

Daily Outlook

GLOBAL STOCK INDEX

DJIA

Wall Street's main stock indexes ended slightly lower on Tuesday, though not far from record highs, as investors awaited concrete news on whether a new round of U.S. tariffs on Chinese goods would take effect on Dec. 15, a potential turning point in a trade dispute between the world's two largest economies that has convulsed markets.

Stock futures got a boost in premarket trade when the Wall Street Journal said U.S. and Chinese trade negotiators were laying the groundwork for a delay in the tariffs, but White House economic adviser Larry Kudlow said later that no decision had been made.

A delay would be seen as helping to pave the way for an initial U.S.-China trade deal, optimism over which has helped fuel the market's recent run to records.

The Dow Jones Industrial Average fell 27.88 points, or 0.1%, to 27,881.72, the S&P 500 lost 3.44 points, or 0.11%, to 3,132.52 and the Nasdaq Composite dropped 5.64 points, or 0.07%, to 8,616.18.

The S&P 500 has climbed about 25% so far in 2019, driven by three interest rate cuts by the U.S. Federal Reserve and some relief over corporate profits, along with improved investor sentiment on trade.

The Fed is due to give its latest policy decision on Wednesday; the market expects the U.S. central bank to hold rates steady. Investors also have their eyes on the European Central Bank meeting on Thursday and U.S. inflation data later in the week.

In another trade-related development, Canada, Mexico and the United States agreed to an overhaul of their quarter-century-old regional trade pact, but stocks largely shrugged off the news.

Most S&P 500 sectors ended lower on Tuesday, with real estate and materials falling the most.

In company news, shares in Autozone Inc jumped 6.9% after the auto parts retailer beat quarterly profit estimates.

Boeing Co shares dipped 0.9% after the plane maker said it delivered fewer than half as many planes in the first 11 months of 2019 as in the same period a year earlier.

Netflix Inc shares fell 3.1% after a Needham analyst downgraded her rating on the stock and said competition could lead to the loss of 4 million premium U.S. subscribers next year.

Nikkei

Japanese shares edged lower on Tuesday as the deadline neared for a fresh round of U.S. tariffs on Chinese imports, against the backdrop of positive comments from Washington and Beijing on progress in the trade talks.

The Nikkei 225 index ended Tuesday down 0.08% at 23,410.19, with industrial and consumer discretionary sectors leading the decliners.

In the run-up to new tariffs on \$156 billion worth of Chinese imports on Dec. 15, both China and the United States have made reconciliatory tones.

While China said it hoped to make a trade deal as soon as possible, U.S. President Donald Trump said Washington is doing well in hammering out an agreement with Beijing.

Some traders are also focused on a U.S. Federal Reserve meeting starting Tuesday, where the central bank is widely expected to keep interest rates on hold.

The biggest percentage losers in the index were chemicals maker Tokuyama Corp down 4.29%, followed by parcel delivery firm Yamato Holdings Co Ltd losing 3.32% and Kansai Electric Power Co Inc down 3.28%.

The largest percentage gainers in the index were drugs maker Daiichi Sankyo Co Ltd up 3.67%, followed by electronic components maker Taiyo Yuden Co Ltd gaining 3.49% and marine products maker Nippon Suisan Kaisha Ltd up 3.23%.

There were 69 advancers on the Nikkei index against 152 decliners on Tuesday.

The broader Topix fell 0.09% to 1,720.77.

The volume of shares traded on the Tokyo Stock Exchange's main board was 1.05 billion, compared to the average of 1.25 billion in the past 30 days.

Kospi

South Korean shares ended higher on Tuesday after data showed that China's consumer inflation climbed to an eight-year peak, but concerns about a tariff deadline curbed gains. The South Korean won weakened, while the benchmark bond yield was unchanged.

Sentiment got a boost after data showed China's consumer prices in November rose at its the fastest pace seen since January 2012, but factory-gate prices remained in the red, adding to uncertainty over whether the manufacturing sector is bottoming out as trade risks persist.

Though the economic index was not bad, investors remained cautious ahead of big events such as the tariffs deadline and the UK election, said Park Sang-hyun, an analyst at Hi Investment & Securities.

Market uncertainty ahead of the tariff deadline was reinforced by comments from US Agriculture Secretary Sonny Perdue on Monday that while President Donald Trump did not want to implement tariffs, he did want to see "movement" from China.

