

DAILY MARKET REPORT

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CURRENCIES | PRECIOUS METAL | O I L |

GLOBAL MARKETS

- Treasury prices plunged on Wednesday after a spike in U.S. consumer prices in January raised expectations the Federal Reserve may quicken the pace of interest rate hikes, while global stocks rallied as investors took inflation in stride.

GLOBAL ECONOMIES

- The New Zealand dollar hopped to a one-week high on Wednesday after a central bank survey showed the country's inflation expectations had rebounded, pulling the Australian dollar along.
- China's central bank said on Wednesday it has achieved initial results in financial deleveraging but will continue to fend off systemic risks as debt levels in the economy remain relatively high.
- Japan's economy posted its longest continuous expansion since the 1980s boom as fourth quarter growth was boosted by consumer spending, moving Prime Minister Shinzo Abe's revival plan a step closer to vanquishing decades of stagnation.
- Euro zone industrial production jumped more than expected in December, data from the EU statistics office Eurostat showed on Wednesday, underlining the fastest economic growth rate in a decade that economists expect to continue in 2018.
- Borrowing costs in Britain will probably increase in May, earlier than previously thought, according to a Reuters poll taken after the Bank of England said last week it was likely to hike earlier and by more than it thought only three months ago.
- U.S. consumer prices rose more than expected in January, with a measure of underlying inflation posting its biggest gain in a year, strengthening expectations the Federal Reserve will have to quicken the pace of interest rate increases this year

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GLOBAL MARKETS & ECONOMIES
GLOBAL MARKETS

U.S. & Global Markets – Treasury prices plunged on Wednesday after a spike in U.S. consumer prices in January raised expectations the Federal Reserve may quicken the pace of interest rate hikes, while global stocks rallied as investors took inflation in stride.

The U.S. dollar fell against a basket of major world currencies after the Labor Department said its highly anticipated Consumer Price Index increased 0.5 percent. Gold rebounded from losses as stocks swung higher.

The report increased the likelihood that the Fed will raise rates when policy-makers meet March 20-21 - even as U.S. retail sales posted their largest decline in 11 months.

The odds of a March rate hike rose 7 percentage points to 83.1 percent, according to the CME Group's FedWatch tool.

Shares in Europe gained more than 1 percent as did a gauge of global equity activity. Stocks on Wall Street opened lower but steadily climbed through the session after the initial shock of the big jump in monthly inflation was digested.

Joseph LaVorgna, chief economist for the Americas at French bank Natixis in New York, said inflation had to be put in context. The year-over-year rate on core inflation at 1.8 percent was still below the Fed's target of 2 percent, he said.

Excluding the volatile food and energy components, the CPI shot up 0.3 percent in January.

Monthly data tend to be noisy, said Phil Orlando, chief equity strategist at Federated Investors in New York.

"The market is doing exactly what the market does, it shoots first and asks questions later," Orlando said, adding investors are likely to remain jittery until the first Fed policy-setting meeting in March under new Chair Jerome Powell.

"There ought to be some chop to it as we're trying to figure out what's going on in the economy and how might the Fed adjust monetary policy under a new leadership team given the backdrop of macroeconomic data," Orlando said.

MSCI's all-country world index of stocks in 47 countries gained 1.42 percent while the pan-European FTSEurofirst 300 index of leading regional shares rose 1.03 percent to close at 1,469.00.

Paul Eitelman, an investment strategist at Russell Investments, said it was unlikely the Fed would increase its forecasted rate hikes as such a move would be a bit bold for a new Fed chief and likely be an over-reaction to one data point.

Shares in Europe rose after initial declines as solid corporate results and economic data kept investors confident.

Data earlier in the day showed Germany's economy was set to power ahead in 2018, while a Thomson Reuters study said fourth-quarter European earnings growth expectations were revised upwards after 15 weeks of downgrades.

The Dow Jones Industrial Average rose 253.38 points, or 1.03 percent, to 24,893.83. The S&P 500 gained 35.75 points, or 1.34 percent, to 2,698.69 and the Nasdaq Composite added 130.11 points, or 1.86 percent, to 7,143.62.

German government bond yields hit their highest in more than two years. The yield on Germany's 10-year government bond, the benchmark for the region, reversed earlier declines and rose around 3 basis points to 0.774 percent - its highest level since September 2015, according to Tradeweb data.

Yields on the benchmark 10-year U.S. Treasury note hit a fresh four-year high. The notes last fell 20/32 in price to yield 2.9131 percent.

The dollar index fell 0.8 percent, with the euro up 0.87 percent at \$1.2457. The Japanese yen strengthened 0.77 percent versus the greenback to 107.01 per dollar. *(Source Reuters – @her1en)*

GLOBAL ECONOMIES

Australia – The New Zealand dollar hopped to a one-week high on Wednesday after a central bank survey showed the country's inflation expectations had rebounded, pulling the Australian dollar along.

The kiwi dollar was up 0.7 percent at \$0.7324, the highest since Feb. 7 and well above a recent one-month trough of \$0.7176.

The Reserve Bank of New Zealand's (RBNZ) quarterly survey of expectations showed business managers forecast annual inflation to average 2.11 percent over the coming two years, up from 2.02 percent in the previous survey.

The results snapped two previous quarters of falls and should be a relief to the RBNZ as consumer prices have remained sluggish, forcing it to keep rates at a record low 1.75 percent since late 2016.

"The fact that one- and two-year ahead inflation expectations did not fall was interesting," said Westpac Chief Economist Dominick Stephens.

"The Reserve Bank will remain comfortable that inflation expectations are well-anchored at the mid-point of the (1-3 percent) target range."

Across the Tasman Sea, the Australian dollar edged up to \$0.7878 compared with a more than one-month low of \$0.7759 set last week.

Investors were now awaiting U.S. inflation data due later in the day which could reignite fears of faster rate hikes in the world's largest economy.

Median forecasts are for U.S. consumer price inflation to slow a little to 1.9 percent in January, mainly due to the base effect of a high reading last year dropping out of the calculation. The core measure is seen ticking down to 1.7 percent.

A result in line with or below expectations would likely be a big relief for financial markets, while anything higher could well spook investors, lift bond yields and batter stocks.

It was the fear of higher inflation that triggered a global sell-off in equities and a subsequent flight to safe-haven assets such as the Japanese yen and cash.

The end of super-easy monetary policies across the world is perhaps a big theme for 2018 with the U.S. Federal Reserve signalling three rate hikes and its European counterpart seen likely to end its bond-buying programme later this year.

New Zealand government bonds rose, sending yields 3-4 basis points lower at the long-end of the curve.

Australian government bond futures nudged higher too, with the three-year bond contract up 1.5 ticks at 97.875. The 10-year contract added 3 ticks to 97.1600.

China – China's central bank said on Wednesday it has achieved initial results in financial deleveraging but will continue to fend off systemic risks as debt levels in the economy remain relatively high.

"The overall level of leverage is still high, especially the debt pressure on state-owned enterprises is still large," the People's Bank of China said in its fourth-quarter monetary policy implementation report.

"We will fight a tough battle against major financial risks and safeguard the bottom line of systemic financial risks."

Since the fourth quarter of 2017, growth of China's macro leverage ratio has started to fall and financial deleveraging has achieved initial results, the central bank said.

The central bank said it would also strike a balance between stabilising growth, deleveraging and controlling risks.

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The weighted average lending rate for non-financial firms, a key indicator reflecting corporate funding costs, fell 2 basis points in the fourth quarter to 5.74 percent, following a rise of 9 basis points in the third.

The central bank pledged to unwind some of its earlier measures to support the yuan, given that China's cross-border capital flows have become more balanced and the yuan is basically steady against a basket of currencies.

In September, the PBOC scrapped reserve requirements for financial institutions settling foreign exchange forward yuan positions, and stopped requiring foreign banks to put aside reserves for offshore yuan deposits in China.

"It's necessary to make counter-cyclical macro-prudential management measures unveiled previously to curb cyclical fluctuations in the foreign exchanger market return to neutrality," the central bank said.

The central bank has effectively reduced the effect of the "counter-cyclical" factor it introduced in May last year to the formula it uses to determine the mid-point reference rate for the yuan's rate against the U.S. dollar each day.

Japan – Japan's economy posted its longest continuous expansion since the 1980s boom as fourth quarter growth was boosted by consumer spending, moving Prime Minister Shinzo Abe's revival plan a step closer to vanquishing decades of stagnation.

The long run of growth is an encouraging sign for the Bank of Japan, hinting that the economy may at last be building up momentum to lift consumer prices toward its 2 percent inflation target.

The economy expanded at a 0.5 percent annualised rate in October-December, less than the median estimate for annualised growth of 0.9 percent, Cabinet Office data showed on Wednesday. That followed a revised 2.2 percent annualised increase in July-September.

Japan's economy grew a real 1.6 percent in calendar 2017, the fastest increase since a 2.0 percent expansion in 2013.

An extended run of growth could lead to some speculation that the Bank of Japan can afford to scale back quantitative easing, but economists say it is unlikely as long as the yen is rising and Japan's consumer prices remain subdued.

Financial markets are already on edge from worries that central banks in the United States and Europe will raise interest rates faster than expected to stay ahead of inflation, but the BOJ is expected to lag well behind those peers.

