

# DAILY MARKET REPORT

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

## **GLOBAL MARKETS**

- World stocks lost some of the shine provided by Boeing's strong results as the dollar fluttered on Wednesday after the Federal Reserve indicated more interest rate hikes were in store, putting on edge a nervous market.

## **GLOBAL ECONOMIES**

- Australian consumer prices remained subdued last quarter as core inflation ended a second whole year below the central bank's target, leading investors to widen the odds on a hike in interest rates anytime soon.
- Growth in China's manufacturing sector slowed more than expected in January to an 8-month low in the face of a cooling property market and tighter pollution rules that have curtailed factory output.
- The Bank of Japan ramped up efforts to dispel market speculation of an early withdrawal of its massive stimulus, boosting its bond buying plan on Wednesday and reassuring markets that monetary policy will remain ultra-loose given meagre inflation.
- The European Central Bank will not be too hasty in ending its 2.55 trillion euro (\$3.17 trillion) bond purchase programme as inflation is still not moving decisively towards its target, executive board member Benoit Coeure said on Wednesday.
- Greece expects to make a clean break with official lenders when its international bailout expires in August and has no reason to seek a precautionary credit line, its finance minister has told Reuters.
- British consumers and businesses started 2018 in an improved mood, according to surveys that offered some optimism about what many analysts think will be a tough year for the economy as it heads for Brexit.
- The U.S. Federal Reserve kept interest rates unchanged on Wednesday but said it anticipated inflation would rise this year, in a sign it is still on track to raise borrowing costs in March under incoming central bank chief Jerome Powell.

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**GLOBAL MARKETS & ECONOMIES****GLOBAL MARKETS**

**U.S. & Global Markets** – World stocks lost some of the shine provided by Boeing's strong results as the dollar fluttered on Wednesday after the Federal Reserve indicated more interest rate hikes were in store, putting on edge a nervous market.

Reaction to a statement from Fed policy-makers was mostly muted, but stocks seasawed after the yield on the 10-year U.S. Treasury note - the benchmark for world lending - briefly shot up to 2.75 percent, a level last seen in April 2014.

The Fed said it anticipated inflation would rise this year, signaling it remained on track to raise borrowing costs again in March under incoming central bank chief Jerome Powell.

Most observers shrugged off the statement as expected, but some see the possibility the Fed raises interest rates four times this year, or one more than the market anticipates.

"The Fed's acknowledgment of the quickening pace of inflation today put three hikes in 2018 into the 'base-case' and perhaps raises the prospects for a fourth," said Mike Terwilliger, portfolio manager of Resource Liquid Alternatives for the Resource Credit Income Fund in New York.

The 10-year note later pared losses to rise 2/32 in price and drop yields to 2.7181 percent. While historically very low, it's above the 2.70 percent mark some investors had set as a tipping point for the long-complacent equities market.

MSCI's gauge of equity markets in 47 countries edged lower to settle at 541.18, but then rose in after-hours trade. The pan-European FTSEurofirst 300 index of leading regional shares lost 0.25 percent as a bevy of healthcare stocks fell sharply.

Stocks on Wall Street closed higher.

The Dow Jones Industrial Average rose 72.5 points, or 0.28 percent, to 26,149.39. The S&P 500 gained 1.38 points, or 0.05 percent, to 2,823.81 and the Nasdaq Composite added 9.00 points, or 0.12 percent, to 7,411.48.

"It's just more of a technical bounce-back but they'll be more pressure down in the days ahead. I don't think this is over by any stretch," said Ken Polcari, director of the NYSE floor division at O'Neil Securities in New York.

Boeing Co, the world's biggest planemaker, provided the most upside to both the benchmark S&P 500 stock index and MSCI's all-country world index.

Boeing forecast core profit would rise to \$13.80 to \$14.00 a share this year, well ahead of analysts' average estimate of \$11.96, Thomson Reuters data showed.

Investors had been relieved when Boeing beat expectations for both earnings and revenue, said Michael Arone, chief investment strategist at State Street Global Advisors in Boston.

The dollar initially rose against a basket of six currencies after the Fed statement, but later gave back those gains.

The dollar index fell 0.03 percent, with the euro up 0.09 percent to \$1.2411. The Japanese yen eased 0.40 percent versus the greenback at 109.22 per dollar. [\(Source Reuters – @her1en\)](#)

**GLOBAL ECONOMIES**

**Australia** – Australian consumer prices remained subdued last quarter as core inflation ended a second whole year below the central bank's target, leading investors to widen the odds on a hike in interest rates anytime soon.

The local dollar fell a quarter of a U.S. cent as the headline consumer price index (CPI) rose 0.6 percent in the December quarter, missing forecasts for a 0.7 percent rise.

Annual CPI inflation ran at 1.9 percent, again under estimates. Key measures of underlying inflation favoured by the Reserve Bank of Australia (RBA) averaged around 1.9 percent for the year, dead on expectations.

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

A major headwind has been wages growth, which slowed to historic lows even as employment boomed, a phenomenon shared with much of the developed world.

"Global competition, increased automation, decreased unionisation, reduced collective bargaining and the increased casualisation of the workforce have largely contained pay increases," said Ryan Felsman, a senior economist at CommSec.

"There is increasing uncertainty about the size and timing of how wage pressures might eventually pass through to prices."

As a result, the central bank has kept interest rates at an all-time low of 1.5 percent since mid-2016, and appears in no hurry to raise them.

Investors assumed the benign inflation result would only add to the patience of policy makers and pushed out the likely timing of a first hike.

Interest rate futures imply around a 50-50 chance of a move by August. A hike to 1.75 percent is now not fully priced in until December, compared to November before the data.

**China** – Growth in China's manufacturing sector slowed more than expected in January to an 8-month low in the face of a cooling property market and tighter pollution rules that have curtailed factory output.

The data, which gives global investors their first look at business conditions in China at the start of 2018, reinforced the view that the economy is beginning to gradually lose steam after growing by a better-than-expected 6.9 percent last year.

The official Purchasing Managers' Index (PMI) released on Wednesday edged lower to 51.3 in January, compared with 51.6 in December. But it remained comfortably above the 50-point mark that separates growth from contraction on a monthly basis.

Analysts surveyed by Reuters had forecast the headline number would ease slightly to 51.5.

Indexes for output, total new orders and imports all showed more moderate expansion in January compared with last month, while export orders fell marginally. The new export order index dropped to 49.5, 2.4 percentage point lower than December's reading.

However, the overall factory reading still appeared relatively solid, marking the 19th straight month of expansion and reinforcing expectations that any slowdown in the economy would be gradual. Economists polled by Reuters are pencilling in growth of 6.5 percent this year.

A separate PMI on the steel sector rose to 50.9 in January from 50.2 in December.

In another sign of broader economic resilience, a sister survey showed activity in China's service sector accelerated to a four-month high in January. The official non-manufacturing Purchasing Managers' Index (PMI) rose to 55.3 from 55 in December.

The services sector accounts for over half of China's economy, with rising wages giving Chinese consumers more spending power.

A buoyant services industry is welcome news for the policymakers who are counting on growth in services and consumption to rebalance their economic growth model from its heavy reliance on investment and exports.

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**Japan** – The Bank of Japan ramped up efforts to dispel market speculation of an early withdrawal of its massive stimulus, boosting its bond buying plan on Wednesday and reassuring markets that monetary policy will remain ultra-loose given meagre inflation.

BOJ Governor Haruhiko Kuroda and his deputy Kikuo Iwata on Wednesday stressed the bank will maintain "powerful" easing with inflation far from its 2 percent target.

Iwata blamed market misunderstanding of BOJ policy for driving up the yen more than he expected, saying investors were wrong to assume the central bank will soon raise rates.

"If economic conditions change, it's important for the BOJ to be ready to adjust its yield targets looking at economic, price and financial developments," Iwata told a briefing in Oita, southern Japan.

"But we're not in a situation to change our yield target levels now and I don't expect any changes for the time being."

A summary of BOJ policymakers' opinions, released on Wednesday, quoted one of them as saying at January's rate review that a rise in market expectations for an imminent departure from monetary easing would be "undesirable".

The cautious views of the inflation outlook came despite signs of economic strength, with data out on Wednesday showing factory output grew in December at the fastest pace in eight months on robust global demand for Japanese goods.

Subdued inflation and the strengthening economy pose a dilemma for the BOJ, which is forced to maintain its radical stimulus programme despite side-effects such as the drag on bank profits from ultra-low borrowing rates.

Signalling its resolve to keep rising global bond yields from pushing up Japanese yields, the BOJ on Wednesday increased the amount of Japanese government bonds (JGB) with three to five years to maturity it will buy in regular market operations.

The BOJ's announcement pushed the dollar up to an intraday high of 109.095 yen, though it later pulled back below 109 yen. The 10-year JGB futures price ticked up to 150.26 from around 150.20 following the announcement.

**Euro Zone** – The European Central Bank will not be too hasty in ending its 2.55 trillion euro (\$3.17 trillion) bond purchase programme as inflation is still not moving decisively towards its target, executive board member Benoit Coeure said on Wednesday.

With the euro zone economy booming and employment at record highs, pressure has been building on the bank to curb stimulus as the 19-member currency bloc is close to exhausting its spare capacity.

"Of course (quantitative easing) will not last forever but there is also a very wide agreement in the Governing Council ... that we have to be patient and prudent because we are not yet where we want to be in terms of inflation," Coeure said in question and answer session after a speech in Dublin.

"We are not going to be too hasty," he added.

The ECB targets inflation at just below 2 percent and its projections suggest it will undershoot this objective at least through 2020, underpinning its caution.

While the bank has signalled that a discussion could soon start about tweaking its policy guidance, Coeure said policymakers were not yet there.

"We are having a discussion on having a discussion; its meta monetary policy," he said. "There has been much hype around disagreements in the Governing Council (but) any nuances in the Governing Council are as to when next to communicate."

