- Greek government bond yields dipped on Monday after Fitch became the second ratings agency to upgrade it to "Single B" status, marking another milestone in the debt-laden country's slow journey away from default territory.
- Britain's current account deficit, the largest of any major economy last year, was even bigger in 2015 than previously thought, according to new estimates from the Office for National Statistics.
- The value of Canadian wholesale trade fell by 0.5 percent in June after eight consecutive monthly increases, largely pulled down by lower sales of food and motor vehicles, Statistics Canada said on Monday

GLOBAL MARKETS

Asia – Asian shares were fragile on Monday as investors remained unconvinced about U.S. President Donald Trump's ability to fulfil his economic agenda, even as the departure of his controversial policy strategist raised hopes of some progress.

Japan's Nikkei shed 0.3 percent, hitting a 3-1/2-month low, shrugging off a Reuters poll which showed confidence at Japanese manufacturers rose to its highest in a decade in August.

MSCI's broadest index of Asia-Pacific shares outside Japan was barely in the black thanks to modest gains in China, but many markets, including Australia and South Korea, were in the red.

Euro Zone – European stocks fell further on Monday as geopolitical jitters trickled over from Asia, though gains in carmaker Fiat Chrysler and Danish shipping firm Maersk helped limit losses.

The pan-European STOXX 600 fell 0.5 percent, with euro zone blue-chips down 0.5 to 0.7 percent.

Falls followed a fragile Asian session which saw investors shed risky assets as joint U.S. and South Korean military drills began.

The risk-off move in Europe hit banks the hardest, down 0.9 percent with Deutsche Bank and French lenders Societe Generale, BNP Paribas and Credit Agricole among top losers.

After recent losses, the STOXX 600 was down around 6 percent from its mid-May 20-month peak.

Deal-making, however, helped cap losses.

Fiat Chrysler shares rose 6.9 percent to a 19-year high after Great Wall said it was interested in the Italian-American automaker, confirming reports it is pursuing all or part of the owner of the Jeep and Ram truck brands.

Even though Fiat said it had not been approached, its shares have gained 16 percent in the past week since rumours first emerged that a Chinese buyer may be interested in the firm.

Maersk gained 2.9 percent after the firm agreed to sell Maersk Oil to French oil major Total for \$7.45 billion.

"We see the deal as free cash flow neutral over 2018/19, and accretive thereafter as capital expenditure falls closer to \$500 million per annum," analysts at RBC Capital Markets said.

Total shares inched up 0.3 percent.

With the second-quarter European reporting season drawing to a close, 60 percent of companies have either beaten or met expectations, though share price reactions have been muted overall.

"In isolation the results appear quite good," said Barclays analysts looking back at the earnings season.

"However investors appear disappointed that the results were not as good as the record-breaking first quarter season," they added, saying concerned investors taking profits could be behind the lukewarm reaction in share prices.

Swiss chocolatier Lindt & Sprungli gained 3.4 percent after UBS upgraded it to a buy, saying its premium product offering helps it benefit more from lower cocoa input costs than peers.

"Despite a trend towards healthy snacking, Lindt's sales growth should be stronger than the market assumes, given its products are perceived as an indulgence," UBS analysts added.

U.S. & Global Markets – A gauge of world stock indexes edged up after touching a 5-1/2-week low on Monday as geopolitical uncertainty kept gains in check but metals prices dazzled, helped in part by Chinese demand.

Zinc rose to its highest in a decade, copper hit a nearly three-year peak and iron ore rose to gain nearly 15 percent in the last three sessions.

U.S. stocks were mixed as tensions simmered between the United States and North Korea. Doubts also lingered about the ability of U.S. President Donald Trump's administration to push through a pro-business agenda of tax cuts and infrastructure spending, and lower oil prices dragged on the market.

The Dow Jones Industrial Average rose 29.24 points, or 0.13 percent, to 21,703.75, the S&P 500 gained 2.82 points, or 0.12 percent, to 2,428.37 and the Nasdaq Composite dropped 3.40 points, or 0.05 percent, to 6,213.13.

Stock futures trading volume fell in the United States during the two hours that traders left their offices to get a glimpse of the first total solar eclipse to unfold across the country in nearly a century.

About 174,000 S&P 500 e-mini futures futures changed hands over the two-hour period ending 3:30 p.m. ET on Monday, down about 46 percent for the comparable period last year.

European stocks closed lower as bank shares dropped in risk-off trading. The losses trickled over from Asian trading with investors shedding risky assets as joint U.S. and South Korean military drills began.

Analysts said market participants were also awaiting an upcoming speech from Trump on U.S. strategy in Afghanistan later in the evening.

"Some people are a little apprehensive and not sure what's going to be said," said Ian Winer, head of equities at Wedbush Securities in Los Angeles.

Additionally, Winer said, without much in the way of U.S. economic data or other headlines, "it's a quiet Monday and people are still feeling the effects of last week. Now that earnings are over there's just not a whole lot of catalysts."

MSCI's all-country world index rose 0.09 percent after earlier touching its lowest since July 12.

Chinese and emerging market shares rose, boosted by mainland China shares, which added to gains following the Shanghai stock index's biggest weekly advance in four months last week.

Hopes for Chinese infrastructure spending and a potential demand boost down the road from electric cars helped zinc hit its highest since October 2007 at \$3,180.50 a tonne.

Copper rallied to its highest since November 2014 and China's iron ore futures soared more than 4 percent.

Gold prices turned higher.

The geopolitical fears also helped boost the Japanese yen against the dollar. The U.S. currency has fallen for four straight sessions against the safe-haven yen, which is sought for its liquidity in times of market stress.

The dollar was last down 0.25 percent against the yen at 108.91 yen.

U.S. Treasury yields were little changed ahead of the Federal Reserve's conference in Jackson Hole, Wyoming, at the end of the week.

Investors were looking to European Central Bank chief Mario Draghi's comments at the event, although sources told Reuters last week he would not deliver any fresh policy messages.

Fed Chair Janet Yellen's keynote speech will also be scoured for clues on the U.S. central bank's next move.

"We're hopefully getting a couple of more data points to see where the Fed takes their temperature on where they're feeling the economy is at this juncture so that we can anticipate if something happens in the fourth quarter or not," said Wayne Wicker, chief investment officer at ICMA-RC in Washington, D.C.

The benchmark U.S. 10-year Treasury note rose 3/32 in price to yield 2.18 percent. [\(Source Reuters - @her1en\)](#)

GLOBAL ECONOMIES

Japan – Confidence at Japanese manufacturers rose in August to its highest level in a decade led by producers of industrial materials, a Reuters poll showed, in a further sign of broadening economic recovery. The Reuters' monthly poll - which tracks the Bank of Japan's closely watched quarterly tankan - found the service-sector mood fell but still remained at a relatively high level, underscoring the firmness in domestic demand which drove robust expansion in the second quarter.

