



Daily Bulletin

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

Research Department

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

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

GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- Concerns about situations involving Greece, Italy and the European Central Bank kept the euro under pressure on Tuesday.
- European shares fell on Tuesday, marking their fourth straight day of losses, with banks leading the decline on fresh political jitters and following a downgrade by a top global broker.
- World stock prices slipped on Tuesday on concerns about the political outlook in Europe and U.S. economic growth, while nervous investors piled into yen and low-risk U.S. and German government bonds.

GLOBAL ECONOMIES

- Australia is witnessing a cooling off in its biggest-ever home-building boom as approvals for new projects sank 17.2 percent in April, a turnaround that could undermine policymakers' hopes for solid economic growth over the next two years.
- The number of new dwelling consents approved in New Zealand fell a seasonally adjusted 7.6 percent in April compared with a 1.2 percent drop in the previous month, data from Statistics New Zealand showed on Tuesday.
- Labour demand in Japan rose to its strongest in more than 40 years while the unemployment rate held steady at a two-decade low in April, offering hope that a tight labour market will eventually spark a turnaround in weak consumer spending.
- German consumer inflation eased more than expected in May to fall well below the European Central Bank's 2 percent target, data showed on Tuesday, taking some pressure off the ECB to wind down its monetary stimulus in the near term.
- Greece on Tuesday denied a German newspaper report it could refuse receipt of bailout loans needed to make a July debt repayment if its lenders fail to offer clear debt relief terms, despite it having passed more reforms.
- U.S. consumer spending recorded its biggest increase in four months in April and monthly inflation rebounded, pointing to firming domestic demand that could allow the Federal Reserve to raise interest rates next month.

GLOBAL MARKETS

Asia – Concerns about situations involving Greece, Italy and the European Central Bank kept the euro under pressure on Tuesday. European geopolitical fears sapped risk appetite, weighing on Asian stocks and lifting safe havens including the yen and gold, though trading was thin with several markets closed for holidays. MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.2 percent with U.S. and British markets closed on Monday. China, Hong Kong and Taiwan markets are closed for holidays on Tuesday. Japan's Nikkei ended flat, held back by a stronger yen. South Korea's KOSPI fell 0.4 percent as investors took profits following the market's record-breaking rally this month.

Euro Zone – European shares fell on Tuesday, marking their fourth straight day of losses, with banks leading the decline on fresh political jitters and following a downgrade by a top global broker. The pan-European STOXX 600 index slipped 0.2 percent. The euro zone blue chips index, in which banks have a higher weighting, fell 0.6 percent while Britain's FTSE dropped 0.4 percent. The end of a surprisingly strong corporate earnings season in Europe has left investors, who have piled back into the region so far this year, searching for the next catalyst to keep the year-to-date rally going and support valuations that are now above their historical averages. European stocks are now trading at about 15.5 times forward earnings, compared with a historical average of 14 times, according to Thomson Reuters data. Worries about early elections in Italy has spurred some profit-taking since last week most notably in sectors and stocks that have outperformed such as banks. "Italy could become a cause for concern on economic and political grounds. The most indebted major euro country is lagging in the deflation process," said Jeanne Asseraf-Bitton, Head of Lyxor Cross Asset Research. Asseraf-Bitton, however, remained relatively upbeat on euro zone stocks adding the firm prefers Irish and Dutch stocks and favours Spain over Italy within the region.

Euro zone banks ended the day 1.6 percent lower with Spain's Banco Santander and BBVA the biggest drags.

A Deutsche Bank downgrade on the sector soured sentiment. Strategists at the German bank cut their rating on European banks to "underweight" and recommended investors lock in gains following the sector's strong run since last summer.

In a note to clients, they said the sector was among the most sensitive to swings in euro area growth, which they expected to fade, and that prices were no longer compelling.

"There is no particular valuation support," they said.

The regional banking index is now down 7 percent since it hit a 1-1/2 year high on May 8. The broader market is down 2 percent since that day.

Barclays said it still expected Italy to hold elections next year, even though chances of a snap vote had risen substantially, with non-negligible risks that anti-establishment parties could win.

"We expect volatility in Italian and periphery assets to increase in coming weeks and to remain driven by electoral polls," they said in a note.

In spite of weakness seen over the past sessions, the STOXX benchmark is set to end May in positive territory, near two-year highs and scoring its fourth straight month of gains.

Yet as the recent run loses momentum, investors have started to reshuffle their portfolios, seeking fresh catalysts as a surprisingly strong earnings season draws to an end.

While Deutsche Bank has cut banks, recommending that investors buy sectors such as energy and construction, JPMorgan strategists downgraded autos to neutral saying they now favoured defensive sectors such as utilities and telecoms.

Among the biggest movers on the day, Swiss food group Aryzta slumped nearly 8 percent after reporting flat revenues and saying it could not provide a financial outlook.

Shares in paint maker Akzo fell 1.5 percent as chances of a takeover by US rival PPG slimmed after a court rejected a request by dissident investors to take action against the Dutch group over its rejection of the takeover.

In the UK, shares of British Airways owner IAG fell 2.8 percent on the first day of trading following massive weekend disruption to flights due to an IT outage.

Elsewhere among airlines, Ryanair jumped 3.8 percent after Europe's biggest carrier by passengers reported a record annual profit that was in line with market expectations.

U.S. & Global Markets – World stock prices slipped on Tuesday on concerns about the political outlook in Europe and U.S. economic growth, while nervous investors piled into yen and low-risk U.S. and German government bonds.

Oil prices declined on worries about global oversupply despite OPEC's pact last week to extend its crude output cut until the first quarter of 2018.

Gold rose to a one-month high of \$1,270 an ounce on safe-haven demand before it ran out of steam.

"There is a whiff of risk aversion about the markets," said Shaun Osborne, chief FX strategist at Scotiabank in Toronto.

The MSCI world equity index, which tracks shares in 45 nations, fell 0.40 point or 0.09 percent, to 463.89.

Recent U.S. economic reports have supported a growing view that the world's biggest economy is not recovering from an anemic first quarter as vigorously as some traders had thought.

Data on Tuesday showed U.S. consumer confidence fell in May and a gauge of core U.S. inflation retreated on a year-over-year basis.

The lack of progress on tax cuts and other stimulus measures from Washington has also weighed on the outlook for company profits and broader economic activity, analysts said.

"There has been some softness in U.S. economic data, and there are some less market-friendly policies in the U.S. on the margin," said Stephen Wood, chief market strategist with Russell Investments in New York.

Most Federal Reserve policymakers have not backed away from their expectations of two more rate increases by the end of 2017, as they see the U.S. economy near full employment and are confident inflation would reach the Fed's 2 percent goal.

However, Fed Governor Lael Brainard said on Tuesday a rate hike may occur soon, while the central bank may want to refrain from further increases if inflation remains soft.

In Europe, elections in Italy may come as early as September after the 5-Star Movement became the fourth big party to back a switch to a proportional electoral system.

Greece's debt problems also continued to simmer after it failed to reach a deal on the next installment of its bailout program earlier this month.

Europe's broad FTSEurofirst 300 index shed 0.22 percent at 1,533.66.

With worries about the United States and Europe, the yen strengthened against the dollar and euro. It was up 0.4 percent at 110.74 yen per dollar, and up 0.2 percent at 123.91 yen per euro.

Safety bids lowered the 10-year U.S. Treasury yield to 2.212 percent, the lowest in more than a week, and the 10-year German yield was at 0.286 percent, the lowest in over five weeks.

(Source Reuters – @ErwinRiset - @her1en)

GLOBAL ECONOMIES

Australia – Australia is witnessing a cooling off in its biggest-ever home-building boom as approvals for new projects sank 17.2 percent in April, a turnaround that could undermine policymakers' hopes for solid economic growth over the next two years.

Building approvals have been on a decline since last August, with the once-booming apartment sector the biggest hit, data from the Australian Bureau of Statistics shows.

Data published on Tuesday shows a better-than-expected gain of 4.4 percent in April, but it follows a hefty loss of 10.3 in March.

Multi-unit approvals rose 9.6 percent in April from March when they slumped more than 18 percent. Approvals are still down an annual 26.5 percent.

