



Daily Bulletin

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

Research Department

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Menara Karya 9th Floor, Jl. HR Rasuna Said Blok X-5 Kav. 1-2 Jakarta 12950 Indonesia, Phone : +6221-25533777

Email: research@valbury.com | Twitter: [@researchvaf](https://twitter.com/researchvaf) | Web-Link: www.valburyfutures.co.id/futures_research.php

GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Asian trading had seen a modest pull back in risk appetite with MSCI's broadest index of Asia-Pacific shares not including Japan dropping back from near two-year highs to trade 0.2 percent lower.
- Nokia shares jumped more than 6 percent on Tuesday to their highest in more than a year, joined by a rise in banking stocks which helped European stock markets edge higher.
- Wall Street rose on Tuesday as investors were relieved by the release of President Donald Trump's budget proposal and oil prices inched up in spite of a White House proposal to sell half the country's petroleum reserves.

GLOBAL ECONOMIES

- Japan must adhere to the government's goal to achieve a balanced budget by the fiscal year ending in March 2021, Finance Minister Taro Aso said, in a resolve to push for fiscal consolidation to fix the country's tattered finances.
- The European Union could lose some of its supervision and oversight of clearing activities once Britain leaves the bloc, European Central Bank President Mario Draghi said in a letter to a member of the European Parliament on Tuesday.
- Greece said on Tuesday it has done its part on reforms and that foreign creditors had a "moral, political and legal" duty to meet their obligations towards it.
- The Brexit squeeze on British consumers has hurt the government's finances as well as retailers, data showed on Tuesday, indicating that the economy's slowdown at the start of the year is now being felt more broadly.
- U.S. President Donald Trump wants lawmakers to slash healthcare and food assistance programs for the poor as they cut \$3.6 trillion in government spending over 10 years, according to the White House's budget proposal for next year.

GLOBAL MARKETS

Asia – Asian trading had seen a modest pull back in risk appetite with MSCI's broadest index of Asia-Pacific shares not including Japan dropping back from near two-year highs to trade 0.2 percent lower.

Tokyo's Nikkei closed down 0.3 percent as Japanese manufacturing activity expanded at the slowest pace in six months in May, while trading in China was choppy, on concerns over a regulatory crackdown on risky lending practices.

Korean shares, which hit an all-time high on Tuesday, were last up 0.3 percent.

Hong Kong's Hang Seng ended 0.1 percent higher after earlier rising to its highest level since July 2015.

Euro Zone – Nokia shares jumped more than 6 percent on Tuesday to their highest in more than a year, joined by a rise in banking stocks which helped European stock markets edge higher.

The pan-European STOXX 600 index ended up 0.2 percent, gaining pace after a sluggish opening as banking stocks headed higher. Germany's DAX was up 0.3 percent while euro zone blue chips gained 0.5 percent.

European tech firms were standout performers, with the sector up 1.4 percent after shares in Nokia jumped 6.4 percent to their highest since February 2016 following the settlement of a patent dispute with Apple.

Positive economic data also supported sentiment, with PMI surveys for May showing businesses across the euro zone kept up April's impressive growth rate.

"It's a kind of risk-on environment, and Europe's benefits - relatively low currency, a relatively attractive valuation against the United States and many other regions, and of course being a developed market - should enable it to continue to outperform," Ken Odeluga, market analyst at City Index, said.

Upgrades also helped the top STOXX gainers, with Banco BPM rising 5.9 percent after Barclays upgraded the Italian lender to "overweight" from "equal weight".

Analysts at Barclays cited Banco BPM's attractive valuation compared to Italian peers as well as progress with its portfolio of bad loans.

"Banco BPM has much work to do reducing its NPLs and also raising its coverage ... yet management has made a good start in 1Q17," analysts at Barclays said in a note, referring to Banco BPM's non-performing loans.

Overall banking stocks gained 0.8 percent, with shares in Spanish banks Banco de Sabadell, Santander and BBVA regaining losses from the previous session when they were hit by political worries after Spain's Socialists re-elected hardliner Pedro Sanchez.

Spain's IBEX gained 1.1 percent.

Among other regional benchmarks, Greece's ATG index fell after euro zone finance ministers failed to agree debt relief for Athens with the International Monetary Fund and did not release new loans.

In Britain, the FTSE 100 ended down 0.15 percent. Campaigning ahead of the June 8 general election was suspended after at least 22 people, including some children, were killed in a suicide bomb attack in Manchester overnight.

There was little direct market impact seen from the attack, although shares of theme park operator Merlin Entertainments fell 1.5 percent.

U.S. & Global Markets – Wall Street rose on Tuesday as investors were relieved by the release of President Donald Trump's budget proposal and oil prices inched up in spite of a White House proposal to sell half the country's petroleum reserves.

U.S. Treasury bond yields extended their rise in late trading after a solid 2-year debt auction while euro zone shares closed higher on strong growth data.

Oil prices rose slightly in volatile trading as expectations of an extension to OPEC-led supply cuts and another drop in U.S. crude inventories offset the proposal in Trump's budget plan to roll out sales of petroleum reserves over 10 years.

U.S. crude rose 0.84 percent to \$51.56 per barrel and Brent was last at \$54.26, up 0.72 percent on the day.

Trump's first full budget plan calls for an increase in military and infrastructure spending but also a raft of cuts, including healthcare and food assistance.

"People will keep an eye on any sort of indication of corporate tax reform as well as infrastructure spending," said Nadia Lovell, U.S. equity strategist at J.P. Morgan Private Bank in New York.

The Dow Jones Industrial Average rose 43.08 points, or 0.21 percent, to end at 20,937.91, the S&P 500 gained 4.4 points, or 0.18 percent, to 2,398.42 and the Nasdaq Composite added 5.09 points, or 0.08 percent, to 6,138.71.

"There were no large surprises. The market is pleased with that," said Wade Balliet, chief investment strategist at Bank of the West in Denver, Colorado.

Trump's tax and spending plan in its current form is unlikely to be approved by Congress, which will craft its own.

Across the euro zone, businesses showed their strongest run since 2011, according to IHS Markit's Flash Composite Purchasing Managers' Index for May. It matched the previous month's 56.8, its highest since April 2011. A reading above 50 indicates growth.

The pan-European FTSEurofirst 300 index rose 0.25 percent and MSCI's gauge of stocks across the globe gained 0.09 percent.

Sterling was subdued after reports showing sluggishness in the UK economy and a suicide bombing at a pop concert in Manchester Monday night that killed 22 people and wounded dozens.

"Increasingly the markets are just more and more numb to these. As bad as they are and as horrific as they are, the market immediately looks through these things and uses these as buying opportunities more than anything else," said Brad Bechtel, managing director FX at Jefferies in New York.

The pound was last 0.25 percent lower at \$1.2968.

Treasury debt yields rose, with some investors paring bond positions to make room for this week's federal and corporate supply while others reduced safe-haven bond holdings in favor of stocks.

There was solid demand at a \$26 billion auction of a new two-year note issue, the first part of the \$88 billion in coupon-bearing government debt supply this week. Some traders also turned cautious ahead of the release of the Federal Reserve's minutes of its May 2-3 meeting on Wednesday.

The benchmark 10-year U.S. Treasury note yield was 2.287 percent, up three basis points from late on Monday, while the 30-year bond yield was more than three basis points higher at 2.949 percent.

[\(Source Reuters – @ErwinRiset - @her1en\)](#)

GLOBAL ECONOMIES

Japan – Japan must adhere to the government's goal to achieve a balanced budget by the fiscal year ending in March 2021, Finance Minister Taro Aso said, in a resolve to push for fiscal consolidation to fix the country's tattered finances.

Aso made the pledge at a meeting of Prime Minister Shinzo Abe's top economic advisory council, which on Tuesday discussed the government's annual key economic and fiscal policy guidelines due around the end of June.

The guidelines will provide the basis for compiling the budget for the fiscal year starting April 2018.

The council also approved an outline for its annual growth strategy, mostly a continuation of policies Abe introduced last year to narrow the wealth gap, improve working conditions and raise productivity.

"Achieving a primary budget surplus in fiscal 2020 is the least of our responsibilities for future generations. We are not allowed to take down the flag," Aso said in a document submitted to the council.

The primary budget balance - excluding new bond sales and debt servicing - serves as a barometer of government efforts to balance spending with revenue.

The goal remains elusive. The government's calculations show a primary budget surplus won't be met by end-March 2021 without further efforts to boost tax revenue and cut spending.