Business sentiment was likely to sag slightly over the next three months, indicating a potential pullback from the hefty 4 percent annualised growth in the April-June quarter driven by private consumption and capital expenditure.

The sentiment index for manufacturers rose one point to 27 in August in the poll of 548 large- and mid-sized companies, conducted Aug. 1-16, in which 265 firms responded.

It was the best reading since August 2007, just before the last global financial crisis, led by producers of industrial materials such as oil, steel and chemicals, as well as manufacturers of metals, machinery and transport equipment.

"Our business is led by overseas markets. The domestic market is not so bad, China is recovering and America and Europe are performing well. Overall the sentiment is positive," Keisuke Fujii, a spokesman for Fanuc Corp, a manufacturer of robotics and automation equipment, told Reuters.

The company expects current profits to rise 6.1 percent this financial year and sales to increase 13.9 percent

Euro Zone – The German economy could grow faster this year than earlier expected on the back of exceptionally strong industrial production, exports and consumption, the Bundesbank said in a monthly report on Monday.

Solid sales are pushing capacity utilization in manufacturing even higher, fuelling a further rise in corporate investment in the euro zone's biggest economy, the central bank said after growth rose to its fastest annualised rate in over two years in the second quarter.

With the euro zone economy now expanding for the 17th straight quarter, Germany has been the engine of recovery, giving the European Central Bank some room to at least discuss curtailing its unprecedented stimulus cocktail.

"The exceptionally positive corporate and consumer sentiment indicators, and the solid stock of industrial orders suggest that the German economy is likely to continue to gain momentum in the current quarter as well," the Bundesbank said.

"The German economy could grow even faster this year than expected in the June projection," it added.

The Bundesbank earlier expected the economy to grow by 1.9 percent this year based on calendar adjusted data and second quarter figures showed an annualised growth rate of 2.1 percent, thanks to solid consumption and manufacturing.

With elections just a month away, the Germany economy is enjoying its best run since the global financial crisis, a boost to the economic credentials of Chancellor Angela Merkel, who is holding a comfortable poll lead in her bid for a fourth term.

Indeed, in a country obsessed with a balanced budget and paying down debt, the Bundesbank predicted another budget surplus for this year, arguing that further surpluses would be generated in the coming years without policy changes.

The Bundesbank added that even the diesel scandal engulfing the country's vital car manufacturing sector and talk of banning older diesel engines have so far had no major impact on the sector's outlook.

The finance ministry has classified the issue as a medium-term risk that could impact growth.

The reputation of Germany's car industry and in particular the "clean" diesel technology on which it heavily relies has been battered ever since Volkswagen admitted to cheating U.S. emissions tests to conceal polluting fumes two years ago.

Carmakers have now agreed with Berlin to renew engine software on millions of diesel cars and pay customers bonuses to upgrade to cleaner vehicles as they face potential driving bans in major cities and dwindling diesel sales.

Greece – Greek government bond yields dipped on Monday after Fitch became the second ratings agency to upgrade it to "Single B" status, marking another milestone in the debt-laden country's slow journey away from default territory.

The ratings agency upgraded Greece's long-term foreign-currency issuer default ratings to 'B-' from 'CCC' late on Friday, citing reduced political risk and sustained economic growth.

Short-dated Greek government bond yields hit 3.25 percent at one stage, close to their lowest since 2009, a level hit earlier this month.

The yield on Greece's 10-year government bond dropped 5 basis points in early trade to 5.58 percent before trading flat.

"Greece is still a credit that is risky and volatile, but at least it's now not one step away from default but two steps away," said DZ Bank strategist Daniel Lenz.

"I think an upgrade was largely priced in so you won't see a huge amount of spread tightening - but still, it's possible that some high-yield investors would consider a small investment in Greece now."

S&P upgraded the country to "B-" a month ago. Moody's still has a "Caa2" rating on the country.

While Greece has been grappling with gargantuan levels of debt and has had to put stringent austerity measures in place in exchange for European Union funds, the country was given a boost in June when euro zone governments agreed to release \$9.5 billion in aid.

In addition, Greece regained bond market access last month after a three-year hiatus, selling 3 billion euros of five-year bonds.

The Greece upgrade also boosted sentiment towards the eurozone's other lower-rated bond markets, pushing Portuguese yields to fresh one-year lows at 2.74 percent.

Other South European government bonds also outperformed the rest of the market on Monday, with Italian and Spanish 10-year borrowing costs dropping 1-2 bps.

Though stock markets suffered further losses on the back of political turmoil in the United States - after President Donald Trump fired his chief strategist Steve Bannon - bond investors were more focused on Thursday's meeting of central bankers at Jackson Hole, Wyoming.

European Central Bank president Mario Draghi will speak at the conference, and speculation has been rife that the tapering of the ECB's 2-trillion-euro-plus bond-buying scheme cannot be far away.

Sources told Reuters that Draghi will not deliver a new policy message at the conference, but investors are generally looking for the bank's policy stance to tighten over the coming months as growth returns to the bloc.

The yield on Germany's 10-year government bond, the benchmark for the region, was unchanged at 0.40 percent.

UK – Britain's current account deficit, the largest of any major economy last year, was even bigger in 2015 than previously thought, according to new estimates from the Office for National Statistics.

The current account deficit has been in the spotlight since last year's vote on leaving the European Union, and although it has narrowed recently is not far off levels that would trigger a currency crisis in a less developed economy.

Bank of England Governor Mark Carney said in the run-up to the referendum that Britain was reliant on the "kindness of strangers", highlighting how the country needed tens of billions of pounds of foreign finance a year to balance its books.

The ONS said on Monday it now estimated the current account deficit was 98 billion pounds (\$126 billion) in 2015, equivalent to 5.2 percent of gross domestic product, compared with its previous estimate of 80 billion pounds or 4.3 percent of GDP.

Much of the increase stemmed from new methodology that showed British companies paid out more interest to foreign holders of corporate bonds than initially estimated, resulting in a larger current account deficit. The revisions come more than a year after the government published a review of the ONS by former Bank of England deputy governor Charles Bean, who said many of its statistics were showing their age - especially in capturing the digital economy.

"As the UK has a large and complex financial sector, accurately measuring interest payments is difficult," said ONS chief economist Nick Vaughan said of Monday's revisions.

"However, by using better data sources, as part of our plans to transform the way we collect, produce and publish statistics, we are now able to give a much improved estimate of Britain's financial sector."

Canada – The value of Canadian wholesale trade fell by 0.5 percent in June after eight consecutive monthly increases, largely pulled down by lower sales of food and motor vehicles, Statistics Canada said on Monday. The decrease was greater than the 0.2 percent drop forecast by analysts in a Reuters poll. Five of the seven subsectors posted declines.

