

DAILY OUTLOOK

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

GLOBAL MARKETS

- Stocks across the world bounced back on Tuesday, supported by strong earnings results and expectations, while oil prices rose as evidence of higher U.S. production was overshadowed by concerns about supply from Iran and Saudi Arabia.

GLOBAL ECONOMIES

- The New Zealand dollar popped higher on Tuesday after a surprisingly high reading on domestic inflation blunted the, already modest, chance of a cut in interest rates and pushed bond yields up.
- German investor morale darkened more than expected in October, a survey showed on Tuesday, as concerns about an escalating Sino-U.S. trade dispute and Britain crashing out of the EU without a divorce deal clouded the outlook for Europe's largest economy.
- The basic wages of workers in Britain rose at their fastest pace in nearly a decade over the summer months, backing up the Bank of England's view that a long period of weak pay increases is ending.
- China's factory-gate inflation cooled for a third straight month in September amid ebbing domestic demand, pointing to more pressure on the world's second biggest economy as it remains locked in an intensifying trade war with the United States.
- U.S. industrial production increased for a fourth straight month in September, boosted by gains in manufacturing and mining output, but momentum slowed sharply in the third quarter.

GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

U.S. & Global Markets – Stocks across the world bounced back on Tuesday, supported by strong earnings results and expectations, while oil prices rose as evidence of higher U.S. production was overshadowed by concerns about supply from Iran and Saudi Arabia.

Despite the rally in stocks, U.S. Treasury yields were little changed. European shares pulled up from Monday's 22-month lows, partly on expectations that the reporting season will deliver double-digit earnings growth. A rebound in Italian assets helped battered equities find firmer ground.

On Wall Street, tech shares led the way a day after a decline in Apple weighed on the Nasdaq, while the healthcare sector rose after earnings reports from Johnson & Johnson and UnitedHealth Group

"A couple of inputs that caused a sell-off in the last two weeks, such as rising interest rates, higher oil prices and the dollar, have calmed down to rational levels," said Art Hogan, chief market strategist at B. Riley FBR in New York.

"The market may be able to positively respond to that as we work our way through the earnings season."

Willie Delwiche, investment strategist at Baird in Milwaukee, said Tuesday's gains were the result of sharp selling over the past weeks.

"The degree of the move is a function of the moves we have seen already this month more than anything else," he said.

The Dow Jones Industrial Average rose 547.87 points, or 2.17 percent, to 25,798.42, the S&P 500 gained 59.13 points, or 2.15 percent, to 2,809.92 and the Nasdaq Composite added 214.75 points, or 2.89 percent, to 7,645.49.

The pan-European FTSEurofirst 300 index rose 1.41 percent and MSCI's gauge of stocks across the globe shed 0.45 percent.

Emerging market stocks lost 0.86 percent. MSCI's broadest index of Asia-Pacific shares outside Japan closed 1.11 percent lower.

OIL WOBBLES

Crude futures rose in choppy trading as expectations of higher U.S. shale output and inventories were more than offset by worries over looming U.S. sanctions on Iran and growing tensions with top oil producer Saudi Arabia.

U.S. Senator Lindsey Graham accused Saudi Crown Prince Mohammed bin Salman of ordering the murder of Saudi journalist Jamal Khashoggi and said the prince was jeopardizing relations with the United States.

U.S. crude rose 0.07 percent to \$71.83 per barrel and Brent was last at \$81.32, up 0.67 percent on the day.

Sterling rose against the dollar after data showed basic wages of workers in Britain rose at their fastest pace in nearly a decade. The British currency was last trading at \$1.3187, up 0.28 percent on the day.

Meanwhile, a survey showed German investor morale darkened more than expected in October.

The euro fell 0.03 percent to \$1.1573, while the Japanese yen weakened 0.47 percent versus the greenback at 112.30 per dollar. The dollar index rose 0.01 percent.

Investors waited for Washington's view on China in the U.S. Treasury's semiannual currency report due this week, after media reports last week that it has not labeled Beijing a currency manipulator.

Benchmark 10-year Treasury notes last rose in price to yield 3.1614 percent, versus 3.163 percent late on Monday.

The 30-year bond last rose in price to yield 3.3312 percent, from 3.341 percent late on Monday.

"Following the extraordinary volatility in both stocks and bonds, we are seeing a bit of a calming here as traders are looking for new ranges," said John Canavan, market strategist at Stone & McCarthy Research Associates in New York.

Investors scaled back bearish bets on longer-dated U.S. government debt this week, suggesting less selling pressure on Treasuries, according to a survey released by J.P. Morgan Securities on Tuesday.

(Source Reuters, Research – Elli)

GLOBAL ECONOMIES

New Zealand – The New Zealand dollar popped higher on Tuesday after a surprisingly high reading on domestic inflation blunted the, already modest, chance of a cut in interest rates and pushed bond yields up.

The kiwi firmed 0.4 percent to \$0.6575, putting some ground between the recent 32-month trough around \$0.6424.

Government data showed consumer price inflation rose 0.9 percent in the September quarter, topping the 0.7 percent expected on rising petrol costs and a weakening currency.

The annual pace of 1.9 percent was almost back at the Reserve Bank of New Zealand's (RBNZ) mid-range target of 2 percent, narrowing the scope for an easing in policy.

However, the bank's own preferred measure of core inflation stayed at 1.7 percent in the third quarter, suggesting there was no rush to tighten policy either.

"For now at least, the RBNZ can still claim that much of the recent rise in inflation pressure is coming from cost-push inflation factors that can be looked through," said Kiwibank chief economist Jarrod Kerr.

"With headline inflation on the charge, momentum is likely to build in the figures," he added. "We believe that ultimately the RBNZ will be forced to begin gradually hiking sooner than is currently signalled."

Interest rates futures slipped in response while bond yields rose 2 to 3 basis points.

The Aussie dollar was dragged a fraction higher by the kiwi to \$0.7137, but again met stiff resistance around \$0.7150.

Minutes of the Reserve Bank of Australia's (RBA) October policy meeting showed it still expected the next move in rates to be upward, but saw no strong case for a move anytime soon. Rates have been held at a record low of 1.5 percent since mid-2016.

The RBA's board did note it was watching carefully to ensure banks do not tighten credit too much and imperil the economy at a time when income growth is slow and house prices are falling.

"We believe that a weaker housing market and slower consumption growth, both in part due to tighter lending standards, are just around the corner," said Paul Dales, chief economist Australia at Capital Economics.

"That goes a long way to explaining why we doubt the RBA will raise interest rates until late in 2020."

Australian government bond futures eased in line with Treasuries, with the three-year bond contract off 2 ticks at 97.870. The 10-year contract dipped 3 ticks to 97.2650.

Germany – German investor morale darkened more than expected in October, a survey showed on Tuesday, as concerns about an escalating Sino-U.S. trade dispute and Britain crashing out of the EU without a divorce deal clouded the outlook for Europe's largest economy.

The ZEW research institute's monthly survey showed economic sentiment among investors deteriorated to -24.7 from -10.6 in September.

This undershot a Reuters consensus forecast for a smaller drop to -12.0. The indicator reached the same low-point as in July, the lowest reading since August 2012.

"Expectations for the German economy are dampening above all due to the intensifying trade dispute between the USA and China," ZEW researcher Achim Wambach said.

"A further negative influence on economic and export expectations is the danger of a 'hard Brexit', which is becoming ever more likely."

The United States and China are in a bruising tit-for-tat tariffs dispute that threatens to hurt global growth as well as "innocent bystander" nations, IMF Managing Director Christine Lagarde has said.

British Prime Minister Theresa May's speech to parliament on Monday showed that reaching a deal on the country's exit from the European Union will be even harder than expected, a senior EU official said on Tuesday.

A separate ZEW gauge measuring investors' assessment of the economy's conditions fell to 70.1 from 76.0 in the previous month. The Reuters consensus forecast was for 74.5.

Wambach pointed to political uncertainty at home as another factor behind the growing pessimism among German investors.

"The situation of the governing coalition in Berlin is perceived to have become more unstable, which also weighs on economic sentiment," he said.

German Chancellor Angela Merkel vowed on Monday to restore trust in her government after the Bavarian sister party of her conservatives suffered heavy losses in a regional election.

The German economy is expected to have shifted into a lower gear over the summer months, but the economy ministry has said it expected growth to pick up again in the fourth quarter.

For the full year, the government has lowered its growth forecast to 1.8 percent from 2.3 percent previously as trade tensions abroad and a lack of skilled workers at home limit the room for economic expansion.

The government has also blamed slower production in the auto sector due to difficulties adjusting to a new pollution standard - the Worldwide Harmonised Light Vehicle Test Procedure (WLTP).

UK – The basic wages of workers in Britain rose at their fastest pace in nearly a decade over the summer months, backing up the Bank of England's view that a long period of weak pay increases is ending.

Earnings, excluding volatile bonus payments, rose by an annual 3.1 percent in the three months to August, the Office for National Statistics said on Tuesday.

That was the highest since January 2009 and above all forecasts in a Reuters poll of economists.

Sterling increased to its highest level of the day against the U.S. dollar and government bond prices edged down as investors factored the stronger-than-expected wage growth into their projections for when the BoE will next raise interest rates.

Philip Shaw, an economist at Investec, said he expected a rate hike in February, assuming Britain can seal a deal to avoid an

economically damaging exit from the European Union in March, followed by another hike later in 2019.

"We may now be exiting a period of relatively low pay growth," Shaw said on Tuesday. "The implication is that the BoE will be keener to raise rates."

Including bonuses, total earnings rose by 2.7 percent, slightly above the poll's median forecast of 2.6 percent.

The BoE's chief economist, Andy Haldane, said last week that he saw signs of a "new dawn" for British wage growth.

The central bank has said it plans to continue raising interest rates gradually over the next three years, despite the economic uncertainty caused by Brexit, in large part because of the inflation pressure that rising pay will create.

EASE OF THE SQUEEZE

Economists have been puzzled why wages were growing so slowly even as unemployment fell sharply.

Pay growth for Britain's workers slowed to as low as 0.5 percent in 2014. Despite the recent improvement it remains stuck below the 4 percent increases that were the norm before the global financial crisis.

The unemployment rate held at its four-decade low of 4.0 percent in the three months to August, the ONS said.

But the number of people in work fell by 5,000, the first decrease in nearly a year. The Reuters poll of economists had pointed to a rise of 11,000.

The ONS said the fall in employment was driven in part by fewer students seeking work than earlier in the year.

British households - whose spending is the main driver of the country's economy - have struggled for much of the past decade as their wages grew more slowly than inflation.

Data due on Wednesday is expected to show Britain's consumer price inflation stood at 2.6 percent in September, below a peak of 3.1 percent in November last year but still offering only modest improvement in spending power for workers.