Analysts say the data indicates Australia's biggest-ever construction boom is slowly unwinding.

"While the monthly update was more positive than expected the slowdown theme remains clear," said Matthew Hassan, senior economist at Westpac Banking Corp.

"New dwelling investment is expected to enter a decline from late this year, becoming a material drag on growth."

The Reserve Bank of Australia (RBA) has been counting on continued strength in home building to offset a lingering drag from the end of a mining investment boom.

Earlier this month, the RBA even upgraded its forecast for gross domestic product (GDP) growth by 25 basis points for mid-2018 to 2.75-3.75 percent.

Growth in the A\$1.7 trillion economy is expected to accelerate to between 2.75 percent and 3.75 by June 2019.

But economists are not so optimistic.

"It is hard to see that kind of growth," said Michael Turner, strategist at RBC Capital Markets.

"We are a bit more circumspect. Consumer spending is still a bit more conservative and construction is slowing down. We're seeing GDP of below 3 percent over the next two years."

New Zealand – The number of new dwelling consents approved in New Zealand fell a seasonally adjusted 7.6 percent in April compared with a 1.2 percent drop in the previous month, data from Statistics New Zealand showed on Tuesday.

Excluding apartments, flats, and retirement village units, the number of consents for new houses was down 0.4 percent.

Building consents were 10.8 percent lower than the same month a year ago.

Japan – Labour demand in Japan rose to its strongest in more than 40 years while the unemployment rate held steady at a two-decade low in April, offering hope that a tight labour market will eventually spark a turnaround in weak consumer spending.

Separate data showed household spending fell more than expected in April due to lower spending on cars and education fees as consumer spending continues to lag behind improvement in other areas of the economy, such as exports and factory output.

Such a tight labour market could temper pessimism about consumer spending and bolster the Bank of Japan's argument that rising demand for workers will eventually spur inflation.

"Consumer spending looks weak now, but the labour market continues to improve," said Hiroshi Miyazaki, senior economist at Mitsubishi UFI Morgan Stanley Securities.

"As more people get work, this should support consumer spending in the future."

The jobs-to-applicants ratio rose to 1.48 in April from 1.45 in the previous month, meaning 1.48 vacancies are available for each person seeking a job. Labour demand has been rising steadily due to a shortage of workers and increased activity in services and construction.

The last time labour demand was this strong was in February 1974, when the ratio was 1.53.

The jobless rate held steady at 2.8 percent in April, matching the lowest since June 1994.

The BOJ last month maintained its projection that price growth will reach its 2 percent target in fiscal 2018 on the assumption that a tight labour market will push up wages, but not all economists are convinced.

Economists say some companies are opting to cut business hours, which makes it difficult for wages to rise.

"Some companies are scaling back the level of services they offer instead of going out and getting the workers they need," said Hiroaki Muto, economist at Tokai Tokyo Research Center Co.

"This is not likely to lead to higher take-home pay."

Japanese household spending fell 1.4 percent in April from a year earlier in price-adjusted real terms, more than the median estimate for a 0.7 percent annual decline.

Excluding spending on autos and housing, household spending rose a seasonally-adjusted 3.5 percent in April from the previous month versus a 2.9 percent decline March, showing consumer spending is stronger than the headline figures, Miyazaki said.

Separate data showed retail sales rose 3.2 percent in April from a year earlier, more than the median estimate for a 2.3 percent increase, but some economists say a small sample size may exaggerate the percentage change in this data.

Under a new policy framework adopted last year, the BOJ has pledged to guide short-term interest rates to minus 0.1 percent and cap the 10-year government bond yield around zero percent.

Consumer prices rose on 0.3 percent in April from a year ago, well below the BOJ's 2 percent inflation target.

However, growing signs of strength in exports and factory output have presented the BOJ with a new communications challenge, pushing it to be clearer with markets on how it might dial back its stimulus - even though such action remains a long way off.

Euro Zone – German consumer inflation eased more than expected in May to fall well below the European Central Bank's 2 percent target, data showed on Tuesday, taking some pressure off the ECB to wind down its monetary stimulus in the near term.

Spain also reported easing inflation. Together, the two suggest that May euro zone inflation to be reported on Wednesday will fall to at least the 1.5 percent predicted in Reuters polls from the previous month's 1.9 percent.

For Germany, the surprisingly weak figures suggested that price pressures remain relatively modest despite a continued upswing, booming labour market and the ECB's loose monetary policy.

With euro zone growth on its best run since the bloc's crisis took hold a decade ago, pressure from Germany and other countries has been mounting on the ECB to start planning an exit from its policy of aggressive bond purchases and sub-zero rates.

However, ECB President Mario Draghi said on Monday that euro zone growth may be improving but inflation remained subdued and still required substantial stimulus, tempering expectations for the central bank's June 8 policy meeting.

Euro zone inflation moves closely track those of Germany, its biggest contributor.

German consumer prices, harmonised to compare with other European countries (HICP), rose by 1.4 percent on the year in May after inflation accelerated to 2.0 percent in the previous month, the Federal Statistics Office said.

The reading was the lowest since November and came in below the Reuters consensus forecast of 1.6 percent.

The German data followed Spanish figures that consumer prices rose by 2.0 percent on the year, their slowest rate since December.

A breakdown of German non-harmonised data showed energy costs rose less sharply in May compared with the previous month given the fall in oil prices while food price inflation increased.

Services inflation also slowed, reflecting cheaper prices for leisure and package holidays as special factors related to the Easter holidays in April were reversed in May.

"The May drop in German headline inflation should be another reminder that the current cyclical upswing in the euro zone takes place without inflationary pressure," ING Bank economist Carsten Brzeski said, adding the data should take further pressure off the ECB to wind down its monetary stimulus.

"If even an economy which has just entered its ninth year of economic expansion and which has record high employment does not show any inflationary pressures, how could the euro zone as a whole do so any time soon?," Brzeski added.

The German government has said it expected the national inflation index to jump to 1.8 percent in 2017 after 0.5 percent in the previous year. It predicts price pressures to slow again to 1.6 percent in 2018, well below the official ECB target.

Greece – Greece on Tuesday denied a German newspaper report it could refuse receipt of bailout loans needed to make a July debt repayment if its lenders fail to offer clear debt relief terms, despite it having passed more reforms.

Tuesday's report in mass-selling Bild that Athens could go without new loans of about 7 billion euros (\$7.80 billion) if it does not get comprehensive debt relief, and it was itself putting billions of euros aside preparing for this scenario, rattled the euro in early trade.

Greek Finance Minister Euclid Tsakalotos dismissed the report saying it distorted what he said during a news briefing a day earlier.

"Bild has distorted what I said yesterday," he told Reuters when asked to comment on the report.

"What I did say is that the disbursement (of bailout money) was not an issue, because all sides agreed that we have kept to our commitments," he said. "But the Greek government feels that a disbursement without clarity on debt is not enough to turn the Greek economy around."

The country has about 7 billion euros of debt maturing in July, a sum it will not be able to repay unless it gets new loans out of its current bailout worth up to 86 billion euros, the third aid programme since the crisis began.

Euro zone finance ministers failed to agree with the International Monetary Fund last week on debt relief terms for Greece. They did not release new loans to Athens but recognised it had made significant progress with reforms.

Greece hopes that euro zone finance ministers will offer enough clarity in June on the debt relief measures that could be carried out after its bailout ends in 2018, to show investors that its debt - now at 197 percent of GDP - will be sustainable and help it return to bond markets as early as this summer.

U.S. – U.S. consumer spending recorded its biggest increase in four months in April and monthly inflation rebounded, pointing to firming domestic demand that could allow the Federal Reserve to raise interest rates next month.

Consumer spending, which accounts for more than two-thirds of U.S. economic activity, is likely to remain on solid ground in the wake of other reports on Tuesday that showed confidence among households still at lofty levels despite some slippage this month and strong gains in house prices in March.

"Fed officials can continue with their gradual pace of rate hikes in June as the economy remains on course for stronger growth this quarter and throughout the rest of the year," said Chris Rupkey, chief economist at MUFG Union Bank in New York.

