

DAILY OUTLOOK

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GLOBAL MARKETS

- Stocks dipped on Friday, dragging a global index into a fourth consecutive weekly loss, while the euro and sterling rallied against the dollar after a report said Britain is ready to drop a key Brexit demand.

GLOBAL ECONOMIES

- China's economic growth cooled to its weakest quarterly pace since the global financial crisis, with regulators moving quickly to calm nervous investors as a years-long campaign to tackle debt risks and the trade war with the United States began to bite.
- Japan's annual core consumer inflation ticked up in September but remained at half the pace of the central bank's elusive 2 percent target, underscoring the challenge of meeting the price goal as escalating trade frictions cloud the economic outlook.
- Britain's government recorded a smaller budget deficit than expected in September, but the improvement is unlikely to give much help to finance minister Philip Hammond as he prepares his annual budget.
- The European Central Bank's policy meeting will be relegated to a sideshow next week as the wrangle over Italy's budget takes the main stage.
- Although Canadian inflation and retail sales data came in weaker than expected on Friday, market operators predicted the Bank of Canada still would raise interest rates again next week to keep a booming economy in check.
- U.S. home sales fell in September by the most in over two years as the housing market continued to struggle despite strength across the broader economy.

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GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

U.S. & Global Markets – Stocks dipped on Friday, dragging a global index into a fourth consecutive weekly loss, while the euro and sterling rallied against the dollar after a report said Britain is ready to drop a key Brexit demand.

Oil prices rose on signs of surging demand in China, although prices fell for a second week running as U.S. inventories swelled.

Strong earnings boosted shares early on Wall Street but concerns over economic growth in China and Europe lingered, dragging indexes lower in afternoon trade.

"There a lot of cross-currents right now, with Italy, housing weakness, interest rates (rising) ...," said Michael Antonelli, managing director of institutional sales trading at Robert W. Baird in Milwaukee.

The pan-European STOXX 600 index lost 0.12 percent and MSCI's gauge of stocks across the globe shed 0.08 percent.

The Dow Jones Industrial Average rose 64.89 points, or 0.26 percent, to 25,444.34, the S&P 500 lost 1 point, or 0.04 percent, to 2,767.78 and the Nasdaq Composite dropped 36.11 points, or 0.48 percent, to 7,449.03.

Emerging market stocks were flat. MSCI's broadest index of Asia-Pacific shares outside Japan closed 0.13 percent higher.

In currencies, the British pound and the euro rose after Bloomberg News reported that British Prime Minister Theresa May is ready to drop a key Brexit demand in order to make a deal for Britain to leave the European Union.

Earlier, EU negotiator Michel Barnier said a Brexit deal was 90 percent done although hurdles remained.

Sterling was last trading at \$1.3068, up 0.39 percent on the day.

The euro rose 0.56 percent to \$1.1516.

The dollar index fell 0.26 percent.

The Mexican peso touched a five-week low versus the greenback after ratings agency Fitch revised Pemex's credit rating outlook to negative citing uncertainty over the Mexican national oil company's future business strategy.

Mexico's currency lost 0.62 percent versus the U.S. dollar at 19.26. It earlier touched 19.34 per dollar, the weakest in five weeks.

The Japanese yen weakened 0.28 percent versus the greenback at 112.50 per dollar.

Italian assets were sold heavily earlier in the session a day after the European Union called Rome's draft budget an "unprecedented" breach of EU fiscal rules. The selling subsided after European Economics Commissioner Pierre Moscovici said he wanted to reduce budget tensions with Italy.

The closely watched Italian/German bond yield spread touched a 5-1/2-year high of 338.4 basis points before tightening to 306.8.

Italy's benchmark 10-year bond yield rose as high as 3.783 percent, the highest since February 2014. It last traded at 3.569 percent.

Oil prices rose on signs of surging demand in China, but the market remained concerned over rising U.S. inventories and trade wars that could curb economic activity.

U.S. crude rose 0.95 percent to \$69.30 per barrel and Brent was last at \$79.94, up 0.82 percent on the day.

The benchmark U.S. Treasury yield traded within the previous session's range. The U.S. 10-year note last fell in price to yield 3.1902 percent, from 3.175 percent late on Thursday.

(Source Reuters, Research – Elli)

GLOBAL ECONOMIES

China – China's economic growth cooled to its weakest quarterly pace since the global financial crisis, with regulators moving quickly to calm nervous investors as a years-long campaign to tackle debt risks and the trade war with the United States began to bite.

Chinese authorities are trying to navigate through numerous challenges, as the trade war fears have sparked a blistering selloff in domestic stock markets and a steep decline in the value of the yuan versus the dollar, heightening worries about the growth outlook.

The economy grew 6.5 percent in the third quarter from a year earlier, below an expected 6.6 percent rate, and slower than 6.7 percent in the second quarter, the National Bureau of Statistics said on Friday.

It marked the weakest year-on-year quarterly gross domestic product growth since the first quarter of 2009 at the height of the global financial crisis.

"The trend of slowdown is strengthening despite Chinese authorities' pledge to encourage domestic investment to support the economy. Domestic demand turned out weaker than unexpectedly solid exports," said Kota Hirayama, senior emerging markets economist at SMBC Nikko Securities in Tokyo.

After another big decline in Chinese stocks on Thursday, policymakers launched a coordinated attempt to soothe markets, with central bank governor Yi Gang saying equity valuations are not in line with economic fundamentals.

Beijing has already been increasing policy support in the last few months to prop up growth.

Yi and senior regulators pledged targeted measures to help ease firms' financing problems and encourage commercial banks to boost lending to private firms. China's Vice Premier Liu He, who oversees the economy and financial sector, also chimed in to bolster sentiment.

The Shanghai Composite index, which slumped more than 1 percent in early Friday deals, rallied strongly in afternoon trading to finish up 2.6 percent.

Third quarter growth was hurt by the weakest factory output since February 2016 in September as automobile makers cut production by over 10 percent amid a sales slowdown.

"Weakness is largely coming from the secondary industry- most notably manufacturing. We may review our Q4 forecasts," said Betty Wang, senior China economist at ANZ in Hong Kong.

On a quarterly basis, growth cooled to 1.6 percent from a revised 1.7 percent in the second quarter, meeting expectations.

Importantly, second quarter sequential growth was revised down from the previously reported 1.8 percent, suggesting the economy carried over less momentum into the second half than many analysts had expected.

Before the data release, economists had expected China's full-year growth to come in at 6.6 percent this year - comfortably meeting the government's 6.5 percent target - and 6.3 percent next year.

But now some say growth could slow even more dramatically next year.

"Looking ahead, the economic outlook is not optimistic with exports facing further headwinds as U.S. tariffs kick in and demand from emerging countries ebbs. GDP growth is likely to slow to 6.0-6.2 percent next year," said Nie Wen, an analyst at Hwabao Trust Shanghai.

China's once high-flying automakers are now feeling the brunt of weaker consumer spending. Car sales fell the most in nearly seven years in September, data showed last week, with GM and Volkswagen reporting double-digit declines.

TRADE WAR STING

Beijing and Washington have slapped tit-for-tat tariffs on each other's goods in recent months, sparked by U.S. President Donald Trump's demands for sweeping changes to China's intellectual property, industrial subsidy and trade policies.

Plans for bilateral trade talks to resolve the dispute have stalled, triggering a domestic equities rout and putting pressure on China's already softening economy and weakening currency.

China's exports unexpectedly kicked accelerated in September, largely as firms front-loaded shipments to dodge stiffer U.S. duties, though analysts see pressure building in coming months

"We expect an adverse impact from the trade tension will appear more clearly in data after the start of new year," SMBC Nikko Securities' Hirayama said.

Separate data on Friday showed China's factory output growth weakened to 5.8 percent in September from a year earlier, while fixed-asset investment expanded at a slightly faster-than-expected 5.4 percent in the first nine months of the year.

Infrastructure investment rose 3.3 percent year-on-year for Jan-Sept, slower than 4.2 percent growth in the first eight months of the year.

Retail sales rose 9.2 percent in September from a year earlier, bouncing after several months of lackluster growth.

Faced with rising headwinds to the economy, policymakers are shifting their priorities to reducing risks to growth by gradually easing monetary and fiscal policy.

An official with China's top economic planning agency said in July that China's economy needs to maintain around 6.5 percent growth in order to ensure enough jobs are created, an indication that Beijing may not be comfortable with growth much below current levels.

Last week the People's Bank of China (PBOC) announced the fourth reserve requirement ratio (RRR) cut this year, stepping up moves to lower financing costs.

And more support steps look likely, analysts say, as China starts to bear the full brunt of the trade dispute with the United States.

"China is pulling on all the levers to support domestic demand in the face of this trade pressure. There's already a big acceleration in lending underway and now the PBOC is announcing new steps," said Ray Attrill, head of currency strategy at NAB in Sydney.

"In the end, China will do what it takes to safeguard their economy and show the U.S.: 'Hey, we don't need you.'"

Japan – Japan's annual core consumer inflation ticked up in September but remained at half the pace of the central bank's elusive 2 percent target, underscoring the challenge of meeting the price goal as escalating trade frictions cloud the economic outlook.

While the rate of increase was the fastest in seven months, the gain was due mostly to higher oil costs with most other items rising only slightly, government data showed on Friday.

"We're not seeing inflationary pressure build up. Private spending needs to increase more for core consumer inflation to accelerate beyond 1 percent," said Takeshi Minami, chief economist at Norinchukin Research Institute.

"Inflation will probably stagnate around current levels for some time."

The nationwide core consumer price index (CPI), which strips away the effect of volatile fresh food costs, rose 1.0 percent in September from a year earlier, matching a median market forecast and ticking up from 0.9 percent in August.

The so-called core-core CPI, a more closely watched gauge the Bank of Japan uses that excludes the effect of both fresh food and energy costs, stood at 0.4 percent in September, in line with the previous month.

The inflation data will be among factors the central bank examines at its rate review on Oct. 30-31, when it conducts a quarterly review of its growth and price projections.

BOJ Governor Haruhiko Kuroda on Thursday offered a slightly more upbeat view on prices than three months ago, saying that core consumer inflation was "moving around 1 percent."

Rising energy costs may give the BOJ justification to slightly revise up its inflation forecasts, though the boost may be moderated by uncertainty over the fallout from escalating trade frictions, analysts say.

In a quarterly report scrutinising Japan's regional economies, the BOJ cut its assessment for two regions and warned that companies were becoming increasingly worried about the hit from the simmering Sino-U.S. trade frictions.

