



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

- U.S. and European stock markets were knocked lower on Wednesday by corporate earnings concerns, while U.S. bond yields rose on a combination of robust economic data and swirling speculation over who will next lead the Federal Reserve.

GLOBAL ECONOMIES

- Australian consumer prices were surprisingly tame last quarter while core inflation stayed below target for almost a second full year, leading investors to pare back the already slim chance of a rate hike for months to come.
- Japan's central bank is set to roughly maintain its price forecasts at its policy meeting next week and blame stagnant inflation on factors like corporate efforts to boost productivity, signalling that it will hold off on expanding stimulus for the time being.
- A euphoric mood among German constructors and manufacturers drove business confidence to an all-time high in October, a survey showed, reflecting optimism that an upswing in Europe's largest economy has further to run.
- Britain wants an outline agreement with the European Union by the first quarter of 2018 on the transitional arrangements that will apply temporarily after it leaves the bloc, Brexit minister David Davis said on Wednesday.
- The U.S. Republican tax cut plan that President Donald Trump wants passed by the end of the year is unlikely to trigger a big deficit expansion because it will spur more investment and job growth, House of Representatives Speaker Paul Ryan told Reuters in an interview on Wednesday.
- The Bank of Canada held interest rates steady on Wednesday, as expected, saying that while less stimulus will be required over time the bank will be cautious as it considers future moves given the risks and uncertainties facing the economy.

GLOBAL MARKETS

U.S. & Global Markets – U.S. and European stock markets were knocked lower on Wednesday by corporate earnings concerns, while U.S. bond yields rose on a combination of robust economic data and swirling speculation over who will next lead the Federal Reserve.

The Dow Jones Industrial Average and the S&P 500 suffered their worst day in seven weeks. The Dow fell 112.3 points, or 0.48 percent, to close at 23,329.46, the S&P 500 lost 11.98 points, or 0.47 percent, to 2,557.15 and the Nasdaq Composite dropped 34.54 points, or 0.52 percent, to 6,563.89.

Disappointing earnings from AT&T sent shares in the United States' second largest wireless carrier down 3.9 percent, pulling down other telecom stocks Verizon and CenturyLink.

European shares closed lower, with a mixed batch of company results sparking profit-taking, a day before the European Central Bank is expected to signal a reduction in its bond-buying scheme, gradually withdrawing post-crisis stimulus.

The pan-European STOXX 600 closed at its lowest level in nearly four weeks, down 0.6 percent. The FTSEurofirst 300 index lost 0.61 percent.

MSCI's broadest index of Asia-Pacific shares outside Japan closed 0.02 percent higher, while Japan's Nikkei lost 0.45 percent.

MSCI's gauge of stocks across the globe shed 0.34 percent.

"The biggest driver today is profit-taking," said Sameer Samana, a global quantitative and technical strategist at Wells Fargo Investment Institute in St. Louis, Missouri.

"We've had a really good year and a really good few months. For a lot of investors, as we get closer to the end of the year, taking some chips off the table is not a bad idea," Samana said.

He added uncertainty around U.S. tax reform and global events such as Catalonia's independence bid are unsettling for investors.

BOND YIELDS

U.S. Treasury yields climbed to months-high peaks, boosted by strong U.S. durable goods and new home sales data.

Benchmark 10-year note yields hit seven-month highs, with the price last down 8/32 in price to yield 2.4353 percent, from 2.406 percent late on Tuesday.

The 30-year bond yield rose to five-month peaks, last losing 13/32 in price to yield 2.9437 percent, from 2.923 percent late on Tuesday.

Yields extended gains after data showing new orders for key U.S.-made non-defense capital goods rose 1.3 percent last month. Other data on Wednesday showed new single-family home sales surging nearly 19 percent to a near 10-year high last month.

Yields also rose amid speculation about President Donald Trump's likely nominee to head the Fed. The impending decision has kept investors on edge over the direction monetary policy might take depending on whom he nominates. (*Source Reuters – @her1en*)

GLOBAL ECONOMIES

Australia – Australian consumer prices were surprisingly tame last quarter while core inflation stayed below target for almost a second full year, leading investors to pare back the already slim chance of a rate hike for months to come.

The local dollar dived to a 4-1/2 month trough as the consumer price index (CPI) rose 1.8 percent for the year to September, below market forecasts of 2.0 percent.

Underlying inflation averaged around 1.85 percent, again missing estimates and actually a touch slower than in the second quarter.

Core inflation has now undershot the Reserve Bank of Australia's (RBA) long-term target band of 2 percent to 3 percent for seven straight quarters, the longest period on record.

"Consumer prices are amazingly benign across the economy," said Matt Sherwood, Sydney-based head of investment strategy for fund manager Perpetual Investments.

"That's because wages growth is at an all-time low, and households are saving more to pay down their debt," he said. "It tells me that the RBA is on hold not only in 2017 but also all of 2018."

Investors battered the Australian dollar, sending it sliding 0.7 percent to \$0.7716, its lowest since mid-July.

Interest rate futures moved to further push out the likely timing of any hike. A rise in rates to 1.75 percent is now not fully priced in until November next year.

Japan – Japan's central bank is set to roughly maintain its price forecasts at its policy meeting next week and blame stagnant inflation on factors like corporate efforts to boost productivity, signalling that it will hold off on expanding stimulus for the time being.

Bank of Japan Governor Haruhiko Kuroda is also likely to stress that the bank is nowhere near dialing back its massive stimulus programme, with inflation distant from its 2 percent target.

The rate review comes in the wake of premier Shinzo Abe's victory in a weekend election, which heightened expectations the BOJ's ultra-loose policy - a key pillar of his "Abenomics" stimulus policies - will be sustained regardless of who succeeds Kuroda when his term ends next April.

"There's a strong chance Kuroda will be reappointed, which means the BOJ's policy framework won't change much," said Hiroshi Ugai, chief Japan economist at JPMorgan.

"The BOJ's next move could be to raise its long-term yield target, but that won't happen at least until late next year."

At the two-day meeting ending on Tuesday, the BOJ is set to keep intact a pledge to guide short-term interest rates at minus 0.1 percent and the 10-year bond yield around zero percent.

The market's focus would be on whether Goushi Kataoka, a board newcomer who voted against keeping policy steady last month, will propose expanding stimulus.

While any such proposal is likely to be voted down by others who see no need to ramp up monetary support amid a strengthening economy, it may expose a fresh rift in the board on the future direction of monetary policy.

Euro Zone – A euphoric mood among German constructors and manufacturers drove business confidence to an all-time high in October, a survey showed, reflecting optimism that an upswing in Europe's largest economy has further to run.

The Munich-based Ifo economic institute said on Wednesday its business climate index, based on a monthly survey of some 7,000 firms, rose to 116.7 from an upwardly revised 115.3 in September.

Ifo said a continuing recovery in the euro zone was helping German exporters feel more positive. This was especially true for capital goods manufacturers and mechanical engineering firms.

"Companies are very optimistic about the months ahead. They also upwardly revised their very favourable assessments of the current business situation," Ifo chief Clemens Fuest said in a statement. "Germany's economy is powering ahead."

Ifo economist Klaus Wohlrabe said the economy was unfazed by complex coalition talks that Chancellor Angela Merkel has embarked on with two other parties after her conservative bloc lost ground in a national election last month.

The record high reading, which came after two consecutive monthly falls, beat a Reuters consensus forecast of 115.2.

Wohlrabe added that companies also appeared to be taking in their stride Britain's scheduled departure from the European Union, a standoff between the Spanish government and the region of Catalonia and U.S. tax reforms.

U.K. – Britain wants an outline agreement with the European Union by the first quarter of 2018 on the transitional arrangements that will apply temporarily after it leaves the bloc, Brexit minister David Davis said on Wednesday.

Davis also angered some lawmakers by suggesting that they might not get to vote on a Brexit deal until Britain has already left the EU. Discontent among lawmakers could be problematic for a minority Conservative government already struggling to get Brexit legislation through parliament.

Prime Minister Theresa May is seeking a so-called implementation period of around two years following Britain's departure from the EU in March 2019, during which its access to the EU single market would stay largely unchanged while new arrangements are put in place.