The Commerce Department reported that consumer spending increased 0.4 percent last month after an upwardly revised 0.3 percent gain in March as households spent more on both goods and services.

April's increase was the biggest since December and eased concerns about second-quarter economic growth after weak reports on core capital goods orders, the goods trade deficit and inventory investment in April. Consumer spending was previously reported to have been unchanged in March.

Consumer spending grew at its slowest pace in more than seven years in the first quarter, helping to restrict the increase in gross domestic product to an annual rate of 1.2 percent in the first three months of the year.

Following April's report and upward revisions to March's data, economists said consumer spending was running at around a 3 percent rate, a sharp acceleration from the first quarter's 0.6 percent pace. GDP growth estimates for the second quarter range between a rate of 2 percent and 3.8 percent.

"This takes out the downside risk to our projection for 3 percent real GDP growth this quarter, and we now see more balanced risks around that call," said Michael Feroli, an economist at JPMorgan in New York.

U.S. stocks were trading slightly lower amid a drop in oil prices. The dollar dipped against a basket of currencies while U.S. government bond prices rose.

Canada – Canada's current account deficit widened more than expected in the first quarter of the year on an increase in imports of both good and services, data from Statistics Canada showed on Tuesday.

The C\$14.05 billion (\$10.44 billion) gap in the first three months of the year exceeded economists' expectations for a deficit of C\$12 billion. The fourth quarter was revised to a deficit of C\$11.78 billion from an initially reported deficit of C\$10.73 billion.

Overall, total goods imports rose C\$4 billion to C\$140.3 billion as Canada imported more energy products, as well as motor vehicles and parts. That outpaced exports, which increased by C\$2.2 billion to C\$138.5 billion.

The trade balance of goods swung to a deficit of C\$1.82 billion, with larger trade gaps with non-U.S. countries including Brazil and Germany. Stronger energy exports saw the trade surplus with the United States, Canada's largest trading partner, rise to C\$11.89 billion.

Trade in services widened to a deficit of C\$5.65 billion as imports of commercial services edged up. The travel deficit also rose as spending by Canadians visiting the United States outpaced spending by U.S. tourists in Canada. *(Source Reuters, Research – @her1en)*

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/29-May-17	08:15	US	Fed's Williams Speaks in Singapore					
	15:00	EZ	M3 Money Supply YoY	Apr	4.9%	5.2%	5.3%	
	20:00	EZ	Draghi Speaks at European Parliament Economic Committee					
	All Day	CN	Bank Holiday/Dragon Boat Festival					
	All Day	DE	UK Bank Holiday					
	All Day	GB	Bank Holiday/Spring Bank Holiday					
All Day	US	Bank Holiday/Memorial Day						
Tue/30-May-17	05:45	NZ	Building Permits MoM	Apr	-7.6%	--	-1.8%	-1.2%
	06:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	May-28		--	110.5	
	06:30	JP	Jobless Rate	Apr	2.8%	2.8%	2.8%	
	06:30	JP	Job-To-Applicant Ratio	Apr	1.48	1.46	1.45	
	06:30	JP	Overall Household Spending YoY	Apr	-1.4%	-0.7%	-1.3%	
	06:50	JP	Retail Sales MoM	Apr	1.4%	0.1%	0.2%	
	08:30	AU	Building Approvals MoM	Apr	4.4%	3.0%	-13.4%	-10.3%
	08:30	AU	Building Approvals YoY	Apr	-17.2%	-18.1%	-19.9%	
	14:00	CH	KOF Leading Indicator	May	101.6	--	106	106.3
	16:00	EZ	Economic Confidence	May	109.2	110.0	109.6	109.7
	16:00	EZ	Business Climate Indicator	May	0.90	1.11	1.09	1.10
	16:00	EZ	Industrial Confidence	May	2.8	3.2	2.6	
	16:00	EZ	Services Confidence	May	13.0	14.2	14.2	
	16:00	EZ	Consumer Confidence	May F	-3.3	-3.3	-3.3	-3.6
	19:00	DE	CPI MoM	May P	-0.2%	-0.1%	0.0%	
19:00	DE	CPI YoY	May P	1.5%	1.6%	2.0%		
19:00	DE	CPI EU Harmonized MoM	May P	-0.2%	-0.1%	0.0%		
19:00	DE	CPI EU Harmonized YoY	May P	1.4%	1.6%	2.0%		

	19:30	CA	Current Account Balance	1Q	-\$14.05b	-\$12.00b	-\$10.73b	-\$11.78b
	19:30	US	Personal Income	Apr	0.4%	0.4%	0.2%	
	19:30	US	Personal Spending	Apr	0.4%	0.4%	0.0%	0.3%
	19:30	US	Real Personal Spending	Apr	0.2%	0.2%	0.3%	0.5%
	19:30	US	PCE Deflator MoM	Apr	0.2%	0.2%	-0.2%	
	19:30	US	PCE Deflator YoY	Apr	1.7%	1.7%	1.8%	1.9%
	19:30	US	PCE Core MoM	Apr	0.2%	0.1%	-0.1%	
	19:30	US	PCE Core YoY	Apr	1.5%	1.5%	1.6%	
	21:00	US	Consumer Confidence	May	117.9	119.5	120.3	119.4
	21:30	US	Dallas Fed Manf. Activity	May	17.2	15	16.8	
	All Day	CN	Bank Holiday/Dragon Boat Festival					
Wed/31-May-17	04:00	KR	Business Survey Manufacturing	Jun		--	84	
	04:00	KR	Business Survey Non-Manufacturing	Jun		--	78	
	06:00	KR	Industrial Production SA MoM	Apr		0.8%	1.0%	
	06:00	KR	Industrial Production YoY	Apr		5.6%	3.0%	
	06:01	GB	GfK Consumer Confidence	May		-8	-7	
	06:50	JP	Industrial Production MoM	Apr P		4.3%	-1.9%	
	06:50	JP	Industrial Production YoY	Apr P		6.2%	3.5%	
	08:00	CN	Manufacturing PMI	May		51	51.2	
	08:00	CN	Non-manufacturing PMI	May		--	54	
	08:00	NZ	ANZ Activity Outlook	May		--	37.7	
	08:00	NZ	ANZ Business Confidence	May		--	11	
	14:55	DE	Unemployment Change (000's)	May		-15k	-15k	
	14:55	DE	Unemployment Claims Rate SA	May		5.8%	5.8%	
	16:00	EZ	Unemployment Rate	Apr		9.4%	9.5%	
	16:00	EZ	CPI Estimate YoY	May		1.5%	1.9%	
	16:00	EZ	CPI Core YoY	May A		1.0%	1.2%	
	19:00	US	Fed's Kaplan Speaks in New York					
	19:30	CA	Quarterly GDP Annualized	1Q		3.6%	2.6%	
	19:30	CA	GDP MoM	Mar		0.2%	0.0%	
	19:30	CA	GDP YoY	Mar		2.9%	2.5%	
	19:30	DE	Merkel, Lautenschlaeger Address German Credit-Union Conference					
	21:00	US	Pending Home Sales MoM	Apr		0.5%	-0.8%	
	21:00	US	Pending Home Sales NSA YoY	Apr		--	0.5%	
Thu/01-Jun-17	01:00	US	U.S. Federal Reserve Releases Beige Book					
	05:45	NZ	Terms of Trade Index QoQ	1Q		3.9%	5.7%	
	06:00	KR	CPI MoM	May		0.2%	-0.1%	
	06:00	KR	CPI YoY	May		2.0%	1.9%	
	06:00	KR	CPI Core YoY	May		1.4%	1.3%	
	06:30	AU	AiG Perf of Mfg Index	May		--	59.2	
	07:00	KR	Exports YoY	May		16.5%	24.2%	
	07:00	KR	Imports YoY	May		14.0%	16.6%	
	07:00	KR	Trade Balance	May		\$7180m	\$13300m	
	07:10	US	Fed's Williams Speaks in Seoul					
	07:30	JP	Nikkei Japan PMI Mfg	May F		--	52	
	07:30	KR	Nikkei South Korea PMI Mfg	May		--	49.4	
	08:30	AU	Private Capital Expenditure	1Q		0.8%	-2.1%	
	08:30	AU	Retail Sales MoM	Apr		0.3%	-0.1%	
	08:30	JP	BOJ Harada speaks in Gifu					
	08:45	CN	Caixin China PMI Mfg	May		50.1	50.3	
	12:45	CH	GDP QoQ	1Q		--	0.1%	
	12:45	CH	GDP YoY	1Q		--	0.6%	
	14:15	EZ	ECB's Villeroy Speaks at Brussels Economic Forum in Brussels					
	N/A	EZ	China's Li Meets With EU's Tusk, Juncker in Brussels					
	N/A	EZ	EU-China Summit in Brussels June 1-2					
	14:15	CH	Retail Sales Real YoY	Apr		--	2.1%	
	14:30	CH	PMI Manufacturing	May		--	57.4	

