



Daily Bulletin

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

Research Department

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Asian stocks, as measured by MSCI gained almost 1 percent to a two-year high after the U.S. S&P 500 index hit a closing record on Wednesday
- European shares struggled for direction on Thursday with investors hunting for fresh catalysts as a blistering earnings season that helped stocks surge to new highs nears its end.
- Two top U.S. equity indexes scaled record peaks on Thursday after strong earnings reports from retailers, outpacing European shares which were little changed, while oil prices plunged after top crude producers extended output cuts for a shorter period than expected.

GLOBAL ECONOMIES

- New Zealand expects to post a bigger-than-forecast budget surplus in 2017 and plans to invest the extra cash in infrastructure to fuel the growing economy, Finance Minister Steven Joyce said on Thursday.
- Moody's Investors Service downgraded Hong Kong's local and foreign currency issuer ratings just hours after it cut China's credit ratings for the first time in nearly 30 years.
- Bank of Japan board member Makoto Sakurai ruled out the chance of an imminent hike in the central bank's bond yield target, stressing the need to maintain its massive stimulus programme to prop up inflation and fend off overseas economic risks.
- Borrowing costs across the euro area fell on Thursday on further signs that major central banks are wary of stepping back from ultra-loose monetary policies too quickly.
- A downturn in Greece's property market deepened in the first quarter, as uncertainty over its bailout programme and chronic weakness in its banking sector further eroded a traditional pillar of the country's ailing economy.
- Britain's economy slowed more sharply than previously thought in early 2017 as the rise in inflation since the Brexit vote hit consumers and a weaker pound failed to boost exports, official figures showed on Thursday, two weeks before an election.
- The number of Americans filing for unemployment benefits rose less than expected last week and the four-week moving average of claims fell to a 44-year low, suggesting further tightening in the labor market.

GLOBAL MARKETS

Asia – Asian stocks, as measured by MSCI gained almost 1 percent to a two-year high after the U.S. S&P 500 index hit a closing record on Wednesday. This helped push MSCI's 46-country world stock index to a record high of 464.38 percent, up 0.3 percent on the day. Japanese stocks rose on Thursday as the strong-yen trend paused, while a surge in index-heavyweights such as SoftBank supported sentiment. China stocks rebounded sharply on Thursday, as the blue-chip CSI300 index posted its best day in more than nine months amid growing hopes that global index provider MSCI Inc will add mainland shares to its benchmark next month.

Euro Zone – European shares struggled for direction on Thursday with investors hunting for fresh catalysts as a blistering earnings season that helped stocks surge to new highs nears its end. An OPEC meeting in Vienna that disappointed some investors failed to move broader indexes but sent oil prices lower, making the energy sector the biggest sectoral faller in the region. The Organization of the Petroleum Exporting Countries decided to extend cuts in oil output by nine months to March 2018 in a bid to drain a global glut that has depressed markets. But some were hoping for more and that sent oil prices falling 4 percent, hitting energy stocks with Oil majors BP, Total and Eni fell between 0.9 and 1.9 percent. In the same sector, Petrofac fell 30 percent after the British oilfield services firm suspended its chief operating officer in response to a British investigation into alleged bribery, corruption and money laundering. The pan-European STOXX index fell 0.06 percent, staying close to 21-month highs, while Germany's DAX fell 0.17 percent after hitting an all-time high earlier in May. After the recent run that saw record inflows into the region, some investors have turned cautious on prospects for more gains. Milan-based fund manager Anthilia Capital in Milan downgraded its exposure to euro

zone stocks even though the European economy remained strong thanks to global demand.

First-quarter results have been surprisingly strong. More than four out of five companies in Europe have already reported with 65 percent of them beating earning expectations.

Some more companies reported results on Thursday with Britain's Intermediate Capital Group jumping 14 percent after its full-year results, and GVC Holdings also rose 2 percent after a first-quarter update.

British media group Daily Mail and General Trust dropped 6.8 after it warned that revenue in its information business would be lower than previously forecast.

James Butterfill, head of research and investment strategy at ETF Securities, said that now the earnings season is over the next focus points included the U.S. Federal Reserve, the ECB meeting next month and UK's general election.

French aerospace supplier Zodiac gained 0.3 percent after accepting a reduced offer from aero engine maker Safran, following a series of profit warnings. Safran's shares rose 3 percent.

Analysts at Barclays said the offer was better than expected, but they had doubts about the strategic rationale of the deal. "Having high conviction in forecasts is a challenge given Zodiac's enduring volatility," they said in a note.

U.S. & Global Markets – Two top U.S. equity indexes scaled record peaks on Thursday after strong earnings reports from retailers, outpacing European shares which were little changed, while oil prices plunged after top crude producers extended output cuts for a shorter period than expected.

The S&P 500 and Nasdaq Composite indexes hit record intraday and closing highs, with the benchmark S&P 500 index touching 2,418.71, after retailers such as PVH Corp and Sears surged on strong results. The S&P consumer discretionary index closed up nearly 1 percent.

European shares struggled for direction, with investors hunting for fresh catalysts as a blistering earnings season that helped stocks surge to new highs nears its end.

"There's no clear and present danger on the horizon," Jimmy Chang, chief investment strategist at Rockefeller & Co in New York, said in reference to the gains in U.S. stocks. "The lack of fear, the complacency is supporting the market."

Energy shares on both sides of the Atlantic tumbled, however, after a meeting of the Organization of the Petroleum Exporting Countries (OPEC) disappointed some investors. The S&P energy sector closed down 1.8 percent, while Europe's STOXX 600 oil and gas index closed down 1.2 percent.

U.S. crude prices plummeted as much as 5.7 percent to \$48.45 a barrel, their lowest level in a week, after OPEC agreed to extend output cuts for nine months, dousing hopes for deeper, longer cuts. U.S. crude prices settled down \$2.46 at \$48.90 a barrel. Brent crude settled down \$2.50 at \$51.46 a barrel after touching a 1-1/2-week low of \$51.03 a barrel.