Businesses are anxious to see the details of such a deal as soon as possible to end uncertainty over the trading rules they will face after Britain leaves the bloc.

"I would be aiming to get certainly the outlines of it agreed, if we could, in the first quarter (of 2018) ... but it's a negotiation," Davis told a parliamentary committee.

Last week EU leaders said at a summit in Brussels that they would begin preparations to move into "phase two" of the Brexit negotiations in December, a step forward that would allow London to discuss its future trade relationship with the bloc.

Davis said he expected to receive guidance from the EU on its approach to a transitional period by December, and that a deal allowing Britain to maintain similar conditions to those it currently has with the EU would be struck quickly afterwards.

Britain and the EU are at odds over the timeline of the negotiations, incorporating the terms of the divorce, the transitional deal and a future trade deal. Britain wants to finish everything by the time it leaves in early 2019, while the EU thinks it could take until 2020.

Davis said he believed Britain would be able to seal a trade and customs arrangement by the end of the two-year exit process in March 2019, and that it was important to do so to avoid getting trapped in a protracted negotiation.

"It's not a good position to get into to be still negotiating during such an arrangement," Davis said. "If we were doing the negotiation during a period of transition, I suspect what we would get offered is a year extension and another year extension, each time paying a fee."

An EU official said on Tuesday that the EU will only negotiate on the details of a free trade deal after Britain has actually left in March 2019 because the EU's own laws do not allow it to negotiate trade agreements with its own members.

Asked about this approach, Davis said a trade deal could be signed 'a nanosecond' after Britain leaves, implying that he hoped for a more flexible approach from Brussels.

U.S. – The U.S. Republican tax cut plan that President Donald Trump wants passed by the end of the year is unlikely to trigger a big deficit expansion because it will spur more investment and job growth, House of Representatives Speaker Paul Ryan told Reuters in an interview on Wednesday.

"We believe that we'll get faster economic growth," Ryan said. "We don't anticipate a big deficit effect from this tax reform because we will broaden the base and lower the rates, plug loopholes and get faster economic growth. ... Those things combined, we believe, will give us faster growth and a more resilient tax code."

Democrats have painted the tax plan as a gift to the rich and corporate America that would balloon the federal deficit and add to the \$20 trillion U.S. national debt.

While the broad parameters of the tax proposal have been made public, detailed legislation has not yet been unveiled.

One of the key elements of the plan is to slash the corporate income tax rate to 20 percent from 35 percent.

Ryan said the plan would help U.S. growth. "The reason we're trying to do it with this timeline is we want to get a 3 percent economy. We're sort of limping along, growing between 1 and 2 percent, and that is so far underneath our potential as a country," he said.

Ryan previously said he wants the House to pass the tax bill by the Nov. 23 U.S. Thanksgiving holiday.

Securing passage by Congress of his tax plan is important to Trump, who has yet to score a major legislative win since taking office in January amid a steady stream of distractions and Republican infighting.

Ryan predicted that Democratic lawmakers would eventually back the tax plan.

"At the end of the day, I do believe some Democrats will end up voting for this thing," Ryan said. "It's hard for me to see why -- no matter what party you're from -- you'd want to vote against this."

Canada – The Bank of Canada held interest rates steady on Wednesday, as expected, saying that while less stimulus will be required over time the bank will be cautious as it considers future moves given the risks and uncertainties facing the economy.

In a dovish statement that emphasized "substantial uncertainty" about the renegotiation of the North American Free Trade Agreement, the central bank said the economy is operating close to its potential but slack remains in the labor market.

The cautious tone after back-to-back rate hikes in July and September sent the Canadian dollar tumbling lower, and bets on a December rate increase slipped to less than 30 percent from 37 percent before the rate announcement.

The Canadian dollar slumped more than one cent, hitting its weakest since Aug. 15 at C\$1.2775, or 78.28 U.S. cents.

"We were thinking January (for the next hike), but that's at risk now, we could push it out further into 2018," said Sal Guatieri, senior economist at BMO Capital Markets.

The central bank noted the recent appreciation of the Canadian dollar twice in its policy statement, saying inflation will rise to 2 percent a bit

later in 2018 than previously expected and export growth will be slightly slower because of the stronger currency.

"While less monetary policy stimulus will likely be required over time, Governing Council will be cautious in making future adjustments to the policy rate," the bank said in a statement.

In its quarterly Monetary Policy Report, the central bank said economic activity is forecast to remain close to full capacity and "at times modestly above" depending on how the supply side of the economy evolves.

The bank highlighted the risk that U.S. trade protectionism could drive firms to boost offshore production, hurting exports and business investment.

"This less aggressive stance on interest rates partly reflects concerns over NAFTA renegotiations and, to a lesser extent, the stronger Canadian dollar," David Madani, senior economist at Capital Economics, said in a research note, adding that he does not expect another rate hike this year. The bank said recent mortgage rule tightening would dampen housing activity, and warned that a drop in house prices in Toronto or Vancouver could douse residential investment and consumption in those areas and have "modest direct spillovers" to the rest of Canada.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
18-Oct - 24-Oct	N/A	CN	Chinese President Xi Opens 19th Communist Party Congress					
Mon/23-Oct-17	04:00	KR	PPI YoY	Sep	-	--	3.2%	
	12:00	JP	Leading Index CI	Aug F	107.2	--	106.8	
	12:00	JP	Coincident Index	Aug F	117.7	--	117.6	
	15:30	HK	CPI Composite YoY	Sep	-	--	1.9%	
	16:00	EZ	Govt Debt/GDP Ratio	2016	88.9%	--	89.2%	
	17:00	GB	CBI Business Optimism	Oct	-11	--	5	
	17:00	GB	CBI Trends Total Orders	Oct	-2	9	7	
	17:00	GB	CBI Trends Selling Prices	Oct	18	--	18	
	19:30	US	Chicago Fed Nat Activity Index	Sep	0.17	-0.1	-0.31	-0.37
	21:00	EZ	Consumer Confidence	Oct A	-1.0	-1.1	-1.2	
Tue/24-Oct-17	07:30	JP	Nikkei Japan PMI Mfg	Oct P	52.5	--	52.9	
	14:30	DE	Markit/BME Germany Manufacturing PMI	Oct P	60.5	60	60.6	
	14:30	DE	Markit Germany Services PMI	Oct P	55.2	55.5	55.6	
	14:30	DE	Markit/BME Germany Composite PMI	Oct P	56.9	57.5	57.7	
	15:00	EZ	ECB Bank Lending Survey					
	15:00	EZ	Markit Eurozone Manufacturing PMI	Oct P	58.6	57.8	58.1	
	15:00	EZ	Markit Eurozone Services PMI	Oct P	54.9	55.6	55.8	
	15:00	EZ	Markit Eurozone Composite PMI	Oct P	55.9	56.5	56.7	
	16:00	EZ	Euro Area Second Quarter Government Deficit					
	16:00	EZ	Euro Area Second Quarter Government Debt					
	20:45	US	Markit US Manufacturing PMI	Oct P	54.5	53.4	53.1	
	20:45	US	Markit US Services PMI	Oct P	55.9	55.1	55.3	
	20:45	US	Markit US Composite PMI	Oct P	55.7	--	54.8	
	21:00	US	Richmond Fed Manufact. Index	Oct	12	17	19	
Wed/25-Oct-17	04:00	KR	Consumer Confidence	Oct	-	--	107.7	
	07:30	AU	CPI QoQ	3Q	0.6%	0.8%	0.2%	
	07:30	AU	CPI YoY	3Q	1.8%	2.0%	1.9%	
	07:30	AU	CPI Trimmed Mean QoQ	3Q	0.3%	0.5%	0.5%	0.6%
	07:30	AU	CPI Trimmed Mean YoY	3Q	1.8%	2.0%	1.8%	
	07:30	AU	CPI Weighted Median QoQ	3Q	0.3%	0.5%	0.5%	0.6%
	07:30	AU	CPI Weighted Median YoY	3Q	1.9%	2.0%	1.8%	1.9%
25-Oct - 06-Nov	N/A	EZ	European Commission Economic Forecasts					
	13:00	CH	UBS Consumption Indicator	Sep	1.56	--	1.53	
	15:00	DE	IFO Business Climate	Oct	116.7	115.1	115.2	115.3
	15:00	DE	IFO Expectations	Oct	109.1	107.3	107.4	107.5
	15:00	DE	IFO Current Assessment	Oct	124.8	123.5	123.6	123.7
	15:00	CH	Credit Suisse Survey Expectations	Oct		--	28	
	15:30	GB	GDP QoQ	3Q A	0.4%	0.3%	0.3%	
	15:30	GB	GDP YoY	3Q A	1.5%	1.5%	1.5%	
	15:30	GB	Index of Services MoM	Aug	0.2%	0.3%	-0.2%	-0.1%
	15:30	GB	Index of Services 3M/3M	Aug	0.4%	0.4%	0.5%	
	19:30	US	Durable Goods Orders	Sep P	2.2%	1.0%	2.0%	
	19:30	US	Durables Ex Transportation	Sep P	0.7%	0.4%	0.5%	0.7%
	19:30	US	Cap Goods Orders Nondef Ex Air	Sep P	1.3%	0.3%	1.1%	1.3%
	19:30	US	Cap Goods Ship Nondef Ex Air	Sep P	0.7%	0.4%	1.1%	0.4%
	21:00	CA	Bank of Canada Rate Decision	Oct-25	1.00%	1.00%	1.00%	
	21:00	CA	Bank of Canada Releases October Monetary Policy Report					
	21:00	US	New Home Sales	Sep	667k	554k	560k	561k
	21:00	US	New Home Sales MoM	Sep	18.9%	-1.1%	-3.4%	-3.6%
	21:30	US	DOE U.S. Crude Oil Inventories	Oct-20	856k	-3000k	-5731k	
	21:30	US	DOE Cushing OK Crude Inventory	Oct-20	-237k	--	202k	