	14:55	DE	Markit/BME Germany Manufacturing PMI	May F		59.4	59.4	
	15:00	EZ	Markit Eurozone Manufacturing PMI	May F		57	57	
	15:30	HK	Retail Sales Value YoY	Apr		2.8%	3.1%	
	15:30	HK	Retail Sales Volume YoY	Apr		2.5%	2.7%	
	15:30	GB	Markit UK PMI Manufacturing SA	May		56.1	57.3	
	16:00	EZ	EU's Dombrovskis Speaks at Brussels Economic Forum					
	16:00	EZ	ECB's Hakkarainen, Costa, EBA's Enria Speak in Lisbon					
	19:00	EZ	EU's Moscovici Speaks at Brussels Economic Forum in Brussels					
	19:00	EZ	Italy's Padoan on Panel at Brussels Economic Forum in Brussels					
	19:00	US	Fed's Powell Speaks on Normalization of Monetary Policy					
	19:15	US	ADP Employment Change	May		180k	177k	
	19:30	US	Initial Jobless Claims	w/e		239k	234k	
	19:30	US	Jobless Claims 4-wk Avg	w/e		--	235.25k	
	19:30	US	Continuing Jobless Claims	w/e		1.920m	1.923m	
	20:30	CA	Markit Canada Manufacturing PMI	May		--	55.9	
	20:45	US	Markit US Manufacturing PMI	May F		--	52.5	
	21:00	US	ISM Manufacturing	May		54.6	54.8	
	21:00	US	ISM Prices Paid	May		66.4	68.5	
	21:00	US	ISM New Orders	May		--	57.5	
	21:00	US	ISM Employment	May		--	52	
	21:00	US	Construction Spending MoM	Apr		0.5%	-0.2%	
	22:00	US	EIA Weekly Crude Stocks	w/e		-2.830m	-4.432m	
	22:00	US	EIA Weekly Dist. Stocks	w/e		-0.785m	-0.485m	
	22:00	US	EIA Weekly Gasoline Stocks	w/e		-0.970m	-0.787m	
Fri/02-Jun-17	06:00	KR	GDP SA QoQ	1Q F		0.9%	0.9%	
	06:00	KR	GDP YoY	1Q F		2.7%	2.7%	
	06:50	JP	Monetary Base YoY	May		--	19.8%	
	06:50	JP	Monetary Base End of period	May		--	¥462.2t	
	08:00	AU	HIA New Home Sales MoM	Apr		--	-1.1%	
	12:00	JP	Consumer Confidence Index	May		43.5	43.2	
	N/A	GB	United Kingdom Sovereign Debt to be rated by Moody's					
	15:30	GB	Markit/CIPS UK Construction PMI	May		52.7	53.1	
	16:00	EZ	PPI MoM	Apr		0.2%	-0.3%	
	16:00	EZ	PPI YoY	Apr		4.5%	3.9%	
	19:30	CA	Labor Productivity QoQ	1Q		--	0.4%	
	19:30	US	Change in Nonfarm Payrolls	May		185k	211k	
	19:30	US	Trade Balance	Apr		-\$46.1b	-\$43.7b	
	19:30	US	Two-Month Payroll Net Revision	May		--	-6k	
	19:30	US	Change in Private Payrolls	May		173k	194k	
	19:30	US	Change in Manufact. Payrolls	May		5k	6k	
	19:30	US	Unemployment Rate	May		4.4%	4.4%	
	19:30	US	Average Hourly Earnings MoM	May		0.2%	0.3%	
	19:30	US	Average Hourly Earnings YoY	May		2.7%	2.5%	
	19:30	US	Average Weekly Hours All Employees	May		34.4	34.4	
	19:30	US	Labor Force Participation Rate	May		--	62.9%	
	19:30	US	Underemployment Rate	May		--	8.6%	
Sat/03-Jun-17	00:00	US	Baker Hughes U.S. Rig Count	Jun-02		--	--	

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

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average inched down on Tuesday as the market felt the weight of a stronger yen, although a rise by index heavyweight SoftBank helped curb the losses.

The Nikkei ended the day 0.02 percent lower at 19,677.85. It had slipped to as low as 19,570.13 as the yen gained against the dollar due to fresh political uncertainty in Europe.

SoftBank rose 2.8 percent following reports that British chip designer ARM Holdings, which it controls, announced a new chip design.

The broader Topix rose 0.16 percent to 1,572.67.

South Korean shares fell on Tuesday as investors took profits from the main bourse after a strong rally that was boosted by expectations for stronger economic growth and second-quarter earnings.

The Korea Composite Stock Price Index (KOSPI) closed down 0.4 percent at 2,343.68 points.

Foreign investors sold a net 50.5 billion won (\$44.90 million) of KOSPI shares for the day.

The South Korean won also inched down amid cautious trading ahead of economic data releases in the U.S. jobs data and exports data at home mainly in focus.

The South Korean won also inched down amid cautious trading ahead of jobs data in the United States and export data at home.

The won was quoted at 1,125.1 to the dollar at the conclusion of onshore trade, down 0.3 percent from Monday's close of 1,121.7.

Hong Kong stocks edged up on Monday, on which China markets were closed, with mainland property shares aiding the rise on anticipation of strong home demand in smaller Chinese cities.

The blue chip Hang Seng index rose 0.2 percent to 25,701.63 points, the highest close since July 3, 2015. The Hong Kong China Enterprises Index gained 0.4 percent to 10,619.34.

China Evergrande Group Ltd led the surge in mainland property stocks after Morgan Stanley initiated coverage on the developer with "overweight".

The brokerage said it expects Evergrande's gearing to drop to 237 percent by end-2017 from 432 percent at December 2016 on introduction of strategic investors.

The stock, whose share-price has tripled this year, soared nearly 23 percent to a record close of HK\$15.20.

Other mainland developers also shot up. Country Garden rose 9.4 percent, Agile Group climbed 5.1 percent and China Resources Land 2.0 percent.

The Hong Kong property sector remained strong with the sub-index rising 1.04 percent, ignoring Hong Kong banks' move over the weekend to increase mortgage rates.

Large commercial banks, including Standard Chartered, HSBC Holdings and Bank of China Hong Kong, said they would raise interest rates following the latest round of mortgage tightening measures by the city's de facto central bank.

Shares of Lianhua Supermarket soared 24.4 percent to their highest close since September 2015 after its shareholder Shanghai Yiguo E-Commerce Co Ltd agreed to sell an 18 percent stake in the supermarket chain operator to a unit of Alibaba Group Holding Ltd.

Hong Kong financial markets will be closed for a holiday on Tuesday. Mainland markets will be closed again, and will reopen on Wednesday.

China markets closed on Monday-Tuesday (29-30 May 2017) for national holiday (Dragon Boat Festival)

China stocks reversed earlier losses to end the week higher on Friday, led by the blue-chip CSI300 index posting its best week in six months as suspected state-directed buying offset concerns over a surprise move by Moody's to cut the country's credit rating.

For the day, the blue-chip CSI300 index fell 0.2 percent to 3,480.43 points, while the Shanghai Composite Index added 0.1 percent to 3,110.06 points.

For the week, CSI300 advanced 2.3 percent, while the SSEC gained 0.6 percent.

