

## Daily Outlook

### GLOBAL STOCK INDEX

<b><u>DJIA</u></b>	<p><b>U.S. stocks</b> fell on Wednesday, with the S&amp;P 500 and Nasdaq closing just above key support levels, as worries that a lengthy U.S.-China trade war would crimp global growth pushed investors into the safety of government bonds.</p> <p>Trade tensions between the two largest economies in the world showed little signs of relaxing as Chinese newspapers warned that Beijing could use rare earth elements to strike back after President Donald Trump remarked on Monday that he was "not yet ready" to make a deal with China over trade. Rare earths are a group of 17 chemical elements used in everything from high-tech consumer electronics to military equipment.</p> <p>Adding to worries, China's Huawei Technologies Co Ltd filed a lawsuit against the U.S. government late on Tuesday in its latest bid to fight sanctions from Washington.</p> <p>Each of the major U.S. indexes suffered their fourth decline in five sessions. The S&amp;P is down 5.5% from its April 30 closing high. However, both the S&amp;P 500 and Nasdaq managed to close just above their 200-day moving averages, seen as a key level of support.</p> <p>The uncertainty in markets has pressured investors to dump equities and seek safety in U.S. government debt, which has led to an inversion of the yield curve between 3-month bills and 10-year Treasury notes, a precursor to a possible recession. Benchmark U.S. 10-year note yields touched a low of 2.21%, the lowest since September 2017.</p> <p>Federal funds futures indicated that traders saw a nearly 58% chance the U.S. central bank would lower policy rates by at least a quarter of a percentage point at its Sept. 17-18 meeting, compared with a 50% likelihood late on Tuesday.</p> <p>Each of the 11 major S&amp;P sectors were in negative territory, with utilities the worst performer. The Dow Jones Industrial Average fell 221.36 points, or 0.87%, to 25,126.41, the S&amp;P 500 lost 19.37 points, or 0.69%, to 2,783.02 and the Nasdaq Composite dropped 60.04 points, or 0.79%, to 7,547.31. The Dow Jones Industrial Average closed at its lowest level since Feb. 11, while the S&amp;P and Nasdaq ended the session at their lowest closing levels in nearly three months.</p> <p>The benchmark S&amp;P index briefly fell below its 200-day moving average, a key indicator of long-term momentum during the session.</p>
<b><u>Nikkei</u></b>	<p><b>Japan's Nikkei</b> hit a two-week low on Wednesday as persistent Sino-U.S. trade frictions turned sentiment against companies with large exposure to China.</p> <p>Financial stocks also retreated as U.S. treasury yields fell to their lowest since September 2017 because of the risks posed to global growth by the trade war between the world's two biggest economies. The Nikkei share average ended the day down 1.21% at 21,003.37, after falling as low as 20,884.61, the lowest level since May 14.</p> <p>Banking and insurer stocks were sold after benchmark U.S. Treasury yields fell to their lowest levels since September 2017. Mitsubishi UFJ Financial Group fell 1.4%, Sumitomo Mitsui Financial Group declined 1.2% and Dai-ichi Life Holdings sank 1.7%.</p> <p>U.S. President Donald Trump said this week he was "not yet ready" to make a deal with China, although he expected one could be reached in the future.</p> <p>An expanding tariff battle between the two sides has raised concerns the trade war would lead to a global economic slowdown. At the same time, Trump pressed Japan to reduce its trade imbalance with the United States.</p> <p>Companies with high exposure to China fell. Construction equipment maker Komatsu Ltd dropped 1%, factory automation machinery firm Yaskawa Electric lost 2.9% and cosmetics company Shiseido Co shed 3.6%.</p> <p>Among the gainers, Citizen Watch rose 0.6% after it said it will buy back up to 2.2% of its own shares worth 3 billion yen. All but two of the Topix's 33 subsectors were in the red. Declining issues outnumbered advancing ones 1,541 to 512.</p> <p>The broader Topix dropped 0.94% to 1,536.41.</p>
<b><u>Kospi</u></b>	<p><b>South Korea's KOSPI stock index</b> ended down 1.3% on Wednesday, hit by MSCI emerging market index rebalance and U.S.-China trade stand-off, which led to foreigners' net selling for a fourth session. The won and the benchmark bond yield weakened.</p> <p>The Seoul stock market's main KOSPI ended down 25.51 points or 1.25% at 2,023.32 points. Foreigners were net sellers of 360.3 billion won (\$301.37 million) worth of shares on the main board. MSCI said it would increase the weight of China A shares in the emerging markets index; 30 Saudi Arabian securities would be added, representing an aggregate weight of 1.42% in the MSCI Emerging Markets Index. All changes will be implemented, as of May 28 close.</p> <p>Foreign net selling reached more than 1 trillion won (\$836.44 million) in total from Tuesday, largely due</p>

