

# DAILY MARKET REPORT

GLOBAL MARKETS & ECONOMIES | WEEKLY ECONOMIC INDICATORS | ASIAN STOCK INDICATORS |  
CURRENCIES | PRECIOUS METAL | OIL |

## **GLOBAL MARKETS**

- Stocks in world indexes fell again on Thursday, with major U.S. indexes dropping more than 3 percent in late afternoon trade after U.S. bond yields earlier crept back up towards four-year highs.

## **GLOBAL ECONOMIES**

- Australia's central bank does not see a "strong case" for a near-term rate increase even though it is optimistic a pick-up in economic growth would gradually spur inflation and reduce unemployment, Governor Philip Lowe said on Thursday.
- China's trade machine kicked up a gear in January after stumbling the previous month, with exports and imports both growing much more than expected, pointing to a strong start to the year for global demand.
- Bank of Japan board member Hitoshi Suzuki said on Thursday the central bank could raise interest rates or slow the purchase of risky assets if the costs of prolonged monetary easing began to outweigh the benefits.
- A gradual rise in euro zone inflationary pressures would not necessarily mean that price growth is on a sustained upward path and warrant a further removal of stimulus, European Central Bank chief economist Peter Praet said on Thursday.
- The Bank of England said on Thursday interest rates probably need to rise sooner and by a bit more than it thought only three months ago, because Britain's slow-moving economy is getting a boost from the global recovery.
- The number of Americans filing for unemployment benefits unexpectedly fell last week, dropping to its lowest level in nearly 45 years as the labor market tightened further, bolstering expectations of faster wage growth this year.

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

**U.S. & Global Markets** – Stocks in world indexes fell again on Thursday, with major U.S. indexes dropping more than 3 percent in late afternoon trade after U.S. bond yields earlier crept back up towards four-year highs. U.S. Treasury yields climbed after the Bank of England said interest rates probably need to rise sooner, adding to expectations of reduced central bank monetary stimulus around the world.

Bond prices have weakened in the past week-and-a-half as investors adjusted for the likelihood of a stronger U.S. economy and higher inflation, which could lead the Federal Reserve to boost interest rates more times than previously anticipated.

The drop in bond prices and the subsequent rise in yields have kept equity investors nervous about higher interest rates and inflation.

"Now we are having acute attention on what happens in the bond markets, so when yields move up there is an unsettling feeling in the equity market. Things haven't quietened down," said Jason Ware, chief investment officer and chief economist at Albion Financial Group in Salt Lake City, Utah.

"As rates rise, things, as far as equity investors are concerned, are getting worse," he said.

The pan-European FTSEurofirst 300 index lost 1.74 percent and MSCI's gauge of stocks across the globe shed 1.98 percent.

Emerging market stocks lost 1.10 percent.

The recent selloff, sparked by last Friday's jump in Treasury yields, sent the VIX index, Wall Street's "fear gauge," sharply higher. The index was back up above the 30 level on Thursday.

**RISING BOND YIELDS**

An improving outlook internationally is adding to pressure on global fixed income markets. The Bank of England raised its growth forecasts for Britain due to the strong global recovery.

"We've got yet another confirmation that a major central bank is wringing its hands over the possibility that economic growth is accelerating beyond current capacity," said Jim Vogel, an interest rate strategist at FTN Financial in Memphis, Tennessee.

Also underpinning yields, U.S. congressional leaders Wednesday reached a two-year budget deal to raise government spending by almost \$300 billion.

While the deal was a rare display of bipartisanship that should stave off a government shutdown, it looks set to widen the U.S. federal deficit further and could fan inflation.

Benchmark 10-year notes last fell 1/32 in price to yield 2.8367 percent, from 2.832 percent late on Wednesday.

European bond yields also rose, lifted by the prospect of increased fiscal spending after Wednesday's coalition government deal in Germany.

*(Source Reuters – @her1en)*

**GLOBAL ECONOMIES**

**Australia** – Australia's central bank does not see a "strong case" for a near-term rate increase even though it is optimistic a pick-up in economic growth would gradually spur inflation and reduce unemployment, Governor Philip Lowe said on Thursday.

The Reserve Bank of Australia (RBA) has held rates at a record low 1.50 percent since last easing in August 2016 to help stoke inflation, which has undershot its 2-3 percent target band for more than two years.

But as its rich-world peers move towards unwinding stimulus and tightening policy rates, Lowe said there was no reason for Australia to follow in "lock-step".

"The Reserve Bank Board does not see a strong case for a near-term adjustment in monetary policy," Lowe said.

The next move in rates was still likely up rather than down, Lowe said at a dinner event in Sydney, provided the jobless rate slips from the current 5.5 percent and inflation fires up.

"If we do make progress, at some point it will be appropriate for interest rates in Australia to also start moving up," he said.

"While we do expect steady progress, that progress is likely to be only gradual," he added. "We are still some way from what could be considered full employment and our central scenario for inflation is for it to remain below the midpoint of the medium-term target range for the next couple of years."

The RBA sees CPI inflation between 2.0-2.5 percent over the next couple of years, and underlying inflation a bit lower than that.

The bank's central scenario is for Australia's A\$1.7 trillion (\$1.33 trillion) economy to grow "a bit above 3 percent" over the next couple of years.

Recent volatility in financial markets that rattled global shares and caused a sell-off in the Australian dollar and other risky assets had not affected the country's growth outlook, Lowe added.

He noted a string of positive data in recent weeks. In particular, employment had surged by 3.25 percent over the past year.

Corporate profits have ballooned while measures of business confidence and conditions were strong as the drag from the end of a once-in-a-generation mining boom draws to a close.

A broad-based pick-up in global growth and higher commodity prices are also major boons to the export-driven nation, along with strong government spending on infrastructure projects.

The housing market, which was a key area of concern last year amid fears of a debt-fuelled bubble and bust, is also showing welcome signs of cooling, Lowe noted.

However, one major area of uncertainty is downbeat consumer spending as household incomes and wages rise at a painfully slow pace.

"Some pick-up in wage growth would be a welcome development," Lowe said.

"Ideally, this would be on the back of stronger productivity growth. But even if productivity growth were to be around the average of recent years, a faster rate of wage increase should be possible."

A lift in wage growth was likely to be a necessary condition for inflation to pick up as desired, he added.

**China** – China's trade machine kicked up a gear in January after stumbling the previous month, with exports and imports both growing much more than expected, pointing to a strong start to the year for global demand.

Thursday's robust data, along with last week's strong manufacturing and service surveys, suggest China's economy remained resilient at the start of 2018 and may even have picked up some momentum, despite crackdowns on factory pollution and riskier financing that are driving up borrowing costs.

Exports in January rose 11.1 percent from a year earlier, picking up from a 10.9 percent gain in December, official data showed. Analysts had expected growth to cool for a second straight month to 9.6 percent.

Imports surged 36.9 percent, the General Administration of Customs said, the fastest pace since last February and smashing analysts' forecast of 9.8 percent growth.

China's import growth had sharply decelerated to 4.5 percent in December, raising fears that its domestic demand was slumping as Beijing forced northern smelters and mills to curtail production to reduce thick winter smog.

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Commodities again led the way in January, with China's crude oil imports hitting a record and iron ore imports at the second highest on record.

The figures left the country with its smallest trade surplus in 11 months at \$20.34 billion, compared with December's \$54.69 billion and forecasts for a \$54.1 billion surplus in January.

However, data from China in the first two months of the year must always be treated with caution due to business distortions caused by the timing of the long Lunar New Year holidays, which fell in late January 2017 but start in mid-February this year.

Some of the jump in imports may have been due to inventory building ahead of the holidays rather than a pick-up in consumption, though economists said the data was still positive.

"January trade data may be affected by the always changing timing of the Chinese New Year holiday...(but) such strong import data indicates that domestic demand momentum remains healthy going into 2018," Louis Kuijs, head of Asia economics at Oxford Economics, wrote in a note.

Kuijs expects China's import growth to slow in coming months due to unfavourable comparisons with high levels last year and an expected slowdown in overall economic activity.

China's imports surged nearly 16 percent last year, the best since 2011, as a construction boom added to its insatiable demand for raw materials.

**Japan** – Bank of Japan board member Hitoshi Suzuki said on Thursday the central bank could raise interest rates or slow the purchase of risky assets if the costs of prolonged monetary easing began to outweigh the benefits. The remarks from Suzuki, a former commercial banker who joined the board in July, underscored the BOJ's dilemma as anaemic price and wage growth forces it to delay normalising policy, despite the rising cost of its radical stimulus programme.

Suzuki said there was no need to withdraw or ramp up stimulus now. The economy was set to carry on growing but it still needed monetary support to accelerate inflation towards the central bank's 2 percent target.

The BOJ, however, could raise its bond yield targets to minimise the effect of prolonged easing on financial institutions' profits if subdued inflation forced it to sustain ultra-easy policy longer than expected, he said.

"The BOJ will patiently continue its powerful monetary easing now. On the other hand, the impact of such easing on bank profits accumulates," Suzuki told a news conference after meeting business leaders in Wakayama, western Japan.

"If it becomes clear that more time would be needed (to achieve the BOJ's price target), there's a chance of modifying our policy framework to make it more sustainable and allow us to continue monetary easing for a longer period of time," he said.

Suzuki also raised the possibility of the BOJ slowing its buying of risky assets such as exchange-traded funds (ETF), which has drawn criticism from some analysts for distorting stock prices.

"For now, the BOJ's buying is a necessary step to achieve its target at the earliest date possible," he said. "But the BOJ can't keep buying forever, so future debate (on a possible slowdown) is necessary."

Any such step would not lead to a full-blown withdrawal of stimulus because the BOJ would still keep monetary policy ultra-easy, Suzuki added.

After three years of heavy money-printing failed to fire up inflation, the BOJ revamped its policy framework in 2016 to one targeting interest rates, rather than the pace of asset buying.

The policy, dubbed yield curve control (YCC), which caps short-term rates at minus 0.1 percent and 10-year bond yields around zero percent, has drawn complaints from financial institutions for narrowing their already meagre margins.

While Governor Haruhiko Kuroda has repeatedly rebuffed the chance of a near-term withdrawal of stimulus, some BOJ board members have openly warned of rising costs from the ultra-easy policy.

"We haven't reached the point where we should talk about the timing of an exit or exit strategies," Kuroda told lawmakers in parliament on Thursday. "We need to stick with our powerful quantitative easing."

Workers in the services sector turned pessimistic about the outlook in January for the first time in six months, because extreme snow storms kept consumers at home, Cabinet Office data showed on Thursday.