Under current projections made in July, the BOJ expects core consumer inflation to hit 1.1 percent in the year ending in March 2019, and accelerate to 1.5 percent the following year.

Stubbornly soft inflation has dashed the BOJ's hopes that solid economic growth will translate into higher prices, and could delay the central bank's exit from ultra-loose policy.

Japan's economy rebounded in the second quarter from a contraction in the first three months of this year thanks to robust business spending.

But escalating trade frictions and a series of natural disasters that disrupted supply chains cloud the outlook for the export-reliant economy, with some analysts projecting a slight contraction in the July-September quarter.

Uncertainty over the economic outlook adds to challenges for the BOJ, which has struggled to fire up wages and prices despite years of heavy money printing.

UK – Britain's government recorded a smaller budget deficit than expected in September, but the improvement is unlikely to give much help to finance minister Philip Hammond as he prepares his annual budget.

The deficit in September fell to 4.123 billion pounds (\$5.38 billion) from 4.958 billion pounds a year before, the Office for National Statistics said. A Reuters poll of economists had pointed to a reading of 4.5 billion pounds.

The figures also showed a sharp downward revision for August's deficit.

For the first six months of the 2018/19 financial year, the deficit stood at 19.9 billion pounds, down 35 percent on the previous year and the lowest at this stage of the year since 2002.

But few economists expect Hammond to unveil major shifts in spending in his budget on Oct. 29, five months before Brexit.

London and Brussels have yet to strike a divorce agreement and Britain's official budget forecasters have said Brexit is more likely to harm than help public finances.

Earlier this month Prime Minister Theresa May pledged an end to austerity, but Hammond's room for manoeuvre is limited.

He has yet to explain how he will finance May's promise of higher health spending, which will add 20 billion pounds to the National Health Service budget by 2023/24.

PRESSURE AHEAD

The ageing of the population will pressure public finances in the years ahead even before considering Brexit's impact, according to the Office for Budget Responsibility (OBR) which produces the forecasts that underpin Britain's budget plans.

Yael Selfin, chief economist at KPMG UK, said the extra leeway in Hammond's budget from the better-than-expected performance of the public finances this year was unlikely to help him much in the longer term.

"The extra pot is unlikely to be sufficient for all these demands, and the chancellor will ultimately need to opt for either higher debt or higher taxes in order to meet these," she said.

Andrew Wishart, economist from consultancy Capital Economics, said Hammond was unlikely to remain on track to eliminate the deficit entirely by the mid-2020s.

Friday's figures implied government borrowing by the end of this financial year could be about 11 billion pounds lower than the 37.1 billion pounds it forecast in March, based purely on the current rate of progress, the OBR said.

But it added that its new forecasts for the coming budget would also need to take into account the handling of corporation tax receipts and the ebb and flow of various tax and spending streams. Hammond wants to steadily cut national debt as a share of GDP, which he says is too high to easily support a big rise in public spending during a future recession.

Public debt stood at 1.79 trillion pounds in September, or 84.3 percent of gross domestic product, down from 86.7 percent in the same month of 2017 but double its level before the financial crisis.

The headline public sector net debt figures are inflated by a temporary Bank of England lending stimulus scheme which is due to be repaid this year - something which makes it near-certain that Hammond will achieve his goal of lowering debt as a share of GDP.

Robust growth in sales and income tax receipts continued in September, offsetting a recent rise in government spending.

Euro Zone – The European Central Bank's policy meeting will be relegated to a sideshow next week as the wrangle over Italy's budget takes the main stage.

The Italian government is looking to boost spending in the hope of engineering faster economic growth.

But its resolve to breach European Union fiscal rules will be put to the test as it faces a rebuke from the Commission, downgrades by credit rating agencies, and a market selloff that may negate the very stimulus it has hoped for.

Italy has until Monday to explain to the Commission its breach of rules and faces the rejection of its budget, which may eventually lead to sanctions. Neither side has any incentive to back down for now.

For the Rome government, standing up to Brussels could translate into votes, while for the Commission, giving in would create a dangerous precedent that could destabilize the euro zone, especially since the bloc has already been lenient with Italy's excessive spending.

The deadlock is costly. Italian bond yields hit their highest level since early 2014 on Friday and the premium investors demand in comparison to German debt is at a five and a half year high.

This could hit the economy as Italy sits on a debt pile worth 130 percent of GDP, the second-highest debt ratio in Europe after Greece, which has just exited a bailout.

"The European process might not be central," Bank of America Merrill Lynch said in a note to clients.

"Ultimately it is the market forces, potentially triggered by the rating agencies, and the reaction of the real economy to the tightening in financial conditions, which will seal the fate of the current experiment in fiscal loosening in Italy."

Moody's and Standard and Poor's are both expected to review their Italian ratings before the month's end and downgrades to one level above junk are expected by many.

While much of this is already priced in, any commentary that would raise the prospect of a cut to 'junk' could trigger a sell off as it would carry implications from a loss of access to central bank facilities to exclusion from investor portfolios.

Yet even these apparent risks are unlikely now to force the government to back down and further escalation is likely before a compromise is found.

"So long as financial market pressures remain manageable, we find it rational for the government to stick to its strategy of maintaining tensions with EU institutions, given that it continues to pay off in terms of popularity," Barclays added.

Commerzbank said an eventual solution may be to finance more Italian spending from underutilised structural funds instead of directly burdening the budget.

ECB

Italy is also expected to be a top item for the ECB, which is all but certain to keep policy on hold on Thursday and likely put off discussion about its reinvestment policy until December.

Having already made clear that Italy's government is damaging businesses and households, ECB chief Mario Draghi is expected to repeat that no help is coming if investors start dumping Italian assets en masse.

Italian officials have suggested the ECB should use its 2.6 trillion euro bond purchases scheme, due to end in December, to support stabilise markets.

"It seems that the message needs to be made loud (er) and clear (er) that quantitative easing is part of the monetary policy framework and cannot be used to help individual national governments," BAML said.

The ECB targets an inflation rate just below 2 percent and has rejected the idea of going beyond this mandate, especially to help one particular euro area country over another.

Yet Italy's difficulties could also spell trouble for the entire bloc, which may eventually prove too difficult to ignore.

A loss of confidence could spread and drag growth, forcing the ECB to maintain stimulus longer than it hoped. With much of its firepower already exhausted from years of support, it has virtually no scope to extend its bond purchase scheme.

Canada – Although Canadian inflation and retail sales data came in weaker than expected on Friday, market operators predicted the Bank of Canada still would raise interest rates again next week to keep a booming economy in check.

Statistics Canada said the annual inflation rate in September dipped to 2.2 percent from 2.8 percent as price pressures from gas and air travel eased. Analysts in a Reuters poll had forecast an annual rate of 2.7 percent.

September marked the eighth consecutive month that the overall inflation rate has exceeded the Bank of Canada's 2.0 percent target.

The central bank, which predicts inflation should move back down toward 2 percent by early 2019, will announce its next interest rate decision on Oct. 24 and markets are expecting a hike. The bank has lifted rates four times since July 2017.

"We always knew we were going to see headline CPI inflation trend back down towards 2 percent ... the hike next week is going to happen," said Andrew Kelvin, senior rates strategist at TD Securities.

Market expectations of an interest rate hike in October, as reflected in the overnight index swaps market, dipped slightly to 96.95 percent from 98.53 percent before the release of the inflation data.

"Beyond next week, we see two more hikes in the first half of 2019," said Paul Ferley, assistant chief economist at the Royal Bank of Canada.

Separately, Statscan said the value of Canadian retail trade unexpectedly fell by 0.1 percent in August, the second decline in three months, in part due to lower sales of gas and clothing. Analysts in a Reuters poll had forecast a 0.3 percent gain.

The Canadian dollar quickly sank after the release, dropping to a five-week low of C\$1.3108 to the U.S. dollar, or 76.29 U.S. cents, down from C\$1.3047, or 76.65 U.S. cents.

The central bank's three core inflation measures all fell, for the first time since November 2016. CPI common, which the bank says is the best gauge of the economy's underperformance, dipped to 1.9 percent from 2.0 percent in August.

Statscan showed gasoline prices had increased by 12.0 percent over September 2017, down from the 19.9 percent year-over-year

jump in August. The cost of air transportation fell by 16.6 percent from a year earlier.

U.S. – U.S. home sales fell in September by the most in over two years as the housing market continued to struggle despite strength across the broader economy.

The National Association of Realtors said on Friday that existing home sales dropped 3.4 percent to a seasonally adjusted annual rate of 5.15 million units last month.

Home sales have now fallen for six straight months. A dearth of properties for sale has pushed up prices, sidelining many would-be homeowners. Sales dropped the most in the South and the decline in the West left sales there down 12.2 percent from a year earlier.

NAR Chief Economist Lawrence Yun said the overall decline appeared related to a rise in interest rates.

Supply has also been constrained by rising building material costs as well as land and labor shortages, while rising mortgage rates are expected to slow demand.

The Federal Reserve raised borrowing costs in September for the third time this year and is widely expected to hike rates again in December.

Economists polled by Reuters had forecast existing home sales falling to 5.30 million from a previously reported 5.34 million.

Existing home sales make up about 90 percent of U.S. home sales.

There were 1.88 million homes on the market in September, an increase of 1.1 percent from a year ago.

At September's sales pace, it would take 4.4 months to clear the current inventory. A supply of six to seven months is viewed as a healthy balance between supply and demand.

The median house price increased 4.2 percent from one year ago to \$258,100 in September.