MSCI's world equity index was last up 1.95 points, or 0.42 percent, at 464.88.

The Dow Jones Industrial Average closed up 70.53 points, or 0.34 percent, at 21,082.95. The S&P 500 closed up 10.68 points, or 0.44 percent, at 2,415.07. The Nasdaq Composite ended up 42.23 points, or 0.69 percent, at 6,205.26.

Europe's broad FTSEurofirst 300 index closed down 0.04 percent at 1,540.78.

The dollar was little changed against a basket of major currencies a day after Federal Reserve minutes dialed down expectations of the central bank hiking interest rates soon. Many investors and strategists expect Fed rate hikes to boost the dollar.

The dollar index, which measures the greenback against a basket of six rival currencies, was last roughly flat at 97.224.

"The minutes sort of made it clear that the Fed wasn't going to be reducing its balance sheet anytime real soon, and the response was negative for the dollar," said Greg Anderson, global head of foreign exchange strategy at BMO Capital Markets in New York.

U.S. Treasury yields fell slightly on the doubts over whether the Fed would raise interest rates more than once by the end of 2017. Bond yields slipped into the lower end of this week's tight trading range with the benchmark 10-year yield hovering around 2.25 percent.

[\(Source Reuters – @her1en\)](#)

GLOBAL ECONOMIES

New Zealand – New Zealand expects to post a bigger-than-forecast budget surplus in 2017 and plans to invest the extra cash in infrastructure to fuel the growing economy, Finance Minister Steven Joyce said on Thursday.

The government predicted a NZ\$1.62 billion (\$1.14 billion) surplus in the year to June versus its prior forecast for a NZ\$473 million surplus in the December half-year economic and fiscal update.

"These surpluses are significant, but they will be needed to meet the cost of the very large new capital investment the Government has committed to," said Joyce while presenting the annual budget.

Joyce announced NZ\$11 billion in spending on infrastructure including road, rail, prisons and housing over the next four years. The budget also included a NZ\$6.5 billion package to increase family incomes by adjusting tax thresholds and increasing grants as the government tries to woo voters ahead of national elections this year.

"Success breeds success," said Cameron Bagrie, chief economist at ANZ. "They've worked really hard over the past five years to turn deficits into surpluses and when you've got money in the bank it gives you options."

The better-than-expected result was helped by strong corporate taxes and because some government spending on reconstruction after November's earthquake has yet to take place.

The New Zealand dollar was largely unmoved after the budget was released.

The government forecast a NZ\$2.85 billion surplus in the year to June 2018, versus a prior forecast of a NZ\$3.34 billion surplus.

A recovery from last year's sharp drop in global prices for New Zealand's main export earner, dairy, and booming tourism has led to unemployment hovering around eight-year lows of 4.8 percent and GDP growth at 2.7 percent.

The Treasury lifted its forecast economic growth to 3.7 percent in the year to June 2018 from 3.4 percent, and 3.5 percent in the following year from the 2.6 percent previously forecast.

Economists questioned whether New Zealand's growth would be that strong, given capacity constraints, particularly in the construction sector. Despite a strong economy that remains the envy of developed country peers, fast-rising housing costs have pressured the government to do more for first-time buyers who have been priced out of the market.

Economists said raising tax thresholds was an acknowledgement that not everyone was benefiting from the fast-growing economy.

"The focus of policy initiatives was very much on assisting low-income earners and low-income families," said ASB Bank economists, in a research note.

Record immigration, which has fuelled rises in housing prices, is also putting a strain on infrastructure. The government previously announced a plan to build 34,000 new homes over the next decade.

The ruling National party is touting its careful management of New Zealand's NZ\$250 billion economy ahead of elections on Sept. 23 as it fights for a fourth term against the centre-left Labour party.

Joyce also said the government would lift the homeowners' earthquake levy to replenish the country's national disaster fund, which has been wiped out by deadly earthquakes centred in Christchurch in 2011 and Kaikoura in 2016.

The budget forecasts show net debt at 23.2 percent of GDP in the year to June 2017 and the government aims to bring it down to 10 to 15 percent by the year to June 2025.

China – Moody's Investors Service downgraded Hong Kong's local and foreign currency issuer ratings just hours after it cut China's credit ratings for the first time in nearly 30 years.

The U.S. ratings agency downgraded Hong Kong's rating to Aa2 from Aa1 and said credit trends in China will continue to have a significant impact on Hong Kong's credit profile due to close economic, financial and political ties with the mainland.

Moody's changed Hong Kong's outlook to stable from negative, denoting that the risks to the city's rating are balanced.

The move came late on Wednesday and was widely expected after Moody's downgraded China, saying it expects the financial strength of the economy will erode in coming years as growth slows and debt continues to rise.

Moody's said financial ties between Hong Kong and the mainland were becoming deeper through platforms such as the Shanghai-Hong Kong stock connect scheme, the Shenzhen-Hong Kong stock connect scheme and the bond connect which is expected to be launched this year.

"While these connects bring benefits including, it is hoped, enhanced liquidity, they also risk introducing more direct contagion channels between China's and Hong Kong's financial markets," Moody's said in a statement.

The Hong Kong government criticised the move, saying the Chinese-ruled city was well equipped to deal with any challenges.

"Moody's has overlooked the sound economic fundamentals, robust financial regulatory regime, resilient banking sector and strong fiscal position that Hong Kong has," Financial Secretary Paul Chan said in a statement.

"These elements will continue to enable the economy to embrace the challenges ahead arising from the changing external environment."

Japan – Bank of Japan board member Makoto Sakurai ruled out the chance of an imminent hike in the central bank's bond yield target, stressing the need to maintain its massive stimulus programme to prop up inflation and fend off overseas economic risks.

Sakurai said rising protectionist sentiment in the world was among risks to Japan's economic outlook, warning that protectionism would disrupt supply chains, dent trade and hurt prospects of a sustained global recovery.