"Economic fundamentals look good and growth this year is likely to be above the economy's potential," said Hiroaki Muto, economist at Tokai Tokyo Research Center.

"However, I don't see any talk of an exit for the BOJ when the yen is rising like this. When financial markets are volatile this hurts Japan's animal spirits," he said, referring to investor and consumer confidence.

The dollar slid to a 15-month low against the yen on Wednesday, as investors remained on edge ahead of U.S. inflation numbers later in the day, underscoring fragile sentiment following a recent shakeout in global equity markets.

A rising yen, which tends to push down Japan's import prices and depress exporters' earnings, took the gloss off an otherwise respectable report on the world's third-largest economy.

The GDP data comes after news that Abe's government has decided to nominate Haruhiko Kuroda for a rare second term as Bank of Japan governor, a sign his ultra-loose monetary policy will remain in place, although investors still have questions about who the deputy governors will be and what policies they are likely to favour.

Japan's economy has now posted the longest continuous expansion since a 12-quarter stretch of growth between April-June 1986 and January-March 1989 around the height of Japan's notorious economic bubble.

"The headline figures are somewhat weaker than expected, but that's not something to worry too much about," said Yoshiki Shinke, chief economist at Dai-ichi Life Research Institute.

"Capital expenditure and consumption are picking up. Exports are also strong. Other recent data are also strong. It's safe to say the economy is in pretty good shape."

Compared to the previous quarter, gross domestic product (GDP) grew 0.1 percent, slightly less than the median estimate of 0.2 percent growth and following a 0.6 percent quarter-on-quarter expansion in July-September, Cabinet Office data showed on Wednesday.

A Cabinet Office official said increased spending on mobile phones, cars, and dining out drove gains in private consumption, which accounts for about two-thirds of GDP.

To be sure, some economists are cautious about domestic demand because any further declines in global stocks could hurt sentiment and returns on investors' portfolios.

Real wages fell 0.4 percent in the fourth quarter, the first decline in three quarters, which is another risk to domestic demand, although the tightest labour market in about 40 years may give unions more bargaining power in impending wage talks.

"I'm a little worried about sluggish wage growth," said Daiju Aoki, regional chief investment officer at UBS Securities.

"I'm also worried about a negative wealth effect from a falling stock market."

Capital expenditure rose 0.7 percent in October-December from the previous quarter, less than the median estimate for a 1.1 percent increase but up for the fifth straight quarter and a sign of sustainable gains in business investment.

Overseas demand subtracted fractionally from GDP in October-December. Exports rose 2.4 percent, but this gain was offset by a 2.9 percent jump in imports thanks to robust domestic demand.

Since taking office in late 2012, Abe has enacted reforms to draw more women and elderly people into the workforce, raise wages for part-time workers, liberalise the labour market, and encourage business investment.

"Domestic demand is strong enough that it can stand on its own two feet, so you can say Abenomics has matured," said Hiroshi Miyazaki, senior economist at Mitsubishi UFJ Morgan Stanley Securities.

"Financial market moves pose risks, but I still expect consumption and business investment to drive future growth."

Euro Zone – Euro zone industrial production jumped more than expected in December, data from the EU statistics office Eurostat showed on Wednesday, underlining the fastest economic growth rate in a decade that economists expect to continue in 2018.

Eurostat said industrial production in the 19 countries sharing the euro rose 0.4 percent month-on-month for a 5.2 percent year-on-year gain. Economists polled by Reuters had expected a 0.2 percent monthly and 4.2 percent annual rise.

"The acceleration of production growth is unlikely to be a one-off as the outlook for industry remains rosy," said Bert Colijn, senior euro zone economist at ING bank.

"Given the current backlog of work in industry, it is no surprise that hiring and investment in capital goods are high on the list of businesses. This adds to the strong economic picture for the start of 2018," he said.

The statistics office also confirmed its earlier preliminary estimate of gross domestic product growth in the euro zone in the last three months of 2017 at 0.6 percent quarter-on-quarter and 2.7 percent against the same period of 2016.

Overall in 2017, euro zone GDP rose 2.5 percent, Eurostat said, the fastest growth rate since a 3.0 percent rise in 2007.

"Looking ahead, surveys suggest that the region's upturn will gather pace," said Stephen Brown, European economist at Capital Economics. "We expect the euro zone's upturn to match last year's strong pace in 2018, with annual GDP growth of 2.5 percent."

U.K. – Borrowing costs in Britain will probably increase in May, earlier than previously thought, according to a Reuters poll taken after the Bank of England said last week it was likely to hike earlier and by more than it thought only three months ago.

A firm majority of economists, 32 of 57, polled Feb 9-13 after the Bank concluded its policy meeting and news conference, said it would raise its Bank Rate to 0.75 percent in May, alongside its next quarterly Inflation Report.

In a January poll, only 13 of 71 economists had a rate hike in their forecasts for next quarter.

Last week, the central bank's Monetary Policy Committee voted unanimously to leave the rate at 0.5 percent, but Governor Mark Carney and his colleagues said they saw a growing need to keep a grip on inflation.

Inflation skyrocketed after Britons voted to leave the European Union in June 2016, driven in large part by a slump in sterling, which made imports more expensive.

January inflation, released on Tuesday, held at a near six-year high of 3.0 percent, well above the BoE's 2 percent target. It is expected to average 2.5 percent this year and 2.1 percent next, the latest poll found.

The BoE first raised rates in the current cycle by 25 basis points in November, a move economists warned beforehand would be a mistake.

There is likely to be another 25-basis-point rise next quarter, according to the median view in the latest poll, coinciding with expectations for other central banks to move towards tighter policy a decade after the financial crisis.

That move is forecast to be followed by another 25-basis-point hike early next year and then another increase towards the end of 2019, pushing up the Bank Rate to 1.25 percent.

"Following some particularly hawkish comments, we now expect a rate hike in May," said James Smith at ING. "The key arguments underlying the Bank's decision to hike rates in November – expectations for stronger wage growth and higher, global- demand-driven economic growth – are materialising, and in some cases, materialising faster."

Signs British wages are beginning to grow more quickly, along with ongoing global economic strength, have bolstered the case for higher interest rates, BoE policymaker Gertjan Vlieghe said on Monday.

The UK economy is holding up relatively well, so it's likely rates will rise earlier than thought in late 2017, Vlieghe's colleague Ian McCafferty said on Monday.

Just over half of economists who answered an extra question said May was the right time for the BoE to hike. Twenty-one of 43 said it wasn't.

"As uncertainty remains high and growth has slowed - despite partly driven by lower potential GDP growth - we think it is better to stay accommodative," said Mikel Milhoj at Danske Bank.

Prime Minister Theresa May will attempt to unite her feuding cabinet and convince a sceptical European Union that Britain knows what it wants from Brexit in a series of speeches over the next few weeks.

Britain is hoping to seal a transition deal next month to smooth its exit from the EU, then reach agreement on a long-term trade agreement later this year. However, Brussels said last week a transition deal was not a certainty.

There is a median 20 percent chance of a disorderly Brexit, where no deal is reached by the end of March 2019, the poll showed. Reuters polls have repeatedly said this would be the worst outcome for both growth and sterling.

"It is in nobody's interests that Brexit is disorderly, so I still maintain that a compromise is likely, though it may well be reliant on the goodwill of the EU27," said Peter Dixon at Commerzbank.

U.S. – U.S. consumer prices rose more than expected in January, with a measure of underlying inflation posting its biggest gain in a year, strengthening expectations the Federal Reserve will have to quicken the pace of interest rate increases this year.

The fairly strong inflation report from the Labor Department on Wednesday put more pressure on U.S. financial markets, which were spooked by a surge in annual wage growth in January.

Prices of U.S. Treasuries fell on the inflation data. The dollar initially rose against a basket of currencies but later surrendered the gains. Stocks on Wall Street opened lower before erasing losses.

Investors worry that inflation, which is seen as being driven by a tightening labor market and increased government spending, could force the Fed to be more aggressive in raising rates this year than currently anticipated.

That would slow economic growth. The U.S. central bank has forecast three rate hikes for this year, with the first increase expected in March.

"The Fed's job now is to prevent the economy from overheating," said Gus Faucher, chief economist at PNC Financial in Pittsburgh. "The Fed's task is complicated by the recent tax cuts and spending deal."

The Labor Department said its Consumer Price Index increased 0.5 percent last month as households paid more for gasoline, rental accommodation and healthcare. The CPI rose 0.2 percent in December. The year-on-year increase in the CPI was unchanged at 2.1 percent as the large price gains from last year dropped out of the calculation.

Excluding the volatile food and energy components, the CPI shot up 0.3 percent. That was the largest increase since January 2017 and followed a 0.2 percent rise in December. The year-on-year rise in the so-called core CPI was unchanged at 1.8 percent in January, also because of less favorable base effects.

Economists polled by Reuters had forecast the CPI increasing 0.3 percent in January and the core CPI rising 0.2 percent.