(Source Reuters, Research – Elli)

ECONOMIC INDICATORS

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
11-Oct - 15-Oct	N/A	CN	Aggregate Financing CNY	Sep		1553.5b	1520.0b	
11-Oct - 18-Oct	N/A	CN	Foreign Direct Investment YoY CNY	Sep		--	1.90%	
Tue/16-Oct-18	01:00	US	Monthly Budget Statement	Sep	\$119.1b	\$75.0b	\$7.9b	
11-Oct - 15-Oct	N/A	CN	New Yuan Loans CNY	Sep		1358.7b	1280.0b	
12-Oct - 19-Oct	N/A	DE	Wholesale Price Index YoY	Sep		--	3.80%	
Mon/15-Oct-18	04:30	NZ	Performance Services Index	Sep	53.9	--	53.2	
	06:01	GB	Rightmove House Prices MoM	Oct	1.0%	--	0.7%	
	06:01	GB	Rightmove House Prices YoY	Oct	0.9%	--	1.2%	
	11:30	JP	Capacity Utilization MoM	Aug	2.2%	--	-0.6%	
	11:30	JP	Industrial Production MoM	Aug F	0.2%	--	0.7%	
	11:30	JP	Industrial Production YoY	Aug F	0.2%	--	0.6%	
	14:15	CH	Producer & Import Prices MoM	Sep	-0.2%	0.3%	0.0%	
	14:15	CH	Producer & Import Prices YoY	Sep	2.6%	3.1%	3.4%	
	19:30	US	Empire Manufacturing	Oct	21.1	20	19	
	19:30	US	Retail Sales Advance MoM	Sep	0.1%	0.6%	0.1%	
	19:30	US	Retail Sales Control Group	Sep	0.5%	0.4%	0.1%	0.0%
	19:30	US	Retail Sales Ex Auto and Gas	Sep	0.0%	0.3%	0.2%	0.1%
	19:30	US	Retail Sales Ex Auto MoM	Sep	-0.1%	0.4%	0.3%	0.2%
	21:00	US	Business Inventories	Aug	0.5%	0.5%	0.6%	0.7%
	21:30	CA	BoC Business Outlook Future Sales	3Q	15	--	6	
	21:30	CA	BoC Overall Business Outlook Survey	3Q	2.8	--	3.1	
	21:30	CA	BoC Senior Loan Officer Survey	3Q	-10.9	--	-8.9	
Tue/16-Oct-18	04:00	KR	Export Price Index MoM	Sep		--	-0.1%	
	04:00	KR	Export Price Index YoY	Sep	1.4%	1.7%	2.1%	
	04:00	KR	Import Price Index MoM	Sep		--	-0.2%	
	04:00	KR	Import Price Index YoY	Sep	9.7%	9.5%	10.0%	

	04:45	NZ	CPI QoQ	3Q	0.9%	0.7%	0.4%	
	04:45	NZ	CPI YoY	3Q	1.9%	1.7%	1.5%	
	07:30	AU	RBA Oct. Meeting Minutes					
	08:30	CN	CPI YoY	Sep	2.5%	2.5%	2.3%	
	08:30	CN	PPI YoY	Sep	3.6%	3.6%	4.1%	
	15:30	GB	Average Weekly Earnings 3M/YoY	Aug	2.7%	2.6%	2.6%	
	15:30	GB	Claimant Count Rate	Sep	2.6%	--	2.6%	
	15:30	GB	Employment Change 3M/3M	Aug	-5k	11k	3k	
	15:30	GB	ILO Unemployment Rate 3Mths	Aug	4.0%	4.0%	4.0%	
	15:30	GB	Jobless Claims Change	Sep	18.5k	--	8.7k	14.2k
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Aug	3.1%	2.9%	2.9%	
	16:00	EZ	Trade Balance NSA	Aug	11.7b	--	17.6b	
	16:00	EZ	Trade Balance SA	Aug	16.6b	14.7b	12.8b	12.6b
	16:00	DE	ZEW Survey Current Situation	Oct	70.1	74.4	76	
	16:00	EZ	ZEW Survey Expectations	Oct	-19.4	--	-7.2	
	16:00	DE	ZEW Survey Expectations	Oct	-24.7	-12	-10.6	
	20:15	US	Capacity Utilization	Sep	78.1%	78.2%	78.1%	
	20:15	US	Industrial Production MoM	Sep	0.3%	0.2%	0.4%	
	20:15	US	Manufacturing (SIC) Production	Sep	0.2%	0.2%	0.2%	0.3%
	21:00	US	NAHB Housing Market Index	Oct	68	67	67	
Wed/17-Oct-18	06:30	AU	Westpac Leading Index MoM	Sep	-0.06%	--	0.06%	
	N/A	AU	RBA's Debelle gives speech in Sydney					
	15:30	GB	CPI Core YoY	Sep	1.9%	2.0%	2.1%	
	15:30	GB	CPI MoM	Sep	0.1%	0.3%	0.7%	
	15:30	GB	CPI YoY	Sep	2.4%	2.6%	2.7%	
	15:30	GB	CPIH YoY	Sep	2.2%	2.3%	2.4%	
	15:30	GB	House Price Index YoY	Aug	3.2%	2.8%	3.1%	3.4%
	15:30	GB	PPI Input NSA MoM	Sep	1.3%	0.8%	0.5%	1.2%
	15:30	GB	PPI Input NSA YoY	Sep	10.3%	9.2%	8.7%	9.4%
	15:30	GB	PPI Output Core NSA MoM	Sep	0.1%	0.2%	0.1%	0.2%
	15:30	GB	PPI Output Core NSA YoY	Sep	3.1%	2.3%	2.1%	
	15:30	GB	PPI Output NSA MoM	Sep	0.4%	0.2%	0.2%	
	15:30	GB	PPI Output NSA YoY	Sep	3.1%	2.9%	2.9%	
	15:30	GB	Retail Price Index	Sep	284.1	284.5	284.2	
	15:30	GB	RPI Ex Mort Int.Payments (YoY)	Sep	3.3%	3.4%	3.4%	
	15:30	GB	RPI MoM	Sep	0.0%	0.1%	0.9%	
	15:30	GB	RPI YoY	Sep	3.3%	3.5%	3.5%	
	16:00	EZ	Construction Output MoM	Aug	-0.5%	--	0.3%	-0.1%
	16:00	EZ	Construction Output YoY	Aug	2.5%	--	2.6%	2.2%
	16:00	EZ	CPI Core YoY	Sep F	0.9%	0.9%	0.9%	
	16:00	EZ	CPI MoM	Sep	0.5%	0.5%	0.2%	
	16:00	EZ	CPI YoY	Sep F	2.1%	2.1%	2.0%	
	19:30	US	Building Permits	Sep	1241k	1275k	1229k	1249k
	19:30	US	Building Permits MoM	Sep	-0.6%	2.0%	-5.7%	-4.1%
	19:30	US	Housing Starts	Sep	1201k	1210k	1282k	1268k
	19:30	US	Housing Starts MoM	Sep	-5.3%	-5.6%	9.2%	7.1%
	19:30	CA	Manufacturing Sales MoM	Aug	-0.4%	-0.6%	0.9%	1.2%
	21:30	US	DOE Cushing OK Crude Inventory	Oct-12	1776K	--	2359k	
	21:30	US	DOE U.S. Crude Oil Inventories	Oct-12	6490K	2500k	5987k	
	21:30	US	DOE U.S. Distillate Inventory	Oct-12	-827K	-1400k	-2666k	
	21:30	US	DOE U.S. Gasoline Inventories	Oct-12	-2016K	1000k	951k	
Thu/18-Oct-18	01:00	US	FOMC Meeting Minutes	Sep-26		--	--	
	06:50	JP	Exports YoY	Sep	-1.2%	2.1%	6.6%	
	06:50	JP	Imports YoY	Sep	7.0%	13.7%	15.4%	
	06:50	JP	Trade Balance	Sep	¥139.6b	-¥45.1b	-¥444.6b	
	06:50	JP	Trade Balance Adjusted	Sep	-¥238.9b	-¥333.4b	-¥190.4b	
	07:30	AU	Employment Change	Sep	5.6k	15.0k	44.0k	44.6k
	07:30	AU	Full Time Employment Change	Sep	20.3k	--	33.7k	35.2k
	07:30	AU	NAB Business Confidence	3Q	3	--	7	
	07:30	AU	Part Time Employment Change	Sep	-14.7k	--	10.2k	9.5k
	07:30	AU	Participation Rate	Sep	65.4%	65.7%	65.7%	
	07:30	AU	Unemployment Rate	Sep	5.0%	5.3%	5.3%	
	08:00	KR	BoK 7-Day Repo Rate	Oct-18	1.5%	1.5%	1.5%	
	13:00	CH	Exports Real MoM	Sep	-0.8%	--	0.6%	-0.3%
	13:00	CH	Imports Real MoM	Sep	-0.4%	--	-2.8%	-2.5%
	15:30	GB	Retail Sales Ex Auto Fuel MoM	Sep	-0.8%	-0.4%	0.3%	0.5%
	15:30	GB	Retail Sales Ex Auto Fuel YoY	Sep	3.2%	3.8%	3.5%	3.6%
	15:30	GB	Retail Sales Inc Auto Fuel MoM	Sep	-0.8%	-0.4%	0.3%	0.4%
	15:30	GB	Retail Sales Inc Auto Fuel YoY	Sep	3.0%	3.6%	3.3%	3.4%
	19:30	CA	ADP Publishes September Payrolls Report					
	19:30	US	Continuing Claims	Oct-06	1640k	1663k	1653k	
	19:30	US	Initial Jobless Claims	Oct-13	210k	211k	215k	
	19:30	US	Philadelphia Fed Business Outlook	Oct	22.2	20	22.9	