With Japan's economy recovering steadily, policymakers should not seek to "forcefully" stimulate short-term demand, Sakurai said, shrugging off the need to deliver additional monetary stimulus measures any time soon.

"The economy is in good shape and the government's fiscal spending plans are being implemented now," Sakurai told a news conference after meeting business leaders in Saga, southern Japan, on Thursday.

"Maintaining the current fiscal and monetary stimulus measures would be enough."

The BOJ, however, must also hold off on withdrawing stimulus any time soon with inflation well below its 2 percent target, said Sakurai, among the strongest proponents of aggressive monetary easing in the central bank's nine-member board.

"There were some views in the market that the BOJ would consider raising its long-term interest rate target in the near future," Sakurai said in a speech to business leaders in Saga.

"But underlying price growth remains moderate and uncertainties on overseas economies persist. It is therefore crucial to patiently maintain our monetary easing."

Euro Zone – Borrowing costs across the euro area fell on Thursday on further signs that major central banks are wary of stepping back from ultra-loose monetary policies too quickly.

U.S. Federal Reserve policymakers agreed they should hold off on raising rates until it was clear a recent U.S. economic slowdown was temporary, though most said a hike was coming soon, minutes from their last policy meeting showed on Wednesday.

Bank of Japan board member Makoto Sakurai on Thursday ruled out the chance of an imminent hike in the BOJ's bond yield target, stressing the need to maintain its massive stimulus programme to prop up inflation.

As is the case in the euro zone, growing signs of life in Japan's economy have presented the BOJ with a communications challenge, pushing it to be clearer with markets on how it might dial back its stimulus, although such action remains a long way off.

In the single-currency bloc, European Central Bank officials have indicated this week that while monetary policy will reflect an improving economy, inflation remains weak so there is no need to deviate from the policy path already laid out.

"The BOJ and the ECB are the ones with the long-standing structural weaknesses and there are bigger fears about the risk of a taper tantrum," said Chris Scicluna, head of economic research at Daiwa Capital Markets.

"That's why the ECB and BOJ will be a lot more cautious in their communication as well - they don't want to take any risks even though things are going well in both Europe and Japan."

The tone of central bank wariness has comforted rate-sensitive bond markets, although traders expect the next Fed hike to come next month.

In Germany, the benchmark 10-year Bund yield fell 4 bps to 0.36 percent. It is down 10 bps from seven-week highs hit earlier in May.

Other euro zone yields slipped 3-4 bps, while U.S. Treasury yields dipped. The Fed minutes also showed that staff proposed a plan to wind down the more than \$4 trillion of debt securities amassed as part of efforts to stimulate the economy. In a move some investors cited as reassuring, the plan included a limit on how much would be allowed to fall off the balance sheet each month.

"The way the Fed is going to achieve balance sheet normalisation can be interpreted as mildly bullish," said Rabobank bond strategist Lyn Graham-Taylor.

Trade was generally subdued due to a public holiday in a number of countries across Europe.

The market was also focused on an OPEC meeting in Vienna where the cartel is expected to extend output cuts into 2018, adding at least nine months to an initial six-month curb in the first half of this year.

Greece – A downturn in Greece's property market deepened in the first quarter, as uncertainty over its bailout programme and chronic weakness in its banking sector further eroded a traditional pillar of the country's ailing economy.

Property accounts for a large chunk of household wealth in Greece, which has one of the highest home ownership rates in Europe -- 80 percent versus a European Union average of 70 percent, according to the European Mortgage Federation.

Apartment prices fell by 1.8 percent in the first three months of 2017 from a year earlier, Bank of Greece data showed on Thursday, accelerating from a 1.0 percent drop in the final quarter of last year.

That took the cumulative fall since 2008, when the country's protracted recession began, to 41.8 percent.

The market has been hit by property taxes imposed to plug budget deficits, a tight credit market and a jobless rate hovering around 23 percent - the highest in the 19-nation euro zone.

Apart from their negative effect on household wealth, falling property prices also affect collateral values on banks' outstanding real estate loans. The slide has gradually eased from 10.8 percent in 2013 to 2.4 percent last year, and economists expect prices to level out soon.

"Uncertainty related to the completion of a bailout review that prevailed in the first quarter and continued deleveraging by banks weighed on the property market," National Bank economist Nikos Magginas said.

A near-term stabilisation of prices remained the baseline scenario, expected to be confirmed once economic activity picks up in the coming quarters, he added.

Greece was pushed to the brink of default by a debt crisis that at one stage jeopardised its membership of the euro zone. Its economic prospects have improved since it signed up to a new bailout package worth up to 86 billion euros (\$97 billion) two years ago.

Gross domestic product is still contracting, however, edging down 0.1 percent between January and March as jitters over the conclusion of a review of the bailout hurt business confidence.

The European Commission projects Greece's economy will rebound by 2.1 percent this year.

UK – Britain's economy slowed more sharply than previously thought in early 2017 as the rise in inflation since the Brexit vote hit consumers and a weaker pound failed to boost exports, official figures showed on Thursday, two weeks before an election.

Britain was one of the world's fastest-growing major economies in 2016 as it shrugged off the initial shock of last June's vote to leave the European Union, and employment has hit a record high.

But living standards are being squeezed now as inflation rises and the economy as a whole slows.

During the first three months of 2017, the economy expanded at its slowest rate in a year, with gross domestic product up by just 0.2 percent compared with the previous three months, Britain's Office for National Statistics said. That was weaker than an earlier estimate of 0.3 percent growth.

By contrast, Germany's economy grew by 0.6 percent and Spain's expanded by 0.8 percent in the first quarter.

Most economists polled by Reuters had forecast Britain's rate of growth would stay unchanged, which already represented a sharp slowdown from the rapid 0.7 percent pace achieved in the final three months of 2016.

Year-on-year growth in early 2017 fell to 2.0 percent from an initial estimate of 2.1 percent.