**Hang Seng & Shanghai**

to rebalancing in MSCI EM index; foreign net selling is likely to continue until this week, says Ko Seung-hee, analyst, Mirae Asset Daewoo.  
The won was quoted at 1,193.9 per dollar on the onshore settlement platform, 0.68% lower than its previous close at 1,185.8.

➤ **Hong Kong shares** fell on Wednesday, tracking losses around the region as investor sentiment soured over mounting worries about world growth, with trade tensions between the United States and China showing no signs of easing.  
At the close of trade, the Hang Seng index was down 155.10 points, or 0.57%, at 27,235.71. The Hang Seng China Enterprises index fell 0.25% to 10,390.45.  
The sub-index of the Hang Seng tracking energy shares dipped 0.6%, while the IT sector dipped 0.9%, the financial sector ended 0.53% lower and the property sector dipped 0.63%.  
Shares of China Rare Earth Holdings Ltd jumped 23.53% after reports that Beijing is mulling restricting exports of the materials to the United States.  
Major Chinese newspapers warned the United States on Wednesday that China is ready to use rare earths to strike back in their bitter trade war, with the ruling Communist Party's People's Daily newspaper saying in an extremely strongly worded commentary, "don't say we didn't warn you".  
The top gainer on the Hang Seng was Hong Kong and China Gas Co Ltd, which gained 1.15%, while the biggest loser was Sands China Ltd, which fell 2.84%.  
China's main Shanghai Composite index closed up 0.16% at 2,914.70 points, while the blue-chip CSI300 index ended down 0.23%.

➤ **Chinese blue-chip** shares ended lower on Wednesday amid investor concerns over a slowing economy and Beijing's trade dispute with Washington while foreign investors sold shares, but bargain hunting lifted insurance firms and the benchmark Shanghai index.  
The blue-chip CSI300 index ended down 0.23%, with its financial sector sub-index closing flat, the real estate index down 1.55%, while the healthcare sub-index closed 0.89% weaker.  
However, the Shanghai Composite index rebounded from earlier losses to end 0.16% firmer at 2,914.70. Net sales by foreign investors of A-shares through the Stock Connect linking Hong Kong and the mainland topped 3 billion yuan (\$433.95 million). Foreign investors made net purchases on Monday after an eight-session selling streak.  
A sub-index tracking banking shares lost 0.85% on the day amid ongoing uncertainty over the impact of a regulatory takeover of Baoshang Bank, a troubled regional lender. Chinese money rates rose following the takeover, but have since retreated. China's central bank made its largest daily net cash injection into the banking system in more than four months on Wednesday.  
Underscoring the risk to market expectations of implicit guarantees, sources told Reuters that haircuts of as much as 30% are possible in the repayment of Baoshang's larger debts.  
However, shares of China's major insurance firms jumped as investors hunted for bargains in a sector whose valuations, analysts say, are attractively low. People's Insurance Group of China (PICC) surged 8.85% and China Life Insurance Co Ltd added 4.82%.  
Shares of China's rare earth-related firms also climbed after reports that Beijing is mulling restricting exports to the United States. JL MAG Rare-Earth Co Ltd, which was visited by Chinese President Xi Jinping last week, rose by the daily 10% limit to a record high.  
Major Chinese newspapers warned the United States on Wednesday that China is ready to use rare earths to strike back in their bitter trade war, with the ruling Communist Party's People's Daily newspaper saying in an extremely strongly worded commentary, "don't say we didn't warn you".

