

## DAILY MARKET REPORT

GLOBAL MARKETS & ECONOMIES | WEEKLY ECONOMIC INDICATORS | ASIAN STOCK INDICATORS |  
CURRENCIES | PRECIOUS METAL | OIL |

### **GLOBAL MARKETS**

- Shares sank worldwide on Thursday as U.S. President Donald Trump canceled a planned June meeting with North Korean leader Kim Jong Un, while tariff fears hit auto stocks and safety buying ramped up.

### **GLOBAL ECONOMIES**

- New Zealand regulators on Thursday asked the chief executives of life insurers operating in the country, including AMP, to demonstrate they do not struggle with the same conduct risks as their Australian counterparts.
- Bank of Japan board member Makoto Sakurai said on Thursday excessive monetary easing could destabilise the economy and suggested the central bank could whittle down its massive stimulus programme if growth continues to strengthen.
- Euro zone growth could slow further and uncertainty is on the rise but the bloc's expansion remains solid and broad-based, European Central Bank policymakers concluded in April, the minutes of the meeting showed on Thursday.
- British retail sales jumped last month by the most in one-and-a-half years, official figures showed on Thursday, suggesting the economy was recovering from a snowy start to the year.
- New applications for U.S. unemployment benefits increased more than expected last week, but continued to suggest that the labor market is tight.

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## GLOBAL MARKETS & ECONOMIES

### GLOBAL MARKETS

**U.S. & Global Markets** – Shares sank worldwide on Thursday as U.S. President Donald Trump canceled a planned June meeting with North Korean leader Kim Jong Un, while tariff fears hit auto stocks and safety buying ramped up.

Trump, in a letter to North Korea released by the White House, called off the June 12 summit, citing "tremendous anger and open hostility" in a recent statement by Pyongyang. The cancellation came even after North Korea followed through on a pledge to blow up tunnels at its nuclear test site.

As investors digested the latest development in the tumultuous U.S.-North Korea relationship, stocks sank, with the blue chip Dow Jones Industrial Average falling 1 percent, before cutting losses by the close of American markets.

On Wall Street, the Dow Jones Industrial Average fell 75.05 points, or 0.3 percent, to 24,811.76, the S&P 500 lost 5.53 points, or 0.20 percent, to 2,727.76 and the Nasdaq Composite dropped 1.53 points, or 0.02 percent, to 7,424.43.

MSCI's gauge of stocks across the globe shed 0.19 percent, while the pan-European FTSEurofirst 300 index lost 0.63 percent.

Meanwhile, some investors took Trump's message with a grain of salt.

"The cancellation generated a knee-jerk risk-off response," John Canavan, market strategist at Stone & McCarthy Research Associates in New York. "The longer-term impact should be modest."

### AUTOS

Markets had plenty more to digest, including minutes from the latest Fed and European Central Bank meetings, but in Asian and European trading, it was U.S. plans to investigate auto imports that caused the biggest moves.

"We are at the mercy of the (Trump) administration, not just on North Korea but on trade with the auto tariffs being announced," said Liz Ann Sonders, chief investment strategist at Charles Schwab & Co in New York.

Trump on Wednesday ordered a national security probe into car and truck imports that could lead to new tariffs. China saying it would defend its interests, while the move drew strong criticism abroad and at home where U.S. business groups and members of his own Republican Party warned of damage to the industry and raised the prospect of a global trade war that would harm American interests.

Japan's Nikkei ended down 1.1 percent after Nissan, Mazda and Toyota all fell.

In Europe, German carmakers Daimler, BMW and Volkswagen dropped 1.7 to 2.8 percent.

Germany's benchmark DAX index fell 0.9 percent and Europe's autos sector was the worst-performing, losing 1.8 percent.

In the currency markets, Turkey's lira remained the big mover. It weakened beyond 4.79 against the dollar, surrendering most of the gains made a day earlier after the Turkish central bank raised its key interest rate by 300 basis points to prop up the plunging currency. Investors appeared to bet another hike would be needed to relieve the selloff.

As the latest U.S.-North Korea concerns boosted investor appetite for low-risk debt, gold prices were propelled above \$1,300 per ounce.

The dollar fell against a basket of currencies and hit a two-week low against the Japanese yen on the news.

U.S. Treasuries rallied in reaction to Trump's letter, with benchmark 10-year U.S. Treasury note yields falling to a session low of 2.97 percent.

Treasuries also gained on political strife surrounding Italy's new eurosceptic, anti-austerity coalition.

(Source Reuters – @her1en)

### GLOBAL ECONOMIES

**New Zealand** – New Zealand regulators on Thursday asked the chief executives of life insurers operating in the country, including AMP, to

demonstrate they do not struggle with the same conduct risks as their Australian counterparts.

The Reserve Bank of New Zealand (RBNZ) and the country's Financial Markets Authority (FMA) sent letters to the CEOs seeking written responses on the actions they have taken to address conduct risk and their plans to proactively identify such issues.

The letter was in response to a powerful inquiry that Australia's major banks are facing at home, called the Royal Commission, following a series of scandals including interest rate rigging and questionable financial advice.

The major banks in New Zealand are all owned by Australia's "Big Four" – Commonwealth Bank of Australia, Westpac Banking Corp, Australia & New Zealand Banking Group and National Australia Bank.

The FMA and the RBNZ sent a similar letter asking conduct- and culture-related questions to banks registered in New Zealand on May 4. They had until May 18 to respond.

Australian wealth manager AMP, which operates in New Zealand, has found itself in hot water with its shareholders suing it in a series of lawsuits after the Royal Commission exposed alleged criminal behaviour.

"The purpose of this exercise is for us to understand how you have obtained assurance that misconduct of the type highlighted in Australia is not taking place here," the RBNZ and FMA said in a joint letter.

"The nature and extent of the issues within financial services in Australia and the obvious cross-over in terms of entities, people and practices into New Zealand demands a strong response from the industry here, and from the regulators."

In a separate article on the RBNZ's website on Thursday, Governor Adrian Orr said the country's banks are not immune to risks and that regulators needed to step up compliance checks on the sector amid damaging revelations of misconduct by Australian lenders.

Orr added the central bank is looking to build its resources to better regulate the banks, but did not provide any more details.

"The concerns that gave rise to these inquiries should be heeded, not just by Australian-owned banks, but by all financial service providers in New Zealand, including our own domestically-owned banks and insurers," Orr said.

The FMA is expecting responses to its letter by June 22.

It will then assess the information and schedule follow-up meetings with the institution's "core team" to agree on next steps.

"We intend to be fully open and transparent in our inquiries and interactions with you and we expect the same approach from you," according to the letter.

"We encourage early discussion of any areas where you anticipate that some remediation may be appropriate or where you are considering changes to product offerings, sales practices or business structures."

**Japan** – Bank of Japan board member Makoto Sakurai said on Thursday excessive monetary easing could destabilise the economy and suggested the central bank could whittle down its massive stimulus programme if growth continues to strengthen.

Sakurai, a former academic who is seen as representing the BOJ's mainstream views, also said the central bank must be mindful of the risk that prolonged easing may hurt financial institutions' profits and disrupt Japan's banking system.

"If the current easy policy continues, the effect on banks will be cumulative. We could see more signs of the side-effects of our policy," Sakurai told a news conference after meeting business leaders in Maebashi, eastern Japan.

But he stressed that it was premature to exit ultra-loose policy now, as inflation remains distant from the BOJ's 2 percent target and labour shortages have yet to boost wages.

"If inflation picks up, the effect of our stimulus policy will increase. That would be the timing where the BOJ would need to think about various steps," Sakurai said.

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"It's not something we need to think about now," he said, when asked whether the BOJ should raise its yield target.

The remarks underscore a growing concern among central bankers about the rising cost of the BOJ's stimulus programme, which has made them more open to debating a future exit from crisis-mode policies.

Sakurai said the BOJ's yield curve control (YCC), which caps long-term borrowing costs at zero, will have a stronger effect in boosting demand as inflation expectations grow.

That means maintaining ultra-loose policy for too long could create excessive demand, he added.

"We need to pay utmost caution so that changes in the external environment don't disrupt the balance between supply and demand," Sakurai said in a speech to the business leaders.

"The BOJ must examine how best to guide monetary policy as needed without any preset idea, taking this point into account."

He told the news conference that all options were on the table when the BOJ were to dial back stimulus, including rate hikes and a slowdown in its asset purchases.

"If the negative effect of monetary easing becomes clear, we need to change policy," Sakurai said. "I don't think we're in a stage where the demerits are so clear and warrant a policy shift."

Under YCC, the BOJ guides short-term rates at minus 0.1 percent and the 10-year bond yield around zero percent.

BOJ Governor Haruhiko Kuroda has stressed the central bank was in no rush to reduce its stimulus with inflation still distant from its 2 percent target.

But he has also signalled the chance of raising the yield target before inflation hits 2 percent, given the rising cost and diminishing returns of prolonged easing.