Given Japan's huge public debt - more than twice the size of its economy - any signs the government is giving up on fiscal discipline could invite a bust in finances or runaway inflation that would deal a blow to the general public.

Euro Zone – The European Union could lose some of its supervision and oversight of clearing activities once Britain leaves the bloc, European Central Bank President Mario Draghi said in a letter to a member of the European Parliament on Tuesday.

"In a post-Brexit environment, UK financial market infrastructures (FMIs) would be considered as third-country FMIs rather than EU entities," Draghi said.

"This could lead to a reduction in the level of supervision and oversight of UK central counterparties by the EU authorities, including the ECB as central bank of issue of the euro," Draghi said.

The ECB wants to put euro-denominated clearing under the control of the Eurosystem, the ECB and the 19 euro zone central banks, effectively forcing it to leave London. But discord on the Governing Council has stalled its efforts to come up with a concrete proposal, sources have told Reuters.

The European Commission has said it plans to present a legislative proposal in June, which could include, if necessary, enhanced EU supervision and location requirements for clearing activities.

Greece – Greece said on Tuesday it has done its part on reforms and that foreign creditors had a "moral, political and legal" duty to meet their obligations towards it.

Greece's lenders failed to agree on debt relief for the crisis-hit nation after an eight-hour meeting in Brussels on Monday but aim to reach a deal at their next meeting in June.

They did not agree either on releasing new funds that Athens needs to repay 7.3 billion euros in loans maturing in July.

"Greece has met its obligations. Now it's our partners and lenders who have a moral, political and legal duty to meet theirs," spokesman for the Greek government Dimitris Tzanakopoulos told reporters.

Lenders agreed in principle in 2016 to consider debt relief but have not specified how.

While Greek lawmakers approved a series of tax rises and pension cuts last week Athens also needs to pass a set of laws to make the reforms stick before the funds are unlocked.

Another factor holding up the loans is disagreement between the euro zone and the IMF on debt relief for Greece, although Tzanakopoulos said the disbursement of funds and the question of the IMF's participation in the programme were not connected.

Germany and other euro zone governments do not want to disburse new loans until the IMF joins Greece's third bailout. The IMF says it can only do so if it gets more clarity from the euro zone on what kind of debt relief it will offer the country when the bailout - worth up to 86 billion euros - ends in 2018.

Financial aid the country has received since its crisis began in 2010 has pushed its debt levels to 179 percent of national output, a figure the IMF sees as unsustainably high.

"The main difference between the IMF and the German finance ministry has to do with the growth projections and primary surpluses after 2023," Tzanakopoulos said.

Tzanakopoulos said Greece would exhaust all efforts for a clear solution on medium-term debt relief measures.

"We believe that in the coming weeks we will have the opportunity to work hard towards covering those gaps and reaching a desirable solution," he said.

UK – The Brexit squeeze on British consumers has hurt the government's finances as well as retailers, data showed on Tuesday, indicating that the economy's slowdown at the start of the year is now being felt more broadly.

A stalling of sales tax revenues, a barometer of the economy, helped to widen Britain's budget deficit by more than expected, official data showed.

A separate survey showed business confidence among retailers declined at the fastest pace since 2012, around the last time Britain flirted with recession.

Britain's economy was barely ruffled last year by June's shock vote to leave the European Union. But a steady rise in inflation since the referendum, combined with weak wage growth, has slowed its momentum this year.

Official figures due on Thursday are expected to confirm that the pace of growth more than halved in first three months of 2017, a contrast with strong growth in the euro zone so far this year.

"Today's numbers show the public finances have started to feel the effects of the economic slowdown, which will likely continue to feed through to softer revenue growth," said HSBC economist Elizabeth Martins.

The headline budget deficit measure rose 13 percent to 10.4 billion pounds (\$13.5 billion) in April, the first month of the fiscal year, the Office for National Statistics said.

The figure was higher than all forecasts from economists polled by Reuters.

As well as slow growth in tax revenues -- payments of income tax rose by little more than 1 percent from a year earlier -- the overshoot reflected a sharp jump in interest payments on British government bonds, some of which are linked to inflation.

Prime Minister Theresa May, who opinion polls show is on course to win a June 8 election, wants to eliminate the budget deficit by the middle of the next decade.

Martins from HSBC said running down the shortfall may prove trickier than in the past because many of the easier savings measures have already been made.

The scale of the challenge has been illustrated by the uproar over May's plans to shift more of the cost of caring for elderly people from taxpayers to homeowners. On Monday, May softened the plan by saying she would make sure there was a limit on the amount people would have to spend.

The uncertainty about how sharply Britain's economy will slow is also taking a toll on retailers' investment and hiring plans, the Confederation of British Industry (CBI) said.

The CBI's monthly retail sales balance slid back to +2 in May from +38 in April, a four-month low and worse than all forecasts in a Reuters poll of economists that had pointed to a reading of +10.

"It's clear that households are increasingly feeling the pinch, as rising inflation pushes down on real earnings," CBI economist Alpesh Paleja said.

Also on Tuesday, accountants EY said Britain continued to attract foreign investment but there were also warning signs that Brexit might hurt its appeal.

Britain remained the number one location for foreign direct investment in Europe in 2016, ahead of Germany, according to a survey conducted by EY.

But Germany extended its lead in terms of securing new investment -- rather than expansion of existing projects -- and it also added to its advantage in attracting projects from emerging economies such as China. Furthermore, almost one third of global investors expected Britain's attractiveness to deteriorate over the coming three years, "suggesting Brexit may be starting to colour investors' views of the UK," EY said.

U.S. – U.S. President Donald Trump wants lawmakers to slash healthcare and food assistance programs for the poor as they cut \$3.6 trillion in government spending over 10 years, according to the White House's budget proposal for next year.

The Trump administration on Tuesday will ask Republicans who control the U.S. Congress - and the federal purse strings - for the politically sensitive cuts in its first full budget.

The proposal in its current form is unlikely to be approved by lawmakers as they craft their own tax and spending plans but the document sets out Trump's budget priorities and lays down a marker with Congress.

Trump seeks to balance the budget by the end of the decade, according to a preview given to reporters on Monday. There is some new spending in his plan for fiscal year 2018, which starts in October.

The Pentagon would get a boost, and there would be a \$1.6 billion down payment to begin building a wall along the border with Mexico, which was a central promise of Trump's presidential campaign.

Trump's proposal foresees selling half of the U.S. emergency oil stockpile, created in 1975 after the Arab oil embargo caused fears of price spikes. The announcement surprised oil markets, and pulled down U.S. crude prices.

The biggest savings would come from cuts to the Medicaid healthcare program for the poor made as part of a Republican healthcare bill passed by the House of Representatives.

Trump, who is traveling overseas this week, wants lawmakers to cut more than \$800 billion from Medicaid and more than \$192 billion from food stamps.

U.S. stocks were slightly higher on Tuesday ahead of the budget's full unveiling later in the day.

"In the U.S. all eyes are on Trump's budget proposal. The budget will not pass in its current state, but people will keep an eye on any sort of indication of corporate tax reform as well as infrastructure spending," said Nadia Lovell, U.S. Equity Strategist at J.P. Morgan Private Bank in New York.

Republicans are under pressure to deliver on promised tax cuts, the cornerstone of the Trump administration's pro-business economic agenda, which would cut the business tax rate to 15 percent from 35 percent, and reduce the number of personal tax brackets.