	20:05	US	Fed's Bullard Speaks to Economic Club of Memphis					
	21:00	US	Leading Index	Sep	0.5%	0.5%	0.4%	
Fri/19-Oct-18	06:30	JP	Japan Sep CPI					
	06:30	JP	Natl CPI Ex Fresh Food YoY	Sep	1.0%	1.0%	0.9%	
	06:30	JP	Natl CPI Ex Fresh Food, Energy YoY	Sep	0.4%	0.4%	0.4%	
	06:30	JP	Natl CPI YoY	Sep	1.2%	1.3%	1.3%	
	09:00	CN	Fixed Assets Ex Rural YTD YoY	Sep	5.4%	5.3%	5.3%	
	09:00	CN	GDP SA QoQ	3Q	1.6%	1.6%	1.8%	
	09:00	CN	GDP YoY	3Q	6.5%	6.6%	6.7%	
	09:00	CN	GDP YTD YoY	3Q	6.7%	6.7%	6.8%	
	09:00	CN	Industrial Production YoY	Sep	5.8%	6.0%	6.1%	
	09:00	CN	Industrial Production YTD YoY	Sep	6.4%	6.4%	6.5%	
	09:00	CN	Retail Sales YoY	Sep	9.2%	9.0%	9.0%	
	09:00	CN	Retail Sales YTD YoY	Sep	9.3%	9.3%	9.3%	
	09:00	CN	Surveyed Jobless Rate	Sep	4.9%	--	5.0%	
	13:35	JP	BOJ Kuroda speaks in Tokyo					
	15:00	EZ	ECB Current Account SA	Aug	24b	--	21.3b	19.0b
	15:30	GB	Central Government NCR	Sep	14.7b	--	5.2b	
	15:30	HK	Composite Interest Rate	Sep		--	0.66%	
	15:30	GB	PSNB ex Banking Groups	Sep	4.123b	4.5b	6.8b	5.6b
	15:30	GB	Public Finances (PSNCR)	Sep	15.846b	--	3.1b	3.12b
	15:30	GB	Public Sector Net Borrowing	Sep	3.259b	4.6b	5.9b	4.75b
	15:30	HK	Unemployment Rate SA	Sep	2.8%	2.8%	2.8%	
	19:30	CA	Consumer Price Index	Sep	133.7	134.4	134.2	
	19:30	CA	CPI Core- Common YoY%	Sep	1.9%	2.0%	2.0%	
	19:30	CA	CPI Core- Median YoY%	Sep	2.0%	--	2.1%	
	19:30	CA	CPI Core- Trim YoY%	Sep	2.1%	--	2.2%	
	19:30	CA	CPI NSA MoM	Sep	-0.4%	0.1%	-0.1%	
	19:30	CA	CPI YoY	Sep	2.2%	2.7%	2.8%	
	19:30	CA	Retail Sales Ex Auto MoM	Aug	-0.4%	0.1%	0.9%	0.8%
	19:30	CA	Retail Sales MoM	Aug	-0.1%	0.3%	0.3%	0.2%
	20:00	US	Fed's Kaplan Speaks in New York					
	21:00	US	Existing Home Sales	Sep	5.15m	5.29m	5.34m	5.33m
	21:00	US	Existing Home Sales MoM	Sep	-3.4%	-0.9%	0.0%	-0.2%
	22:30	GB	BOE Governor Carney Speaks in New York					
	23:00	US	Fed's Bostic Speaks on Economic Outlook					
Sat/20-Oct-18	00:00	US	Baker Hughes U.S. Rig Count	Oct-19	873	870	869	
	13:50	JP	BOJ Amamiya makes a speech in Nagoya					
	23:00	US	Fed's Bostic Speaks in Atlanta					

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/22-Oct-18	N/A	KR	Exports 20 Days YoY	Oct	--	--	21.6%	
	N/A	KR	Imports 20 Days YoY	Oct	--	--	14.0%	
	11:30	JP	All Industry Activity Index MoM	Aug	--	--	0.0%	
	16:00	EZ	Govt Debt/GDP Ratio	2017	--	--	86.7%	
	19:30	US	Chicago Fed Nat Activity Index	Sep	--	--	0.18	
	19:30	CA	Wholesale Trade Sales MoM	Aug	--	--	1.5%	
Tue/23-Oct-18	04:00	KR	PPI YoY	Sep	--	--	3.0%	
	05:35	AU	Remarks by RBA's Debelle in Sydney					
	10:00	AU	RBA's Bullock speaks on panel in Sydney					
	11:30	AU	RBA's Debelle speaks on panel in Sydney					
	13:00	JP	Machine Tool Orders YoY	Sep F	--	--	2.8%	
	13:00	DE	PPI MoM	Sep	--	--	0.3%	
	13:00	DE	PPI YoY	Sep	--	--	3.1%	
	15:30	HK	CPI Composite YoY	Sep	--	--	2.3%	
	17:00	GB	CBI Business Optimism	Oct	--	--	-3	
	17:00	GB	CBI Trends Selling Prices	Oct	--	--	13	
	17:00	GB	CBI Trends Total Orders	Oct	--	--	-1	
	17:30	GB	BOE Chief Economist Haldane Speaks in Paris					
	20:30	US	Fed's Kashkari Speaks at Early Childhood Development Event					
	21:00	EZ	Consumer Confidence	Oct A	--	--	-2.9	
	21:00	US	Richmond Fed Manufact. Index	Oct	--	25	29	
	22:20	GB	Carney Speaks at a Conference in Toronto					
Wed/24-Oct-18	06:30	JP	Nikkei Japan PMI Mfg	Oct P	--	--	52.5	
	07:00	AU	Skilled Vacancies MoM	Sep	--	--	0.6%	
	12:00	JP	Coincident Index	Aug F	--	--	117.5	
	12:00	JP	Leading Index Cl	Aug F	--	--	104.4	
	14:30	DE	Markit Germany Services PMI	Oct P	--	--	55.9	
	14:30	DE	Markit/BME Germany Composite PMI	Oct P	--	--	55	
	14:30	DE	Markit/BME Germany Manufacturing PMI	Oct P	--	--	53.7	

	15:00	EZ	Markit Eurozone Composite PMI	Oct P	--	--	54.1	
	15:00	EZ	Markit Eurozone Manufacturing PMI	Oct P	--	--	53.2	
	15:00	EZ	Markit Eurozone Services PMI	Oct P	--	--	54.7	
	15:30	GB	UK Finance Loans for Housing	Sep	--	--	39402	
	20:00	US	FHFA House Price Index MoM	Aug	--	0.3%	0.2%	
	20:45	US	Markit US Composite PMI	Oct P	--	--	53.9	
	20:45	US	Markit US Manufacturing PMI	Oct P	--	55.5	55.6	
	20:45	US	Markit US Services PMI	Oct P	--	54	53.5	
	21:00	CA	Bank of Canada Rate Decision	Oct-24	--	1.75%	1.5%	
	21:00	US	New Home Sales	Sep	--	628k	629k	
	21:00	US	New Home Sales MoM	Sep	--	-0.2%	3.5%	
	21:30	US	DOE Cushing OK Crude Inventory	Oct-19	--	--	1776k	
	21:30	US	DOE U.S. Crude Oil Inventories	Oct-19	--	--	6490k	
	21:30	US	DOE U.S. Distillate Inventory	Oct-19	--	--	-827k	
	21:30	US	DOE U.S. Gasoline Inventories	Oct-19	--	--	-2016k	
Thu/25-Oct-18	00:00	US	Atlanta Fed's Bostic Speaks at Energy Summit in Baton Rouge					
	00:10	US	Fed's Mester Speaks at Forecasters Club in New York					
	01:00	US	U.S. Federal Reserve Releases Beige Book					
	04:45	NZ	Exports NZD	Sep	--	4.17b	4.05b	
	04:45	NZ	Imports NZD	Sep	--	5.58b	5.54b	
	04:45	NZ	Trade Balance 12 Mth YTD NZD	Sep	--	-5067m	-4814m	
	04:45	NZ	Trade Balance NZD	Sep	--	-1385m	-1484m	
	06:00	KR	GDP SA QoQ	3Q P	--	--	0.6%	
	06:00	KR	GDP YoY	3Q P	--	--	2.8%	
	06:50	JP	PPI Services YoY	Sep	--	--	1.3%	
	13:00	DE	GfK Consumer Confidence	Nov	--	--	10.6	
	15:00	DE	IFO Business Climate	Oct	--	--	103.7	
	15:00	DE	IFO Current Assessment	Oct	--	--	106.4	
	15:00	DE	IFO Expectations	Oct	--	--	101	
	15:30	HK	Exports YoY	Sep	--	--	13.1%	
	15:30	HK	Imports YoY	Sep	--	--	16.4%	
	15:30	HK	Trade Balance HKD	Sep	--	--	-52.1b	
	17:00	CA	CFIB Business Barometer	Oct	--	--	61.4	
	18:45	EZ	ECB Deposit Facility Rate	Oct-25	--	--	-0.4%	
	18:45	EZ	ECB Main Refinancing Rate	Oct-25	--	--	0.0%	
	18:45	EZ	ECB Marginal Lending Facility	Oct-25	--	--	0.25%	
	19:30	US	Advance Goods Trade Balance	Sep	--	-\$74.2b	-\$75.8b	
	19:30	US	Cap Goods Orders Nondef Ex Air	Sep P	--	--	-0.9%	
	19:30	US	Cap Goods Ship Nondef Ex Air	Sep P	--	--	-0.2%	
	19:30	US	Continuing Claims	Oct-13	--	--	--	
	19:30	US	Durable Goods Orders	Sep P	--	-0.8%	4.4%	
	19:30	US	Durables Ex Transportation	Sep P	--	0.4%	0.0%	
	19:30	US	Initial Jobless Claims	Oct-20	--	--	--	
	19:30	US	Retail Inventories MoM	Sep	--	--	0.7%	
	19:30	US	Wholesale Inventories MoM	Sep P	--	--	1.0%	
	21:00	US	Pending Home Sales MoM	Sep	--	-0.5%	-1.8%	
	21:00	US	Pending Home Sales NSA YoY	Sep	--	--	-2.5%	
	22:00	US	Kansas City Fed Manf. Activity	Oct	--	--	13	
Fri/26-Oct-18	04:00	KR	Consumer Confidence	Oct	--	--	101.7	
	06:30	JP	Tokyo CPI Ex-Fresh Food YoY	Oct	--	--	1.0%	
	06:30	JP	Tokyo CPI Ex-Fresh Food, Energy YoY	Oct	--	--	0.7%	
	06:30	JP	Tokyo CPI YoY	Oct	--	--	1.3%	
	06:30	JP	Tokyo Oct CPI					
	08:00	US	Fed's Mester Speaks to Money Marketeers in New York					
	N/A	DE	Germany Sovereign Debt to be rated by S&P					
	N/A	GB	United Kingdom Sovereign Debt to be rated by Fitch					
	N/A	GB	United Kingdom Sovereign Debt to be rated by S&P					
	15:00	EZ	ECB Survey of Professional Forecasters					
	19:30	US	Core PCE QoQ	3Q A	--	--	2.1%	
	19:30	US	GDP Annualized QoQ	3Q A	--	3.2%	4.2%	
	19:30	US	GDP Price Index	3Q A	--	2.4%	3.0%	
	19:30	US	Personal Consumption	3Q A	--	--	3.8%	
	21:00	US	U. of Mich. 1 Yr Inflation	Oct F	--	--	2.8%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	Oct F	--	--	2.3%	
	21:00	US	U. of Mich. Current Conditions	Oct F	--	--	114.4	
	21:00	US	U. of Mich. Expectations	Oct F	--	--	89.1	
	21:00	US	U. of Mich. Sentiment	Oct F	--	98.6--	99	
Sat/27-Oct-18	00:00	US	Baker Hughes U.S. Rig Count	Oct-26	--	--	--	
	08:30	CN	Industrial Profits YoY	Sep	--	--	9.2%	
27-Oct - 02-Nov	N/A	DE	Retail Sales MoM	Sep	--	--	-0.1%	
27-Oct - 02-Nov	N/A	DE	Retail Sales YoY	Sep	--	--	1.6%	

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

ASIAN STOCK INDEX

Japan's Nikkei ended the week on a sour note on Friday, booking its third straight week of decline after tracking broader overnight losses on Wall Street and Europe.