Still Coeure acknowledged that the euro zone expansion is robust, providing support for the ECB's optimism that inflation will rise back to its target in the medium term.

While some have argued that extended stimulus could eventually push inflation too high, Coeure said that bond market pricing suggests that investors are "deeply sceptical" that inflation can surprise much on the upside in the future.

**Greece** – Greece expects to make a clean break with official lenders when its international bailout expires in August and has no reason to seek a precautionary credit line, its finance minister has told Reuters.

Instead, Euclid Tsakalotos said in an interview, the country is building up its own protective buffer that, along with unused European bailout funds, will cover Greece "for well over a year", if needed.

In coming months, he said, the country would be preparing its own post-bailout plan with an emphasis on reforms, social policies and growth.

He also said discussions would soon commence with euro zone lenders on debt relief along the lines of a French proposal to link the level of debt restructuring to economic performance.

"We feel we have built credibility over the last three years," Tsakalotos said.

Greece is close to emerging from a sovereign debt crisis that plunged the economy into its biggest depression in decades, threatening to rupture the euro zone. It has received a record 260 billion euros in repeated bailouts since 2010.

The leftist-led government of Alexis Tsipras has vowed to end the humiliation of austerity imposed on Greece by its international lenders, but the nation still has a debt burden of 178 percent of economic output and some European policymakers believe Athens cannot go it alone without debt relief and a standby line of credit.

A precautionary credit line, though, would come with yet more conditions attached, so Athens is proposing its own plan. It is also creating a safety net of up to 19 billion euros drawn from leftover, unused bailout funds and from bond issues.

Post-programme surveillance schemes were common to other European member states which sought financial aid, Tsakalotos said. But Greece's own post-bailout plan would be more pro-active.

It would, he said, show lenders and the markets that Greece had ownership over its own programme of future reforms and growth strategies, rather than Brussels.

"We are thinking, by Easter, of preparing our own plan .. to show both the institutions but also the markets that it is our programme, it has ownership... it hasn't been imposed, it's not a matter of compromise," he said.

**U.K** – British consumers and businesses started 2018 in an improved mood, according to surveys that offered some optimism about what many analysts think will be a tough year for the economy as it heads for Brexit.

The headline gauge of consumer confidence, compiled by market research firm GfK for the European Commission, rose to a four-month high of -9. That was up from December's four-year low of -13 that analysts had expected to see repeated.

Separately, Lloyds Bank's business confidence barometer rose to 35 percent from 28 percent in December, a nine-month high.

Overall the surveys suggested that a pick-up in economic growth at the end of 2017 might have carried through into the start of this year, ahead of Britain's scheduled exit from the European Union in March 2019.

But despite improving on the month, the GfK consumer confidence index stood at its weakest level for any January since 2013.

"This off-trend number could be a temporary blip rather than a strong sign of recovery," said Joe Staton, head of market dynamics at GfK.

The Lloyds survey of 1,200 companies questioned over the first half of January showed the proportion of businesses that were positive about

Brexit grew to 31 percent from 16 percent. Hiring intentions also improved.

"Although business prospects have softened from last month's high, overall business confidence has started the year on a strong footing," said Hann-Ju Ho, economist at Lloyds.

British Prime Minister Theresa May secured a preliminary agreement with the EU in December that reduced the risk of a no-deal Brexit.

But another survey from the Recruitment and Employment Confederation that surveyed 600 companies involved in hiring between November and December showed employer confidence was at its weakest level since the June 2016 Brexit vote.

Separately, the British Retail Consortium said shop prices fell 0.5 percent in the year to January, a slightly shallower decline than the 0.6 percent drop in December.

**U.S** – The U.S. Federal Reserve kept interest rates unchanged on Wednesday but said it anticipated inflation would rise this year, in a sign it is still on track to raise borrowing costs in March under incoming central bank chief Jerome Powell.

Citing solid gains in employment, household spending and capital investment, the Fed said it expected the economy to expand at a moderate pace and the labor market to remain strong in 2018.

"Inflation on a 12-month basis is expected to move up this year and to stabilize" around the Fed's 2 percent target over the medium term, the central bank said in a statement following a two-day policy meeting, the last under Fed Chair Janet Yellen.

The Fed also said its rate-setting committee had unanimously selected Powell to succeed Yellen, effective Feb. 3. Powell, a Fed governor who has worked closely with Yellen in recent years, was nominated by President Donald Trump and confirmed by the U.S. Senate.

Powell is not expected to dramatically change the policies embraced by Yellen, who spearheaded the move away from the near-zero interest rates adopted to nurse the economy back to health and spur job growth after the 2007-2009 recession.

Fed policymakers have been encouraged in recent months as the U.S. economy picked up speed and the unemployment rate fell to a 17-year low of 4.1 percent. The Fed repeated on Wednesday it expected "further gradual" rate increases will be warranted.

"The Fed left open the door for a March increase, but that's built in already," said Bruce Bittles, chief investment strategist at Robert W. Baird & Co in Sarasota, Florida.

U.S. stocks slightly extended gains immediately after the release of the Fed statement. Short-term interest rate futures showed traders were continuing to bet the Fed would raise rates three times in 2018, starting at its next meeting in March.

#### UPGRADED INFLATION VIEW

The Fed raised rates three times last year and currently projects three more increases this year even as it continues to trim its balance sheet on a largely pre-set schedule.

That gradual path of rate increases will hinge on a continued pickup in inflation, which has lingered below the Fed's target despite a strong job market.

In its statement, the Fed noted that market-based measures of inflation have increased in recent months despite remaining low.

The statement did not address the likely impact of the Trump administration's tax overhaul on economic growth.

Several Fed policymakers recently have said they expect the changes, which include an estimated \$1.5 trillion in corporate and individual tax cuts, to provide an economic lift by boosting business and household spending.

The U.S. economy grew 2.3 percent in 2017.

U.S. stocks have soared to record highs in recent weeks as investors calculated that corporate profits would rise after the passage of Trump's tax legislation.

There were no dissents in the Fed's decision on Wednesday.

*(Source Reuters, Research – @her1en)*

**WEEKLY ECONOMIC CALENDAR**

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
<b>Mon/29-Jan-18</b>	20:30	US	PCE Core MoM	Dec	0.2%	0.2%	0.1%	
	20:30	US	PCE Core YoY	Dec	1.5%	1.5%	1.5%	
	20:30	US	PCE Deflator MoM	Dec	0.1%	0.1%	0.2%	
	20:30	US	PCE Deflator YoY	Dec	1.7%	1.7%	1.8%	
	20:30	US	Personal Income	Dec	0.4%	0.3%	0.3%	
	20:30	US	Personal Spending	Dec	0.4%	0.4%	0.6%	0.8%
	20:30	US	Real Personal Spending	Dec	0.3%	0.4%	0.4%	0.5%
	22:30	US	Dallas Fed Manufacturing Activity	Jan	33.4	25.4	29.7	
<b>Tue/30-Jan-18</b>	04:00	KR	Business Survey Manufacturing	Feb	77	80.6	81	
	04:00	KR	Business Survey Non-Manufacturing	Feb	-	--	78	
	04:45	NZ	Exports NZD	Dec	5.55b	5.00b	4.63b	4.61b
	04:45	NZ	Imports NZD	Dec	4.91b	5.10b	5.82b	5.84b
	04:45	NZ	Trade Balance 12 Month YTD NZD	Dec	-2837m	-3420m	-3439m	-3478m
	04:45	NZ	Trade Balance NZD	Dec	640m	-125m	-1193m	-1233m
	06:30	JP	Jobless Rate	Dec	2.8%	2.7%	2.7%	
	06:30	JP	Job-To-Applicant Ratio	Dec	1.59	1.57	1.56	
	06:30	JP	Overall Household Spending YoY	Dec	-0.1%	1.3%	1.7%	
	06:50	JP	Retail Sales MoM	Dec	0.9%	-0.4%	1.9%	1.8%
	06:50	JP	Retail Trade YoY	Dec	3.6%	2.2%	2.2%	2.1%
	07:30	AU	NAB Business Conditions	Dec	13	--	12	13
	07:30	AU	NAB Business Confidence	Dec	11	--	6	7
	14:00	CH	Exports Real MoM	Dec	2.8%	--	0.8%	0.4%
	14:00	CH	Imports Real MoM	Dec	0.6%	--	2.3%	3.7%
	15:00	CH	KOF Leading Indicator	Jan	106.9	110.8	111.3	111.4
	17:00	EZ	Business Climate Indicator	Jan	1.54	1.68	1.66	1.60
	17:00	EZ	Consumer Confidence	Jan F	1.3	1.3	1.3	
	17:00	EZ	Economic Confidence	Jan	114.7	116.2	116	115.3
	17:00	EZ	GDP SA QoQ	4Q A	0.6%	0.6%	0.6%	0.7%
	17:00	EZ	GDP SA YoY	4Q A	2.7%	2.7%	2.6%	2.8%
	17:00	EZ	Industrial Confidence	Jan	8.8	8.9	9.1	8.8
	17:00	EZ	Services Confidence	Jan	16.7	18.5	18.4	18.0
30-Jan - 31-Jan	N/A	US	President Trump's first State of the Union address					
20:00	DE		CPI EU Harmonized MoM	Jan P	1.4%	1.7%	1.6%	1.6%
20:00	DE		CPI EU Harmonized YoY	Jan P	-0.7%	-0.6%	0.6%	
20:00	DE		CPI MoM	Jan P	-0.7%	-0.6%	0.6%	
20:00	DE		CPI YoY	Jan P	1.6%	1.7%	1.7%	
21:00	US		S&P CoreLogic CS 20-City MoM SA	Nov	0.75%	0.6%	0.7%	
21:00	US		S&P CoreLogic CS 20-City NSA Index	Nov	204.21	--	203.84	203.71
21:00	US		S&P CoreLogic CS 20-City YoY NSA	Nov	6.41%	6.3%	6.38%	6.32%
21:00	US		S&P CoreLogic CS US HPI NSA Index	Nov	195.94	--	195.63	195.48
21:00	US		S&P CoreLogic CS US HPI YoY NSA	Nov	6.21%	--	6.17%	6.10%
22:00	US		Conf. Board Consumer Confidence	Jan	125.4	123.0	122.1	123.1
22:00	US		Conf. Board Expectations	Jan	105.5	--	99.1	
22:00	US		Conf. Board Present Situation	Jan	155.3	--	156.6	156.6
22:30	GB		Bank of England Governor Carney Speaks Before Lawmakers					
23:30	EZ		ECB's Mersch speaks in Frankfurt					
<b>Wed/31-Jan-18</b>	06:00	KR	Cyclical Leading Index Change	Dec	-	--	-0.1	
	06:00	KR	Industrial Production SA MoM	Dec	-0.5%	-0.1%	0.2%	
	06:00	KR	Industrial Production YoY	Dec	-6%	-1.7%	-1.6%	
	06:50	JP	BOJ Summary of Opinions					
	06:50	JP	Industrial Production MoM	Dec P	2.7%	1.5%	0.5%	
	06:50	JP	Industrial Production YoY	Dec P	4.2%	3.3%	3.6%	
07:01	GB		GfK Consumer Confidence	Jan	-9	-13	-13	