A summary of the debate at the BOJ's April rate review showed some board members voicing concern over the cost of easing.

One member said the BOJ must find ways to gain public understanding that the bank is ready to dial back monetary support if the economy continues to improve, a sign it is working to prepare markets for a future exit.

**Euro Zone** – Euro zone growth could slow further and uncertainty is on the rise but the bloc's expansion remains solid and broad-based, European Central Bank policymakers concluded in April, the minutes of the meeting showed on Thursday.

With the ECB's 2.55 trillion euros of quantitative easing bond buying set to expire in September, policymakers are debating whether to wind down purchases or keep the stimulus for longer given an unexpected slowdown in growth and rising political risk, particularly in Italy.

"Uncertainty surrounding the outlook had increased and caution was seen as warranted in interpreting recent developments, also because the moderation in growth appeared to be broad-based across countries and sectors," the ECB said in the minutes of its April 26 meeting.

"A more pronounced weakening of demand, notably related to external factors, could therefore not be ruled out."

Indicators from GDP to PMI data are all pointing to a major slowdown and the question is whether activity will level off at a lower rate or if more weakness is coming, after growth rose to unsustainable levels around the turn of the year.

For now, policymakers have played down concerns, arguing that growth is still robust and above the bloc's potential, so the ECB could still end asset purchases before the close of the year as inflation pressures will continue to build.

But policymakers privately argue that the slowdown could mean a first rate hike comes later than currently expected and the overall interest rate path would be more shallow as the ECB could hardly afford a major tightening in financial conditions.

They also worry that Italy's would-be government may loosen fiscal policy excessively and roll back a pension reform, setting off market turbulence that could undermine investor confidence.

Policymakers appeared to play down worries over growth, also taking comfort in strengthening wage pressures, which could eventually accelerate inflation.

"The underlying strength of the economic expansion remained broadly intact," the ECB said, adding that risks to growth remained balanced.

Markets have pushed back rate hike expectations from next April to June 2019 but analysts polled by Reuters still overwhelmingly expect the bond buys to end this year after a short taper.

While one-off factors contributed to the unexpected economic weakness, policymakers noted that capacity constraints were becoming evident in parts of the bloc, which could weigh on growth over the longer term.

Seemingly dropping their earlier concern about a strong euro, the minutes showed no major discussion about the currency, suggesting policymakers were comfortable with the euro's level.

In a potential relief for the bank, the euro has weakened over 5 percent against the dollar, a boost for export prices and inflation. Crude oil prices have also surged, with Brent hitting \$80 per barrel this week, pointing to higher prices in the coming months.

One policymaker at the meeting argued that inflation was close to a sustained adjustment towards the ECB's target, a precondition for ending asset buys, but the majority said there was insufficient evidence for such a conclusion.

The ECB has said it expects inflation to hover around 1.5 percent for the rest of the year -- still well below the ECB's target of just under 2 percent -- but some expect a spike in the coming months, due in part to higher oil prices.

**UK** – British retail sales jumped last month by the most in one-and-a-half years, official figures showed on Thursday, suggesting the economy was recovering from a snowy start to the year.

The Bank of England is waiting for signs of recovery before it raises interest rates again and sterling was up by half a percent on day against the U.S. dollar after the stronger-than-expected sales figures.

On Wednesday, the pound hit its lowest level of 2018 against the dollar after inflation unexpectedly fell, raising fresh doubts about the timing of the BoE's next rate hike.

Retail sales volumes rose by 1.6 percent from March, the Office for National Statistics said, well above the median forecast for a monthly 0.7 percent increase in a Reuters poll of economists.

The ONS said warm weather in April brought consumers back into the shops. But it warned that the big picture remained one of subdued spending with sales broadly unchanged over the past six months.

Peter Dixon, an economist with Commerzbank, said the figures were a rare piece of positive news about the economy after the weak start to 2018, although the sales data tends to be volatile.

"These figures show the consumer is not dead and they keep the Bank of England on its toes," Dixon said. "This is grist for the mill for those think a rate rise is justified sooner rather than later."

April's sales pick-up followed a sharp fall of 1.1 percent in March when Britain was still in the grip of unusually cold winter weather.

In the three months to April, sales edged up by 0.1 percent compared with a fall of 0.4 percent in the three months to March, the biggest decline in a year.

British households were hit last year by a combination of rising inflation and weak wage growth. Recent figures have shown a cooling of price growth and a pickup in wages.

But many retailers are struggling as consumers remain wary about spending and online shopping upends the industry.

Marks & Spencer, House of Fraser and New Look among other chains have said they plan to close shops. But clothing retailer Next said earlier this month that warmer weather in April boosted its sales.

Figures on Wednesday from the Confederation of British Industry showed retail sales picked up moderately in May.

A gauge of inflation used in the retail sales data picked up to 2.2 percent after sinking in March to its lowest since January 2017 at 1.9 percent.

The ONS said retail sales in cash terms grew by 3.5 percent in April in annual terms, up from 3.2 percent in March.

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**U.S.** – New applications for U.S. unemployment benefits increased more than expected last week, but continued to suggest that the labor market is tight.

Initial claims for state unemployment benefits rose 11,000 to a seasonally adjusted 234,000 for the week ended May 19, the Labor Department said on Thursday. Economists polled by Reuters had forecast claims slipping to 220,000 in the latest week.

Claims have now been below the 300,000 mark, which is associated with a strong jobs market, for 168 straight weeks. That is the longest such stretch since 1969, according to the Labor Department. The labor market is viewed as being close to or at full employment, with the jobless rate near a 17-1/2-year low of 3.9 percent.

The unemployment rate is within striking distance of the Federal Reserve's forecast of 3.8 percent by the end of this year. Tightening labor market conditions and rising inflation will likely keep the U.S. central bank on track to increase interest rates next month.

Minutes of the Fed's May 1-2 policy meeting published on Wednesday showed most officials believed "that if incoming information broadly confirmed their current economic outlook, it would likely soon be appropriate ... to take another step in removing policy accommodation."

The Fed raised borrowing costs in March and has forecast at least two more rate hikes for this year.

U.S. financial markets were little moved by the claims data.

The four-week moving average of initial claims, viewed as a better measure of labor market trends as it irons out week-to-week volatility, increased 6,250 to 219,750 last week.

The claims report also showed the number of people receiving benefits after an initial week of aid increased 29,000 to 1.74 million in the week ended May 12. The four-week moving average of the so-called continuing claims fell 23,250 to 1.75 million, the lowest level since December 1973.

The continuing claims data covered the week of the household survey from which May's unemployment rate will be calculated.

The four-week average of continuing claims fell 97,250 between the April and May survey periods. The unemployment rate fell two-tenths of a percentage point in April after being stuck at 4.1 percent for six straight months.

Shrinking labor market slack bolsters economists' expectations that wage growth will accelerate in the second half of the year.