The core CPI is viewed as a better measure of underlying inflation trends. The Fed tracks a different index, the personal consumption expenditures price index excluding food and energy, which has consistently undershot the central bank's 2 percent target since mid-2012.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/12-Feb-18	15:15	CH	CPI EU Harmonized MoM	Jan	-0.5%	--	0.2%	
	15:15	CH	CPI EU Harmonized YoY	Jan	0.8%	--	1.1%	
	15:15	CH	CPI MoM	Jan	-0.1%	-0.2%	0.0%	
	15:15	CH	CPI YoY	Jan	0.7%	0.8%	0.8%	
Tue/13-Feb-18	02:00	US	Monthly Budget Statement	Jan	\$49.2b	\$47.0b	\$51.3b	
	04:50	AU	RBA's Ellis Gives Speech in Sydney					
	06:50	JP	PPI MoM	Jan	0.3%	0.3%	0.2%	0.1%
	06:50	JP	PPI YoY	Jan	2.7%	2.7%	3.1%	3.0%
	07:30	AU	NAB Business Conditions	Jan	19	--	13	
	07:30	AU	NAB Business Confidence	Jan	12	--	11	10
	13:00	JP	Machine Tool Orders YoY	Jan P	48.8%	--	48.3%	
	16:30	GB	CPI Core YoY	Jan	2.7%	2.6%	2.5%	
	16:30	GB	CPI MoM	Jan	-0.5%	-0.6%	0.4%	
	16:30	GB	CPI YoY	Jan	3.0%	2.9%	3.0%	
	16:30	GB	CPIH YoY	Jan	2.7%	2.8%	2.7%	
	16:30	GB	PPI Input NSA MoM	Jan	0.7%	0.6%	0.1%	0.6%
	16:30	GB	PPI Input NSA YoY	Jan	4.7%	4.1%	4.9%	5.4%
	16:30	GB	PPI Output Core NSA MoM	Jan	2.8%	3.0%	0.3%	3.3%
	16:30	GB	PPI Output Core NSA YoY	Jan	2.2%	2.3%	2.5%	2.4%
	16:30	GB	PPI Output NSA MoM	Jan	0.3%	0.2%	0.4%	0.2%
	16:30	GB	PPI Output NSA YoY	Jan	2.2%	2.3%	3.3%	2.4%
	18:00	US	NFIB Small Business Optimism	Jan	106.9	105.7	104.9	
	20:00	US	Fed's Mester to Discuss Monetary Policy and Economic Outlook					
	Wed/14-Feb-18	06:00	KR	Unemployment rate SA	Jan	3.6%	3.6%	3.6%
06:30		AU	Westpac Consumer Conf Index	Feb	102.7	--	105.1	
06:30		AU	Westpac Consumer Conf SA MoM	Feb	-2.3%	--	1.8%	
06:50		JP	GDP Annualized SA QoQ	4Q P	0.5%	1.0%	2.5%	2.2%
06:50		JP	GDP Business Spending QoQ	4Q P	0.7%	1.1%	1.1%	1.0%
06:50		JP	GDP Deflator YoY	4Q P	0.0%	0.0%	0.1%	0.2%
06:50		JP	GDP Nominal SA QoQ	4Q P	0.0%	0.4%	0.8%	0.6%
06:50		JP	GDP Private Consumption QoQ	4Q P	0.5%	0.4%	-0.5%	-0.6%
06:50		JP	GDP SA QoQ	4Q P	0.1%	0.2%	0.6%	
09:00		NZ	2Yr Inflation Expectation	1Q	2.11%	--	2.02%	
14:00		DE	CPI EU Harmonized MoM	Jan F		--	-1.0%	
14:00		DE	CPI EU Harmonized YoY	Jan F		--	1.4%	
14:00		DE	CPI MoM	Jan F	-0.7%	-0.7%	-0.7%	
14:00		DE	CPI YoY	Jan F	1.6%	1.6%	1.6%	
14:00		DE	GDP NSA YoY	4Q P	2.3%	2.2%	2.3%	2.2%
14:00		DE	GDP SA QoQ	4Q P	0.6%	0.6%	0.8%	
14:00		DE	GDP WDA YoY	4Q P	2.9%	3.0%	2.8%	
15:00		EZ	ECB's Weidmann Speaks in Frankfurt					
17:00		EZ	GDP SA QoQ	4Q P	0.6%	0.6%	0.6%	
17:00		EZ	GDP SA YoY	4Q P	2.7%	2.7%	2.7%	
17:00	EZ	Industrial Production SA MoM	Dec	0.4%	0.1%	1.0%	1.3%	
17:00	EZ	Industrial Production WDA YoY	Dec	5.2%	4.2%	3.2%	3.7%	
17:20	EZ	ECB's Mersch Speaks in Frankfurt						
18:20	EZ	ECB's Mersch, SNB's Zurbruegg Participate in Panel Discussion						
20:30	US	CPI Core Index SA	Jan	247.867	247.599	254.426	246.524	
20:30	US	CPI Ex Food and Energy MoM	Jan	0.3%	0.2%	0.3%	0.2%	

	20:30	US	CPI Ex Food and Energy YoY	Jan	1.8%	1.7%	1.8%	
	20:30	US	CPI Index NSA	Jan	247.867	247.599	246.524	
	20:30	US	CPI MoM	Jan	0.5%	0.3%	0.1%	0.2%
	20:30	US	CPI YoY	Jan	2.1%	1.9%	2.1%	
	20:30	US	Real Avg Hourly Earning YoY	Jan	0.8%	--	0.4%	0.6%
	20:30	US	Real Avg Weekly Earnings YoY	Jan	0.4%	--	0.7%	0.9%
	20:30	US	Retail Sales Advance MoM	Jan	-0.3%	0.3%	0.4%	
	20:30	US	Retail Sales Control Group	Jan	0.0%	0.4%	0.3%	-0.2%
	20:30	US	Retail Sales Ex Auto and Gas	Jan	-0.2%	0.3%	0.4%	0.0%
	20:30	US	Retail Sales Ex Auto MoM	Jan	0.0%	0.5%	0.4%	0.1%
	22:00	US	Business Inventories	Dec	0.4%	0.3%	0.4%	
	22:30	US	DOE Cushing OK Crude Inventory	Feb-09	-3642k	3100k	-711k	
	22:30	US	DOE U.S. Crude Oil Inventories	Feb-09	1841k	3100k	1895k	
	22:30	US	DOE U.S. Distillate Inventory	Feb-09	-459k	0k	3926k	
	22:30	US	DOE U.S. Gasoline Inventories	Feb-09	3599k	1800k	3414k	
Thu/15-Feb-18	06:50	JP	Core Machine Orders MoM	Dec		-2.6%	5.7%	
	06:50	JP	Core Machine Orders YoY	Dec		--	4.1%	
	07:00	AU	Consumer Inflation Expectation	Feb		--	3.7%	
	07:30	AU	Employment Change	Jan		10.0k	34.7k	
	07:30	AU	Full Time Employment Change	Jan		--	15.1k	
	07:30	AU	Part Time Employment Change	Jan		--	19.5k	
	07:30	AU	Participation Rate	Jan		65.6%	65.7%	
	07:30	AU	Unemployment Rate	Jan		5.5%	5.5%	
	11:30	JP	Capacity Utilization MoM	Dec		--	0.0%	
	11:30	JP	Industrial Production MoM	Dec F		--	2.7%	
	11:30	JP	Industrial Production YoY	Dec F		--	4.2%	
	15:15	EZ	ECB's Mersch Speaks in Paris					
	17:00	EZ	Trade Balance NSA	Dec		--	26.3b	
	17:00	EZ	Trade Balance SA	Dec		--	22.5b	
	17:45	EZ	ECB's Praet Participates in Panel Discussion in Paris					
	20:30	CA	ADP Publishes January Payrolls Report					
	20:30	US	Continuing Claims	Feb-03		1928k	1923k	
	20:30	US	Initial Jobless Claims	Feb-10		227k	221k	
	20:30	US	Empire Manufacturing	Feb		17.9	17.7	
	20:30	US	Philadelphia Fed Business Outlook	Feb		21	22.2	
	20:30	US	PPI Ex Food and Energy MoM	Jan		0.2%	-0.1%	
	20:30	US	PPI Ex Food and Energy YoY	Jan		2.1%	2.3%	
	20:30	US	PPI Ex Food, Energy, Trade MoM	Jan		--	0.1%	
	20:30	US	PPI Ex Food, Energy, Trade YoY	Jan		--	2.3%	
	20:30	US	PPI Final Demand MoM	Jan		0.4%	-0.1%	
	20:30	US	PPI Final Demand YoY	Jan		2.4%	2.6%	
	21:15	US	Capacity Utilization	Jan		78.1%	77.9%	
	21:15	US	Industrial Production MoM	Jan		0.2%	0.9%	
	21:15	US	Manufacturing (SIC) Production	Jan		0.3%	0.1%	
	22:00	US	NAHB Housing Market Index	Feb		72	72	
Fri/16-Feb-18	01:30	CA	Bank of Canada Deputy Governor Lawrence Schembri Speech					
	04:30	NZ	BusinessNZ Manufacturing PMI	Jan		--	51.2	
	05:30	AU	RBA Governor Gives Testimony to Parliamentary Committee					
	15:20	EZ	ECB's Coeure Speaks in Skopje, Macedonia					
	16:30	GB	Retail Sales Ex Auto Fuel MoM	Jan		--	-1.6%	
	16:30	GB	Retail Sales Ex Auto Fuel YoY	Jan		--	1.3%	
	16:30	GB	Retail Sales Inc Auto Fuel MoM	Jan		--	-1.5%	
	16:30	GB	Retail Sales Inc Auto Fuel YoY	Jan		--	1.4%	
	20:30	US	Building Permits	Jan		1300k	1302k	
	20:30	US	Building Permits MoM	Jan		0.0%	-0.1%	
	20:30	US	Housing Starts	Jan		1225k	1192k	
	20:30	US	Housing Starts MoM	Jan		2.8%	-8.2%	
	20:30	CA	Manufacturing Sales MoM	Dec		--	3.4%	
	22:00	US	U. of Mich. 1 Yr Inflation	Feb P		--	2.7%	
	22:00	US	U. of Mich. 5-10 Yr Inflation	Feb P		--	2.5%	

	22:00	US	U. of Mich. Current Conditions	Feb P		--	110.5	
	22:00	US	U. of Mich. Expectations	Feb P		--	86.3	
	22:00	US	U. of Mich. Sentiment	Feb P		95.3	95.7	
Sat/17-Feb-18	01:00	US	Baker Hughes U.S. Rig Count	Feb-16		--	--	

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

ASIAN STOCK INDEX

Japan's Nikkei share average dropped to a fresh four-month low in choppy trade on Wednesday as investor sentiment was sapped by worries about U.S. inflation data due later in the day.