The index measuring sentiment among taxi drivers, high street shop staff, and restaurant workers also fell by the most in more than three years, which supports Kuroda's cautious tone.

Suzuki said the recent equity market sell-off, sparked by investor concern over the prospects of rising global interest rates, did not warrant additional monetary easing as it was unlikely to threaten Japan's recovery prospects.

"The sell-off was caused by market sentiment shifting from one-sided optimism to pessimism, not by a change in economic fundamentals. It won't have much impact on BOJ policy," he said.

**Euro Zone** – A gradual rise in euro zone inflationary pressures would not necessarily mean that price growth is on a sustained upward path and warrant a further removal of stimulus, European Central Bank chief economist Peter Praet said on Thursday.

"If the flow of incoming data were to confirm the expectation of a gradual build-up of inflationary pressures, this would not necessarily be sufficient to affirm a sustained adjustment, as less supportive monetary policy conditions could imperil the inflation trajectory," Praet said.

"Once the Governing Council judges that the three criteria for sustained adjustment have been met, net asset purchases will expire, in line with our guidance," Praet told a conference.

The ECB's bond buys are due to expire in September and policymakers are debating whether to end the scheme even if inflation is rising only gradually.

**U.K.** – The Bank of England said on Thursday interest rates probably need to rise sooner and by a bit more than it thought only three months ago, because Britain's slow-moving economy is getting a boost from the global recovery.

The BoE's rate-setters are giving themselves time to assess how Britain is coping with its impending departure from the European Union as they voted 9-0 to hold Bank Rate at 0.5 percent, in line with a Reuters poll of economists.

But Governor Mark Carney and colleagues saw a growing need to move faster on raising rates to keep a grip on inflation in the world's sixth-biggest economy, echoing other leading central banks which are moving towards tighter monetary policy, a decade on from the financial crisis.

The BoE said it now wanted to return inflation to its 2 percent target over "a more conventional horizon", which would mean curbing price growth within two years rather than three.

"Were the economy to evolve broadly in line with the February Inflation Report projections, monetary policy would need to be tightened somewhat earlier and by a somewhat greater extent over the forecast period than anticipated at the time of the November Report," the Monetary Policy Committee said.

Sterling jumped by more than a cent against the U.S. dollar, reversing some of its recent declines, while British government bond prices fell and the BoE-sensitive two-year yield rose to its highest since late 2015.

Rate futures showed investors saw a nearly 70 percent chance of a rate hike in May - up from under 50 percent before Thursday's meeting - with a rise fully priced in for August.

"It is no surprise to see interest rates being kept on hold this month. But it is still likely that we will see at least one quarter point rise in 2018 and possibly two or three," said Andrew Sentance, a former BoE rate-setter and senior economic adviser to accountants PwC.

Britain's economy slowed after the 2016 Brexit vote but has fared better than many investors expected at the time of the referendum, thanks largely to the much stronger global rebound in the United States, Germany and other key trading partners.

Although inflation has been running well above its 2 percent target, the BoE has raised rates only once so far since the 2007-09 financial crisis - in November - while the U.S. Federal Reserve has raised them five times.

**U.S** – The number of Americans filing for unemployment benefits unexpectedly fell last week, dropping to its lowest level in nearly 45 years as the labor market tightened further, bolstering expectations of faster wage growth this year.

The second straight weekly decline in claims reported by the Labor Department on Thursday also pointed to strong job growth momentum, which could further drive the unemployment rate lower.

"The extremely low level of claims is a sign of tightness in the labor market and suggests that February is shaping up to be another solid month for job creation," said John Ryding, chief economist at RDQ Economics in New York.

Initial claims for state unemployment benefits decreased 9,000 to a seasonally adjusted 221,000 for the week ended Feb. 3, the Labor Department said. Claims fell to 216,000 in mid-January, which was the lowest level since January 1973.

Economists polled by Reuters had forecast claims rising to 232,000 in the latest week. Last week marked the 153rd straight week that claims remained below the 300,000 threshold, which is associated with a strong labor market. That is the longest such stretch since 1970, when the labor market was much smaller.

The labor market is near full employment, with the jobless rate at a 17-year low of 4.1 percent. The tighter labor market is starting to exert upward pressure on wage growth.

The Labor Department reported last week that average hourly earnings jumped 2.9 percent year-on-year in January, the largest gain since June 2009, after advancing 2.7 percent in December. Employers added 200,000 jobs to their payrolls last month.

Strong wage growth supports optimism among Federal Reserve officials that inflation will increase toward the U.S. central bank's 2 percent target this year. U.S. financial markets expect the Fed will raise interest rates in March.

The Fed has forecast three rate increases for this year after lifting borrowing costs three times in 2017.

*(Source Reuters, Research – @her1en)*

**WEEKLY ECONOMIC CALENDAR**

| DATE                 | WIB   | CTY                               | INDICATORS   | PER      | ACTUAL    | FORECAST  | PREV.     | REV.     |
|----------------------|-------|-----------------------------------|--|----------|-----------|-----------|-----------|----------|
| <b>Mon/05-Feb-18</b> | 04:00 | KR                                | Foreign Reserves   | Jan      | \$395.75b | \$389.8b  | \$389.27b |          |
|                      | 05:00 | AU                                | CBA Australia PMI Composite                              | Jan      | 54.2      | --        | 55.5      |          |
|                      | 05:00 | AU                                | CBA Australia PMI Services                               | Jan      | 53.8      | --        | 55.1      |          |
|                      | 05:30 | AU                                | AiG Performance of Services Index                        | Jan      | 54.9      | --        | 52        |          |
|                      | 07:00 | AU                                | Melbourne Institute Inflation MoM                        | Jan      | 0.3%      | --        | 0.1%      |          |
|                      | 07:00 | AU                                | Melbourne Institute Inflation YoY                        | Jan      | 2.0%      | --        | 2.3%      |          |
|                      | 07:30 | HK                                | Nikkei Hong Kong PMI                                     | Jan      | 51.1      | 51.5      | 51.5      |          |
|                      | 07:30 | JP                                | Nikkei Japan PMI Composite                               | Jan      | 52.8      | --        | 52.2      |          |
|                      | 07:30 | JP                                | Nikkei Japan PMI Services                                | Jan      | 51.9      | --        | 51.1      |          |
|                      | 08:45 | CN                                | Caixin China PMI Composite                               | Jan      | 53.7      | --        | 53        |          |
|                      | 08:45 | CN                                | Caixin China PMI Services                                | Jan      | 54.7      | 53.5      | 53.9      |          |
|                      | 15:55 | DE                                | Markit Germany Services PMI                              | Jan F    | 57.3      | 57        | 57        |          |
|                      | 15:55 | DE                                | Markit/BME Germany Composite PMI                         | Jan F    | 59.0      | 58.8      | 58.8      |          |
|                      | 16:00 | EZ                                | ECB's Weidmann, BIS's Carstens Speak in Frankfurt        |          |           |           |           |          |
|                      | 16:00 | EZ                                | Markit Eurozone Composite PMI                            | Jan F    | 58.8      | 58.6      | 58.6      |          |
|                      | 16:00 | EZ                                | Markit Eurozone Services PMI                             | Jan F    | 58.0      | 57.6      | 57.6      |          |
|                      | 16:30 | GB                                | Markit/CIPS UK Composite PMI                             | Jan      | 53.5      | 54.6      | 54.9      |          |
|                      | 16:30 | GB                                | Markit/CIPS UK Services PMI                              | Jan      | 53.0      | 54.1      | 54.2      |          |
|                      | 16:30 | GB                                | Official Reserves Changes                                | Jan      | \$1709    | --        | -\$44m    |          |
|                      | 16:30 | EZ                                | Sentix Investor Confidence                               | Feb      | 31.9      | 33.2      | 32.9      |          |
|                      | 17:00 | EZ                                | Retail Sales MoM   | Dec      | -1.0%     | -1.0%     | 1.5%      |          |
|                      | 17:00 | EZ                                | Retail Sales YoY   | Dec      | 1.9%      | 1.9%      | 2.8%      |          |
|                      | 21:45 | US                                | Markit US Composite PMI                                  | Jan F    | 53.8      | --        | 53.8      |          |
| 21:45                | US    | Markit US Services PMI            | Jan F  | 53.3     | 53.3      | 53.3      |           |          |
| 22:00                | US    | ISM Non-Manufacturing Composite   | Jan  | 59.9     | 56.7      | 55.9      | 56        |          |
| <b>Tue/06-Feb-18</b> | 07:30 | AU                                | Retail Sales Ex Inflation QoQ                            | 4Q       | 0.9%      | 1.0%      | 0.1%      |          |
|                      | 07:30 | AU                                | Retail Sales MoM   | Dec      | -0.5%     | -0.2%     | 1.2%      | 1.3%     |
|                      | 07:30 | AU                                | Trade Balance  | Dec      | -A\$1358m | -A\$50m   | -A\$628m  | A\$36    |
|                      | 10:30 | AU                                | RBA Cash Rate Target                                     | Feb-06   | 1.50%     | 1.50%     | 1.50%     |          |
|                      | 14:00 | DE                                | Factory Orders MoM                                       | Dec      | 3.8%      | 0.7%      | -0.4%     | -0.1%    |
|                      | 14:00 | DE                                | Factory Orders WDA YoY                                   | Dec      | 7.2%      | 3.1%      | 8.7%      | 9.1%     |
|                      | 15:30 | DE                                | Markit Germany Construction PMI                          | Jan      | 59.8      | --        | 53.7      |          |
|                      | 16:10 | EZ                                | Markit Eurozone Retail PMI                               | Jan      | 50.8      | --        | 53        |          |
|                      | 16:10 | DE                                | Markit Germany Retail PMI                                | Jan      | 53.0      | --        | 55.1      |          |
|                      | 20:30 | US                                | Trade Balance  | Dec      | -\$53.1b  | -\$52.1b  | -\$50.5b  | -\$50.4b |
|                      | 20:50 | US                                | Fed's Bullard Speaks on U.S. Economy and Monetary Policy |          |           |           |           |          |
| 22:00                | CA    | Ivey Purchasing Managers Index SA | Jan  | 55.2     | --        | 60.4      |           |          |
| <b>Wed/07-Feb-18</b> | 04:45 | NZ                                | Average Hourly Earnings QoQ                              | 4Q       | 0.8%      | 0.5%      | 1.2%      |          |
|                      | 04:45 | NZ                                | Employment Change QoQ                                    | 4Q       | 0.5%      | 0.4%      | 2.2%      |          |
|                      | 04:45 | NZ                                | Employment Change YoY                                    | 4Q       | 3.7%      | 3.6%      | 4.2%      |          |
|                      | 04:45 | NZ                                | Participation Rate                                       | 4Q       | 71.0%     | 71.0%     | 71.1%     |          |
|                      | 04:45 | NZ                                | Unemployment Rate  | 4Q       | 4.5%      | 4.7%      | 4.6%      |          |
|                      | 05:30 | AU                                | AiG Performance of Construction Index                    | Jan      | 54.3      | --        | 52.8      |          |
|                      | 06:50 | JP                                | Official Reserve Assets                                  | Jan      | \$1268.5b | --        | \$1264.3b |          |
|                      | 07:00 | JP                                | Labor Cash Earnings YoY                                  | Dec      | 0.7%      | 0.5%      | 0.9%      |          |
|                      | 07:00 | JP                                | Real Cash Earnings YoY                                   | Dec      | -0.5%     | --        | 0.1%      |          |
|                      | 12:00 | JP                                | Coincident Index   | Dec P    | 120.7     | 120.6     | 117.9     |          |
|                      | 12:00 | JP                                | Leading Index CI   | Dec P    | 107.9     | 108.1     | 108.3     | 108.2    |
|                      | 12:30 | AU                                | Foreign Reserves   | Jan      | A\$65.3b  | --        | A\$85.4b  |          |
|                      | 14:00 | DE                                | Industrial Production SA MoM                             | Dec      | -0.6%     | -0.7%     | 3.4%      | 3.1%     |
|                      | 14:00 | DE                                | Industrial Production WDA YoY                            | Dec      | 6.5%      | 6.8%      | 5.6%      | 5.5%     |
|                      | 14:00 | CN                                | Foreign Reserves   | Jan      | -         | \$3170.0b | \$3139.9b |          |
| 14:30                | HK    | Foreign Reserves                  | Jan  | \$441.5b | \$433.1b  | \$431.3b  |           |          |