	21:30	US	DOE U.S. Gasoline Inventories	Oct-20	-5465k	-1700k	908k	
	21:30	US	DOE U.S. Distillate Inventory	Oct-20	-5246k	0k	528k	
	22:15	CA	BOC's Poloz and Wilkins Hold Press Conference in Ottawa					
	N/A	JP	Cabinet Office Monthly Economic Report for October					
Thu/26-Oct-17	04:45	NZ	Trade Balance NZD	Sep	-1143m	-900m	-1235m	-1179m
	04:45	NZ	Exports NZD	Sep	3.78b	3.90b	3.69b	
	04:45	NZ	Imports NZD	Sep	4.92b	4.88b	4.92b	4.86b
	04:45	NZ	Trade Balance 12 Mth YTD NZD	Sep	-2908m	-2706m	-3200m	-3154m
	06:00	KR	GDP SA QoQ	3Q P		--	0.6%	
	06:00	KR	GDP YoY	3Q P		--	2.7%	
	06:50	JP	PPI Services YoY	Sep		0.8%	0.8%	
	13:00	DE	GfK Consumer Confidence	Nov		--	10.8	
	14:45	AU	RBA's Debelle Gives Speech in Sydney					
	15:00	EZ	M3 Money Supply YoY	Sep		--	5.0%	
	15:30	HK	Exports YoY	Sep		--	7.4%	
	15:30	HK	Imports YoY	Sep		--	7.7%	
	15:30	HK	Trade Balance HKD	Sep		--	-35.5b	
	17:00	GB	CBI Retailing Reported Sales	Oct		--	42	
	17:00	GB	CBI Total Dist. Reported Sales	Oct		--	44	
	18:45	EZ	ECB Main Refinancing Rate	Oct-26		--	0.0%	
	18:45	EZ	ECB Marginal Lending Facility	Oct-26		--	0.25%	
	18:45	EZ	ECB Deposit Facility Rate	Oct-26		--	-0.4%	
	18:45	EZ	ECB Asset Purchase Target	Oct		--	EU60b	
	19:30	EZ	ECB press conference after Governing Council meeting					
26-Oct - 27-Oct	N/A	CA	CFIB Business Barometer	Oct		--	56.9	
	19:30	US	Wholesale Inventories MoM	Sep P		--	0.9%	
	19:30	US	Initial Jobless Claims	Oct-21		--	222k	
	19:30	US	Continuing Claims	Oct-14		--	1888k	
	19:30	US	Advance Goods Trade Balance	Sep		-\$64.0b	-\$62.9b	
	19:30	US	Retail Inventories MoM	Sep		--	0.7%	
	21:00	US	Pending Home Sales MoM	Sep		0.3%	-2.6%	
	21:00	US	Pending Home Sales NSA YoY	Sep		--	-3.1%	
	22:00	US	Kansas City Fed Manf. Activity	Oct		--	17	
Fri/27-Oct-17	06:30	JP	Natl CPI YoY	Sep		0.8%	0.7%	
	06:30	JP	Natl CPI Ex Fresh Food YoY	Sep		0.7%	0.7%	
	06:30	JP	Natl CPI Ex Fresh Food, Energy YoY	Sep		0.2%	0.2%	
	07:30	AU	PPI QoQ	3Q		--	0.5%	
	07:30	AU	PPI YoY	3Q		--	1.7%	
	08:30	CN	Industrial Profits YoY	Sep		--	24.0%	
27-Oct - 03-Nov	N/A	DE	Retail Sales MoM	Sep		--	-0.4%	
27-Oct - 03-Nov	N/A	DE	Retail Sales YoY	Sep		--	2.8%	
	N/A	DE	Germany Sovereign Debt to be rated by S&P					
	N/A	GB	United Kingdom Sovereign Debt to be rated by Fitch					
	15:00	EZ	ECB Survey of Professional Forecasters					
	19:30	US	GDP Annualized QoQ	3Q A		2.6%	3.1%	
	19:30	US	Personal Consumption	3Q A		--	3.3%	
	19:30	US	GDP Price Index	3Q A		1.8%	1.0%	
	19:30	US	Core PCE QoQ	3Q A		--	0.9%	
	21:00	US	U. of Mich. Sentiment	Oct F		100.8	101.1	
	21:00	US	U. of Mich. Current Conditions	Oct F		--	116.4	
	21:00	US	U. of Mich. Expectations	Oct F		--	91.3	
	21:00	US	U. of Mich. 1 Yr Inflation	Oct F		--	2.3%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	Oct F		--	2.4%	
Sat/28-Oct-17	00:00	US	Baker Hughes U.S. Rig Count	Oct-27		--	913	
28-Oct - 03-Nov	N/A	GB	Nationwide House PX MoM	Oct		--	0.2%	
28-Oct - 03-Nov	N/A	GB	Nationwide House Px NSA YoY	Oct		--	2.0%	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average dropped for the first time in 17 days in choppy trade on Wednesday as investors took profits on the record run of consecutive daily gains, although higher U.S. yields supported financial stocks. The Japanese market posted an unprecedented 16 straight days of gains, helped this week by the victory of Prime Minister Shinzo Abe's coalition in Sunday's election, which raised the prospect of continued stimulus. The Nikkei ended 0.5 percent lower at 21,707.62. It opened 0.4 percent higher and traded in positive territory in the morning, but languished in the afternoon as investors grew cautious about the rally. Over the past 16 days, it gained 7.1 percent. On Wednesday, declining issues outweighed advancing ones by 67 percent to 28 percent. "There have been fears against profit-taking after posting a record rally. People were testing the water, and once some started to sell, others followed suit," said Yutaka Miura, a senior technical analyst at Mizuho Securities. Exporters were weak, with Fanuc falling 1.1 percent, Tokyo Electron dropping 0.9 percent and Mitsubishi Motor shedding 1.6 percent. Insurers and banks attracted buyers after U.S. benchmark 10-year Treasury note yields rose to their highest in more than five months on Tuesday. Dai-ichi Life Holdings rising 0.8 percent, Sompo Holdings gaining 1.3 percent and Mitsubishi UFJ Financial Group surging 1.8 percent. Construction equipment makers Komatsu Ltd soared 3.3 percent and 0.8 percent, respectively after Caterpillar Inc blew past Wall Street's profit and revenue estimates for the third quarter. The broader Topix shed 0.3 percent to 1,751.43.