	07:30	AU	CPI QoQ	4Q	0.6%	0.7%	0.6%	
	07:30	AU	CPI Trimmed Mean QoQ	4Q	0.4%	0.5%	0.4%	
	07:30	AU	CPI Trimmed Mean YoY	4Q	1.8%	1.8%	1.8%	
	07:30	AU	CPI Weighted Median QoQ	4Q	0.4%	0.4%	0.3%	0.4%
	07:30	AU	CPI Weighted Median YoY	4Q	2.0%	1.9%	1.9%	
	07:30	AU	CPI YoY	4Q	1.9%	2.0%	1.8%	
	08:00	CN	Manufacturing PMI	Jan	51.3	51.6	51.6	
	08:00	CN	Non-manufacturing PMI	Jan	55.3	54.9	55	
	08:30	JP	BOJ Iwata makes a speech in Oita					
	12:00	JP	Construction Orders YoY	Dec	-8.1%	--	20.5%	
	12:00	JP	Consumer Confidence Index	Jan	44.7	44.9	44.7	
	12:00	JP	Housing Starts YoY	Dec	-2.1%	1.0%	-0.4%	
	14:00	DE	Retail Sales MoM	Dec	-1.9%	0.4%	2.3%	1.8%
	14:00	DE	Retail Sales YoY	Dec	-1.9%	2.8%	4.4%	4.3%
	15:55	DE	Unemployment Change (000's)	Jan	-25k	-17k	-29k	-30k
	15:55	DE	Unemployment Claims Rate SA	Jan	5.4%	5.4%	5.5%	
	16:00	CH	Credit Suisse Survey Expectations	Jan	34.5	--	52	
	17:00	EZ	CPI Core YoY	Jan A	1.0%	1.0%	0.9%	
	17:00	EZ	CPI Estimate YoY	Jan	1.3%	1.2%	1.4%	
	17:00	EZ	Unemployment Rate	Dec	8.7%	8.7%	8.7%	
	20:15	US	ADP Employment Change	Jan	234k	185k	250k	242k
	20:30	US	Employment Cost Index	4Q	0.6%	0.6%	0.7%	
	20:30	CA	GDP MoM	Nov	0.4%	0.4%	0.0%	
	20:30	CA	GDP YoY	Nov	3.5%	3.4%	3.4%	
	20:30	CA	Industrial Product Price MoM	Dec	-0.1%	-0.2%	1.4%	
	21:45	US	Chicago Purchasing Manager	Jan	65.7	64	67.6	67.8
	22:00	US	Pending Home Sales MoM	Dec	0.5%	0.5%	0.2%	0.3%
	22:00	US	Pending Home Sales NSA YoY	Dec	-1.8%	1.7%	0.6%	
	22:30	US	DOE Cushing OK Crude Inventory	Jan-26	-2224k	--	-3150k	
	22:30	US	DOE U.S. Crude Oil Inventories	Jan-26	6776k	900k	-1071k	
	22:30	US	DOE U.S. Distillate Inventory	Jan-26	-1940k	-700k	639k	
	22:30	US	DOE U.S. Gasoline Inventories	Jan-26	-1980k	2000k	3098k	
<b>Thu/01-Feb-18</b>	02:00	US	FOMC Rate Decision (Lower Bound)	Jan-31	1.25%	1.25%	1.25%	
	02:00	US	FOMC Rate Decision (Upper Bound)	Jan-31	1.50%	1.5%	1.5%	
	05:00	AU	CBA Australia PMI Mfg	Jan	55.4	--	57.1	
	05:30	AU	AiG Performance of Mfg Index	Jan	58.7	--	56.2	
	06:00	AU	CoreLogic House Px MoM	Jan		--	-0.4%	
	06:00	KR	CPI Core YoY	Jan		--	1.5%	
	06:00	KR	CPI MoM	Jan		--	0.3%	
	06:00	KR	CPI YoY	Jan		--	1.5%	
	07:00	KR	Exports YoY	Jan		--	8.9%	
	07:00	KR	Imports YoY	Jan		--	13.0%	
	07:00	KR	Trade Balance	Jan		--	\$5783m	
01-Feb - 07-Feb	N/A	JP	Official Reserve Assets	Jan		--	\$1264.3b	
	07:30	AU	Building Approvals MoM	Dec		-7.6%	11.7%	
	07:30	AU	Building Approvals YoY	Dec		11.5%	17.1%	
	07:30	JP	Nikkei Japan PMI Mfg	Jan F		--	54.4	
	07:30	KR	Nikkei South Korea PMI Mfg	Jan		--	49.9	
	08:45	CN	Caixin China PMI Mfg	Jan		51.5	51.5	
	13:45	CH	SECO Consumer Confidence	Jan		--	-2	
	15:15	CH	Retail Sales Real YoY	Dec		--	-0.2%	
	15:30	CH	PMI Manufacturing	Jan		--	65.2	
	15:55	DE	Markit/BME Germany Manufacturing PMI	Jan F		63.3	61.2	
	16:00	EZ	Markit Eurozone Manufacturing PMI	Jan F		--	59.6	
	16:30	GB	Markit UK PMI Manufacturing SA	Jan		--	56.3	
	19:00	CA	MLI Leading Indicator MoM	Dec		--	0.5%	
	20:30	US	Continuing Claims	Jan-20		--	--	
	20:30	US	Initial Jobless Claims	Jan-27		--	--	
	20:30	US	Nonfarm Productivity	4Q P		1.2%	3.0%	
	20:30	US	Unit Labor Costs	4Q P		1.0%	-0.2%	
	21:30	CA	Markit Canada Manufacturing PMI	Jan		--	54.7	
	21:45	US	Markit US Manufacturing PMI	Jan F		--	55.5	

	22:00	US	Construction Spending MoM	Dec		0.4%	0.8%	
	22:00	US	ISM Employment	Jan		--	57	
	22:00	US	ISM Manufacturing	Jan		58.9	59.7	
	22:00	US	ISM New Orders	Jan		--	69.4	
	22:00	US	ISM Prices Paid	Jan		--	69	
<b>Fri/02-Feb-18</b>	04:00	NZ	ANZ Consumer Confidence Index	Jan		--	121.8	
	04:00	NZ	ANZ Consumer Confidence MoM	Jan		--	-1.5%	
	04:45	NZ	Building Permits MoM	Dec		--	10.8%	
	06:50	JP	Monetary Base End of period	Jan		--	¥480.0t	
	06:50	JP	Monetary Base YoY	Jan		--	11.2%	
	07:30	AU	PPI QoQ	4Q		--	0.2%	
	07:30	AU	PPI YoY	4Q		--	1.6%	
	16:30	GB	Markit/CIPS UK Construction PMI	Jan		--	52.2	
	17:00	EZ	PPI MoM	Dec		--	0.6%	
	17:00	EZ	PPI YoY	Dec		--	2.8%	
	20:30	US	Average Hourly Earnings MoM	Jan		0.3%	0.3%	
	20:30	US	Average Hourly Earnings YoY	Jan		--	2.5%	
	20:30	US	Average Weekly Hours All Employees	Jan		34.5	34.5	
	20:30	US	Change in Manufacturing Payrolls	Jan		21k	25k	
	20:30	US	Change in Nonfarm Payrolls	Jan		180k	148k	
	20:30	US	Change in Private Payrolls	Jan		178k	146k	
	20:30	US	Labor Force Participation Rate	Jan		--	62.7%	
	20:30	US	Two-Month Payroll Net Revision	Jan		--	-9k	
	20:30	US	Underemployment Rate	Jan		--	8.1%	
	20:30	US	Unemployment Rate	Jan		4.1%	4.1%	
	22:00	US	Cap Goods Orders Nondef Ex Air	Dec F		--	--	
	22:00	US	Cap Goods Ship Nondef Ex Air	Dec F		--	--	
	22:00	US	Durable Goods Orders	Dec F		--	--	
	22:00	US	Durables Ex Transportation	Dec F		--	--	
	22:00	US	Factory Orders	Dec		0.6%	1.3%	
	22:00	US	Factory Orders Ex Trans	Dec		--	0.8%	
	22:00	US	U. of Mich. 1 Yr Inflation	Jan F		--	2.8%	
	22:00	US	U. of Mich. 5-10 Yr Inflation	Jan F		--	2.5%	
	22:00	US	U. of Mich. Current Conditions	Jan F		--	109.2	
	22:00	US	U. of Mich. Expectations	Jan F		--	84.8	
	22:00	US	U. of Mich. Sentiment	Jan F		95	94.4	
<b>Sat/03-Feb-18</b>	01:00	US	Baker Hughes U.S. Rig Count	Feb-02		--	--	
	03:30	US	Fed's Williams Speaks in San Francisco					

Source: Bloomberg-Reuters-ForexFactory-DailyFX-TradingEconomics-FXStreet, Research: @LukmanLoeng,@her1en,rizal

## ASIAN STOCK INDEX

**Japan's Nikkei** share average fell for a sixth straight day on Wednesday in choppy trade, with most sectors in negative territory, while large-cap stock Advantest soared after raising its profit forecast.