"UK GDP growth slowed ... as consumer-facing industries such as retail and accommodation fell and household spending slowed. This was partly due to rising prices," the ONS said.

Sterling weakened slightly after the data.

Some economists said they expected growth in the three months to June to strengthen slightly, reflecting an improvement in retail sales since the end of the first quarter.

"Business surveys and a strong performance on the high street suggest that there is a good chance that quarterly GDP growth will rebound in Q2," said Capital Economics analyst Ruth Gregory.

Separate figures from the British Bankers' Association showed consumer borrowing picked up a bit of pace last month as shoppers spent more on food over the Easter holidays.

But the BBA also said mortgage approvals, which act as a gauge of the public's economic sentiment, fell to a five-month low.

Opinion polls suggest Prime Minister Theresa May is on track for a comfortable victory in the June 8 election. She says she wants a bigger

parliamentary majority to strengthen her hand in Brexit talks which must be completed by the end of March 2019.

U.S. – The number of Americans filing for unemployment benefits rose less than expected last week and the four-week moving average of claims fell to a 44-year low, suggesting further tightening in the labor market.

Initial claims for state unemployment benefits increased 1,000 to a seasonally adjusted 234,000 for the week ended May 20, the Labor Department said on Thursday. The increase followed three straight weeks of declines.

Data for the prior week was revised to show 1,000 more applications received than previously reported. Economists polled by Reuters had forecast first-time applications for jobless benefits rising to 238,000 in the latest week.

It was the 116th straight week that claims were below 300,000, a threshold associated with a healthy labor market.

That is the longest such stretch since 1970, when the labor market was smaller. The labor market is near full employment, with the jobless rate at a 10-year low of 4.4 percent.

A Labor Department official said there were no special factors influencing last week's data and that only claims for Louisiana and North Dakota had been estimated.

The four-week moving average of claims, considered a better measure of labor market trends as it irons out week-to-week volatility, fell 5,750 to 235,250 last week, the lowest level since April 1973.

Prices of U.S. Treasuries were largely unchanged after the data. U.S. stock index futures were trading higher while the dollar was weaker against a basket of currencies. *(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	-0.12%	--	0.08%		
	07:30	JP	Nikkei Japan PMI Mfg	May P	-	--	52.7		
	13:00	DE	GfK Consumer Confidence	Jun	10.4	10.2	10.2		
	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	0.6%	--	0.8%		
	20:00	US	House Price Purchase Index QoQ	1Q	1.4%	--	1.5%		
	21:00	CA	Bank of Canada Rate Decision	May-24	0.5%	0.5%	0.5%		
	21:00	US	Existing Home Sales	Apr	5.57m	5.65m	5.71m	5.70m	
	21:00	US	Existing Home Sales MoM	Apr	-2.3%	-1.1%	4.4%	4.2%	
	21:30	US	EIA Weekly Crude Stocks	w/e	-4.432m	-2.419m	-1.753m		
	21:30	US	EIA Weekly Dist. Stocks	w/e	-0.485m	-0.743m	-1.944m		
	21:30	US	EIA Weekly Gasoline Stocks	w/e	-0.787m	-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	¥778.5b	--	¥1821.2b	¥1758.3b
	06:50	JP	Japan Buying Foreign Stocks	May-19	¥26.1b	--	¥273.4b	¥254.1b
	06:50	JP	Foreign Buying Japan Bonds	May-19	¥563.1b	--	¥395.4b	
	06:50	JP	Foreign Buying Japan Stocks	May-19	¥26.4b	--	¥372.2b	¥371.9b
	N/A	KR	BoK 7-Day Repo Rate	May-25	1.25%	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	7.1%	12.0%	16.9%	
	15:30	HK	Imports YoY	Apr	7.3%	13.0%	13.0%	
	15:30	HK	Trade Balance HKD	Apr	-	-39.1b	-42.3b	
	15:30	GB	GDP QoQ	1Q P	0.2%	0.3%	0.3%	
	15:30	GB	GDP YoY	1Q P	2.0%	2.1%	2.1%	
	15:30	GB	Private Consumption QoQ	1Q P	0.3%	0.3%	0.7%	
	15:30	GB	Government Spending QoQ	1Q P	0.1%	0.4%	0.0%	
	15:30	GB	Gross Fixed Capital Formation QoQ	1Q P	1.2%	-0.2%	0.1%	
	15:30	GB	Exports QoQ	1Q P	3.3%	0.5%	4.6%	
	15:30	GB	Imports QoQ	1Q P	-0.5%	0.8%	-1.0%	
	15:30	GB	BBA Mortgage Approvals	Apr	40.750k		41.061k	40.872k
	15:30	GB	Total Business Investment QoQ	1Q P	0.8%	0.3%	-0.9%	
	15:30	GB	Total Business Investment YoY	1Q P	0.8%	--	-0.9%	
	17:30	AU	RBA's Debelle Panel Participation in London					
	19:30	US	Initial Jobless Claims	w/e	234k	238k	232k	233k
	19:30	US	Jobless Claims 4-wk Avg	w/e	235.25k	-	240.75k	241k
	19:30	US	Continuing Jobless Claims	w/e	1.923m	1.925m	1.898m	1.899m
	21:00	US	Fed's Brainard Takes in Panel Discussion on Global Economy					
	22:00	US	Kansas City Fed Manf. Activity	May	8	9	7	
	All Day	CH	Bank Holiday/Ascension Day					
FRI/26-May-17	04:00	KR	Consumer Confidence	May	108.0	--	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 rose on Thursday as the strong-yen trend paused, while a surge in index-heavyweights such as SoftBank supported sentiment. But gains were limited as the dollar-yen stayed in a narrow range after the U.S. Federal Reserve dialled down on some of the more hawkish policy expectations in the market. The Nikkei share average ended 0.4 percent higher at 19,813.13, and the broader Topix gained 0.2 percent to 1,578.42.