The Nikkei share average at one stage dropped almost 2 percent to hit a six-week low of 22,212.57. By the closing bell, it was down 0.56 percent at 22,532.08.

The benchmark index has given up around 7.8 percent since its 27-year peak hit on Oct. 2, as worries over Italy's budget, higher U.S. interest rates and growth concerns in China weigh on market sentiment globally. Investors also await November congressional elections in the United States.

"The recent price action in Japanese equities suggests the domestic market is quite sensitive to what's happening in the U.S.," said Shusuke Yamada, currency and equity strategist at Bank of America Merrill Lynch.

"In general, there is a certain degree of uncertainty from external risks," he said.

While all but three of the Topix's 33 subsectors closed in the red, machinery-related stocks underperformed.

Shares of construction equipment maker Komatsu sank 3.1 percent, Kubota Corp lost 1.1 percent and Nabtesco Corp slipped 2.3 percent. Factory automation equipment maker Keyence Corp dropped 0.9 percent.

Index-heavyweights such as SoftBank Corp and Nintendo declined, falling 1.2 percent and 4.0 percent, respectively.

"From late this month, the corporate earnings season will start. I think it will be a cue for investors to selectively buy back some shares," said Masahiro Ichikawa, senior strategist at Sumitomo Mitsui Asset Management.

Exporters fell after the yen strengthened overnight towards a one-month peak versus the dollar reached on Monday.

Sony Corp lost 1.2 percent and Panasonic Corp gave up 0.9 percent.

"There is a rotation into domestic and somewhat defensive names recently," Yamada said.

"This year, we've seen exporters weaker, and especially those exposed to China, so the machinery sector has been weaker," he said.

Car makers also fell but losses were somewhat limited by a media report on Thursday that Japan is considering a temporary tax break for car purchases next year.

Toyota Motor Corp dipped 1.0 percent, Nissan Motor Co was down half a percent and Honda Motor Co lost 0.9 percent.

The broader Topix finished 0.69 percent lower at 1,692.85.

South Korea's KOSPI stock index recovered from early falls to close higher on Friday, tracking a rebound in Chinese equities after regulators pledged steps aimed at calming markets and supporting struggling firms. The Korean won strengthened, while bond yields rose.

The KOSPI closed 7.95 points, or 0.37 percent, higher at 2,156.26 after declining 1.4 percent earlier. For the week, it slipped 0.3 percent, in its third straight weekly fall.

The Shanghai Composite index surged 2.5 percent after China's securities regulator unveiled a series of measures to aid the country's struggling stock market. Earlier in the day, the index hit a near four-year low.

The comments from regulators came ahead of the release of China's GDP figures, which showed the economy grew 6.5 percent

year-on-year in the third quarter, below expectations and its weakest pace since the first quarter of 2009.

SK Innovation Co Ltd, owner of South Korea's top refiner SK Energy, slid 3.4 percent. Crude oil prices were trading higher after two consecutive days of falls.

The won was quoted at 1,132.1 per dollar on the onshore settlement platform, 0.27 percent firmer than its previous close of 1,135.2. The currency fell 0.1 percent on a weekly basis.

In offshore trading, the won was quoted at 1,131.86 per U.S. dollar, up 0.5 percent from the previous day, while in one-year non-deliverable forwards it was being asked at 1,113.4 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.31 percent, after U.S. stocks ended the previous session with losses. Japanese stocks weakened 0.56 percent.

The KOSPI is down around 12.9 percent so far this year, and down by 6.89 percent in the previous 30 days.

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

The trading volume during the session on the KOSPI index was 343,437,000 shares and, of the total traded issues of 897, the number of advancing shares was 395.

Foreigners were net sellers of 171,758 million won worth of shares. The U.S. dollar has risen 6.14 percent against the won this year. The won's high for the year is 1,053.55 per dollar on April 2, 2018 and low is 1,146.26 on Oct. 11, 2018.

In money and debt markets, December futures on three-year treasury bonds fell 0.06 points to 108.51.

The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.69 percent, while the benchmark 3-year Korean treasury bond yielded 1.992 percent, higher than the previous day's 1.98 percent.

Hong Kong Stocks

Hang Seng increased 107 points or 0.42% to 25561 on Friday October 19 from 25455 in the previous trading session.

[\(Source: Trading Economics, Research: rizal\)](#)

China stocks bounced on Friday after regulators mounted a coordinated campaign to try and put a floor under the tumbling market and support a slowing economy.

Official data earlier in the day underscored weakness in the economy in the face of a worsening trade war with the United States. Gross domestic product grew 6.5 percent year-on-year in the third quarter, below expectations and the weakest quarterly pace since the first quarter of 2009.

China's blue-chip CSI300 index ended the day up 3 percent and the Shanghai Composite index rose 2.58 percent after slumping to near four-year lows.

Chinese stocks have slumped close to 10 percent so far this month as foreign investors and domestic institutions dumped shares amid concern about rising U.S. Treasury yields and risks to the world's second largest economy, and as worries rose over the prospect of forced margin calls.

"GDP data today confirms the market's expectation of sluggish economic performance, and policy makers are making great efforts to boost market sentiment," said Josh Sheng, chief investment officer at Shanghai Tongshengtonghui Asset Management.

"It is not necessarily true that the equity market will soon surge, but the downside risk is very limited. Asset managers should gradually be more friendly to risky assets."

Zhang Qi, Shanghai-based analyst at Haitong Securities, concurred. "Valuations are very low right now, even compared to other bear markets historically. It makes sense that there is some support now," he said.

In a move to instil investor confidence, the governor of the People's Bank of China said on Friday that China's current equity valuations were not in line with sound economic fundamentals, and that the bank would enact targeted measures to help ease firms' financing problems and encourage commercial banks to boost lending to private firms.

In a statement on its website on Friday morning, China's securities regulator quoted its chief as saying it would encourage funds to help resolve liquidity difficulties at listed companies caused by stock pledging, and speed up approval for mergers and acquisitions as part of efforts to boost market confidence.

Liu Shiyu, chairman of the China Securities Regulatory Commission (CSRC), also said the regulator will support the issuance of high-yield bonds and other debt products by small and medium-sized companies.

On Friday afternoon, the state news agency Xinhua quoted Vice Premier Liu He saying in an interview the "psychological effect" on stocks of China-U.S. trade friction was "bigger than the actual impact."

While the policy statements helped to calm investors, it may take a few rounds of support before confidence is fully restored, as was the case during the 2015 market rout, said Zhang at Haitong Securities.

In Hong Kong, after a volatile morning the Hang Seng index ended the day up 0.42 percent, while the Hong Kong China Enterprises Index rose about 0.84 percent.

"Chinese policymakers are faced with a tough proposition – keep pumping liquidity into the system for limited dividend and growing long-term imbalances or accept much slower growth and refocus on deleveraging," Sue Trinh, head of Asia FX strategy at RBC Capital Markets in Hong Kong said in a note.

YUAN PRESSURE

China's yuan edged up against the U.S. dollar on Friday but was still set for a weekly loss.

The People's Bank of China set the midpoint rate at 6.9387 per dollar, 0.16 percent weaker than the previous day's fix and the lowest level since Jan. 4, 2017.

Recent rapid losses in the yuan have prompted increasing speculation on whether the currency would breach the psychologically critical 7 per dollar level soon, given the local currency is facing a double whammy of depreciation pressure amid rising China-U.S. trade tensions and signs of slowing economy.

The yuan opened at 6.9391 per dollar and was changing hands at 6.9329 as of 0800 GMT.

Despite the yuan strength on Friday, Ken Cheung, senior Asian FX strategist at Mizuho Bank in Hong Kong, said the currency would continue to face depreciation pressure due to divergence in monetary policy between the United States and China.

"The market will slowly drag the yuan lower to 7 per dollar to test the central bank's bottom line," he said. "The PBOC is likely to allow the yuan depreciate in an orderly manner as long as expectations are stable."

Chinese 10-year Treasury futures for December delivery, the most traded contract, fell 0.15 percent to 95.320.

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

ASIA AND GLOBAL MARKET SPOT PRICE 2018

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	33154.12 (26/Jan/2018)	26616.71 (26/Jan/2018)	2914.04 (29/Aug/2018)	6124.04400 (16/Oct./07)
2017 HIGH	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24876.07 (18/Dec/2017)	2694.97 (18/Dec/2017)	3450.49490 (14/Nov/2017)
2018 HIGH	24270.62 (02/Oct/2018)	338.05 (29/Jan/2018)	33484.08 (29/Jan/2018)	26828.39 (03/Oct/2018)	2930.83 (20/Sep/2018)	3587.50890 (29/Jan/2018)
2018 LOW	20617.86 (23/Mar/2018)	275.15 (11/Oct/2018)	25266.37 (11/Oct/2018)	23360.29 (08/Feb/2018)	2532.69 (08/Feb/2018)	2486.41860 (18/Oct/2018)
2017 LOW	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
RECORD LOW	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov./82)	325.92200 (29/Jul/94)

Closing Prices – 18 Oktober 2018

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	25379.45	↓ 327.23/1.27%	.N225	22658.16	↓ 182.96/0.80%
/.SPX	2768.78	↓ 40.43/1.44%	.KS200	277.48	↓ 2.57/0.92%
/.IXIC	7485.139	↓ 137.564/2.06%	.HSI	25454.55	↓ 7.71/0.03%
JPY=	112.18	↓ 0.46/0.41%	/.SSEC	2486.41860	↓ 75.19540/2.94%
KRW=	1137.60	↑ 10.07/0.89%	/CLc1 (Oil)	68.65	↓ 1.40/2.00%

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
19 Oct	25383	25596	25338	258	25435	25435	↑ 54	0.21	266017
18 Oct	25704	25726	25217	509	25398	25398	↓ 338	1.31	314590
17 Oct	25725	25845	25461	384	25745	25745	↓ 37	0.14	269053
16 Oct	25166	25805	25166	639	25768	25768	↑ 567	2.25	247243
15 Oct	25344	25471	25111	360	25182	25182	↓ 134	0.53	293363
12 Oct	25209	25545	24990	555	25348	25348	↑ 163	0.65	436511
11 Oct	25456	25680	24893	787	25206	25206	↓ 313	1.23	694855