|                      |       |    |  |        |          |           |           |         |
|----------------------|-------|----|--|--------|----------|-----------|-----------|---------|
|                      | 15:00 | CH | Foreign Currency Reserves                                      | Jan    | 731.4b   | --        | 743.9b    | 744.2b  |
|                      | 16:00 | EZ | ECB's Nouy and Launtenschlaeger speak in Frankfurt             |        |          |           |           |         |
|                      | 17:00 | EZ | European Commission Economic Forecasts                         |        |          |           |           |         |
|                      | 18:00 | US | Fed's Kaplan Speaks in Frankfurt                               |        |          |           |           |         |
|                      | 20:30 | US | Fed's Dudley Speaks in Moderated Q&A                           |        |          |           |           |         |
|                      | 22:15 | US | Fed's Evans Speaks on Economic and Policy Outlook              |        |          |           |           |         |
|                      | 22:30 | US | DOE Cushing OK Crude Inventory                                 | Feb-02 | -711k    | --        | -2224k    |         |
|                      | 22:30 | US | DOE U.S. Crude Oil Inventories                                 | Feb-02 | 1895k    | 3150k     | 6776k     |         |
|                      | 22:30 | US | DOE U.S. Gasoline Inventories                                  | Feb-02 | 3414k    | 500k      | -1980k    |         |
| <b>Thu/08-Feb-18</b> | 03:00 | US | Consumer Credit  | Dec    | \$18.4b  | \$19.650b | \$27.951b | \$31.0b |
|                      | 03:00 | NZ | RBNZ Official Cash Rate  | Feb-08 | 1.75%    | 1.75%     | 1.75%     |         |
|                      | 05:20 | US | Fed's Williams Speaks in Hawaii                                |        |          |           |           |         |
|                      | 06:50 | JP | Housing Loans YoY  | 4Q     | 2.9%     | --        | 2.9%      | 3.0%    |
|                      | 06:50 | JP | Trade Balance BoP Basis  | Dec    | ¥538.9b  | ¥520.4b   | ¥181.0b   |         |
|                      | 07:30 | AU | NAB Business Confidence  | 4Q     | 6        | --        | 7         | 8       |
|                      | 08:30 | JP | BOJ Suzuki makes a speech in Wakayama                          |        |          |           |           |         |
|                      | 09:00 | CN | Exports YoY  | Jan    | 11.1%    | 10.7%     | 10.9%     |         |
|                      | 09:00 | CN | Imports YoY  | Jan    | 36.9%    | 10.6%     | 4.5%      |         |
|                      | 09:00 | CN | Trade Balance  | Jan    | \$20.34b | \$54.65b  | \$54.69b  |         |
|                      | 11:00 | JP | Eco Watchers Survey Current SA                                 | Jan    | 49.9     | 53.7      | 53.9      |         |
|                      | 11:00 | JP | Eco Watchers Survey Outlook SA                                 | Jan    | 52.4     | 53.6      | 52.7      |         |
|                      | N/A   | CN | Imports YoY CNY  | Jan    | 30.2%    | 5.3%      | 0.9%      |         |
|                      | N/A   | CN | Exports YoY CNY  | Jan    | 6.0%     | 2.6%      | 7.4%      |         |
|                      | N/A   | CN | Trade Balance CNY  | Jan    | 135.80b  | 330.00b   | 361.98b   |         |
| 08-Feb - 18-Feb      | N/A   | CN | Foreign Direct Investment YoY CNY                              | Jan    |          | --        | -9.2%     |         |
|                      | 14:00 | DE | Current Account Balance  | Dec    | 27.8b    | 25.0b     | 25.4b     |         |
|                      | 14:00 | DE | Exports SA MoM   | Dec    | 0.3%     | --        | 4.1%      |         |
|                      | 14:00 | DE | Imports SA MoM   | Dec    | 1.4%     | -0.8%     | 2.3%      |         |
|                      | 14:00 | DE | Trade Balance  | Dec    | 18.2b    | 21.0b     | 23.7b     |         |
|                      | 15:45 | EZ | ECB's Weidmann Speaks in Frankfurt                             |        |          |           |           |         |
|                      | 16:00 | EZ | ECB Publishes Economic Bulletin                                |        |          |           |           |         |
|                      | 16:00 | AU | RBA Governor Lowe Gives Speech in Sydney                       |        |          |           |           |         |
|                      | 17:15 | EZ | ECB's Villeroy Speaks in Frankfurt                             |        |          |           |           |         |
|                      | 17:30 | EZ | ECB's Mersch Speaks in London                                  |        |          |           |           |         |
|                      | 17:45 | EZ | ECB's Praet Speaks in Frankfurt                                |        |          |           |           |         |
|                      | 19:00 | GB | Bank of England Bank Rate                                      | Feb-08 | 0.50%    | 0.50%     | 0.50%     |         |
|                      | 19:00 | GB | Bank of England Inflation Report                               |        |          |           |           |         |
|                      | 19:00 | GB | BOE Asset Purchase Target                                      | Feb    | 435b     | 435b      | 435b      |         |
|                      | 19:00 | GB | BOE Corporate Bond Target                                      | Feb    | 10b      | 10b       | 10b       |         |
|                      | 20:00 | US | Fed's Harker Speaks on Economy: Outlook and Impact for College |        |          |           |           |         |
|                      | 20:30 | US | Continuing Claims  | Jan-27 | 1923k    | 1940k     | --        | 1956k   |
|                      | 20:30 | US | Initial Jobless Claims   | Feb-03 | 221k     | 232k      | --        | 230k    |
|                      | 21:00 | US | Fed's Kashkari Speaks in Moderated Q&A                         |        |          |           |           |         |
| <b>Fri/09-Feb-18</b> | 00:45 | CA | Bank of Canada Senior Deputy Governor Carolyn Wilkins Speech   |        |          |           |           |         |
|                      | 07:30 | AU | Home Loans MoM   | Dec    |          | -0.5%     | 2.1%      |         |
|                      | 07:30 | AU | Investment Lending   | Dec    |          | --        | 1.5%      |         |
|                      | 07:30 | AU | RBA Quarterly Statement on Monetary Policy                     |        |          |           |           |         |
|                      | 08:30 | CN | CPI YoY  | Jan    |          | 1.5%      | 1.8%      |         |
|                      | 08:30 | CN | PPI YoY  | Jan    |          | 4.2%      | 4.9%      |         |
|                      | 09:00 | US | Fed's George Speaks on the Economy                             |        |          |           |           |         |
|                      | 11:30 | JP | Tertiary Industry Index MoM                                    | Dec    |          | 0.2%      | 1.1%      |         |
|                      |       | DE | Germany Sovereign Debt to be rated by Fitch                    |        |          |           |           |         |
|                      | 13:45 | CH | Unemployment Rate  | Jan    |          | --        | 3.3%      |         |
|                      | 13:45 | CH | Unemployment Rate SA   | Jan    |          | --        | 3.0%      |         |
|                      | 16:30 | GB | Construction Output SA MoM                                     | Dec    |          | --        | 0.4%      |         |
|                      | 16:30 | GB | Construction Output SA YoY                                     | Dec    |          | --        | 0.4%      |         |
|                      | 16:30 | GB | Industrial Production MoM                                      | Dec    |          | --        | 0.4%      |         |
|                      | 16:30 | GB | Industrial Production YoY                                      | Dec    |          | --        | 2.5%      |         |
|                      | 16:30 | GB | Manufacturing Production MoM                                   | Dec    |          | --        | 0.4%      |         |
|                      | 16:30 | GB | Manufacturing Production YoY                                   | Dec    |          | --        | 3.5%      |         |

February 09, 2018

|                      |       |    |   |        |  |    |         |  |
|----------------------|-------|----|---|--------|--|----|---------|--|
|                      | 16:30 | GB | Trade Balance   | Dec    |  | -- | -£2804  |  |
|                      | 16:30 | GB | Trade Balance Non EU GBP/Million                          | Dec    |  | -- | -£4675  |  |
|                      | 16:30 | GB | Visible Trade Balance GBP/Million                         | Dec    |  | -- | -£12231 |  |
|                      | 19:00 | GB | NIESR GDP Estimate  | Jan    |  | -- | 0.6%    |  |
|                      | 20:30 | CA | Full Time Employment Change                               | Jan    |  | -- | 23.7    |  |
|                      | 20:30 | CA | Net Change in Employment                                  | Jan    |  | -- | 78.6k   |  |
|                      | 20:30 | CA | Part Time Employment Change                               | Jan    |  | -- | 54.9    |  |
|                      | 20:30 | CA | Participation Rate  | Jan    |  | -- | 65.8    |  |
|                      | 20:30 | CA | Unemployment Rate   | Jan    |  | -- | 5.7%    |  |
| <b>Sat/10-Feb-18</b> | 01:00 | US | Baker Hughes U.S. Rig Count                               | Feb-09 |  | -- | --      |  |
|                      | 17:30 | EZ | ECB's Visco Speaks at Annual Assiom Forex Event in Verona |        |  |    |         |  |

Source: Bloomberg-Reuters-Forexfactory-DailyFX-Tradingeconomics-FXStreet, Research: @LukmanLoeng,@her1en,rizal

## ASIAN STOCK INDEX

**Japan's Nikkei** share average rose on Thursday as buyers looked for bargains on shares which were beaten down heavily early in the week.