South Korean shares rallied on Thursday for a fifth session to finish at an all-time high, supported by positive comments from the Bank of Korea on the economy and offshore stock purchases. The benchmark Korea Composite Stock Price Index (KOSPI) closed up 1.1 percent at a record high of 2,342.93 points, outstripping Wednesday's close of 2,317.34 points. Offshore investors bought a net 118.3 billion won (\$106.01 million) worth of KOSPI shares for the day. The South Korean won jumped nearly 1 percent to a more than one-week high as minutes of a May meeting of U.S. Federal Reserve officials showed they agreed to tighten monetary policies gradually. The won was quoted at 1,116.5 to the dollar at the conclusion of onshore trade, the highest since May 16. It was up 0.9 percent from Wednesday's close of 1,126.8.

Hong Kong shares followed Asian markets higher on Thursday, even after Moody's downgraded Hong Kong's local and foreign currency issuer ratings shortly after cutting China's ratings on Wednesday. Asian shares scaled two-year highs on Thursday after the U.S. Federal Reserve signalled a cautious approach to future rate hikes and the reduction of its \$4.5 trillion of bond holdings. The Hang Seng index rose 0.8 percent, to 25,630.78 points, while the China Enterprises Index gained 1.7 percent, to 10,571.60 points. Hong Kong stocks were also aided by the strength in the mainland market, as the blue-chip CSI300 index posted its best day in 21 months amid growing

hopes that global index provider MSCI Inc will add mainland shares to its benchmark next month. Investors shrugged off China's credit downgrade after several senior government officials in Beijing criticised the decision. Hong Kong's ratings downgrade had a similarly subdued effect on investors. The southbound legs for the stock connect will be closed during May 25-30 for the Dragon Boat Festival.

China's main stock indexes China stocks rose sharply on Thursday, as the blue-chip CSI300 index posted its best day in more than nine months despite the surprise decision by Moody's to downgrade the country's sovereign credit rating a day earlier. Traders cited growing hopes that global index provider MSCI Inc would add mainland Chinese shares to its benchmark next month, and some also hinted that state-directed buying might have helped prop up the market. One stock analyst at a Chinese securities company said there was "national will" on Thursday for the market to go up. The blue-chip CSI300 index rose 1.8 percent, its biggest gain since Aug. 15, and ended at 3,485.66 points, its highest close in more than a month. The Shanghai Composite Index advanced 1.4 percent to 3,107.83 points. Chinese stocks also rose a touch on Wednesday after Moody's clipped China's credit rating by one notch, prompting official criticism. The strongest performers in China's markets on Thursday were banking and real estate stocks, whose indexes jumped 3.3 percent and 4.0 percent, respectively. The SSE 50 - dubbed China's "Nifty Fifty" index - leaped 2.7 percent to close at a near 17-month high. Meanwhile, China's Nasdaq-style board ChiNext inched up 0.1 percent, reversing earlier losses to follow the broader market higher. State intervention in financial markets is not unheard of in China. During the market rout of mid-2015, a band of government-backed investors, dubbed the "National Team", was ordered to try to stop the bleeding by buying stocks. There was some speculation online that the National Team was at it again in the wake of the downgrade. [\(Source Reuters, Research: @her1en\)](#)

ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	305.34 (25/May/2017)	31958.41 (30/Oct/07)	21169.11 (01/Mar/2017)	2400.98 (01/Mar/2017)	6124.04400 (16/Oct./07)
2016 HIGH	19592.90 (21/Dec/16)	264.42 (21/Dec/16)	24364.00 (09/Sep/16)	19987.63 (20/Dec/16)	2277.53 (13/Dec/16)	3538.68940 (04/Jan/16)
2017 HIGH	19998.49 (16/May/2017)	305.34 (25/May/2017)	25680.67 (25/May/2017)	21169.11 (01/Mar/2017)	2418.71 (26/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 – 25 May 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21082.95	↑ 70.53/ 0.34%	.N225	19813.13	↑ 70.15/0.36%
/.SPX	2415.07	↑ 10.68/ 0.44%	.KS200	305.22	↑ 3.51/1.16%
/.IXIC	6205.257	↑ 42.233/ 0.69%	.HSI	25630.78	↑ 202.28/0.80%
JPY=	111.82	↑ 0.33/ 0.30%	/.SSEC	3107.87300	↑ 43.79710/1.43%
KRW=	1119.35	↑ 1.12/ 0.10%	/Clc1 (Oil)	48.90	↓ 2.46/4.78%

SSlamM7 (Nikkei Jun Futures) – Last Trading Date: 12 June 2017



- If it able to hold above 19750, then rally will likely continue to face a resistance at 18200
- Daily RSI is up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
25 May SSipmM7	19805	19855	19755	100	19815	---	UNCH	UNCH	25044
25 May SSiamM7	19710	19850	19710	140	19815	19815	↑ 85	0.43	39866
24 May SSipmM7	19740	19770	19690	80	19730	---	UNCH	UNCH	18090
24 May SSiamM7	19780	19790	19690	100	19730	19730	↑ 80	0.41	37758
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19855	19580	20030	19165	19325	18190	20030	18190
(25/May)	(23/May)	(09/May)	(01/May)	(26/Apr)	(17/Apr)	(09/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	20340	High Aug 21, 2015
	20035	Horizontal resistance
	20030	Peak level
	19995	Horizontal resistance
SUPPORT	19615	Low May 25
	19580	Reaction low (hourly)
	19490	Reaction low (hourly)
	19280	Reaction low (hourly)
RECOMMENDATION	BUY	19825
	SELL	----
	STOP LOSS	19685
	TARGET	19975
		20025