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25845	25111	26966	24893	26820	25764	26966	23088
(17/Oct)	(15/Oct)	(03/Oct)	(11/Oct)	(21/Sep)	(11/Sep)	(03/Oct)	(06/Feb)

ANALYSIS & RECOMMENDATION		
RESISTANCE	26522	High Oct 10,2018
	25845	High Oct 17,2018
	25726	High Oct 18,2018
	25663	High on 1-Hourly Chart
SUPPORT	25351	Low on 1-Hourly Chart
	25246	Low on 1-Hourly Chart
	25166	Low Oct 16,2018
	24990	Low Oct 12,2018
RECOMMENDATION	BUY	25405
	SELL	----
	STOP LOSS	25255
	TARGET	25605 25705

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

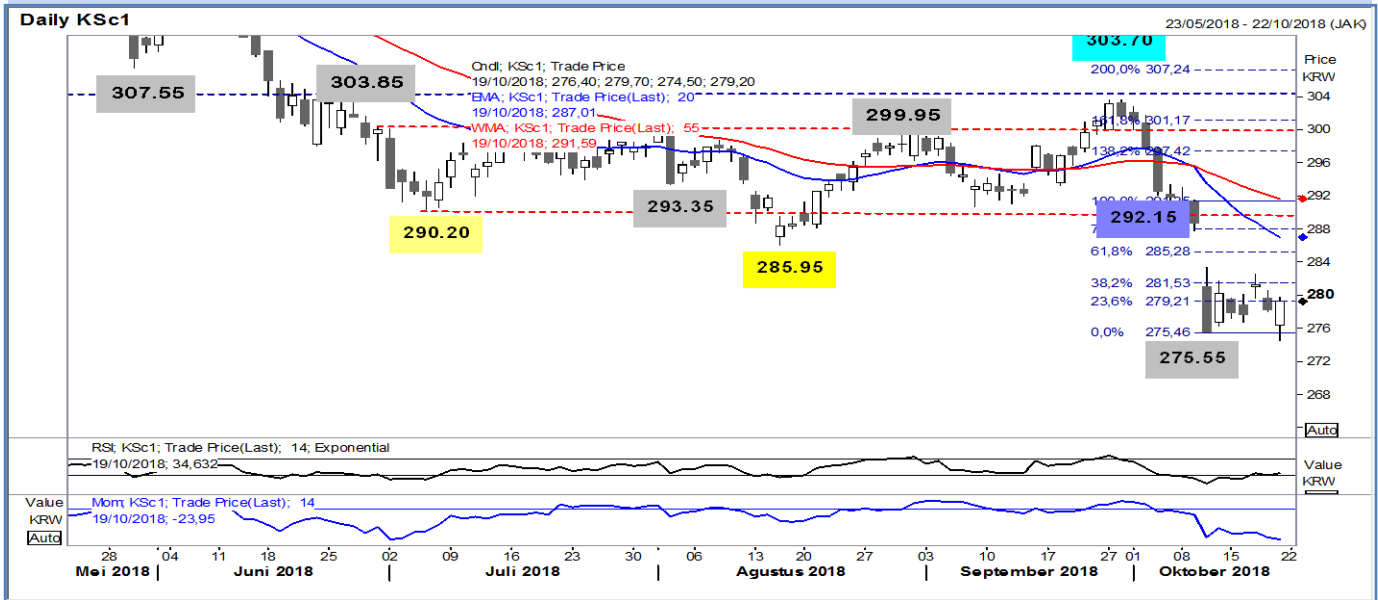


DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	%	VOLUME
19 Oct SS1pmZ8	22510	22690	22405	285	22450	---	↓ 70	0.31	36505
19 Oct SS1amZ8	22300	22540	22215	325	22520	22520	↓ 75	0.33	58083
18 Oct SS1pmZ8	22605	22755	22160	595	22325	---	↓ 270	1.19	47676
18 Oct SS1amZ8	22870	22895	22580	315	22595	22595	↓ 290	1.27	43432
17 Oct SS1pmZ8	22900	22925	22640	285	22900	---	↑ 15	0.07	29289
17 Oct SS1amZ8	22875	22950	22760	190	22885	22885	↑ 465	2.07	58681
16 Oct SS1pmZ8	22420	22890	22405	475	22860	---	↑ 440	1.96	31270
16 Oct SS1amZ8	22255	22540	22225	315	22420	22420	↑ 220	0.99	66790
15 Oct SS1pmZ8	22205	22435	22035	400	22190	---	↓ 10	0.05	40561
15 Oct SS1amZ8	22540	22545	22170	375	22200	22200	↓ 465	2.05	74720

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22950	22035	24480	22035	24290	22165	24480	20130
(17/Oct)	(15/Oct)	(01/Oct)	(15/Oct)	(28/Sep)	(07/Sep)	(01/Oct)	(23/Mar)

ANALYSIS & RECOMMENDATION		
RESISTANCE	22950	High on 1-Hourly Chart
	22850	High on 1-Hourly Chart
	22755	High on 1-Hourly Chart
	22655	High on 1-Hourly Chart
SUPPORT	22390	Low on 1-Hourly Chart
	22285	Low on 1-Hourly Chart
	22190	Low on 1-Hourly Chart
	22035	Low Oct 16,2018
RECOMMENDATION	BUY	----
	SELL	22480
	STOP LOSS	22630
	TARGET	22280 22180

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
19 Oct	276.40	279.70	274.50	5.20	279.20	279.20	↑ 0.95	0.34	341011
18 Oct	279.60	280.60	278.00	2.60	278.25	278.25	↓ 2.95	1.05	241834
17 Oct	281.00	282.50	279.65	2.85	281.20	281.20	↑ 3.55	1.28	255162
16 Oct	278.90	280.10	276.80	3.30	277.65	277.65	↓ 0.25	0.09	259963
15 Oct	279.45	279.60	277.20	2.40	277.90	277.90	↓ 2.30	0.82	317675
12 Oct	276.75	281.80	276.25	5.55	280.20	280.20	↑ 4.65	1.69	404063

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
282.50	274.50	302.70	274.50	303.70	290.75	340.30	274.50
(17/Oct)	(19/Oct)	(01/Oct)	(19/Oct)	(27/Sep)	(07/Sep)	(29/Jan)	(19/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	285.28	Fibo.Retracements on D-Chart (61.8%)
	283.40	High Oct 11,2018
	282.05	High On 1-Hourly Chart (Oct 11,2018)
	281.45	High On 1-Hourly Chart (Oct 11,2018)
SUPPORT	278.00	Low Oct 18,2018
	277.20	Low Oct 15,2018
	276.25	Low Oct 12,2018
	275.55	Low Oct 11,2018
RECOMMENDATION	BUY	278.90
	SELL	----
	STOP LOSS	277.40
	TARGET	281.40 282.40

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
19 Oct	25111	25723	25059	664	25457	25457	↑ 50	0.20	312860
18 Oct	25675	25690	25211	479	25407	25407	↓ 20	0.08	251213
17 Oct	--	H	O	L	I	D	A	Y	--
16 Oct	25486	25680	25208	472	25387	25387	↑ 44	0.17	258268
15 Oct	25545	25649	25330	319	25343	25343	↓ 347	1.35	233336
12 Oct	25440	25788	25263	525	25690	25690	↑ 503	2.00	322934
11 Oct	25370	25396	25123	273	25187	25187	↓ 978	3.74	329253

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
25723	25059	27760	25059	28049	26170	33516	25059
(19/Oct)	(19/Oct)	(02/Oct)	(19/Oct)	(26/Sep)	(12/Sep)	(29/Jan)	(19/Oct)

ANALYSIS & RECOMMENDATION		
RESISTANCE	25970	High on 1 Hourly Chart
	25862	High on 1 Hourly Chart
	25723	High Oct 19,2018
	25626	High on 1 Hourly Chart
SUPPORT	25338	Low on 1 Hourly Chart
	25130	Low on 1 Hourly Chart
	25046	Low Oct 19,2018
	24913	Low May 11,2017
RECOMMENDATION	BUY	----
	SELL	25500
	STOP LOSS	25650
	TARGET	22270 22150

FOREX/CURRENCIES

Euro, sterling gain on report that UK may drop key Brexit demand - Reuters News



The euro and British pound rallied against the U.S. dollar on Friday after Bloomberg News reported that British Prime Minister Theresa May is ready to drop a key Brexit demand in order to make a deal for Britain to leave the European Union (EU).

May is willing to drop a requirement on the issue of the Irish border, which has impeded the two parties coming to an agreement, Bloomberg reported, citing anonymous sources.

EU negotiator Michel Barnier earlier said that a Brexit deal

was 90 percent done, but warned that failure to resolve the Irish border question could derail any agreement.

The euro and sterling have been burdened this week by delays in the two parties reaching an exit deal. The single currency gained to \$1.1512, after earlier falling to \$1.1433, the lowest since Oct. 9. It is down from \$1.1621 on Tuesday.

The euro has good technical support at \$1.1422-\$1.1432, Citigroup analysts said.

Sterling rose to \$1.3067, after earlier probing a two-week low of \$1.3009.

Investors taking profits on bets against the euro before the weekend also helped support the single currency on Friday.

"The market has added to shorts considerably during the week and so I'm not surprised that the down move ended today," said Greg Anderson, global head of foreign exchange strategy for BMO Capital Markets in New York, noting that traders are "taking profit on a short that's worked for them."

Ongoing concerns about Italy's spending proposals, however, are likely to remain a negative for the currency.

The European Commission on Thursday sent Rome a letter calling a draft budget an "unprecedented" breach of EU fiscal rules, the first step of a procedure that could end with Brussels rejecting the budget and fining Italy.

Canada's dollar dropped to a five-week low after Canadian inflation and retail sales data came in weaker than expected.

The data is seen as unlikely to divert the Bank of Canada from raising interest rates again next week, though the inflation miss may make the central bank less likely to take a more hawkish view when doing so.

"After the last meeting they discussed taking the word 'gradual' out of their communications and this cements 'gradual' will remain in communications," Anderson said.

U.S. data on Friday showed that U.S. home sales fell in September by the most in over two years.

(Source Reuters, Research – Elli).