The Nikkei ended 0.8 percent lower to 23,098.29, falling for six straight days, after flirting with positive territory earlier.

Although the Nikkei is still up 1.5 percent this year, it has fallen 4.5 percent from the 26-year peak of 24,129.34 hit a week ago.

The broader Topix declined 1.2 percent to 1,836.71. Turnover was 3.6 trillion yen, the highest since early December.

Thirty-one of the Topix's 33 subsectors were in negative territory, with mining companies and steelmakers among Wednesday's big losers. Inpex Corp dropped 2.4 percent and Nippon Steel & Sumitomo Metal shed 2.1 percent.

Bucking the weakness, Advantest Corp jumped 5.7 percent after it raised its net profit outlook to 15 billion yen (\$137.96 mln) from 14.5 billion yen for the fiscal year ending March 2018.

**South Korea's KOSPI** South Korea's KOSPI stock index ended little changed on Wednesday. The Korean won rose while/bond yields fell.

At 0633 GMT, the KOSPI was down 1.28 points or 0.05 percent at 2,566.46. The index was up in early trade but reversed as market heavyweight Samsung Electronics gave up earlier gains sparked by its announcement of a stock split.

The won was quoted at 1,067.9 per dollar on the onshore settlement platform, 0.53 percent firmer than its previous close at 1,073.6.

In offshore trading, the won was quoted at 1,067.17 per U.S. dollar, up 0.51 percent from the previous day, while in one-year non-deliverable forwards it was being transacted at 1,057.95 per dollar.

The KOSPI is up around 4.1 percent so far this year, and up by 3.98 percent in the previous 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 396,901,000 shares, and of the total traded issues of 886, the number of advancing shares was 333.

Foreigners were net sellers of 665,057 million won worth of shares.

The U.S. dollar has risen 0.08 percent against the won this year. The won's high for the year is 1,056.67 per dollar on January 14 2018 and low is 1,077.2 on January 23 2018.

In money and debt markets, March futures on three-year treasury bonds rose 0.09 points to 107.43.

The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.65 percent, unchanged from its previous close, while the benchmark 3-year Korean treasury bond yielded 2.274 percent, lower than the previous day's 2.30 percent.

**Hong Kong stocks** reversed earlier losses to end higher on Wednesday, posting its best month in nearly three years, helped by gains for financial and services firms.

At close of trade, the Hang Seng index was up 279.98 points or 0.86 percent at 32,887.27. The Hang Seng China Enterprises index rose 1.29 percent to 13,561.65.

For the month, HSI was up 9.9 percent, marking the fourth straight month of gains and its best since April 2015.

The sub-index of the Hang Seng tracking energy shares dipped 0.9 percent while the IT sector rose 0.48 percent, the financial sector was 1.32 percent higher and property sector rose 0.09 percent.

The top gainer on Hang Seng was WH Group Ltd up 4.41 percent, while the biggest loser was China Resources Power Holdings Co Ltd which was down 1.77 percent.

**China's main Shanghai Composite index** closed down 0.19 percent at 3,481.5094 points while its blue-chip CSI300 index ended up 0.48 percent.

The yuan was quoted at 6.2952 per U.S. dollar at 08:12 GMT, 0.47 percent firmer than the previous close of 6.325.

As of the previous trading session, the Hang Seng index was up 8.98 percent this year, while China's H-share index was up 14.3 percent. As of the previous close, the Hang Seng has risen 8.98 percent this month.

The top gainers among H-shares were New China Life Insurance Co Ltd up 3.04 percent, followed by China Life Insurance Co Ltd gaining 2.92 percent and Ping An Insurance Group Co of China Ltd gaining 2.83 percent.

The three biggest H-shares percentage decliners were Huaneng Power International Inc which was down 1.93 percent, Great Wall Motor Co Ltd which fell 1.7 percent and China Petroleum & Chemical Corp down by 1.5 percent.

About 3.42 billion Hang Seng index shares were traded, roughly 141.2 percent of the market's 30-day moving average of 2.42 billion shares a day. The volume traded in the previous trading session was 3.28 billion.

At close, China's A-shares were trading at a premium of 28.17 percent over the Hong Kong-listed H-shares.

The price-to-earnings ratio of the Hang Seng index was 14.87 as of the last full trading day while the dividend yield was 2.7 percent.

So far this week, the market capitalisation of the Hang Seng index has fallen by -1.66 percent to HK\$21.46 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 0.86 percent on the day at 4,482.64 points.

[\(SourceReuters,Research:@her1en\)](#)



## ASIA AND GLOBAL MARKET SPOT PRICE 2018

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
<b>RECORD HIGH</b>	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2872.62 (26/Jan/2018)	6124.04400 (16/Oct./07)
<b>2017 HIGH</b>	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24876.07 (18/Dec/2017)	2694.97 (18/Dec/2017)	3450.49490 (14/Nov/2017)
<b>2018 HIGH</b>	24124.15 (23/Jan/2018)	338.05 (29/Jan/2018)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2872.62 (26/Jan/2018)	3587.50890 (29/Jan/2018)
<b>2018 LOW</b>	<b>23092.85</b> <b>(31/Jan/2018)</b>	324.58 (04/Jan/2018)	30515.31 (02/Jan/2018)	24824.01 (02/Jan/2018)	2695.83 (02/Jan/2018)	3314.03070 (02/Jan/2018)
<b>2017 LOW</b>	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
<b>RECORD LOW</b>	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov./82)	325.92200 (29/Jul/94)

### Closing Prices – 31 January 2018

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	26149.39	↑ 72.50/0.28%	.N225	23098.29	↓ 193.68/0.83%
/.SPX	2823.81	↑ 1.38/0.05%	.KS200	333.38	↓ 0.02/0.01%
/.IXIC	7411.482	↑ 9.000/0.12%	.HSI	32887.27	↑ 279.98/0.86%
JPY=	109.18	↑ 0.42/0.39%	/.SSEC	3481.50940	↓ 6.49960/0.19%
KRW=	1069.08	↓ 3.15/0.00%	/CLc1 (Oil)	64.77	↑ 0.27/0.42%

SSlamH8 (Nikkei Mar Futures) – Last Trading Date: 12 Mar 2018



- Daily RSI down
- Be aware of trend changes ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 Jan SSIpmH8	23120	23335	23105	230	23280	---	↑ 175	0.76	27547
31 Jan SSIamH8	23215	23360	23070	290	23105	23105	↓ 175	0.75	80968
30 Jan SSIpmH8	23315	23330	23095	235	23245	---	↓ 35	0.15	36100
30 Jan SSIamH8	23580	23590	23210	380	23280	23280	↓ 320	1.36	85128
29 Jan SSIpmH8	23615	23640	23470	170	23515	---	↓ 85	0.36	29256
29 Jan SSIamH8	23755	23780	23550	230	23600	23600	↓ 10	0.04	53497
26 Jan SSIpmH8	23595	23750	23540	210	23705	---	↑ 95	0.40	31687
26 Jan SSIamH8	23680	23785	23550	235	23610	23610	↓ 45	0.19	68051
25 Jan SSIpmH8	23685	23755	23445	310	23570	---	↓ 85	0.36	42508
25 Jan SSIamH8	23740	23815	23625	190	23655	23655	↓ 270	1.13	69459

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
23780	23070	24170	22615	22995	22015	24170	22615
(29/Jan)	(31/Jan)	(23/Jan)	(02/Jan)	(01/Dec)	(06/Dec)	(23/Jan)	(02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	23780	High Jan 29
	23595	High on 1 Hourly Chart
	23470	High on 1 hourly Chart
	23335	High Jan 31
SUPPORT	23070	Low Jan 31,2018
	22850	Low Jan 04,2018
	22615	Low Jan 03,2018
	22470	Low Dec 18,2017
RECOMMENDATION	BUY	----
	SELL	23270
	STOP LOSS	23450
	TARGET	23070 23020

**KSH8 (Kospi Mar Futures) – Exp. Date: 08 Mar 2018**



- Low level low circuit in daily
  - RSI 14 flat
- [\(Research – @her1en\)](#)