In volume terms, sales edged down by 0.7 percent.

The food, beverage and tobacco subsector fell by 1.0 percent, while motor vehicles and parts dealers also saw trade slip by 1.0 percent.

Sales in the western energy-producing province of Alberta, still coming to grips with a prolonged period of low oil prices, declined 3.7 percent, the first decrease in nine months.

Inventories posted their 10th gain in 11 months, rising 0.6 percent to reach a record high on the back of a 3.2 percent increase in the personal and household goods subsector. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/21-Aug-17	04:00	KR	PPI YoY	Jul	3.0%	--	2.8%	
	07:00	KR	Exports 20 Days YoY	Aug	-	--	22.4%	
	07:00	KR	Imports 20 Days YoY	Aug	-	--	13.3%	
	11:30	JP	All Industry Activity Index MoM	Jun	0.4%	0.4%	-0.9%	-0.8%
	14:00	CH	Money Supply M3 YoY	Jul	4.0%	--	4.1%	
	19:30	US	Chicago Fed Nat Activity Index	Jul	-0.01	--	0.13	0.16
Tue/22-Aug-17	13:00	CH	Trade Balance	Jul		--	2.81b	
	13:00	CH	Exports Real MoM	Jul		--	-1.9%	
	13:00	CH	Imports Real MoM	Jul		--	-0.5%	
	15:30	GB	Public Finances (PSNCR)	Jul		--	18.3b	
	15:30	GB	Central Government NCR	Jul		--	17.8b	
	15:30	GB	Public Sector Net Borrowing	Jul		--	6.3b	
	15:30	GB	PSNB ex Banking Groups	Jul		--	6.9b	
	15:30	HK	CPI Composite YoY	Jul		--	1.9%	
	16:00	EZ	ZEW Survey Expectations	Aug		--	35.6	
	16:00	DE	ZEW Survey Current Situation	Aug		--	86.4	
	16:00	DE	ZEW Survey Expectations	Aug		--	17.5	
	19:30	CA	Retail Sales MoM	Jun		--	0.6%	
	19:30	CA	Retail Sales Ex Auto MoM	Jun		--	-0.1%	
	20:00	CN	Conference Board China July Leading Economic Index					
21:00	US	Richmond Fed Manufact. Index	Aug		10	14		
Wed/23-Aug-17	08:10	JP	BOJ Outright Bond Purchase 1~3 Years					
	08:10	JP	BOJ Outright Bond Purchase 3~5 Year					
	08:10	JP	BOJ Outright Bond Purchase 10~25 Years					
	08:10	JP	BOJ Outright Bond Purchase 25 Years~					
	13:00	JP	Machine Tool Orders YoY	Jul F		--	26.3%	
	14:00	EZ	ECB's Draghi Speaks in Lindau, Germany					
	14:30	DE	Markit/BME Germany Manufacturing PMI	Aug P		--	58.1	
	14:30	DE	Markit Germany Services PMI	Aug P		--	53.1	
	14:30	DE	Markit/BME Germany Composite PMI	Aug P		--	54.7	
	15:00	EZ	Markit Eurozone Manufacturing PMI	Aug P		--	56.6	
	15:00	EZ	Markit Eurozone Services PMI	Aug P		--	55.4	
	15:00	EZ	Markit Eurozone Composite PMI	Aug P		--	55.7	
	20:05	US	Fed's Kaplan Speaks to Oil Group in Midland, Texas					
	20:45	US	Markit US Manufacturing PMI	Aug P		--	53.3	
	20:45	US	Markit US Services PMI	Aug P		--	54.7	
	20:45	US	Markit US Composite PMI	Aug P		--	54.6	
	21:00	EZ	Consumer Confidence	Aug A		--	-1.7	
	21:00	US	New Home Sales	Jul		610k	610k	
	21:00	US	New Home Sales MoM	Jul		0.0%	0.8%	
21:30	US	DOE U.S. Crude Oil Inventories	Aug-18		--	-8.945m		
21:30	US	DOE Cushing OK Crude Inventory	Aug-18		--	0.678m		
21:30	US	DOE U.S. Gasoline Inventories	Aug-18		--	0.022m		
21:30	US	DOE U.S. Distillate Inventory	Aug-18		--	0.702m		
Thu/24-Aug-17	05:45	NZ	Trade Balance NZD	Jul		--	242m	
	05:45	NZ	Exports NZD	Jul		--	4.70b	
	05:45	NZ	Imports NZD	Jul		--	4.46b	
	05:45	NZ	Trade Balance 12 Mth YTD NZD	Jul		--	-3661m	
	07:30	JP	Nikkei Japan PMI Mfg	Aug P		--	52.1	
	N/A	KR	M3 Money Supply YoY	Jul		--	1.5%	
	N/A	KR	M2 Money Supply YoY	Jul		--	2.4%	
	N/A	KR	M1 Money Supply YoY	Jul		--	0.3%	
	N/A	KR	Current Account Balance	2Q		--	6240m	
	10:00	KR	Short-Term External Debt	2Q		--	\$115.4b	