South Korean shares notched fresh highs for a fourth consecutive session on Wednesday as offshore and individual investors bet on encouraging third quarter corporate earnings. The Korea Composite Stock Price Index (KOSPI) ended 0.1 percent up at 2,492.50 points, setting a record closing high. Foreign investors and individuals purchased stocks worth a net 110.8 billion won (\$98.33 million) and 59.4 billion won, respectively, while domestic institutions offloaded 167.9 billion won. LG Display profits for the September quarter surged, helped by strong demand for its screens used in high-end TV sets as well as mobile devices. Shares in LG Display gained 0.2 percent, as the positive earnings result largely matched expectations. The South Korean won was quoted at 1,127.9 to the dollar at the conclusion of onshore trade, almost unchanged from Tuesday's close of 1,127.4.

Hong Kong stocks rose on Wednesday, underpinned by strong gains by listings in the city of mainland-based companies, as China's ruling Communist Party revealed its new leadership line-up. The Hang Seng index rose 0.5 percent to 28,302.89 points. China Enterprises Index, an index tracking major domestic firms listed in Hong Kong, gained 0.8 percent, to 11,493.30 points. On Wednesday, the Communist Party unveiled its core decision-making body, the Politburo Standing Committee, headed by President Xi Jinping. Julia Wang, HSBC economist for Greater China, said that following the party's congress, she expects co-ordinated Chinese policies to reduce financial risks, more institutionalised environment policies and accelerated state-owned enterprise (SOE) reforms. Most Hong Kong sectors gained ground. Energy plays firmed, boosted by a 2.5 percent gain in leading oil producer CNOOC, as oil prices hovered near a four-week high after top exporter Saudi Arabia said it was determined to end a supply glut. Information technology sector rose 1.2 percent, led by leading Chinese mobile devices provider ZTE rallying 3.5 percent.

China's blue-chip shares extended gains to 26-month highs on Wednesday, underpinned by robust profits from tech firms and as the ruling Communist Party revealed its new leadership line-up. During the week-long Communist Party Congress that concluded on Tuesday, Chinese President Xi Jinping projected a vision for a "new era", boosting demand for a range of sectors including green technology, healthcare and advanced manufacturing. The blue-chip CSI300 index ended up 0.5 percent, at 3,976.95 points, its highest close since August 2015, while the Shanghai Composite Index gained 0.3 percent to 3,396.90 points. During the midday trading break, the Communist Party unveiled its core decision-making body, the Politburo Standing Committee, headed by President Xi. HSBC's Greater China Economist Julia Wang expects co-ordinated policies to reduce financial risks, more institutionalised environment policies, and accelerated state-owned enterprise (SOE) reforms following the congress. An index tracking environmental protection shares rose 0.9 percent, on investor confidence they would benefit from Xi's vision of a "beautiful China." Indexes tracking SOEs also firm. ([Source Reuters, Research: rizal](#))

ASIA AND GLOBAL MARKET SPOT PRICE 2017

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	329.45 (23/Oct/2017)	31958.41 (30/Oct/07)	23441.76 (24/Oct/2017)	2575.21 (20/Oct/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	21805.17 (24/Oct/2017)	329.45 (23/Oct/2017)	28711.76 (18/Oct/2017)	23441.76 (24/Oct/2017)	2575.21 (20/Oct/2017)	3398.30410 (25/Oct/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 October 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	23329.46	↓ 112.30/ 0.48%	.N225	21707.62	↓ 97.55/0.45%
/.SPX	2557.15	↓ 11.98/ 0.466%	.KS200	329.31	↑ 0.35/0.11%
/.IXIC	6563.891	↓ 34.539/ 0.52%	.HSI	28302.89	↑ 147.92/0.53%
JPY=	113.73	↓ 0.18/ 0.16%	/.SSEC	3398.30410	↑ 10.05640/0.30%
KRW=	1126.81	↓ 3.12/ 0.28%	/Clc1 (Oil)	52.17	↓ 0.36/0.68%

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



- The bullish trend, be alert of price rebound.
 - RSI is already in the overbought zone
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
25 Oct SSIpmZ7	21765	21830	21590	240	21730	---	↓ 25	0.11	34263
25 Oct SSIamZ7	21880	21930	21650	280	21755	21755	↓ 30	0.14	68394
24 Oct SSIpmZ7	21790	21930	21760	170	21905	---	↑ 120	0.53	26331
24 Oct SSIamZ7	21655	21815	21645	170	21785	21785	↑ 50	0.23	63376
23 Oct SSIpmZ7	21740	21835	21620	215	21645	---	↑ 90	0.41	27261
23 Oct SSIamZ7	21720	21755	21615	140	21735	21735	↑ 285	1.33	82638
20 Oct SSIpmZ7	21465	21565	21460	105	21550	---	↑ 100	0.47	25159
20 Oct SSIamZ7	21320	21500	21320	180	21450	21450	↓ 15	0.07	58265
19 Oct SSIpmZ7	21450	21450	21210	240	21320	---	↓ 145	0.68	42945
19 Oct SSIamZ7	21450	21515	21380	135	21465	21465	↑ 105	0.49	55935

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
21930	21615	21930	20370	20425	19085	21930	18190
(24/Oct)	(23/Oct)	(24/Oct)	(02/Oct)	(27/Sep)	(08/Sep)	(24/Oct)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	23522	Fibo Projections (423.6%)
	22808	Fibo Projections (261.8%)
	22367	Fibo Projections (161.8%)
	22095	Fibo Projections (100.0%)
SUPPORT	21460	Low 23/Oct/2017
	21345	Low 19/Oct/2017
	21230	Low 17/Oct/2017
	21115	Low 16/Oct/2017
RECOMMENDATION	BUY	----
	SELL	21760
	STOP LOSS	21860
	TARGET	21610 21560

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



- The bearish trend.
 - Daily RSI is already in the overbought zone.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
25 Oct	330.05	330.65	328.70	1.95	330.10	330.10	↑ 0.20	0.06	174523
24 Oct	330.20	330.80	329.80	1.00	329.90	329.90	↓ 0.50	0.15	116091
23 Oct	330.55	331.10	329.25	1.85	330.40	330.40	↑ 0.80	0.24	178744
20 Oct	327.60	329.65	327.60	2.05	329.60	329.60	↑ 2.15	0.66	150556
19 Oct	330.05	330.25	327.10	3.15	327.45	327.45	↓ 1.75	0.53	172806
18 Oct	328.85	330.10	328.30	1.80	329.20	329.20	↑ 0.05	0.02	136154

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
331.10 (23/Oct)	328.70 (25/Oct)	331.10 (23/Oct)	321.40 (10/Oct)	321.60 (20/Sep)	302.70 (06/Sep)	331.10 (23/Oct)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	337.78	Fibo Projections (261.8%)
	334.60	Fibo Projections (161.8%)
	332.63	Fibo Projections (100.0%)
	331.42	Fibo Projections (61.8%)
SUPPORT	327.10	Low 19/Oct/2017
	326.80	Low 12/Oct/2017
	324.10	Low 11/Oct/2017
	321.40	Low 10/Oct/2017
RECOMMENDATION	BUY	----
	SELL	330.30
	STOP LOSS	331.30
	TARGET	328.80 328.30

HSIV7 (Hang Seng October Futures) – Exp. Date: 30 Oct 2017



- Be alert for daily rebounds.
 - Beware of RSI approaching overbought area.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
25 Oct (HSIX7)	28282	28363	28210	153	28283	28283	↑ 123	0.43	61781
25 Oct (HSIV7)	28281	28363	28213	150	28262	28262	↑ 100	0.35	164376
24 Oct	28296	28340	28072	268	28162	28162	↓ 142	0.50	143714
23 Oct	28260	28360	28251	109	28304	28304	↓ 115	0.40	111842
20 Oct	28368	28531	28346	185	28419	28419	↑ 192	0.68	125383
19 Oct	28709	28724	28057	667	28227	28227	↓ 450	1.57	154028
18 Oct	28677	28709	28639	70	28677	28677	↓ 26	0.09	70314

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
28360	28072	28811	27688	28225	27272	28811	21863
(23/Oct)	(24/Oct)	(16/Oct)	(03/Oct)	(19/Sep)	(28/Sep)	(16/Oct)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	29530	High 05/Des/2007
	29248	High 10/Des/2007
	28822	High 12/Des/2007
	28623	High 06/Oct/2017
SUPPORT	28057	Low 19/Oct/2017
	27483	Low 03/Oct/2017
	27244	Low 29/Sep/2017
	26951	Low 21/Aug/2017
RECOMMENDATION	BUY	----
	SELL	28295
	STOP LOSS	28395
	TARGET	28145
		28095

CURRENCIES – *Daily Outlook*

Dollar stalls despite upbeat U.S. data, Fed chair talk - Reuters News



The dollar slipped on Wednesday against a basket of currencies, struggling to post further gains tied to speculation the next chair of the U.S. Federal Reserve will steer policy in a more hawkish direction.