China said on Monday it hoped to make a trade deal with the United States as soon as possible, amid intense discussions before fresh US tariffs on Chinese imports are due to kick in on Dec 15. The Seoul stock market's main KOSPI ended up 9.35 points, or 0.45 per cent, at 2,098.00. Foreigners were net sellers of 18.4 billion won (S\$21.1 million) worth of shares on the main board. The won was quoted at 1,191.3 per dollar on the onshore settlement platform, 0.12 per cent lower than its previous close at 1,189.9. In offshore trading, the won was quoted at 1,191.1 per US dollar, down 0.1 per cent from the previous day, while in non-deliverable forward trading its one-month contract was quoted at 1,190.2 per dollar.

Hang Seng & Shanghai

➤ Hong Kong shares finished lower on Tuesday as investors waited to see if the United States would slap fresh tariffs on Chinese goods this weekend, a move that was likely to complicate efforts to defuse the protracted trade war. Sentiment also suffered as data showed China's producer prices fell for the fifth consecutive month in November, while consumer prices spiked as food costs climbed, complicating policymakers' efforts to boost demand as economic growth slows. A Chinese official said on Monday that Beijing hopes to make a trade deal with Washington as soon as possible before new U.S. tariffs are due to kick in on Dec. 15, but investors are refraining from making big bets on an interim deal. The Hang Seng index ended 0.2% lower at 26,436.62, while the China Enterprises Index lost 0.1% to 10,395.27 points. The sub-index of the Hang Seng tracking energy shares dipped 0.3%, while the IT sector dropped 0.3%, the financial sector ended 0.1% lower and the property sector closed 0.23% weaker. The top gainer in the Hang Seng was China Overseas Land & Investment Ltd, which gained 2.52%, while the biggest loser was Shenzhou International Group Holdings Ltd, which closed 3.51% lower. China's main Shanghai Composite index closed up 0.1% at 2,917.32 points, while the blue-chip CSI300 index ended up 0.13%.

➤ China stocks were nearly flat on Tuesday and trading was thin, as investors waited to see if the United States would slap fresh tariffs on Chinese goods on Dec. 15, a move that was likely to complicate efforts to defuse the prolonged trade war. Investors remain circumspect after data showed China's producer prices fell for the fifth consecutive month in November, while consumer prices spiked as food costs climbed, complicating policymakers' efforts to boost demand as economic growth slows. The blue-chip CSI300 index rose 0.1% to 3,900.38, while the Shanghai Composite Index also gained 0.1% to 2,917.32 points. A Chinese official said on Monday Beijing hopes to make a trade deal with Washington as soon as possible before new U.S. tariffs are due to kick in this weekend, but investors are refraining from making big bets on an interim deal. Reflecting sober investor sentiment, shares of Postal Savings Bank of China (PSBC) staged a subdued Shanghai debut on Tuesday. The shares rose 2% to 5.61 yuan, compared with the IPO price of 5.50 yuan. China's CSI 300 financial sector sub-index dipped 0.29%, the consumer staples sector was down 0.5%, the real estate index lost 0.54% and the healthcare sub-index rose 0.98%. Chinese H-shares listed in Hong Kong fell 0.03% to 10,403.77, while the Hang Seng Index was down 0.11% at 26,464.95. The smaller Shenzhen index was up 0.38% and the start-up board ChiNext Composite index was higher by 0.75%.

Closing Prices – 10 December 2019

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	27881.72	↓ 27.88/0.10%	.N225	23410.19	↓ 20.51/0.09%
/.SPX	3132.52	↓ 3.44/0.11%	.KS200	2098.00	↑ 9.35/0.45%
/.IXIC	8616.18	↓ 5.64/0.07%	.HSI	26436.62	↓ 58.11/0.22%
JPY=	108.75	↑ 0.20/0.18%	/.SSEC	2917.32	↑ 2.84/0.10%
KRW=	1191.23	↑ 1.29/0.11%	/CLc1 (Oil)	59.07	↑ 0.18/0.31%