The Nikkei ended 0.4 percent lower to 21,154.17, the lowest closing level since Oct. 12. In a sign of investor unease, the index moved in and out of the red during the day, and briefly dipped below its 200-day moving average of 21,030.86.

And clean break of that level could worsen sentiment, a real possibility if U.S. January inflation data triggers another rout in global shares.

South Korean KOSPI stock index rose on Wednesday. The Korean won extended its gains on the local platform while bond yields fell.

At 06:30 GMT, the KOSPI was up 26.64 points or 1.11 percent at 2,421.83. The index was supported by large purchases from foreign investors, especially in market heavyweight Samsung Electronics. The tech giant's shares ended up 3.1 percent.

The won was quoted at 1,077.2 per dollar on the onshore settlement platform, 0.68 percent firmer than its previous close at 1,084.5. The currency received additional support from stronger yen.

South Korean financial markets will be closed on Thursday and Friday for Lunar New Year holiday. The trading will resume at normal hours on Feb. 19.

In offshore trading, the won was quoted at 1,076.33 per dollar, up 0.71 percent from the previous day, while in one-year non-deliverable forwards it fetched 1,067.25 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.88 percent, after U.S. stocks ended the previous session with up in choppy trade. Japanese stocks weakened 0.43 percent.

Hong Kong stocks rebounded sharply on Wednesday, with the benchmark Hang Seng Index posting its biggest one-day percentage rise since May 2016.

The market will close on Thursday afternoon for the Lunar New Year holiday, and will resume trading on Feb. 20.

At close of trade, the Hang Seng index was up 676.07 points or 2.27 percent at 30,515.60. The Hang Seng China Enterprises index rose 2.14 percent to 12,260.99.

The sub-index of the Hang Seng tracking energy shares rose 1.4 percent while the IT sector rose 2.3 percent, the financial sector was 2.99 percent higher and property sector rose 2 percent.

The top gainer on Hang Seng was Hang Seng Bank Ltd up 7.71 percent, while the biggest loser was WH Group Ltd which was down 0.33 percent.

China's main Shanghai Composite index closed up 0.46 percent at 3,199.4757 points while its blue-chip CSI300 index ended up 0.8 percent. Mainland markets are closed from Feb. 15-21 for the holiday.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.98 percent while Japan's Nikkei index closed down 0.43 percent.

China stocks rebounded on Wednesday, but volumes were thin as many traders had already left for the week-long Lunar New Year holiday that starts on Thursday.

Chinese markets will reopen on Feb. 22

Unnerved by a slump in their stock market in the past two weeks, many Chinese investors have played it safe by reducing their equity holdings ahead of the holiday. Others who are reluctant to scale back their positions say they have hedged their portfolios via index futures and options.

At the close, the Shanghai Composite index was up 14.52 points or 0.46 percent at 3,199.48.

The blue-chip CSI300 index was up 0.8 percent, with its financial sector sub-index higher by 0.64 percent, the consumer staples sector up 1.05 percent, the real estate index up 0.75 percent and healthcare sub-index up 1.12 percent.

The smaller Shenzhen index ended up 0.48 percent and the start-up board ChiNext Composite index was weaker by 0.11 percent.

Around the region, MSCI's Asia ex-Japan stock index was firmer by 0.86 percent while Japan's Nikkei index closed down 0.43 percent.

At 07:05 GMT, the yuan was quoted at 6.338 per U.S. dollar, 0.03 percent firmer than the previous close of 6.34.

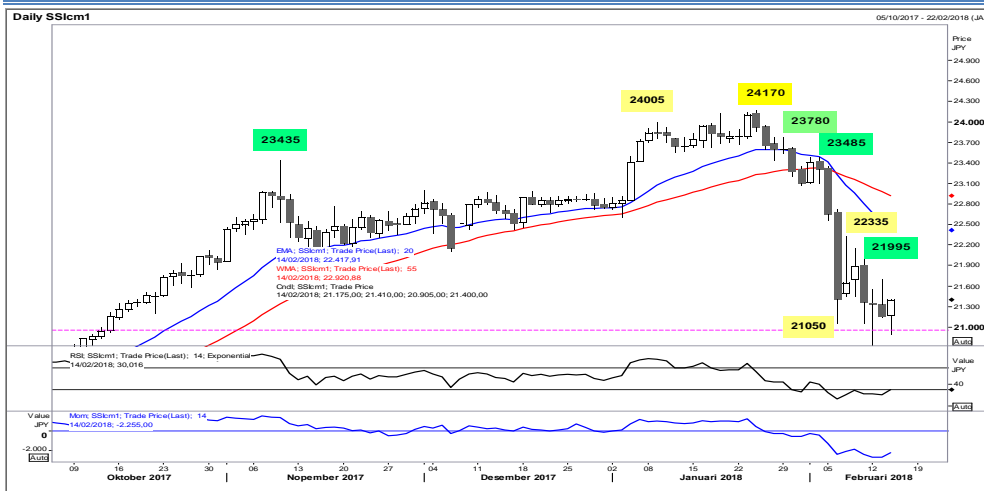
(Source Reuters, [Research:rizal](#))

ASIA AND GLOBAL MARKET SPOT PRICE 2018

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2872.62 (26/Jan/2018)	6124.04400 (16/Oct./07)
2017 HIGH	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24876.07 (18/Dec/2017)	2694.97 (18/Dec/2017)	3450.49490 (14/Nov/2017)
2018 HIGH	24129.34 (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)
2018 LOW	21078.71 (06/Feb/2018)	304.83 (09/Feb/2018)	29129.26 (09/Feb/2018)	23360.29 (08/Feb/2018)	2532.69 (08/Feb/2018)	3062.74260 (08/Feb/2018)
2017 LOW	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
RECORD LOW	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov./82)	325.92200 (29/Jul/94)

Closing Prices – 14 February 2018

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	24893.49	↑ 253.04/1.03%	.N225	21154.17	↓ 90.51/0.43%
/.SPX	2698.63	↑ 35.69/1.34%	.KS200	314.40	↑ 3.53/1.14%
/.IXIC	7143.615	↑ 130.105/1.86%	.HSI	30515.60	↑ 676.07/2.27%
JPY=	107.00	↓ 0.81/0.75%	/.SSEC	3199.47570	↑ 14.51700/0.46%
KRW=	1069.91	↓ 14.15/1.30%	/CLc1 (Oil)	60.74	↑ 1.79/3.04%

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


- RSI 14 is in the oversold zone, be aware of the daily rise
 - Daily daily corrections
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
14 Feb SS1pmH8	21185	21485	20920	565	21445	---	↑ 230	1.08	63154
14 Feb SS1amH8	21210	21345	20915	430	21215	21215	↑ 65	0.31	82816
13 Feb SS1pmH8	21175	21245	20905	350	21215	---	↑ 65	0.31	47804
13 Feb SS1amH8	21655	21690	21145	545	21150	21150	↓ 190	0.89	69072
12 Feb SS1pmH8	21335	21700	21290	410	21650	---	↑ 310	1.45	23584
12 Feb SS1amH8	21245	21385	21245	140	21340	21340	↓ 25	0.12	10489
09 Feb SS1pmH8	21355	21560	20530	1030	21160	---	↓ 205	0.96	36366
09 Feb SS1amH8	21190	21390	21055	335	21365	21365	↓ 525	2.40	109603
08 Feb SS1pmH8	21910	21995	21125	870	21210	---	↓ 680	3.11	44550
08 Feb SS1amH8	21710	21960	21625	335	21890	21890	↑ 240	1.11	77623

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
21700	20905	23485	20530	24170	22615	24170	20530
(12/Feb)	(13/Feb)	(01/Feb)	(09/Feb)	(23/Jan)	(02/Jan)	(23/Jan)	(09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	22155	High Feb 08,2018
	21995	High Feb 09,2018
	21635	High on Hourly Chart
	21540	High on Hourly Chart
SUPPORT	21290	Low on Hourly Chart
	21130	Low on Hourly Chart
	21025	Low on Hourly Chart
RECOMMENDATION	20905	Low Feb 14,2018
	BUY	21395
	SELL	----
	STOP LOSS	21245
TARGET	21595	
	21695	