The ONS said in real terms, adjusted for its CPIH measure of inflation, total earnings edged up by an annual 0.4 percent in the June-August period.

The BoE has said it expects growth in total pay of 2.5 percent a year by the end of 2018, rising to 3.5 percent by the end of 2020, enough to justify the central bank's plan to gradually raise interest rates over the period.

China – China's factory-gate inflation cooled for a third straight month in September amid ebbing domestic demand, pointing to more pressure on the world's second biggest economy as it remains locked in an intensifying trade war with the United States.

Consumer inflation, on the other hand, picked up slightly in September from the previous month, led mainly by higher food prices, official data showed on Tuesday.

Overall, pricing pressures were contained, giving authorities the flexibility to ease monetary policy to shore up slowing growth. Over the weekend, central bank governor Yi Gang said he sees plenty of room for adjustment in interest rates and banks' reserve requirement ratio due to significant downside risks from the Sino-U.S. trade row.

Indeed, economic activity has been slackening in the past few months, prompting the People's Bank of China (PBOC) to announce another cut to banks' reserve requirement ratio (RRR) just over a week ago - the fourth reduction this year.

For this year, Yi said that CPI will likely come in about 2 percent and expects PPI between 3-4 percent.

The producer price index (PPI), a gauge of industrial profitability, rose 3.6 percent in September from a year earlier, compared with a 4.1 percent increase in August, according to data released by the National Statistics Bureau on Tuesday.

On a monthly basis, the PPI picked up to 0.6 percent from 0.4 percent in August.

Julian Evans-Pritchard, senior China economist at Capital Economics, noted that the small monthly rise in producer inflation mainly reflected an "unsustainable" increase in global oil price.

"The bigger picture is that broader factory gate price pressures still appear to be cooling alongside weaker economic activity," he said in a client note following the data release.

Analysts polled by Reuters had expected September producer inflation would cool to 3.5 percent as both external and domestic demand weakened.

Price inflation in non-metallic mineral resources, metal smelting, chemicals and coal mining all slowed in September from previous month, while extraction in oil and natural gas extended its gains.

Raw materials prices rose 7.3 percent in September from a year earlier, down from a 7.8 percent increase in August, according to the statistics bureau.

Profit growth at China's industrial firms slowed to a five-month low in August, fanning concerns about faltering domestic demand.

The trade row with Washington appears to be already impacting industries. Growth in China's factory sector in September stalled after 15 months of expansion, with export orders falling the most in more than two years, a private business survey showed. An official survey also confirmed a further manufacturing weakening.

CPI PICKUP

The consumer price index (CPI) rose 2.5 percent from a year earlier, in line with expectations of 2.5 percent and accelerating from August's 2.3 percent gain. It still remained comfortably below China's inflation goal of 3 percent for 2018, same as last year.

The food price index increased 3.6 percent in September, up sharply from the 1.7 percent annual gain in September, due to extreme weather conditions such as seasonal typhoons, heavy rains and hailstorms, according to the NBS.

Despite the pickup in the headline number, the core consumer price index, which strips out volatile food and energy prices, rose 1.7 percent year-on-year, cooling from 2.0 percent's gain in August. Gains in non-food prices also slowed to 2.2 percent from August's 2.5 percent.

China's economic growth cooled slightly to 6.7 percent in the second quarter, though worries about a sharper slowdown in coming quarters have increased in recent months amid the rocky trade relations with the United States.

The two countries have already slapped tit-for-tat tariffs on each other's goods, and U.S. President Donald Trump has warned that he was ready to slap tariffs on virtually all Chinese imports into the United States.

If China goes ahead with a 15 percent tariff on \$60 billion U.S. goods, it could lead to a one-time impact of a 0.2-0.3 percentage point gain on China's consumer inflation, according to estimates from Morgan Stanley.

Yet, few expect the overall inflation picture to prevent further policy support for the economy.

"The recent rise in CPI is due to temporary disruptions to food supply and is unlikely to prevent the People's Bank from loosening

monetary policy further in the coming months in a bid to shore up economic growth," said Evans-Pritchard.

U.S. – U.S. industrial production increased for a fourth straight month in September, boosted by gains in manufacturing and mining output, but momentum slowed sharply in the third quarter. The Federal Reserve said on Tuesday industrial production rose 0.3 percent last month after an unrevised 0.4 percent increase in August. Industrial output grew at a 3.3 percent annualized rate in the third quarter after accelerating at a 5.3 percent pace in the second quarter.

The Fed said industrial output in September had been held down "slightly" by Hurricane Florence, which drenched South and North Carolina in mid-September. The U.S. central bank estimated the impact of the storm on industrial production as "less than 0.1 percentage point."

Manufacturing output increased 0.2 percent in September, the smallest gain in four months, after rising 0.3 percent in August. A 1.7 percent increase in motor vehicle production helped to lift manufacturing output last month. Motor vehicle production surged 4.3 percent in August.

There were also strong increases in the production of primary metals, machinery and wood products.

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

Manufacturing, which accounts for about 12 percent of the economy, is being supported by a strong domestic economy. Momentum is, however, slowing against the backdrop of a strong dollar and cooling global growth, which is restraining exports.

There are so far few signs that the Trump administration's "America First" policies, which have left the United States embroiled in a bitter trade war with China, are disrupting factory production.

But manufacturers are increasingly complaining that the tit-for-tat trade tariffs between Washington and Beijing are disrupting supply chains, which could hurt future production.

The sector is also facing a shortage of skilled workers, especially truck drivers, which is causing delivery delays and also contributing to the supply chain bottlenecks.

Manufacturing output increased at a 2.8 percent rate in the third quarter after growing at a 2.3 percent pace in the April-June period. Mining production increased 0.5 percent in September, adding to the 0.4 percent rise in August. Oil and gas well drilling, however, fell for a third straight month in September.

Mining output grew at an 11.4 percent rate in the third quarter after notching a 16.5 percent pace in the second quarter. The sector has rebounded about 24 percent from its trough in 2016.

Utilities output was unchanged in September after surging 1.1 percent in the prior month. A surge in natural gas output was offset by a decline the production of electricity.

Capacity utilization for the industrial sector, a measure of how fully firms are using their resources, was unchanged at 78.1 percent. It is 1.7 percentage points below its 1972-to-2017 average. Industrial capacity utilization increased to 78.0 percent in the third quarter, the highest level since the first quarter of 2015, from 77.8 percent in the April-June period.

Officials at the Fed tend to look at capacity use measures for signals of how much "slack" remains in the economy — how far growth has room to run before it becomes inflationary.

(Source Reuters, Research – Elli)

ECONOMIC INDICATORS

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
11-Oct - 15-Oct	N/A	CN	Aggregate Financing CNY	Sep		1553.5b	1520.0b	
11-Oct - 18-Oct	N/A	CN	Foreign Direct Investment YoY CNY	Sep		--	1.90%	
Tue/16-Oct-18	01:00	US	Monthly Budget Statement	Sep	\$119.1b	\$75.0b	\$7.9b	
11-Oct - 15-Oct	N/A	CN	New Yuan Loans CNY	Sep		1358.7b	1280.0b	
12-Oct - 19-Oct	N/A	DE	Wholesale Price Index YoY	Sep		--	3.80%	
Mon/15-Oct-18	04:30	NZ	Performance Services Index	Sep	53.9	--	53.2	
	06:01	GB	Rightmove House Prices MoM	Oct	1.0%	--	0.7%	
	06:01	GB	Rightmove House Prices YoY	Oct	0.9%	--	1.2%	
	11:30	JP	Capacity Utilization MoM	Aug	2.2%	--	-0.6%	
	11:30	JP	Industrial Production MoM	Aug F	0.2%	--	0.7%	
	11:30	JP	Industrial Production YoY	Aug F	0.2%	--	0.6%	
	14:15	CH	Producer & Import Prices MoM	Sep	-0.2%	0.3%	0.0%	
	14:15	CH	Producer & Import Prices YoY	Sep	2.6%	3.1%	3.4%	
	19:30	US	Empire Manufacturing	Oct	21.1	20	19	
	19:30	US	Retail Sales Advance MoM	Sep	0.1%	0.6%	0.1%	
	19:30	US	Retail Sales Control Group	Sep	0.5%	0.4%	0.1%	0.0%
	19:30	US	Retail Sales Ex Auto and Gas	Sep	0.0%	0.3%	0.2%	0.1%
	19:30	US	Retail Sales Ex Auto MoM	Sep	-0.1%	0.4%	0.3%	0.2%
	21:00	US	Business Inventories	Aug	0.5%	0.5%	0.6%	0.7%
	21:30	CA	BoC Business Outlook Future Sales	3Q	15	--	6	
	21:30	CA	BoC Overall Business Outlook Survey	3Q	2.8	--	3.1	
	21:30	CA	BoC Senior Loan Officer Survey	3Q	-10.9	--	-8.9	
Tue/16-Oct-18	04:00	KR	Export Price Index MoM	Sep		--	-0.1%	
	04:00	KR	Export Price Index YoY	Sep	1.4%	1.7%	2.1%	
	04:00	KR	Import Price Index MoM	Sep		--	-0.2%	
	04:00	KR	Import Price Index YoY	Sep	9.7%	9.5%	10.0%	
	04:45	NZ	CPI QoQ	3Q	0.9%	0.7%	0.4%	
	04:45	NZ	CPI YoY	3Q	1.9%	1.7%	1.5%	
	07:30	AU	RBA Oct. Meeting Minutes					
	08:30	CN	CPI YoY	Sep	2.5%	2.5%	2.3%	
	08:30	CN	PPI YoY	Sep	3.6%	3.6%	4.1%	
	15:30	GB	Average Weekly Earnings 3M/YoY	Aug	2.7%	2.6%	2.6%	
	15:30	GB	Claimant Count Rate	Sep	2.6%	--	2.6%	
	15:30	GB	Employment Change 3M/3M	Aug	-5k	11k	3k	
	15:30	GB	ILO Unemployment Rate 3Mths	Aug	4.0%	4.0%	4.0%	
	15:30	GB	Jobless Claims Change	Sep	18.5k	--	8.7k	14.2k
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Aug	3.1%	2.9%	2.9%	
	16:00	EZ	Trade Balance NSA	Aug	11.7b	--	17.6b	
	16:00	EZ	Trade Balance SA	Aug	16.6b	14.7b	12.8b	12.6b
	16:00	DE	ZEW Survey Current Situation	Oct	70.1	74.4	76	
	16:00	EZ	ZEW Survey Expectations	Oct	-19.4	--	-7.2	
	16:00	DE	ZEW Survey Expectations	Oct	-24.7	-12	-10.6	
	20:15	US	Capacity Utilization	Sep	78.1%	78.2%	78.1%	
	20:15	US	Industrial Production MoM	Sep	0.3%	0.2%	0.4%	
	20:15	US	Manufacturing (SIC) Production	Sep	0.2%	0.2%	0.2%	0.3%
	21:00	US	NAHB Housing Market Index	Oct	68	67	67	
Wed/17-Oct-18	06:30	AU	Westpac Leading Index MoM	Sep		--	0.06%	
	N/A	AU	RBA's Debelle gives speech in Sydney					
	15:30	GB	CPI Core YoY	Sep		--	2.10%	
	15:30	GB	CPI MoM	Sep		0.30%	0.70%	
	15:30	GB	CPI YoY	Sep		2.50%	2.70%	
	15:30	GB	CPIH YoY	Sep		--	2.40%	
	15:30	GB	House Price Index YoY	Aug		--	3.10%	
	15:30	GB	PPI Input NSA MoM	Sep		--	0.50%	
	15:30	GB	PPI Input NSA YoY	Sep		--	8.70%	
	15:30	GB	PPI Output Core NSA MoM	Sep		--	0.10%	
	15:30	GB	PPI Output Core NSA YoY	Sep		--	2.10%	
	15:30	GB	PPI Output NSA MoM	Sep		--	0.20%	
	15:30	GB	PPI Output NSA YoY	Sep		--	2.90%	
	15:30	GB	Retail Price Index	Sep		--	284.2	
	15:30	GB	RPI Ex Mort Int.Payments (YoY)	Sep		--	3.40%	
	15:30	GB	RPI MoM	Sep		--	0.90%	
	15:30	GB	RPI YoY	Sep		--	3.50%	
	16:00	EZ	Construction Output MoM	Aug		--	0.30%	
	16:00	EZ	Construction Output YoY	Aug		--	2.60%	
	16:00	EZ	CPI Core YoY	Sep F		0.90%	0.90%	
	16:00	EZ	CPI MoM	Sep		0.50%	0.20%	