The Nikkei ended up 1.1 percent at 21,890.86 points, but has still lost nearly 6 percent so far this week.

Automakers, glassmakers and pharmaceutical stocks led the gains, while food companies and metal stocks lost ground.

Toyota Motor Corp rose 2.4 percent, Subaru Corp advanced 2.9 percent, Asahi Glass jumped 5.9 percent and Takeda Pharmaceutical added 1.8 percent.

Condiment maker Ajinomoto shed 1.7 percent and Toho Zinc stumbled 5.7 percent.

The broader Topix rose 0.9 percent to 1,765.69.

**South Korean KOSPI** stock index rose on Thursday, snapping four-day losing streak. The Korean won edged down in the local platform while bond yields rose.

At 06:33 GMT, the KOSPI was up 11.06 points or 0.46 percent at 2,407.62.

South Korea's junior stock market sub-index, KOSDAQ 150, jumped nearly 6 percent during the session, triggering a sidetar, a type of circuit breaker. The KOSDAQ rose more than 4 percent and closed up 3.85 percent.

The won was quoted at 1,087.9 per dollar on the onshore settlement platform, 0.12 percent weaker than its previous close at 1,086.6.

In offshore trading, the won was quoted at 1,086.88 per U.S. dollar, up 0.22 percent from the previous day, while in one-year non-deliverable forwards it was being transacted at 1,077.3 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.22 percent, after U.S. stocks ended the previous session with mild losses. Japanese stocks rose 1.13 percent.

The KOSPI is down around 2.9 percent so far this year, and down by 1.80 percent in the previous 30 days.

**Hong Kong stocks** regained some composure on Thursday after a brutal sell-off earlier in the week, with the benchmark Hang Seng Index ending the session slightly higher following five consecutive days of losses.

The Hang Seng may have found a floor after posting its biggest one-day percentage loss since July, 2015 on Tuesday.

At close of trade, the Hang Seng index was up 128.07 points or 0.42 percent at 30,451.27. The Hang Seng China Enterprises index fell 0.43 percent to 12,380.38.

The sub-index of the Hang Seng tracking energy shares dipped 1.9 percent while the IT sector rose 1.34 percent, the financial sector was 0.48 percent higher and property sector rose 0.19 percent.

The top gainer on Hang Seng was AAC Technologies Holdings Inc up 3.67 percent, while the biggest loser was CNOOC Ltd which was down 2.05 percent.

China's main Shanghai Composite index closed down 1.42 percent at 3,262.1481 points while its blue-chip CSI300 index ended lower 0.96 percent.

**China stocks** ended lower to post a third consecutive session of losses on Thursday, with the benchmark Shanghai index hitting a six-month low, even as data showed the country's trade performance in January exceeded expectations.

Investors dumped blue chips, including energy and banking firms, as well as infrastructure and property companies.

An index tracking the 50 most representative blue-chips in Shanghai, dubbed China's "nifty 50", dropped 2.8 percent. On Wednesday, the index posted its biggest single-day percentage loss in two years.

China's January trade growth easily beat market expectations, with exports rising 11.1 percent year-on-year and imports surging 36.9 percent, customs data showed on Thursday.

At the close, the Shanghai Composite index was down 47.11 points or 1.42 percent at 3,262.15.

The blue-chip CSI300 index was down 0.96 percent. Its financial sector sub-index fell 2.61 percent, the consumer staples sector was up 1.67 percent, the real estate index fell 1.59 percent and healthcare sub-index was up 1.31 percent.

So far this year, the Shanghai stock index is up 0.06 percent, the CSI300 is down 0.5 percent this year, while China's H-share index listed in Hong Kong is up 6.2 percent. Shanghai stocks have declined 4.93 percent this month.

[\(Source Reuters, Research: rizal\)](#)



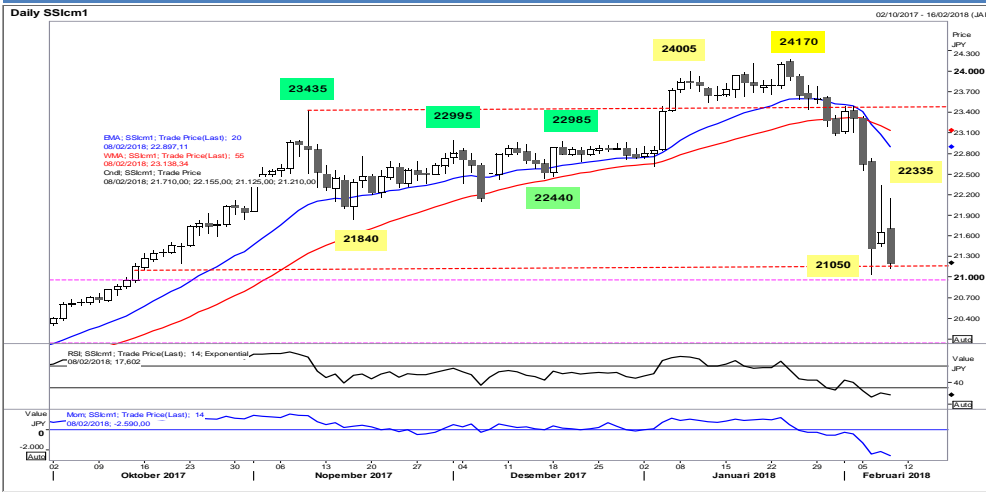
## ASIA AND GLOBAL MARKET SPOT PRICE 2018

| HIGH / LOW         | .N225                     | .KS200                  | .HSI                      | .DJI                                    | /.SPX                                  | /.SSEC                                    |
|--------------------|---------------------------|-------------------------|---------------------------|---|--|---|
| <b>RECORD HIGH</b> | 38915.87<br>(29/Dec/89)   | 339.59<br>(02/Nov/2017) | 33154.12<br>(26/Jan/2018) | 26616.71<br>(26/Jan/2018)               | 2872.62<br>(26/Jan/2018)               | 6124.04400<br>(16/Oct./07)                |
| <b>2017 HIGH</b>   | 23439.15<br>(13/Nov/2017) | 339.59<br>(02/Nov/2017) | 30199.69<br>(22/Nov/2017) | 24876.07<br>(18/Dec/2017)               | 2694.97<br>(18/Dec/2017)               | 3450.49490<br>(14/Nov/2017)               |
| <b>2018 HIGH</b>   | 24124.15<br>(23/Jan/2018) | 338.05<br>(29/Jan/2018) | 33154.12<br>(26/Jan/2018) | 26616.71<br>(26/Jan/2018)               | 2872.62<br>(26/Jan/2018)               | 3587.50890<br>(29/Jan/2018)               |
| <b>2018 LOW</b>    | 21610.24<br>(06/Feb/2018) | 310.48<br>(07/Feb/2018) | 30323.20<br>(07/Feb/2018) | <b>23860.46</b><br><b>(08/Feb/2018)</b> | <b>2581.04</b><br><b>(08/Feb/2018)</b> | <b>3262.14810</b><br><b>(08/Feb/2018)</b> |
| <b>2017 LOW</b>    | 18224.68<br>(17/Apr/2017) | 258.64<br>(02/Jan/2017) | 21883.82<br>(03/Jan/2017) | 19677.94<br>(19/Jan/2017)               | 2245.13<br>(03/Jan/2017)               | 3016.53050<br>(11/May/2017)               |
| <b>RECORD LOW</b>  | 85.25<br>(06/Jul/50)      | 31.96<br>(16/Jun/98)    | 58.61<br>(31/Aug/67)      | 388.20<br>(17/Jan/55)                   | 132.93<br>(23/Nov./82)                 | 325.92200<br>(29/Jul/94)                  |

### Closing Prices – 08 February 2018

|        | CLOSE    | CHANGE          |             | CLOSE      | CHANGE           |
|--------|----------|-----------------|-------------|------------|------------------|
| .DJI   | 23860.46 | ↓ 1032.89/4.15% | .N225       | 21890.86   | ↑ 245.49/1.13%   |
| /.SPX  | 2581.04  | ↓ 100.62/3.75%  | .KS200      | 311.62     | ↑ 1.14/0.37%     |
| /.IXIC | 6777.159 | ↓ 274.825/3.90% | .HSI        | 30451.27   | ↑ 128.07/0.42%   |
| JPY=   | 108.74   | ↓ 0.57/0.52%    | /.SSEC      | 3262.14810 | ↓ 47.11170/1.42% |
| KRW=   | 1096.58  | ↑ 7.34/0.67%    | /CLc1 (Oil) | 60.42      | ↓ 1.31/2.12%     |

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



- RSI 14 is in oversold zone.
  - Daily daily corrections.
  - Be aware of trend changes.
- [\(Research – rizal\)](#)

| DATE           | OPEN  | HIGH  | LOW   | RANGE | CLOSE | SETTLE | CHANGE | % CHANGE | VOLUME |
|----------------|-------|-------|-------|-------|-------|--------|--------|----------|--------|
| 08 Feb SSIpmH8 | 21910 | 21995 | 21125 | 870   | 21210 | ---    | ↓ 680  | 3.11     | 44550  |
| 08 Feb SSIamH8 | 21710 | 21960 | 21625 | 335   | 21890 | 21890  | ↑ 240  | 1.11     | 77623  |
| 07 Feb SSIpmH8 | 21710 | 22155 | 21450 | 705   | 22020 | ---    | ↑ 370  | 1.71     | 59521  |
| 07 Feb SSIamH8 | 22195 | 22335 | 21520 | 815   | 21650 | 21650  | ↑ 230  | 1.07     | 115750 |
| 06 Feb SSIpmH8 | 21490 | 22225 | 21450 | 775   | 22215 | ---    | ↑ 795  | 3.71     | 99023  |
| 06 Feb SSIamH8 | 21720 | 21835 | 21050 | 785   | 21420 | 21420  | ↓ 1235 | 5.45     | 165115 |
| 05 Feb SSIpmH8 | 22690 | 22735 | 21510 | 1225  | 21815 | ---    | ↓ 840  | 3.71     | 57539  |
| 05 Feb SSIamH8 | 22790 | 22850 | 22560 | 290   | 22655 | 22655  | ↓ 660  | 2.83     | 83298  |
| 02 Feb SSIpmH8 | 23330 | 23345 | 23000 | 345   | 23010 | ---    | ↓ 305  | 1.31     | 42935  |
| 02 Feb SSIamH8 | 23320 | 23335 | 23100 | 235   | 23315 | 23315  | ↓ 100  | 0.43     | 75338  |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 22850    | 21050    | 23485    | 21050    | 24170    | 22615    | 24170    | 21050    |
| (05/Jan) | (06/Jan) | (01/Jan) | (06/Jan) | (23/Jan) | (02/Jan) | (23/Jan) | (06/Jan) |