*(Source Reuters, Research – @her1en)*

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**ECONOMIC INDICATORS**

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
<b>Mon/21-May-18</b>	04:00	KR	PPI YoY	Apr	1.6%	1.5%	1.4%	
	05:45	NZ	Retail Sales Ex Inflation QoQ	1Q	0.1%	--	1.7%	
	06:50	JP	Exports YoY	Apr	7.8%	8.7%	2.1%	
	06:50	JP	Imports YoY	Apr	5.9%	9.8%	-0.6%	
	06:50	JP	Trade Balance	Apr	¥626.0b	¥440.0b	¥797.3b	¥797.0b
	06:50	JP	Trade Balance Adjusted	Apr	¥550b	¥114.9b	¥119.2b	
	15:30	HK	CPI Composite YoY	Apr	-	--	2.6%	
	19:30	US	Chicago Fed Nat Activity Index	Apr	0.34	--	0.1	0.32
	23:15	US	Fed's Bostic Speaks to Atlanta Economics Club					
	All Day	CA	Bank Holiday/Victoria Day					
	All Day	CH	Bank Holiday/Whit Monday					
<b>Tue/22-May-18</b>	01:05	US	Fed's Harker Speaks in New York					
	04:30	US	Fed's Kashkari Speaks at Moderated Q&A in Escanaba, MI					
	15:30	GB	Central Government NCR	Apr	-	--	19.9b	
	15:30	GB	PSNB ex Banking Groups	Apr	7.84b	8.5b	0.799b	
	15:30	GB	Public Finances (PSNCR)	Apr	-9.71b	--	1.31b	
	15:30	GB	Public Sector Net Borrowing	Apr	6.23b	7.1b	-0.8b	
	17:00	GB	CBI Trends Selling Prices	May	19	18	18	
	17:00	GB	CBI Trends Total Orders	May	-3	2	4	
	21:00	US	Richmond Fed Manufact. Index	May	16	8	-3	
<b>Wed/23-May-18</b>	07:30	JP	Nikkei Japan PMI Mfg	May P	52.5	--	53.8	
	07:30	AU	Westpac Leading Index MoM	Apr	0.19%	--	-0.22%	-0.13%
	11:30	JP	All Industry Activity Index MoM	Mar	0.0%	0.1%	0.4%	
	13:00	JP	Machine Tool Orders YoY	Apr F	22%	--	22.0%	
	14:30	DE	Markit Germany Services PMI	May P	52.1	53.0	53	
	14:30	DE	Markit/BME Germany Composite PMI	May P	53.1	54.6	54.6	
	14:30	DE	Markit/BME Germany Manufacturing PMI	May P	56.8	57.9	58.1	
	15:00	EU	Markit Eurozone Composite PMI	May P	54.1	55.1	55.1	
	15:00	EU	Markit Eurozone Manufacturing PMI	May P	55.5	56.1	56.2	
	15:00	EU	Markit Eurozone Services PMI	May P	53.9	54.7	54.7	
	15:00	AU	RBA's Lowe Gives Speech in Sydney					
	15:30	GB	CPI Core YoY	Apr	2.1%	2.2%	2.3%	
	15:30	GB	CPI MoM	Apr	0.4%	0.5%	0.1%	
	15:30	GB	CPI YoY	Apr	2.4%	2.5%	2.5%	
	15:30	GB	CPIH YoY	Apr	2.2%	2.2%	2.3%	
	15:30	GB	PPI Input NSA MoM	Apr	0.4%	1.0%	-0.1%	0.1%
	15:30	GB	PPI Input NSA YoY	Apr	5.3%	5.8%	4.2%	4.4%
	15:30	GB	PPI Output Core NSA MoM	Apr	0.1%	0.3%	0.1%	0.2%
	15:30	GB	PPI Output Core NSA YoY	Apr	2.4%	2.1%	2.2%	2.7%
	15:30	GB	PPI Output NSA MoM	Apr	0.3%	0.3%	0.2%	0.3%
	15:30	GB	PPI Output NSA YoY	Apr	2.7%	2.3%	2.4%	2.7%
	15:30	GB	Retail Price Index	Apr	279.7	279.8	278.3	
	17:00	GB	CBI Retailing Reported Sales	May	11	5	-2	
17:00	GB	CBI Total Dist. Reported Sales	May	17	--	6		
20:45	US	Markit US Composite PMI	May P	55.7	55	54.9		
20:45	US	Markit US Manufacturing PMI	May P	56.6	56.6	56.5		
20:45	US	Markit US Services PMI	May P	55.7	--	54.6		
21:00	EU	Consumer Confidence	May A	0.2	0.5	0.4	0.3	
21:00	US	New Home Sales	Apr	662k	680k	694k	672k	
21:00	US	New Home Sales MoM	Apr	-1.5%	-2.1%	4.0%	2%	
21:30	US	DOE Cushing OK Crude Inventory	May-18	-1123k	--	53k		
21:30	US	DOE U.S. Crude Oil Inventories	May-18	5778k	-2000k	-1404k		
21:30	US	DOE U.S. Distillate Inventory	May-18	-951k	-1250k	-92k		
21:30	US	DOE U.S. Gasoline Inventories	May-18	1883k	-1430k	-3790k		
<b>Thu/24-May-18</b>	01:00	US	FOMC Meeting Minutes	May-02		--	--	
	05:45	NZ	Exports NZD	Apr	5.05b	4.85b	4.85b	4.79b
	05:45	NZ	Imports NZD	Apr	4.79b	4.65b	4.94b	4.95b
	05:45	NZ	Trade Balance 12 Mth YTD NZD	Apr	-3762m	-3770m	-3421m	-3478m
	05:45	NZ	Trade Balance NZD	Apr	263m	198m	-86m	-156m
	N/A	KR	BoK 7-Day Repo Rate	May-24	1.50%	1.50%	1.50%	
	N/A	AU	RBA's Bullock Gives Speech in Amsterdam					

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	8:30	JP	BOJ Sakurai speaks in Maebashi					
	12:00	JP	Coincident Index	Mar F	116.3	--	116.4	
	12:00	JP	Leading Index CI	Mar F	104.4	--	105	
	13:00	DE	Exports QoQ	1Q	-1.0%	-0.5%	2.7%	2.6%
	13:00	DE	GDP NSA YoY	1Q F	1.6%	1.6%	1.6%	
	13:00	DE	GDP SA QoQ	1Q F	0.3%	0.3%	0.3%	
	13:00	DE	GDP WDA YoY	1Q F	2.3%	2.3%	2.3%	
	13:00	DE	GfK Consumer Confidence	Jun	10.7	10.8	10.8	
	13:00	DE	Imports QoQ	1Q	-1.1%	-0.5%	2.0%	1.8%
	13:00	DE	Private Consumption QoQ	1Q	0.4%	0.2%	0.0%	0.1%
	15:15	US	Fed's Dudley Speaks on Reference Rate Reform at BoE Event					
	15:30	GB	Retail Sales Ex Auto Fuel MoM	Apr	1.3%	0.5%	-0.5%	
	15:30	GB	Retail Sales Ex Auto Fuel YoY	Apr	1.5%	0.1%	1.1%	1.3%
	15:30	GB	Retail Sales Inc Auto Fuel MoM	Apr	1.6%	0.7%	-1.2%	-1.1%
	15:30	GB	Retail Sales Inc Auto Fuel YoY	Apr	1.4%	0.2%	1.1%	1.3%
	19:30	US	Continuing Claims	May-12	1741k	1746k	1707k	1712k
	19:30	US	Initial Jobless Claims	May-19	234k	220k	222k	223k
	20:00	US	FHFA House Price Index MoM	Mar	0.1%	--	0.6%	
	20:00	US	House Price Purchase Index QoQ	1Q	1.7%	0.7%	1.6%	1.7%
	21:00	US	Existing Home Sales	Apr	5.46m	5.55m	5.60m	
	21:00	US	Existing Home Sales MoM	Apr	-2.5%	-0.9%	1.1%	
	22:00	US	Kansas City Fed Manf. Activity	May	29	20	26	
<b>Fri/25-May-18</b>	01:00	US	Fed's Harker Speaks About Technology's Impact on Labor Market					
	14:15	CH	Industrial Output WDA YoY	1Q		--	8.7%	
	14:15	CH	Industry & Construction Output WDA YoY	1Q		--	8.5%	
	15:00	DE	IFO Business Climate	May		--	102.1	
	15:00	DE	IFO Current Assessment	May		--	105.7	
	15:00	DE	IFO Expectations	May		--	98.7	
	15:30	GB	Exports QoQ	1Q P		--	-0.9%	
	15:30	GB	GDP QoQ	1Q P		--	0.1%	
	15:30	GB	GDP YoY	1Q P		--	1.2%	
	15:30	GB	Imports QoQ	1Q P		--	0.4%	
	15:30	GB	Index of Services 3M/3M	Mar		--	0.4%	
	15:30	GB	Index of Services MoM	Mar		--	-0.2%	
	15:30	GB	Private Consumption QoQ	1Q P		--	0.3%	
	15:30	GB	Total Business Investment QoQ	1Q P		--	0.3%	
	15:30	GB	Total Business Investment YoY	1Q P		--	2.6%	
	19:30	US	Cap Goods Orders Nondef Ex Air	Apr P		0.5%	-0.4%	
	19:30	US	Cap Goods Ship Nondef Ex Air	Apr P		--	-0.8%	
	19:30	US	Durable Goods Orders	Apr P		-1.5%	2.6%	
	19:30	US	Durables Ex Transportation	Apr P		0.50%	0.1%	
	20:00	US	Fed's Powell Joins Riksbank's 350th Anniversary Conference					
	21:00	US	U. of Mich. 1 Yr Inflation	May F		--	2.8%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	May F		--	2.5%	
	21:00	US	U. of Mich. Current Conditions	May F		--	113.3	
	21:00	US	U. of Mich. Expectations	May F		--	89.5	
	21:00	US	U. of Mich. Sentiment	May F		98.8	98.8	
	22:45	US	Fed's Kaplan, Evans and Bostic Speak at Dallas Fed					
<b>Sat/26-May-18</b>	00:00	US	Baker Hughes U.S. Rig Count	May-25		--	1046	

[Source: Bloomberg-Reuters-Forexfactory-DailyFX-Tradingeconomics-FXStreet, Research: @LukmanLoeng,@her1en,rizal]

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## ASIAN STOCK INDEX

**Japan's Nikkei** share average fell to more than two-week lows on Thursday as automakers slumped after the Trump administration launched a national security investigation into car and truck imports that could lead to new U.S. tariffs.

The Nikkei ended 1.1 percent lower at 22,437.01, the lowest closing since May 9.

The Nikkei volatility index soared to 18.29, the highest level since mid-April.

The transport equipment sector tumbled 3.0 percent and was the board's worst performer after news of the U.S. probe. Toyota Motor Corp fell 3.1 percent, Subaru Corp dropped 2.5 percent and Mazda Motor Corp plunged 5.2 percent.