	16:00	EZ	CPI YoY	Sep F		2.10%	2.00%	
	19:30	US	Building Permits	Sep		1280k	1229k	
	19:30	US	Building Permits MoM	Sep		2.50%	-5.70%	
	19:30	US	Housing Starts	Sep		1215k	1282k	
	19:30	US	Housing Starts MoM	Sep		-5.20%	9.20%	
	19:30	CA	Manufacturing Sales MoM	Aug		--	0.90%	
	21:30	US	DOE Cushing OK Crude Inventory	Oct-12		--	--	
	21:30	US	DOE U.S. Crude Oil Inventories	Oct-12		--	--	
	21:30	US	DOE U.S. Distillate Inventory	Oct-12		--	--	
	21:30	US	DOE U.S. Gasoline Inventories	Oct-12		--	--	
Thu/18-Oct-18	01:00	US	FOMC Meeting Minutes	Sep-26		--	--	
	06:50	JP	Exports YoY	Sep		--	6.60%	
	06:50	JP	Imports YoY	Sep		--	15.40%	
	06:50	JP	Trade Balance	Sep		--	-¥444.6b	
	06:50	JP	Trade Balance Adjusted	Sep		--	-¥190.4b	
	07:30	AU	Employment Change	Sep		--	44.0k	
	07:30	AU	Full Time Employment Change	Sep		--	33.7k	
	07:30	AU	NAB Business Confidence	3Q		--	7	
	07:30	AU	Part Time Employment Change	Sep		--	10.2k	
	07:30	AU	Participation Rate	Sep		--	65.70%	
	07:30	AU	Unemployment Rate	Sep		--	5.30%	
	N/A	KR	BoK 7-Day Repo Rate	Oct-18		--	1.50%	
	13:00	CH	Exports Real MoM	Sep		--	0.60%	
	13:00	CH	Imports Real MoM	Sep		--	-2.80%	
	15:30	GB	Retail Sales Ex Auto Fuel MoM	Sep		--	0.30%	
	15:30	GB	Retail Sales Ex Auto Fuel YoY	Sep		--	3.50%	
	15:30	GB	Retail Sales Inc Auto Fuel MoM	Sep		--	0.30%	
	15:30	GB	Retail Sales Inc Auto Fuel YoY	Sep		--	3.30%	
	19:30	CA	ADP Publishes September Payrolls Report					
	19:30	US	Continuing Claims	Oct-06		--	--	
	19:30	US	Initial Jobless Claims	Oct-13		--	--	
	19:30	US	Philadelphia Fed Business Outlook	Oct		21	22.9	
	20:05	US	Fed's Bullard Speaks to Economic Club of Memphis					
	21:00	US	Leading Index	Sep		0.50%	0.40%	
Fri/19-Oct-18	06:30	JP	Japan Sep CPI					
	06:30	JP	Natl CPI Ex Fresh Food YoY	Sep		--	0.90%	
	06:30	JP	Natl CPI Ex Fresh Food, Energy YoY	Sep		--	0.40%	
	06:30	JP	Natl CPI YoY	Sep		--	1.30%	
	09:00	CN	Fixed Assets Ex Rural YTD YoY	Sep		5.40%	5.30%	
	09:00	CN	GDP SA QoQ	3Q		--	1.80%	
	09:00	CN	GDP YoY	3Q		--	6.70%	
	09:00	CN	GDP YTD YoY	3Q		--	6.80%	
	09:00	CN	Industrial Production YoY	Sep		6.00%	6.10%	
	09:00	CN	Industrial Production YTD YoY	Sep		6.40%	6.50%	
	09:00	CN	Retail Sales YoY	Sep		9.00%	9.00%	
	09:00	CN	Retail Sales YTD YoY	Sep		9.30%	9.30%	
	09:00	CN	Surveyed Jobless Rate	Sep		--	5.00%	
	13:35	JP	BOJ Kuroda speaks in Tokyo					
	15:00	EZ	ECB Current Account SA	Aug		--	21.3b	
	15:30	GB	Central Government NCR	Sep		--	5.2b	
	15:30	HK	Composite Interest Rate	Sep		--	0.66%	
	15:30	GB	PSNB ex Banking Groups	Sep		--	6.8b	
	15:30	GB	Public Finances (PSNCR)	Sep		--	3.1b	
	15:30	GB	Public Sector Net Borrowing	Sep		--	5.9b	
	15:30	HK	Unemployment Rate SA	Sep		--	2.80%	
	19:30	CA	Consumer Price Index	Sep		--	134.2	
	19:30	CA	CPI Core- Common YoY%	Sep		--	2.00%	
	19:30	CA	CPI Core- Median YoY%	Sep		--	2.10%	
	19:30	CA	CPI Core- Trim YoY%	Sep		--	2.20%	
	19:30	CA	CPI NSA MoM	Sep		--	-0.10%	
	19:30	CA	CPI YoY	Sep		--	2.80%	
	19:30	CA	Retail Sales Ex Auto MoM	Aug		--	0.90%	
	19:30	CA	Retail Sales MoM	Aug		--	0.30%	
	20:00	US	Fed's Kaplan Speaks in New York					
	21:00	US	Existing Home Sales	Sep		5.32m	5.34m	
	21:00	US	Existing Home Sales MoM	Sep		-0.50%	0.00%	
	22:30	GB	BOE Governor Carney Speaks in New York					
	23:00	US	Fed's Bostic Speaks on Economic Outlook					
Sat/20-Oct-18	00:00	US	Baker Hughes U.S. Rig Count	Oct-19		--	--	
	13:50	JP	BOJ Amamiya makes a speech in Nagoya					
	23:00	US	Fed's Bostic Speaks in Atlanta					

Source: Bloomberg-Reuters-Forexfactory-DailyFX-Tradingeconomics-FXStreet, Research: @LukmanLoeng, Setiawan, Rizal

ASIAN STOCK INDEX

Japan's Nikkei rebounded on Tuesday supported by short covering in index heavyweights, but retailers fell on worries about domestic personal consumption and slowing demand from China.

The Nikkei share average ended 1.3 percent higher at 22,549.24, after tumbling 1.8 percent on Monday to close at its lowest level since Aug. 21.

Traders said that Tuesday's gains were mainly due to a technical rebound, as the Nikkei was trading 5 percent below its 25-moving average, a sign of an oversold market.

"The selling was overdone. Now the Nikkei's valuation is very cheap trading around 12 times its projected earnings," said Takuya Takahashi, a strategist at Daiwa Securities.

Index-heavyweights such as SoftBank Corp and Fast Retailing rebounded, soaring 3.6 percent and 4 percent, respectively, after they were heavily sold on Monday.

Automakers also regained ground, with Toyota Motor rising 1.1 percent and Honda Motor 1.9 percent.

The overall Japanese market was dented on Monday after the U.S. Treasury Secretary Steven Mnuchin called for a clause in U.S. foreign trade pacts to deter currency manipulation.

On Monday, Prime Minister Shinzo Abe pledged to go ahead with increasing the national sales tax to 10 percent from 8 percent next October.

The retail sector, which has faced the double whammy of worries about slowing consumption in Japan and weak China demand, dropped for a fourth day.

Department stores underperformed, with Takashimaya Co falling 0.9 percent and Isetan Mitsukoshi 1.0 percent.

Cosmetics makers Shiseido Co shed 2.4 percent and Kose Corp tumbled 3.1 percent, while babybottle maker Pigeon Corp lost 8.2 percent. Some of these companies have large exposure to China.

The broader Topix rose 0.7 percent to 1,687.91.

South Korea's KOSPI stock index closed flat on Tuesday as global uncertainties capped gains during the day. The Korean won rose while bond yields fell.

UK Prime Minister Theresa May said the Brexit deal was still achievable, even as a top EU official said chances of a no-deal divorce had increased; U.S. President Donald Trump sent Secretary of State Mike Pompeo to Saudi Arabia as journalist Jamal Khashoggi's case threatened to strain relationship between the strategic allies.

South Korea's central bank is broadly expected to keep its benchmark rate steady to 1.50 percent at its policy meeting on Thursday but could signal a possible tightening in November, according to a Reuters poll of analysts. The KOSPI closed unchanged at 2,145.12.

While the sharp decline from last Thursday is continuing, the U.S. Treasury rates, which is currently at 3.1 percent, will not likely fall in a short period. Under this situation, China stocks falling ahead of the U.S. report on foreign exchange affected the Kospi index, said Park Sang-hyun, an analyst at Leading Investment & Securities.

The won was quoted at 1,128 per dollar on the onshore settlement platform, 0.56 percent firmer than its previous close at 1,134.3.