**Closing Prices – 29 May 2019**

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	25126.41	↓ 221.36/0.87%	.N225	21003.37	↓ 256.77/1.21%
/.SPX	2783.02	↓ 19.37/0.69%	.KS200	261.37	↓ 3.33/1.26%
/.IXIC	7547.309	↓ 60.042/0.79%	.HSI	27235.71	↓ 155.10/0.57%
JPY=	109.58	↑ 0.22/0.20%	/.SSEC	2914.69640	↑ 4.78580/0.16%
KRW=	1193.03	↑ 5.09/0.43%	/CLc1 (Oil)	59.06	↓ 0.08/0.14%

**ECONOMIC INDICATORS**

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.	
<b>Mon/27-May-19</b>	08:30	CN	Industrial Profits YoY	Apr	-3.7%	--	13.9%		
	12:00	JP	Coincident Index	Mar F	99.4	--	99.6		
	12:00	JP	Leading Index CI	Mar F	95.9	--	96.3		
	15:30	HK	Exports YoY	Apr	-2.6%	--	-1.2%		
	15:30	HK	Imports YoY	Apr	-5.5%	--	-0.1%		
	15:30	HK	Trade Balance HKD	Apr	H\$-35.1b	H\$-47b	H\$-59.2b		
27-May - 03-Jun	N/A	DE	Retail Sales MoM	Apr		--	-0.2%		
27-May - 03-Jun	N/A	DE	Retail Sales NSA YoY	Apr		--	-2.1%		
	All	<b>GB</b>	<b>Bank Holiday (Spring Bank Holiday)</b>						
	All	<b>US</b>	<b>Bank Holiday (Memorial Day)</b>						
<b>Tue/28-May-19</b>	04:00	KR	Consumer Confidence	May	97.96	102.5	102.00		
	06:50	JP	PPI Services YoY	Apr	0.9%	1.1%	1.1%		
	12:45	CH	GDP QoQ	1Q	0.6%	0.4%	0.2%	0.3%	
	12:45	CH	GDP YoY	1Q	1.7%	1.0%	1.4%	1.5%	
	13:00	CH	Exports Real MoM	Apr	-0.6%	--	0.1%	0.5%	
	13:00	DE	GfK Consumer Confidence	Jun	10.1	10.4	10.4		
	13:00	CH	Imports Real MoM	Apr	1.5%	--	-3.2%	-3.3%	
	15:30	GB	UK Finance Loans for Housing	Apr	42989	39450	40564		
	28-May - 03-Jun	N/A	GB	Nationwide House PX MoM	May		--	0.4%	
	28-May - 03-Jun	N/A	GB	Nationwide House Px NSA YoY	May		--	0.9%	
		16:00	EZ	Business Climate Indicator	May	0.3	0.4	0.42	
		16:00	EZ	Consumer Confidence	May F	-6.5	-6.5	-6.5	-7.3
		16:00	EZ	Economic Confidence	May	105.1	103.9	104	103.9
		16:00	EZ	Industrial Confidence	May	-2.9	-4.2	-4.1	-4.3
		16:00	EZ	Services Confidence	May	12.2	11.0	11.5	11.8
		20:00	US	FHFA House Price Index MoM	Mar	0.1%	0.2%	0.3%	
		20:00	US	House Price Purchase Index QoQ	1Q	1.1%	--	1.1%	
		20:00	US	S&P CoreLogic CS 20-City MoM SA	Mar	0.1%	0.5%	0.2%	
		20:00	US	S&P CoreLogic CS 20-City NSA Index	Mar	214.1	213.8	212.6	