A pullback in U.S. bond yields, with two-year Treasury yields retreating from a near nine-year peak, also stoked some selling in the dollar.

"There's nothing concrete so that encouraged some profit-taking," Kathy Lien, managing director at BK Asset

management in New York said of President Donald Trump's nominee for Fed chief.

Profit-taking on the greenback occurred even in the wake of surprisingly strong data on durable goods orders and new home sales in September, analysts said.

New orders for U.S. capital goods rose more than forecast by 2.2 percent last month, while new home sales unexpectedly jumped to a near 10-year high in September.

Among other major currencies, sterling climbed almost 1 percent to an eight-day high of \$1.3271 after stronger-than-expected U.K. growth data cemented expectations the Bank of England will raise interest rates next week.

The Canadian dollar tumbled to C\$1.2816 to the greenback, its weakest since July 12, after the Bank of Canada as expected left key overnight rates unchanged.

Despite Wednesday's pullback, the dollar index has gained 0.6 percent in the past week on hopes for a tax-cut plan and in the aftermath of reports that Stanford University economist John Taylor impressed Trump in his interview for the Fed's top post.

Taylor favors a rule-based approach to setting interest rates and is seen as someone who may put the Fed on a path of faster rate hikes compared with Fed Chair Janet Yellen, whose term expires next February.

Trump's other possible nominees to head the Fed include Yellen, Fed Governor Jerome Powell, his economic adviser Gary Cohn and former Fed Governor Kevin Warsh.

On Wednesday, a senior administration official said Trump was not likely to pick Cohn due to his key role on tax reform, while Trump told Fox Business Network that he thinks Yellen is "terrific" but suggested he would like make his "own mark" for a Fed chair.

Trump is expected to announce his Fed chair candidate before his Asian trip in early November.

The index tracking the greenback versus six currencies was down 0.1 percent at 93.696, holding below a 2-1/2 week high of 94.017 set on Monday.

The dollar climbed to 114.245 yen, its highest since July 11, following Sunday's victory for Prime Minister Shinzo Abe, whose ultra-loose monetary policy should keep pressure on the yen. It was down 0.2 percent at 113.70 yen in late trading.

The euro gained 0.4 percent at \$1.181 before Thursday's European Central Bank policy meeting, prompted by expectations it would announce the start of trimming its monthly asset purchases to 40 billion euros from 60 billion euros in January. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

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



- With support area at 1.1477
- Crucial resistance around 1.2092
- Daily RSI is rise
[\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	1.17624	1.18165	1.17519	64,6	1.18109	↑ 51,1	1.17598
Oct 24	1.17479	1.17916	1.17416	50,0	1.17598	↑ 12,5	1.17473
Oct 23	1.17610	1.17761	1.17237	52,4	1.17473	↓ 30,1	1.17774
Oct 20	1.18453	1.18567	1.17611	95,6	1.17774	↓ 73,2	1.18506
Oct 19	1.17910	1.18566	1.17669	89,7	1.18506	↑ 64,8	1.17858

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.18165 (25/Oct)	1.17237 (23/Oct)	1.18785 (12/Oct)	1.16670 (06/Oct)	1.20915 (08/Sep)	1.17157 (27/Sep)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2092	High Sept 08
	1.2004	High Sept 22
	1.1960	High Sept 25
	1.1880	High Oct 12
SUPPORT	1.1729	Low Oct 18
	1.1667	Low Oct 06
	1.1477	Low Jul 20
	1.1369	Low Jul 13
RECOMMENDATION	BUY	1.1790
	SELL	-----
	STOP LOSS	1.1725
	TARGET	1.1860 1.1890

USD/JPY

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



- The bearish trend
 - RSI tends to be flat.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	113.911	114.231	113.468	76,3	113.727	↓ 15,8	113.885
Oct 24	113.467	114.011	113.237	77,4	113.885	↑ 46,5	113.420
Oct 23	113.870	114.087	113.233	85,4	113.420	↓ 6,7	113.487
Oct 20	112.552	113.557	112.502	105,5	113.487	↑ 97,4	112.513
Oct 19	112.948	113.135	112.287	84,8	112.513	↓ 39,9	112.912

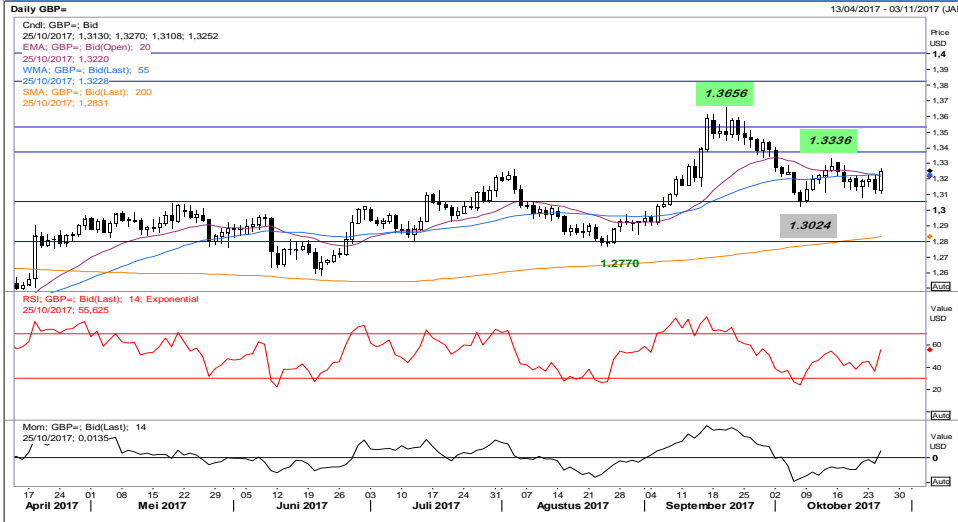
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
114.231 (25/Oct)	113.233 (23/Oct)	114.231 (25/Oct)	111.976 (10/Oct)	113.245 (27/Sep)	107.307 (08/Sep)	118.60 (03/Jan)	107.307 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	117.18	Reaction High 06/Jan/2017 (Daily)
	116.85	High 11/Jan/2017
	115.19	High 14/Mar/2017
	114.49	High 11/Jul/2017
SUPPORT	112.54	Low 06/Oct/2017
	111.46	Low 25/Sep/2017
	109.54	Low 15/Sep/2017
	107.31	Low 08/Sep/2017
RECOMMENDATION	BUY	113.35
	SELL	----
	STOP LOSS	112.65
	TARGET	114.35 114.65

GBP/USD

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



- The movement is *bullish*.
 - RSI rebounds the oversold area.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	1.31275	1.32703	1.31087	161,6	1.32581	↑ 133,2	1.31249
Oct 24	1.31959	1.32264	1.31121	114,3	1.31249	↓ 71,1	1.31960
Oct 23	1.31809	1.32259	1.31565	69,4	1.31960	↑ 4,1	1.31919
Oct 20	1.31511	1.31994	1.30865	112,9	1.31919	↑ 34,1	1.31578
Oct 19	1.32025	1.32271	1.31301	97,0	1.31578	↓ 45,5	1.32033