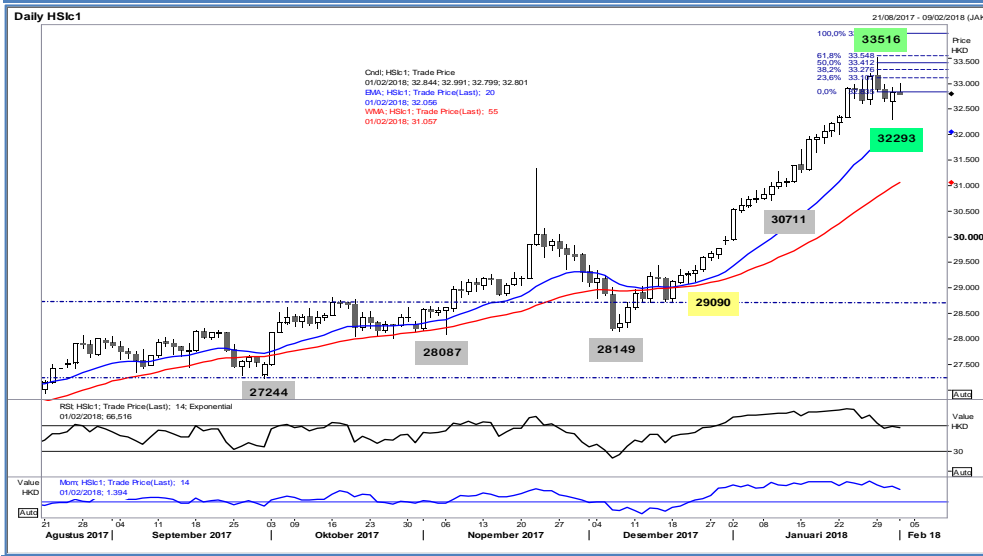
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 Jan	333.40	339.25	332.80	6.45	334.95	334.95	↑ 0.55	0.16	312760
30 Jan	338.35	338.95	334.00	4.90	334.40	334.40	↓ 4.60	1.36	224438
29 Jan	338.15	340.30	337.70	2.60	339.00	339.00	↑ 2.55	0.76	166919
26 Jan	334.50	336.45	333.80	2.65	336.45	336.45	↑ 1.65	0.49	154148
25 Jan	331.05	335.40	331.00	4.40	334.80	334.80	↑ 2.70	0.81	180498
24 Jan	330.95	333.35	330.90	2.45	332.10	332.10	↑ 0.35	0.11	158933

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
340.30 (29/Jan)	332.80 (31/Jan)	340.30 (29/Jan)	325.05 (04/Jan)	331.35 (14/Dec)	317.35 (21/Dec)	340.30 (29/Jan)	325.05 (04/Jan)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	343.09	Fibo retracement on daily chart (138.2%)
	342.01	Fibo retracement on daily chart (123.6%)
	340.30	High Jan 29,2018
	339.25	High Jan 31
<b>SUPPORT</b>	332.80	Low on Jan 31
	331.00	Low Jan 25,2018
	327.85	Low Jan 23,2018
	325.30	Low Jan 22,2018
<b>RECOMMENDATION</b>	BUY	----
	SELL	335.10
	STOP LOSS	336.90
	TARGET	333.10 332.60

**HSIG8 (Hang Seng Feb Futures) – Exp. Date: 27 Feb 2018**



- Correction occurs daily
  - Important resistance at 33516, important support at 32011
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
31 Jan	32420	32929	32293	636	32844	32844	↑ 189	0.58	249512
30 Jan(HSIG8)	32755	32972	32439	533	32655	32655	↓ 205	0.62	204553
30 Jan(HSIF8)	32844	32982	32653	329	32728	32728	↓ 170	0.52	211930
29 Jan(HSIG8)	33288	33484	32815	669	32860	32860	↓ 267	0.80	133983
29 Jan(HSIF8)	33334	33516	32854	662	32900	32900	↓ 254	0.77	211930
26 Jan(HSIG8)	32844	33169	32766	403	33127	33127	↑ 485	1.48	85832
26 Jan(HSIF8)	32857	33203	32800	403	33154	33154	↑ 474	1.45	263808

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
33516	32293	33516	30371	30027	28149	33516	30371
(29/Jan)	(31/Jan)	(29/Jan)	(02/Jan)	(29/Dec)	(07/Dec)	(29/Jan)	(02/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	33516	High on 1 Hourly Chart
	33296	High on 1 Hourly Chart
	33180	High on 1 Hourly Chart
	32991	High Jan 31
SUPPORT	32538	Reactions low on Hourly Chart
	32332	Low Jan 23,2018
	32011	Low Jan 22,2018
	31837	Low Jan 18,2018
RECOMMENDATION	BUY	----
	SELL	32800
	STOP LOSS	33000
	TARGET	32600
		32550

## CURRENCIES – Daily Outlook

### Dollar rises after Fed statement, euro falls - Reuters News



The U.S. dollar turned positive on Wednesday after the Federal Reserve left interest rates unchanged but said it expected inflation to rise this year, while the euro turned negative and last hovered near flat. The Fed ended a two-day meeting on monetary policy on Wednesday, leaving the target interest rate unchanged at 1.25-1.50 percent. But it said it anticipated the economy to expand at a moderate pace and the labor market to remain strong in 2018, citing solid gains in employment,

household spending and capital investment.

"It's a continuation of what they've been saying before, the wording was very little changed," said John Bredemus, head of capital markets at Allianz Investment Management in Minneapolis. "They did indicate that there are going to be further rate increases. Is that set up for March? Probably."

Against a basket of six currencies, the greenback was up 0.04 percent at 89.192 at 2:55 p.m. ET (1955 GMT). The dollar was still on track to fall more than 3 percent in January, its biggest monthly drop since March 2016. Allianz's Bredemus said he did not believe the Fed's statement on Wednesday would significantly impact the dollar.

"I think what's really going on with the dollar has more to do with other central banks, and other central banks pulling back a little bit versus any change in the Fed policy," he said.

The Japanese yen last weakened 0.40 percent versus the greenback to 109.22 per dollar.

Earlier, the Bank of Japan increased its buying of medium-term Japanese government bonds in a move seen as a warning shot against further rises in bond yields.

Traders will now be looking ahead to the U.S. government's job report on Friday that will include data on nonfarm payrolls and average hourly earnings.

The ADP Research Institute said on Wednesday that U.S. private employers added 234,000 workers in January, more than the 185,000 forecast among analysts polled by Reuters. The data did not greatly affect the dollar after it was released.

Meanwhile, U.S. President Donald Trump's first State of the Union address on Tuesday night failed to offer any comfort to dollar bulls.

Trump called on the U.S. Congress to pass legislation to ensure at least \$1.5 trillion in new infrastructure spending and urged lawmakers to work toward bipartisan compromises, but he pushed a hard line on immigration.

#### EURO MOVES

The euro turned negative and hovered near flat after the Fed statement, last rising 0.02 percent to \$1.2403.

The euro had climbed earlier after firm underlying euro zone inflation data for January kept expectations alive for a swift withdrawal of the central bank's stimulus policies.

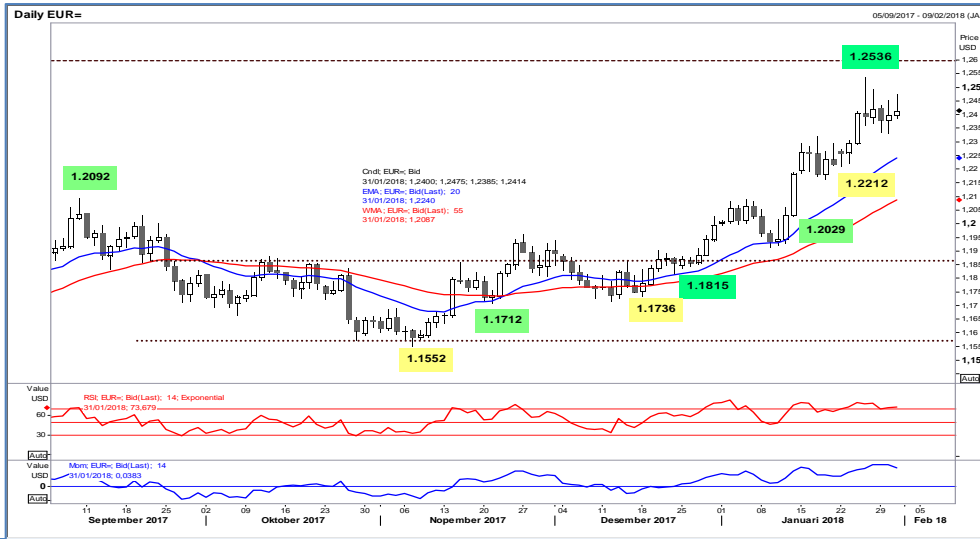
Underlying inflation, excluding food and energy - a key measure studied to gauge price pressures in the 19-bloc zone - accelerated to 1.2 percent in January from 1.1 percent a month earlier but broader price gauges slowed.

The currency was on track for its biggest monthly rise since July 2017.

*(Source Reuters, Research – @her1en)*

**EUR/USD**

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



- With the support area at 1.2029
- Important resistance around 0.2639
- Be alert daily RSI near the overbought area ([Research – @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	1.24038	1.24736	1.23858	87,8	1.24098	↑ 8,6	1.24012
Jan 30	1.23814	1.24528	1.23336	119,2	1.24012	↑ 21,0	1.23802
Jan 29	1.24144	1.24310	1.23356	95,4	1.23802	↓ 44,7	1.24249
Jan 26	1.23714	1.24926	1.23714	121,2	1.24249	↑ 33,9	1.23910
Jan 25	1.24031	1.25366	1.23633	173,3	1.23910	↓ 16,8	1.24078