	12:00	JP	Leading Index CI	Jun F		--	106.3	
	12:00	JP	Coincident Index	Jun F		--	117.2	
	14:15	CH	Industry & Construction Output WDA YoY	2Q		--	-1.3%	
	14:15	CH	Industrial Output WDA YoY	2Q		--	-1.3%	
	15:30	HK	Exports YoY	Jul		--	11.1%	
	15:30	HK	Imports YoY	Jul		--	10.4%	
	15:30	HK	Trade Balance HKD	Jul		--	-48.3b	
	15:30	GB	GDP QoQ	2Q P		--	0.3%	
	15:30	GB	GDP YoY	2Q P		--	1.7%	
	15:30	GB	Private Consumption QoQ	2Q P		--	0.3%	
	15:30	GB	Government Spending QoQ	2Q P		--	0.8%	
	15:30	GB	Gross Fixed Capital Formation QoQ	2Q P		--	1.2%	
	15:30	GB	Exports QoQ	2Q P		--	-1.6%	
	15:30	GB	Imports QoQ	2Q P		--	2.7%	
	15:30	GB	Index of Services MoM	Jun		--	0.2%	
	15:30	GB	Index of Services 3M/3M	Jun		--	0.4%	
	15:30	GB	Total Business Investment QoQ	2Q P		--	0.6%	
	15:30	GB	Total Business Investment YoY	2Q P		--	0.7%	
24-Aug - 27-Aug	N/A	US	Kansas City Fed hosts annual Jackson Hole Policy Symposium					
	19:30	US	Initial Jobless Claims	Aug-19		--	232k	
	19:30	US	Continuing Claims	Aug-12		--	1.953m	
	21:00	US	Existing Home Sales	Jul		5.56m	5.52m	
	21:00	US	Existing Home Sales MoM	Jul		0.7%	-1.8%	
	22:00	US	Kansas City Fed Manf. Activity	Aug		--	10	
Fri/25-Aug-17	04:00	KR	Consumer Confidence	Aug		--	111.2	
	06:30	JP	Natl CPI YoY	Jul		--	0.4%	
	06:30	JP	Natl CPI Ex Fresh Food YoY	Jul		--	0.4%	
	06:30	JP	Natl CPI Ex Fresh Food, Energy YoY	Jul		--	0.0%	
	06:30	JP	Tokyo CPI YoY	Aug		--	0.1%	
	06:30	JP	Tokyo CPI Ex-Fresh Food YoY	Aug		--	0.2%	
	06:30	JP	Tokyo CPI Ex-Fresh Food, Energy YoY	Aug		--	-0.1%	
	06:30	JP	Japan July CPI					
	06:50	JP	PPI Services YoY	Jul		--	0.8%	
	08:10	JP	BOJ Outright Bond Purchase 5~10 Years					
	13:00	DE	GDP SA QoQ	2Q F		--	0.6%	
	13:00	DE	GDP WDA YoY	2Q F		--	2.1%	
	13:00	DE	GDP NSA YoY	2Q F		--	0.8%	
	13:00	DE	Private Consumption QoQ	2Q		--	0.3%	
	13:00	DE	Government Spending QoQ	2Q		--	0.4%	
	13:00	DE	Capital Investment QoQ	2Q		--	1.7%	
	13:00	DE	Construction Investment QoQ	2Q		--	2.3%	
	13:00	DE	Domestic Demand QoQ	2Q		--	0.2%	
	13:00	DE	Exports QoQ	2Q		--	1.3%	
	13:00	DE	Imports QoQ	2Q		--	0.4%	
	15:00	DE	IFO Business Climate	Aug		--	116	
	15:00	DE	IFO Expectations	Aug		--	107.3	
	15:00	DE	IFO Current Assessment	Aug		--	125.4	
	19:30	US	Durable Goods Orders	Jul P		-5.8%	6.4%	
	19:30	US	Durables Ex Transportation	Jul P		0.5%	0.1%	
	19:30	US	Cap Goods Orders Nondef Ex Air	Jul P		0.3%	0.0%	
	19:30	US	Cap Goods Ship Nondef Ex Air	Jul P		--	0.1%	
Sat/26-Aug-17	00:00	US	Baker Hughes U.S. Rig Count	Aug-25		--	946	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japanese stocks fell to a fresh 3-1/2-month low on Monday as global investors remained cautious amid worries over whether the Trump administration will be able to implement growth boosting measures.

The Nikkei ended down 0.4 percent at 19,393.13 points, its lowest closing level since May 1.

The dollar was at 109.20 yen, not far from Friday's four-month low of 108.605.

The broader Topix dropped 0.1 percent to 1,595.19, the lowest closing level since June 15. Volume hit a three-month low of 1.40 billion shares, while turnover dropped to a two-month low of 1.753 trillion yen.

In the latest shakeup, the White House said U.S. President Donald Trump on Friday fired chief strategist Steve Bannon, known as an economic nationalist and an advocate of "America First" policies. Critics have accused him of harboring anti-Semitic and white nationalist sentiments.

"There is something every day that's worrying the market... People are risk averse as various risks are coming from the United States now," said Hikaru Sato, a senior technical analyst at Daiwa Securities.

He also added that the market remains jittery as the United States and South Korea will go ahead with joint military drills this week.

Financial stocks such as banks, securities and insurers underperformed, with Mitsubishi UFJ Financial Group dropping 1.3 percent, Nomura Holdings sliding 1.9 percent and Dai-ichi Life Holdings falling 1.6 percent.

Bucking the weaker broader trend, mining shares rose, with Inpex Corp advancing 1.5 percent and Japan Petroleum Exploration Co adding 0.6 percent after oil prices held on to Friday's big gains.

Japan's major maritime shipper Nippon Yusen KK soared 1.9 percent after the Nikkei business daily reported that the company is preparing to resume dividend payments for the current fiscal year, after no payouts were offered last year.

The company secured cash by transferring funds from capital surplus to retained earnings in June, the Nikkei said.

The South Korean won inched up on Monday as the dollar weakened on worries over U.S. politics and investors scrutinised the United States' and Seoul's largely computer-based joint military exercise. The military simulation was carried out against a backdrop of heightened tensions over North Korea's missile and nuclear programmes.

The won was quoted at 1,139.0 to the dollar at the conclusion of onshore trade, up 0.2 percent compared to Friday's close of 1,141.3.

South Korean shares edged lower as investor sentiment cooled on concerns about President Donald Trump's ability to push through his economic agenda.

The Korea Composite Stock Price Index (KOSPI) closed down 0.1 percent at 2,355.00 points.

Offshore investors unloaded a net 20.5 billion won (\$18.01 million) worth of KOSPI shares.

Hong Kong shares finished higher on Monday, supported by strong performance in energy and telecoms firms after China Unicom's ownership reform plan was given the green light by China's securities regulator.

The Hang Seng index ended up 0.4 percent at 27,154.68 points, while the China Enterprises Index gained 0.5 percent to 10,751.54.

Shares of China Unicom Hong Kong Ltd gained as much as 10.9 percent before closing up 3.5 percent at HK\$12.36, its highest close in more than two years.

Trading in China Unicom's Hong Kong-listed shares was suspended last Wednesday as the company announced plans for a mixed-ownership reform.

Media worries that the plan would violate rules on private placements were alleviated when the China Securities Regulatory Commission said late on Sunday that it would treat the plan as "an exceptional case."

Oil producer CNOOC Ltd gained 3.7 percent ahead of second-quarter earnings due Aug. 24. Analysts have pointed to strong corporate earnings as one of the key drivers behind a recent rally in Hong Kong shares.

China stocks China stocks rose on Monday, buoyed by strong gains in telecoms group China Unicom after the country's securities regulator granted special dispensation to its \$11.7 billion ownership reform plan.

The blue-chip CSI300 index ended up 0.4 percent at 3,740.99 points, while the Shanghai Composite Index gained 0.6 percent to 3,286.91.

China Unicom Network Communications Ltd, a Shanghai-listed unit of China Unicom, surged by the daily limit of 10 percent. Its shares had been suspended since April 5.

The China Securities Regulatory Commission (CSRC) said late on Sunday that it would treat as "an exceptional case" a plan by China Unicom Network Communications to tap more than a dozen major investors, including Alibaba Group Tencent Holdings and Baidu for funding.

The deal had sown much confusion after it was first announced last Wednesday. Chinese media had speculated it violated rules on private placements in terms of deal size and pricing mechanism after the CSRC revised its rules in February.