But their policy agenda has stalled as the White House grapples with the political fallout from Trump's firing of former FBI Director James Comey. Comey had been leading a probe of alleged Russian meddling in the 2016 U.S. election. [\(Source Reuters, Research – @her1en\)](#)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.	
MON/22-May-17	04:00	KR	PPI YoY	Apr	4.0%	--	4.2%	4.3%	
	06:01	GB	Rightmove House Prices MoM	May	1.2%	--	1.1%		
	06:01	GB	Rightmove House Prices YoY	May	3.0%	2.0%	2.2%		
	06:50	JP	Trade Balance	Apr	¥481.7b	¥520.7b	¥614.7b	¥614.0b	
	06:50	JP	Trade Balance Adjusted	Apr	¥97.6b	¥245.4b	¥172.2b	¥106.4b	
	06:50	JP	Exports YoY	Apr	7.5%	7.8%	12.0%		
	06:50	JP	Imports YoY	Apr	15.1%	14.8%	15.8%		
	08:30	AU	RBA Research Discussion Paper						
	22-May - 23-May	N/A	EZ	EU/Euro-Area Finance Ministers Meet in Brussels					
		19:30	US	Chicago Fed Nat Activity Index	Apr	0.49	--	0.08	0.07
20:00		CN	Conference Board China April Leading Economic Index						
21:00		US	Fed's Harker Speaks in Philadelphia						
21:30		US	Fed's Kashkari to Speak at Minneapolis Fed Conference						
All Day		CA	Bank Holiday/Victoria Day						
TUE/23-May-17	00:30	AU	RBA's Debelle Speech in Basel						
	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	May-21	110.5	--	109.4		
	06:30	US	Fed's Brainard Speaks on Role of Inclusion in Economy						
	08:10	US	Fed's Evans Speaks in Shanghai						
	11:30	JP	All Industry Activity Index MoM	Mar	-0.6%	-0.5%	0.7%		
	13:00	DE	GDP SA QoQ	1Q F	0.6%	0.6%	0.6%		
	13:00	DE	GDP WDA YoY	1Q F	1.7%	1.7%	1.7%		
	13:00	DE	GDP NSA YoY	1Q F	2.9%	2.9%	2.9%		
	13:00	DE	Private Consumption QoQ	1Q	0.3%	0.3%	0.3%	0.2%	
	13:00	DE	Government Spending QoQ	1Q	0.4%	0.3%	0.8%	0.3%	
	13:00	DE	Capital Investment QoQ	1Q	1.7%	1.7%	0.8%	0.4%	
	13:00	DE	Construction Investment QoQ	1Q	2.3%	2.5%	1.6%	0.8%	
	13:00	DE	Domestic Demand QoQ	1Q	0.2%	0.5%	0.9%	0.7%	
	13:00	DE	Exports QoQ	1Q	1.3%	1.5%	1.8%	1.7%	
	13:00	DE	Imports QoQ	1Q	0.4%	1.0%	3.1%	2.5%	
	13:00	CH	Trade Balance	Apr	1.97b	--	3.1b	3.04b	
	13:00	CH	Exports Real MoM	Apr	-2.5%	--	2.5%	1.8%	
	13:00	CH	Imports Real MoM	Apr	2.6%	--	-1.4%	0.6%	
	14:30	DE	Markit/BME Germany Manufacturing PMI	May P	59.4	58.0	58.2		
	14:30	DE	Markit Germany Services PMI	May P	55.2	55.5	55.4		
	14:30	DE	Markit/BME Germany Composite PMI	May P	57.3	56.6	56.7		
	15:00	EZ	Markit Eurozone Manufacturing PMI	May P	57.0	56.5	56.7		
	15:00	EZ	Markit Eurozone Services PMI	May P	56.2	56.4	56.4		
	15:00	EZ	Markit Eurozone Composite PMI	May P	56.8	56.6	56.8		
	15:00	DE	IFO Business Climate	May	114.6	113.1	112.9	113.0	
	15:00	DE	IFO Expectations	May	106.5	105.4	105.2		
	15:00	DE	IFO Current Assessment	May	123.2	121.2	121.1	121.4	
	15:30	HK	CPI Composite YoY	Apr	2.0%	1.6%	0.5%		
	15:30	GB	Public Finances (PSNCR)	Apr	-15.21b	--	34.3b	27.7b	
	15:30	GB	Central Government NCR	Apr	-15.2b	--	18.3b		
	15:30	GB	Public Sector Net Borrowing	Apr	9.6b	8.0b	4.4b	2.3b	
	15:30	GB	PSNB ex Banking Groups	Apr	10.4b	8.8b	5.1b	3.1b	
	19:30	CA	Wholesale Trade Sales MoM	Mar	0.9%	1.0%	-0.2%		
20:00	US	Fed's Kashkari Speaks with Reporters in Minneapolis							
20:45	US	Markit US Manufacturing PMI	May P	52.5	53.0	52.8			
20:45	US	Markit US Services PMI	May P	54.0	53.1	53.1			
20:45	US	Markit US Composite PMI	May P	53.9	--	53.2			
21:00	US	New Home Sales	Apr	569k	610k	621k	642k		
21:00	US	New Home Sales MoM	Apr	-11.4%	-1.5%	5.8%			
21:00	US	Richmond Fed Manufact. Index	May	1	15	20			

WED/24-May-17	02:15	US	Fed's Kashkari Speaks in Minneapolis					
	04:00	US	Fed's Harker Speaks in New York					
	05:45	NZ	Trade Balance NZD	Apr	578m	233m	332m	277m
	05:45	NZ	Exports NZD	Apr	4.75b	4.36b	4.65b	4.61b
	05:45	NZ	Imports NZD	Apr	4.17b	4.13b	4.31b	4.33b
	05:45	NZ	Trade Balance 12 Mth YTD NZD	Apr	-3481m	-3790m	-3671m	-3710m
	N/A	JP	Cabinet Office Monthly Economic Report for May					
	07:00	JP	BOJ Kuroda speaks in Tokyo					
	07:30	AU	Westpac Leading Index MoM	Apr		--	0.08%	
	07:30	JP	Nikkei Japan PMI Mfg	May P		--	52.7	
	13:00	DE	GfK Consumer Confidence	Jun		10.2	10.2	
	14:15	CH	Industry & Construction Output WDA YoY	1Q		--	-0.8%	
	14:15	GB	Industrial Output WDA YoY	1Q		--	-1.2%	
	15:30	EZ	ECB Executive Board member Praet speaks in Sofia					
	19:45	EZ	ECB President Draghi speaks in Madrid					
	20:00	US	FHFA House Price Index MoM	Mar		--	0.8%	
	20:00	US	House Price Purchase Index QoQ	1Q		--	1.5%	
	21:00	CA	Bank of Canada Rate Decision	May-24		0.5%	0.5%	
	21:00	US	Existing Home Sales	Apr		5.65m	5.71m	
	21:00	US	Existing Home Sales MoM	Apr		-1.1%	4.4%	
	21:30	US	EIA Weekly Crude Stocks	w/e		-2.419m	-1.753m	
	21:30	US	EIA Weekly Dist. Stocks	w/e		-0.743m	-1.944m	
	21:30	US	EIA Weekly Gasoline Stocks	w/e		-1.194m	-0.413m	
THU/25-May-17	01:00	US	FOMC Meeting Minutes	May-03		--	--	
	05:00	US	Fed's Kaplan Speaks in Toronto					
	05:30	US	Fed's Kashkari Speaks in Wisconsin					
	06:50	JP	Japan Buying Foreign Bonds	May-19		--	¥1821.2b	
	06:50	JP	Japan Buying Foreign Stocks	May-19		--	¥273.4b	
	06:50	JP	Foreign Buying Japan Bonds	May-19		--	¥395.4b	
	06:50	JP	Foreign Buying Japan Stocks	May-19		--	¥372.2b	
	N/A	KR	BoK 7-Day Repo Rate	May-25		1.25%	1.25%	
		KR	BoK 7-Day Repo Rate	May-25		1.25%	1.25%	
25-May - 26-May	All Day		OPEC Meeting					
	N/A	EZ	NATO Leaders Meet in Brussels					
	N/A	EZ	EU's Tusk, Juncker Meet With U.S.'s Trump in Brussels					
	15:00	AU	RBA's Debelle Opening Remarks in London					
	15:30	HK	Exports YoY	Apr		12.0%	16.9%	
	15:30	HK	Imports YoY	Apr		13.0%	13.0%	
	15:30	HK	Trade Balance HKD	Apr		-39.1b	-42.3b	
	15:30	GB	GDP QoQ	1Q P		--	0.3%	
	15:30	GB	GDP YoY	1Q P		--	2.1%	
	15:30	GB	Private Consumption QoQ	1Q P		--	0.7%	
	15:30	GB	Government Spending QoQ	1Q P		--	0.0%	
	15:30	GB	Gross Fixed Capital Formation QoQ	1Q P		--	0.1%	
	15:30	GB	Exports QoQ	1Q P		--	4.6%	
	15:30	GB	Imports QoQ	1Q P		--	-1.0%	
	15:30	GB	BBA Mortgage Approvals	Apr			41.061k	
	15:30	UK	Total Business Investment QoQ	1Q P		--	-0.9%	
	15:30	UK	Total Business Investment YoY	1Q P		--	-0.9%	
	17:30	AU	RBA's Debelle Panel Participation in London					
	19:30	US	Initial Jobless Claims	w/e		238k	232k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		-	240.75k	
	19:30	US	Continuing Jobless Claims	w/e		1.925m	1.898m	
	21:00	US	Fed's Brainard Takes in Panel Discussion on Global Economy					
	22:00	US	Kansas City Fed Manf. Activity	May		--	7	
	All Day	CH	Bank Holiday/Ascension Day					
FRI/26-May-17	04:00	KR	Consumer Confidence	May		--	101.2	
	04:20	CA	Bank of Canada Deputy Governor Sylvain Leduc Speech					
	06:30	JP	Natl CPI YoY	Apr		0.4%	0.2%	