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



- Daily daily corrections
- RSI 14 is in oversold zone, beware of trend change [\[Research – rizal\]](#)

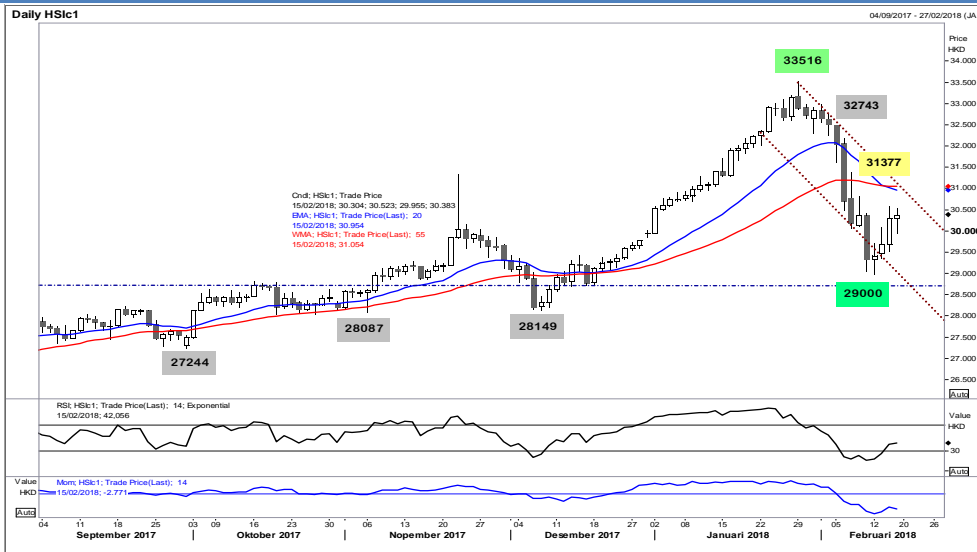
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
14 Feb	312.65	315.70	312.60	3.10	314.80	314.80	↑ 2.90	0.93	185015
13 Feb	310.75	314.35	309.20	5.15	311.90	311.90	↑ 3.30	1.07	229832
12 Feb	306.80	309.80	305.20	4.60	308.60	308.60	↑ 4.25	1.40	212593
09 Feb	303.30	306.50	302.10	4.40	304.35	304.35	↓ 8.65	2.76	304971
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

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
315.70 (14/Feb)	305.20 (12/Feb)	336.30 (01/Feb)	302.10 (09/Feb)	340.30 (29/Jan)	325.05 (04/Jan)	340.30 (29/Jan)	302.10 (09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	324.90	High Feb 05,2018
	322.30	High Feb 07,2018
	319.31	Fibo retracement (138.2%)
	317.50	Fibo retracement (123.6%)
SUPPORT	312.60	Low Feb 14,2018
	310.90	Low on Hourly Chart
	308.00	Low on Hourly Chart
	306.35	Low on Hourly Chart
RECOMMENDATION	BUY	314.30
	SELL	----
	STOP LOSS	312.80
	TARGET	316.30 317.30

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



- The series goes down low on daily
 - RSI enters the oversold area, be aware of the trend change
- [\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
14 Feb	29889	30585	29851	734	30301	30301	↑ 611	2.06	155130
13 Feb	29670	30089	29622	467	29690	29690	↑ 268	0.91	178426
12 Feb	29605	29709	29341	368	29422	29422	↑ 93	0.32	180692
09 Feb	29532	29638	29070	568	29329	29329	↓ 1025	3.38	239530
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

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
30585	29341	32978	29070	33516	30371	33516	29070
(14/Feb)	(12/Feb)	(01/Feb)	(09/Feb)	(29/Jan)	(02/Jan)	(29/Jan)	(09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	31033	High on 1 Hourly Chart
	30925	High on 1 Hourly Chart
	20813	High Feb 08,2018
	30585	High Feb 14,2018
SUPPORT	30375	Low on Hourly Chart
	30144	Low on Hourly Chart
	29970	Low on Hourly Chart
	29851	Low on Hourly Chart
RECOMMENDATION	BUY	30335
	SELL	----
	STOP LOSS	30185
	TARGET	30535
		30635

CURRENCIES – *Daily Outlook*

Dollar weakens despite rise in interest rate expectations - Reuters News



The U.S. dollar fell on Wednesday despite a report of stronger-than-expected inflation data and an increase in interest-rate expectations, raising the possibility that the currency is in a period of secular downturn.

"We are in an environment where the dollar is weakening regardless of the move in interest rates," said Alessio de Longis, a portfolio manager for the global multi-asset group at OppenheimerFunds in New York.

The announcement that the U.S. core Consumer Price Index posted its biggest gain in a year boosted expectations that price pressures may accelerate,

prompting a faster pace of interest rate increases from the Federal Reserve. The possibility that the Fed would clamp down on inflation initially drove up the dollar index.

But the dollar quickly pared those gains, falling to a session low of 88.94 against a basket of currencies, even as traders added to their bets on Fed rate hikes after the inflation report. The dollar was last at 89.032.

U.S. short-term interest-rate futures fell on Wednesday following the inflation report, adding to the conviction the Fed will raise rates twice this year, and increasing the chance of a third rate hike, based on a Reuters analysis of Fed funds futures contracts traded at CME Group.

Analysts disagree on the reasons for the dollar's fall. De Longis argued that the greenback is in a weakening cycle because of the increased supply of dollars in foreign markets and foreign investors' overweight positions in U.S. fixed income.

John Doyle, vice president of dealing and trading at Tempus Inc in Washington, was not convinced of a secular downturn. The dollar was the beneficiary of widening interest rate differentials while the Fed was the only major central bank raising rates. But "even though the U.S. Fed is outpacing other central banks, they are no longer the only guest at the policy tightening party," he said.

In that instance, the dollar's weakness on Wednesday could be because the riskoff trades that investors put on immediately after the CPI release "have come bouncing back, helped by equity resilience," said Alan Ruskin, global head of currency strategy at Deutsche Bank in New York.

After opening lower at the bell, the S&P 500 rose to 2,702.10, its highest since Feb. 7. The Dow Jones Industrial Average followed the same trend, opening lower before rising 1.2 percent above its last close. As the dollar weakened, both sterling and the euro recovered. The British pound was last at \$1.40, up nearly 0.7 percent from Tuesday's close.

The single currency was at \$1.245, up half a percent from its last close, supported also by stronger-than-expected euro zone industrial production data for December.

The yen rose to a 15-month high against the dollar at 106.70 earlier in the day. The Japanese currency was last at 107.03. [\(Source Reuters, Research – @her1en\)](#)

EUR/USD

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



- With the support area at 1.2029
 - Important resistance around 0.2639
- [\[Research – @her1en\]](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	1.23482	1.24638	1.22747	189,1	1.24487	↑ 99,4	1.23493
Feb 13	1.22895	1.23698	1.22833	86,5	1.23493	↑ 59,5	1.22898
Feb 12	1.22507	1.22960	1.22338	62,2	1.22898	↑ 57,8	1.22320
Feb 09	1.22461	1.22859	1.22043	81,6	1.22320	↓ 11,4	1.22434
Feb 08	1.22528	1.22937	1.22109	82,8	1.22434	↓ 17,7	1.22611

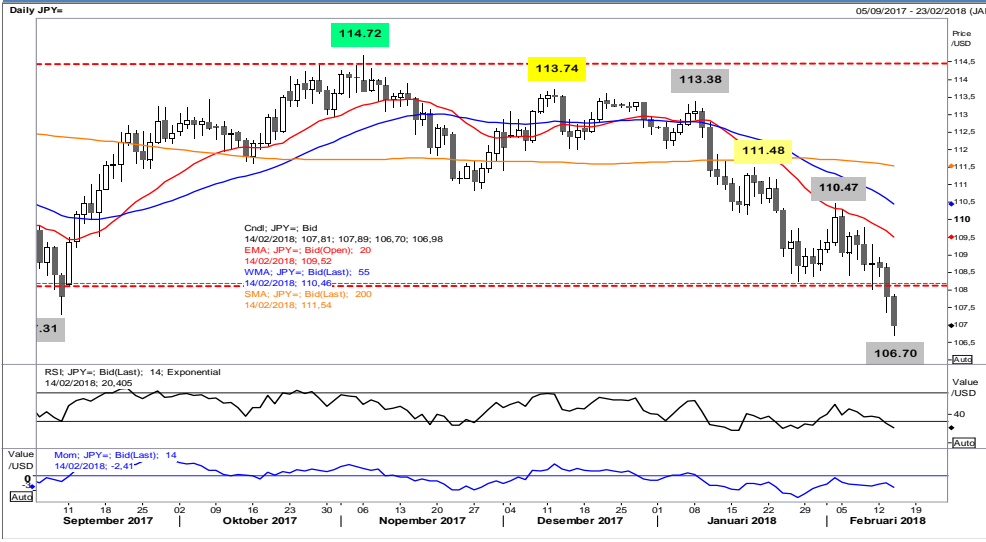
WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.24638	1.22338	1.25217	1.22043	1.25366	1.19145	1.25366	1.19145
(14/Feb)	(12/Feb)	(01/Feb)	(09/Feb)	(25/Jan)	(09/Jan)	(25/Jan)	(09/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2770	High Oct 10, 2014
	1.2639	High Oct 30,2014
	1.2515	High Dec 17,2014
	1.2475	High Feb 05
SUPPORT	1.2274	Low Feb 14
	1.2186	Low Jan 15,2018
	1.2029	Low Jan 12,2018
	1.1914	Low Jan 09
RECOMMENDATION	BUY	1.2425
	SELL	-----
	STOP LOSS	1.2350
	TARGET	1.2500
		1.2535