In offshore trading, the won was quoted at 1,128.1 per U.S. dollar, up 0.24 percent from the previous day, while in one-year non-deliverable forwards it was being asked at 1,110.2 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.07 percent, after U.S. stocks ended the previous session with mild losses. Japanese stocks rose 1.25 percent.

The KOSPI is down around 13.1 percent so far this year, and down by 6.71 percent in the past 30 days.

The current price-to-earnings ratio is 12.10, the dividend yield is 1.28 percent and the market capitalisation is 1,242.04 trillion won.

The trading volume during the session on the KOSPI index was 215,108,000 shares and, of the total traded issues of 900, the number of advancing shares was 566.

Foreigners were net sellers of 65,904 million won worth of shares. The U.S dollar has risen 5.79 percent against the won this year. The won's high for the year is 1,053.55 per dollar on April 2 2018 and low is 1,146.26 on October 11 2018.

In money and debt markets, December futures on three-year treasury bonds rose 0.05 points to 108.33.

The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.68 percent, while the benchmark 3-year Korean treasury bond yielded 2.045 percent, lower than the previous day's 2.05 percent.

Stocks in Hong Kong ended higher on Tuesday, gaining a footing after recent losses, although data showing cooling factory-gate inflation in China for a third straight month in September and a warning from S&P on government debt curbed further gains.

The Hang Seng index ended 0.1 percent higher at 25,462.26 points, while the China Enterprises Index closed 0.5 percent higher at 10,198.33 points.

China's factory-gate inflation cooled for a third straight month in September amid ebbing domestic demand, pointing to more pressure on the world's second-biggest economy as it remains locked in an intensifying trade war with the United States. Adding to worries was an S&P Global Ratings report that said off-balance-sheet borrowings by Chinese local governments could be as high as 40 trillion yuan (\$5.78 trillion) and amount to "a debt iceberg with titanic credit risks".

The sub-index of the Hang Seng tracking energy shares rose 1.5 percent, while the IT sector dipped 0.27 percent, the financial sector was 0.15 percent lower and property sector dipped 0.3 percent.

The top gainer on Hang Seng was Country Garden Holdings Co Ltd, which ended up 3.68 percent, while the biggest loser was WH Group Ltd, which closed down 3.51 percent.

The blue-chip CSI300 index ended 0.8 weaker at 3,100.97 points, while the Shanghai Composite Index also closed 0.8 percent lower at 2,546.33 points.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.46 percent, while Japan's Nikkei index closed 1.25 percent higher. The yuan was quoted at 6.9181 per U.S. dollar at 0822 GMT, 0.01 percent firmer than previous close of 6.9185.

As of previous trading session, the Hang Seng index was down 14.95 percent this year, while China's H-share index was down 13.4 percent. As of the previous close, the Hang Seng has declined 8.43 percent this month.

The top gainers among H-shares were China Huarong Asset Management Co Ltd, which closed up 5.76 percent, followed by People's Insurance Group of China Co Ltd, which ended 2.82

percent firmer and CSPC Pharmaceutical Group Ltd, which closed 2.68 percent higher.

The three biggest H-shares percentage decliners were China Railway Group Ltd, which ended down 4.15 percent, Great Wall Motor Co Ltd, which closed 1.9 percent lower and Air China Ltd, which ended down 1.7 percent.

About 1.51 billion Hang Seng index shares were traded, roughly 82 percent of the market's 30-day moving average of 1.84 billion shares a day. The volume traded in the previous trading session was 1.66 billion.

At close, China's A-shares were trading at a premium of 22.33 percent over the Hong Kong-listed H-shares.

The price-to-earnings ratio of the Hang Seng index was 9.86, as of the last full trading day, while the dividend yield was 3.7 percent.

So far this week, the market capitalisation of the Hang Seng index dropped 1.51 percent to HK\$16.54 trillion.

The short and one-factor leveraged Hang Seng index, which is designed to replicate the payoff of a short or leveraged portfolio and is linked to the movements of the Hang Seng Index, was lower by 0.06 percent on the day at 5,484.88 points.

China stocks reversed early gains to end lower on Tuesday, after data showed factory-gate inflation had cooled for a third straight month in September amid lean domestic demand, reflecting more pressure on the world's second-biggest economy.

The blue-chip CSI300 index ended 0.8 weaker at 3,100.97 points, while the Shanghai Composite Index also closed 0.8 percent lower at 2,546.33 points.

Most sectors lost ground, led by real estate and material firms.

China's factory-gate inflation cooled for a third straight month in September amid ebbing domestic demand, pointing to more

pressure on the world's second-biggest economy as it remains locked in an intensifying trade war with the United States.

Adding to worries was an S&P Global Ratings report that said off-balance-sheet borrowings by Chinese local governments could be as high as 40 trillion yuan (\$5.78 trillion) and amount to "a debt iceberg with titanic credit risks".

There were also worries over the increasing tension between Saudi Arabia and the West that have fanned geopolitical concerns.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.08 percent, while Japan's Nikkei index closed up 1.25 percent.

At 0705 GMT, the yuan was quoted at 6.9247 per U.S. dollar, 0.09 percent weaker than previous close of 6.9185.

The largest percentage gainers in the main Shanghai Composite index were Guirenniao Co Ltd, which ended 10.09 percent firmer, followed by Shanghai Laimu Electronics Co Ltd, which closed up 10.04 percent and YanTai Yuancheng Gold Co Ltd, which closed 10.02 percent higher.

The largest percentage losses in the Shanghai index were Shanghai Hongda Mining Co Ltd, which ended down 10.06 percent, followed by Joincare Pharmaceutical Group Industry Co Ltd, which closed 10.05 percent weaker and Shanghai Material Trading Co Ltd, which ended 10.02 percent down.

So far this year, the Shanghai stock index is down 23 percent, the CSI300 dropped 23.1 percent, while China's H-share index listed in Hong Kong fell 13.3 percent. Shanghai stocks have declined 9.75 percent this month.

As of 0706 GMT, China's A-shares were trading at a premium of 22.82 percent over the Hong Kong-listed H-shares.

The Shanghai stock index is below its 50-day moving average and below the 200-day moving average.

The price-to-earnings ratio of the Shanghai index was 10.98, as of last trading day, while the dividend yield was 2.9 percent.

(Source: Reuters, Research: rizal)

ASIA AND GLOBAL MARKET SPOT PRICE 2018

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2914.04 (29/Aug/2018)	6124.04400 (16/Oct/07)
2017 HIGH	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24876.07 (18/Dec/2017)	2694.97 (18/Dec/2017)	3450.49490 (14/Nov/2017)
2018 HIGH	24270.62 (02/Oct/2018)	338.05 (29/Jan/2018)	33484.08 (29/Jan/2018)	26828.39 (03/Oct/2018)	2930.83 (20/Sep/2018)	3587.50890 (29/Jan/2018)
2018 LOW	20617.86 (23/Mar/2018)	275.15 (11/Oct/2018)	25266.37 (11/Oct/2018)	23360.29 (08/Feb/2018)	2532.69 (08/Feb/2018)	2546.33450 (16/Oct/2018)
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)
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 – 16 October 2018

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	25798.42	↑ 547.87/2.17%	.N225	22549.24	↑ 277.94/1.25%
/.SPX	2810.03	↑ 59.24/2.15%	.KS200	276.90	↓ 0.29/0.10%
/.IXIC	7645.489	↑ 214.745/2.89%	.HSI	25462.26	↑ 17.20/0.07%
JPY=	112.25	↑ 0.49/0.44%	/.SSEC	2546.33450	↓ 21.76390/0.85%
KRW=	1123.07	↓ 7.80/0.69%	/CLc1 (Oil)	72.17	↑ 0.45/0.63%

1YMZ8(Dow Jones Dec Futures) – Exp. Date: 21 December 2018



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Oct	25166	25805	25166	639	25768	25768	↑ 567	2.25	247243
15 Oct	25344	25471	25111	360	25182	25182	↓ 134	0.53	293363
12 Oct	25209	25545	24990	555	25348	25348	↑ 163	0.65	436511
11 Oct	25456	25680	24893	787	25206	25206	↓ 313	1.23	694855
10 Oct	26472	26522	25431	1091	25437	25437	↓ 1044	3.94	413473
09 Oct	26531	26562	26337	225	26473	26473	↓ 71	0.27	234493
08 Oct	26520	26549	26226	323	26531	26531	↑ 39	0.15	222531

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25805	25111	26966	24893	26820	25764	26966	23088
(16/Oct)	(15/Oct)	(03/Oct)	(11/Oct)	(21/Sep)	(11/Sep)	(03/Oct)	(06/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	26273	High on 1-Hourly Chart
	26135	Reactions High on 1-Hourly Chart
	26041	High on 1-Hourly Chart
	25933	High on 1-Hourly Chart
SUPPORT	25564	Low on 1-Hourly Chart
	25435	Low on 1-Hourly Chart
	25351	Low on 1-Hourly Chart
	25246	Low on 1-Hourly Chart
RECOMMENDATION	BUY	25780
	SELL	----
	STOP LOSS	25630
	TARGET	26010 26130