	06:30	JP	Natl CPI Ex Fresh Food YoY	Apr		0.4%	0.2%	
	06:30	JP	Natl CPI Ex Fresh Food, Energy YoY	Apr		0.0%	-0.1%	
	06:30	JP	Japan Apr CPI					
	06:50	JP	PPI Services YoY	Apr		0.9%	0.8%	
	09:00	US	Fed's Bullard Speaks on U.S. economy in Tokyo					
	11:30	AU	RBA's Richards Panel Participation					
	19:30	US	GDP Annualized QoQ	1Q S		0.9%	0.7%	
	19:30	US	Personal Consumption	1Q S		--	0.3%	
	19:30	US	Core PCE QoQ	1Q S		--	2.0%	
	19:30	US	Durable Goods Orders	Apr P		-1.8%	0.9%	
	21:00	US	U. of Mich. Sentiment	May F		97.5	97.7	
	21:00	US	U. of Mich. Current Conditions	May F		112.5	112.7	
	21:00	US	U. of Mich. Expectations	May F		87.9	88.1	
	21:00	US	U. of Mich. 1 Yr Inflation	May F		--	2.6%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	May F		--	2.3%	
SAT/27-May-17	08:30	CN	Industrial Profits YoY	Apr		--	23.8%	
	13:50	JP	BOJ Kuroda speaks in Waseda Univ					
27-May - 03-Jun	N/A	DE	Retail Sales MoM	Apr		--	0.1%	
27-May - 03-Jun		DE	Retail Sales YoY	Apr		--	2.3%	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japanese stocks were flat on Tuesday morning as a risk-averse mood kept investors sidelined following an explosion in the English city of Manchester, which lifted the safe-haven yen and depressed some export-oriented shares.

The Nikkei share average fell 0.1 percent to 19,662.91 in midmorning trade.

Airline shares was the worst performer on the board, falling 1.3 percent on concerns that overseas travel may be hit after a blast at a concert in Britain's city of Manchester killed at least 19 people.

Japan Airlines dropped 1.7 percent and ANA Holdings fell 0.8 percent. Also souring sentiment in the travel industry was news that China is investigating six Japanese citizens on suspicion of "illegal activities", China's foreign ministry said on Monday, after Japanese media reported they may have been suspected of spying.

Elsewhere, the domestic earnings season, now at the tail-end, has partly influenced trading in Japanese stocks over the past month.

According to Rakuten Securities, companies expect a 5.9 percent rise in their net profit for the year through March 2018. The Nikkei is trading at 14 times its projected earnings, and unless the yen strengthens against the dollar significantly and the economy sags, the Nikkei's downside should be limited, Rakuten analysts wrote.

On Tuesday, the dollar was down 0.2 percent at 111.055 yen after earlier slipping to 110.860, pressuring exporters.

Nissan Motor Co dropped 1.4 percent, Subaru Corp fell 1.0 percent and Advantest Corp tumbled 1.6 percent.

"There are few domestic catalysts as the earnings season is over, so political developments in U.S. and other geopolitical issues surrounding North Korea will likely determine the Japanese market's direction for a while," said Kazuhiro Takahashi, an equity strategist at Daiwa Securities.

Fujifilm Holdings, which last month postponed earnings announcement over questionable accounting practice at its overseas unit, fell 1.1 percent to a one-month low. The company said it will announce last fiscal year's earnings after June.

The broader Topix was up 0.1 percent to 1,568.40 and the JPX-Nikkei Index 400 was flat at 14,004.72.

South Korean stocks rose for the third consecutive session to a record high on Tuesday, supported by strong demand from local institutions.

The Korea Composite Stock Price Index (KOSPI) climbed to an all-time high of 2,326.57 points, before closing up 0.3 percent at 2,311.74.

Local institutions bought a net 281.3 billion won (\$250.34 million) worth of KOSPI shares, while foreign investors sold a net 54.9 billion won worth.

The South Korean won weakened against the dollar as investors sought safe havens following a bomb attack in Manchester, England, that killed at least 22 people.

The won was quoted at 1,124.2 to the dollar at the conclusion of onshore trade, down 0.5 percent versus Monday's close of 1,118.6.

Hong Kong's benchmark index inched up to a fresh 22-month high on Tuesday, buoyed by strong money flows from mainland China.

The Hang Seng index ended 0.1 percent higher, at 25,403.15 points, while the China Enterprises Index gained 0.2 percent, to 10,395.28 points.

The strength in Wall Street on Monday provided some relief after a flurry of U.S. political controversies rattled markets.

Hong Kong stocks also continued to benefit from Chinese money inflows via two cross-border investment schemes.

Data from brokerage Jefferies Hong Kong Ltd showed Chinese investors spent a net HK\$12 billion (\$1.54 billion) buying Hong Kong stocks last week via the Shenzhen-Hong Kong Stock Connect, marking the biggest inflow so far this year, and the 22nd week of net buying.

Under the other scheme, the Shanghai-Hong Kong Stock Connect, weekly net buying totalled HK\$2.2 billion, an eight-week high.

Tencent, among mainland investors' favourite stocks, surrendered earlier gains to end down 0.1 percent, retreating from a record high. The stock has jumped more than 40 percent so far this year.

Shanghai stocks fell for a second day on Tuesday, with gains in financials only partially soothing lingering concerns over policy tightening steps.

The Shanghai Composite Index, which shed 0.5 percent on Monday, lost 0.4 percent to 3,061.95 points.

The blue-chip CSI300 index rose 0.4 percent, to 3,424.19 points. Some brokers speculated that authorities directed purchase of heavyweight stocks to lift that index, which climbed for a third straight day.

The tech-heavy start-up board ChiNext closed down 1.7 percent, at its lowest level since February 2015, as a sharp correction in newly-listed stocks pressured the valuations of small-caps.

Over the past two months, investors have been grappling with a regulatory crackdown on risky lending practices and a shift toward tighter monetary policy as Beijing stepped up measures to defuse financial risks.

An advisor with the People's Bank of China (PBOC) said on Monday the central bank will continue to implement reasonable adjustments to monetary policy.

"If it went tight, it would be loosened a bit. The central bank will not overdo it, and any adjustment doesn't represent a shift in policy direction," Sheng Songcheng said.

On Tuesday, bank and consumer stocks gained, while industry shares pulled down indexes the most.

Liu Qihao, an analyst with Shanghai Securities Co., said investors are likely to remain cautious "as the possibly peaking economic growth in the first quarter could weigh on the profitability of listed companies". The pace of IPOs could also dampen risk appetites for small-caps on expectations of more equity supply, Liu added.

(Source Reuters, Research: @ErwinRiset)

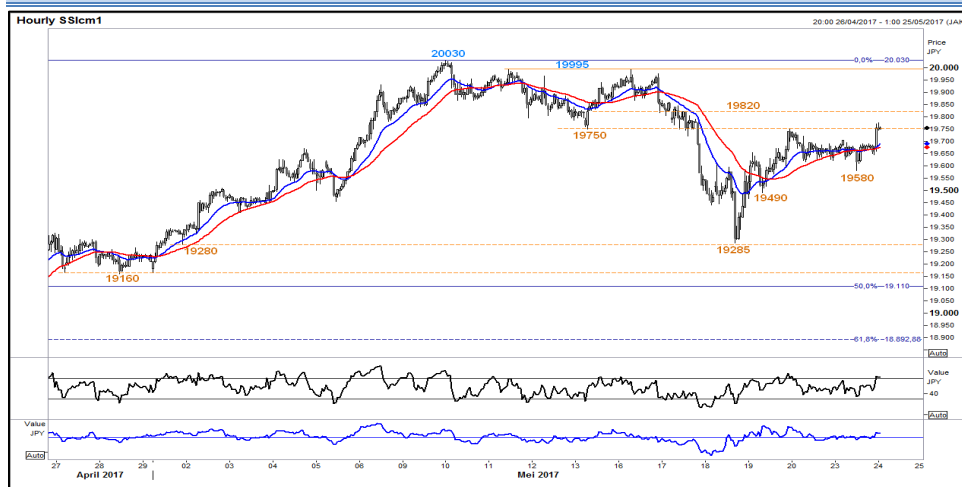
ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	295.51 (03/May/11)	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	19998.49 (16/May/2017)	304.26 (10/May/2017)	25486.98 (23/May/2017)	21169.11 (01/Mar/2017)	2405.77 (16/May/2017)	3295.18700 (07/Apr/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 – 23 May 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	20937.91	↑ 43.08/ 0.21%	.N225	19613.28	↓ 65.00/0.33%
/.SPX	2398.42	↑ 4.40/ 0.18%	.KS200	301.36	↑ 0.73/0.24%
/.IXIC	6138.712	↑ 5.094/ 0.08%	.HSI	25403.15	↑ 11.81/0.05%
JPY=	111.77	↑ 0.50/ 0.45%	/.SSEC	3061.72420	↓ 13.95140/0.45%
KRW=	1124.46	↑ 9.43/ 0.85%	/CLc1 (Oil)	51.49	↑ 0.76/1.50%