ANALYSIS & RECOMMENDATION

|                |           |  |
|----------------|-----------|--|
| RESISTANCE     | 21970     | High on 1 hourly Chart                   |
|                | 21740     | High on 1 Hourly Chart                   |
|                | 21550     | High on 1 hourly Chart                   |
|                | 21445     | High on 1 hourly Chart                   |
| SUPPORT        | 20930     | Low Oct 13,2017                          |
|                | 20840     | Low Oct 12,2017                          |
|                | 20635     | Reactions Low on Daily Chart Oct 09,2017 |
|                | 20370     | Low Oct 03,2017                          |
| RECOMMENDATION | BUY       | ----                                     |
|                | SELL      | 21160                                    |
|                | STOP LOSS | 21310                                    |
|                | TARGET    | 20910<br>20860                           |

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



- Daily daily corrections
  - RSI 14 down, is in oversold zone.
- [\(Research – rizal\)](#)

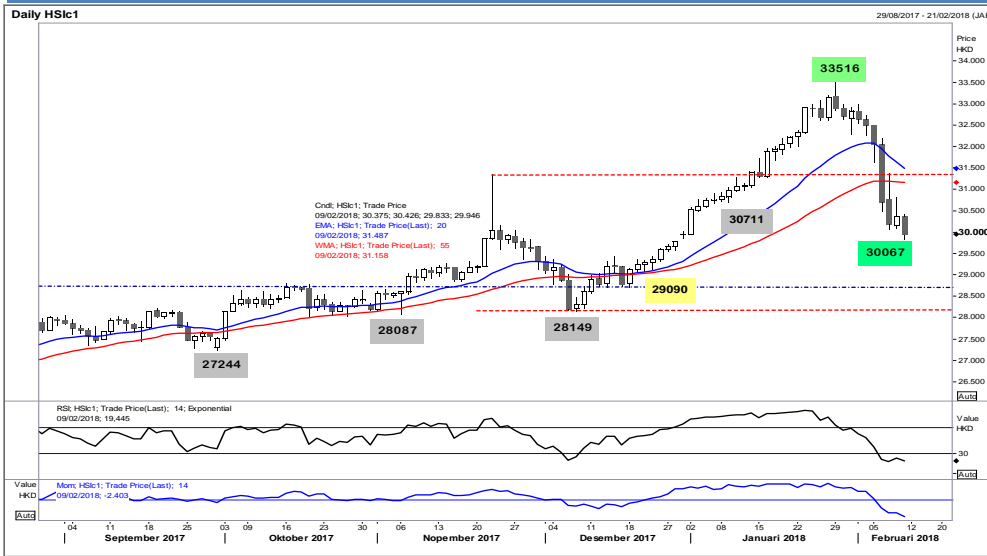
| DATE   | OPEN   | HIGH   | LOW    | RANGE | CLOSE  | SETTLE | CHANGE | % CHANGE | VOLUME |
|--------|--------|--------|--------|-------|--------|--------|--------|----------|--------|
| 08 Feb | 311.10 | 314.60 | 310.00 | 4.60  | 313.00 | 313.00 | ↑ 3.00 | 0.97     | 411326 |
| 07 Feb | 322.00 | 322.30 | 310.00 | 12.30 | 310.00 | 310.00 | ↓ 8.15 | 2.56     | 404188 |
| 06 Feb | 317.45 | 319.70 | 313.15 | 6.55  | 318.15 | 318.15 | ↓ 5.35 | 1.65     | 478115 |
| 05 Feb | 323.60 | 324.90 | 321.45 | 3.45  | 323.50 | 323.50 | ↓ 4.40 | 1.34     | 321007 |
| 02 Feb | 333.20 | 333.60 | 326.85 | 6.75  | 327.90 | 327.90 | ↓ 6.25 | 1.87     | 282999 |
| 01 Feb | 335.30 | 336.30 | 333.60 | 2.70  | 334.15 | 334.15 | ↓ 0.80 | 0.24     | 186574 |

| WEEKLY             |                    | FEBRUARY           |                    | JANUARY            |                    | 2018               |                    |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| HIGH               | LOW                | HIGH               | LOW                | HIGH               | LOW                | HIGH               | LOW                |
| 324.90<br>(05/Feb) | 310.00<br>(07/Feb) | 336.30<br>(01/Feb) | 310.00<br>(07/Feb) | 340.30<br>(29/Jan) | 325.05<br>(04/Jan) | 340.30<br>(29/Jan) | 310.00<br>(07/Feb) |

**ANALYSIS & RECOMMENDATION**

|                |           |                        |
|----------------|-----------|------------------------|
| RESISTANCE     | 322.30    | High Feb 07,2018       |
|                | 319.85    | High on 1 Hourly Chart |
|                | 316.50    | High on 1 Hourly Chart |
|                | 314.95    | High on 1 Hourly Chart |
| SUPPORT        | 310.00    | Low Feb 07,2018        |
|                | 308.65    | Low Sept 11,2017       |
|                | 306.85    | Low Sept 08,2017       |
|                | 304.30    | Low Sept 07,2017       |
| RECOMMENDATION | BUY       | ----                   |
|                | SELL      | 312.50                 |
|                | STOP LOSS | 314.00                 |
|                | TARGET    | 310.00                 |
|                |           | 309.50                 |

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



- Correction occurs daily
  - Important resistance at 31212, important support at 39871
- [\(Research – riza\)](#)

| DATE   | OPEN  | HIGH  | LOW   | RANGE | CLOSE | SETTLE | CHANGE | % CHANGE | VOLUME |
|--------|-------|-------|-------|-------|-------|--------|--------|----------|--------|
| 08 Feb | 30450 | 30661 | 30163 | 498   | 30354 | 30354  | ↑ 160  | 0.53     | 241287 |
| 07 Feb | 31210 | 31377 | 30067 | 1310  | 30194 | 30194  | ↓ 509  | 1.66     | 310287 |
| 06 Feb | 30880 | 31212 | 30487 | 725   | 30703 | 30703  | ↓ 1330 | 4.15     | 322511 |
| 05 Feb | 31700 | 32327 | 31635 | 692   | 32033 | 32033  | ↓ 475  | 1.46     | 237885 |
| 02 Feb | 32571 | 32743 | 32268 | 475   | 32508 | 32508  | ↓ 139  | 0.43     | 221736 |
| 01 Feb | 32826 | 32978 | 32567 | 411   | 32647 | 32647  | ↓ 197  | 0.60     | 200005 |
| 31 Jan | 32420 | 32929 | 32293 | 636   | 32844 | 32844  | ↑ 189  | 0.58     | 249512 |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 32327    | 30067    | 32978    | 30067    | 33516    | 30371    | 33516    | 30067    |
| (05/Feb) | (07/Feb) | (01/Feb) | (07/Feb) | (29/Jan) | (02/Jan) | (29/Jan) | (07/Feb) |

ANALYSIS & RECOMMENDATION

|                |           |                        |
|----------------|-----------|------------------------|
| RESISTANCE     | 31968     | High on 1 Hourly Chart |
|                | 31212     | High on 1 Hourly Chart |
|                | 31132     | High on 1 Hourly Chart |
|                | 30943     | High on 1 Hourly Chart |
| SUPPORT        | 30003     | High on 1 Hourly Chart |
|                | 29871     | Low Des 29,2017        |
|                | 29592     | Low Des 28,2017        |
|                | 29327     | Low Dec 22,2017        |
| RECOMMENDATION | BUY       | ----                   |
|                | SELL      | 29895                  |
|                | STOP LOSS | 30045                  |
|                | TARGET    | 29645                  |
|                |           | 29595                  |

**CURRENCIES – Daily Outlook**

**Dollar holds firm as U.S. stocks plummet - Reuters News**



The dollar was little changed on Thursday against a basket of currencies in choppy trading, fading from a two-week high as investors reduced bets against the greenback on renewed turbulence in the stock and bond markets.

The dollar's loss of upward momentum reinforced the view the currency is in a bear market trend.

A sell-off across global stock markets since late Friday, and bets that the United States could see at least three

interest rate hikes in 2018 due to improving U.S. fundamentals have propelled the dollar in recent days. Yet the dollar lagged against the yen and Swiss franc as investors sought safety on a day when Wall Street suffered steep losses and the U.S. 10-year Treasury yield flirted with four-year highs.

"You have a split in flight-to-safety bids when you have turbulent financial markets regardless of how well the global economy is doing," said Jason Leinwand, chief executive officer of FirstLine FX Currency Strategy in Randolph, New Jersey.

The index that tracks the dollar versus six currencies was marginally higher at 90.292. It has gained 1.2 percent since last Friday, putting it on track for its largest weekly gain since late October.

John Taylor, Jr., president and founder of global macro and FX research firm Taylor Global Vision was not too convinced about the dollar's strength for most of this week.

"The bounce in the dollar is already nearing an end. The feeble move higher in dollar pairs like the dollar/Mexican peso and the dollar/South African rand highlights the distaste for the U.S. currency," he added.

This belief ties in with a Reuters poll of strategists who said the dollar's rebound was unlikely to be sustainable.

The euro was down 0.1 percent at \$1.2248, after earlier falling to a two-week low. The single currency has declined 2.6 percent since hitting a three-year high of around \$1.2536 just 10 days ago.

"The market is in consolidation mode," said Commerzbank currency strategist Esther Reichelt in Frankfurt. "The dollar performed relatively well during the stock market turmoil, and this experience determined the market sentiment going forward."

Traditional safe-havens such as the yen and Swiss franc, meanwhile, have seen only modest gains during the recent stock market volatility. But on Thursday, the dollar was both down 0.8 percent and 0.6 percent against the Swiss franc and yen, respectively.

Higher U.S. yields also underpinned the greenback's recent rally. The 10-year Treasury yield edged up to 2.833 percent, not far below a four-year peak of 2.885 percent reached on Monday.