Nissan Motor Co and Honda Motor Co shed 1.8 percent and 3.4 percent, respectively.

"Sentiment in the auto sector is bad with the tariff concerns, and a strong yen is pouring salt on the wound," said Takashi Ito, equity market strategist at Nomura Securities.

The dollar weakened 0.5 percent to 109.54 yen in Asian trade, a day after the greenback lost 0.73 percent, its biggest fall in nearly three months.

GS Yuasa, which makes automotive lithium-ion batteries with Honda, stumbled 4.5 percent after the Nikkei business daily reported that the automaker will team up with Contemporary Amperex Technology, the world's largest battery maker, to develop electric vehicle batteries that it seeks as key to its global strategy.

Discount clothing chain Shimamura dived 5.8 percent after its May same-store sales dropped 7.7 percent on the year due to cold weather.

The broader Topix dropped 1.2 percent to 1,775.65.

**South Korea's KOSPI** stock index weakened on Thursday. The Korean won held steady, while bond yields fell.

The Bank of Korea kept its interest rate unchanged at its May policy meeting, which was largely shrugged off by the market as it was pretty much expected.

At 06:33 GMT, the KOSPI was down 5.90 points, or 0.24 percent, at 2,466.01.

Hyundai Motor Group's shares slumped on U.S. President Donald Trump's comment that he is considering tariff impose on auto imports. Kia Motors fell 2.8 percent, while Hyundai Motor and Hyundai Mobis slumped 3.1 percent and 3.2 percent respectively.

The won was quoted at 1,079.6 per dollar on the onshore settlement platform, 0.1 percent firmer than its previous close at 1,080.7.

In offshore trading, the won was quoted at 1,078.49 per U.S. dollar, down 0.21 percent from the previous day, while in one-year non-deliverable forwards it was being asked at 1,061.95 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.07 percent, after U.S. stocks ended the previous session with mild gains. Japanese stocks weakened 1.11 percent.

The KOSPI is up around 0.2 percent so far this year, and down by 1.74 percent in the previous 30 days.

**Hong Kong** stocks ended higher on Thursday, helped by services and energy companies, though gains were capped amid renewed concerns over China-U.S. trade tensions.

At close of trade, the Hang Seng index rose 0.3 percent to 30,760.41 points, while the China Enterprises Index gained 0.5 percent, to 12,152.62 points.

U.S. President Donald Trump signalled a new direction in U.S.-China trade talks and said any deal would need "a different structure," fuelling uncertainty over current negotiations.

Adding to investor worries, the Trump administration has launched a national security investigation into car and truck imports that could lead to new U.S. tariffs similar to those imposed on imported steel and aluminium in March.

Negative sentiment was, however, tempered by minutes of a U.S. Federal Reserve meeting that suggested it would not raise the tempo at which it increases interest rates.

Sector performance was mixed on Thursday, with gains led by services and energy firms, as investors hunted for bargains after steep falls on Wednesday.

The top gainer on the Hang Seng was China Petroleum and Chemical Corp up 2.86 percent, while the biggest loser was WH Group Ltd, which was down 2.99 percent. Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.3 percent, while Japan's Nikkei index closed down 1.11 percent.

**China stocks** extended losses on Thursday, after falling the most in a month in the previous session, as caution prevailed amid renewed concerns over China-U.S. trade tensions.

The blue-chip CSI300 index closed down 0.7 percent at 3,827.22 points, while the Shanghai Composite Index ended 0.5 percent lower at 3,154.65 points.

U.S. President Donald Trump signalled a new direction in U.S.-China trade talks and said any deal would need "a different structure," fuelling uncertainty over current negotiations.

Adding to investor worries, the Trump administration has launched a national security investigation into car and truck imports that could lead to new U.S. tariffs similar to those imposed on imported steel and aluminium in March.

Market reaction to German Chancellor Angela Merkel's visit to China was largely muted. Chinese premier Li Keqiang, in a joint media appearance with Merkel at Beijing's Great Hall of the People, said China and Germany both upheld global free trade, and stressed the huge potential for cooperation between them.

Most sectors lost ground for the day, led by consumer and industry firms

Bucking the broad trend, dairy producers gained as Beijing plans more measures to boost dairy industry, with Lanzhou Zhuangyuan Pasture up 10 percent in Shenzhen.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.16 percent, while Japan's Nikkei index closed down 1.11 percent.

So far this year, the Shanghai stock index is down 4.6 percent, the CSI300 has fallen 5 percent while China's H-share index listed in Hong Kong is up 3.5 percent. Shanghai stocks have risen 2.36 percent this month.

As of 0705 GMT, China's A-shares were trading at a premium of 20.41 percent over the Hong Kong-listed H-shares

([SourceReuters,Research:rizal](#))

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## ASIA AND GLOBAL MARKET SPOT PRICE 2018

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
<b>RECORD HIGH</b>	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2872.62 (26/Jan/2018)	6124.04400 (16/Oct./07)
<b>2017 HIGH</b>	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24876.07 (18/Dec/2017)	2694.97 (18/Dec/2017)	3450.49490 (14/Nov/2017)
<b>2018 HIGH</b>	24129.34 (23/Jan/2018)	338.05 (29/Jan/2018)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2872.62 (26/Jan/2018)	3587.50890 (29/Jan/2018)
<b>2018 LOW</b>	20617.86 (23/Mar/2018)	304.58 (05/Mar/2018)	29129.26 (09/Feb/2018)	23360.29 (08/Feb/2018)	2532.69 (08/Feb/2018)	3062.74260 (08/Feb/2018)
<b>2017 LOW</b>	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)
<b>RECORD LOW</b>	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 – 24 May 2018

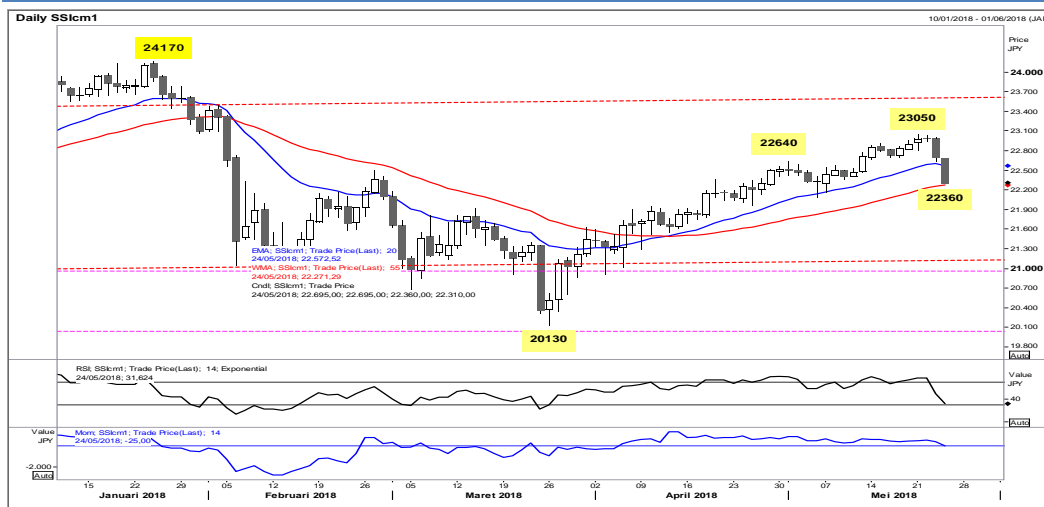
	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	24811.76	↓ 75.05/0.30%	.N225	22437.01	↓ 252.73/1.11%
/.SPX	2727.76	↓ 5.53/0.20%	.KS200	317.48	↓ 0.83/0.26%
/.IXIC	7424.429	↓ 1.526/0.02%	.HSI	30760.41	↑ 94.77/0.31%
JPY=	109.24	↓ 0.83/0.75%	/.SSEC	3154.89360	↓ 14.07060/0.44%
KRW=	1080.69	↑ 4.44/0.41%	/CLc1 (Oil)	70.67	↓ 1.16/1.61%

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## SSIamM8 (Nikkei Jun Futures) – Last Trading Date: 07 Jun 2018



- RSI 14 is near the overbought zone
  - Daily daily corrections
- [\(Research – riza\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
24 May SSIpmM8	22455	22540	22075	465	22310	---	↓ 115	0.51	42988
24 May SSIamM8	22635	22640	22360	280	22425	22425	↓ 275	1.21	55610
23 May SSIpmM8	22695	22695	22475	220	22610	---	↓ 90	0.40	32970
23 May SSIamM8	22925	22950	22645	305	22700	22700	↓ 285	1.24	67655
22 May SSIpmM8	22985	23015	22910	105	22930	---	↓ 55	0.24	9593
22 May SSIamM8	23010	23025	22955	70	22985	22985	↑ 10	0.04	26591
21 May SSIpmM8	22990	23040	22980	60	23025	---	↑ 50	0.22	9636
21 May SSIamM8	22900	23050	22895	155	22975	22975	↑ 65	0.28	36968
18 May SSIpmM8	22925	22935	22810	125	22810	---	↓ 100	0.44	12898
18 May SSIamM8	22925	22960	22865	95	22910	22910	↑ 70	0.31	35799