Aluminum Corp of China (Chalco) was the next-strongest component of the CSI300 index, closing 7.7 percent higher after its president said it had raised output to take advantage of capacity cuts at private rivals.

Chalco's rise lifted the materials sub-index. The sub-index has gained nearly 24 percent since the beginning of June.

(Source Reuters, Research: @her1en)

ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	309.32 (29/May/2017)	31958.41 (30/Oct/07)	21169.11 (01/Mar/2017)	2400.98 (01/Mar/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	20318.11 (20/June/2017)	322.16 (25/Jul/2017)	27876.12 (09/Aug/2017)	22179.11 (08/Aug/2017)	2490.87 (08/Aug/2017)	3305.43130 (02/Aug/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 – 21 August 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21703.75	↑ 29.24/ 0.13%	.N225	19393.13	↓ 77.28/0.40%
/.SPX	2428.37	↑ 2.82/ 0.12%	.KS200	308.14	↓ 0.25/0.08%
/.IXIC	6213.127	↓ 3.400/ 0.05%	.HSI	27154.68	↑ 107.11/0.40%
JPY=	108.97	↓ 0.20/ 0.18%	/.SSEC	3287.32200	↑ 18.59770/0.57%
KRW=	1137.71	↓ 1.06/ 0.09%	/CLc1 (Oil)	47.37	↓ 1.14/2.35%

SSlamU7 (Nikkei Sep Futures) – Last Trading Date: 11 Sep 2017



- Resistance in 19720 - 19820
 - Consider the support area at 19285-19160
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
21 Aug SSIpmU7	19345	19365	19255	110	19335	---	↓ 10	0.05	24237
21 Aug SSIamU7	19520	19520	19320	200	19345	19345	↓ 105	0.54	53104
18 Aug SSIpmU7	19420	19545	19315	230	19455	---	↑ 5	0.03	35663
18 Aug SSIamU7	19480	19525	19415	110	19450	19450	↓ 225	1.14	61977
17 Aug SSIpmU7	19675	19715	19470	245	19470	---	↓ 205	1.04	28628
17 Aug SSIamU7	19685	19720	19660	60	19675	19675	↓ 75	0.38	36511
16 Aug SSIpmU7	19750	19795	19680	115	19710	---	↓ 40	0.20	17845
16 Aug SSIamU7	19710	19755	19700	55	19750	19750	↑ 20	0.10	32778
15 Aug SSIpmU7	19715	19820	19680	140	19730	---	UNCH	UNCH	19285
15 Aug SSIamU7	19605	19810	19600	210	19730	19730	↑ 220	1.13	62270

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19520	19255	20100	19255	20200	19830	20290	18190
(21/Aug)	(21/Aug)	(02/Aug)	(21/Aug)	(03/Jul)	(07/Jul)	(20/Jun)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	19860	Pivot line
	19820	Reaction high (hourly)
	19720	High Aug 17
	19520	High Aug 21
SUPPORT	19285	Low 19/May/2017 (Reaction low)
	19160	Low May 01
	19055	Low Apr 27
	18550	Low Apr 25
RECOMMENDATION	BUY	----
	SELL	19345
	STOP LOSS	19525
	TARGET	19175 19125

KSU7 (Kospi Sep Futures) – Exp. Date: 14 Sep 2017



- Important resistance at 310.35, support 307.30
- Daily RSI flat
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
21 Aug	309.75	309.80	307.90	1.90	308.40	308.40	↓ 0.70	0.23	147682
18 Aug	306.50	309.30	306.30	3.00	309.10	309.10	↓ 0.15	0.05	178616
17 Aug	308.20	309.85	307.30	2.55	309.25	309.25	↑ 1.65	0.54	193569
16 Aug	308.75	309.15	307.10	2.05	307.60	307.60	↑ 1.65	0.54	171426
15 Aug		H	O	L	I	D	A	Y	
14 Aug	305.20	306.40	304.45	1.95	305.95	305.95	↑ 3.10	1.02	179096

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
309.80 (21/Aug)	307.90 (21/Aug)	319.45 (01/Aug)	302.30 (11/Aug)	322.75 (25/Jul)	310.35 (05/Jul)	322.75 (25/Jul)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	316.20	High Aug 08
	312.70	High 09/Aug/2017
	311.20	Reaction high (hourly)
	310.35	High 10/Aug/2017
SUPPORT	307.30	Low Aug 17
	305.50	Pivot line
	304.45	Low 14/Aug/2017
	302.10	Pivot line
RECOMMENDATION	BUY	----
	SELL	308.60
	STOP LOSS	310.40
	TARGET	307.10 306.60

HSIQ7 (Hang Seng August Futures) – Exp. Date: 30 Aug 2017



- Short-term resistance at 27774, while strong resistance at 27880
- Daily RSI flat
- Opening a potentially gap up ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
21 Aug	27045	27199	27021	178	27158	27158	↑ 126	0.47	108076
18 Aug	27055	27218	26924	294	27032	27032	↓ 238	0.87	133329
17 Aug	27566	27580	27233	347	27270	27270	↓ 116	0.42	134.964
16 Aug	27075	27397	27036	361	27387	27386	↑ 260	0.96	114586
15 Aug	27302	27375	27097	278	27127	27127	↓ 48	0.18	126107
14 Aug	27084	27234	27006	228	27175	27173	↑ 333	1.24	120061
11 Aug	26984	27174	26834	340	26842	26842	↓ 541	1.98	163787

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
27199	27021	27808	26834	27241	25110	27808	21863
(21/Aug)	(21/Aug)	(08/Aug)	(11/Aug)	(31/Jul)	(05/Jul)	(08/Aug)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	28178	High 28/May/2015
	27880	Peak level
	27774	Reaction high (hourly)
	27297	High Aug 18
SUPPORT	27023	Reaction low (hourly)
	26802	Bottom (hourly)
	26661	Horizontal support (hourly)
	25110	Low July 05
RECOMMENDATION	BUY	27200
	SELL	----
	STOP LOSS	27030
	TARGET	27400 27450

CURRENCIES – *Daily Outlook*

Dollar falters as North Korea weighs; Jackson Hole meeting in focus - Reuters News



The dollar slumped on Monday amid geopolitical tension in North Korea, as investors braced for the annual central banking conference in Jackson Hole this week where the world's top central bankers may signal their next policy actions.

The U.S. currency has fallen for four straight sessions against the safe-haven yen, prized for its liquidity in times of market stress. It has underperformed so far this year amid generally lackluster U.S. data and a Federal Reserve that has stuck to a gradual monetary tightening pace.

"This sustained pressure on the dollar comes just as geopolitical concerns have risen recently due in

large part to the overhanging threat of North Korea's nuclear capabilities and the ongoing troubles...plaguing U.S. President Trump and his administration," said James Chen, head of research at Forex.com in Bedminster, New Jersey.