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.32703 (25/Oct)	1.31087 (25/Oct)	1.33969 (02/Oct)	1.30259 (06/Oct)	1.36565 (20/Sep)	1.29043 (01/Sep)	1.36565 (20/Sep)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3595	High 22/Sep/2017
	1.3455	Reaction high Sept 28 (Daily)
	1.3402	High 02/Oct/2017
	1.3336	High 13/Oct/2017
SUPPORT	1.3054	Low 09/Oct/2017
	1.2907	Low 05/Sep/2017
	1.2849	Low 31/Aug/2017
	1.2770	Low 24/Aug/2017
RECOMMENDATION	BUY	1.3230
	SELL	----
	STOP LOSS	1.3130
	TARGET	1.3350 1.3380

USD/CHF

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



- The trend of RSI tends to fall.
 - Be alert for daily rebounds.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	0.99079	0.99387	0.98675	71,2	0.98953	↓ 13,1	0.99084
Oct 24	0.98478	0.99103	0.98368	73,5	0.99084	↑ 60,6	0.98478
Oct 23	0.98538	0.98799	0.98299	50,0	0.98478	↑ 1,6	0.98462
Oct 20	0.97604	0.98488	0.97554	93,4	0.98462	↑ 86,5	0.97597
Oct 19	0.98043	0.98125	0.97356	76,9	0.97597	↓ 55,1	0.98148

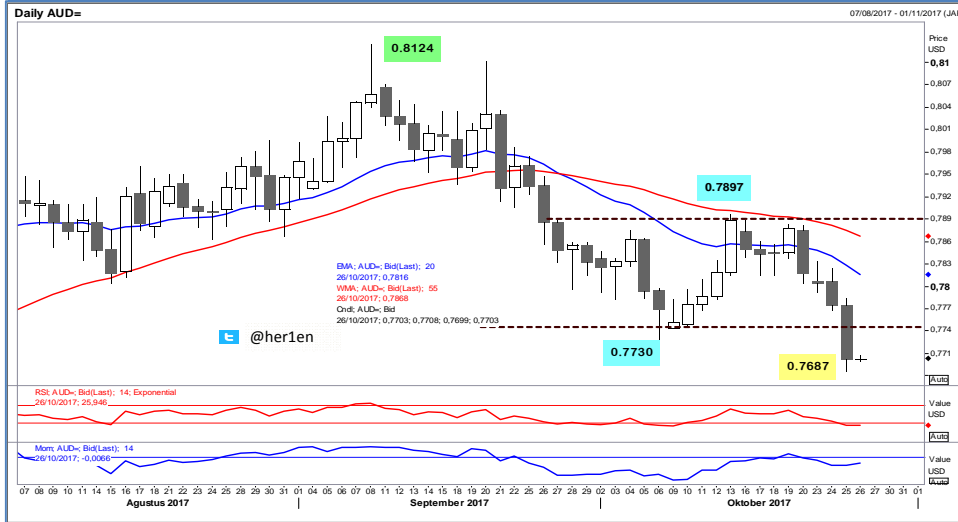
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99387 (25/Oct)	0.98299 (23/Oct)	0.99387 (25/Oct)	0.96809 (02/Oct)	0.97686 (27/Sep)	0.94195 (08/Sep)	1.0335 (03/Jan)	0.94195 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0248	High 11/Jan/2017
	1.0170	High 07/Mar/2017
	1.0107	High 10/Apr/2017
	1.0099	High 11/May/2017
SUPPORT	0.9735	Reaction Low 19/Oct/2017 (Daily)
	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
	0.9419	Low 08/Sep/2017
RECOMMENDATION	BUY	----
	SELL	0.9925
	STOP LOSS	0.9995
	TARGET	0.9825 0.9795

AUD/USD

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



- The series goes down the daily high level
- The main resistance at 0.8124, support 0.7567
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	0.77737	0.77828	0.76890	93,8	0.77020	↓ 72,2	0.77742
Oct 24	0.78073	0.78235	0.77692	54,3	0.77742	↓ 30,2	0.78044
Oct 23	0.78120	0.78332	0.77950	38,2	0.78044	↓ 10,8	0.78152
Oct 20	0.78762	0.78809	0.78071	73,8	0.78152	↓ 62,8	0.78780
Oct 19	0.78471	0.78828	0.78398	43,0	0.78780	↑ 33,5	0.78445

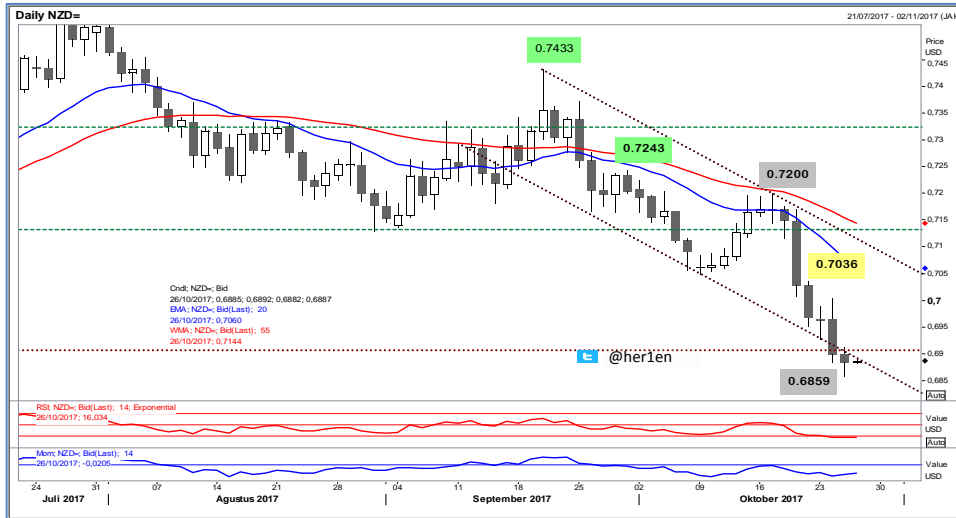
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.78332 (23/Oct)	0.76890 (25/Oct)	0.78960 (13/Oct)	0.76890 (25/Oct)	0.81239 (08/Sep)	0.77984 (28/Sep)	0.81239 (08/Sep)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8124	High Sept 08
	0.8036	High Sept 21
	0.7948	High Sept 26
	0.7897	High Oct 13
SUPPORT	0.7671	Low July 13
	0.7567	Low July 05
	0.7532	Low June 22
	0.7497	Low June 07
ECOMMENDATION	BUY	-----
	SELL	0.7725
	STOP LOSS	0.7800
	TARGET	0.7645 0.7615

NZD/USD

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



- The series goes down the daily high level
- Daily RSI down, beware of entering the oversold area
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	0.68978	0.69112	0.68598	51,4	0.68866	↓ 17,0	0.69036
Oct 24	0.69748	0.70029	0.68848	118,1	0.69036	↓ 60,2	0.69638
Oct 23	0.69423	0.69887	0.69301	58,6	0.69638	↓ 2,1	0.69659
Oct 20	0.70259	0.70334	0.69528	80,6	0.69659	↓ 62,6	0.70285
Oct 19	0.71563	0.71702	0.70080	162,2	0.70285	↓ 124,1	0.71526