	20:00	US	S&P CoreLogic CS 20-City YoY NSA	Mar	2.7%	2.5%	3.0%		
	20:00	US	S&P CoreLogic CS US HPI NSA Index	Mar	206.23	--	205.04		
	20:00	US	S&P CoreLogic CS US HPI YoY NSA	Mar	3.72%	--	4.01%		
	21:00	US	Conf. Board Consumer Confidence	May	134.1	130	129.2		
	21:00	US	Conf. Board Expectations	May	106.6	--	103		
	21:00	US	Conf. Board Present Situation	May	175.2	--	169.0		
	21:30	US	Dallas Fed Manf. Activity	May	-5.3	5.8	2		
<b>Wed/29-May-19</b>	04:00	KR	Business Survey Manufacturing	Jun	76	72	77	75	
	04:00	KR	Business Survey Non-Manufacturing	Jun		--	77		
	07:00	JP	BOJ Kuroda speaks in Tokyo						
	08:00	NZ	ANZ Activity Outlook	May	8.5	--	7.1		
	08:00	NZ	ANZ Business Confidence	May	-32.0	--	-37.5		
	14:00	CH	KOF Leading Indicator	May	94.4	96.2	96.2		
	14:55	DE	Unemployment Change (000's)	May	60k	-7k	-12k		
	14:55	DE	Unemployment Claims Rate SA	May	5.0%	4.9%	4.9%		
	15:00	CH	Credit Suisse Survey Expectations	May	-14.3	--	-7.7		
	15:00	EZ	ECB's Rehn Speaks in London						
	21:00	CA	Bank of Canada Rate Decision	May-29	1.75%	1.75%	1.75%		
21:00	US	Richmond Fed Manuf. Index	May	5	6	3			
<b>Thu/30-May-19</b>	08:30	AU	Building Approvals MoM	Apr		--	-15.5%		
	08:30	AU	Building Approvals YoY	Apr		--	-27.3%		
	08:30	AU	Private Capital Expenditure	1Q		0.4%	2.0%		
		All	<b>CH</b>	<b>Bank Holiday (Ascension Day)</b>					
	17:00	CA	CFIB Business Barometer	May		--	56.7		
	19:30	US	Advance Goods Trade Balance	Apr		-\$71.7b	-\$71.4b		
	19:30	US	Continuing Claims	May-18		--	--		
	19:30	US	Core PCE QoQ	1Q S		--	1.3%		
	19:30	CA	Current Account Balance	1Q		--	-\$15.48b		
	19:30	US	GDP Annualized QoQ	1Q S		3.1%	3.2%		
	19:30	US	GDP Price Index	1Q S		0.9%	0.9%		
	19:30	US	Initial Jobless Claims	May-25		--	--		
	19:30	US	Personal Consumption	1Q S		--	1.2%		
	19:30	US	Retail Inventories MoM	Apr		--	-0.3%		
	19:30	US	Wholesale Inventories MoM	Apr P		--	-0.1%		
	21:00	US	Pending Home Sales MoM	Apr		1.0%	3.8%		
	21:00	US	Pending Home Sales NSA YoY	Apr		--	-3.2%		
	22:00	US	DOE Cushing OK Crude Inventory	May-24		--	1266k		