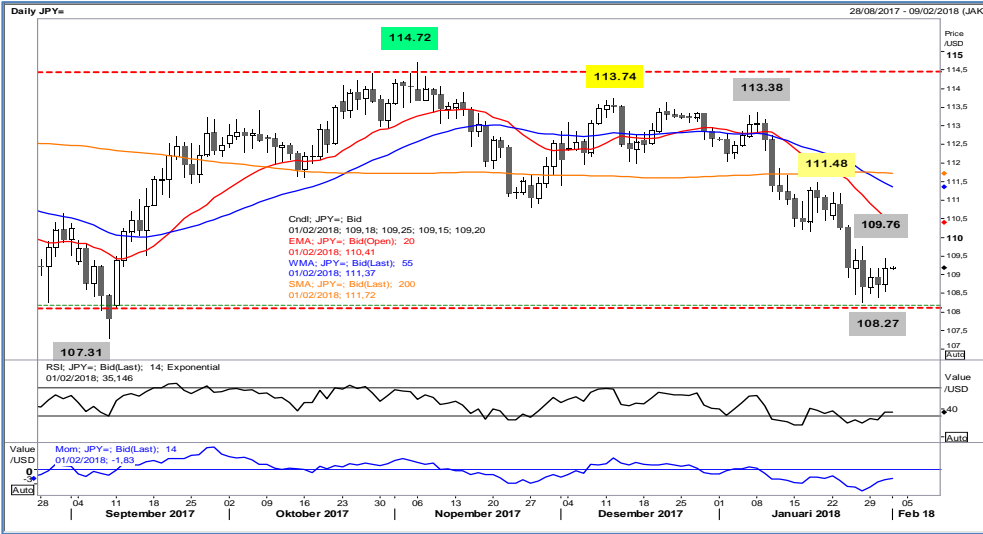
WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.24736 (31/Jan)	1.23336 (30/Jan)	1.25366 (25/Jan)	1.19145 (09/Jan)	1.20242 (29/Dec)	1.17163 (12/Dec)	1.25366 (25/Jan)	1.19145 (09/Jan)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	1.2839	High Oct 21,2014
	1.2770	High Oct 29,2014
	1.2639	High Oct 30,2014
	1.2515	High Dec 17,2014
<b>SUPPORT</b>	1.2333	Low Jan 30
	1.2221	Low Jan 23,2018
	1.2186	Low Jan 15,2018
	1.2029	Low Jan 12,2018
<b>RECOMMENDATION</b>	BUY	1.2395
	SELL	-----
	STOP LOSS	1.2320
	TARGET	1.2470 1.2505

**USD/JPY**

Interest Rate: 1.25%-1.50% (US)/-0.1% (JP)



- The main resistance at 111.87, support 107.31
  - Daily RSI down
  - RSI enters the oversold zone, beware of trend changes
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	108.749	109.434	108.583	85,1	109.173	↑ 43,0	108.743
Jan 30	108.981	109.193	108.402	79,1	108.743	↓ 20,0	108.943
Jan 29	108.640	109.191	108.498	69,3	108.943	↑ 29,6	108.647
Jan 26	109.637	109.759	108.271	148,8	108.647	↓ 74,8	109.395
Jan 25	109.172	109.690	108.488	120,2	109.395	↑ 19,2	109.203

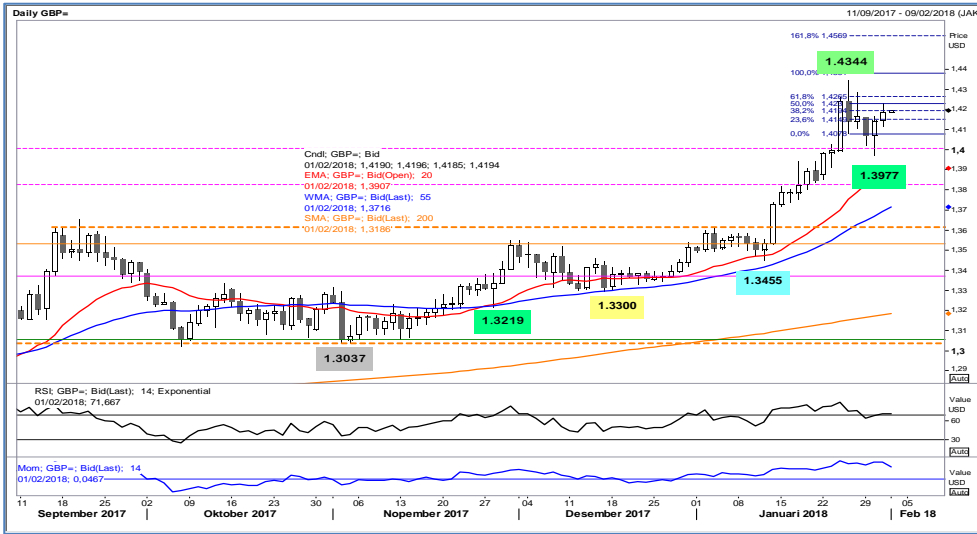
WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
109.434	108.402	113.376	108.271	113.739	111.394	113.376	108.271
(31/Jan)	(30/Jan)	(08/Jan)	(26/Jan)	(12/Dec)	(01/Dec)	(08/Jan)	(26/Jan)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	112.77	High Jan 10,2018
	111.87	High Jan 11,2018
	110.33	High Jan 24,2018
	109.79	High Jan 26,2018
<b>SUPPORT</b>	108.12	Low Sep 11,2017
	107.31	Low Sep 08,2017
	106.51	Low Nov 14,2016
	104.95	Low Nov 10,2016
<b>RECOMMENDATION</b>	BUY	109.00
	SELL	----
	STOP LOSS	108.35
	TARGET	109.75
		110.10

**GBP/USD**

Interest Rate: 0.50% (GB)/1.25%-1.50% (US)



- Daily RSI in overbought area
  - Major resistance at 1.4500 level, support at 1.3914 level
- (Research – @her1en)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	1.41499	1.42314	1.41206	110,8	1.41729	↑ 29,4	1.41435
Jan 30	1.40688	1.41653	1.39788	186,5	1.41435	↑ 71,6	1.40719
Jan 29	1.41439	1.41570	1.40244	132,6	1.40719	↓ 90,4	1.41623
Jan 26	1.41096	1.42843	1.41096	174,7	1.41623	↑ 31,7	1.41306
Jan 25	1.42389	1.43438	1.40819	261,9	1.41306	↓ 104,7	1.42353

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.42314 (31/Jan)	1.39788 (30/Jan)	1.43438 (25/Jan)	1.34571 (11/Jan)	1.35483 (01/Dec)	1.33004 (15/Dec)	1.43438 (25/Jan)	1.34571 (11/Jan)

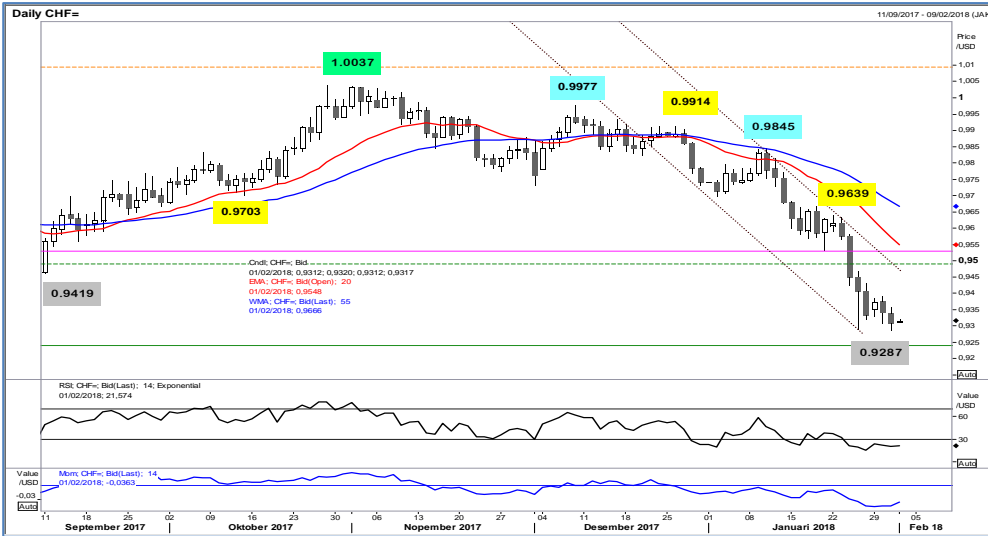
**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	1.4569	Fibo. Projections on Daily Chart (161.8%)
	1.4381	Fibo. Projections on Daily Chart (100.0%)
	1.4234	High Jan 25,2018
	1.4285	High Jan 26,2018
<b>SUPPORT</b>	1.4081	Low Jan 25,2018
	1.3995	Low Jan 24,2018
	1.3914	Low Jan 23,2018
	1.3837	Reactions Low on Daily Chart Jan 19,2018
<b>RECOMMENDATION</b>	BUY	1.4175
	SELL	----
	STOP LOSS	1.4100
	TARGET	1.4250 1.4285



## USD/CHF

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



- Daily RSI down
  - Correction in daily
  - Resistance 0.9581, support 0.9152
- [\[Research - @her1en\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	0.93451	0.93577	0.92881	69,6	0.93024	↓ 38,5	0.93409
Jan 30	0.93783	0.93923	0.93089	83,4	0.93409	↓ 32,8	0.93737
Jan 29	0.93400	0.93856	0.93332	52,4	0.93737	↑ 27,2	0.93465
Jan 26	0.94271	0.94271	0.93255	101,6	0.93465	↓ 63,7	0.94102
Jan 25	0.94543	0.94655	0.92883	177,2	0.94102	↓ 42,7	0.94529

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.93923 (30/Jan)	0.92881 (31/Jan)	0.98444 (10/Jan)	0.92881 (31/Jan)	0.99765 (08/Dec)	0.97330 (29/Dec)	0.98444 (10/Jan)	0.92881 (31/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.9633	High Dec 23,2018
	0.9581	High Jan 24,2018
	0.9467	High Jan 25,2018
	0.9429	High Jan 26,2018
SUPPORT	0.9295	Low Aug 25,2015
	0.9251	Low Aug 24,2015
	0.9207	Low Jun 23,2015
	0.9152	Low Jun 22,2015
RECOMMENDATION	BUY	---
	SELL	0.9340
	STOP LOSS	0.9405
	TARGET	0.9265
		0.9230

## AUD/USD

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



- Daily RSI 14 near overbought area
- The main resistance at 0.8375, support 0.7792 ([Research - @her1en](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	0.80842	0.81156	0.80337	81,9	0.80535	↓ 26,5	0.80800
Jan 30	0.80898	0.81124	0.80413	71,1	0.80800	↓ 10,7	0.80907
Jan 29	0.81038	0.81170	0.80730	44,0	0.80907	↓ 28,4	0.81191
Jan 26	0.80043	0.81346	0.80037	130,9	0.81191	↑ 94,4	0.80247
Jan 25	0.80593	0.81175	0.80102	107,3	0.80247	↓ 34,8	0.80595