ECONOMIC INDICATORS

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/09-Dec-19	04:45	NZ	Mfg Activity SA QoQ	3Q	0.9%	--	-0.7%	-0.5%
	04:45	NZ	Mfg Activity Volume QoQ	3Q	-0.3%	--	-2.7%	
	06:50	JP	BoP Current Account Adjusted	Oct	¥1732.2b	¥1731.1b	¥1485.2b	
	06:50	JP	BoP Current Account Balance	Oct	¥1816.8b	¥1806.8b	¥1612.9b	
	06:50	JP	GDP Annualized SA QoQ	3Q F	1.8%	0.6%	0.2%	
	06:50	JP	GDP Business Spending QoQ	3Q F	1.8%	1.4%	0.9%	
	06:50	JP	GDP Deflator YoY	3Q F	0.6%	0.6%	0.6%	
	06:50	JP	GDP Nominal SA QoQ	3Q F	0.6%	0.4%	0.3%	
	06:50	JP	GDP Private Consumption QoQ	3Q F	0.5%	0.4%	0.4%	
	06:50	JP	GDP SA QoQ	3Q F	0.4%	0.2%	0.1%	
	06:50	JP	Trade Balance BoP Basis	Oct	¥254.0b	¥138.8bb	¥1.1b	
	12:00	JP	Eco Watchers Survey Current SA	Nov	39.4	39.7	36.7	
	12:00	JP	Eco Watchers Survey Outlook SA	Nov	39.7	44.6	43.7	
	13:45	CH	Unemployment Rate	Nov	2.3%	2.3%	2.2%	
	13:45	CH	Unemployment Rate SA	Nov	2.3%	2.3%	2.3%	
	14:00	DE	Current Account Balance	Oct	22.7b	20.0b	25.5b	24.9b
	14:00	DE	Exports SA MoM	Oct	1.2%	-0.3%	1.5%	
	14:00	DE	Imports SA MoM	Oct	0.0%	-0.1%	1.3%	1.2%
	14:00	DE	Labor Costs SA QoQ	3Q	0.9%	--	0.8%	0.6%
	14:00	DE	Labor Costs WDA YoY	3Q	3.1%	--	3.2%	3.4%
	14:00	DE	Trade Balance	Oct	21.5b	19.3b	21.1b	21.2b
16:30	EZ	Sentix Investor Confidence	Dec	0.7	-5.3	-4.5		
20:30	CA	Building Permits MoM	Oct	-1.5%	2.8%	-6.5%		
Tue/10-Dec-19	05:05	AU	RBA's Lowe Gives Speech in Sydney					
	07:30	AU	NAB Business Conditions	Nov	4	--	3	4
	07:30	AU	NAB Business Confidence	Nov	0	--	2	
	08:30	CN	CPI YoY	Nov	4.5%	4.3%	3.8%	
	08:30	CN	PPI YoY	Nov	-1.4%	-1.5%	-1.6%	
	13:00	JP	Machine Tool Orders YoY	Nov P	-37.9%	--	-37.4%	
	16:30	GB	Construction Output MoM	Oct	-2.3%	-0.3%	-0.2%	
	16:30	GB	Construction Output YoY	Oct	-2.1%	-0.1%	0.5%	
	16:30	GB	Index of Services 3M/3M	Oct	0.2%	0.2%	0.4%	
	16:30	GB	Index of Services MoM	Oct	0.2%	0.1%	0.0%	
	16:30	GB	Industrial Production MoM	Oct	0.1%	0.2%	-0.3%	
	16:30	GB	Industrial Production YoY	Oct	-1.3%	-1.2%	-1.4%	
	16:30	GB	Manufacturing Production MoM	Oct	0.2%	0.0%	-0.4%	
	16:30	GB	Manufacturing Production YoY	Oct	-1.2%	-1.4%	-1.8%	
	16:30	GB	Monthly GDP (3M/3M)	Oct	0.0%	0.0%	0.3%	
	16:30	GB	Monthly GDP (MoM)	Oct	0.0%	0.1%	-0.1%	
	16:30	GB	Trade Balance GBP/Mn	Oct	-£5188m	-£2700m	-£3360m	-£1922m
	16:30	GB	Trade Balance Non EU GBP/Mn	Oct	-£5200m	-£3500m	-£4032m	-£1900m
	16:30	GB	Visible Trade Balance GBP/Mn	Oct	-£14500m	-£11700m	-£12541m	-£11500m
	17:00	DE	ZEW Survey Current Situation	Dec	-19.9	-22.1	-24.7	
	17:00	EZ	ZEW Survey Expectations	Dec	11.2	--	-1	
17:00	DE	ZEW Survey Expectations	Dec	10.7	1.1	-2.1		
18:00	US	NFIB Small Business Optimism	Nov	104.7	103.0	102.4		
20:30	US	Nonfarm Productivity	3Q F	-0.2%	-0.1%	-0.3%		
20:30	US	Unit Labor Costs	3Q F	2.5%	3.4%	3.6%		
22:50	US	IMF Chief Kristalina Georgieva Speaks in Washington						
Wed/11-Dec-19	06:00	KR	Unemployment rate SA	Nov		--	3.5%	
	06:30	AU	Westpac Consumer Conf Index	Dec		--	97	
	06:30	AU	Westpac Consumer Conf SA MoM	Dec		--	4.5%	
	06:50	JP	BSI Large All Industry QoQ	4Q		--	1.1	
	06:50	JP	BSI Large Manufacturing QoQ	4Q		--	-0.2	
	06:50	JP	PPI MoM	Nov		--	1.1%	
	06:50	JP	PPI YoY	Nov		-0.2%	-0.4%	
11-Dec - 18-Dec	N/A	CN	Foreign Direct Investment YoY CNY	Nov		--	7.4%	
	20:30	CA	Capacity Utilization Rate	3Q		--	83.3%	
	20:30	US	CPI Core Index SA	Nov		--	265.011	
	20:30	US	CPI Ex Food and Energy MoM	Nov		0.2%	0.2%	
	20:30	US	CPI Ex Food and Energy YoY	Nov		2.3%	2.3%	
	20:30	US	CPI Index NSA	Nov		257.221	257.346	
	20:30	US	CPI MoM	Nov		0.2%	0.4%	
	20:30	US	CPI YoY	Nov		2.0%	1.8%	
	20:30	US	Real Avg Hourly Earning YoY	Nov		--	1.2%	
	20:30	US	Real Avg Weekly Earnings YoY	Nov		--	0.9%	