SSlamZ8 (Nikkei Dec Futures) – Last Trading Date: 17 Dec 2018



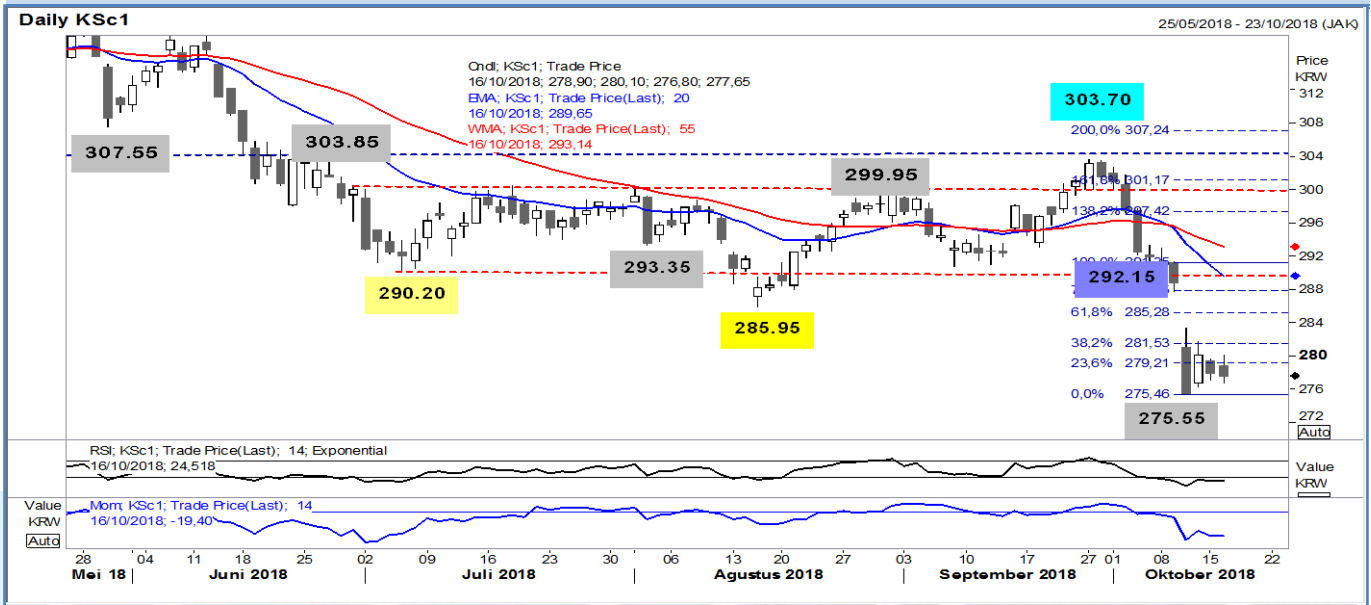
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	%	VOLUME
16 Oct SS1pmZ8	22420	22890	22405	475	22860	---	↑ 440	1.96	31270
16 Oct SS1amZ8	22255	22540	22225	315	22420	22420	↑ 220	0.99	66790
15 Oct SS1pmZ8	22205	22435	22035	400	22190	---	↓ 10	0.05	40561
15 Oct SS1amZ8	22540	22545	22170	375	22200	22200	↓ 465	2.05	74720
12 Oct SS1pmZ8	22720	22725	22220	505	22590	---	↓ 75	0.33	57191
12 Oct SS1amZ8	22640	22710	22415	295	22665	22665	↑ 35	0.15	82869
11 Oct SS1pmZ8	22740	22900	22240	660	22475	---	↓ 155	0.68	78549
11 Oct SS1amZ8	22820	22850	22410	440	22630	22630	↓ 920	3.91	136325
10 Oct SS1pmZ8	23550	23585	22715	870	22740	---	↓ 810	3.44	54908
10 Oct SS1amZ8	23550	23595	23365	230	23550	23550	↑ 70	0.30	56502

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22890	22035	24480	22035	24290	22165	24480	20130
(16/Oct)	(15/Oct)	(01/Oct)	(15/Oct)	(28/Sep)	(07/Sep)	(01/Oct)	(23/Mar)

ANALYSIS & RECOMMENDATION

RESISTANCE	23370	High on 1-Hourly Chart
	23255	High on 1-Hourly Chart
	23170	High on 1-Hourly Chart
	23065	High on 1-Hourly Chart
SUPPORT	22745	Low on 1-Hourly Chart
	22655	Low on 1-Hourly Chart
	22540	Low on 1-Hourly Chart
	22455	Low on 1-Hourly Chart
RECOMMENDATION	BUY	22910
	SELL	----
	STOP LOSS	22760
	TARGET	23110 23210

KSZ8 (Kospi Dec Futures) – Exp. Date: 13 Dec 2018



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Oct	278.90	280.10	276.80	3.30	277.65	277.65	↓ 0.25	0.09	259963
15 Oct	279.45	279.60	277.20	2.40	277.90	277.90	↓ 2.30	0.82	317675
12 Oct	276.75	281.80	276.25	5.55	280.20	280.20	↑ 4.65	1.69	404063
11 Oct	281.05	283.40	275.55	7.85	275.55	275.55	↓ 13.25	4.59	576360
10 Oct	291.35	291.45	287.75	3.70	288.80	288.80	↓ 2.00	0.69	325747
09 Oct	--	H	O	L	I	D	A	Y	--

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
280.10	276.80	302.70	275.55	303.70	290.75	340.30	275.55
(16/Oct)	(16/Oct)	(01/Oct)	(11/Oct)	(27/Sep)	(07/Sep)	(29/Jan)	(11/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	285.28	Fibo. Retracements on D-Chart (61.8%)
	283.40	High Oct 11,2018
	281.80	High Oct 12,2018
	279.60	High Oct 15,2018
SUPPORT	277.20	Low Oct 15,2018
	276.25	Low Oct 12,2018
	275.55	Low Oct 11,2018
	272.80	Low Mar 13,2017
RECOMMENDATION	BUY	278.65
	SELL	----
	STOP LOSS	277.15
	TARGET	281.15 282.15

HSIV8 (Hang Seng Oct Futures) – Exp. Date: 30 October 2018



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
16 Oct	25486	25680	25208	472	25387	25387	↑ 44	0.17	258268
15 Oct	25545	25649	25330	319	25343	25343	↓ 347	1.35	233336
12 Oct	25440	25788	25263	525	25690	25690	↑ 503	2.00	322934
11 Oct	25370	25396	25123	273	25187	25187	↓ 978	3.74	329253
10 Oct	26154	26470	26113	357	26165	26165	↑ 105	0.40	264342
09 Oct	26102	26342	26022	320	26060	26060	↓ 87	0.33	262286
08 Oct	26476	26771	26128	643	26147	26147	↓ 312	1.18	263452

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25680	25208	27760	25123	28049	26170	33516	25123
(16/Oct)	(16/Oct)	(02/Oct)	(11/Oct)	(26/Sep)	(12/Sep)	(29/Jan)	(11/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	26470	High Oct 10,2018
	26256	High on 1 Hourly Chart
	26145	High on 1 Hourly Chart
	25970	High on 1 Hourly Chart
SUPPORT	25583	Low on 1 Hourly Chart
	25459	Low on 1 Hourly Chart
	25328	Low on 1 Hourly Chart
	25208	Low on 1 Hourly Chart
RECOMMENDATION	BUY	25870
	SELL	---
	STOP LOSS	25720
	TARGET	26090 26220

FOREX/CURRENCIES

Dollar steady as stock gains show improving risk sentiment - Reuters News



The U.S. dollar index was little changed on Tuesday while emerging market currencies outperformed, as rising stock markets reflected an improved risk appetite.

The three main Wall Street indexes each rose more than 1.5 percent as upbeat earnings from blue-chips such as Johnson & Johnson and Goldman Sachs eased jitters over the impact of rising interest rates and tariffs on corporate profits.

"It seems as if we have a risk-on tone. Equity prices seem to be rising globally again and reversing a little bit of the panic that we saw last week," said Mark McCormick, North American head of FX strategy at TD Securities in Toronto.

The greenback was supported last week as benchmark 10-year Treasury yields surged to a seven-year high of 3.26 percent, while stocks tumbled.

Yields are now consolidating at around 3.16 percent, reducing demand for the dollar. The improved risk tone also reduced demand for safe-haven currencies such as the Japanese yen and Swiss franc.

"It's a lack of negative headlines today, which if anything else is just a change from what we've seen," said Erik Nelson, a currency strategist at Wells Fargo in New York. "The risk-sensitive emerging currencies are particularly outperforming while the yen and the Swiss franc are on the soft side."

The MSCI Emerging Market Currency Index rose 0.47 percent.

Concerns about rising tensions between Western powers and Saudi Arabia have weighed on markets this week. Saudi Arabia has been under pressure since prominent Saudi journalist Jamal Khashoggi, a critic of Riyadh and a U.S. resident, disappeared on Oct. 2 after visiting the Saudi consulate in Istanbul.

U.S. Secretary of State Mike Pompeo met Saudi Arabia's king and crown prince to discuss the disappearance of Khashoggi on Tuesday, and Turkey's foreign minister said Pompeo would bring information about the case to Ankara.

The next economic focus for markets will be the release of the minutes from the Federal Reserve's September meeting on Wednesday, which will be evaluated for any new indications on how many further rate increases are likely.

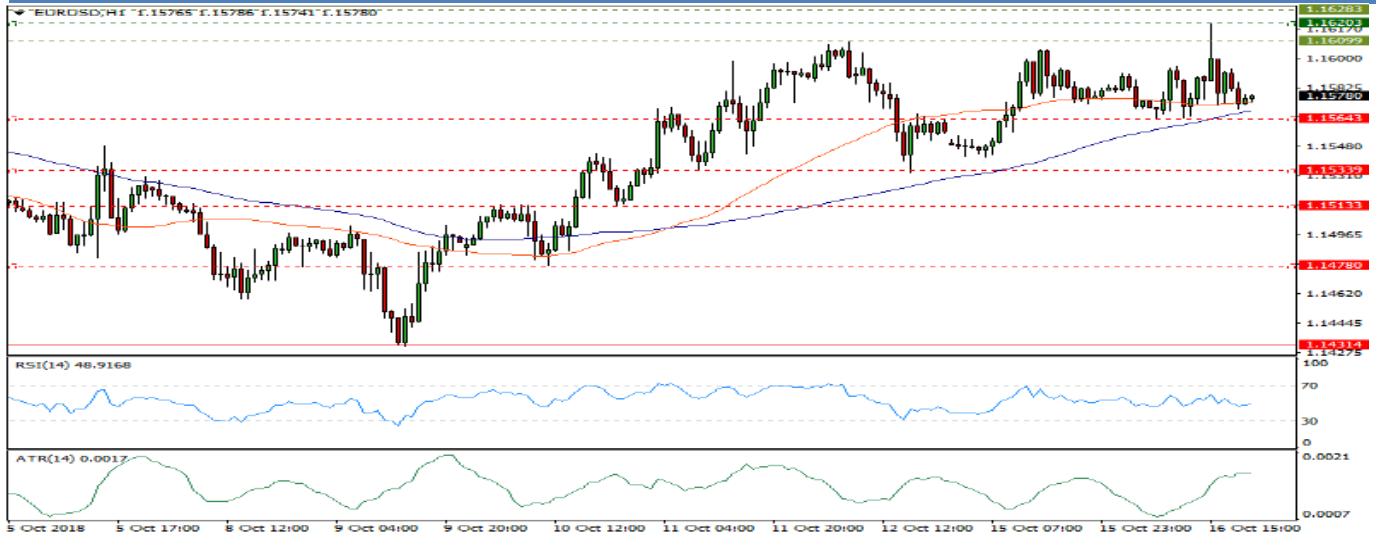
Interest rate futures traders are pricing in a 77 percent likelihood that the Federal Reserve will again raise rates at the U.S. central bank's December meeting, according to the CME Group's FedWatch Tool.

Data on Tuesday showed that U.S. industrial production increased for a fourth straight month in September, boosted by gains in manufacturing and mining output, but momentum slowed sharply in the third quarter.

(Source Reuters, Research – Elli).