EUR/USD

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	1.14526	1.15334	1.14318	101,6	1.15065	↑ 55,3	1.14512
Oct 18	1.14978	1.15261	1.14481	78,0	1.14512	↓ 48,9	1.15001
Oct 17	1.15709	1.15793	1.14948	84,5	1.15001	↓ 71,9	1.15720
Oct 16	1.15809	1.16202	1.15648	55,4	1.15720	↓ 6,1	1.15781
Oct 15	1.15502	1.16051	1.15419	63,2	1.15781	↑ 21,3	1.15568

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.16202 (16/Oct)	1.14318 (19/Oct)	1.16235 (01/Oct)	1.14318 (19/Oct)	1.18139 (24/Sep)	1.15252 (10/Sep)	1.25542 (16/Feb)	1.12997 (15/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.1757	High Sep 27,2018
	1.1651	High Sep 28,2018
	1.1628	High Oct 01,2018
	1.1580	High Oct 02,2018
SUPPORT	1.1392	Low Aug 20,2018
	1.1363	Low Aug 17,2018
	1.1297	Low Aug 15,2018
	1.1176	Low Jun 27,2017
RECOMMENDATION	BUY	1.1500
	SELL	-----
	STOP LOSS	1.1450
	TARGET	1.1580 1.1620

USD/JPY

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	112.177	112.635	112.130	50,5	112.553	↑ 39,1	112.162
Oct 18	112.679	112.717	111.935	78,2	112.162	↓ 46,0	112.622
Oct 17	112.279	112.664	112.003	66,1	112.622	↑ 37,6	112.246
Oct 16	111.759	112.327	111.719	60,8	112.246	↑ 48,8	111.758
Oct 15	112.172	112.224	111.613	61,1	111.758	↓ 45,1	112.209

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
112.717	111.613	114.538	111.613	113.654	110.367	114.538	104.623
(18/Oct)	(15/Oct)	(04/Oct)	(15/Oct)	(28/Sep)	(07/Sep)	(04/Oct)	(23/Mar)

ANALYSIS & RECOMMENDATION

RESISTANCE	113.94	High Oct 08,2018
	113.73	High on 1-Hourly Chart (Oct 08,2018)
	113.28	High Oct 10,2018
	112.72	High Oct 18,2018
SUPPORT	111.72	Low Oct 16,2018
	111.14	Low Sep 13,2018
	110.37	Low Sep 07,2018
	110.01	Low Aug 22,2018
RECOMMENDATION	BUY	----
	SELL	112.65
	STOP LOSS	113.15
	TARGET	111.95 111.65

GBP/USD

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	1.30187	1.31030	1.30102	92,8	1.30612	↑ 45,0	1.30162
Oct 18	1.31019	1.31302	1.30148	115,4	1.30162	↓ 93,4	1.31096
Oct 17	1.31818	1.31913	1.30982	93,1	1.31096	↓ 65,6	1.31752
Oct 16	1.31498	1.32348	1.31397	95,1	1.31752	↑ 26,0	1.31492
Oct 15	1.30979	1.31805	1.30979	82,6	1.31492	↓ 1,7	1.31509

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.32348 (16/Oct)	1.30102 (19/Oct)	1.32566 (12/Oct)	1.29210 (04/Oct)	1.32970 (20/Sep)	1.27842 (05/Sep)	1.43754 (17/Apr)	1.26605 (15/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3292	High Jul 16,2018
	1.3213	High Jul 26,2018
	1.3172	High Jul 31,2018
	1.3129	High Aug 02,2018
SUPPORT	1.2938	Low Oct 02,2018
	1.2895	Low Sep 10,2018
	1.2852	Low Sep 03,2018
	1.2797	Low Aug 24,2018
RECOMMENDATION	BUY	1.3055
	SELL	-----
	STOP LOSS	1.3005
	TARGET	1.3125 1.3155

USD/CHF

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

Daily CHF=

18/05/2018 - 30/10/2018 (JAK)



Date	Open	High	Low	Volume	Close	Change	Change %	Previous Close
Oct 19	0.99525	0.99764	0.99486	27,8	0.99725	↑	17,6	0.99549
Oct 18	0.99453	0.99738	0.99189	54,9	0.99549	↑	5,7	0.99492
Oct 17	0.99009	0.99532	0.98991	54,1	0.99492	↑	44,9	0.99043
Oct 16	0.98690	0.99078	0.98579	49,9	0.99043	↑	2,9	0.99014
Oct 15	0.99109	0.99110	0.98468	64,2	0.99014	↓	11,3	0.99127

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99764	0.98468	0.99764	0.98058	0.98177	0.95409	1.00668	0.91863
(19/Oct)	(15/Oct)	(19/Oct)	(01/Oct)	(28/Sep)	(21/Sep)	(13/Jul)	(16/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0138	High Mar 10,2018
	1.0099	High May 11,2018
	1.0068	High Jul 13,2018
	1.0010	High Jul 20,2018
SUPPORT	0.9896	Low Oct 17,2018
	0.9879	Low Oct 12,2018
	0.9831	Low Oct 03,2018
	0.9763	Low on 1-Hourly Chart
RECOMMENDATION	BUY	0.9955
	SELL	----
	STOP LOSS	0.9905
	TARGET	1.0015
		1.0035

AUD/USD

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

Daily AUD=

13/04/2018 - 30/10/2018 (JAK)



Date	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	
Oct 19	0.70977	0.71489	0.70878	61,1	0.71169	↑ 19,1	0.70978													
Oct 18	0.71075	0.71497	0.70961	53,6	0.70978	↓ 11,1	0.71089													
Oct 17	0.71416	0.71585	0.71053	53,2	0.71089	↓ 31,0	0.71399													
Oct 16	0.71373	0.71498	0.71107	39,1	0.71399	↑ 12,0	0.71279													
Oct 15	0.71041	0.71477	0.70977	50,0	0.71279	↑ 16,9	0.71110													

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.71585	0.70878	0.72369	0.70399	0.73141	0.70839	0.81346	0.70399
(17/Oct)	(19/Oct)	(02/Oct)	(08/Oct)	(26/Sep)	(11/Sep)	(26/Jan)	(08/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7349	High Aug 29,2018
	0.7314	High Sep 26,2018
	0.7237	High Oct 02,2018
	0.7197	High Oct 03,2018
SUPPORT	0.7043	Low Oct 11,2018
	0.7018	Fibo.Projections on D-Chart (23.6%)
	0.6977	Fibo.Projections on D-Chart (38.2%)
RECOMMENDATION	BUY	0.7110
	SELL	-----
	STOP LOSS	0.7060
	TARGET	0.7180
		0.7210

NZD/USD

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	0.65376	0.66059	0.65219	84,0	0.65869	↑ 46,6	0.65403
Oct 18	0.65456	0.65765	0.65331	43,4	0.65403	↓ 4,40	0.65447
Oct 17	0.65837	0.66000	0.65432	56,8	0.65447	↓ 20,1	0.65648
Oct 16	0.65905	0.65956	0.65583	37,3	0.65648	↑ 16,4	0.65484
Oct 15	0.64989	0.65553	0.64931	62,2	0.65484	↑ 44,6	0.65038

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.66000	0.64931	0.66271	0.64231	0.66979	0.64998	0.74359	0.64231
(17/Oct)	(15/Oct)	(01/Oct)	(08/Oct)	(21/Sep)	(11/Sep)	(16/Feb)	(08/Oct)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.6798	High Aug 08,2018
	0.6725	High Aug 28, 2018
	0.6697	High Sep 21, 2018
	0.6638	High Sep 28, 2018
SUPPORT	0.6491	Low Oct 15,2018
	0.6443	Low Oct 15,2018
	0.6422	Low Oct 15,2018
	0.6388	Fibo.Projections on D-Chart (23.6%)
RECOMMENDATION	BUY	0.6585
	SELL	-----
	STOP LOSS	0.6535
	TARGET	0.6655 0.6685

EUR/JPY

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



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	128.500	129.667	128.457	121,0	129.519	↑ 106,2	128.457
Oct 18	129.565	129.712	128.305	140,7	128.457	↓ 108,0	129.537
Oct 17	129.927	130.137	129.155	98,2	129.537	↓ 36,6	129.903
Oct 16	129.446	130.277	129.411	86,6	129.903	↑ 49,4	129.409
Oct 15	129.564	129.780	129.108	67,2	129.409	↓ 27,8	129.687

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
130.277 (16/Oct)	128.305 (18/Oct)	132.445 (01/Oct)	128.305 (18/Oct)	133.113 (21/Sep)	128.000 (07/Sep)	137.486 (02/Feb)	124.602 (29/May)

ANALYSIS & RECOMMENDATION

RESISTANCE	131.41	High Oct 05,2018
	130.70	High on 1-Hourly Chart
	130.49	High Oct 10,2018
	129.79	High Oct 15,2018
SUPPORT	127.85	Low Sep 10,2018
	127.33	Low Aug 22,2018
	126.24	Low Aug 21,2018
	125.56	Low Aug 17,2018
RECOMMENDATION	BUY	129.35
	SELL	-----
	STOP LOSS	128.75
	TARGET	130.25 130.65

USD/CAD

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



WEEKLY OPEN	CURRENT PRICE
1.3026	1.3097

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.3132 (19/Oct)	1.2912 (16/Oct)	1.3132 (19/Oct)	1.2778 (01/Oct)	1.3226 (06/Sep)	1.2880 (20/Sep)	1.3385 (27/Jun)	1.2246 (31/Jan)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3351	High Jun 28,2018
	1.3289	High Jul 20,2018
	1.3226	High Sep 06,2018
	1.3174	High Sep 11,2018
SUPPORT	1.3015	Low Oct 18,2018
	1.2981	Low on 1-Hourly Chart
	1.2934	Low Oct 08,2018
	1.2890	Low Oct 05,2018
RECOMMENDATION	BUY	1.3085
	SELL	----
	STOP LOSS	1.3035
	TARGET	1.3155 1.3185

PRECIOUS METAL

Gold firms as dollar eases, set for third week of gains - Reuters News



Gold prices edged up on Friday and were on course for a third straight week of gains, supported by robust technical momentum and a softer dollar.

Spot gold was up 0.1 percent to \$1,225.75 an ounce by 3:14 p.m. EDT (1914 GMT). U.S. gold futures settled down \$1.4, or 0.11 percent, at \$1,228.7.

The yellow metal was headed for a 0.7 percent rise this week.

"The technical posture of gold in near term basis has improved remarkably in the past two weeks," said Kitco Metals senior analyst Jim Wyckoff, adding that the volatility seen in the stocks markets worldwide recently has also been favoring the bullion.

A recent sell-off in global stocks had prompted investors to seek refuge in gold, pushing prices of the bullion to a 2-1/2-month high, at \$1,233.26 earlier this week.