SSIamM7 (Nikkei Jun Futures) – Last Trading Date: 12 June 2017



- Rebound tests and breaks resistance area at 19750, hit high at 19780
- The next Resistance at 19820
- While the support area at 19580 - 19490

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
23 May SSIpmM7	19620	19780	19615	165	19775	---	↑ 125	0.64	22246
23 May SSIamM7	19675	19695	19580	115	19650	19650	↓ 30	0.15	35506
22 May SSIpmM7	19675	19705	19620	85	19705	---	↑ 25	0.13	19044
22 May SSIamM7	19685	19720	19615	105	19680	19680	↑ 105	0.54	35170
19 May SSIpmM7	19585	19750	19565	185	19695	---	↑ 120	0.61	30689
19 May SSIamM7	19615	19630	19490	140	19575	19575	↓ 15	0.08	46793
18 May SSIpmM7	19565	19655	19285	370	19600	---	↑ 10	0.05	67620
18 May SSIamM7	19515	19605	19445	160	19590	19590	↓ 180	0.91	77931
17 May SSIpmM7	19755	19805	19440	365	19470	---	↓ 300	1.52	41771
17 May SSIamM7	19790	19845	19750	95	19770	19770	↓ 125	0.63	66766

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19780	19580	20030	19165	19325	18190	20030	18190
(23/May)	(23/May)	(09/May)	(01/May)	(26/Apr)	(17/Apr)	(09/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	20035	Horizontal resistance
	20030	Peak level
	19995	Horizontal resistance
	19820	Reaction high (hourly)
SUPPORT	19580	Reaction low (hourly)
	19490	Reaction low (hourly)
	19280	Reaction low (hourly)
	19160	Low 28/Apr/2017 (Reaction low)
RECOMMENDATION	BUY	19690
	SELL	----
	STOP LOSS	19575
	TARGET	19830 19900

KSM7 (Kospi Jun Futures) – Exp. Date: 08 June 2017



- Rally continued after able to hold above a crucial level of 300, hit high at 303.80
 - Short-term support at 300 - 299. If the area is effective, then rebound potentially will develop for testing the resistance at 303 - 305
- [\[Research – @ErwinRiset\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
23 May	301.15	303.80	300.70	3.10	301.15	301.15	↑ 0.45	0.15	236516
22 May	300.35	300.90	299.00	1.90	300.70	300.70	↑ 2.35	0.79	164910
19 May	298.50	299.25	297.85	1.40	298.35	298.35	↓ 0.40	0.13	136439
18 May	296.40	298.90	295.80	3.10	298.75	298.75	↓ 0.85	0.28	20789
17 May	298.90	300.15	298.20	1.95	299.60	299.60	↑ 0.25	0.08	185296
16 May	301.25	302.10	298.30	3.80	299.35	299.35	↓ 0.40	0.13	202872

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
303.80 (23/May)	299.00 (22/May)	305.60 (10/May)	288.65 (02/May)	288.90 (28/Apr)	275.45 (11/Apr)	305.60 (10/May)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	310.88	50% Fibo. Projection (Daily)
	307.32	38.2% Fibo. Projection (Daily)
	305.60	High 10/May/2017
	303.80	Reaction high (hourly)
SUPPORT	299.00	Reaction low (hourly)
	295.80	Low 18/May/2017
	294.10	Reaction low (hourly)
	292.95	Low 08/May/2017
RECOMMENDATION	BUY	299.85
	SELL	----
	STOP LOSS	298.90
	TARGET	301.95 303.00

HSIK7 (Hang Seng May Futures) – Exp. Date: 29 May 2017



- Rally continues and records another new high this year at 25445
- However, the RSI condition was overbought, potentially hampering the rally to face crucial resistance at 25620
- The important support is at 25200 ([Research – @ErwinRiset](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
23 May	25375	25445	25299	146	25402	25402	↑ 61	0.24	112043
22 May	25284	25422	25194	228	25341	25341	↑ 154	0.61	103761
19 May	25143	25244	25108	136	25187	25187	↑ 30	0.12	99140
18 May	25071	25239	25043	196	25157	25157	↓ 149	0.59	116552
17 May	25268	25316	25200	116	25306	25306	↑ 5	0.02	91488
16 May	25340	25349	25206	143	25301	25301	↑ 44	0.17	94756
15 May	25193	25323	25133	190	25257	25257	↑ 194	0.77	104054

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25445	25194	25445	24220	24646	23706	25445	21863
(23/May)	(22/May)	(23/May)	(05/May)	(26/Apr)	(19/Apr)	(23/May)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	26723	High 03/Jul/2015 (Weekly)
	26358	High 10/Jul/2015 (Weekly)
	25620	High 24/Jul/2015 (Weekly)
	25445	Peak level (This year)
SUPPORT	25299	Reaction low (hourly)
	25194	Reaction low (hourly)
	25028	Reaction low (hourly)
	24991	Reaction low (hourly)
RECOMMENDATION	BUY	25340
	SELL	----
	STOP LOSS	25250
	TARGET	25515 25605

CURRENCIES – *Daily Outlook*

Dollar off 6-1/2-month lows; Fed minutes in focus - Reuters News



The dollar rose on Tuesday from recent lows as traders bet on a U.S. interest rate hike in June and awaited Wednesday's release of the minutes of the U.S. Federal Reserve's meeting in early May.

The dollar index, which tracks the greenback against six major rivals, was up 0.43 percent at 97.405 and on pace for its best day in two weeks. The index fell to a more than six-month low on Monday.

Some traders had recently bet on the dollar's decline, and the currency's sell-off prompted them to book profits.

"It's a little bit of profit-taking on some of the currency

pairs," said Alfonso Esparza, senior currency analyst at OANDA in Toronto.

The dollar had been under pressure from worries about U.S. President Donald Trump's recent firing of Federal Bureau of Investigation Director James Comey, who was overseeing a probe into possible links between the president's team and Russia, and concerns about possible delays in Trump's economic stimulus plans.

On Tuesday, U.S. Treasury Secretary Steven Mnuchin said while he hoped to get tax reform done this year, it would not happen by August.

The Trump administration believes its budget plan will boost economic growth by fostering capital investment and creating jobs, Mnuchin said.

Traders were also looking to the Fed's latest policy-setting meeting minutes, set to be released at 2 p.m. E.T. (1800 GMT) on Wednesday, for clues on whether the central bank will raise rates at its June meeting, Esparza said.

Interest rate futures implied traders saw about an 83 percent chance of a rate increase in June, up from 79 percent on Monday.

"We haven't heard from any Fed members clarifying or warning the market that they are on the wrong side. That's a positive sign that June is still a go," said Esparza.

The euro weakened despite another strong batch of numbers from flash European purchasing manager surveys and a rise in German business morale to an all-time high.

The euro was down 0.54 percent against the dollar at \$1.1175. The euro touched \$1.1267, its highest since Nov. 9, earlier in the session.

"There are still huge question marks about British elections and Brexit that will always keep a cap on how much the euro can really rise," Esparza said.

Sterling fell 0.25 percent against the greenback to \$1.2965 as investors awaited further developments in Britain's suspended election campaign after a suicide bombing rocked the English city of Manchester.