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
23050	22075	23050	22075	22640	20920	24170	20130
(21/May)	(24/May)	(21/May)	(24/May)	(30/Apr)	(02/Apr)	(23/Jan)	(23/Mar)

### ANALYSIS & RECOMMENDATION

RESISTANCE	22925	High on 1 Hourly Chart
	22730	High on 1 Hourly Chart
	22475	High on 1 Hourly Chart
	22580	High on 1 Hourly Chart
SUPPORT	22265	Low Apr 27,2018
	22140	Low Apr 26,2018
	21965	Low Apr 25,2018
	21795	Low Apr 18,2018
RECOMMENDATION	BUY	---
	SELL	22340
	STOP LOSS	22490
	TARGET	22140 22040

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## KSM8 (Kospi Jun Futures) – Exp. Date: 07 Jun 2018



- Daily daily corrections
  - RSI 14 is near the oversold zone
- (Research – rizal)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
24 May	319.00	319.30	316.55	2.75	317.70	317.70	↓ 0.60	0.19	147441
23 May	316.20	318.75	315.85	2.90	318.30	318.30	↑ 2.05	0.65	146188
22 May	--	H	O	L	I	D	A	Y	--
21 May	316.15	317.30	313.65	3.65	316.25	316.25	↑ 0.35	0.11	148887
18 May	315.50	316.00	314.80	1.20	315.90	315.90	↑ 1.35	0.43	98653
17 May	317.35	318.15	314.55	3.60	314.55	314.55	↓ 1.50	0.47	146279

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
319.30 (24/May)	313.65 (21/May)	322.80 (02/May)	312.80 (09/May)	323.45 (30/Apr)	308.70 (04/Apr)	340.30 (29/Jan)	302.10 (09/Feb)

### ANALYSIS & RECOMMENDATION

RESISTANCE	322.80	High May 02,2018
	320.15	High May 04,2018
	319.30	High May 08,2018
	318.15	High May 17,2018
SUPPORT	315.85	Low May 23,2018
	314.90	Low Apr 24,2018
	313.85	Low Apr 13,2018
	312.85	Low Apr 12,2018
RECOMMENDATION	BUY	----
	SELL	318.00
	STOP LOSS	319.50
	TARGET	315.00

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## CURRENCIES – Daily Outlook

### Dollar weakens as Trump nixes N. Korea summit - Reuters News



The dollar slipped against a basket of currencies on Thursday and hit a two-week low against the Japanese yen, after U.S. President Donald Trump scrapped a summit meeting with North Korean leader Kim Jong Un and as traders booked profits following the greenback's recent rally.

Trump called off a historic summit with the North Korean leader citing Pyongyang's "open hostility," and warned that the U.S. military was ready in the event of any reckless acts by North Korea.

"There is a slightly more risk-off mood in global financial markets as a result of that announcement,"

said Omer Esiner, chief market analyst at Commonwealth Foreign Exchange Inc in Washington.

The yen, which tends to rise in times of market turbulence, hit a two-week high against the greenback. The dollar was down 0.75 percent at 109.24 yen.

"At the same time, it became a broader dollar sell-off, not just a safe-haven move," said Paresh Upadhyaya, director of currency strategy at Amundi Pioneer Investments in Boston.

"I wonder if it's because the markets are now repricing a degree of geopolitical risk that was starting to unwind in a very dramatic manner earlier in May, as signs of a summit were growing," he said.

The dollar index, which measures the greenback against a basket of six other currencies, was down 0.26 percent at 93.762. Despite the weakness on Thursday, the index is up about 2 percent for the month, on pace for its second straight month of gains.

The dollar's rally had already begun to lose steam following the release on Wednesday of the minutes of the Federal Reserve's last policy meeting.

While most policymakers thought it likely another U.S. interest rate increase would be warranted - in line with market expectations - the minutes showed the Fed would tolerate inflation rising above its goal for a time.

"In light of the dollar's impressive rally now that stretches back to mid April, the minutes provided a bit of an excuse to take some money off the table ahead of the holiday weekend here," said Esiner.

The euro was up 0.24 percent at \$1.1724. Still, it was set to be down for a sixth consecutive week against the dollar, its longest such streak since January 2015, hobbled by worries over a deepening economic slowdown in the currency bloc.

The leader of the far-right League, a partner in Italy's planned coalition government, insisted that eurosceptic economist Paolo Savona should be named economy minister. This pressured the euro, limiting its gains for the day.

Sterling rose after upbeat British retail sales data, but eased off session highs due to persistent concerns over Brexit negotiations.

Turkey's lira weakened more than 2 percent, retreating from hefty gains made on Wednesday when the central bank raised interest rates 300 basis points. [\(Source Reuters, Research – @her1en\)](#)

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## EUR/USD

Interest Rate: 0.00% (EU)/ 1.25%-1.50% (US)



- With the support area at 1.1477
- Important resistance around 1.2032
- Be alert of the RSI area of 14 entering the oversold area  
[\[Research – @her1en\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	1.17012	1.17490	1.16896	59,4	1.17192	↑ 24,7	1.16945
May 23	1.17771	1.17884	1.16747	113,7	1.16945	↓ 84,4	1.17789
May 22	1.17923	1.18286	1.17554	73,2	1.17789	↓ 9,7	1.17886
May 21	1.17653	1.17944	1.17154	79,0	1.17886	↑ 24,2	1.17644
May 18	1.17937	1.18209	1.17486	72,3	1.17644	↓ 28,8	1.17932

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18286 (22/May)	1.16747 (23/May)	1.20829 (01/May)	1.16747 (23/May)	1.24125 (17/Apr)	1.20542 (27/Apr)	1.25542 (16/Feb)	1.16747 (23/May)

### ANALYSIS & RECOMMENDATION

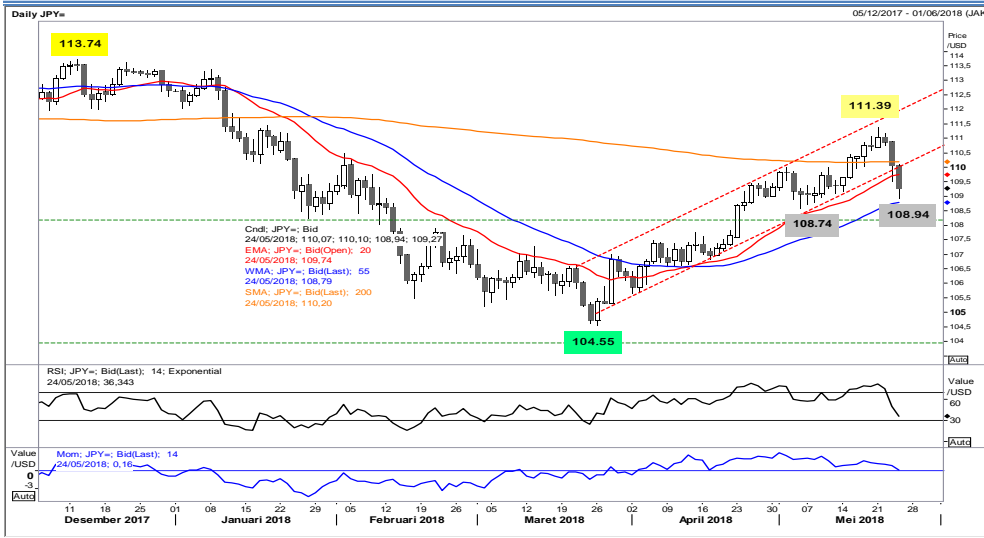
RESISTANCE	1.2139	High Apr 30
	1.2032	High May 02
	1.1938	High May 15
	1.1854	High May 16
SUPPORT	1.1658	Low Nov 14, 2017
	1.1552	Low Nov 07, 2017
	1.1477	Low July 20, 2017
	1.1369	Low July 13, 2017
RECOMMENDATION	BUY	1.1695
	SELL	-----
	STOP LOSS	1.1620
	TARGET	1.1770 1.1805

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## USD/JPY

Interest Rate: 1.50%-1.75% (US)/-0.1% (JP)



- The main resistance at 111.87, support 107.62
- RSI 14 daily rises ([Research – rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	109.937	110.031	108.942	108,9	109.232	↓ 82,0	110.052
May 23	110.894	110.907	109.545	136,2	110.052	↓ 82,3	110.875
May 22	111.016	111.173	110.784	38,9	110.875	↓ 12,7	111.002
May 21	110.855	111.384	110.829	55,5	111.002	↑ 29,2	110.710
May 18	110.769	111.069	110.598	47,1	110.710	↓ 3,2	110.742