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.81170	0.80337	0.81346	0.77935	0.78238	0.75002	0.81346	0.77935
(29/Jan)	(31/Jan)	(26/Jan)	(02/Jan)	(29/Dec)	(08/Dec)	(26/Jan)	(02/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.8466	High Dec 03,2014
	0.8375	High Dec 11,2014
	0.8233	High Jan 21,2015
	0.8162	Reaction high (High May 14, 2015)
SUPPORT	0.8002	Reactions Low on Daily Chart Jan 26,2018
	0.7935	Reactions Low on Daily Chart Jan 16,2018
	0.7845	Low Jan 12
	0.7792	Low Jan 02
RECOMMENDATION	BUY	-----
	SELL	0.8080
	STOP LOSS	0.8155
	TARGET	0.8005
		0.7970

## NZD/USD

Interest Rate: 2.00% (NZ)/1.25%-1.50% (US)



- The series goes down in daily high
  - Daily RSI 14 in overbought area
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	0.73281	0.74188	0.73281	90,7	0.73560	↑ 29,8	0.73262
Jan 30	0.73184	0.73541	0.72783	75,8	0.73262	↑ 8,6	0.73176
Jan 29	0.73450	0.73632	0.73002	63,0	0.73176	↓ 40,6	0.73582
Jan 26	0.72910	0.73736	0.72882	85,4	0.73582	↑ 38,3	0.73199
Jan 25	0.73327	0.73914	0.73128	78,6	0.73199	↓ 14,6	0.73345

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.74188	0.72783	0.74354	0.70438	0.71226	0.68191	0.74354	0.70438
(31/Jan)	(30/Jan)	(24/Jan)	(02/Jan)	(29/Dec)	(01/Dec)	(24/Jan)	(02/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	0.7627	High May 01,2015
	0.7558	High Jul 27,2017
	0.7524	High Aug 01,2017
	0.7435	High Jan 24,2018
SUPPORT	0.7233	Low Jan 17,2018
	0.7180	Low Jan 11,2018
	0.7071	Low Jan 02,2018
	0.7027	Low Dec 27,2017
RECOMMENDATION	BUY	0.7340
	SELL	-----
	STOP LOSS	0.7265
	TARGET	0.7415 0.7450

**EUR/JPY**

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



- Daily RSI rise
  - Resistance 137.46, support 132.53
- [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	134.905	136.033	134.839	119,4	135.494	↑ 62,1	134.873
Jan 30	134.946	135.189	134.111	107,8	134.873	↓ 1,8	134.891
Jan 29	134.888	135.325	134.307	101,8	134.891	↓ 11,2	135.003
Jan 26	135.657	136.120	134.522	159,8	135.003	↓ 55,5	135.558
Jan 25	135.424	136.274	135.025	124,9	135.558	↑ 4,5	135.513

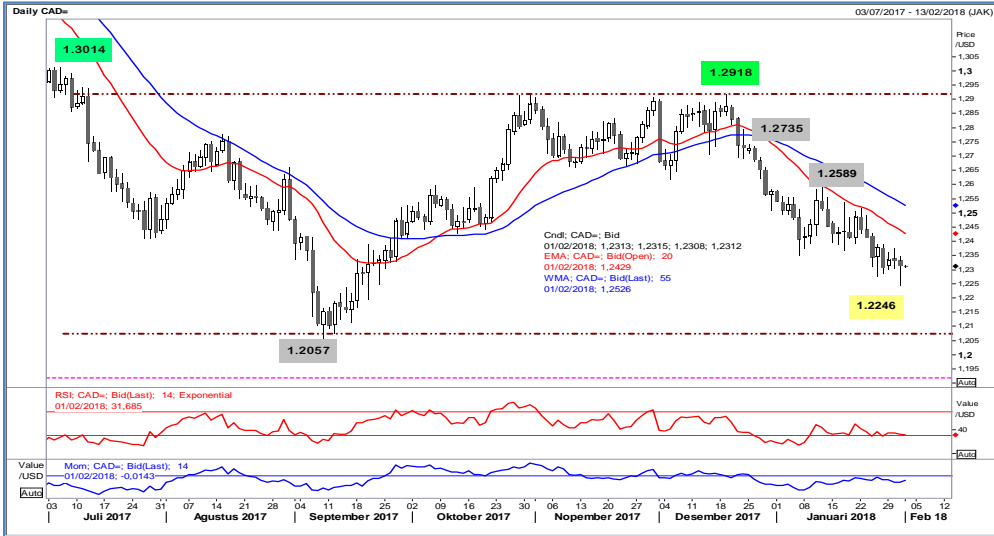
WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
136.033	134.111	136.608	133.049	135.489	132.024	136.608	133.049
(31/Jan)	(30/Jan)	(05/Jan)	(11/Jan)	(29/Dec)	(15/Dec)	(05/Jan)	(11/Jan)

**ANALYSIS & RECOMMENDATION**

<b>RESISTANCE</b>	139.02	High Aug 21,2015
	138.61	High Aug 25,2015
	137.46	High Sept 17,2015
	136.62	High Jan 05,2018
<b>SUPPORT</b>	134.81	Low Jan 31
	133.88	Low Dec 12,2017
	132.53	Low Nov 30,2017
	131.89	Low Nov 29,2017
<b>RECOMMENDATION</b>	BUY	135.25
	SELL	----
	STOP LOSS	134.50
	TARGET	136.00
		136.35

**USD/CAD**

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



- Daily RSI is down
  - Be alert of changes in price movements
- [\(Research – @her1en\)](#)

<b>WEEKLY OPEN</b>	<b>CURRENT PRICE</b>
<b>1.2314</b>	<b>1.2338</b>

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2379	1.2246	1.2589	1.2246	1.2918	1.2511	1.2589	1.2246
(30/Jan)	(31/Jan)	(11/Jan)	(31/Jan)	(19/Dec)	(29/Dec)	(11/Jan)	(31/Jan)

ANALYSIS & RECOMMENDATION		
<b>RESISTANCE</b>	1.2661	High Dec 28,2017
	1.2583	High Jan 10,2018
	1.2451	High Jan 16,2018
	1.2379	High Jan 30
<b>SUPPORT</b>	1.2246	Low Jan 31
	1.2198	Low Sep 20,2017
	1.2116	Low Sep 15,2017
	1.2057	Low Sept 08,2017
<b>RECOMMENDATION</b>	BUY	----
	SELL	1.2335
	STOP LOSS	1.2410
	TARGET	1.2260 – 1.2225

## Precious Metal – Daily Outlook

### Gold edges lower after Fed says it sees signs of inflation - Reuters News



Gold prices were flat on Wednesday, but dipped slightly after the U.S. Federal Reserve said it would keep interest rates the same, but expected inflation to rise this year.

On Fed Chair Janet Yellen's last policy meeting as head of the central bank, the Fed left interest rates unchanged. But its message on inflation signaled it was on track to raise borrowing costs in March under incoming chief Jerome Powell.

Inflation worries generally boost gold, which is seen as a safe haven against rising prices. But expectations that the

Fed will raise interest rates to fight inflation make gold less attractive because it does not pay interest.

"Inflation on a 12-month basis is expected to move up this year and to stabilize" around the U.S. central bank's 2 percent target over the medium term, the Fed said in a statement following the two-day meeting.

Spot gold edged down 0.07 percent at \$1,337.20 by 2:41 p.m. EST (1941 GMT), hitting a one-week low, while U.S. gold futures for February delivery settled up \$3.60, or 0.3 percent, at \$1,339.

The U.S. dollar turned positive after the Fed statement. A stronger dollar pressures commodities priced in the currency, making them more expensive for buyers using other currencies.

But, "as expected, even though they said the near-term risk to economic outlook looked balanced, they're clearly setting the stage for a March rate increase and trying to send a message to the market to expect three or so (rate hikes) in 2018," said Trey Reik, senior portfolio manager at Sprott Asset Management USA.

"Their confidence comes from the fact that there are signs that we're having this synchronized growth acceleration."

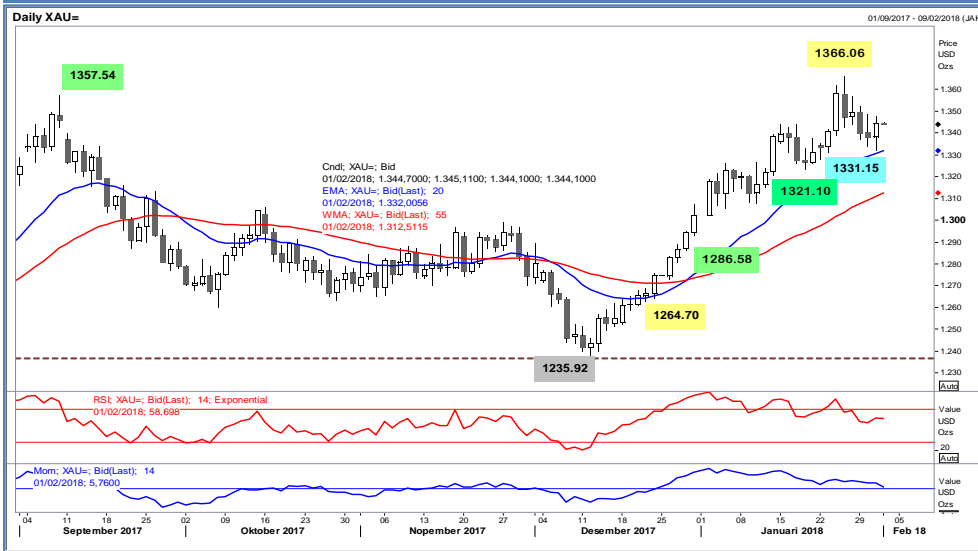
Gold prices, which have been boosted by a weaker dollar, headed for a third consecutive monthly gain in January, up 2.6 percent, the biggest monthly increase since August 2017.