(Source Reuters, Research – @her1en)

EUR/USD

Interest Rate: 0.00% (EU)/ 0.75%-1.00% (US)



- Daily RSI down
- With the resistance at 1.1430
- Important support at the 1.0970 level ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	1.12351	1.12671	1.11739	93,2	1.11809	↓ 54,2	1.12351
May 22	1.12055	1.12624	1.11604	102,0	1.12351	↑ 30,8	1.12043
May 19	1.10999	1.12108	1.10970	113,8	1.12043	↑ 103,4	1.11009
May 18	1.11638	1.11708	1.10747	96,1	1.11009	↓ 54,9	1.11558
May 17	1.10793	1.11610	1.10793	81,7	1.11558	↑ 75,0	1.10808

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.12671 (23/May)	1.11604 (22/May)	1.12671 (23/May)	1.08379 (11/May)	1.0950 (25/Apr)	1.0571 (10/Apr)	1.12671 (23/May)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1495	High May 05, 2016
	1.1432	High June 24, 2016
	1.1365	Reaction high on 1-H chart
	1.1299	High 09/Nov/2016
SUPPORT	1.1160	Low May 22
	1.1094	Low May 19
	1.0971	Low May 16
	1.0920	Low May 15
RECOMMENDATION	BUY	1.1175
	SELL	-----
	STOP LOSS	1.1110
	TARGET	1.1255 1.1285

USD/JPY

Interest Rate: 0.75%-1.00% (US)/-0.1% (JP)



- Rebound develops after the trendline support area effectively restrains the pressure
- Crucial level around 111.50. If this level is effective, then rebound potentially develops, facing a resistance area at 113
- Trendline support around 111.00
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	111.278	111.846	110.850	99,6	111.748	↑ 47,5	111.273
May 22	111.253	111.597	110.919	67,8	111.273	↓ 10,2	111.375
May 19	111.557	111.689	111.026	66,3	111.375	↓ 8,2	111.457
May 18	110.704	111.727	110.225	150,2	111.457	↑ 67,9	110.778
May 17	113.088	113.089	110.773	231,6	110.778	↓ 231,8	113.096

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
111.846 (23/May)	110.850 (23/May)	114.356 (10/May)	110.773 (17/May)	111.77 (26/Apr)	108.14 (17/Apr)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	114.36	High 11/May/2017 (Peak)
	113.85	Reaction high (hourly)
	113.12	High 17/May/2017
	112.56	Reaction high (hourly)
SUPPORT	110.84	Low 23/May/2017
	110.21	Low 18/May/2017 (Reaction low)
	109.57	Low 25/Apr/2017 (Reaction low)
	108.69	Low 20/Apr/2017
RECOMMENDATION	BUY	111.55
	SELL	----
	STOP LOSS	110.75
	TARGET	112.35 112.75

GBP/USD

Interest Rate: 0.25% (GB)/ 0.75%-1.00% (US)



- Correction developed after failing to hold above the crucial level of 1.2990
 - Correction faces the support area at 1.2829
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	1.29975	1.30326	1.29511	81,5	1.29583	↓ 36,2	1.29945
May 22	1.30174	1.30416	1.29645	77,1	1.29945	↓ 35,3	1.30298
May 19	1.29370	1.30389	1.29317	107,2	1.30298	↑ 97,4	1.29324
May 18	1.29755	1.30466	1.28875	159,1	1.29324	↓ 32,8	1.29652
May 17	1.29149	1.29893	1.29049	84,4	1.29652	↑ 57,0	1.29082

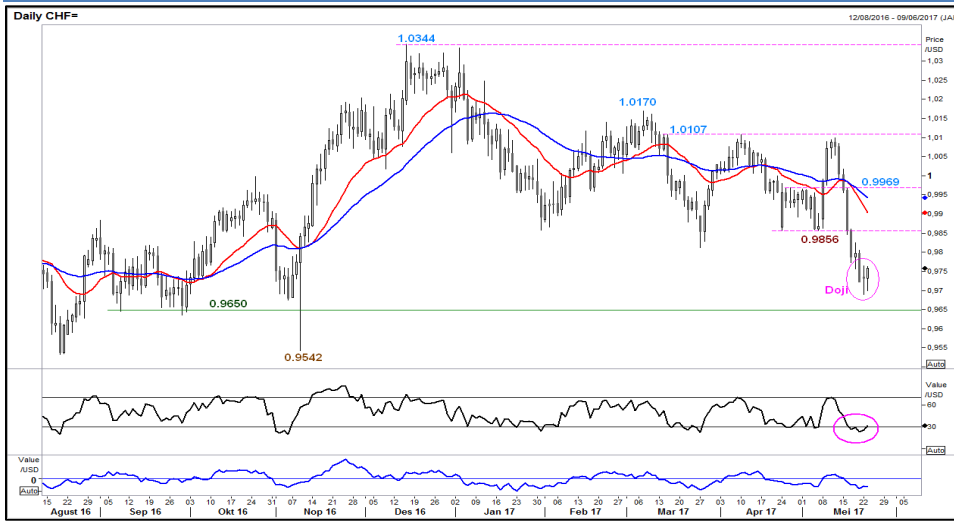
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.30416 (22/May)	1.29511 (23/May)	1.30466 (18/May)	1.28297 (04/May)	1.2965 (28/Apr)	1.2367 (10/Apr)	1.30466 (18/May)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3346	High 12/Sep/2016 (Reaction high)
	1.3278	High 15/Sep/2016 (Reaction high)
	1.3120	High 22/Sep/2016
	1.3058	High 29/Sep/2016
SUPPORT	1.2889	Low 18/May/2017
	1.2829	Low 04/May/2017 (Reaction low)
	1.2758	Low 21/Apr/2017 (Reaction low)
	1.2594	SMA200
RECOMMENDATION	BUY	----
	SELL	1.2990
	STOP LOSS	1.3070
	TARGET	1.2900 1.2855

USD/CHF

Interest Rate: 0.75%-1.00% (US)/-1.25 to -0.25% (CH)



- The doji pattern and RSI out of the oversold zone support the rebound
- Short-term resistance at 0.9856
- Crucial support at 0.9650
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	0.97313	0.97620	0.97006	61,4	0.97559	↑ 24,3	0.97316
May 22	0.97280	0.97645	0.96907	73,8	0.97316	↓ 3,1	0.97347
May 19	0.98001	0.98040	0.97249	79,1	0.97347	↓ 61,4	0.97961
May 18	0.97828	0.98243	0.97578	66,5	0.97961	↑ 12,7	0.97834
May 17	0.98592	0.98592	0.97731	86,1	0.97834	↓ 71,5	0.98549

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.97645 (22/May)	0.96907 (22/May)	1.00987 (11/May)	0.96907 (22/May)	1.0107 (10/Apr)	0.9863 (24/Apr)	1.0335 (03/Jan)	0.96907 (22/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0107	High 14/Mar/2017 (horizontal resistance)
	0.9969	Pivot line
	0.9861	High 17/May/2017
	0.9805	High 19/May/2017
SUPPORT	0.9690	Low 22/May/2017
	0.9542	Low 09/Nov/2016 (Bottom)
	0.9532	Low 18/Aug/2016 (Bottom)
	0.9473	Low 15/Oct/2015 (Bottom)
RECOMMENDATION	BUY	0.9730
	SELL	----
	STOP LOSS	0.9650
	TARGET	0.9800 0.9850

AUD/USD

Interest Rate: 1.5% (AU)/ 0.75%-1.00% (US)



- Daily RSI is flat
 - Upperline around 0.7610, while lowerline at 0.7300
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	0.74732	0.75160	0.74651	50,9	0.74790	↑ 3,2	0.74758
May 22	0.74554	0.74876	0.74341	53,5	0.74758	↑ 19,6	0.74562
May 19	0.74165	0.74686	0.74053	63,3	0.74562	↑ 41,0	0.74152
May 18	0.74248	0.74657	0.74073	58,4	0.74152	↓ 10,4	0.74256
May 17	0.74248	0.74425	0.73876	54,9	0.74256	↑ 2,1	0.74235