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
111.384	108.942	111.384	108.635	109.525	105.646	113.376	104.623
(21/May)	(24/May)	(21/May)	(04/May)	(27/Apr)	(02/Apr)	(08/Jan)	(23/Mar)

### ANALYSIS & RECOMMENDATION

RESISTANCE	112.77	High Jan 10,2018
	111.87	High Jan 11,2018
	110.92	High May 23,2018
	110.10	High May 24,2018
SUPPORT	108.78	Low Apr 25, 2018
	107.62	Low Apr 23, 2018
	106.85	Low Apr 17, 2018
	105.97	Low Apr 04,2018
RECOMMENDATION	BUY	----
	SELL	109.40
	STOP LOSS	110.30
	TARGET	108.40 108.10

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## GBP/USD

Interest Rate: 0.50% (GB)/1.50%-1.75% (US)



- Corrections occur daily
  - RSI 14 is in overbought area
  - Be aware of trend changes
- [\(Research -rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	1.33513	1.34203	1.33487	71,6	1.33759	↑ 39,1	1.33368
May 23	1.34318	1.34412	1.33042	137,0	1.33368	↓ 93,6	1.34304
May 22	1.34298	1.34906	1.34114	79,2	1.34304	↑ 7,1	1.34233
May 21	1.34739	1.34774	1.33897	87,7	1.34233	↓ 52,1	1.34754
May 18	1.35139	1.35268	1.34537	73,1	1.34754	↓ 38,3	1.35137

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.34906	1.33042	1.37717	1.33042	1.43754	1.37113	1.43754	1.33042
(22/May)	(23/May)	(01/May)	(23/May)	(17/Apr)	(30/Apr)	(17/Apr)	(23/May)

### ANALYSIS & RECOMMENDATION

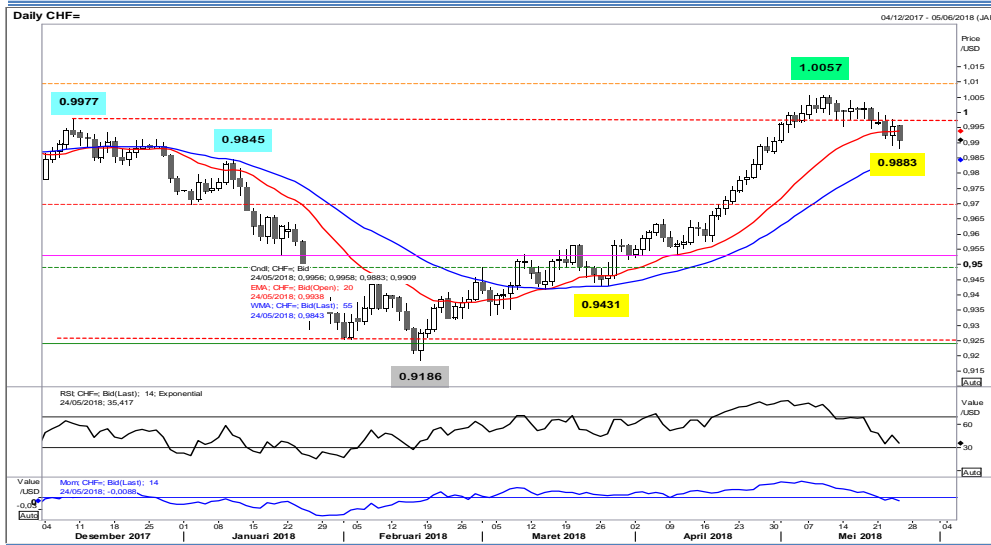
RESISTANCE	1.3773	High May 01,2018
	1.3666	High May 02,2018
	1.3595	High May 11,2018
	1.3483	High May 21,2018
SUPPORT	1.3219	Low Nov 28, 2017
	1.3133	Low Nov 16, 2017
	1.3060	Reactions Low Nov 13, 2017
	1.2907	Low Sept 05,2017
RECOMMENDATION	BUY	1.3365
	SELL	----
	STOP LOSS	1.3285
	TARGET	1.3455
		1.3485

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## USD/CHF

Interest Rate: 1.50%-1.75% (US)/-1.25 to -0.25% (CH)



- Daily RSI approach overbought area
- Main resistance 1.0170, support 0.9784

[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	0.99419	0.99469	0.98845	62,4	0.99016	↓ 52,5	0.99541
May 23	0.99247	0.99771	0.98929	84,2	0.99541	↑ 29,1	0.99250
May 22	0.99668	0.99892	0.99168	72,4	0.99250	↓ 42,4	0.99674
May 21	0.99770	1.00004	0.99689	31,5	0.99674	↓ 9,4	0.99768
May 18	1.00113	1.00171	0.99491	68,0	0.99768	↓ 34,1	1.00109

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.00004 (21/May)	0.98845 (24/May)	1.00553 (07/May)	0.98845 (24/May)	0.99199 (30/Apr)	0.95258 (02/Apr)	1.00553 (07/May)	0.91863 (16/Feb)

### ANALYSIS & RECOMMENDATION

RESISTANCE	1.0170	High Mar 07,2017
	1.0107	High Apr 10,2017
	1.0056	High May 07,2018
	0.9990	High May 22,2018
SUPPORT	0.9869	Low Apr 30,2018
	0.9815	Low Apr 26,2018
	0.9766	Low Apr 24,2018
	0.9665	Low Apr 19,2018
RECOMMENDATION	BUY	----
	SELL	0.9920
	STOP LOSS	1.0000
	TARGET	0.9830 0.9800

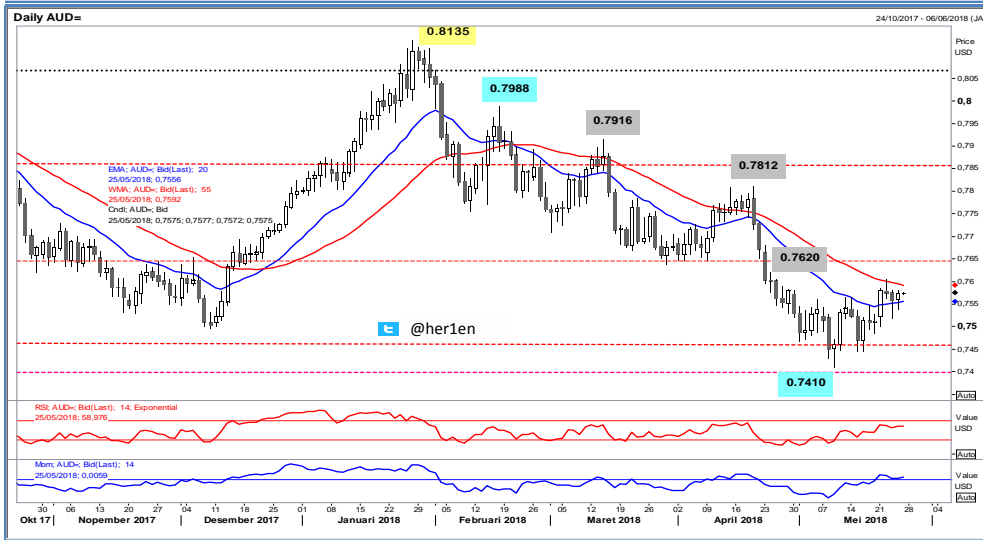
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## AUD/USD

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



- RSI 14 is up
- The main resistance at 0.7731, support 0.7266  
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	0.75638	0.75815	0.75409	40,6	0.75743	↑ 18,2	0.75561
May 23	0.75740	0.75815	0.75215	60,0	0.75561	↓ 18,2	0.75743
May 22	0.75839	0.76041	0.75649	39,2	0.75743	↓ 3,8	0.75781
May 21	0.75219	0.75853	0.75017	83,6	0.75781	↑ 70,6	0.75075
May 18	0.75093	0.75269	0.74873	39,6	0.75075	↑ 2	0.75073

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.76041 (22/May)	0.75017 (21/May)	0.76041 (22/May)	0.74112 (09/May)	0.78117 (19/Apr)	0.75241 (30/Apr)	0.81346 (26/Jan)	0.74112 (09/May)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.7812	High Apr 19
	0.7731	High Apr 20
	0.7682	High Apr 23
	0.7620	High Apr 24
SUPPORT	0.7410	Low June 05, 2017
	0.7326	Low May 09, 2017
	0.7266	Low Jan 05, 2017
	0.7152	Low Dec 26, 2016
ECOMMENDATION	BUY	0.7555
	SELL	-----
	STOP LOSS	0.7480
	TARGET	0.7630 0.7665

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## NZD/USD

Interest Rate: 1.75% (NZ)/1.25%-1.50% (US)



- Correction in daily movement
  - RSI 14 is down
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	0.69251	0.69363	0.69051	31,2	0.69175	↑ 1,7	0.69158
May 23	0.69368	0.69437	0.68832	60,5	0.69158	↓ 13,2	0.69290
May 22	0.69492	0.69733	0.69192	54,1	0.69290	↓ 14,6	0.69436
May 21	0.69090	0.69488	0.68829	65,9	0.69436	↑ 28,2	0.69154
May 18	0.68764	0.69167	0.68719	44,8	0.69154	↑ 41,4	0.68740