Sentiment in the market earlier in the week had been depressed by lingering concerns over tightening policy and the growth outlook, with the Moody's downgrade pushing Shanghai stocks to near seven-month lows on Wednesday morning.

But strong gains in index-heavyweight financial stocks on suspected government support lifted the market on Thursday amid growing hopes that global index provider MSCI Inc would add mainland Chinese shares to its benchmark next month.

An index tracking the country's major lenders jumped 5.4 percent in its best week since early March, 2016.

"This is apparently a stabilisation effort by the government. The index has dropped to a very critical level," said Wu Kan, head of equity trading at investment firm Shanshan Finance, referring to the 3,000 points - a key psychological level closely watched by many traders.

"But the state of stability could be temporary."

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: @ErwinRiset](#))

ASIA AND GLOBAL MARKET SPOT PRICE 2016

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	309.32 (29/May/2017)	31958.41 (30/Oct/07)	21169.11 (01/Mar/2017)	2400.98 (01/Mar/2017)	6124.04400 (16/Oct./07)
2016 HIGH	19592.90 (21/Dec/16)	264.42 (21/Dec/16)	24364.00 (09/Sep/16)	19987.63 (20/Dec/16)	2277.53 (13/Dec/16)	3538.68940 (04/Jan/16)
2017 HIGH	19998.49 (16/May/2017)	309.32 (29/May/2017)	25744.72 (29/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 – 30 May 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	21029.47	↓ 50.81/ 0.24%	.N225	19677.85	↓ 4.72/0.02%
/.SPX	2412.91	↓ 2.91/ 0.12%	.KS200	304.59	↓ 1.93/0.63%
/.IXIC	6203.189	↓ 7.005/ 0.11%	.HSI	HOLIDAY	↑ 62.36/0.24%
JPY=	110.82	↓ 0.42/ 0.38%	/.SSEC	HOLIDAY	↑ 2.33370/0.08%
KRW=	1123.49	↑ 2.44/ 0.22%	/CLc1 (Oil)	49.65	↓ 0.34/0.68%

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



- The area of 19690 is still effectively limiting the rebound
 - Correction formed horizontal support at 19565
 - Crucial support at 19490
 - Short-term resistance at 19690 - 19715
- [\(Research – @ErwinRiset\)](#)

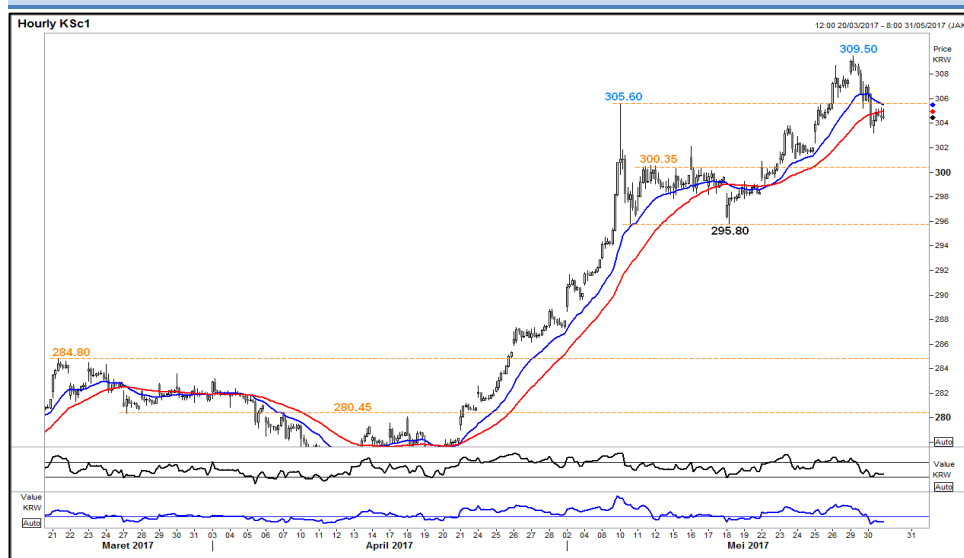
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
30 May SSIpmM7	19650	19680	19610	70	19635	---	↓ 30	0.15	17842
30 May SSIamM7	19715	19715	19565	150	19665	19665	↓ 25	0.13	37602
29 May SSIpmM7	19675	19695	19670	25	19690	---	UNCH	UNCH	3972
29 May SSIamM7	19720	19740	19625	115	19690	19690	↓ 15	0.08	28133
26 May SSIpmM7	19680	19720	19590	130	19715	---	↑ 10	0.05	22066
26 May SSIamM7	19775	19800	19680	120	19705	19705	↓ 110	0.56	35358
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
19740	19565	20030	19165	19325	18190	20030	18190
(29/May)	(30/May)	(09/May)	(01/May)	(26/Apr)	(17/Apr)	(09/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	19995	Horizontal resistance
	19860	Reaction high (hourly)
	19800	Reaction high (hourly)
	19715	Reaction high (hourly)
SUPPORT	19565	Horizontal support (hourly)
	19490	Reaction low (hourly)
	19280	Reaction low (hourly)
	19160	Horizontal support (hourly)
RECOMMENDATION	BUY	----
	SELL	19675
	STOP LOSS	19745
	TARGET	19540
		19470

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



- Reversal develops since posting the peak level at 309.50
- Correction faces the support area at 300.35
- Short-term resistance at 305 - 307
[\(Research – @ErwinRiset\)](#)

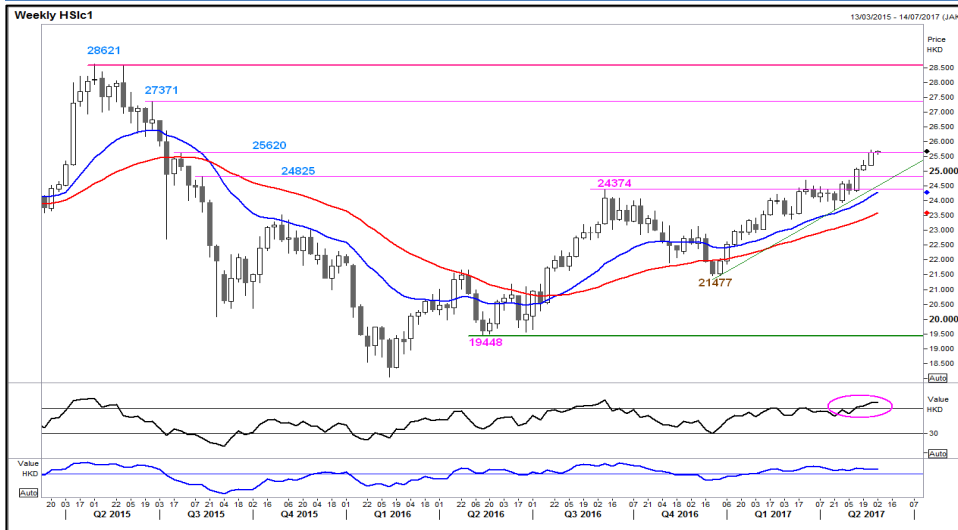
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
30 May	307.00	307.15	303.20	3.95	304.45	304.45	↓ 2.45	0.80	238132
29 May	308.20	309.50	305.25	4.25	306.90	306.90	↓ 0.55	0.18	229693
26 May	305.60	308.75	305.20	3.55	307.45	307.45	↑ 1.85	0.61	264607
25 May	303.35	305.60	302.40	3.20	305.45	305.60	↑ 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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
309.50 (29/May)	303.20 (30/May)	309.50 (29/May)	288.65 (02/May)	288.90 (28/Apr)	275.45 (11/Apr)	309.50 (29/May)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	310.88	50% Fib. Projection (Daily)
	309.50	High 29/May/2017
	307.15	High 30/May/2017
	305.60	Pivot line (hourly)
SUPPORT	303.20	Reaction low (hourly)
	301.15	Reaction low (hourly)
	299.00	Reaction low (hourly)
	295.80	Low 18/May/2017
RECOMMENDATION	BUY	----
	SELL	305.25
	STOP LOSS	306.10
	TARGET	303.10 302.00