EUR/USD

Interest Rate: 0.00% (EU)/ 2.00%-2.25% (US)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	1.15809	1.16202	1.15648	55,4	1.15720	↓ 6,1	1.15781
Oct 15	1.15502	1.16051	1.15419	63,2	1.15781	↑ 21,3	1.15568
Oct 12	1.15902	1.16092	1.15331	76,1	1.15568	↓ 26,2	1.15830
Oct 11	1.15253	1.15981	1.15253	72,8	1.15830	↑ 65,2	1.15178
Oct 10	1.14907	1.15441	1.14786	65,5	1.15178	↑ 30,8	1.14870

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.16202	1.15419	1.16235	1.14586	1.18139	1.15252	1.25542	1.12997
(16/Oct)	(15/Oct)	(01/Oct)	(08/Oct)	(24/Sep)	(10/Sep)	(16/Feb)	(15/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1813	Sep 24,2018
	1.1751	Sep27,2018
	1.1650	Sep 28,2018
	1.1620	Oct 16,2018 - High on Hourly Chart
SUPPORT	1.1564	Oct 16,2018 - Low on Hourly Chart
	1.1533	Oct 12,2018
	1.1513	Oct 10,2018
	1.1478	Oct 10,2018
RECOMMENDATION	BUY	1.1555
	SELL	-----
	STOP LOSS	1.1505
	TARGET	1.1625
		1.1655

USD/JPY

Interest Rate: 2.00%-2.25% (US)/-0.1% (JP)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	111.759	112.327	111.719	60,8	112.246	↑ 48,8	111.758
Oct 15	112.172	112.224	111.613	61,1	111.758	↓ 45,1	112.209
Oct 12	112.114	112.485	111.867	61,8	112.209	↑ 9,0	112.119
Oct 11	112.255	112.523	111.821	70,2	112.119	↑ 12,4	112.243
Oct 10	112.952	113.276	112.245	103,1	112.243	↓ 70,9	112.952

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
112.327	111.613	114.538	111.613	113.654	110.367	114.538	104.623
(16/Oct)	(15/Oct)	(04/Oct)	(15/Oct)	(28/Sep)	(07/Sep)	(04/Oct)	(23/Mar)

ANALYSIS & RECOMMENDATION

RESISTANCE	113.94	High Oct 08,2018
	113.73	High on 1-Hourly Chart (Oct 08,2018)
	113.28	High Oct 10,2018
	112.53	High Oct 11,2018
SUPPORT	111.72	Low Oct 16,2018
	111.14	Low Sep 13,2018
	110.37	Low Sep 07,2018
	110.01	Low Aug 22,2018
RECOMMENDATION	BUY	112.15
	SELL	----
	STOP LOSS	111.65
	TARGET	112.85 113.15

GBP/USD

Interest Rate: 0.75% (GB)/ 2.00%-2.25% (US)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	1.31498	1.32348	1.31397	95,1	1.31752	↑ 26,0	1.31492
Oct 15	1.30979	1.31805	1.30979	82,6	1.31492	↓ 1,7	1.31509
Oct 12	1.32255	1.32566	1.31449	111,7	1.31509	↓ 71,2	1.32221
Oct 11	1.31981	1.32464	1.31808	65,6	1.32221	↑ 32,9	1.31892
Oct 10	1.31384	1.32146	1.31352	79,4	1.31892	↑ 45,2	1.31440

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.32348	1.30979	1.32566	1.29210	1.32970	1.27842	1.43754	1.26605
(16/Oct)	(15/Oct)	(12/Oct)	(04/Oct)	(20/Sep)	(05/Sep)	(17/Apr)	(15/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3471	High Jun 07,2018
	1.3446	High Jun 14,2018
	1.3362	High Jul 09,2018
	1.3285	High Jul 11,2018
SUPPORT	1.3132	Low Oct 10,2018
	1.3084	Low on 1-Hourly Chart (Oct 09,2018)
	1.3032	Low on 1-Hourly Chart (Oct 05,2018)
	1.3001	Low Oct 05,2018
RECOMMENDATION	BUY	---
	SELL	1.3200
	STOP LOSS	1.3270
	TARGET	1.3110 1.3080

USD/CHF

Interest Rate: 2.00%-2.25% (US)/-1.25 to -0.25% (CH)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	0.98690	0.99078	0.98579	49,9	0.99043	↑ 2,9	0.99014
Oct 15	0.99109	0.99110	0.98468	64,2	0.99014	↓ 11,3	0.99127
Oct 12	0.98970	0.99290	0.98807	48,3	0.99127	↑ 24,4	0.98883
Oct 11	0.98907	0.99212	0.98555	65,7	0.98883	↓ 11,8	0.99001
Oct 10	0.99173	0.99328	0.98943	38,5	0.99001	↓ 16,3	0.99164

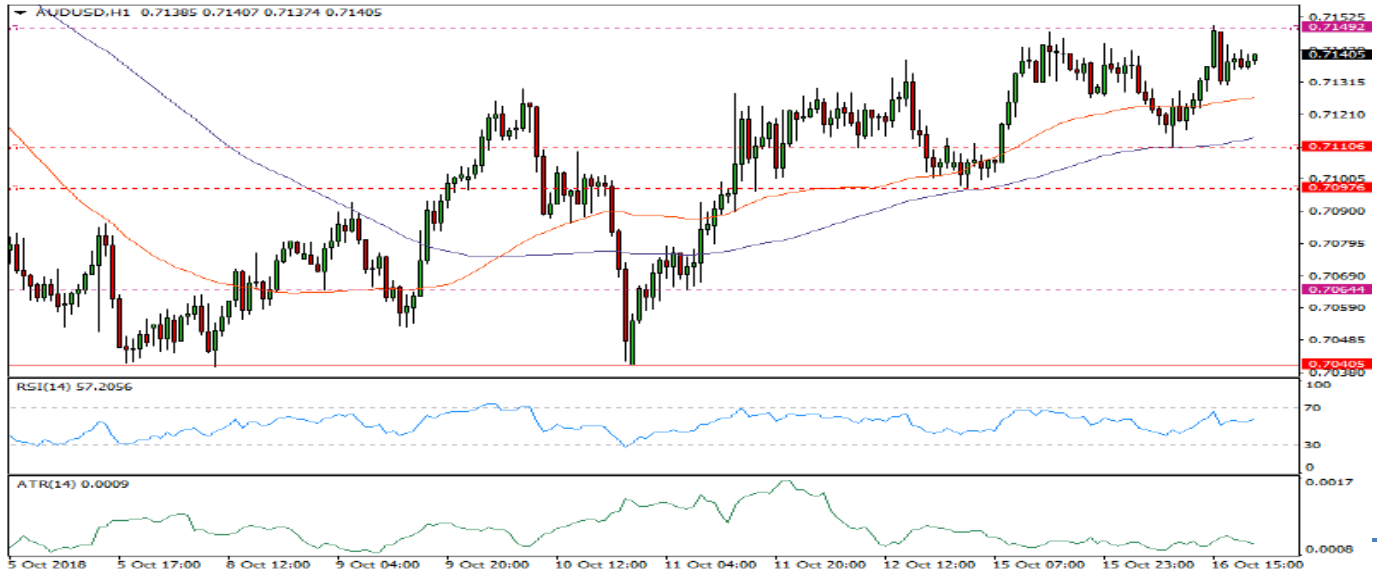
WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99110	0.98468	0.99545	0.98058	0.98177	0.95409	1.00668	0.91863
(15/Oct)	(15/Oct)	(09/Oct)	(01/Oct)	(28/Sep)	(21/Sep)	(13/Jul)	(16/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0068	High Jul 13,2018
	1.0010	High Jul 20,2018
	0.9968	High Aug 20,2018
	0.9921	High Oct 15,2018
SUPPORT	0.9831	Low Oct 03,2018
	0.9763	Low on 1-Hourly Chart
	0.9735	Low Sep 28,2018
	0.9643	Low Sep 27,2018
RECOMMENDATION	BUY	0.9895
	SELL	----
	STOP LOSS	0.9845
	TARGET	0.9965 0.9995

AUD/USD

Interest Rate: 1.5% (AU)/ 2.00%-2.25% (US)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	0.71373	0.71498	0.71107	39,1	0.71399	↑ 12,0	0.71279
Oct 15	0.71041	0.71477	0.70977	50,0	0.71279	↑ 16,9	0.71110
Oct 12	0.71198	0.71386	0.71008	37,8	0.71110	↓ 10,9	0.71219
Oct 11	0.70550	0.71280	0.70541	73,9	0.71219	↑ 77,9	0.70440
Oct 10	0.71020	0.71295	0.70406	88,9	0.70440	↓ 52,9	0.70969

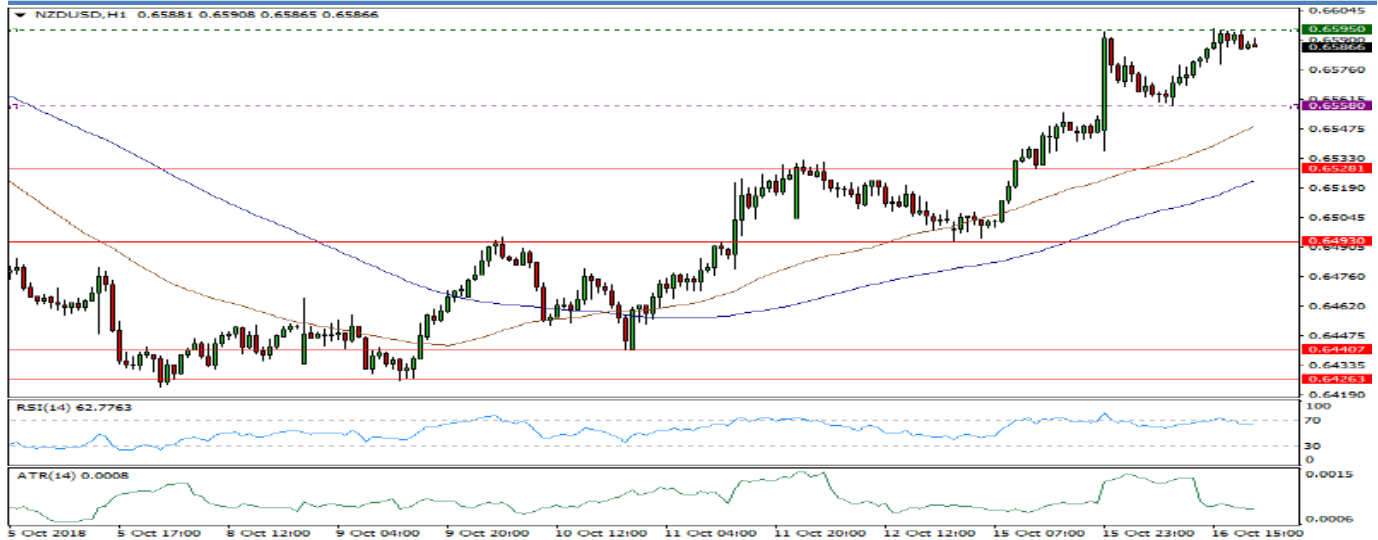
WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71498	0.70977	0.72369	0.70399	0.73141	0.70839	0.81346	0.70399
(16/Oct)	(15/Oct)	(02/Oct)	(08/Oct)	(26/Sep)	(11/Sep)	(26/Jan)	(08/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7314	Oct 26,2018
	0.7240	Oct 28,2018
	0.7204	Oct 02,2018
	0.7149	Oct 16,2018 - High on Hourly Chart
SUPPORT	0.7110	Oct 16,2018 - Low on Hourly Chart
	0.7097	Oct 15,2018
	0.7064	Oct 11,2018
	0.7040	Oct 10,2018
RECOMMENDATION	BUY	0.7135
	SELL	-----
	STOP LOSS	0.7085
	TARGET	0.7205
		0.7235