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.69733	0.68829	0.70516	0.68500	0.73943	0.70321	0.74359	0.68500
(22/May)	(21/May)	(04/May)	(16/May)	(13/Apr)	(30/Apr)	(16/Feb)	(16/May)

### ANALYSIS & RECOMMENDATION

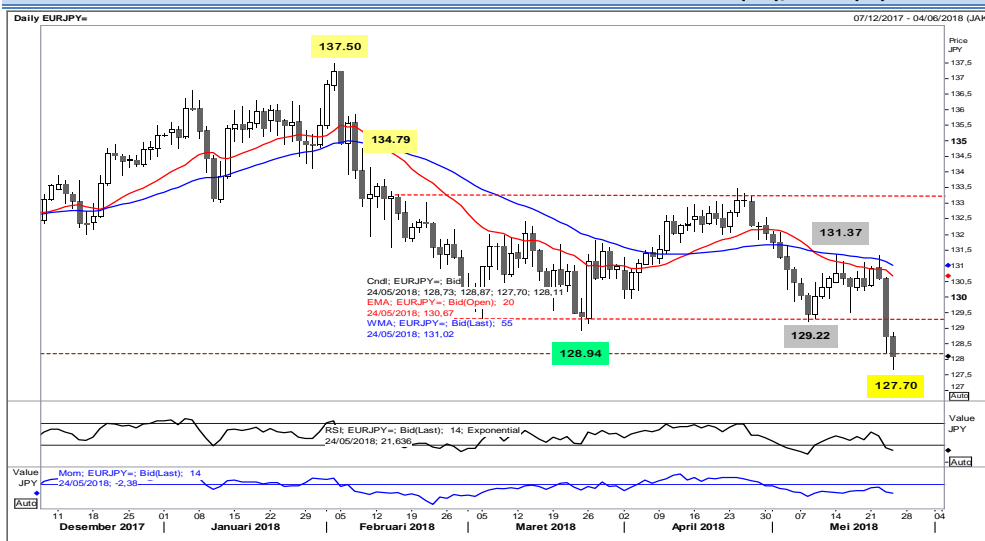
RESISTANCE	0.7221	High Apr 23
	0.7121	High Apr 25
	0.7040	High May 01
	0.6974	High May 14
SUPPORT	0.6815	Low Dec 01, 2017
	0.6779	Low Nov 17, 2017
	0.6674	Low May 30, 2016
	0.6574	Low Mar 16, 2016
RECOMMENDATION	BUY	0.6905
	SELL	-----
	STOP LOSS	0.6830
	TARGET	0.6980
		0.7015

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## EUR/JPY

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



- RSI 14 is up
  - Important resistance at 131.65, support at 124.72
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	128.652	128.857	127.702	115,5	128.019	↓ 69,8	128.717
May 23	130.614	130.633	128.215	241,8	128.717	↓ 189,0	130.607
May 22	130.925	131.330	130.582	74,8	130.607	↓ 26,5	130.872
May 21	130.437	130.986	130.358	62,8	130.872	↑ 61,8	130.254
May 18	130.653	131.107	130.222	88,5	130.254	↓ 36,8	130.622

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
131.330	127.702	132.117	127.702	133.466	129.962	137.486	127.702
(22/May)	(24/May)	(01/May)	(24/May)	(24/Apr)	(02/Apr)	(02/Feb)	(24/May)

### ANALYSIS & RECOMMENDATION

RESISTANCE	131.65	High May 03,2018
	131.13	High May 15,2018
	130.66	High May 23,2018
	129.78	High on 1 Hourly Chart
SUPPORT	127.82	Low Aug 21,2017
	126.47	Low Jun 28,2017
	124.72	Low Jun 27,2017
	123.99	Low Jun 23,2017
RECOMMENDATION	BUY	----
	SELL	128.25
	STOP LOSS	129.15
	TARGET	127.25
		126.75

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## USD/CAD

Interest Rate: 1.50%-1.75% (US)/1.25% (CA)



- RSI 14 daily rises
  - Beware of daily corrections
  - Main Resistance 1.3127, Support 1.2445
- [\(Research – rizal\)](#)

<b>WEEKLY OPEN</b>	<b>CURRENT PRICE</b>
<b>1.2879</b>	<b>1.2878</b>

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2920	1.2738	1.2997	1.2725	1.2943	1.2522	1.3124	1.2246
(24/May)	(22/May)	(08/May)	(11/May)	(02/Apr)	(17/Apr)	(19/Mar)	(31/Jan)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	1.3197	High Jun 28,2017
	1.3127	High Mar 19,2018
	1.3079	High Mar 21,2018
	1.2974	High May 09,2018
<b>SUPPORT</b>	1.2807	Low May 23,2018
	1.2745	Low Apr 23,2018
	1.2628	Low Apr 20,2018
	1.2543	Low Apr 18,2018
<b>RECOMMENDATION</b>	BUY	1.2860
	SELL	----
	STOP LOSS	1.2780
	TARGET	1.2950 – 1.2980

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Precious Metal – *Daily Outlook***Gold jumps, dollar falls after Trump cancels N.Korea summit - Reuters News**

Gold prices surged on Thursday, propelled above \$1,300 per ounce as the U.S. dollar faded after U.S. President Donald Trump called off a summit with North Korea, stoking political tensions.

Trump canceled the meeting with Kim Jong Un, planned for June 12, even after North Korea followed through on a pledge to blow up tunnels at its nuclear test site. The cancellation prompted investors to seek a safe store of value.

Spot gold gained 0.9 percent at \$1,305.18 per ounce by 1:34 p.m. EDT (1734 GMT), earlier

hitting \$1,306.56, a nine-day high. U.S. gold futures for June delivery settled up \$14.80, or 1.2 percent, at \$1,304.40 per ounce.

"Gold got momentum on news the North Korea meeting was canceled," said Phil Streible, senior market strategist at RJO Futures.

Before the North Korea news, spot gold was slightly firmer but had been losing ground for weeks, shedding 5 percent since touching \$1,365.23 on April 11, the highest in nearly three months.

Funds had cut long positions in gold to a 10-month low, but the move back above key technical levels of \$1,300 and \$1,305 was spurring a rush by speculators into bullion, Ole Hansen, head of commodity strategy at Saxo Bank in Copenhagen, said.

"It's a struggle to find any gold-negative news at the moment," he added.

Gold's safe haven appeal was also burnished after the U.S. launched a national security investigation into car and truck imports that could lead to new tariffs similar to those it imposed on steel and aluminum.

"Trade spats are recurring and there's a focus on troubled emerging markets," Hansen said.

Turkey has been in the spotlight and the lira weakened more than 2 percent, the day after a huge emergency interest rate hike intended to stem its slide.

Gold was also buoyed by a weaker dollar, which slipped to a near two-week low against the Japanese yen, and lower U.S. Treasury yields.

"The Fed meeting minutes that appear to be less hawkish on interest rates," from Wednesday provided gold more support, Streible added.

Among other precious metals, silver gained 1.5 percent at \$16.67 an ounce, platinum climbed 1 percent at \$907.74 an ounce after touching the highest since May 14 at \$914.30. Palladium shed 0.1 percent at \$976 an ounce.

Stephanie Aymes, head of technical analysis at Societe Generale, said in a note that platinum has rebounded from a multi-year trend at \$890 and was now approaching a down sloping channel near \$924/31.

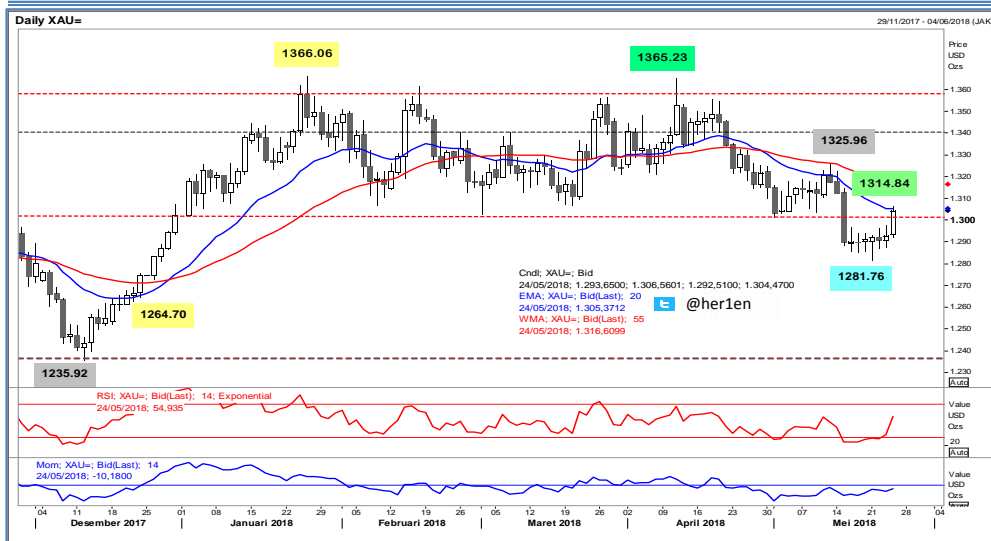
"A cross above this is needed for signs of rebound."