HSIM7 (Hang Seng June Futures) – Exp. Date: 29 June 2017



- After hit high 25723 (HSIM7), the price moves to the 25500's range (HSIM7)
- Short-term support around 25358 – 25300
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
30 May (HSIM7)		H	O	L	I	D	A	Y	
29 May (HSIM7)	25410	25555	25377	178	25487	25483	↑ 65	0.26	71261
26 May (HSIM7)	25455	25521	25385	136	25422	-	↓ 6	0.02	71777
26 May	25669	25723	25585	138	25625	25625	↓ 8	0.03	105608
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25555	25377	25723	24220	24646	23706	25723	21863
(29/May)	(29/May)	(26/May)	(05/May)	(26/Apr)	(19/Apr)	(26/May)	(03/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	26723	High 03/Jul/2015 (Weekly)
	26358	High 10/Jul/2015 (Weekly)
	25723	High 26/May/2017
	25555	High 29/May/2017
SUPPORT	25299	Reaction low (hourly)
	25194	Reaction low (hourly)
	25028	Reaction low (hourly)
	24991	Reaction low (hourly)
RECOMMENDATION	BUY	----
	SELL	25525
	STOP LOSS	25600
	TARGET	25350 25260

CURRENCIES – *Daily Outlook*

Dollar stumbles as global sentiment weakens - Reuters News



The dollar fell to two-week lows against the safe-haven yen and Swiss franc on Tuesday, as investors turned cautious amid political worries in Europe as well as weaker stock and commodity markets after a long U.S. holiday weekend.

"There is a whiff of risk aversion about the markets," said Shaun Osborne, chief FX strategist at Scotiabank in Toronto, after

most global stock markets, including those in the United States, fell.

Commodities also weakened, with U.S. crude oil futures trading below \$50 per barrel.

In the euro zone, falls in inflation in Spain and several German regions as well as European Central Bank chief Mario Draghi's commitment to continued emergency stimulus initially pushed the euro lower.

Signs that elections in Italy may come as early as September also added to the euro's early pressure.

But the euro recovered as the dollar struggled. The dollar has been soft the past two weeks on concerns over U.S. President Donald Trump's administration.

"Without a doubt, the largest disappointment has come from fiscal policy," said Alessio de Longis, portfolio manager at Oppenheimer Funds in New York, citing an uncertain time frame for the passage of healthcare reform and difficulties facing the border-adjusted tax, which he said met strong resistance in Congress and from important industry lobbies.

"At this stage, we believe any meaningful progress on tax reform seems postponed to next year and, if it does come to bear, will likely be more modest in scope."

In late trading, the dollar index was down 0.1 percent at 97.30, with the euro up 0.2 percent at \$1.1184.

Against the yen, the dollar dropped 0.5 percent to 110.77 yen, after earlier falling to a two-week trough of 110.67. The dollar also slid to a two-week low versus the Swiss franc and was last down 0.4 percent at 0.9745 franc.

Tuesday's U.S. data, while mixed, still backed the expectation that the Federal Reserve will raise interest rates next month, analysts said.

Fed Governor Lael Brainard, a voter on the Federal Open Market Committee, said as much on Monday. She said another rate hike was likely soon, although soft inflation numbers could convince the Fed to delay further tightening. She also favors a gradual pace of rate hikes.

Data showed that April U.S. consumer spending recorded its biggest increase in four months, while inflation rebounded. Consumer spending, accounting for more than two-thirds of U.S. economic activity, increased 0.4 percent last month. The so-called core personal consumption expenditure price index, the Fed's preferred inflation measure, also bounced back 0.2 percent.

(Source Reuters, Research – @her1en)

EUR/USD

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



- Daily RSI flat
- With the resistance at 1.1365
- Important support at the 1.0970 level ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	1.11377	1.12042	1.11084	95,8	1.11839	↑ 9,5	1.11744
May 29	1.11817	1.11887	1.11607	28,0	1.11744	↓ 1	1.11745
May 26	1.12071	1.12335	1.11594	74,1	1.11745	↓ 34,0	1.12085
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.12042 (30/May)	1.11084 (30/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
	1.1234	High May 26
SUPPORT	1.1094	Low May 19
	1.0971	Low May 16
	1.0920	Low May 15
	1.0819	Reaction low on 1-H chart
RECOMMENDATION	BUY	-----
	SELL	1.1200
	STOP LOSS	1.1270
	TARGET	1.1130 1.1100

USD/JPY

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



- Correction is developing, facing the support level at 110.21
- Crucial level at 110.84 is being tested. If it fails to hold above that area, the correction will likely continue
- The important resistance is at 112 [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	111.217	111.278	110.653	62,5	110.828	↓ 45,9	111.287
May 29	111.202	111.456	111.188	26,8	111.287	↑ 10,8	111.179
May 26	111.807	111.835	110.867	96,8	111.179	↓ 62,9	111.808
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

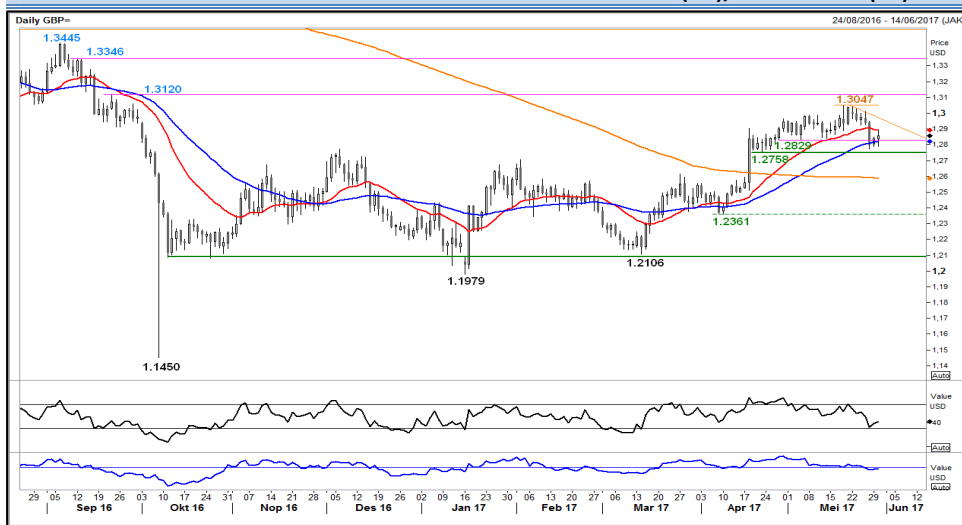
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
111.456 (29/May)	110.653 (30/May)	114.356 (10/May)	110.653 (30/May)	111.77 (26/Apr)	108.14 (17/Apr)	118.60 (03/Jan)	108.14 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	113.85	Reaction high (hourly)
	113.12	High 17/May/2017
	112.56	Reaction high (hourly)
	111.46	Reaction high (hourly)
SUPPORT	110.21	Low 18/May/2017 (Reaction low)
	109.57	Low 25/Apr/2017 (Reaction low)
	108.69	Low 20/Apr/2017
	108.11	Low 17/Apr/2017 (Bottom)
RECOMMENDATION	BUY	----
	SELL	111.05
	STOP LOSS	111.80
	TARGET	110.30 109.90

GBP/USD

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



- Rebound continued and closed above the crucial level of 1.2829
- Rebound potentially facing trendline resistance around 1.2965
- Peak level at 1.3047
- Crucial support at 1.2758
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	1.28227	1.28872	1.27928	94,4	1.28551	↑ 18,6	1.28365
May 29	1.28154	1.28490	1.28099	39,1	1.28365	↑ 26,1	1.28104
May 26	1.29344	1.29400	1.27741	165,9	1.28104	↓ 122,7	1.29331
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