NZD/USD

Interest Rate: 1.75% (NZ)/ 2.00%-2.25% (US)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	0.65905	0.65956	0.65583	37,3	0.65648	↑ 16,4	0.65484
Oct 15	0.64989	0.65553	0.64931	62,2	0.65484	↑ 44,6	0.65038
Oct 12	0.65286	0.65321	0.64987	33,4	0.65038	↓ 12,4	0.65162
Oct 11	0.64606	0.65302	0.64532	77,0	0.65162	↑ 73,4	0.64428
Oct 10	0.64748	0.64952	0.64405	54,7	0.64428	↓ 24,1	0.64669

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.65956	0.64931	0.66271	0.64231	0.66979	0.64998	0.74359	0.64231
(16/Oct)	(15/Oct)	(01/Oct)	(08/Oct)	(21/Sep)	(11/Sep)	(16/Feb)	(08/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.6725	Aug 28, 2018
	0.6697	Sep 21, 2018
	0.6638	Sep 28, 2018
	0.6595	Oct 16, 2018- High on Hourly Chart
SUPPORT	0.6558	Oct 16, 2018- Low on Hourly Chart
	0.6528	Oct 15, 2018
	0.6493	Oct 15, 2018
	0.6440	Oct 10, 2018
RECOMMENDATION	BUY	0.6575
	SELL	-----
	STOP LOSS	0.6525
	TARGET	0.6645 0.6675

EUR/JPY

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	129.446	130.277	129.411	86,6	129.903	↑ 49,4	129.409
Oct 15	129.564	129.780	129.108	67,2	129.409	↓ 27,8	129.687
Oct 12	129.974	130.482	129.339	114,3	129.687	↓ 19,7	129.884
Oct 11	129.394	130.198	129.192	100,6	129.884	↑ 57,6	129.308
Oct 10	129.808	130.483	129.282	120,1	129.308	↓ 45,4	129.762

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
130.277 (16/Oct)	129.108 (15/Oct)	132.445 (01/Oct)	129.108 (15/Oct)	133.113 (21/Sep)	128.000 (07/Sep)	137.486 (02/Feb)	124.602 (29/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	132.54	High Apr 30,2018
	131.99	High Oct 02,2018
	131.41	High Oct 05,2018
	130.70	High on 1-Hourly Chart
SUPPORT	128.75	Low Sep 11,2018
	127.85	Low Sep 10,2018
	127.33	Low Aug 22,2018
	126.24	Low Aug 21,2018
RECOMMENDATION	BUY	129.75
	SELL	----
	STOP LOSS	129.00
	TARGET	130.70 131.05

USD/CAD

Interest Rate: 2.00%-2.25% (US)/1.25% (CA)



WEEKLY OPEN

1.3026

CURRENT PRICE

1.2938

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3050	1.2912	1.3071	1.2778	1.3226	1.2880	1.3385	1.2246
(15/Oct)	(16/Oct)	(11/Oct)	(01/Oct)	(06/Sep)	(20/Sep)	(27/Jun)	(31/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3174	High Sep 11,2018
	1.3078	High Sep 12,2018
	1.3025	High Sep 26,2018
	1.2998	High Oct 16,2018
SUPPORT	1.2890	Low Oct 05,2018
	1.2853	Low Oct 04,2018
	1.2803	Low Oct 03,2018
	1.2778	Low Oct 01,2018
RECOMMENDATION	BUY	----
	SELL	1.2955
	STOP LOSS	1.3020
	TARGET	1.2875
		1.2845

PRECIOUS METAL

Gold flat as softer dollar offsets improving risk appetite - Reuters News

Gold held steady near 2-1/2-month highs on Tuesday as dollar weakness offset improved risk appetite among investors, reflected in recovering global stock markets.

Spot gold was unchanged at \$1,226.29 per ounce by 1:52 p.m. EDT (1752 GMT), having peaked at \$1,233.26 in the previous session, its highest since July 26.

U.S. gold futures settled up \$0.7, or 0.1 percent, at \$1,231 an ounce.

"Most of the move in gold is behind us. The Saudi situation seems to be on the mend and stock markets getting an element of support from earnings deprive gold of another reason to rally from here," INTL FC Stone analyst Edward Meir said. "Gold is being supported by a relatively softer dollar. ... We could see more of a range-bound market from here."

The U.S. dollar index dropped to more than two-week lows on Tuesday while emerging market currencies outperformed, and rising stock markets reflected improving risk appetite.

On the technical front, gold prices were trading around the 100-day moving average of \$1,227.

"The near-term technical posture for the yellow metal has dramatically improved (over) the past few sessions, which continues to invite the chart-based buyers," Peter Hug, global trading director at Kitco Metals, said in a note. "Also, the recent volatility in world stock markets and some heightened geopolitical tensions are continuing to provide some demand for safe-haven gold."

Gold is usually viewed as a safe store of value during political and economic uncertainty.

"We continue to believe price risks are skewed to the upside. Should the U.S. dollar stabilise or even weaken, the macro backdrop looks more favourable for gold, particularly if its safe-haven status strengthens," Standard Chartered said in a note.

Some analysts said the recent gains in gold could also be attributed to investors unwinding bearish positions after speculators had piled up record short positions.

Holdings of SPDR Gold Trust, the largest gold-backed exchange traded fund, rose for a second straight session on Monday, adding 4.1 tonnes.

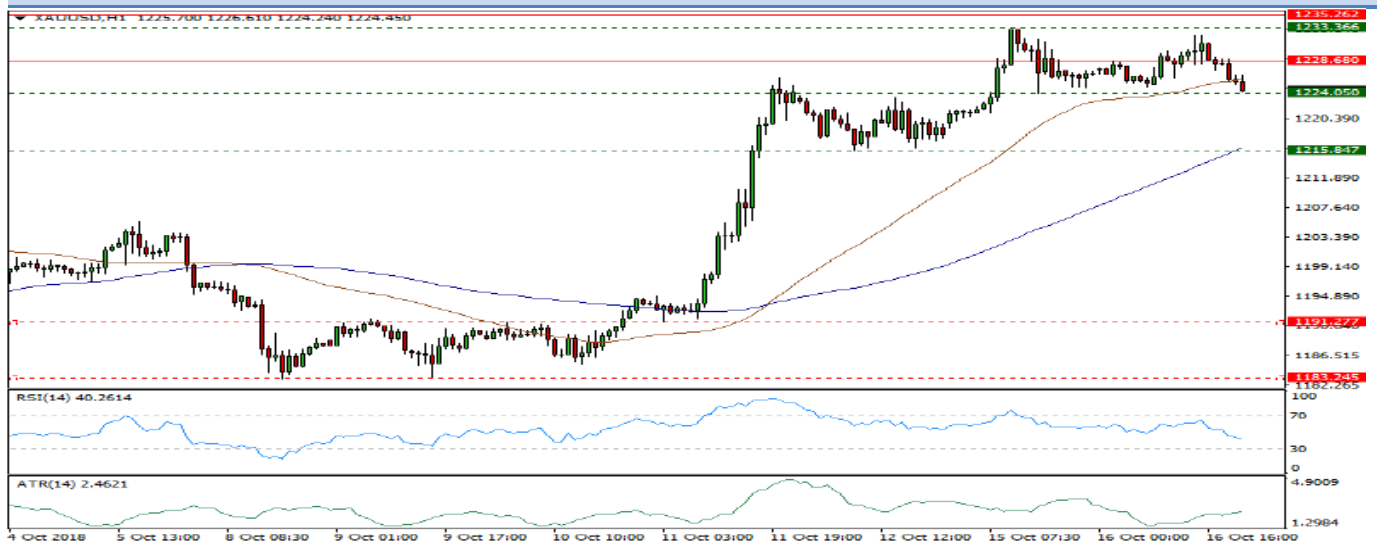
Holdings have gained about 2.5 percent in the past seven days, which, some analysts said, is a shift in perception in sentiment among gold ETF investors. SPDR Gold holdings had shed about 3.9 million ounces from a peak in April.

In other metals, silver was down 0.1 percent at \$14.64 an ounce, having touched its highest since Oct. 2 at \$14.85 earlier in the session.

Platinum gained 0.4 percent to \$842.20 after hitting its highest since July 10 at \$850.10 on Monday, while palladium was down 0.3 percent at \$1,080.50.