	22:00	US	DOE U.S. Crude Oil Inventories	May-24		--	4740k
	22:00	US	DOE U.S. Distillate Inventory	May-24		--	768k
	22:00	US	DOE U.S. Gasoline Inventories	May-24		--	3716k
	23:00	US	Fed's Clarida Speaks to the Economic Club of New York				
<b>Fri/31-May-19</b>	01:15	CA	Speech – Bank of Canada Senior Deputy Governor Wilkins				
	05:00	NZ	ANZ Consumer Confidence Index	May		--	123.2
	05:00	NZ	ANZ Consumer Confidence MoM	May		--	1.1%
	06:00	KR	Cyclical Leading Index Change	Apr		--	-0.1
	06:00	KR	Industrial Production SA MoM	Apr		--	1.4%
	06:00	KR	Industrial Production YoY	Apr		--	-2.8%
	N/A	KR	BoK 7-Day Repo Rate	May-31		--	1.75%
	06:01	GB	GfK Consumer Confidence	May		--	-13
	06:01	GB	Lloyds Business Barometer	May		--	14
	06:30	JP	Jobless Rate	Apr		--	2.5%
	06:30	JP	Job-To-Applclicant Ratio	Apr		--	1.63
	06:50	JP	Industrial Production MoM	Apr P		--	-0.6%
	06:50	JP	Industrial Production YoY	Apr P		--	-4.3%
	06:50	JP	Loans & Discounts Corp YoY	Apr		--	3.59%
	06:50	JP	Retail Sales MoM	Apr		--	0.2%
	06:50	JP	Retail Sales YoY	Apr		--	1.0%
	08:00	CN	Composite PMI	May		--	53.4
	08:00	CN	Manufacturing PMI	May		49.9	50.1
	08:00	CN	Non-manufacturing PMI	May		54.3	54.3
	08:30	AU	Private Sector Credit MoM	Apr		0.3%	0.3%
	08:30	AU	Private Sector Credit YoY	Apr		3.8%	3.9%
	12:00	JP	Construction Orders YoY	Apr		--	66.1%
	12:00	JP	Consumer Confidence Index	May		--	40.4
	13:30	CH	Retail Sales Real YoY	Apr		--	-0.7%
	15:30	GB	Mortgage Approvals	Apr		--	62.3k
	15:30	GB	Net Consumer Credit	Apr		--	0.5b
	15:30	GB	Net Lending Sec. on Dwellings	Apr		--	4.1b
	15:30	HK	Retail Sales Value YoY	Apr		--	-0.2%
	15:30	HK	Retail Sales Volume YoY	Apr		--	-0.8%
	19:00	DE	CPI EU Harmonized MoM	May P		--	1.0%
	19:00	DE	CPI EU Harmonized YoY	May P		--	2.1%
	19:00	DE	CPI MoM	May P		--	1.0%
	19:00	DE	CPI YoY	May P		--	2.0%
	19:30	CA	GDP MoM	Mar		--	-0.1%
	19:30	CA	GDP YoY	Mar		--	1.1%
	19:30	US	PCE Core Deflator MoM	Apr		0.2%	0.0%
	19:30	US	PCE Core Deflator YoY	Apr		1.6%	1.6%
	19:30	US	PCE Deflator MoM	Apr		0.3%	0.2%
	19:30	US	PCE Deflator YoY	Apr		1.6%	1.5%
	19:30	US	Personal Income	Apr		0.3%	0.1%
	19:30	US	Personal Spending	Apr		0.2%	0.9%
	19:30	CA	Quarterly GDP Annualized	1Q		--	0.4%
	19:30	US	Real Personal Spending	Apr		--	0.7%
	20:45	US	MNI Chicago PMI	May		54	52.6
	21:00	US	U. of Mich. 1 Yr Inflation	May F		--	2.8%
	21:00	US	U. of Mich. 5-10 Yr Inflation	May F		--	2.6%
	21:00	US	U. of Mich. Current Conditions	May F		--	112.4
	21:00	US	U. of Mich. Expectations	May F		--	96
	21:00	US	U. of Mich. Sentiment	May F		101.5	102.4
<b>Sat/01-Jun-19</b>	00:00	US	Baker Hughes U.S. Rig Count	May-31		--	--
	07:00	KR	Exports YoY	May		--	-2.0%
	07:00	KR	Imports YoY	May		--	2.4%
	07:00	KR	Trade Balance	May		--	\$4120m
01-Jun - 10-Jun	N/A	GB	BoE/TNS Inflation Next 12 Mths	May		--	3.2%