South Korean and U.S. forces began computer-simulated military exercises on Monday in the wake of North Korea's weapons programs, angering the Asian communist regime. North Korea denounced the exercises as preparations for a nuclear war.

Though bets on a Fed policy change have been reduced in recent days given the general U.S. political turmoil, expectations of a Fed hike may rise if Chair Janet Yellen emphasizes on Friday that the risks to inflation goals and financial stability require careful monitoring.

"We expect nothing groundbreaking from Yellen," said TD Securities in a note. "There is, however, some risk that she suggests financial stability should be a separate reason for the Fed to continue on its...normalization path, and this would be a hawkish surprise for markets."

In afternoon trading, the dollar fell 0.4 percent against the yen to 108.81 yen.

The euro, meanwhile, rebounded from the day's low to trade up 0.4 percent at \$1.1810. It held well below a 2-1/2-year high above \$1.19 hit earlier this month, as markets bet the euro's double-digit gains this year may be too much for a central bank that is still wary of removing stimulus.

Despite recent losses, it is still up more than 11 percent this year, making it the best performing currency in the G10 currency space.

Last week, it was reported that European Central Bank President Mario Draghi will not deliver a new policy message in Jackson Hole this week, which tempered expectations for the ECB to start charting the course out of stimulus.

But traders are not taking any chances. About \$45 billion of euro-dollar currency options will expire in the three days leading up to Jackson Hole. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

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



- Primary support at the 1.1610 level
- Daily RSI is rise
- Strong resistance at 1.2110
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	1.17527	1.18629	1.17299	133,0	1.18138	↑ 58,1	1.17557
Aug 18	1.17247	1.17732	1.17073	65,9	1.17557	↑ 35,0	1.17207
Aug 17	1.17700	1.17887	1.16611	127,6	1.17207	↓ 43,7	1.17644
Aug 16	1.17346	1.17775	1.16801	97,4	1.17644	↑ 31,4	1.17330
Aug 15	1.17749	1.17914	1.16860	105,4	1.17330	↓ 44,2	1.17772

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18629 (21/Aug)	1.17299 (21/Aug)	1.19091 (02/Aug)	1.16611 (17/Aug)	1.18444 (31/Jul)	1.13112 (05/Jul)	1.19091 (02/Aug)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2254	High Dec 25, 2014
	1.2108	High Jan 02, 2015
	1.1968	High Jan 06, 2015
	1.1889	High Aug 04
SUPPORT	1.1729	Low Aug 21
	1.1661	Low Aug 17
	1.1611	Low Jul 26
	1.1477	Low Jul 20
RECOMMENDATION	BUY	1.1790
	SELL	-----
	STOP LOSS	1.1715
	TARGET	1.1870 1.1900

USD/JPY

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



- Limited correction occurs in its daily
- Indications of a decline in RSI are continuing ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	109.384	109.410	108.624	78,6	108.956	↓ 29,6	109.252
Aug 18	109.429	109.587	108.591	99,6	109.252	↓ 34,2	109.594
Aug 17	110.107	110.359	109.434	92,5	109.594	↓ 58,3	110.177
Aug 16	110.570	110.936	110.018	91,8	110.177	↓ 46,1	110.638
Aug 15	109.599	110.837	109.596	124,1	110.638	↑ 101,9	109.619

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
109.410 (21/Aug)	108.624 (21/Aug)	111.038 (04/Aug)	108.591 (18/Aug)	114.482 (11/Jul)	110.203 (31/Jul)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	111.70	High 27/Jul/2017
	111.33	High 28/Jul/2017
	111.04	High 04/Aug/2017 (Reaction high)
	110.36	High Aug 17
SUPPORT	108.29	Low 18/Apr/2017
	108.11	Low 17/Apr/2017 (Bottom)
	107.74	Low Nov 15, 2016
	106.51	Low Nov 14
RECOMMENDATION	BUY	----
	SELL	109.25
	STOP LOSS	109.90
	TARGET	108.45 108.15

GBP/USD

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



- Important support at 1.2808
 - While important resistance is at 1.2950-1.3022
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	1.28713	1.29151	1.28492	65,9	1.28968	↑ 25,3	1.28715
Aug 18	1.28667	1.29164	1.28304	86,0	1.28715	↑ 8,1	1.28634
Aug 17	1.28879	1.29077	1.28514	56,3	1.28634	↓ 23,8	1.28872
Aug 16	1.28686	1.29020	1.28406	61,4	1.28872	↑ 21,2	1.28660
Aug 15	1.29600	1.29690	1.28450	124,0	1.28660	↓ 86,7	1.29527

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.29151 (21/Aug)	1.28492 (21/Aug)	1.32665 (03/Aug)	1.28304 (18/Aug)	1.32237 (31/Jul)	1.28106 (12/Jul)	1.32665 (03/Aug)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3164	High 04/Aug/2017
	1.3060	High 07/Aug/2017
	1.3022	Reaction high (hourly)
	1.2950	Pivot line (hourly)
SUPPORT	1.2808	Low 12/Jul/2017
	1.2703	Low 26/Jun/2017
	1.2639	Reaction low (hourly)
	1.2587	Low 21/Jun/2017 (Bottom)
RECOMMENDATION	BUY	1.2870
	SELL	----
	STOP LOSS	1.2805
	TARGET	1.2940 1.2970

USD/CHF

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



- Reversal develops after the resistance area at 0.9772 remains intact
- With important support at 0.9582 ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	0.96511	0.96842	0.95993	84,9	0.96176	↓ 29,7	0.96473
Aug 18	0.96214	0.96685	0.95851	83,4	0.96473	↑ 19,5	0.96278
Aug 17	0.96516	0.96970	0.96039	93,1	0.96278	↓ 28,5	0.96563
Aug 16	0.97192	0.97644	0.96470	117,4	0.96563	↓ 68,2	0.97245
Aug 15	0.97200	0.97574	0.97007	56,7	0.97245	↑ 4,6	0.97199

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.96842 (21/Aug)	0.95993 (21/Aug)	0.97715 (08/Aug)	0.95821 (11/Aug)	0.97256 (28/Jul)	0.94372 (21/Jul)	1.0335 (03/Jan)	0.94372 (21/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.9861	High 17/May/2017
	0.9825	High 18/May/2017
	0.9808	High 30/May/2017 (Reaction high)
	0.9772	High 08/Aug/2017 (Reaction high)
SUPPORT	0.9582	Low 11/Aug/2015 (Reaction low)
	0.9489	Low 27/Jul/2017
	0.9436	Low 21/Jul/2017 (Bottom)
	0.9251	Low Aug 24, 2915
RECOMMENDATION	BUY	----
	SELL	0.9645
	STOP LOSS	0.9720
	TARGET	0.9565 0.9535