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



- Able to stay above crucial level at 300.35
 - As long as the area is effective, then rally potentially continues to face resistance at 306.30
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
25 May	303.35	305.60	302.40	3.20	305.45	305.60	↑ 3.60	1.19	227780
24 May	302.25	302.95	301.40	1.55	302.00	302.00	↑ 0.85	0.28	140933
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
305.60 (25/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	310.14	76.4% Fib. Projection (Daily)
	308.69	61.8% Fib. Projection (Daily)
	307.51	50% Fib. Projection (Daily)
	306.33	38.2% Fib. Projection (Daily)
SUPPORT	302.40	Low May 25
	300.35	Crucial level
	299.00	Reaction low (hourly)
	295.80	Low 18/May/2017
RECOMMENDATION	BUY	305.80
	SELL	----
	STOP LOSS	304.30
	TARGET	307.10 307.80

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



- Rally is facing the important resistance at 25705
 - While short term support at 25430
 - Beware of daily RSI is in overbought area
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
25 May	25446	25666	25436	230	25632	25633	↑ 212	0.83	172666
24 May	25378	25422	25303	119	25420	25420	↑ 18	0.07	135487
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25666	25194	25666	24220	24646	23706	25666	21863
(25/May)	(22/May)	(25/May)	(05/May)	(26/Apr)	(19/Apr)	(25/May)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	27371	High 26/Jun/2015 (Weekly)
	26723	High 03/Jul/2015 (Weekly)
	26358	High 10/Jul/2015 (Weekly)
	25705	High May 25
SUPPORT	25436	Low May 25
	25299	Reaction low (hourly)
	25194	Reaction low (hourly)
	25028	Reaction low (hourly)
RECOMMENDATION	BUY	25690
	SELL	----
	STOP LOSS	25540
	TARGET	25890 25940

CURRENCIES – *Daily Outlook*

Dollar steady as commodity currencies slip on oil price drop - Reuters News

The dollar steadied against a basket of major currencies on Thursday, a day after Federal Reserve minutes that dialed down some expectations of the central bank hiking interest rates soon.

The dollar index, which tracks the greenback against six major rivals, was down 0.04 percent to 97.197, after falling as low as 96.88 earlier.

"We are seeing a little bit of softness in the dollar on a trade-weighted basis after yesterday's Fed minutes," said Karl Schamotta, director of global product and market strategy at Cambridge Global Payments in Toronto.

Wednesday's release of minutes from the Fed's last policy meeting showed policymakers agreeing they should hold off on raising interest rates until it was clear a recent U.S. economic slowdown was temporary, though most said a hike was coming soon.

"The core thing that came out of the minutes was this idea that the Fed is going to maintain the balance sheet for a long period of time at the level it is at," said Schamotta.

"The idea of rapid normalization is off the table for now."

On Thursday, data on weekly jobless claims highlighted brightening prospects for the U.S. economy and helped steady the dollar index.

Comments from Federal Reserve Governor Lael Brainard saying that a brighter global economy is posing less risk to the Fed's outlook for the United States, also helped boost risk sentiment, Schamotta said.

The greenback gained against commodity currencies as oil prices fell about 4 percent after OPEC's decision to extend production curbs fell short of expectations of deeper or longer cuts.

The Canadian dollar weakened against its U.S. counterpart, pulling back from a five-week high. [nL1N1IRONQ]

The Australian dollar fell 0.63 percent against the greenback to \$0.7455, still bruised after news earlier this week that major commodities importer China had its sovereign debt rating cut.

General softness in commodities, including weakness in iron ore prices, were a drag on the Aussie's performance, Shaun Osborne, chief FX strategist at Scotiabank in Toronto, said.

Meanwhile, sterling slipped against both the dollar and the euro after data showed Britain's economy slowed more than previously thought in the first quarter of this year.

The pound was 0.26 percent lower against the dollar at \$1.2939.

(Source Reuters, Research – @her1en)



EUR/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	1.12125	1.12490	1.11927	56,3	1.12085	↓ 8,5	1.12170
May 24	1.11832	1.12189	1.11674	51,5	1.12170	↑ 36,1	1.11809
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

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	1.1432	High June 24, 2016
	1.1365	Reaction high on 1-H chart
	1.1299	High 09/Nov/2016
	1.1267	High May 23
SUPPORT	1.1167	Low May 25
	1.1094	Low May 19
	1.0971	Low May 16
	1.0920	Low May 15
RECOMMENDATION	BUY	1.1195
	SELL	-----
	STOP LOSS	1.1130
	TARGET	1.1265 1.1295

USD/JPY

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



- Important resistance at 113.10
- Consider the trendline support area around 111.10 for possible limited correction
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	111.553	111.939	111.500	43,9	111.808	↑ 32,7	111.481
May 24	111.797	112.117	111.467	65,0	111.481	↓ 26,7	111.748
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
112.117 (24/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 (Reaction low)
	110.21	Low 18/May/2017 (Reaction low)
	109.57	Low 25/Apr/2017 (Reaction low)
	108.69	Low 20/Apr/2017
RECOMMENDATION	BUY	----
	SELL	111.90
	STOP LOSS	112.55
	TARGET	111.20 110.90

GBP/USD

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



- Correction continues although still limited
- Note the pattern still try to continue the bullish trend channel ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	1.29689	1.30137	1.29305	83,2	1.29331	↓ 28,1	1.29612
May 24	1.29602	1.29979	1.29258	72,1	1.29612	↑ 2,9	1.29583
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.30416 (22/May)	1.29258 (24/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)
	1.2593	SMA200
RECOMMENDATION	BUY	1.2925
	SELL	----
	STOP LOSS	1.2855
	TARGET	1.3005 1.3035

USD/CHF

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



- Rebound is hampered, with reversal facing the support area at 0.9690
- Crucial support at 0.9650 while crucial resistance at 0.9856
[\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	0.97346	0.97378	0.96992	38,6	0.97126	↓ 12,9	0.97255
May 24	0.97576	0.97754	0.97247	50,7	0.97255	↓ 30,4	0.97559
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.97754 (24/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	----
	SELL	0.9740
	STOP LOSS	0.9800
	TARGET	0.9670 0.9640