USD/JPY

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



- The main resistance at 111.87, support 106.51
 - RSI 14 near the oversold zone
- [\(Research – riza\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	107.816	107.890	106.710	118,0	106.978	↓ 81,5	107.793
Feb 13	108.706	108.768	107.397	137,1	107.793	↓ 83,6	108.629
Feb 12	108.839	108.880	108.425	45,5	108.629	↑ 6,1	108.568
Feb 09	108.750	109.297	108.035	126,2	108.568	↓ 15,0	108.718
Feb 08	109.359	109.772	108.569	120,3	108.718	↓ 63,1	109.349

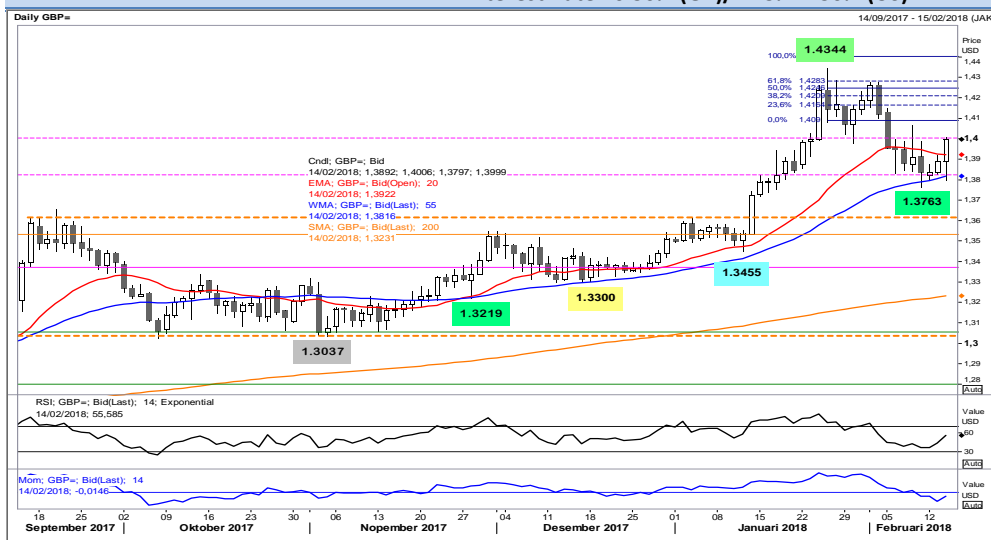
WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
108.880 (12/Feb)	106.710 (14/Feb)	110.470 (02/Feb)	106.710 (14/Feb)	113.376 (08/Jan)	108.271 (26/Jan)	113.376 (08/Jan)	106.710 (14/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	110.33	High Jan 24,2018
	109.30	High Feb 09,2018
	108.77	High Feb 13,2018
	107.89	High Feb 14,2018
SUPPORT	106.51	Low Nov 14,2016
	106.00	Reactions Low on Daily Chart Nov 11,2016
	104.95	Low Nov 10, 2016
	103.08	Low Nov 07,2016
RECOMMENDATION	BUY	----
	SELL	107.25
	STOP LOSS	108.05
	TARGET	106.25 105.95

GBP/USD

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



- Daily RSI approach overbought area
 - Major resistance at the 1.4150 level, support at 1.3532 level
- [\(Research - rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	1.38852	1.40154	1.37987	216,7	1.39974	↑ 111,2	1.38862
Feb 13	1.38351	1.39231	1.38313	91,8	1.38862	↑ 52,7	1.38335
Feb 12	1.38246	1.38746	1.37950	79,6	1.38335	↑ 27,3	1.38062
Feb 09	1.39191	1.39855	1.37632	222,3	1.38062	↓ 101,8	1.39080
Feb 08	1.38693	1.40654	1.38442	221,2	1.39080	↑ 35,8	1.38722

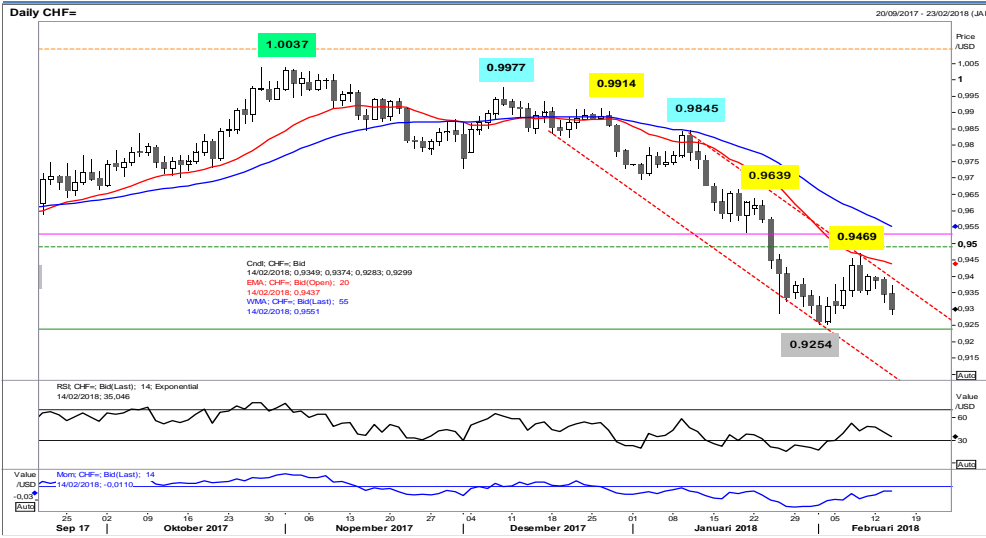
WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.40154 (14/Feb)	1.37950 (12/Feb)	1.42771 (01/Feb)	1.37632 (09/Feb)	1.43438 (25/Jan)	1.34571 (11/Jan)	1.43438 (25/Jan)	1.34571 (11/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.4403	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
SUPPORT	1.3832	Low on 1 Hourly Chart
	1.3720	Low Jan 17,2018
	1.3609	Low on 1 Hourly Chart
	1.3532	Low Jan 12,2018
RECOMMENDATION	BUY	1.3975
	SELL	----
	STOP LOSS	1.3875
	TARGET	1.4095 1.4125

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 14	0.93541	0.93733	0.92837	89,6	0.92900	↓ 49,6	0.93396
Feb 13	0.93950	0.93974	0.93210	76,4	0.93396	↓ 48,9	0.93885
Feb 12	0.93976	0.94004	0.93624	38,0	0.93885	↑ 1,8	0.93867
Feb 09	0.93578	0.94077	0.93473	60,4	0.93867	↑ 29,4	0.93573
Feb 08	0.94327	0.94690	0.93534	115,6	0.93573	↓ 66,6	0.94239

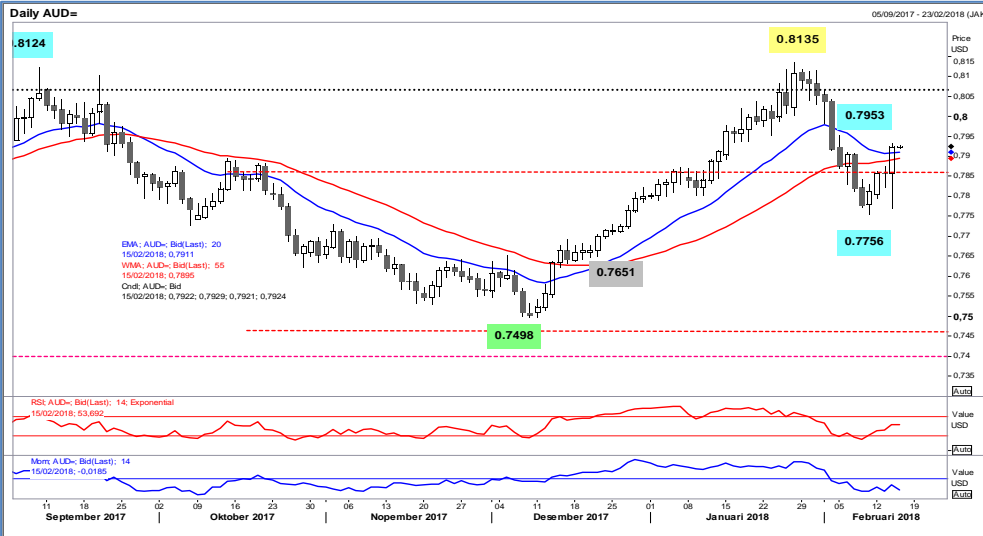
WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.94004 (12/Feb)	0.92837 (14/Feb)	0.94690 (08/Feb)	0.92551 (01/Feb)	0.98444 (10/Jan)	0.92881 (31/Jan)	0.98444 (10/Jan)	0.92551 (01/Feb)