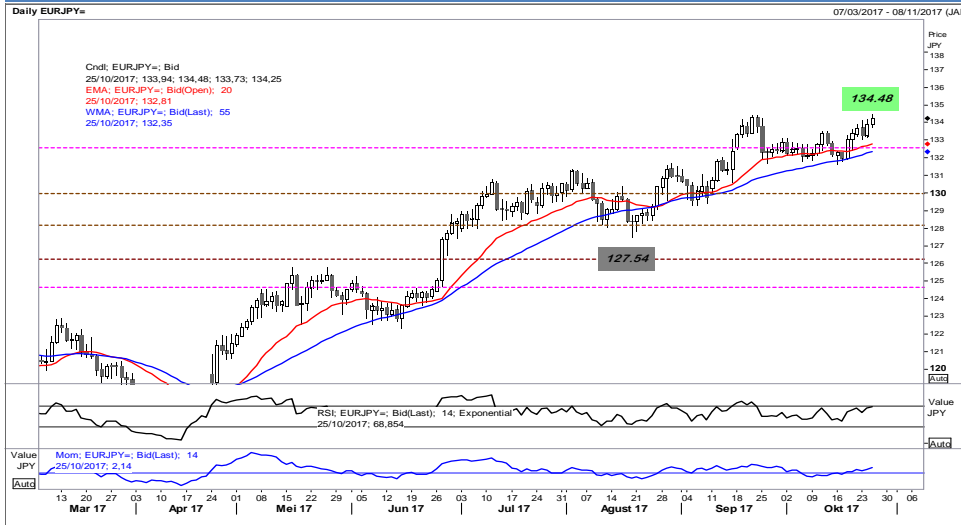
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.70029 (24/Oct)	0.68598 (25/Oct)	0.72248 (02/Oct)	0.68598 (25/Oct)	0.74323 (20/Sep)	0.71446 (01/Sep)	0.75570 (27/Jul)	0.68166 (11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7243	High Sept 29
	0.7170	High Oct 19
	0.7036	High Oct 20
	0.7003	High Oct 24
SUPPORT	0.6816	Low May 11
	0.6756	Low June 01, 2016
	0.6674	Low May 30, 2016
	0.6574	Low Mar 16, 2016
RECOMMENDATION	BUY	-----
	SELL	0.6910
	STOP LOSS	0.6975
	TARGET	0.6840 0.6810

EUR/JPY

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



- RSI occurs rebound, be alert of price fluctuations.
 - The bullish trend.
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	133.994	134.472	133.727	74,5	134.342	↑ 40,7	133.935
Oct 24	133.302	134.165	133.154	101,1	133.935	↑ 69,2	133.243
Oct 23	133.919	134.080	133.073	100,7	133.243	↓ 41,7	133.660
Oct 20	133.323	133.932	133.299	63,3	133.660	↑ 30,5	133.355
Oct 19	133.183	133.595	132.448	114,7	133.355	↑ 26,0	133.095

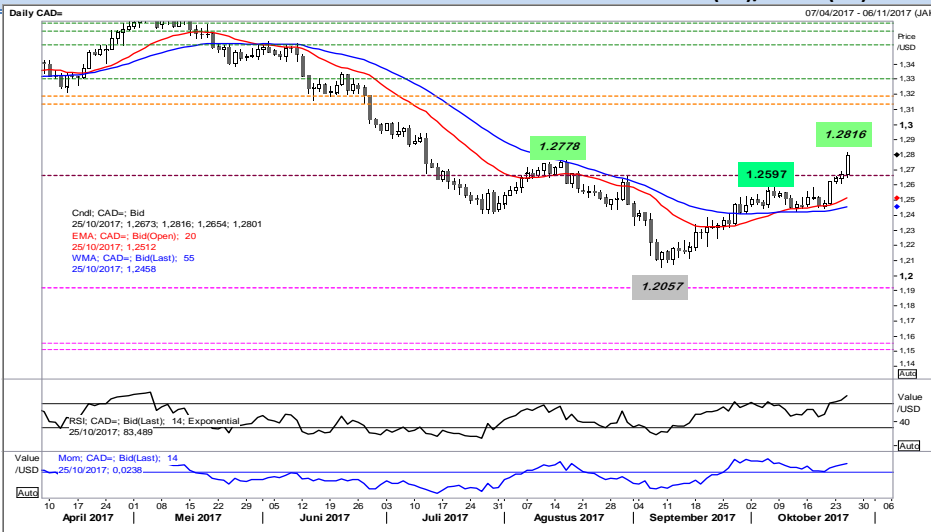
WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
134.472 (25/Oct)	133.073 (23/Oct)	134.472 (25/Oct)	131.814 (05/Oct)	134.377 (22/Sep)	129.340 (06/Sep)	134.472 (25/Oct)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	139.02	High 21/Aug/2015
	138.61	High 25/Aug/2015
	137.29	High 18/Sep/2015
	136.06	High 22/Oct/2015
SUPPORT	132.48	Low 18/Sep/2017
	130.59	Low 15/Sep/2017
	129.34	Low 06/Sep/2017
	128.31	Low 22/Aug/2017
RECOMMENDATION	BUY	134.00
	SELL	----
	STOP LOSS	133.30
	TARGET	135.00 135.30

USD/CAD

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



- There was a daily rebound.
- The RSI has entered the overbought area, be alert of a rebound.
[\(Research – rizal\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2622	1.2791

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2816 (25/Oct)	1.2609 (23/Oct)	1.2816 (25/Oct)	1.2444 (04/Oct)	1.2527 (29/Sep)	1.2057 (08/Sep)	1.3793 (05/May)	1.2057 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3470	High 12/Jun/2017
	1.3307	Reaction High 23/Jun/2017 (Daily)
	1.3011	Reaction High 03/Jul/2017 (Daily)
	1.2943	High 11/Jul/2017
SUPPORT	1.2412	Low 29/Sep/2017
	1.2326	Low 26/Sep/2017
	1.2251	Reaction Low 22/Sep/2017 (Daily)
	1.2198	Reaction Low 20/Sep/2017 (Daily)
RECOMMENDATION	BUY	1.2760
	SELL	----
	STOP LOSS	1.2690
	TARGET	1.2860 – 1.2890

Precious Metal – *Daily Outlook*

Gold turns positive after touching 2-1/2 week low - Reuters News



Gold steadied after touching a 2-1/2 week low on Wednesday on reports that Republican senators favored John Taylor to become the next head of the U.S. Federal Reserve, which drove U.S. bond yields to multi-month highs.

The Stanford University economist is seen as someone who would raise interest rates at a quicker pace. Gold is sensitive to rising U.S. interest rates because they push up bond yields and tend to strengthen the dollar.

"If he (U.S. President Donald Trump) does indeed choose Taylor, gold is likely to fall sharply," Commerzbank analysts

said in a note.

The market was pricing in one rate increase in December and one more next year, while the Fed itself envisaged three rate hikes in 2018 and was likely to move more rapidly than previously expected under Taylor.

While that kept prices of the precious metal under pressure, geopolitical risk pulled bullion prices back from earlier losses. A senior diplomat in North Korea said the foreign minister's warning of a possible atmospheric nuclear test over the Pacific Ocean should be taken literally.

North Korean Minister of Foreign Affairs Ri Yong Ho said in September that Pyongyang may consider conducting "the most powerful detonation" of a hydrogen bomb over the Pacific Ocean amid rising tensions with the United States.

"I don't think the North Korea news makes gold prices sustainably higher, unless these headlines come to some actual conflicts," said Ryan McKay, commodity strategist at TD Securities in Toronto.

Spot gold was up 0.02 percent at \$1,276.61 an ounce by 2:17 p.m. EDT (1817 GMT), after hitting \$1,271.11, the lowest since Oct. 6.

U.S. gold futures for December delivery settled up 70 cents, or 0.05 percent, at \$1,279 per ounce.

Bullion prices were hovering just above its 100-day moving average at \$1,275.

Upbeat U.S. durable goods and home sales data also bolstered the case for interest rate hikes, helping push U.S. 10-year Treasury yields to the highest since March and yields on 30-year bills to the highest since May.

The dollar, however, weakened as the euro rose ahead of a European Central Bank meeting on Thursday and sterling gained on stronger-than-expected UK growth data.

A weaker dollar makes dollar-denominated gold cheaper for holders of other currencies, but higher bond yields reduce the appeal of non-yielding bullion, dampening demand.

In other precious metals, silver was down 0.06 percent at \$16.93 an ounce.