AUD/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	0.74987	0.75147	0.74496	65,1	0.74528	↓ 49,7	0.75025
May 24	0.74766	0.75066	0.74413	65,3	0.75025	↑ 23,5	0.74790
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

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	0.7445
	SELL	-----
	STOP LOSS	0.7380
	TARGET	0.7515 0.7545

NZD/USD

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



- 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 25	0.70420	0.70536	0.70151	38,5	0.70173	↓ 28,3	0.70456
May 24	0.70114	0.70574	0.69875	69,9	0.70456	↑ 40,4	0.70052
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.70574	0.69191	0.70574	0.68166	0.7053	0.6849	0.7374	0.68166
(24/May)	(22/May)	(24/May)	(11/May)	(24/Apr)	(27/Apr)	(07/Feb)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7333	High Feb 08
	0.7239	High Feb 28
	0.7150	High 02/Mar/2017
	0.7070	Pivot line
SUPPORT	0.6987	Low May 24
	0.6910	Low May 22
	0.6876	Low May 17
	0.6816	Low 11/May/2017
RECOMMENDATION	BUY	0.7005
	SELL	-----
	STOP LOSS	0.6940
	TARGET	0.7075 0.7105

EUR/JPY

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



- Rally is restrained and moves limited, with the peak level at 126.50 remaining intact
- Beware of RSI near the overbought zone
- Crucial support at 124.56
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	125.080	125.778	125.054	72,4	125.339	↑ 28,5	125.054
May 24	125.034	125.378	124.878	50,0	125.054	↑ 9,3	124.961
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
125.778	124.089	125.787	121.334	121.99	114.87	125.787	114.87
(25/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	124.53	Low May 23
	124.09	Low 22/May/2017
	123.36	Low 19/May/2017
	122.54	Low 18/May/2017
RECOMMENDATION	BUY	125.20
	SELL	----
	STOP LOSS	124.55
	TARGET	125.90 126.20

USD/CAD

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



- Correction continues in daily
- Short-term support at 1.3260 - 1.3220
- Crucial resistance at 1.3540
[\(Research – @her1en\)](#)

WEEKLY OPEN	CURRENT PRICE
1.3518	1.3483

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3540 (22/May)	1.3385 (25/May)	1.3793 (05/May)	1.3385 (25/May)	1.3697 (28/Apr)	1.3220 (13/Apr)	1.3793 (05/May)	1.2967 (31/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3741	Reaction high (hourly)
	1.3669	High 18/May/2017 (Reaction high)
	1.3610	High 19/May/2017
	1.3540	High 24/May/2017
SUPPORT	1.3309	Low Apr 18
	1.3220	Low 13/Apr/2017 (Bottom)
	1.3162	Low 28/Feb/2017
	1.3054	Low 24/Feb/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	1.3495
	STOP LOSS	1.3585
	TARGET	1.3415 – 1.3385

Precious Metal – *Daily Outlook*

Gold eases as dollar steadies, stocks rise to records - Reuters News



Gold eased on Thursday as the dollar came off its lows and world stock markets scaled fresh highs, giving back some gains from the prior session when U.S. Federal Reserve minutes suggested it could be more cautious with interest rate increases.

Fed policymakers had agreed at the meeting that they should hold off from raising rates until it is clear that a recent U.S. economic slowdown is only temporary, though most said an increase is coming soon.

Higher interest rates tend to boost the dollar and push bond yields up, increasing the opportunity cost of holding non-yielding bullion and thereby pressuring gold prices.

Spot gold was down 0.2 percent at \$1,255.91 an ounce by 3:32 p.m. ET (1932 GMT), while U.S. gold futures settled up 0.3 percent at \$1,256.40.

Capital Economics analyst Simona Gambarini said that gold's resilience could falter in coming weeks, citing indications in the Fed minutes that tighter monetary policy is on the cards.

Federal fund futures implied that traders believe there is an 83 percent probability that the Fed will raise rates by a quarter of a percentage point at its June meeting, according to CME Group's FedWatch tool.

Expectations for U.S. interest rates to rise next month and potentially again later in the year have helped keep gold prices below \$1,300.

Fed Governor Lael Brainard said that a brighter global economy is posing less risk to the Fed's U.S. outlook, adding to the signal the U.S. central bank sent in minutes released this week that it is likely to move forward with an expected rate increase in June.

"Gold appears to be caught in a range in which the physical market – demand from India and China – is providing strong support around \$1,200/oz, but safe-haven flows have been insufficient to breach the \$1,300/oz threshold," said Standard Chartered Precious Metals Analyst Suki Cooper.

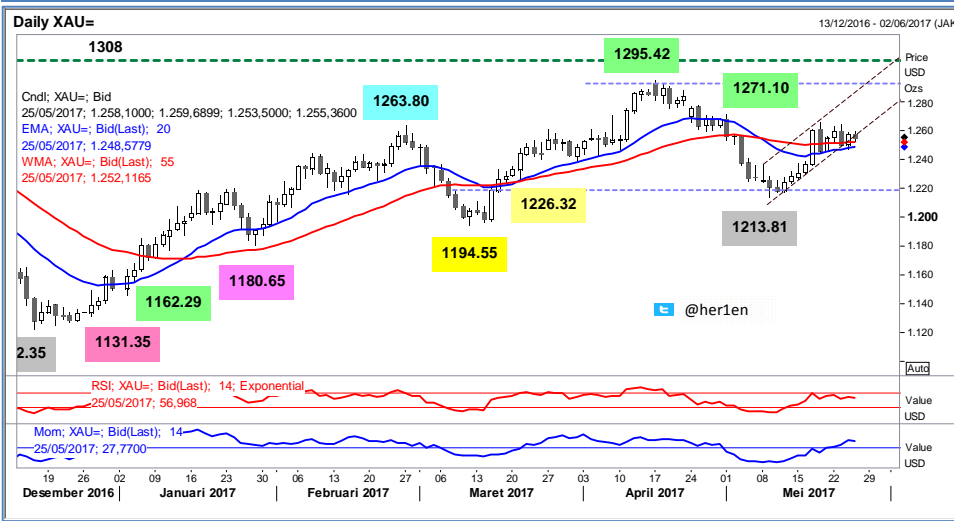
On the technical front, Sucden Financial analyst Kash Kamal said: "After the golden cross of the 50-day moving average over the 200-day moving average and yesterday's firm buying early on towards \$1,250, it looks as if prices are consolidating the recent rally."