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	0.9286	Reactions on Daily Chart Feb 05,2018
	0.9251	Low Aug 24,2015
	0.9207	Low Jun 23,2015
	0.9152	Low Jun 22,2015
RECOMMENDATION	BUY	---
	SELL	0.9305
	STOP LOSS	0.9385
	TARGET	0.9210 0.9185

AUD/USD

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



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

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	0.78532	0.79334	0.77719	161,5	0.79238	↑ 66,9	0.78569
Feb 13	0.78594	0.78754	0.78266	48,8	0.78569	↓ 1,7	0.78586
Feb 12	0.78136	0.78627	0.78081	54,6	0.78586	↑ 68,6	0.77900
Feb 09	0.77687	0.78292	0.77578	71,4	0.77900	↑ 10,8	0.77792
Feb 08	0.78111	0.78423	0.77747	67,6	0.77792	↓ 41,8	0.78210

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.79334	0.77719	0.80661	0.77578	0.81346	0.77935	0.81346	0.77578
(14/Feb)	(14/Feb)	(01/Feb)	(09/Feb)	(26/Jan)	(02/Jan)	(26/Jan)	(09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8233	Reaction high (Jan 21, 2015)
	0.8162	Reaction high (High May 14, 2015)
	0.8043	High Feb 02
	0.7953	High Feb 05
SUPPORT	0.7771	Low Feb 14
	0.7721	Low Dec 27
	0.7651	Low Dec 21
	0.7549	Low Dec 13
RECOMMENDATION	BUY	0.7900
	SELL	-----
	STOP LOSS	0.7825
	TARGET	0.7975
		0.8010

NZD/USD

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



- The series rises to a daily high
- RSI 14 is up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	0.72720	0.73783	0.72389	139,4	0.73654	↑ 93,8	0.72716
Feb 13	0.72584	0.73139	0.72461	67,8	0.72716	↑ 11,7	0.72599
Feb 12	0.72478	0.72758	0.72308	45,0	0.72599	↑ 15,8	0.72441
Feb 09	0.72132	0.72580	0.71972	60,8	0.72441	↑ 26,4	0.72177
Feb 08	0.72220	0.72415	0.71755	66,0	0.72177	↓ 14,5	0.72322

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.73783 (14/Feb)	0.72308 (12/Feb)	0.74044 (02/Feb)	0.71755 (08/Feb)	0.74354 (24/Jan)	0.70438 (02/Jan)	0.74354 (24/Jan)	0.70438 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7627	High May 01, 2015
	0.7558	High Jul 27,2017
	0.7524	High Aug 01.2017
	0.7405	High Feb 02
SUPPORT	0.7238	Low Feb 14
	0.7180	Low Jan 11,2018
	0.7071	Low Jan 02,2018
	0.6963	Reaction low on daily chart
RECOMMENDATION	BUY	0.7340
	SELL	-----
	STOP LOSS	0.7275
	TARGET	0.7415 0.7450

EUR/JPY

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



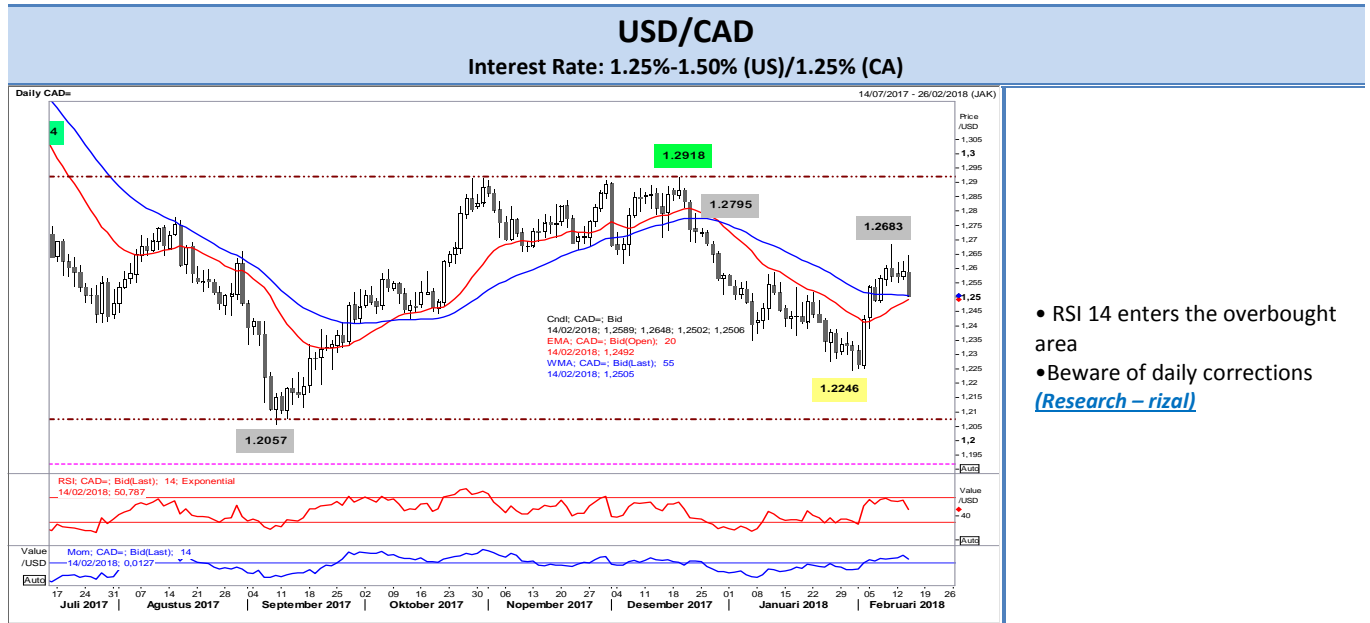
- RSI 14 near the oversold area
 - Important resistance at 135.78, support at 129.44
- (Research – riza!)*

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	133.150	133.371	131.587	178,4	133.180	↑ 4,3	133.137
Feb 13	133.605	133.774	132.501	127,3	133.137	↓ 36,9	133.506
Feb 12	133.343	133.630	132.882	74,8	133.506	↑ 68,6	132.820
Feb 09	133.195	134.152	131.967	218,5	132.820	↓ 32,6	133.146
Feb 08	134.015	134.780	132.918	186,2	133.146	↓ 94,2	134.088

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
133.774	131.587	137.486	131.587	136.608	133.049	137.486	131.587
(13/Feb)	(14/Feb)	(02/Feb)	(14/Feb)	(05/Jan)	(11/Jan)	(02/Feb)	(14/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	136.96	High Feb 01,2018
	135.78	Reactions High on Daily Chart Feb 06,2018
	134.79	High Feb 08,2018
	134.16	High Feb 09
SUPPORT	131.71	Low Nov 28,2017
	130.59	Low Sept 15,2017
	129.44	Reactions Low on Daily Chart Sept 08,2017
	128.51	Low Aug 24,2017
RECOMMENDATION	BUY	132.95
	SELL	----
	STOP LOSS	132.05
	TARGET	134.15 134.45



WEEKLY OPEN	CURRENT PRICE
1.2584	1.2491

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2648	1.2486	1.2683	1.2252	1.2589	1.2246	1.2683	1.2246
(14/Feb)	(14/Feb)	(09/Feb)	(02/Feb)	(11/Jan)	(31/Jan)	(09/Feb)	(31/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.2918	Reaction high on daily chart
	1.2880	High Dec 20, 2017
	1.2839	High Dec 21, 2017
	1.2795	High Dec 22
SUPPORT	1.2395	Low Feb 05, 2018
	1.2246	Low Jan 31, 2018
	1.2116	Low Sept 15, 2017
	1.2057	Low Sept 08, 2017
RECOMMENDATION	BUY	----
	SELL	1.2520
	STOP LOSS	1.2610
	TARGET	1.2420 – 1.2390

Precious Metal – Daily Outlook

Gold rebounds from U.S inflation data-driven losses as dollar wilts - Reuters News



Gold prices climbed nearly 2 percent on Wednesday, rebounding from early losses that followed stronger-than-expected U.S. inflation data, as the dollar surrendered gains and equities swung higher.

The dollar initially rose after the U.S. Labor Department report showed U.S. consumer prices increased more than expected in January, and traders bet the U.S. Federal Reserve would boost interest rates faster than previously forecast.

However, softer-than-forecast retail sales data and an immediate pullback in equities markets sparked concern that the Fed would struggle to raise rates quickly enough

to offset inflation pressures.

Spot gold was up 1.7 percent at \$1,351.81 per ounce by 1:37 p.m. EST (1837 GMT), after reaching \$1,355.08, its highest since Jan. 26. U.S. gold futures for April delivery settled up \$27.60 per ounce, or 2.1 percent, at \$1,358.

Bullion was on track for its strongest daily performance since May 2017. Inflation fears generally prompt investors to buy the precious metal.

"Gold investors are looking into gold as a hedge against inflation and higher inflation expectations are boosting an interest in gold," said Suki Cooper, precious metals analyst at Standard Chartered Bank.