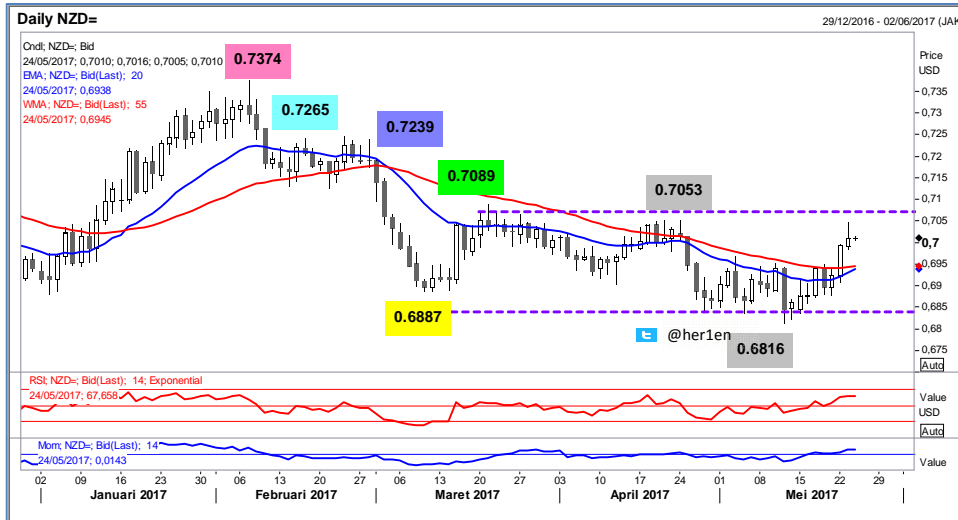
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.75160 (23/May)	0.74341 (22/May)	0.75549 (02/May)	0.73277 (09/May)	0.7641 (03/Apr)	0.7441 (27/Apr)	0.7749 (21/Mar)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7749	High Mar 21
	0.7610	High 17/Apr/2017 (Reaction high)
	0.7591	High 24/Apr/2017 (Reaction high)
	0.7555	High 02/May/2017 (Reaction high)
SUPPORT	0.7403	Low May 19
	0.7326	Low 09/May/2017
	0.7284	Low 06/Jan/2017
	0.7206	Low 04/Jan/2017
ECOMMENDATION	BUY	0.7465
	SELL	-----
	STOP LOSS	0.7400
	TARGET	0.7535 0.7565

NZD/USD

Interest Rate: 2.00% (NZ) / 0.75%-1.00% (US)



- Correction is quite limited, face the support area at 0.6816
- Strong support at 0.6800
- Important resistance at 0.7150
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	0.69921	0.70456	0.69911	54,5	0.70052	↑ 12,9	0.69923
May 22	0.69347	0.69970	0.69191	77,9	0.69923	↑ 56,3	0.69360
May 19	0.68981	0.69376	0.68801	57,5	0.69360	↑ 41,8	0.68942
May 18	0.69448	0.69482	0.68856	62,6	0.68942	↓ 44,1	0.69383
May 17	0.68833	0.69438	0.68765	67,3	0.69383	↑ 61,6	0.68767

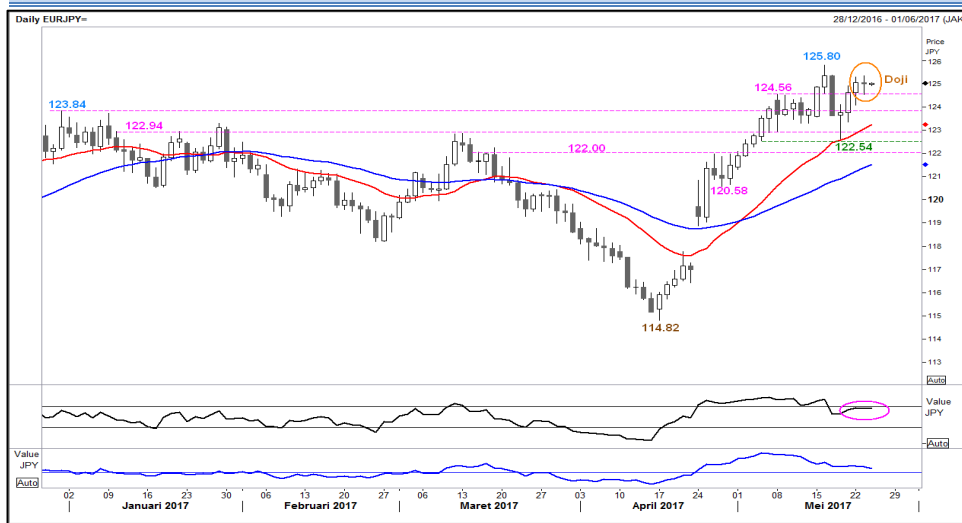
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.70456 (23/May)	0.69191 (22/May)	0.70456 (23/May)	0.68166 (11/May)	0.7053 (24/Apr)	0.6849 (27/Apr)	0.7374 (07/Feb)	0.68166 (11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7333	High Feb 08
	0.7239	High Feb 28
	0.7150	High 02/Mar/2017
	0.7053	High 24/Apr/2017 (Reaction high)
SUPPORT	0.6910	Low May 22
	0.6876	Low May 17
	0.6816	Low 11/May/2017
	0.6798	Low 03/Jun/2016
RECOMMENDATION	BUY	0.6990
	SELL	-----
	STOP LOSS	0.6925
	TARGET	0.7060 0.7090

EUR/JPY

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



- Rally stuck and formed Doji star pattern, potential trigger a reversal
- RSI near the overbought zone
- The important resistance is at 125.80
- Crucial support at 124.56
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	125.028	125.361	124.535	82,6	124.961	↓ 7,3	125.034
May 22	124.662	125.269	124.089	118,0	125.034	↑ 24,7	124.787
May 19	123.835	124.913	123.357	155,6	124.787	↑ 104,4	123.743
May 18	123.590	124.085	122.531	155,4	123.743	↑ 13,7	123.606
May 17	125.302	125.365	123.597	176,8	123.606	↓ 173,6	125.342

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
125.361	124.089	125.787	121.334	121.99	114.87	125.787	114.87
(23/May)	(22/May)	(16/May)	(01/May)	(28/Apr)	(17/Apr)	(16/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	128.22	High 31/Mar/2016 (Peak)
	127.34	High 04/Apr/2016
	126.47	High 28/Apr/2016 (Reaction high)
	125.80	High 16/May/2017
SUPPORT	124.09	Low 22/May/2017
	123.36	Low 19/May/2017
	122.54	Low 18/May/2017
	122.00	Pivot line
RECOMMENDATION	BUY	----
	SELL	125.20
	STOP LOSS	125.90
	TARGET	124.30
		123.90

USD/CAD

Interest Rate: 0.75%-1.00% (US)/0.5% (CA)



- Correction tests and breaks the crucial support area at 1.3460, hit low at 1.3453
- The next support at 1.3408
- Beware of RSI was oversold
- Crucial resistance around 1.3600
[\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.3518	1.3515

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3540 (22/May)	1.3453 (23/May)	1.3793 (05/May)	1.3453 (23/May)	1.3697 (28/Apr)	1.3220 (13/Apr)	1.3793 (05/May)	1.2967 (31/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3793	High 05/May/2017
	1.3741	Reaction high (hourly)
	1.3669	High 18/May/2017 (Reaction high)
	1.3610	High 19/May/2017
SUPPORT	1.3408	Reaction low (hourly)
	1.3220	Low 13/Apr/2017 (Bottom)
	1.3162	Low 28/Feb/2017
	1.3054	Low 24/Feb/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	1.3530
	STOP LOSS	1.3620
	TARGET	1.3410 – 1.3360

Precious Metal – *Daily Outlook*

Gold falls as dollar bounces from 6-1/2-month lows - Reuters News



Gold prices fell on Tuesday, as the U.S. dollar rebounded from 6-1/2-month lows and investors shrugged off heightened political risk following a deadly suicide attack in Britain.

The blast at a concert hall in Manchester, which killed at least 22 people, prompted the U.S. dollar to gain against sterling but failed to move gold higher. A stronger dollar makes bullion more expensive for

holders of other currencies. The dollar had fallen sharply against a basket of currencies recently, but rose on Tuesday as some traders booked profits.

"Gold is taking a breather once again; it's struggling to make it out of this \$1,245-\$1,265 range," said Ole Hansen, head of commodities strategy at Saxo Bank.

"Unless we get other developing (political risk) stories, the market is not prepared to break this range until further guidance from the Federal Open Market Committee," he said, referring to the U.S. central bank's policy-setting committee.

Spot gold was about 0.7 percent lower at \$1,250.93 an ounce by 3:27 p.m. EDT (1927 GMT), having gained about 3 percent since May 9 when it tumbled to near a two-month low. U.S. gold futures settled 0.5 percent lower at \$1,255.50 an ounce.

"With nearly two-thirds of Q2 2017 out of the way, QTD gold prices have averaged within 0.2 percent of our Q2 2017 price forecast (\$1257/oz versus \$1259/oz)," RBC Capital Markets said in a note.

"While prices may trade away through the balance of the quarter, we remain confident in a slight upward skew in prices on average (driven by unanticipated risks)."

Gold has been supported by weakening U.S. economic data and troubles facing U.S. President Donald Trump, all of which have weighed on the greenback.

Still, Fed fund futures were up, showing a 75 percent chance of an interest rate increase next month, which deterred investors from pushing gold higher.