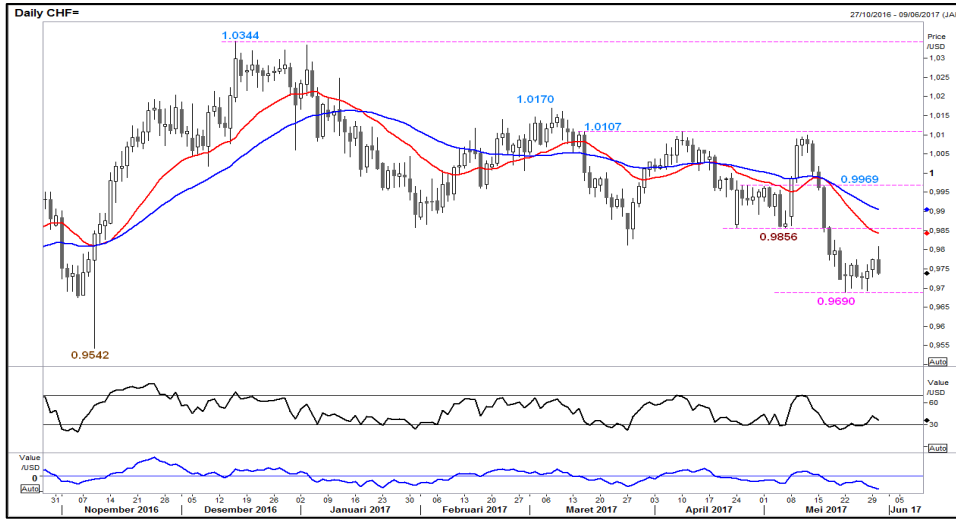
WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.28872 (30/May)	1.27928 (30/May)	1.30466 (18/May)	1.27741 (26/May)	1.2965 (28/Apr)	1.2367 (10/Apr)	1.30466 (18/May)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3278	High 15/Sep/2016 (Reaction high)
	1.3120	High 22/Sep/2016
	1.3058	High 29/Sep/2016
	1.2947	High 26/Sep/2016
SUPPORT	1.2758	Low 21/Apr/2017 (Reaction low)
	1.2589	SMA200
	1.2513	Low 18/Apr/2017 (Reaction low)
	1.2477	Low 12/Apr/2017
RECOMMENDATION	BUY	1.2830
	SELL	----
	STOP LOSS	1.2740
	TARGET	1.2945
		1.2985

USD/CHF

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



- Reversal is growing, facing the support level at 0.9690
 - Crucial resistance at 0.9856
 - Beware of limited correction following RSI near the oversold zone
- [\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	0.97850	0.98067	0.97361	70,6	0.97409	↓ 19,1	0.97600
May 29	0.97431	0.97666	0.97304	36,2	0.97600	↑ 14,9	0.97451
May 26	0.97273	0.97599	0.96951	64,8	0.97451	↑ 32,5	0.97126
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.98067 (30/May)	0.97304 (29/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
	0.9808	High 30/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	0.9765
	STOP LOSS	0.9835
	TARGET	0.9695 0.9645

AUD/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	0.74382	0.74681	0.74150	53,1	0.74625	↑ 20,6	0.74419
May 29	0.74400	0.74491	0.74259	23,2	0.74419	↓ 5,5	0.74474
May 26	0.74537	0.74600	0.74209	39,1	0.74474	↓ 5,4	0.74528
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.74681 (30/May)	0.74150 (30/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	0.7610	High 17/Apr/2017 (Reaction high)
	0.7591	High 24/Apr/2017 (Reaction high)
	0.7555	High 02/May/2017 (Reaction high)
	0.7517	High May 23
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	0.7440
	SELL	-----
	STOP LOSS	0.7375
	TARGET	0.7510 0.7540

NZD/USD

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



- Face the support area at 0.6910
 - Strong support at 0.6870
 - Important resistance at 0.7150
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	0.70498	0.71005	0.70340	66,5	0.70937	↑ 40,6	0.70531
May 29	0.70562	0.70873	0.70368	50,5	0.70531	↓ 17,2	0.70703
May 26	0.70155	0.70757	0.70057	70,0	0.70703	↑ 53,0	0.70173
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71005	0.70340	0.71005	0.68166	0.7053	0.6849	0.7374	0.68166
(30/May)	(30/May)	(30/May)	(11/May)	(24/Apr)	(27/Apr)	(07/Feb)	(11/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7402	High Nov 08, 2016
	0.7333	High Feb 08
	0.7239	High Feb 28
	0.7150	High 02/Mar/2017
SUPPORT	0.7005	Low May 26
	0.6987	Low May 24
	0.6910	Low May 22
	0.6876	Low May 17
RECOMMENDATION	BUY	0.7070
	SELL	-----
	STOP LOSS	0.7005
	TARGET	0.7140 0.7170

EUR/JPY

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



- Consecutive lower highs formation supports continuing correction
- Correction faces the support area at 122.94 - 122.54
- Crucial support at 122.00
- Crucial resistance at 124.56
[\(Research – @ErwinRiset\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	123.872	124.367	123.129	123,8	123.974	↓ 38,1	124.355
May 29	124.339	124.616	124.197	41,9	124.355	↑ 11,9	124.236
May 26	125.325	125.401	124.140	126,1	124.236	↓ 110,3	125.339
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
124.616	123.129	125.787	121.334	121.99	114.87	125.787	114.87
(29/May)	(30/May)	(16/May)	(01/May)	(28/Apr)	(17/Apr)	(16/May)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	126.47	High 28/Apr/2016 (Reaction high)
	125.80	High 16/May/2017 (Double Top)
	125.43	High 26/May/2017
	124.63	Reaction high (hourly)
SUPPORT	123.36	Low 19/May/2017
	122.54	Low 18/May/2017
	122.00	Pivot line
	121.30	Low 01/May/2017
RECOMMENDATION	BUY	----
	SELL	124.10
	STOP LOSS	124.80
	TARGET	123.25
		122.80

USD/CAD

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



- Rebound develops to breakout of 1.35, hit high at 1.3506
- Crucial level at 1.3460 is still being tested
- Trendline support around 1.3410
- Short-term resistance at 1.3540
[\(Research – @ErwinRiset\)](#)

WEEKLY OPEN	CURRENT PRICE
1.3445	1.3459

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3506 (30/May)	1.3424 (29/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	1.3385	Low 25/May/2017 (Reaction low)
	1.3220	Low 13/Apr/2017 (Bottom)
	1.3162	Low 28/Feb/2017
	1.3054	Low 24/Feb/2017 (Bottom)
RECOMMENDATION	BUY	1.3435
	SELL	----
	STOP LOSS	1.3350
	TARGET	1.3525 – 1.3595

Precious Metal – *Daily Outlook*

Gold eases from one-month high as Fed rate hike looms - Reuters News



Gold prices eased after hitting a one month high on Tuesday as economic data from the United States showed increased signs that the Federal Reserve would raise interest rates next month.

U.S. consumer spending recorded its biggest increase in four months in April and monthly inflation rebounded, pointing to firming domestic demand that could allow the Federal Reserve to raise interest rates next month.

The metal, often seen as an alternative investment during times of political and financial uncertainty, earlier in the session touched a one-month high as it benefited from a risk-averse mood in global markets along with the Japanese yen and U.S. Treasuries.

Spot gold touched a one-month high of \$1,270.47 before pulling back 0.3 percent to \$1,262.76 per ounce by 2:15 p.m. EDT (1815 GMT). U.S. gold futures slipped to end the session 0.5 percent lower at \$1,262.1 an ounce.

"While U.S. inflation data released May 30 (broadly in line with expectations) and the U.S. employment report is due on 2 June are where the market will be looking for guidance on the Fed's monetary policy, price risks in both directions could arise from the UK election (June 8) and the FOMC meeting (June 14)," Standard Chartered analysts said in a note.

"Our economists continue to expect a 25 (basis points) Federal Reserve hike in June while the market is pricing in an 84 percent probability of such a hike."

Gold is highly sensitive to higher rates, which increase the opportunity cost of holding non-yielding bullion while boosting the dollar, in which it is priced.

Investors have been concerned about next week's election in Britain, as well as the prospect of early elections in Italy and worries over Greek debt, which analysts said supported gold and dented stocks.

A poll in Britain on Tuesday showed Prime Minister Theresa May's lead over the opposition Labour Party dropping to six percentage points ahead of the election on June 8.

"Ideally to see a rally in the (stock) markets the UK would want to see Theresa May win by an overwhelming majority which seems to be less likely to happen taking into account the latest polls," Natixis precious metals analyst Bernard Dahdah said.