Global equities rose to fresh highs, the dollar index came off its lows, and oil prices fell after top oil producers extended output cuts for a shorter period than expected.

Among other precious metals, silver fell 0.3 percent to \$17.14 an ounce while platinum gained 0.3 percent to \$946.95 and palladium rose 0.9 percent to \$770.

(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 25	1257.920	1259.510	1253.690	5.82	1255.430	↓ 3.00	1258.430	1257.10	1256.95
May 24	1251.240	1258.810	1247.770	11.04	1258.430	↑ 7.50	1250.930	1251.35	1252.55
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1263.650 (23/May)	1247.770 (24/May)	1270.950 (01/May)	1214.100 (09/May)	1295.42 (17/Apr)	1244.04 (05/Apr)	1295.42 (17/Apr)	1146.31 (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)
	1263.78	High May 23
SUPPORT	1246.11	Low May 19
	1235.90	Low May 17
	1224.05	Low May 12
	1217.31	Low May 11
RECOMMENDATION	BUY	1253.00
	SELL	-----
	STOP LOSS	1245.00
	TARGET	1262.50 1267.00

SILVER (XAG/USD)



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	17.193	17.247	17.116	0.13	17.137	↓ 0.07	17.212
May 24	17.045	17.214	16.883	0.33	17.212	↑ 0.16	17.051
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

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	18.33	High Mar 19
	18.00	High Mar 25
	17.65	High Apr 26
	17.41	High 28/Apr/2017
SUPPORT	16.85	Low May 24
	16.77	Low May 22
	16.54	Low May 19
	16.40	Low May 15
ECOMMENDATION	BUY	17.10
	SELL	-----
	STOP LOSS	16.85
	TARGET	17.45
		17.65

OIL – Daily Outlook

Oil plunges 5 pct on disappointment with OPEC cuts - Reuters News

Oil prices tumbled 5 percent on Thursday as the extension of output curbs by OPEC and other producing countries disappointed investors who had hoped for larger cuts, leading to the biggest daily percentage slide in crude prices since early March.

At Thursday's meeting in Vienna, the Organization of the Petroleum Exporting Countries and some non-OPEC producers agreed to extend supply cuts of 1.8 million barrels per day (bpd) until the end of the first quarter of 2018.

Brent crude oil settled down \$2.50, or 4.6 percent at \$51.46 a barrel. U.S. West Texas intermediate crude futures ended at \$2.46 lower, or 4.8 percent, at \$48.90 a barrel, breaking below \$50 for the first time all week.

It was the biggest percentage decline for both benchmarks since March 8th. Since then, trading has been volatile. While OPEC's move Thursday had been expected, some oil market investors had hoped producers would agree to longer or deeper cuts to drain a global glut of crude supplies. OPEC's move was greeted by a sell-off. The day's volumes of 1.1 million contracts of WTI were the highest since the Nov. 30 session, when OPEC first announced cuts. "There was hope that there would be half a million extra barrels coming off," said Robert Yawger, director of energy futures at Mizuho Americas. He said the rally in recent days left few buyers to support futures once prices started to fall.

"Today the bottom evaporated from the market," he said.

The global crude glut has persisted even after OPEC agreed to cut production in the first half of the year. Futures markets activity shows a reduced expectation for the market to balance.

"I don't think the cuts are enough for (OPEC) to reach their goal in a nine month period and this is reflecting that," said James Williams, president of WTRG Economics in London, Arkansas.

Saudi Arabia's energy minister, Khalid al-Falih, said fellow ministers did not see a need to reduce oil output further.

"We considered various scenarios, from six to nine to 12 months, and we even considered options for a higher cut. But all indications discovered that a nine-month extension is the optimum," he said.

The cartel next meets in November.

Oil at \$50 a barrel has encouraged more U.S. shale output, since production costs are down from a few years ago. That has had a growing effect on global supplies.

"The U.S. shale producer does what everyone thought was impossible. It becomes so efficient that it can make money at sub \$50 oil," said Curt Taylor, president of consulting firm Opportune LLP's Ralph E. Davis Associates in Houston.

U.S. oil production has risen more than 10 percent since mid-2016 to more than 9.3 million bpd. Rising U.S. production could completely replace OPEC's output cuts of 1.2 million bpd by year-end, according to RBN Energy.

David Arrington, president of shale oil producer Arrington Oil & Gas in Midland, Texas, said that how U.S. producers respond in coming months will have as much of an effect on pricing as OPEC's cuts.

"If U.S. shale producers exceeded our projected increases, it'll drive the price down again," Arrington said.

(Source Reuters, Research – @her1en)



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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 25	51.24	51.98	48.45	3.53	48.66	↓ 2.61	51.27
May 24	51.43	51.86	51.02	0.84	51.27	↓ 0.20	51.47
May 23	51.04	51.74	50.57	1.17	51.47	↑ 0.45	51.02
May 22	50.96	51.41	50.74	0.67	51.02	↑ 0.16	50.86
May 19	49.65	50.86	49.60	1.26	50.86	↑ 1.23	49.63

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
51.98	48.45	51.98	43.75	53.74	48.21	55.22	43.75
(25/May)	(25/May)	(25/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
	52.00	High Apr 25
SUPPORT	48.75	Low May 25
	48.37	Low May 18
	48.03	Low May 17
	47.70	Low May 12
RECOMMENDATION	BUY	48.55
	SELL	----
	STOP LOSS	47.05
	TARGET	50.05 50.55