However, equity markets recovered on Friday, capping gains in the bullion.

Also supporting gold was a slightly weaker dollar, said David Meger, director of metals trading at High Ridge Futures.

"We have seen a bit of a pick up in safe haven buying over the last couple of weeks based on the concerns we see in economy and equity markets weakening," Meger said.

Gold, which is priced in dollars, is seen as a safe store of value during political and economic uncertainty.

The dollar index against a basket of currencies was down 0.2 percent, retreating from a one-week peak scaled earlier in the session.

On the technical front, a rise above the 100-day moving average, around \$1,225, was also supporting gold, with some analysts saying a clear break above that level could trigger further gains and put further pressure on short-sellers.

Further resistance for gold stood at about \$1,236.90 an ounce and then at \$1,240.00, Wyckoff said in a note.

Indicative of an improvement in investor sentiment, holdings of the SPDR Gold Trust, the largest gold-backed ETF, have gained 2.5 percent in the past two weeks.

In other precious metals, silver gained 0.3 percent to \$14.60.

Platinum rose 0.7 percent to \$831.60 an ounce, but was on track to post a weekly decline of 0.6 percent.

Palladium was up 0.9 percent at \$1,080.25. The metal was set to post a weekly gain of 1.6 percent after falling for previous two weeks.

(Source Reuters, Research – Elli)

GOLD (XAU/USD)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	1225.520	1230.680	1222.970	7.71	1226.440	↑ 0.79	1225.650
Oct 18	1221.820	1230.010	1218.560	11.45	1225.650	↑ 3.53	1222.120
Oct 17	1224.240	1229.370	1220.530	8.84	1222.120	↓ 2.55	1224.670
Oct 16	1227.370	1232.320	1223.330	8.99	1224.670	↓ 2.49	1227.160
Oct 15	1219.750	1233.160	1218.960	14.20	1227.160	↑ 9.08	1218.080

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1233.160	1218.560	1233.160	1183.150	1212.540	1180.670	1365.910	1160.130
(15/Oct)	(18/Oct)	(15/Oct)	(08/Oct)	(13/Sep)	(28/Sep)	(25/Jan)	(16/Aug)

ANALYSIS & RECOMMENDATION

RESISTANCE	1256.72	High Jul 11,2018
	1247.90	High Jul 13,2018
	1244.81	High Jul 17,2018
	1235.04	High Oct 17,2018
SUPPORT	1215.74	Low Oct 12,2018
	1191.18	Low Oct 11 ,2018
	1185.23	Low Oct 10,2018
	1171.74	Low Aug 17,2018
RECOMMENDATION	BUY	1224.80
	SELL	----
	STOP LOSS	1218.80
	TARGET	1230.80
		1237.80

SILVER (XAG/USD)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	14.559	14.699	14.544	0.15	14.614	↑ 0.06	14.558
Oct 18	14.588	14.635	14.437	0.20	14.558	↓ 0.04	14.595
Oct 17	14.638	14.708	14.579	0.13	14.595	↓ 0.05	14.642
Oct 16	14.683	14.828	14.598	0.23	14.642	↓ 0.03	14.673
Oct 15	14.616	14.757	14.584	0.17	14.673	↑ 0.07	14.602

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
14.828	14.437	14.894	14.223	14.700	13.923	17.682	13.923
(16/Oct)	(18/Oct)	(02/Oct)	(10/Oct)	(28/Sep)	(11/Sep)	(25/Jan)	(11/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	15.84	High Jul 17,2018
	15.65	High Jul 26,2018
	15.05	High Aug 15,2018
	14.90	High Oct 02,2018
SUPPORT	14.26	Fibo.Projections on D-Chart (23.6%)
	14.00	Fibo.Projections on D-Chart (50.0%)
	13.88	Fibo.Projections on D-Chart (23.6%)
	13.50	Fibo.Projections on D-Chart (23.6%)
RECOMMENDATION	BUY	----
	SELL	14.65
	STOP LOSS	14.80
	TARGET	14.40 14.25

OIL

Oil up but posts weekly loss on stock build, trade tensions - Reuters News



Oil prices rose on Friday on signs of surging demand in China, the world's No. 2 oil consumer, although prices were headed for a second weekly decline on swelling U.S. inventories and concern that trade wars were curbing economic activity.

Brent crude futures rose 49 cents to settle at \$79.78 a barrel. West Texas Intermediate (WTI) crude futures rose 47 cents to settle at \$69.12 a barrel.

For the week, Brent fell 0.9 percent, while U.S. crude lost 3.1 percent. Both contracts have fallen around

\$7 a barrel below four-year highs reached in early October.

WTI's discount to Brent widened to its most since June 8, hitting \$11.00 a barrel.

Refinery throughput in China, the world's largest oil importer, rose in September to a record 12.49 million barrels per day (bpd), government data showed.

The data fed hopes about oil demand in China, even though economic growth slowed in the third quarter to its weakest since the global financial crisis.

An OPEC and non-OPEC monitoring committee found that oil producers' compliance with a supply-reduction agreement fell to 111 percent in September from 129 percent in August, three sources familiar with the matter said. The Organization of the Petroleum Exporting Countries has led cuts from major oil producers since 2017 to shore up prices.

"OPEC and non-OPEC production increases have not quite equaled the loss in Iranian supply, giving the market concern about whether or not they will be able to fulfill the shortfall," said Andrew Lipow, president of Lipow Oil Associates.

The market has been focused on U.S. sanctions on Iran, which take effect on Nov. 4 and are designed to cut crude exports from the country.

Pressuring prices this week was U.S. government data showing crude inventories last week climbed 6.5 million barrels, a fourth straight weekly build and almost triple the amount analysts had forecast.

Rising supplies, particularly at Cushing, Oklahoma, the delivery hub for WTI, pushed the market into contango, in which nearby prices trade lower than forward prices. This happened on Thursday for the first time since May 22.

On Friday, front-month U.S. crude futures traded at the biggest discount to the second month in nearly a year. Traders anticipated further inventory builds in Cushing as new pipelines come online.

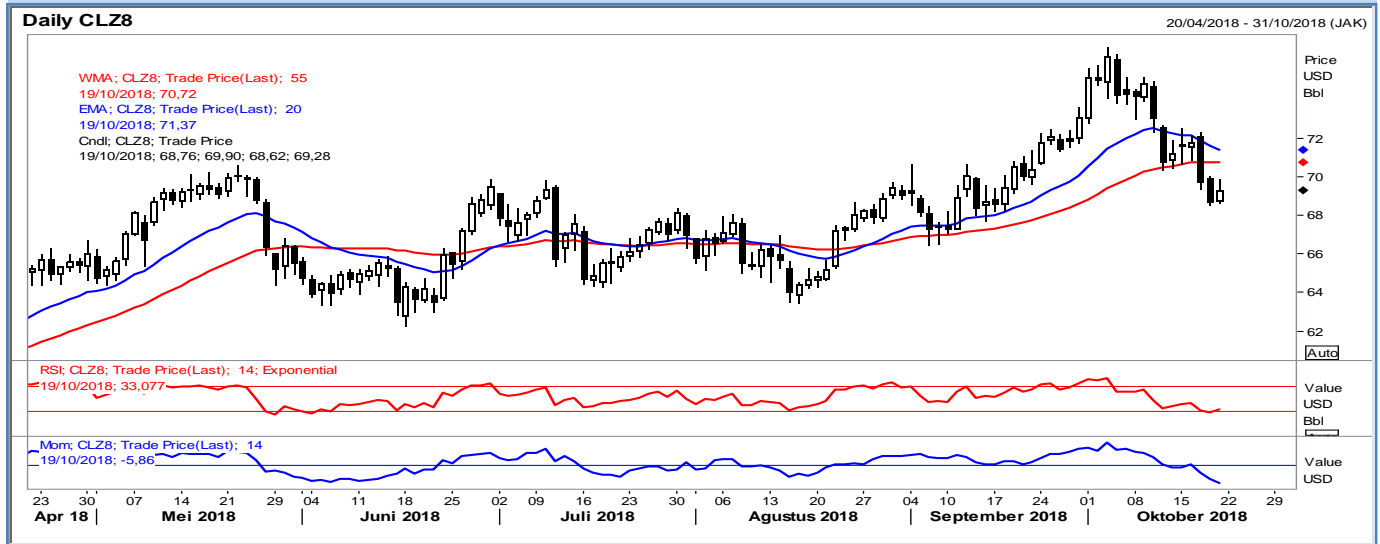
The U.S. oil drilling rig count, an early indicator of future output, rose by four to 873 this week, the highest since March 2015, General Electric Co's Baker Hughes energy services firm said on Friday.

Money managers cut net long U.S. crude futures and options positions in New York and London by 37,080 contracts to 259,375 in the week to Oct. 16, the U.S. Commodity Futures Trading Commission (CFTC) said on Friday - the lowest level since Sept. 19, 2017.

(Source Reuters, Research – Elli)

CLX8/USD (OIL)

(Exp.: 22 Oct 2018 - Reuters)



DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Oct 19	68.74	69.87	68.61	1.26	69.52	↑ 0.85	68.67
Oct 18 (CLZ8)	69.92	69.95	68.54	1.41	68.67	↓ 1.32	69.99
Oct 18 (CLX8)	70.04	70.04	68.47	1.57	68.62	↓ 1.41	70.03
Oct 17	72.15	72.42	69.43	2.99	70.03	↓ 2.11	72.14
Oct 16	71.70	72.26	71.02	1.24	72.14	↑ 0.43	71.71
Oct 15	71.80	72.68	70.84	1.84	71.71	↑ 0.21	71.50

WEEKLY		OCTOBER		SEPTEMBER		2018	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
72.68	68.47	76.88	68.47	73.71	66.85	76.88	58.06
(15/Oct)	(18/Oct)	(03/Oct)	(18/Oct)	(28/Sep)	(07/Sep)	(03/Oct)	(09/Feb)

ANALYSIS & RECOMMENDATION

RESISTANCE	76.44	High Oct 04,2018
	75.06	High Oct 10,2018
	72.74	High Oct 11,2018
	72.42	High Oct 17,2018
SUPPORT	68.29	Low Sep 18,2018
	67.79	Low Sep 14,2018
	66.67	Low Sep 10,2018
	65.63	Low Aug 22,2018
RECOMMENDATION	BUY	----
	SELL	70.55
	STOP LOSS	71.55
	TARGET	69.05 68.05