*(Source Reuters, Research – @her1en)*

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## GOLD (XAU/USD)



- Important resistance around 1355
- Important support area around 1249

[\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
May 24	1293.970	1306.670	1292.810	13.86	1304.820	↑11.38	1293.440	--	--
May 23	1291.150	1298.490	1287.970	10.52	1293.440	↑2.07	1291.370	--	--
May 22	1293.020	1296.240	1287.980	8.26	1291.370	↓1.32	1292.690	--	--
May 21	1290.880	1293.150	1282.150	11.00	1292.690	↑0.77	1291.920	--	--
May 18	1290.610	1294.240	1286.120	8.12	1291.920	↑1.03	1290.890	--	--

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1306.670	1282.150	1325.830	1282.150	1364.980	1310.240	1365.910	1282.150
(24/May)	(21/May)	(11/May)	(21/May)	(11/Apr)	(30/Apr)	(25/Jan)	(21/May)

### ANALYSIS & RECOMMENDATION

RESISTANCE	1365.23	High Apr 11
	1355.74	High Apr 18
	1335.38	High Apr 23
	1314.84	High May 15
SUPPORT	1292.51	Low May 24
	1281.06	Low Dec 27, 2017
	1264.70	Low Dec 22, 2017
	1249.85	Low Dec 14, 2017
RECOMMENDATION	BUY	1302.00
	SELL	-----
	STOP LOSS	1292.00
	TARGET	1312.00
		1317.00

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## SILVER (XAG/USD)



- With strong resistance at 17.35
  - While the crucial support area is around 15.74
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	16.446	16.675	16.390	0.29	16.651	↑ 0.22	16.436
May 23	16.525	16.567	16.303	0.26	16.436	↓ 0.09	16.526
May 22	16.499	16.652	16.433	0.22	16.526	↑ 0.03	16.494
May 21	16.427	16.504	16.254	0.25	16.494	↑ 0.08	16.417
May 18	16.411	16.452	16.346	0.11	16.417	↑ 0.01	16.410

WEEKLY		MAY		APRIL		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.675	16.254	16.815	16.149	17.336	16.169	17.682	16.105
(24/May)	(21/May)	(11/May)	(02/May)	(19/Apr)	(05/Apr)	(25/Jan)	(20/Mar)

### ANALYSIS & RECOMMENDATION

RESISTANCE	17.48	High Jan 29
	17.35	High Apr 19
	17.11	High Apr 23
	16.73	High May 14
SUPPORT	16.39	Low May 24
	16.25	Low May 21
	15.97	Low Dec 19, 2017
	15.74	Low Dec 14, 2017
ECOMMENDATION	BUY	16.60
	SELL	-----
	STOP LOSS	16.25
	TARGET	16.95
		17.15

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**OIL – Daily Outlook****Oil slips further below \$80/bbl on talk OPEC may lift output - Reuters News**

Oil prices fell about \$1 on Thursday, with expectations building that reduced supplies from Venezuela and Iran could prompt OPEC to wind down output cuts in place since the start of 2017.

Brent crude futures fell \$1.01 to settle at \$78.79 a barrel, a 1.27 percent loss. U.S. West Texas Intermediate (WTI) crude futures fell \$1.13 to settle at \$70.71 a barrel, a 1.57 percent loss.

The Organization of the Petroleum Exporting Countries may decide in June to lift output to make up for reduced supply from crisis-hit Venezuela and Iran, which was stung by the U.S. decision to withdraw from the nuclear arms control deal, OPEC and oil industry sources told Reuters.

Russian Energy Minister Alexander Novak said production cuts could be eased "softly" if OPEC and non-OPEC countries see the oil

market balancing in June, the Interfax news agency reported.

Russia and Saudi Arabia have a common position on the future of the oil output cut deal, Novak told Interfax news agency, though he said the deal would stay in place for now. Russia's Lukoil said the deal should remain in place but needs to be altered.

"We still believe that a production increase will still be forthcoming that will become official at next month's OPEC meeting," Jim Ritterbusch, president of Ritterbusch and Associates, said in a note. "In the meantime, even the slightest suggestion of such a decision, especially from the Saudis, could force a 1-2 percent price selloff as seen this morning."

Venezuela's output has fallen to about 1.4 million barrels per day, according to OPEC secondary sources, as its economic crisis grows and state-run PDVSA struggles to pay debts and fund operations.

Supply concerns have pushed crude to multi-year highs, with Brent last week breaking above \$80 a barrel for the first time since November 2014.

OPEC and some other major oil producers, scheduled to meet in Vienna next month, previously agreed to curb combined output by about 1.8 million bpd to boost prices and clear a supply glut.

Global inventories have been broadly falling, even as U.S. crude production has risen. The United States in February produced 10.3 million bpd, a record.

Oil futures also fell as market participants took profits ahead of the U.S. Memorial Day holiday weekend.

"It just feels like reducing exposure in front of a long weekend," said Walter Zimmerman, chief technical analyst at ICAP-TA in Jersey City, New Jersey.

On Thursday, U.S. President Donald Trump called off a planned summit with North Korean leader Kim Jong Un over that nation's nuclear aims. The news should have pressured oil prices, but the comments weakened the U.S. dollar, which supported crude, Commerzbank strategist Carsten Fritsch said.

A weaker dollar makes greenback-denominated commodities less expensive for holders of other currencies. The dollar fell more than 0.2 percent against a basket of currencies. *(Source Reuters, Research – @her1en)*

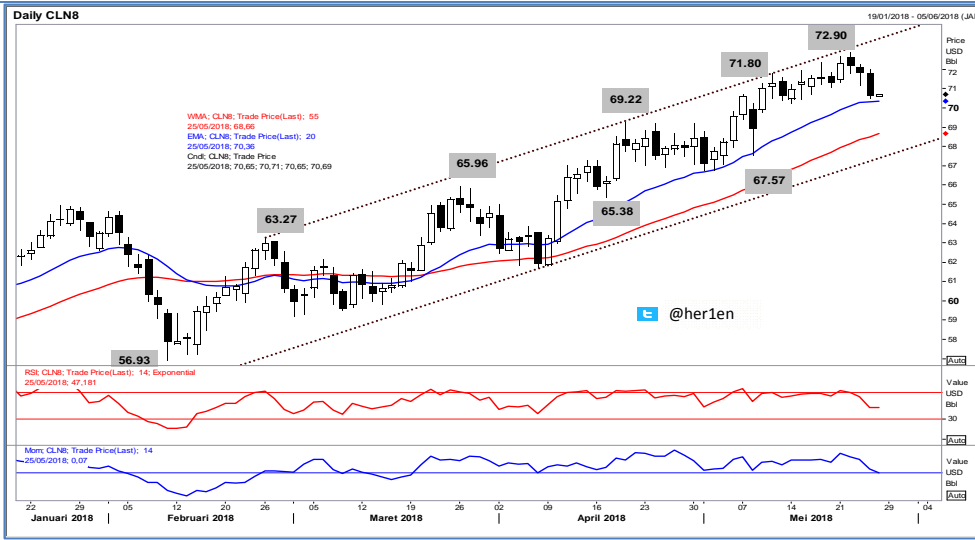
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## CLN8/USD (OIL)

(Exp.: 20 June 2018 - Reuters)



- Important resistance at 73.56, support at 69.85
  - RSI 14 is down
- [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 24	71.81	71.94	70.53	1.41	70.66	↓ 1.16	71.82
May 23	72.09	72.24	71.18	1.06	71.82	↓ 0.28	72.10
May 22	72.60	72.88	71.98	0.90	72.10	↓ 0.54	72.64
May 21	71.72	72.66	71.31	1.35	72.64	↑ 1.19	71.45
May 18	71.61	71.84	71.07	0.77	71.45	↓ 0.22	71.67

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
72.88	70.53	72.88	66.92	69.53	61.80	72.88	58.06
(22/May)	(24/May)	(22/May)	(02/May)	(19/Apr)	(06/Apr)	(22/May)	(09/Feb)

### ANALYSIS & RECOMMENDATION

RESISTANCE	76.58	High Nov 25, 2014
	74.48	High Nov 26, 2014
	73.56	High Nov 28, 2014
	72.00	High May 24
SUPPORT	70.42	Low May 15
	69.85	Low May 09
	67.63	Low May 08
	66.77	Low May 01
RECOMMENDATION	BUY	-----
	SELL	71.00
	STOP LOSS	72.20
	TARGET	69.60 69.10

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# Daily Outlook

25-May 18

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