### Dow Jones (1YMM9 – Jun)

Exp. Date: 21 Jun 2019



RESISTANCE	25785	
	25581	
	25345	
SUPPORT	24905	
	24701	
	24465	
SUGGESTION	BUY	---
	SELL	25140
	S/L	25290
	T/P:	24940 24790

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
29 May	25355	25377	24937	440	25109	25109	↓ 260	1.02	299006

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
25717 (28/May)	24937 (29/May)	26691 (01/May)	24937 (29/May)	26694 (24/Apr)	22563 (04/Jan)

### Nikkei (SSlamM9 – Jun)

Last Trading Date: 17 Jun 2019



RESISTANCE	21416	
	21243	
	21066	
SUPPORT	20716	
	20543	
	20366	
SUGGESTION	BUY	---
	SELL	20920
	S/L	21070
	T/P:	20720 20570

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE%	VOLUME
29 May SS1pmM9	20910	20930	20720	210	20890	---	↓ 15	0.07	36103
29 May SS1amM9	20985	21070	20880	190	20905	20905	↓ 300	1.41	62881

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
21300 (28/May)	20720 (29/May)	22495 (03/May)	20720 (29/May)	22495 (03/May)	19205 (04/Jan)

### Kospi 200 (KSM9 – Jun)

Exp. Date: 13 Jun 2019



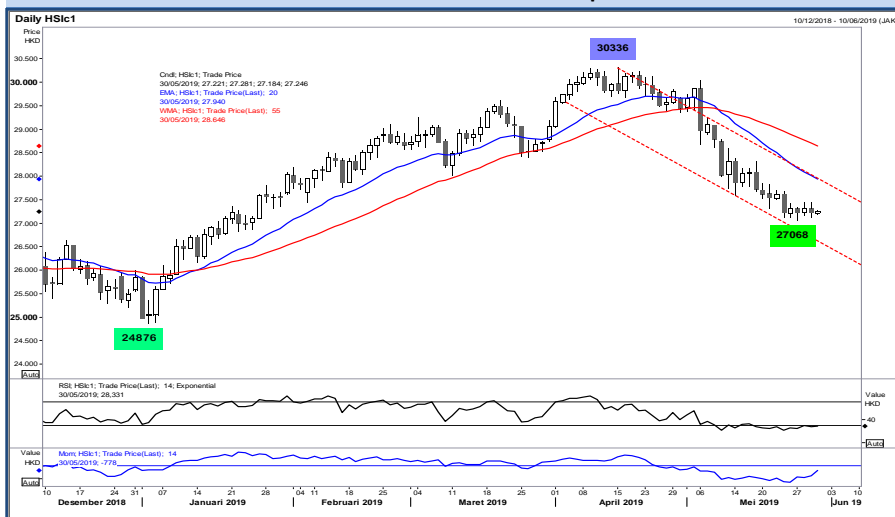
RESISTANCE	267.80	
	266.10	
	263.60	
SUPPORT	259.40	
	257.70	
	255.20	
SUGGESTION	BUY	---
	SELL	261.50
	S/L	263.00
	T/P:	259.50 258.00

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
29 May	264.00	264.40	260.20	4.20	261.10	261.10	↓ 3.80	1.43	289132

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
266.10 (28/May)	260.20 (29/May)	287.50 (02/May)	260.20 (29/May)	292.10 (17/Apr)	255.60 (04/Jan)

### Hang Seng (HSIM9 – JUN)

Exp. Date: 27 June 2019



RESISTANCE	27823	
	27611	
	27423	
SUPPORT	27023	
	26811	
	26623	
SUGGESTION	BUY	---
	SELL	27285
	S/L	27435
	T/P:	27085 26935

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
29 May (HSIM9)	27058	27250	27000	250	27069	27069	↓ 117	0.43	107717
29 May (HSIK9)	27191	27400	27139	261	27228	27228	↓ 95	0.35	203152

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
27449 (28/May)	26930 (27/May)	29875 (03/May)	26930 (27/May)	30336 (15/Apr)	24876 (03/Jan)



**DISCLAIMER:**

*The information contained above is intended to provide general information and does not constitute or purports to be a financial advice, investment advice, trading advice, or any other advice. Any strategies, views or opinions expressed above are not intended to be presented as an offer or solicitation for the purchase or sale of any financial instrument. Client should seek personal professional advice before making any decisions. The client should ensure that financial instruments are suitable for his/her own individual objectives, financial situation and investment needs. This report is prepared for the use of Alpha Gold Futures clients. The reproduction and redistribution of this material is strictly prohibited*