Separately, Wall Street ticked higher as the Trump administration's budget proposal called for slashing healthcare programs and boosting military spending. European shares advanced on encouraging economic data that helped to lift the euro to a six-month high against the dollar.

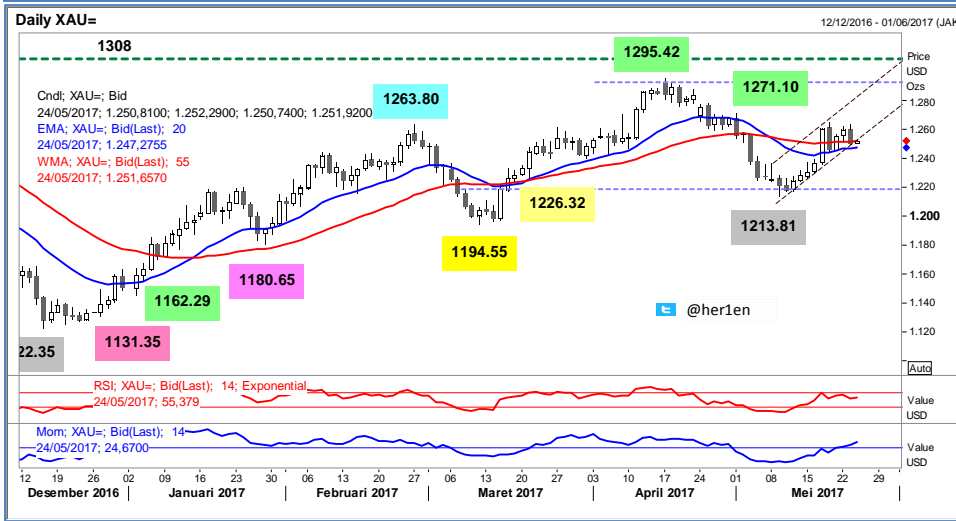
Silver was down 0.4 percent at \$17.05 an ounce, having touched a three-week peak of \$17.30 earlier.

Platinum fell 0.2 percent to \$944 an ounce after hitting \$957.50, its highest level in nearly a month.

Palladium rose 0.3 percent to \$772.6 an ounce, having dropped to more than a two-month low in intraday trading on Monday before ending that session up 1.5 percent, its biggest one-day gain since April 20.

(Source Reuters, Research – @her1en)

GOLD (XAU/USD)



- Daily RSI is flat
 - Important resistance at 1295 level
 - Support at 1224
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
May 23	1260.050	1263.650	1250.540	13.11	1250.930	↓ 9.25	1260.180	1259.90	1260.20
May 22	1256.660	1262.410	1251.620	10.79	1260.180	↑ 5.97	1254.210	1255.25	1258.85
May 19	1246.410	1255.780	1246.130	9.65	1254.210	↑ 7.28	1246.930	1251.85	1252.00
May 18	1261.110	1264.850	1245.850	19.00	1246.930	↓ 13.89	1260.820	--	--
May 17	1237.020	1260.970	1236.350	24.62	1260.820	↑ 24.23	1236.590	1244.60	1257.40

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1263.650	1250.540	1270.950	1214.100	1295.42	1244.04	1295.42	1146.31
(23/May)	(23/May)	(01/May)	(09/May)	(17/Apr)	(05/Apr)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1295.42	High April 17
	1288.17	High 21/Apr/2017 (Reaction high)
	1271.10	High 01/May/2017 (Reaction high)
	1264.85	High May 18
SUPPORT	1251.21	Low May 22
	1246.11	Low May 19
	1235.90	Low May 17
	1224.05	Low May 12
RECOMMENDATION	BUY	1250.00
	SELL	-----
	STOP LOSS	1240.00
	TARGET	1260.50 1265.00

SILVER (XAG/USD)



- Correction occurs in daily movement
- Resistance at 18.00
- Important support at 16.40
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23	17.130	17.288	17.018	0.27	17.051	↓ 0.09	17.139
May 22	16.976	17.195	16.830	0.37	17.139	↑ 0.30	16.835
May 19	16.576	16.861	16.563	0.30	16.835	↑ 0.27	16.561
May 18	16.897	16.939	16.424	0.52	16.561	↓ 0.32	16.877
May 17	16.810	17.019	16.753	0.27	16.877	↑ 0.05	16.830

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.288	16.830	17.288	16.045	18.63	17.15	18.63	15.88
(23/May)	(22/May)	(23/May)	(09/May)	(17/Apr)	(28/Apr)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.00	High Mar 25
	17.65	High Apr 26
	17.41	High 28/Apr/2017
	17.30	High May 23
SUPPORT	16.77	Low May 22
	16.54	Low May 19
	16.40	Low May 15
	16.01	Low 09/May/2017 (Reaction low)
ECOMMENDATION	BUY	17.05
	SELL	-----
	STOP LOSS	16.80
	TARGET	17.35
		17.55

OIL – Daily Outlook

Oil settles up slightly on view OPEC will extend output cuts - Reuters News



Oil prices settled a bit higher on Tuesday as expectations of an extension to OPEC-led supply cuts overshadowed a White House proposal to sell half of U.S. petroleum reserves.

Brent crude settled up 28 cents at \$54.15 per barrel. U.S. light crude was up 34 cents at \$51.47.

On Thursday the Organization of the Petroleum Exporting Countries (OPEC) meets in Vienna to consider whether to prolong cuts to reduce a global glut of crude. OPEC and other producing countries including Russia have cut output about 1.8 million barrels per day in the first half of 2017.

OPEC's de facto leader, Saudi Arabia, favors extending the output curbs by nine months rather than the initially planned six months, hoping to drain the crude glut and keep oil prices at or above \$50 per barrel.

On Tuesday delegates from Kuwait, Algeria, Ecuador and Mexico stated support for extended output cuts. Kuwait's oil minister, Essam al-Marzouq, said, "We agree on the need to do whatever is necessary to restore balance to the oil market."

"It continues to be a momentum driven trade ahead of OPEC's meeting," said Tony Headrick, energy market analyst at CHS Hedging. "We continue to build in what the market expects is an extension of cuts."

Early in the session oil prices fell following news of a White House plan to sell half the 688 million-barrel U.S. oil stockpile from 2018 to 2027. The sale aims to raise \$16.5 billion and help balance the federal budget.

However, budget proposal delivered to Congress on Tuesday may not be passed in its current form.

The White House proposal would roll out over a 10-year period so the sales would average less than 100,000 bpd, said James Williams, president of energy consultant WTRG Economics in London, Arkansas.

Aside from the first day of the roll out, and the ensuing one-time spike in supply, "the impact on prices would be negligible," he said. "This is a little over one tenth of one percent of global daily consumption - that does not move markets."

However, if the drawdown does affect prices, "it's going to be U.S. prices that will be impacted," said Sandy Fielden, Director of Research, Energy and Commodities. Morningstar Inc. "Generally it will push U.S. prices down so maybe WTI will trade lower than Brent. In order to clear that crude, find a home for it, it has to be discounted." [\(Source Reuters, Research – @her1en\)](#)

CLN7/USD (OIL)
 (Exp.: 20 June 2017 - Reuters)



- Important support around 48.00
 - Resistance at 53.40
 - Daily RSI is up, be alert in the overbought area
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 23 (CLN7)	51.04	51.74	50.57	1.17	51.47	↑ 0.45	51.02
May 22 (CLN7)	50.96	51.41	50.74	0.67	51.02	↑ 0.16	50.86
May 19 (CLN7)	49.65	50.86	49.60	1.26	50.86	↑ 1.23	49.63
May 18 (CLN7)	49.25	49.91	48.37	1.54	49.63	↑ 0.36	49.27
May 18 (CLM7)	48.92	49.58	48.04	1.54	49.33	↑ 0.39	48.94
May 17	48.18	49.47	48.02	1.45	48.94	↑ 0.73	48.21

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
51.74	50.57	51.74	43.75	53.74	48.21	55.22	43.75
(23/May)	(23/May)	(23/May)	(05/May)	(12/Apr)	(27/Apr)	(03/Jan)	(05/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	55.43	High Mar 01
	54.45	Reaction high on 1-H chart (High Apr 12)
	53.42	High Apr 19
	51.74	High Apr 20
SUPPORT	50.75	Low May 22
	49.60	Low May 19
	48.37	Low May 18
	48.03	Low May 17
RECOMMENDATION	BUY	51.20
	SELL	-----
	STOP LOSS	50.10
	TARGET	52.50
		53.00