Platinum was down 0.22 percent at \$917.99 an ounce and palladium was down 0.3 percent at \$959.22 an ounce. [\(Source Reuters, Research – @her1en\)](#)

GOLD (XAU/USD)



- Resistance around 1313
- Support area is around 1251
- Daily RSI is flat
[\(Research – @her1en\)](#)

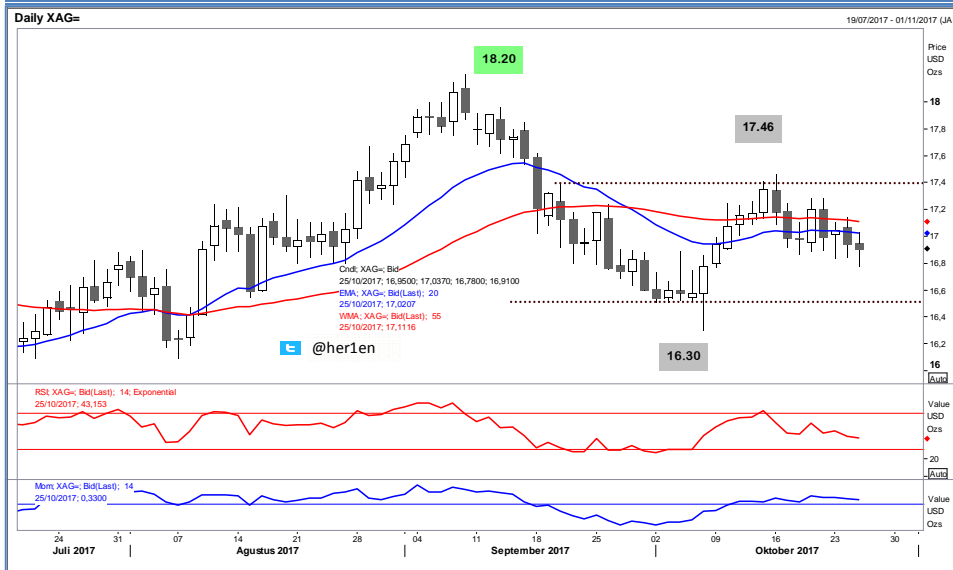
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Oct 25	1276.550	1279.840	1270.850	8.99	1277.250	↑ 0.74	1276.510	1273.00	1275.00
Oct 24	1281.510	1283.470	1273.570	9.90	1276.510	↓ 5.28	1281.790	1278.30	1276.45
Oct 23	1277.160	1283.080	1272.330	10.75	1281.790	↑ 2.41	1279.380	1275.25	1274.90
Oct 20	1289.570	1290.870	1277.800	13.07	1279.380	↓ 10.11	1289.490	1280.25	1281.20
Oct 19	1280.960	1290.070	1276.390	13.68	1289.490	↑ 8.80	1280.690	1283.40	1286.40

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1283.470 (24/Oct)	1270.850 (25/Oct)	1305.890 (16/Oct)	1260.470 (06/Oct)	1357.380 (08/Sep)	1277.560 (28/Sep)	1357.380 (08/Sep)	1146.31 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1313.54	High Sept 26
	1296.28	High Oct 17
	1291.08	High Oct 20
	1283.66	High Oct 24
SUPPORT	1270.63	Low Oct 25
	1260.16	Low Oct 06
	1251.01	Low Aug 08
	1243.41	Low July 26
RECOMMENDATION	BUY	-----
	SELL	1279.00
	STOP LOSS	1288.00
	TARGET	1269.00 1264.00

SILVER (XAG/USD)



- With strong resistance at 17.85
 - While the crucial support area is around 16.30
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	16.931	17.021	16.796	0.23	16.937	FLAT	16.933
Oct 24	17.062	17.128	16.865	0.26	16.933	↓ 0.14	17.069
Oct 23	16.975	17.094	16.842	0.25	17.069	↑ 0.07	16.999
Oct 20	17.245	17.272	16.913	0.36	16.999	↓ 0.23	17.230
Oct 19	16.987	17.273	16.898	0.38	17.230	↑ 0.25	16.982

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.128	16.796	17.448	16.316	18.199	16.614	18.63	14.334
(24/Oct)	(25/Oct)	(16/Oct)	(06/Oct)	(08/Sep)	(29/Sep)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.85	High Sept 15
	17.62	High Sept 18
	17.46	High Oct 16
	17.26	High Oct 19
SUPPORT	16.77	Low Oct 09
	16.30	Low Oct 06
	16.10	Low Aug 07
	15.94	Low July 17
ECOMMENDATION	BUY	----
	SELL	16.95
	STOP LOSS	17.20
	TARGET	16.60
		16.40

OIL – Daily Outlook

U.S. crude slips on inventory build, gasoline rallies - Reuters News



U.S. oil prices slipped on Wednesday after a surprising increase in U.S. crude inventories, while U.S. gasoline futures rallied 1 percent on a sharp falloff in inventories.

Brent crude edged up after top exporter Saudi Arabia reiterated its determination to end a three-year supply glut.

The deep draw in gasoline inventories came even as refining output rose, according to data from the U.S. Energy Information Administration. This suggested demand remained strong after the peak U.S. driving season.

Crude inventories rose by 856,000 barrels in the week to Oct. 20, the EIA said. Analysts had expected a decrease of 2.6 million barrels. Production rebounded from a falloff due to Hurricane Nate, and imports rose.

Brent crude futures settled up 11 cents at \$58.44 a barrel. U.S. West Texas Intermediate crude dropped 29 cents to \$52.18.

The EIA data showed gasoline and distillate inventories both fell by more than 5 million barrels, and refinery utilization rates rose 3.3 percentage points.

RBOB futures rose 1.1 percent to \$1.7341 a gallon. Heating oil futures got a brief boost but settled slightly lower.

"Demand has been a little stronger than some people might have anticipated as we pushed out of the driving season, and that's where today's strength is coming from," said Gene McGillian, manager of research at Tradition Energy in Stamford, Conn.

On Tuesday, Saudi Arabian Energy Minister Khalid al-Falih on Tuesday raised the prospect of prolonged output restraint even after the end of an OPEC-led pact to cut supplies.

Even as global inventory levels are falling, Brent has remained below \$60 a barrel, partly on concern the crude glut may grow again after March 2018, when the output reduction deal is due to end.

The Organization of the Petroleum Exporting Countries, Russia and other producers have cut oil output by about 1.8 million barrels per day (bpd). OPEC's next meeting is on Nov. 7 in Vienna, Austria, when they will consider extending the deal.

While other producers cut output, U.S. production rebounded to 9.5 million bpd in the latest week. U.S. crude exports have averaged 1.7 million barrels a day over the past four weeks, the highest ever.

"Saudi Arabia's determination to rebalance the market, together with ongoing geopolitical tensions in the Middle East, will remain supportive of oil prices," said Abhishek Kumar, senior energy analyst at Interfax Energy's Global Gas Analytics in London.

"However, rising oil production in the U.S. and persistently high exports from the country will be the key bearish factors."

Disruptions to exports from Iraq, OPEC's second-largest producer, have supported oil. Kurdish authorities on Wednesday offered to suspend their independence drive, but Baghdad said it would continue its offensive to retake Kurdish territory. [\(Source Reuters, Research – @her1en\)](#)

CLZ7/USD (OIL)
 (Exp.: 20 Nov. 2017 - Reuters)



- Daily RSI is flat
 - Correction occurs in daily movement
 - Important resistance at 54.44, support at 48.12.
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 25	52.54	52.54	51.88	0.66	52.16	↓ 0.36	52.52
Oct 24	51.87	52.59	51.54	1.05	52.52	↑ 0.68	51.84
Oct 23	52.05	52.27	51.67	0.60	51.84	↓ 0.20	52.04
Oct 20	51.56	52.05	50.86	1.19	52.04	↑ 0.47	51.57
Oct 19	52.25	52.38	51.27	1.11	51.57	↓ 0.67	52.24

WEEKLY		OCTOBER		SEPTEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
52.59	51.54	52.59	49.09	52.84	46.55	55.22	42.04
(24/Oct)	(24/Oct)	(24/Oct)	(06/Oct)	(28/Sep)	(01/Sep)	(03/Jan)	(21/Jun)

ANALYSIS & RECOMMENDATION

RESISTANCE	54.94	High Feb 23
	54.44	High Mar 01
	53.99	High Apr 19
	52.86	High Sept 28
SUPPORT	51.55	Low Oct 24
	50.48	Low Oct 12
	49.54	Low Oct 10
	48.12	Low Sept 13
RECOMMENDATION	BUY	51.95
	SELL	----
	STOP LOSS	51.00
	TARGET	53.35 53.85