*(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
- Low level series in daily [\(Research – @her1en\)](#)

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE  | PREVIOUS |
|--------|---------|---------|---------|-------|---------|---------|----------|
| Feb 08 | 1.22528 | 1.22937 | 1.22109 | 82,8  | 1.22434 | ↓ 17,7  | 1.22611  |
| Feb 07 | 1.23790 | 1.24048 | 1.22447 | 160,1 | 1.22611 | ↓ 113,3 | 1.23744  |
| Feb 06 | 1.23743 | 1.24334 | 1.23127 | 120,7 | 1.23744 | ↑ 9,2   | 1.23652  |
| Feb 05 | 1.24298 | 1.24738 | 1.23614 | 112,4 | 1.23652 | ↓ 84,1  | 1.24493  |
| Feb 02 | 1.25038 | 1.25169 | 1.24082 | 108,7 | 1.24493 | ↓ 62,5  | 1.25118  |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 1.24738  | 1.22109  | 1.25217  | 1.22109  | 1.25366  | 1.19145  | 1.25366  | 1.19145  |
| (05/Feb) | (08/Feb) | (01/Feb) | (08/Feb) | (25/Jan) | (09/Jan) | (25/Jan) | (09/Jan) |

**ANALYSIS & RECOMMENDATION**

|                       |           |                  |
|-----------------------|-----------|------------------|
| <b>RESISTANCE</b>     | 1.2770    | High Oct 29,2014 |
|                       | 1.2639    | High Oct 30,2014 |
|                       | 1.2515    | High Dec 17,2014 |
|                       | 1.2405    | High Feb 07      |
| <b>SUPPORT</b>        | 1.2210    | Low Feb 08       |
|                       | 1.2186    | Low Jan 15,2018  |
|                       | 1.2029    | Low Jan 12,2018  |
|                       | 1.1914    | Low Jan 09       |
| <b>RECOMMENDATION</b> | BUY       | -----            |
|                       | SELL      | 1.2270           |
|                       | STOP LOSS | 1.2345           |
|                       | TARGET    | 1.2195<br>1.2160 |

**USD/JPY**

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



- The main resistance at 111.87, support 107.31
  - RSI enters the oversold zone, beware of trend changes
- (Research – riza!)*

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE  | PREVIOUS |
|--------|---------|---------|---------|-------|---------|---------|----------|
| Feb 08 | 109.359 | 109.772 | 108.569 | 120,3 | 108.718 | ↓ 63,1  | 109.349  |
| Feb 07 | 109.689 | 109.693 | 108.907 | 78,6  | 109.349 | ↓ 21,3  | 109.562  |
| Feb 06 | 109.116 | 109.639 | 108.444 | 119,5 | 109.562 | ↑ 49,6  | 109.066  |
| Feb 05 | 110.255 | 110.269 | 108.978 | 129,1 | 109.066 | ↓ 119,3 | 110.259  |
| Feb 02 | 109.439 | 110.470 | 109.269 | 120,1 | 110.259 | ↑ 88,4  | 109.375  |

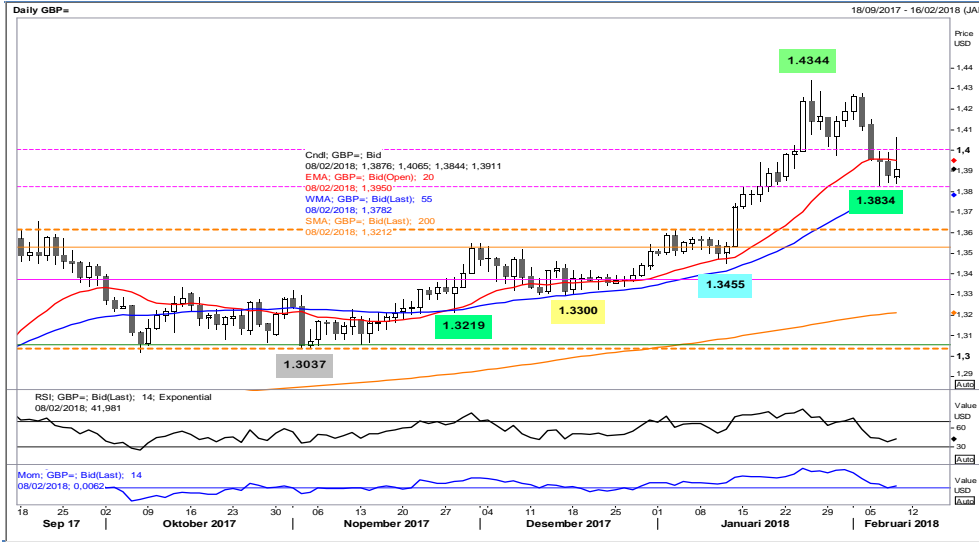
| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 110.269  | 108.444  | 110.470  | 108.444  | 113.376  | 108.271  | 113.376  | 108.271  |
| (05/Feb) | (06/Feb) | (02/Feb) | (06/Feb) | (08/Jan) | (26/Jan) | (08/Jan) | (26/Jan) |

**ANALYSIS & RECOMMENDATION**

|                       |           |  |
|-----------------------|-----------|--|
| <b>RESISTANCE</b>     | 113.18    | High Jan 09,2018                         |
|                       | 112.77    | High Jan 10,2018                         |
|                       | 111.87    | High Jan 11,2018                         |
|                       | 110.33    | High Jan 24,2018                         |
| <b>SUPPORT</b>        | 108.12    | Low Sep 11,2017                          |
|                       | 107.31    | Low Sep 08,2017                          |
|                       | 106.51    | Low Nov 14,2016                          |
|                       | 106.00    | Reactions Low on Daily Chart Nov 11,2016 |
| <b>RECOMMENDATION</b> | BUY       | 108.55                                   |
|                       | SELL      | ----                                     |
|                       | STOP LOSS | 107.75                                   |
|                       | TARGET    | 109.55                                   |
|                       |           | 109.85                                   |

**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 – rizal)*

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE  | PREVIOUS |
|--------|---------|---------|---------|-------|---------|---------|----------|
| Feb 08 | 1.38693 | 1.40654 | 1.38442 | 221,2 | 1.39080 | ↑ 35,8  | 1.38722  |
| Feb 07 | 1.39544 | 1.39926 | 1.38476 | 145,0 | 1.38722 | ↓ 72,0  | 1.39442  |
| Feb 06 | 1.39662 | 1.39980 | 1.38349 | 163,1 | 1.39442 | ↓ 11,2  | 1.39554  |
| Feb 05 | 1.40932 | 1.41493 | 1.39491 | 200,2 | 1.39554 | ↓ 169,2 | 1.41246  |
| Feb 02 | 1.42609 | 1.42767 | 1.41004 | 176,3 | 1.41246 | ↓ 125,0 | 1.42496  |

| WEEKLY              |                     | FEBRUARY            |                     | JANUARY             |                     | 2018                |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 |
| 1.41493<br>(05/Feb) | 1.38349<br>(06/Feb) | 1.42771<br>(01/Feb) | 1.38349<br>(06/Feb) | 1.43438<br>(25/Jan) | 1.34571<br>(11/Jan) | 1.43438<br>(25/Jan) | 1.34571<br>(11/Jan) |

**ANALYSIS & RECOMMENDATION**

|                       |           |  |
|-----------------------|-----------|--|
| <b>RESISTANCE</b>     | 1.4390    | Fibo.Projections on Daily Chart (100.0%) |
|                       | 1.4344    | High Jan 25,2018                         |
|                       | 1.4285    | High Jan 26,2018                         |
|                       | 1.4150    | High Feb 05,2018                         |
| <b>SUPPORT</b>        | 1.3837    | Reaction Low on Daily Chart Jan 19,2018  |
|                       | 1.3755    | Low Jan 17,2018                          |
|                       | 1.3609    | Low on 1 Hourly Chart                    |
|                       | 1.3532    | Low Jan 12,2018                          |
| <b>RECOMMENDATION</b> | BUY       | 1.3900                                   |
|                       | SELL      | ----                                     |
|                       | STOP LOSS | 1.3800                                   |
|                       | TARGET    | 1.4000<br>1.4050                         |



## USD/CHF

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



- Daily RSI enters the oversold area
  - Main resistance 0.9581, support 0.9152
- [\(Research – rizal\)](#)

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE | PREVIOUS |
|--------|---------|---------|---------|-------|---------|--------|----------|
| Feb 08 | 0.94327 | 0.94690 | 0.93534 | 115,6 | 0.93573 | ↓ 66,6 | 0.94239  |
| Feb 07 | 0.93560 | 0.94534 | 0.93383 | 115,1 | 0.94239 | ↑ 67,7 | 0.93562  |
| Feb 06 | 0.93155 | 0.93965 | 0.93051 | 91,4  | 0.93562 | ↑ 43,1 | 0.93131  |
| Feb 05 | 0.93217 | 0.93754 | 0.92861 | 89,3  | 0.93131 | ↓ 0,3  | 0.93134  |
| Feb 02 | 0.92605 | 0.93356 | 0.92565 | 79,1  | 0.73134 | ↑ 49,5 | 0.92639  |

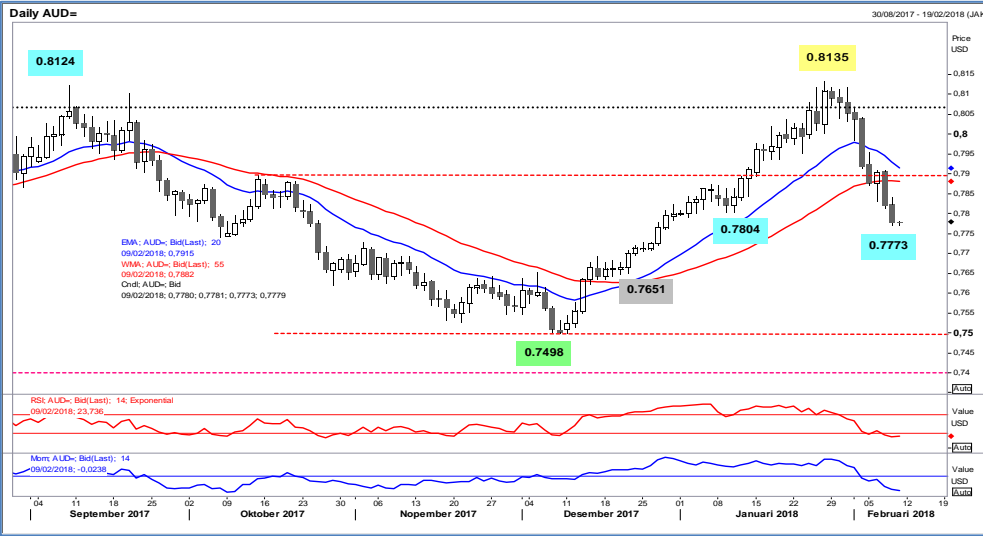
| WEEKLY              |                     | FEBRUARY            |                     | JANUARY             |                     | 2018                |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 |
| 0.94690<br>(08/Feb) | 0.92861<br>(05/Feb) | 0.94690<br>(08/Feb) | 0.92551<br>(01/Feb) | 0.98444<br>(10/Jan) | 0.92881<br>(31/Jan) | 0.98444<br>(10/Jan) | 0.92551<br>(01/Feb) |