In other precious metals, silver climbed 0.4 percent at \$17.20 an ounce after hitting a one-week low of \$17.03.

Palladium shed 2.7 percent at \$1,026 an ounce, hitting a fresh five-week low after a 55 percent gain in 2017. Despite rocketing earlier in January up to the highest since records dating back to 1990, spot palladium was on track to close the month down 3.3 percent, its weakest monthly performance since December 2016.

Platinum dipped 0.1 percent at \$995.20 per ounce. It is up about 8 percent for the month. It hit a one-week low in the previous session. [\(Source Reuters, Research – @her1en\)](#)

## GOLD (XAU/USD)



- Important resistance around 1391
  - Important support area around 1323
- [\(Research – @her1en\)](#)

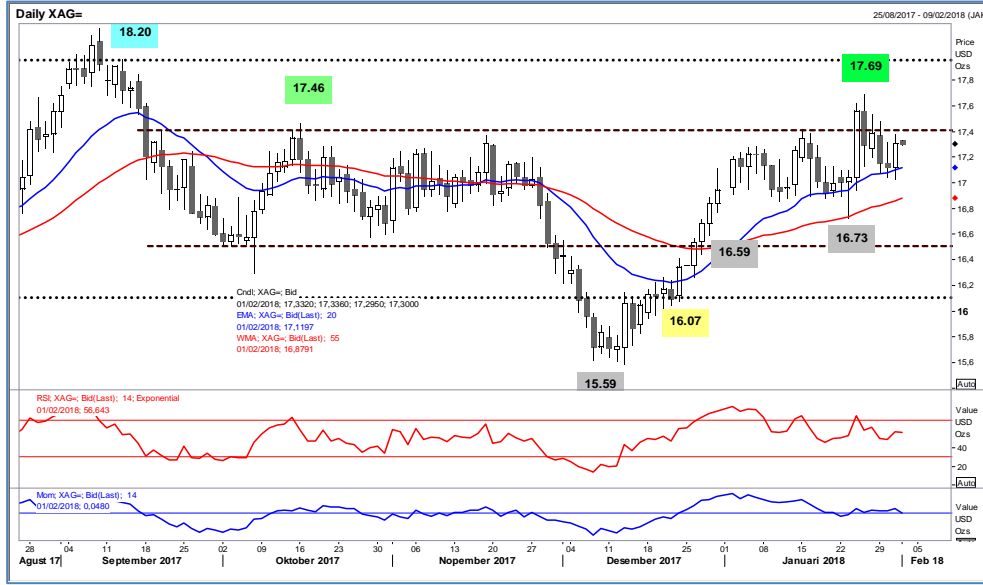
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Jan 31	1338.270	1347.410	1332.540	14.87	1344.900	↑ 6.52	1338.380	1343.35	1345.05
Jan 30	1340.860	1348.770	1334.290	14.48	1338.380	↓ 1.79	1340.170	1345.70	1344.90
Jan 29	1350.020	1352.250	1337.450	14.80	1340.170	↓ 10.61	1350.780	1348.40	1343.85
Jan 26	1347.090	1356.970	1344.460	12.51	1350.780	↑ 2.65	1348.130	1354.35	1353.15
Jan 25	1357.470	1365.910	1342.360	23.55	1348.130	↓ 10.12	1358.250	1360.25	1354.95

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1352.250	1332.540	1365.910	1304.100	1307.440	1236.320	1365.910	1304.100
(29/Jan)	(31/Jan)	(25/Jan)	(02/Jan)	(29/Dec)	(12/Dec)	(25/Jan)	(02/Jan)

### ANALYSIS & RECOMMENDATION

<b>RESISTANCE</b>	1391.76	High Mar 17,2014
	1374.91	High Jul 06,2016
	1366.06	High Jan 25
	1352.27	High Jan 29
<b>SUPPORT</b>	1331.15	Low Jan 23,2018
	1323.70	Low Jan 18,2018
	1315.41	Low Jan 11,2018
	1307.90	Low Jan 10
<b>RECOMMENDATION</b>	BUY	-----
	SELL	1346.00
	STOP LOSS	1356.00
	TARGET	1336.00
		1331.00

SILVER (XAG/USD)



- With strong resistance at 17.62
  - While the crucial support area is around 16.59
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	17.125	17.375	17.081	0.29	17.321	↑ 0.21	17.114
Jan 30	17.164	17.318	17.060	0.26	17.114	↓ 0.03	17.144
Jan 29	17.413	17.464	17.091	0.37	17.144	↓ 0.27	17.409
Jan 26	17.281	17.526	17.230	0.30	17.409	↑ 0.13	17.284
Jan 25	17.537	17.682	17.123	0.56	17.284	↓ 0.25	17.538

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
17.464	17.060	17.682	16.732	17.096	15.602	17.682	16.732
(29/Jan)	(30/Jan)	(25/Jan)	(23/Jan)	(29/Dec)	(12/Dec)	(25/Jan)	(23/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	18.20	High Sept 08,2017
	17.96	High Sept 13,2017
	17.85	High Sept 15,2017
	17.62	High Sept 18,2017
SUPPORT	17.03	Low Jan 31,2018
	16.94	Low Jan 24,2018
	16.86	Low Jan 10,2018
	16.77	Low Dec 29,2017
RECOMMENDATION	BUY	-----
	SELL	17.35
	STOP LOSS	17.65
	TARGET	17.00 16.80



## OIL – Daily Outlook

### Oil rebounds, ends up on gasoline demand, OPEC compliance - Reuters News



Oil prices rebounded from earlier losses to end higher on Wednesday, after the U.S. Energy Department said oil inventories rose for the first time in nearly three months, but was offset by strong demand for gasoline and distillate products and news that OPEC countries maintained heavy supply cuts in January.

Crude oil futures ended higher for the fifth straight month, with U.S. futures gaining 7.7 percent in January, the best month for the contract since September.

The Organization of the Petroleum Exporting Countries and other producers including Russia continued their strong adherence to supply cuts, according to a Reuters survey.

OPEC members cut output by 1.8 million barrels a day until through the end of 2018, and a Reuters survey on Wednesday

showed the members of the cartel achieved a 138 percent supply cut.

Overall OPEC output rose in January from an eight-month low, however, and one reason for the high compliance was a sharp fall in Venezuela due to an economic crisis there.

U.S. crude futures settled up 23 cents to \$64.73 a barrel, a up 0.4 percent, after hitting a low of \$63.92 shortly after the release. Brent crude rose 3 cents to \$69.05 a barrel.

U.S. oil inventories rose 6.8 million barrels in the week to Jan. 26, after 10 straight weeks of declines, which had dropped supply to its lowest levels since early 2015.

The increase far exceeded expectations for a rise of 126,000 barrels. Analysts noted that refiners have been cutting activity while U.S. crude production has kept rising.

Oil prices slipped immediately after the news, but rebounded on the back of the surprising 2 million-barrel drawdown in gasoline stocks, suggesting demand for products may be enough to limit seasonal inventory buildup.

"Lower gasoline inventories, combined with gasoline demand which is strong to start the year, bodes well for crude oil prices going forward," said Rob Thummel, portfolio manager at Tortoise in Leawood, Kansas. "The dollar is weakening and that is also a positive for oil prices."

March U.S. gasoline futures rose 1.3 percent to \$1.8952 a gallon.

"If this week's drop is due to weather-related, unplanned incidents it may not yet herald the onset of turnaround season. However, those days are rapidly approaching," said David Thompson, executive vice-president at Powerhouse, an energy-specialized commodities broker in Washington. He said

The U.S. Energy Information Administration said production rose to 9.92 million bpd, close to the country's record output of 10.04 mln bpd set in 1970.

Production is expected to hit 11 million bpd by 2019. This week ExxonMobil said it wants to triple its production in Texas' Permian Basin to 600,000 bpd within seven years.

Encouraged by higher crude prices, energy companies added 12 oil rigs last week, the biggest weekly increase since March. [\(Source Reuters, Research – @her1en\)](#)

## CLH8/USD (OIL)

(Exp.: 20 Feb. 2018 - Reuters)

Daily CLH8



- Correction in daily movement
- Important resistance at 68.46, support at 62.78  
*(Research – @her1en)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Jan 31	64.01	64.92	63.66	1.26	64.76	↑ 0.80	63.96
Jan 30	65.52	65.54	63.88	1.66	63.96	↓ 1.55	65.51
Jan 29	66.14	66.44	64.97	1.47	65.51	↓ 0.72	66.23
Jan 26	65.23	66.33	64.92	1.41	66.23	↑ 1.01	65.22
Jan 25	65.87	66.63	65.07	1.56	65.22	↓ 0.64	65.86

WEEKLY		JANUARY		DECEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
66.44	63.66	66.63	60.10	60.48	55.80	66.63	60.10
(29/Jan)	(31/Jan)	(25/Jan)	(02/Jan)	(29/Dec)	(07/Dec)	(25/Jan)	(02/Jan)

### ANALYSIS & RECOMMENDATION

RESISTANCE	70.59	Fibo Projections in daily chart (261.8%)
	68.46	Fibo Projections in daily chart (161.8%)
	67.15	Fibo Projections in daily chart (100.0%)
	65.56	High Jan 30
SUPPORT	63.67	Low Jan 31, 2018
	62.78	Low Jan 19, 2018
	61.78	Low Jan 09
	61.07	Low Jan 05
RECOMMENDATION	BUY	-----
	SELL	64.90
	STOP LOSS	66.30
	TARGET	63.50
		63.00