U.S. stocks fell immediately after the inflation report, then rebounded and traded higher in the afternoon. In addition to the strong inflation numbers, market watchers noted a surprise drop in January retail sales.

"Given the weak retail sales report alongside (the inflation data), the markets are probably going to talk about stagflation, where you are getting stronger inflation but not really getting a stronger consumer," said Gennadiy Goldberg, an interest rate strategist at TD Securities in New York.

"Those two in tandem might be leading to this flattener in Treasuries, though retail sales are pretty volatile."

Stock markets, which scaled record peaks in recent months, slid sharply last week, dragging gold prices as investors sought refuge in the U.S. dollar.

Meanwhile, silver was up 1.9 percent at \$16.86 an ounce after hitting a one-week high of \$16.98. Palladium gained 1.8 percent to \$1,002.25, earlier hitting a one-week high \$1,004.60 high. Platinum rose 2 percent at \$993.24, earlier hitting \$998.80, its highest in nearly three weeks.

The platinum market is set for another surplus this year after recording oversupply of 110,000 ounces in 2017, Johnson Matthey said in a report on Wednesday, though sister metal palladium is tipped for another deficit. [\(Source Reuters, Research – @her1en\)](#)

GOLD (XAU/USD)



- Important resistance around 1374
 - Important support area around 1314
 - The series rises to a daily high
- [\(Research – @her1en\)](#)

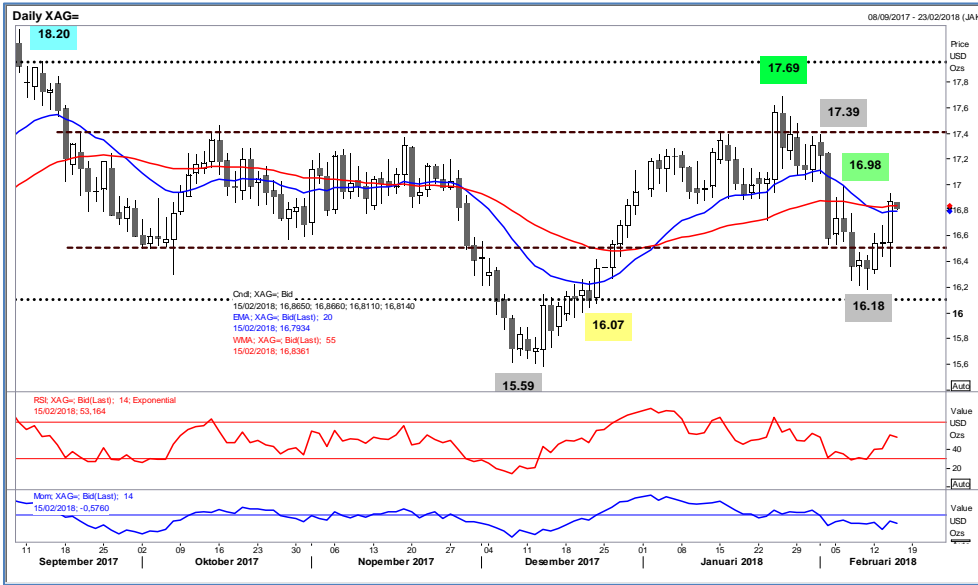
DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Feb 14	1329.330	1355.410	1317.180	38.23	1350.300	↑ 21.09	1329.210	1330.75	1336.25
Feb 13	1322.510	1330.840	1321.480	9.36	1329.210	↑ 6.81	1322.400	1329.40	1325.35
Feb 12	1315.500	1326.710	1315.020	11.69	1322.400	↑ 7.91	1314.490	1321.70	1322.30
Feb 09	1318.960	1322.570	1311.010	11.56	1314.490	↓ 4.21	1318.700	1316.05	1314.10
Feb 08	1317.910	1322.020	1306.930	15.09	1318.700	↑ 0.44	1318.260	1311.05	1315.45

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1355.410 (14/Feb)	1315.020 (12/Feb)	1355.410 (14/Feb)	1306.930 (08/Feb)	1365.910 (25/Jan)	1304.100 (02/Jan)	1365.910 (25/Jan)	1304.100 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1391.76	Reaction high on daily chart
	1374.91	Reaction high on daily chart
	1366.06	Reaction high on daily chart
	1355.50	High Feb 14
SUPPORT	1319.35	Low Feb 14
	1314.06	Low Feb 12
	1306.81	Low Feb 08
	1293.49	Low Dec 29,2017
RECOMMENDATION	BUY	1348.00
	SELL	-----
	STOP LOSS	1338.00
	TARGET	1358.00 1363.00

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 14	16.559	16.915	16.359	0.56	16.839	↑ 0.29	16.552
Feb 13	16.542	16.671	16.437	0.23	16.552	↑ 0.02	16.532
Feb 12	16.328	16.605	16.316	0.29	16.532	↑ 0.26	16.273
Feb 09	16.401	16.434	16.171	0.26	16.273	↓ 0.13	16.406
Feb 08	16.383	16.455	16.232	0.22	16.406	↑ 0.04	16.362

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.915	16.316	17.381	16.171	17.682	16.732	17.682	16.171
(14/Feb)	(12/Feb)	(01/Feb)	(09/Feb)	(25/Jan)	(23/Jan)	(25/Jan)	(09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.85	High Sept 15, 2017
	17.62	High Sept 18,2017
	17.25	High Feb 02
	16.98	High Feb 06
SUPPORT	16.37	Low Feb 14
	16.22	Low Feb 08
	16.07	Low Dec 22,2017
	15.97	Low Dec 19,2017
RECOMMENDATION	BUY	16.75
	SELL	-----
	STOP LOSS	16.40
	TARGET	17.10
		17.30

OIL – Daily Outlook

Oil rallies on Saudi comments, weak dollar - Reuters News



Oil prices rallied on Wednesday, shaking off earlier weakness as U.S. crude stocks rose less than expected and Saudi Energy Minister Khalid al-Falih said major oil producers would prefer tighter markets than end supply cuts too early. Markets also benefited from more weakness in the dollar, which dropped 0.7 percent after stronger-than-expected U.S. consumer inflation figures. Oil tends to move inversely to the dollar, and has also of late been trading in tandem with

stocks, which finished the day up more than 1 percent.

"The demand fundamentals in today's report were really strong," said Richard Hastings, macro strategist at Seaport Global Securities in Charlotte, North Carolina. "At the same time, you've got a little bit of a weaker dollar day on inflation and that could be that some of the price reaction here."

Brent crude futures settled up \$1.64 a barrel, or 2.6 percent, to \$64.36 a barrel. U.S. West Texas Intermediate crude futures gained \$1.41, or 2.4 percent, to \$60.60 a barrel.

U.S. crude inventories rose 1.8 million barrels last week, Energy Information Administration (EIA) data showed compared with expectations for an increase of 2.8 million barrels.

The market rallied after Al Falih said the Organization of the Petroleum Exporting Countries said he would rather leave the oil market slightly short of supplies than lift output cuts too early.

OPEC and its partners, including Russia, have curbed supply since January 2017 to drain global stocks in an agreement that continues through the end of the year.

There has been concern about that deal's efficacy due to the sharper-than-expected increase in U.S. production, and that OPEC and Russia may look to exit the deal to preserve market share. Al Falih's comments suggest that is not in the offing.

"The comments from Al Falih are by far most significant thing, big-picture," said Michael Wittner, managing director and global head of oil research at Societe Generale. "These statements are saying pretty strongly that they really don't want to go below \$60 Brent."

U.S. production rose to 10.27 million bpd last week, the EIA said, which, if confirmed by monthly data, would represent an all-time U.S. record. The International Energy Agency on Tuesday said the rapid increase in supply, particularly in the United States, could overtake consumption.

Physical markets are reflecting this concern. Prices for crude from the North Sea, Russia, the United States and Middle East have dropped to multi-month lows.

(Source Reuters, Research – @her1en)

CLH8/USD (OIL)

(Exp.: 20 Feb. 2018 - Reuters)



- Correction in daily movement
 - Important resistance at 62.09, support at 56.88
 - Beware of RSI 14 enters the oversold area
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Feb 14	58.94	60.88	58.19	2.69	60.72	↑ 1.77	58.95
Feb 13	59.35	59.71	58.38	1.33	58.95	↓ 0.41	59.36
Feb 12	59.12	60.80	59.09	1.71	59.36	↑ 0.34	59.02
Feb 09	60.43	60.75	58.06	2.69	59.02	↓ 1.39	60.41
Feb 08	61.69	62.07	60.26	1.81	60.41	↓ 1.32	61.73

WEEKLY		FEBRUARY		JANUARY		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
60.88	58.19	66.22	58.06	66.63	60.10	66.63	58.06
(14/Feb)	(14/Feb)	(01/Feb)	(09/Feb)	(25/Jan)	(02/Jan)	(25/Jan)	(09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	65.40	High Feb 02
	64.18	High Feb 07
	62.09	High Feb 08
	60.77	High Feb 09
SUPPORT	58.07	Low Feb 12
	57.49	Low Dec 20
	56.88	Low Dec 18
	55.93	Low Dec 07
RECOMMENDATION	BUY	60.50
	SELL	-----
	STOP LOSS	59.10
	TARGET	61.90
		62.40