AUD/USD

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



- Trendline resistance around 0.8170
 - The support area around 0.7720 - 0.7630
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	0.79277	0.79495	0.79095	40,0	0.79352	↑ 4,2	0.79310
Aug 18	0.78864	0.79431	0.78686	74,5	0.79310	↑ 50,5	0.78805
Aug 17	0.79288	0.79616	0.78793	82,3	0.78805	↓ 42,1	0.79226
Aug 16	0.78214	0.79328	0.78157	117,1	0.79226	↑ 101,8	0.78208
Aug 15	0.78505	0.78754	0.78067	68,7	0.78208	↓ 29,2	0.78500

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.79495 (21/Aug)	0.79095 (21/Aug)	0.80416 (01/Aug)	0.78067 (15/Aug)	0.80646 (27/Jul)	0.75698 (05/Jul)	0.80646 (27/Jul)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8295	High Jan 15, 2015 (Reaction high)
	0.8162	High May 14, 2015
	0.8065	High July 27
	0.7992	High Aug 02
SUPPORT	0.7866	Low Aug 18
	0.7812	Low Aug 16
	0.7721	Low July 14
	0.7630	Low July 12
ECOMMENDATION	BUY	0.7915
	SELL	-----
	STOP LOSS	0.7855
	TARGET	0.7985 0.8015

NZD/USD

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



- There was a correction in the daily movement
- With daily RSI is rise [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	0.73057	0.73361	0.73055	30,6	0.73260	↑ 14,6	0.73114
Aug 18	0.72849	0.73340	0.72744	59,6	0.73114	↑ 29,6	0.72818
Aug 17	0.73116	0.73339	0.72794	54,5	0.72818	↓ 29,5	0.73113
Aug 16	0.72393	0.73171	0.72220	95,1	0.73113	↑ 77,3	0.72340
Aug 15	0.72854	0.73107	0.72280	82,7	0.72340	↓ 50,6	0.72846

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.73361 (21/Aug)	0.73055 (21/Aug)	0.75239 (01/Aug)	0.72220 (16/Aug)	0.75570 (27/Jul)	0.72005 (11/Jul)	0.75570 (27/Jul)	0.68166 (11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7524	High Aug 01
	0.7473	High Aug 02
	0.7454	High Aug 04
	0.7371	High Aug 10
SUPPORT	0.7274	Low Aug 18
	0.7222	Low Aug 16
	0.7112	Low June 05
	0.7054	Low June 01
RECOMMENDATION	BUY	0.7305
	SELL	-----
	STOP LOSS	0.7245
	TARGET	0.7375 0.7405

EUR/JPY

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



- Important resistance at 130.80
- Strong support at 128.00

[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	128.556	128.763	127.806	95,7	128.720	↑ 28,6	128.434
Aug 18	128.307	128.760	127.532	122,8	128.434	↑ 1,8	128.416
Aug 17	129.597	129.676	128.341	133,5	128.416	↓ 121,2	129.628
Aug 16	129.743	130.368	129.490	87,8	129.628	↓ 20,6	129.834
Aug 15	129.057	130.006	129.047	95,9	129.834	↑ 71,4	129.120

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
128.763	127.806	131.373	127.532	130.739	127.971	130.739	114.87
(21/Aug)	(21/Aug)	(02/Aug)	(18/Aug)	(11/Jul)	(06/Jul)	(11/Jul)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	131.65	High 04/Feb/2016 (Reaction high)
	131.39	High 02/Aug/2017 (Peak)
	130.38	High Aug 16
	129.71	High Aug 17
SUPPORT	127.42	Low 06/Jul/2017 (Reaction low)
	126.47	Low 28/Jun/2017
	124.72	Low June 27
	123.63	Low June 21
RECOMMENDATION	BUY	128.50
	SELL	----
	STOP LOSS	127.75
	TARGET	129.30 129.60

USD/CAD

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



- Strong support at 1.2412
 - Short-term resistance at 1.2778
- [\(Research – @her1en\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2566	1.2559

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2606 (21/Aug)	1.2550 (21/Aug)	1.2778 (15/Aug)	1.2448 (01/Aug)	1.3014 (05/Jul)	1.2412 (26/Jul)	1.3793 (05/May)	1.2412 (26/Jul)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.2943	High 11/Jul/2017 (Reaction high)
	1.2778	High 15/Aug/2017
	1.2740	Reaction high (hourly)
	1.2691	High Aug 18
SUPPORT	1.2519	Reaction low (hourly)
	1.2444	Reaction low (hourly)
	1.2412	Bottom
	1.2215	Low June 22, 2015
RECOMMENDATION	BUY	----
	SELL	1.2580
	STOP LOSS	1.2655
	TARGET	1.2500 – 1.2470

Precious Metal – *Daily Outlook*

North Korea tensions push gold prices higher - Reuters News



Gold rose on Monday as geopolitical tensions over North Korea fueled safe-haven demand, while doubts about U.S. President Donald Trump's ability to enact pro-business policies pushed U.S. bond yields and the dollar lower.

Investors braced for North Korea's response to computer-simulated military exercises begun by South Korean and U.S. forces on Monday that will continue until Aug. 31.

"Gold is being supported by the war games and the uncertainty in Washington," said Saxo Bank analyst Ole Hansen.

Spot gold was up 0.6 percent at \$1,292.18 an ounce by 1:54 p.m. EDT (1754 GMT). This was within sight of

Friday's brief nine-month-high at \$1,300.80, which came after attacks in Spain and rising fears over Trump's ability to push through tax reform and investment.

U.S. gold futures for December delivery settled up 0.4 percent at \$1,296.70

Hansen said gold could fall further due to a large build-up of speculative long positions in COMEX futures.

Sam Laughlin, a trader at MKS PAMP, said gold could attempt to rise above \$1,300, but that "any corrective moves through \$1,280-\$1,285 have the potential to extend toward \$1,265."

Investors looked ahead to an annual meeting of central bankers this week in Jackson Hole, Wyoming, with European Central Bank President Mario Draghi and U.S. Federal Reserve Chair Janet Yellen to speak on Friday.

Fed officials have indicated they intend to raise interest rates again this year, while sources told Reuters that Draghi would not deliver any fresh policy messages.

Gold is sensitive to rising interest rates because they increase bond yields, raising the opportunity cost of holding non-yielding bullion, and tend to boost the dollar, in which gold is priced.

A gauge of world stock indexes touched a 5-1/2-week low and the dollar fell against a basket of six major currencies, including the yen, due to tension with North Korea and as investors braced for the banking meeting.

Autocatalyst metal palladium was 1.2 percent higher at \$934.22 an ounce, after reaching \$938.50, its highest since February 2001, helped by a rally in industrial metals.

"Demand for both palladium sponge (industrial use) and ingot (investment use) is strong despite the increase in price-elastic supply from the scrap market," said Standard Chartered in a note.