(Source Reuters, Research – Elli)

GOLD (XAU/USD)



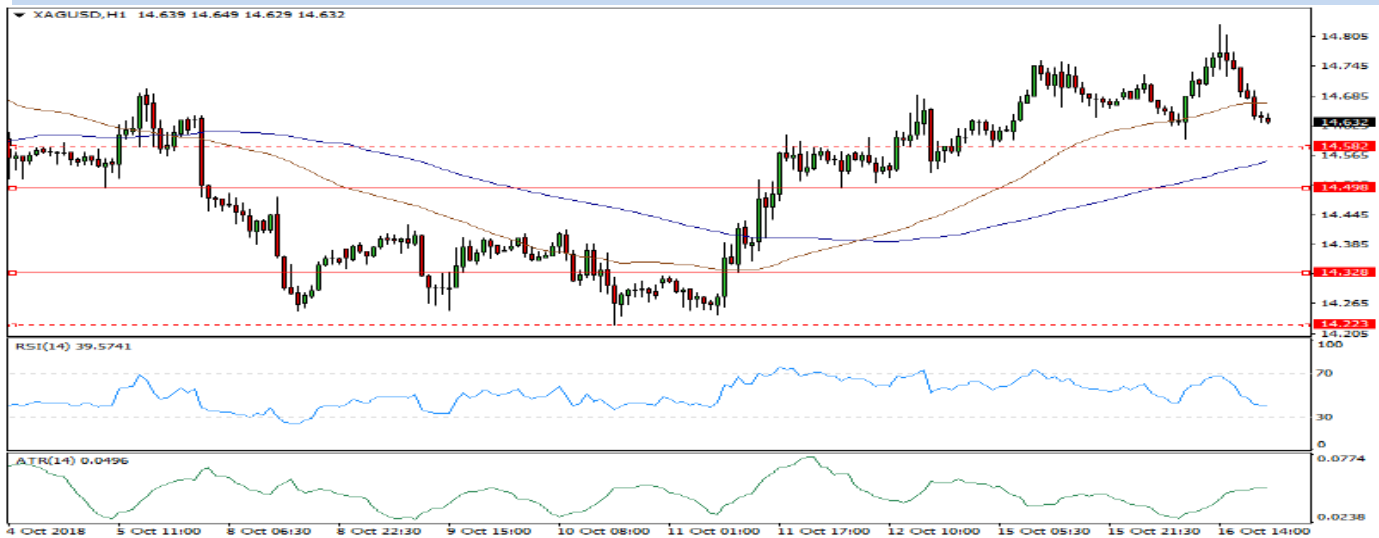
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	1227.370	1232.320	1223.330	8.99	1224.670	↓ 2.49	1227.160
Oct 15	1219.750	1233.160	1218.960	14.20	1227.160	↑ 9.08	1218.080
Oct 12	1223.220	1223.640	1215.740	7.90	1218.080	↓ 6.02	1224.100
Oct 11	1194.470	1226.230	1191.180	35.05	1224.100	↑ 29.51	1194.590
Oct 10	1189.330	1194.650	1185.230	9.42	1194.590	↑ 4.99	1189.600

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1233.160	1218.960	1233.160	1183.150	1212.540	1180.670	1365.910	1160.130
(15/Oct)	(15/Oct)	(15/Oct)	(08/Oct)	(13/Sep)	(28/Sep)	(25/Jan)	(16/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	1256.72	Jul 11,2018-Daily Chart
	1248.36	Jul 12,2018-Daily Chart
	1244.81	Jul 17,2018-Daily Chart
	1233.16	Oct 15- High on Hourly Chart
SUPPORT	1222.89	Oct 15,2018- Low on Hourly Chart
	1215.74	Oct 12,2018
	1191.98	Oct 11,2018
	1183.19	Oct 09,2018
RECOMMENDATION	BUY	1223.00
	SELL	----
	STOP LOSS	1216.00
	TARGET	1232.00 1236.00

SILVER (XAG/USD)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	14.683	14.828	14.598	0.23	14.642	↓ 0.03	14.673
Oct 15	14.616	14.757	14.584	0.17	14.673	↑ 0.07	14.602
Oct 12	14.565	14.686	14.498	0.19	14.602	↑ 0.04	14.567
Oct 11	14.307	14.606	14.242	0.36	14.567	↑ 0.29	14.282
Oct 10	14.370	14.414	14.223	0.19	14.282	↓ 0.08	14.366

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
14.828	14.584	14.894	14.223	14.700	13.923	17.682	13.923
(16/Oct)	(15/Oct)	(02/Oct)	(10/Oct)	(28/Sep)	(11/Sep)	(25/Jan)	(11/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	15.59	Jul 31,2018
	15.09	Aug 14,2018
	14.98	Aug 28,2018
	14.89	Sep 28,2018-High on Hourly Chart
SUPPORT	14.58	Oct 15,2018-Low on Hourly Chart
	14.49	Oct 12,2018
	14.32	Oct 11, 2018
	14.22	Oct 10, 2018
RECOMMENDATION	BUY	14.60
	SELL	----
	STOP LOSS	14.40
	TARGET	14.90
		15.10

OIL

Oil up; Iran, Saudi supply worries offset U.S. supply growth - Reuters News



Oil prices edged up in cautious trade on Tuesday as expectations of higher U.S. shale output and inventories vied with worries that crude supply from the Middle East could be disrupted by looming U.S. sanctions on Iran and growing tensions with top exporter Saudi Arabia.

U.S. Senator Lindsey Graham accused Saudi Crown Prince Mohammed bin Salman of ordering the murder of Saudi journalist Jamal Khashoggi and said the prince was jeopardizing relations with the United States.

U.S. President Donald Trump said the Saudi crown prince intends to expand an investigation into the disappearance of

Khashoggi and that the prince did not know what happened in the Turkish consulate where Khashoggi apparently disappeared.

"The focus within the oil trade during the next couple of weeks is likely to be on Iran and Saudi Arabia," Jim Ritterbusch, president of Ritterbusch and Associates, said in a note.

"We don't expect the Kingdom to be as accommodative to the White House requests for stronger production," he said, adding that the Saudis could cut as much as 500,000 barrels per day of production "as a warning shot should the U.S. opt to impose any type of sanction in response to the Khashoggi developments."

Trump has urged the Organization of the Petroleum Exporting Countries to raise output to help cover a shortfall due to new U.S. sanctions on Iran. The market has been supported by reports that Iranian crude exports may be falling faster than expected ahead the Nov. 4 deadline on sanctions.

Brent crude rose 63 cents, or 0.8 percent, to settle at \$81.41 a barrel, while West Texas Intermediate (WTI) crude ended the session up 14 cents at \$71.92 a barrel.

Last week oil prices slumped as global stock markets fell, but a recovery in financial markets, boosted by earnings growth helped provide support to oil prices on Tuesday, traders said.

U.S. crude price gains, however, were being limited by recent stock builds at Cushing, Oklahoma, the delivery point for WTI, where inventories have risen for three straight weeks, traders said.

Analysts forecast that U.S. crude stockpiles rose last week for the fourth straight week, by about 2.2 million barrels, according to a Reuters poll ahead of weekly inventory reports.

Data from the American Petroleum Institute (API) is due at 4:30 p.m. EDT (2030 GMT) while the U.S. Department of Energy will release official data at 10:30 a.m. EDT (1430 GMT) on Wednesday.

Weak U.S. gasoline margins and growing U.S. shale output could also cap gains in crude prices, market participants said.

"The weakening crude spreads almost globally in the face of Iran sanctions is likely generating some concern on how strong market really is and if it's ready to rally more," said Scott Shelton, energy futures broker with ICAP in Durham, North Carolina.

Front-month Brent crude futures traded at the lowest premium in over a month to futures for delivery one year from now. Meanwhile, front-month U.S. crude futures traded near the smallest premium to the 12th month in about 10 months.

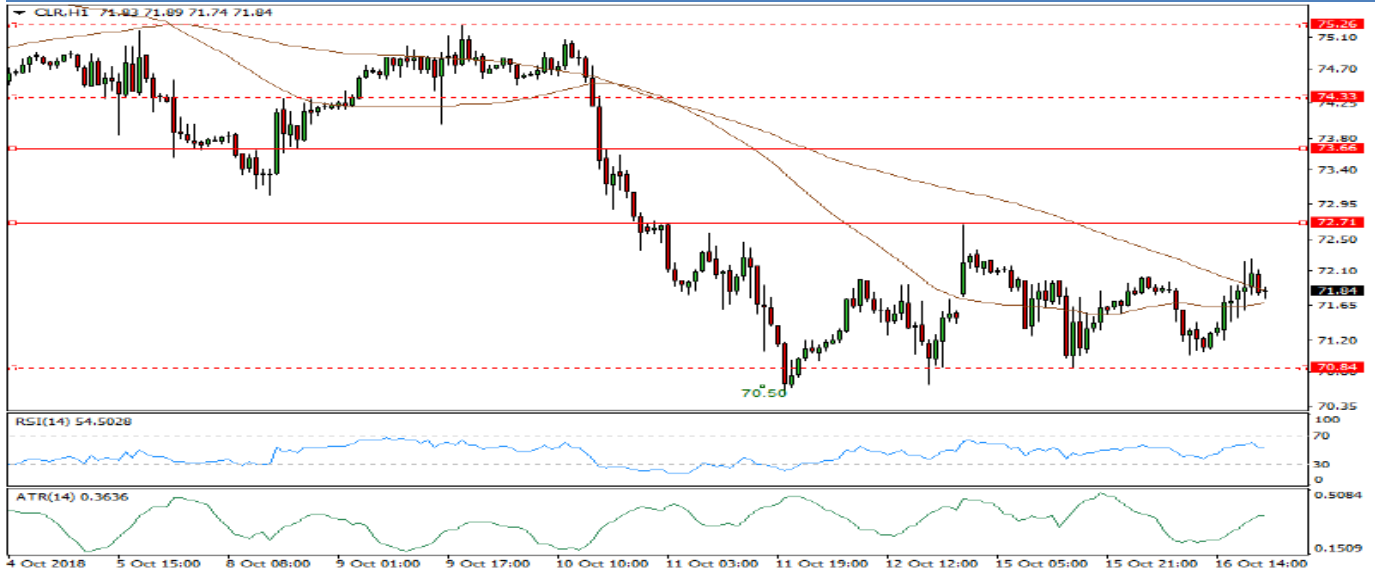
"We think that one of the major factors that is leading to a scaling back of long positions is a reappraisal of short-term fundamentals by investors," Standard Chartered analysts said in a note.

Any supply deficit in the fourth quarter was unlikely to be large enough to do more than support prices, they said.

[\(Source Reuters, Research – Elli\)](#)

CLX8/USD (OIL)

(Exp.: 22 Oct 2018 - Reuters)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 16	71.70	72.26	71.02	1.24	72.14	↑ 0.43	71.71
Oct 15	71.80	72.68	70.84	1.84	71.71	↑ 0.21	71.50
Oct 12	70.98	71.99	70.64	1.35	71.50	↑ 0.53	70.97
Oct 11	72.66	72.74	70.50	2.24	70.97	↓ 1.62	72.59
Oct 10	74.64	75.06	72.37	2.69	72.59	↓ 2.07	74.66
Oct 09	74.19	75.25	73.99	1.26	74.66	↑ 0.46	74.20

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
72.68 (15/Oct)	70.84 (15/Oct)	76.88 (03/Oct)	70.50 (11/Oct)	73.71 (28/Sep)	66.85 (07/Sep)	76.88 (03/Oct)	58.06 (09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	76.88	Oct 03,2018
	75.25	Oct 09,2018
	73.67	Oct 10,2018
	72.70	Oct 11,2018-High on Hourly Chart
SUPPORT	70.84	Oct 15,2018-Low on Hourly Chart
	70.50	Oct 11,2018
	69.98	Sep 21,2018
	69.33	Sep 18,2018
RECOMMENDATION	BUY	70.65
	SELL	----
	STOP LOSS	69.65
	TARGET	72.15 72.65

Daily Outlook



- Forex
- Commodities
- Asian Stock Index