### ANALYSIS & RECOMMENDATION

|                |           |                                      |
|----------------|-----------|--------------------------------------|
| RESISTANCE     | 0.9685    | High Jan 15,2018                     |
|                | 0.9633    | High Jan 23,2018                     |
|                | 0.9581    | High Jan 24,2018                     |
|                | 0.9467    | High Jan 25,2018                     |
| SUPPORT        | 0.9338    | Low Feb 07,2018                      |
|                | 0.9286    | Reactions on Daily Chart Feb 05,2018 |
|                | 0.9251    | Low Aug 24,2015                      |
|                | 0.9207    | Low Jun 23,2015                      |
| RECOMMENDATION | BUY       | ----                                 |
|                | SELL      | 0.9385                               |
|                | STOP LOSS | 0.9465                               |
|                | TARGET    | 0.9285                               |
|                |           | 0.9255                               |

**AUD/USD**

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



- Daily RSI 14 near oversold area
- The main resistance at 0.8162, support 0.7651  
[\(Research - @her1en\)](#)

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE  | PREVIOUS |
|--------|---------|---------|---------|-------|---------|---------|----------|
| Feb 08 | 0.78111 | 0.78423 | 0.77747 | 67,6  | 0.77792 | ↓ 41,8  | 0.78210  |
| Feb 07 | 0.79044 | 0.79065 | 0.78157 | 90,8  | 0.78210 | ↓ 84,0  | 0.79050  |
| Feb 06 | 0.78777 | 0.78089 | 0.78343 | 25,4  | 0.79050 | ↑ 29,5  | 0.78755  |
| Feb 05 | 0.79019 | 0.79526 | 0.78739 | 78,7  | 0.78755 | ↓ 57,9  | 0.79334  |
| Feb 02 | 0.80335 | 0.80429 | 0.79201 | 122,8 | 0.79334 | ↓ 104,5 | 0.80379  |

| WEEKLY              |                     | FEBRUARY            |                     | JANUARY             |                     | 2018                |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 |
| 0.79526<br>(05/Feb) | 0.77747<br>(08/Feb) | 0.80661<br>(01/Feb) | 0.77747<br>(08/Feb) | 0.81346<br>(26/Jan) | 0.77935<br>(02/Jan) | 0.81346<br>(26/Jan) | 0.77747<br>(08/Feb) |

**ANALYSIS & RECOMMENDATION**

|                       |           |                                   |
|-----------------------|-----------|-----------------------------------|
| <b>RESISTANCE</b>     | 0.8162    | Reaction high (High May 14, 2015) |
|                       | 0.8043    | High Feb 02                       |
|                       | 0.7953    | High Feb 05                       |
|                       | 0.7909    | High Feb 02                       |
| <b>SUPPORT</b>        | 0.7721    | Low Dec 27                        |
|                       | 0.7651    | Low Dec 21                        |
|                       | 0.7549    | Low Dec 13                        |
|                       | 0.7498    | Low Dec 08                        |
| <b>RECOMMENDATION</b> | BUY       | -----                             |
|                       | SELL      | 0.7800                            |
|                       | STOP LOSS | 0.7875                            |
|                       | TARGET    | 0.7725<br>0.7690                  |

## NZD/USD

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



- The Correction in daily
- The series goes down low in daily ([Research – @her1en](#))

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE  | PREVIOUS |
|--------|---------|---------|---------|-------|---------|---------|----------|
| Feb 08 | 0.72220 | 0.72415 | 0.71755 | 66,0  | 0.72177 | ↓ 14,5  | 0.72322  |
| Feb 07 | 0.73434 | 0.73437 | 0.72084 | 135,3 | 0.72322 | ↓ 107,0 | 0.73392  |
| Feb 06 | 0.72766 | 0.73497 | 0.72555 | 94,2  | 0.73392 | ↑ 78,9  | 0.72603  |
| Feb 05 | 0.72797 | 0.73293 | 0.72591 | 70,2  | 0.72603 | ↓ 40,4  | 0.73007  |
| Feb 02 | 0.73939 | 0.74044 | 0.72939 | 110,5 | 0.73007 | ↓ 94,5  | 0.73952  |

| WEEKLY              |                     | FEBRUARY            |                     | JANUARY             |                     | 2018                |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 | HIGH                | LOW                 |
| 0.73497<br>(06/Feb) | 0.71755<br>(08/Feb) | 0.74044<br>(02/Feb) | 0.71755<br>(08/Feb) | 0.74354<br>(24/Jan) | 0.70438<br>(02/Jan) | 0.74354<br>(24/Jan) | 0.70438<br>(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       | -----            |
|                | SELL      | 0.7240           |
|                | STOP LOSS | 0.7315           |
|                | TARGET    | 0.7165<br>0.7130 |

EUR/JPY

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



- The main resistance at 111.87, support 107.31
  - RSI 14 goes up
- [\(Research – riza\)](#)

| DATE   | OPEN    | HIGH    | LOW     | RANGE | CLOSE   | CHANGE  | PREVIOUS |
|--------|---------|---------|---------|-------|---------|---------|----------|
| Feb 08 | 134.015 | 134.780 | 132.918 | 186,2 | 133.146 | ↓ 94,2  | 134.088  |
| Feb 07 | 135.803 | 135.809 | 133.804 | 200,5 | 134.088 | ↓ 146,7 | 135.555  |
| Feb 06 | 135.029 | 135.774 | 133.958 | 181,6 | 135.555 | ↑ 67,7  | 134.878  |
| Feb 05 | 137.064 | 137.098 | 134.878 | 222,0 | 134.878 | ↓ 239,7 | 137.275  |
| Feb 02 | 136.853 | 137.486 | 136.647 | 83,9  | 137.275 | ↑ 40,4  | 136.868  |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 137.098  | 132.918  | 137.486  | 132.918  | 136.608  | 133.049  | 137.486  | 132.918  |
| (05/Feb) | (08/Feb) | (02/Feb) | (08/Feb) | (05/Jan) | (11/Jan) | (02/Feb) | (08/Feb) |

ANALYSIS & RECOMMENDATION

|                |           |   |
|----------------|-----------|---|
| RESISTANCE     | 137.46    | High Sept 17,2015                         |
|                | 136.96    | High Feb 01,2018                          |
|                | 135.78    | Reactions High on Daily Chart Feb 06,2018 |
|                | 134.79    | High Feb 08,2018                          |
| SUPPORT        | 132.53    | Low Nov 30,2017                           |
|                | 131.15    | Low Nov 20,2017                           |
|                | 130.59    | Low Sept 15,2017                          |
|                | 129.44    | Reactions Low on Daily Chart Sept 08,2017 |
| RECOMMENDATION | BUY       | ----                                      |
|                | SELL      | 133.50                                    |
|                | STOP LOSS | 134.50                                    |
|                | TARGET    | 132.30                                    |
|                |           | 132.00                                    |

**USD/CAD**

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



- RSI 14 goes up
  - Daily corrections
- [\(Research – rizal\)](#)

|                    |                      |
|--------------------|----------------------|
| <b>WEEKLY OPEN</b> | <b>CURRENT PRICE</b> |
| <b>1.2430</b>      | <b>1.2600</b>        |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 1.2612   | 1.2395   | 1.2612   | 1.2252   | 1.2589   | 1.2246   | 1.2612   | 1.2246   |
| (08/Feb) | (05/Feb) | (08/Feb) | (02/Feb) | (11/Jan) | (31/Jan) | (08/Feb) | (31/Jan) |

| ANALYSIS & RECOMMENDATION |           |                                 |
|---------------------------|-----------|---------------------------------|
| <b>RESISTANCE</b>         | 1.2839    | High Dec 21,2017                |
|                           | 1.2795    | High Dec 22,2017                |
|                           | 1.2695    | High Dec 27,2017                |
|                           | 1.2661    | High Dec 28,2017                |
| <b>SUPPORT</b>            | 1.2486    | Low Feb 07,2018                 |
|                           | 1.2456    | Reactions Low on 1 Hourly Chart |
|                           | 1.2395    | Low Feb 05,2018                 |
|                           | 1.2246    | Low Jan 31,2018                 |
| <b>RECOMMENDATION</b>     | BUY       | 1.2575                          |
|                           | SELL      | ----                            |
|                           | STOP LOSS | 1.2505                          |
|                           | TARGET    | 1.2655 – 1.2675                 |

## Precious Metal – Daily Outlook

### Gold prices flat, concern over rising interest rates weighs - Reuters News



Gold prices were flat on Thursday, slumping early on concern about rising U.S. bond yields and global interest rates, but buyers emerged to lift bullion when it hit a technical support level at about \$1,312 an ounce.

While a strengthening U.S. dollar weighed on gold during the recent global stock market sell-off, more investors decided to buy bullion later, when prices touched the support level, said Michael Matousek, head trader at U.S. Global Investors.

"Gold came into support at \$1,312 and bounced right from there," Matousek said. "That support

comes back from the late-December and early-January level and the level from October," Matousek added.

Between late December and early January, gold prices rallied, reaching their highest in 1-1/2 years at \$1,366.07, largely on dollar weakness.

Spot gold was unchanged at \$1,318.12 per ounce by 1:53 p.m. EST (1853 GMT), up off the session low of \$1,306.81, its lowest since Jan. 2. U.S. gold futures for April delivery settled up \$4.40, or 0.3 percent, at \$1,319 per ounce.

In early trade, inflation-linked U.S. bond yields crept up close to four-year highs after the Bank of England signaled more aggressive rate hikes. This fed concern that central banks around the world will raise interest rates.

"The increase in real bond yields has been pressuring gold, on top of the rebound we have seen in the dollar," said Julius Baer analyst Carsten Menke.

A stronger dollar makes dollar-denominated bullion more expensive for users of other currencies. Higher interest rates reduce the attraction of non-yielding gold.