"Palladium's biggest risk in the near term is elevated speculative positioning, and potential profit-taking, but constructive market fundamentals are keeping this risk at bay, for now."

Silver was up 0.6 percent at \$17.02 an ounce, while platinum was 0.4 percent higher at \$978.49.

(Source Reuters, Research – @her1en)

GOLD (XAU/USD)



- Daily RSI is rise
- The main resistance at 1337, support 1251
- Correction in daily [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Aug 21	1281.540	1293.660	1281.510	12.15	1291.720	↑ 4.15	1287.570	1287.60	1292.90
Aug 18	1288.690	1300.660	1283.440	17.22	1287.570	↓ 0.19	1287.760	1295.25	1295.80
Aug 17	1283.520	1289.990	1281.610	8.38	1287.760	↑ 4.85	1282.910	1285.90	1285.15
Aug 16	1271.500	1283.650	1267.610	16.04	1282.910	↑ 11.71	1271.200	1270.15	1272.75
Aug 15	1281.520	1281.840	1267.140	14.70	1271.200	↓ 10.42	1281.620	1274.60	1270.30

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1293.660 (21/Aug)	1281.510 (21/Aug)	1300.660 (18/Aug)	1251.380 (08/Aug)	1270.680 (28/Jul)	1204.690 (10/Jul)	1300.660 (18/Aug)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1339.56	High Sept 27, 2016
	1337.40	High Sept 09, 2016
	1308.00	Trendline resistance
	1300.80	High Aug 18
SUPPORT	1280.20	Low Aug 21
	1267.81	Low Aug 16
	1260.56	Low Aug 09
	1251.01	Low Aug 05
RECOMMENDATION	BUY	----
	SELL	1292.00
	STOP LOSS	1302.00
	TARGET	1282.00 1277.50

SILVER (XAG/USD)



- Short-term resistance around 17.70
 - Strong support at 16.10
 - Daily RSI flat
- (Research – @her1en)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21	16.871	17.112	16.863	0.25	16.998	↓ 0.02	17.021
Aug 18	17.045	17.304	16.907	0.40	17.021	FLAT	17.020
Aug 17	17.108	17.163	16.959	0.20	17.020	↓ 0.09	17.105
Aug 16	16.639	17.116	16.608	0.51	17.105	↑ 0.49	16.615
Aug 15	17.049	17.056	16.563	0.49	16.615	↓ 0.44	17.056

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.112	16.863	17.304	16.108	16.860	14.334	18.63	14.334
(21/Aug)	(21/Aug)	(18/Aug)	(07/Aug)	(31/Jul)	(07/Jul)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.43	High Apr 18
	18.00	High Apr 25
	17.75	High June 06 (Reaction high)
	17.31	High June 14
SUPPORT	16.80	Low Aug 21
	16.59	Low Aug 16
	16.42	Low Aug 09
	16.19	Low Aug 08
ECOMMENDATION	BUY	----
	SELL	17.05
	STOP LOSS	17.30
	TARGET	16.70
		16.50

OIL – Daily Outlook

Oil prices fall 2 pct after end-of-week rally - Reuters News



Oil prices fell nearly 2 percent ahead of monthly contract expiration on Monday, pulling back from last week's rally built on signs the global market is starting to rebalance from chronic oversupply.

Brent crude futures settled down 2 percent, or \$1.06 at \$51.66 a barrel, while U.S. West Texas Intermediate crude futures ended down \$1.14 a barrel, or 2.4 percent, at \$47.37

a barrel ahead of the September contract's expiration on Tuesday.

Both contracts had risen 3 percent on Friday, and traders said the day's action was marked by profit-taking. "Oil prices are experiencing some late summer chop with low trading volume and not much news. I think we are going to be stuck in a neutral for the next two weeks without big moves in either direction," said Joe McMonigle, senior energy analyst at Hedgeye.

U.S. hedge funds and money managers have reduced bets on rising prices in recent weeks, Commodity Futures Trading Commission data showed on Friday.

U.S. oil prices have been on the upswing since bottoming out near \$43 a barrel in mid-June, though the market has not been able to sustain a rally above \$50. Despite the selloff, the market remains in its recent range, said Phil Flynn, analyst at Price Futures Group in Chicago.

The world remains awash with oil despite a deal struck by some of the world's biggest producers to rein in output. Rising U.S. production has been a major factor keeping supply and demand from balancing.

U.S. output may soon slow, as energy companies cut rigs drilling for oil for a second week in three, energy services firm Baker Hughes said on Friday.

Crude stockpiles are forecast to have declined by 3.4 million barrels for the week to Aug. 18, according to a Reuters survey, which would be the eighth straight week of declines.

U.S. commercial crude inventories have fallen almost 13 percent from their March peaks to 466.5 million barrels.

The oil minister of Kuwait, which is participating in OPEC-led production cuts, said U.S. crude stocks were falling more than expected because output cuts were taking effect.

Azerbaijan, not an OPEC member but one of the countries which has committed to production cuts, remains committed to reducing output, the head of state oil company SOCAR told Reuters.

Libya's National Oil Corp declared force majeure on loadings of Sharara crude from the Zawiya oil terminal on Sunday. [\(Source Reuters, Research – @her1en\)](#)

CLV7/USD (OIL)
 (Exp.: 22 Sep. 2017 - Reuters)



- Correction seen in daily
 - Important resistance at 50.70
 - Primary support around 44.90
- (Research – @her1en)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Aug 21 (CLV7)	48.77	48.85	47.20	1.65	47.55	↓ 1.30	48.85
Aug 18 (CLV7)	47.05	48.88	46.92	1.96	48.85	↑ 1.79	47.06
Aug 18 (CLU7)	46.92	48.72	46.77	1.95	48.68	↑ 1.77	46.91
Aug 17 (CLV7)	46.96	47.32	46.61	0.71	47.06	↑ 0.14	46.92
Aug 17 (CLU7)	46.78	47.17	46.45	0.72	46.91	↑ 0.15	46.76
Aug 16	47.70	47.96	46.66	1.30	46.76	↓ 0.92	47.68

WEEKLY		AUGUST		JULY		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
48.85	47.20	50.41	46.45	50.39	43.64	55.22	42.04
(21/Aug)	(21/Aug)	(01/Aug)	(17/Aug)	(31/Jul)	(10/Jul)	(03/Jan)	(21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	53.82	High Apr 19
	52.38	High May 25
	50.70	High 30/May/2017 (Reaction high)
	49.16	High Aug 14
SUPPORT	46.38	Low Jul 25
	44.90	Reaction low (hourly)
	43.83	Low July 10
	42.27	Low June 21
RECOMMENDATION	BUY	47.35
	SELL	----
	STOP LOSS	45.75
	TARGET	48.85
		49.35