"If May wins with her current lead it will be slightly negative for her negotiation hand (in Brexit talks) and ... positive for gold."

In Italy, former prime minister Matteo Renzi suggested on Sunday that the country's next election be held at the same time as Germany's. Germany will vote on Sept. 24, while elections are due in Italy by May 2018.

Euro zone finance ministers' failure to agree on Greek debt relief with the International Monetary Fund last week also added to risk aversion.

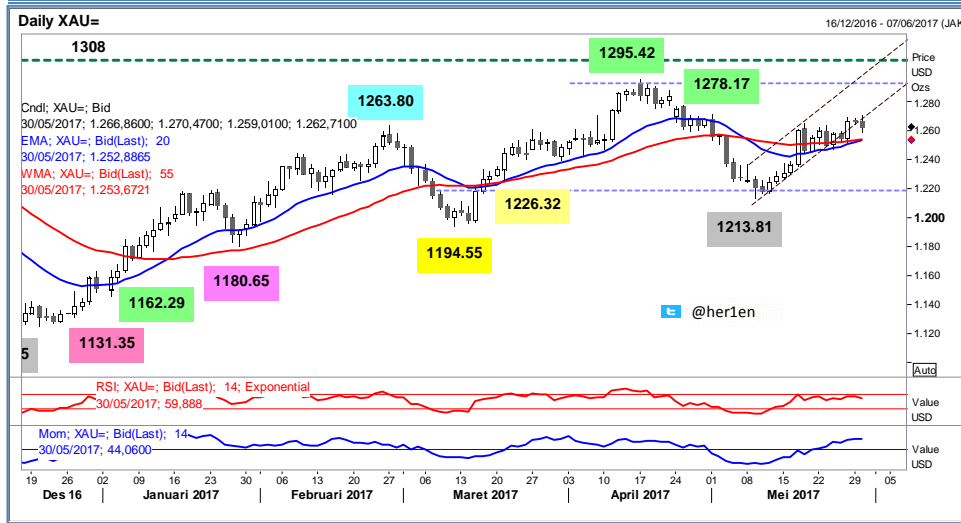
Forex.com market analyst Fawad Razaqzada said the focus for bullion this week was U.S. non-farm payrolls due on Friday.

"I expect the dollar to continue to strengthen this week until Friday's jobs data release, therefore I think gold is going to go down from here," Razaqzada said.

Among other precious metals, silver marked its highest level since April 27 at \$17.47 an ounce. It was last down 0.12 percent at \$17.35.

Palladium was up 0.91 percent at \$804.25 after hitting the highest since May 16 at \$807.70 an ounce. Platinum was down 1.24 percent at \$940.70 an ounce. *(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 30	1266.680	1270.330	1259.250	11.08	1262.750	↓ 3.75	1266.500	1262.80	1262.70
May 29	1267.810	1268.600	1264.910	3.69	1266.500	↓ 2.42	1268.920	1265.00	1265.05
May 26	1255.340	1269.330	1252.970	16.36	1268.920	↑ 13.49	1255.430	1265.00	1265.05
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1270.330 (30/May)	1259.250 (30/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)
	1278.17	High Apr 25
	1271.10	High May 01
SUPPORT	1252.50	Low May 26
	1246.11	Low May 19
	1235.90	Low May 17
	1224.05	Low May 12
RECOMMENDATION	BUY	1260.00
	SELL	-----
	STOP LOSS	1252.00
	TARGET	1269.50 1274.00

SILVER (XAG/USD)



- Continue the movement in the daily bullish trend channel
- Resistance at 18.00
- Important support at 16.55
[\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	17.369	17.453	17.197	0.26	17.383	FLAT	17.386
May 29	17.362	17.428	17.307	0.12	17.386	↑ 0.04	17.348
May 26	17.135	17.369	17.090	0.28	17.348	↑ 0.21	17.137
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.453	17.197	17.453	16.045	18.63	17.15	18.63	15.88
(30/May)	(30/May)	(30/May)	(09/May)	(17/Apr)	(28/Apr)	(17/Apr)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.64	High Mar 17
	18.33	High Mar 19
	18.00	High Mar 25
	17.65	High Apr 26
SUPPORT	17.06	Low May 26
	16.85	Low May 24
	16.77	Low May 22
	16.54	Low May 19
ECOMMENDATION	BUY	17.30
	SELL	-----
	STOP LOSS	17.05
	TARGET	17.65
		17.85

OIL – Daily Outlook

Oil prices slide on worries Libya output will feed glut - Reuters News



Oil prices fell about 1 percent on Tuesday, on signs of resurgent crude output in Libya and concerns that extended production cuts by leading exporting countries may not be enough to drain a global glut that has depressed prices for almost three years.

Brent crude ended the session 45 cents, or 0.9 percent, lower at \$51.84 a barrel, while U.S. light crude fell 14 cents, or 0.3 percent, to \$49.66.

"This is a rangebound market until you get something breaking out that tells you a longer term story," said Rob Haworth, senior investment strategist at U.S. Bank Wealth Management.

"For now the story is just one of an oversupplied market with the

lower end of prices being defended by OPEC."

Libya's oil production was at 784,000 barrels per day (bpd) because of a technical issue at the Sharara field, but was expected to start rising to 800,000 bpd on Tuesday, the chief of the state-run National Oil Corporation said.

The Organization of the Petroleum Exporting Countries and other oil producers, including Russia, agreed last week to maintain output cuts of about 1.8 million barrels a day for nine months longer than originally planned.

Still, prices tumbled after the OPEC deal was announced. The cutbacks have yet to drain crude inventories significantly.

"The key question will be whether the next round of OPEC cuts results in actual curtailment of exports since that will obviously be much more impactful for global prices," said Tamar Essner, senior director of energy and utilities at Nasdaq Corporate Solutions.

"Much of the low hanging fruit of compliance has been done and so by reducing production, especially during the high demand summer months, we would need to see a more meaningful reduction in exports in the second half the year in order to be more constructive on prices."

Part of the problem for OPEC is booming shale production in the United States. U.S. drillers have added rigs for 19 straight weeks to reach 722, the highest since April 2015, according to services firm Baker Hughes.

Some selling pressure on Tuesday came from banks, brokers said. Goldman Sachs analysts have cut forecasts for oil prices, saying falling U.S. production costs should boost supply for years.

"While we are bullish on near-term prices as inventories normalize ... 2018-19 futures need to be in the \$45-\$50 range," Goldman said.

Standard Chartered, however, said it expects global crude inventories will return to their five-year average by the end of the OPEC-led production cuts, with large drawdowns in the second half of 2017.

"We do not think that much, if any, of that tightening is currently priced in. We do expect prices eventually to gain some upwards momentum because of excess demand, but in the short term market sentiment remains bearish," the bank said.

Gasoline demand during the U.S. summer driving season may support crude prices, analysts said. For this past Memorial Day holiday weekend, the American Automobile Association had forecast the highest driving mileage since 2005.

U.S. crude oil inventories likely fell for the eighth straight week and refined product stockpiles were also forecast to have dropped last week, a preliminary Reuters poll showed.

Due to Monday's holiday, weekly inventory reports from American Petroleum Institute and the Energy Information Administration have been delayed to 4:30 p.m. EDT (2030 GMT) on Wednesday and 11:00 a.m. on Thursday, respectively. [\(Source Reuters, Research – @her1en\)](#)

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



- Important support around 48.00
- Resistance at 53.40
- Daily RSI is flat
 ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
May 30	50.05	50.05	49.03	1.02	49.63	↓ 0.34	49.97
May 29	49.83	50.27	49.50	0.77	49.97	↑ 0.11	49.86
May 26	48.71	49.92	48.17	1.75	49.86	↑ 1.20	48.66
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

WEEKLY		MAY		APRIL		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
50.27	49.03	51.98	43.75	53.74	48.21	55.22	43.75
(29/May)	(30/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	48.18	Low May 26
	47.70	Low May 12
	46.40	Low May 10
	45.92	Low May 09
RECOMMENDATION	BUY	49.45
	SELL	-----
	STOP LOSS	48.45
	TARGET	50.75
		51.25