Analysts polled by Reuters said they did not expect the dollar to rebound this year, despite expectations of at least three rate rises. The dollar later turned flat.

Adding to the pressure were comments by Federal Reserve officials that stock market turbulence was unlikely to derail U.S. rate hikes this year and that the economy remains strong.

Meanwhile, silver increased 0.4 percent at \$16.43 an ounce after touching \$16.22, the lowest since Dec. 22.

Platinum declined 0.4 percent at \$976.30 per ounce, after touching a one-month low at \$965.

Palladium dropped 1.9 percent at \$965.90 an ounce after reaching its lowest since Oct. 31 at \$964.22.

Palladium fell below technical support at its 55-day moving average and broke an eight-month uptrend, Commerzbank analysts said. The metal, used in catalytic converters to control vehicle emissions, rose 56 percent last year and to an all-time high in January.

*(Source Reuters, Research – @her1en)*

## GOLD (XAU/USD)



- Important resistance around 1391
- Important support area around 1307
- RSI 14 approaches the oversold area  
[\(Research – @her1en\)](#)

| DATE   | OPEN     | HIGH     | LOW      | RANGE | CLOSE    | CHANGE  | PREVIOUS | AM FIX  | PM FIX  |
|--------|----------|----------|----------|-------|----------|---------|----------|---------|---------|
| Feb 08 | 1317.910 | 1322.020 | 1306.930 | 15.09 | 1318.700 | ↑ 0.44  | 1318.260 | 1311.05 | 1315.45 |
| Feb 07 | 1324.650 | 1332.140 | 1311.290 | 20.85 | 1318.260 | ↓ 5.95  | 1324.210 | 1328.50 | 1324.65 |
| Feb 06 | 1338.170 | 1345.930 | 1320.090 | 25.84 | 1324.210 | ↓ 15.19 | 1339.400 | 1344.65 | 1331.40 |
| Feb 05 | 1332.700 | 1341.460 | 1328.860 | 12.60 | 1339.400 | ↑ 10.51 | 1328.890 | 1337.10 | 1333.60 |
| Feb 02 | 1348.240 | 1349.930 | 1327.340 | 22.59 | 1328.890 | ↓ 19.78 | 1348.670 | 1345.00 | 1331.15 |

| WEEKLY               |                      | FEBRUARY             |                      | JANUARY              |                      | 2018                 |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| HIGH                 | LOW                  | HIGH                 | LOW                  | HIGH                 | LOW                  | HIGH                 | LOW                  |
| 1345.930<br>(06/Feb) | 1306.930<br>(08/Feb) | 1350.860<br>(01/Feb) | 1306.930<br>(08/Feb) | 1365.910<br>(25/Jan) | 1304.100<br>(02/Jan) | 1365.910<br>(25/Jan) | 1304.100<br>(02/Jan) |

### ANALYSIS & RECOMMENDATION

|                       |           |                    |
|-----------------------|-----------|--------------------|
| <b>RESISTANCE</b>     | 1366.06   | High Jan 25,2018   |
|                       | 1352.27   | High Jan 29,2018   |
|                       | 1346.00   | High Feb 06        |
|                       | 1332.11   | High Feb 07        |
| <b>SUPPORT</b>        | 1306.81   | Low Feb 08         |
|                       | 1293.49   | Low Dec 29,2017    |
|                       | 1281.06   | Low Dec 27         |
|                       | 1273.20   | Low Dec 26         |
| <b>RECOMMENDATION</b> | BUY       | -----              |
|                       | SELL      | 1320.00            |
|                       | STOP LOSS | 1331.00            |
|                       | TARGET    | 1310.00<br>1305.00 |

**SILVER (XAG/USD)**



- With strong resistance at 17.25
  - While the crucial support area is around 15.97
- [\[Research – @her1en\]](#)

| DATE   | OPEN   | HIGH   | LOW    | RANGE | CLOSE  | CHANGE | PREVIOUS |
|--------|--------|--------|--------|-------|--------|--------|----------|
| Feb 08 | 16.383 | 16.455 | 16.232 | 0.22  | 16.406 | ↑ 0.04 | 16.362   |
| Feb 07 | 16.645 | 16.762 | 16.252 | 0.51  | 16.362 | ↓ 0.26 | 16.621   |
| Feb 06 | 16.695 | 16.974 | 16.569 | 0.41  | 16.621 | ↓ 0.09 | 16.708   |
| Feb 05 | 16.641 | 16.890 | 16.586 | 0.30  | 16.708 | ↑ 0.14 | 16.568   |
| Feb 02 | 17.211 | 17.235 | 16.564 | 0.67  | 16.568 | ↓ 0.64 | 17.210   |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 16.974   | 16.232   | 17.381   | 16.232   | 17.682   | 16.732   | 17.682   | 16.232   |
| (06/Feb) | (08/Feb) | (01/Feb) | (08/Feb) | (25/Jan) | (23/Jan) | (25/Jan) | (08/Feb) |

**ANALYSIS & RECOMMENDATION**

|                       |           |                   |
|-----------------------|-----------|-------------------|
| <b>RESISTANCE</b>     | 17.62     | High Sept 18,2017 |
|                       | 17.25     | High Feb 02       |
|                       | 16.98     | High Feb 06       |
|                       | 16.77     | High Feb 07       |
| <b>SUPPORT</b>        | 16.22     | Low Feb 08        |
|                       | 16.07     | Low Dec 22,2017   |
|                       | 15.97     | Low Dec 19,2017   |
|                       | 15.74     | Low Dec 14        |
| <b>RECOMMENDATION</b> | BUY       | -----             |
|                       | SELL      | 16.45             |
|                       | STOP LOSS | 16.80             |
|                       | TARGET    | 16.10<br>15.90    |



## OIL – Daily Outlook

### Oil hits 7-wk low on expectations of higher U.S., Iran output - Reuters News



Oil prices fell to their lowest in seven weeks on Thursday amid fears of rising global supplies after Iran announced plans to increase production and U.S. crude output hit record highs.

Brent futures fell 70 cents, or 1.1 percent, to settle at \$64.81 a barrel, their lowest close since Dec. 20.

U.S. West Texas Intermediate (WTI) crude, meanwhile, was down 64 cents, or 1 percent, to settle at \$61.15, its lowest close since Jan. 2.

Both benchmarks fell for the fifth straight day, the longest losing streak for Brent since November 2017 and for WTI since April 2017.

Brent futures have lost as much as 15 percent since hitting a four-year high above \$71 in late January.

"Oil prices remain under pressure in today's trading session as market participants continue to digest yesterday's bearish oil inventories report," said Abhishek Kumar, Senior Energy Analyst at Interfax Energy's Global Gas Analytics in London.

The U.S. Energy Information Administration (EIA) on Wednesday said crude production last week rose to a record high of 10.25 million barrels per day (bpd). At that level, U.S. production would overtake the current output in Saudi Arabia, the biggest producer in the Organization of the Petroleum Exporting Countries.

OPEC and other producers, including Russia, have cut production since January 2017 to force down global inventories, but these cuts have been somewhat offset by rising U.S. oil production.

Oil prices were also pressured by an announcement from Iran that it is looking to boost production over the next four years.

"The Iranians are looking to increase production...despite their alleged adherence to the OPEC-Russia deal. Everybody is itching to produce more oil," said John Kilduff, partner at energy hedge fund Again Capital LLC in New York.

Traders also noted the restart of the Forties pipeline in the North Sea, added to losses in crude prices.

The pipeline, which carries around a quarter of all North Sea crude output and roughly a third of Britain's offshore natural gas production, shut on Wednesday for the second time in two months after a valve closure at a Scottish facility.

"It is now clear that oil prices in late January were too high to keep the oil market balanced in the long term," Commerzbank analysts wrote. "This is because U.S. oil production is now rising so sharply that there is a risk of renewed oversupply if OPEC does not voluntarily renounce market share."

Earlier this week, the EIA projected U.S. production would rise to a record high annual average of 10.6 million bpd in 2018 and 11.2 million bpd in 2019, up from 9.3 million bpd in 2017.

The current all-time U.S. annual output peak was in 1970 at 9.6 million bpd, according to federal energy data. [\(Source Reuters, Research – @her1en\)](#)

**CLH8/USD (OIL)**

(Exp.: 20 Feb. 2018 - Reuters)



- Low level series in daily movement
- Important resistance at 64.18, support at 59.35  
[\(Research – @her1en\)](#)

| DATE   | OPEN  | HIGH  | LOW   | RANGE | CLOSE | CHANGE | PREVIOUS |
|--------|-------|-------|-------|-------|-------|--------|----------|
| Feb 08 | 61.69 | 62.07 | 60.26 | 1.81  | 60.41 | ↓ 1.32 | 61.73    |
| Feb 07 | 63.90 | 64.16 | 61.23 | 2.93  | 61.73 | ↓ 2.18 | 63.91    |
| Feb 06 | 63.41 | 64.27 | 63.11 | 1.16  | 63.91 | ↑ 0.49 | 63.42    |
| Feb 05 | 65.08 | 65.38 | 63.42 | 1.96  | 63.42 | ↓ 1.62 | 65.04    |
| Feb 02 | 66.01 | 66.27 | 64.46 | 1.81  | 65.04 | ↓ 0.93 | 65.97    |

| WEEKLY   |          | FEBRUARY |          | JANUARY  |          | 2018     |          |
|----------|----------|----------|----------|----------|----------|----------|----------|
| HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      | HIGH     | LOW      |
| 65.38    | 60.26    | 66.22    | 60.26    | 66.63    | 60.10    | 66.63    | 60.10    |
| (05/Feb) | (08/Feb) | (01/Feb) | (08/Feb) | (25/Jan) | (02/Jan) | (25/Jan) | (02/Jan) |

**ANALYSIS & RECOMMENDATION**

|                       |           |             |
|-----------------------|-----------|-------------|
| <b>RESISTANCE</b>     | 66.66     | High Jan 25 |
|                       | 65.40     | High Feb 02 |
|                       | 64.18     | High Feb 07 |
|                       | 62.09     | High Feb 08 |
| <b>SUPPORT</b>        | 60.28     | Low Jan 03  |
|                       | 59.35     | Low Dec 27  |
|                       | 58.39     | Low Dec 26  |
|                       | 57.49     | Low Dec 20  |
| <b>RECOMMENDATION</b> | BUY       | -----       |
|                       | SELL      | 60.60       |
|                       | STOP LOSS | 62.00       |
|                       | TARGET    | 59.05       |
|                       |           | 58.70       |