	22:30	US	DOE Cushing OK Crude Inventory	Dec-06	--	-302k	
	22:30	US	DOE U.S. Crude Oil Inventories	Dec-06	--	-4856k	
	22:30	US	DOE U.S. Distillate Inventory	Dec-06	--	3063k	
	22:30	US	DOE U.S. Gasoline Inventories	Dec-06	--	3385k	
Thu/12-Dec-19	02:00	US	FOMC Rate Decision (Lower Bound)	Dec-11	1.50%	1.50%	
	02:00	US	FOMC Rate Decision (Upper Bound)	Dec-11	1.75%	1.75%	
	02:00	US	Monthly Budget Statement	Nov	--	-\$134.5b	
	02:30	US	Powell Holds Post FOMC Meeting Press Conference				
	06:50	JP	Core Machine Orders MoM	Oct	-1.0%	-2.9%	
	06:50	JP	Core Machine Orders YoY	Oct	--	5.1%	
	07:00	AU	Consumer Inflation Expectation	Dec	--	4.0%	
	07:01	GB	RICS House Price Balance	Nov	--	-5%	
	08:30	JP	BOJ Deputy Governor Amamiya Speech				
	13:45	CH	SECO December 2019 Economic Forecasts				
	14:00	DE	CPI EU Harmonized MoM	Nov F	--	-0.8%	
	14:00	DE	CPI EU Harmonized YoY	Nov F	--	1.2%	
	14:00	DE	CPI MoM	Nov F	--	-0.8%	
	14:00	DE	CPI YoY	Nov F	--	1.1%	
	15:00	CH	KOF Institute Winter Economic Forecast				
	15:30	CH	SNB Policy Rate	Dec-12	-0.75%	-0.75%	
	15:30	CH	SNB Sight Deposit Interest Rate	Dec-12	-0.75%	-0.75%	
	17:00	EZ	Industrial Production SA MoM	Oct	--	0.1%	
	17:00	EZ	Industrial Production WDA YoY	Oct	--	-1.7%	
	19:45	EZ	ECB Deposit Facility Rate	Dec-12	-0.50%	-0.50%	
	19:45	EZ	ECB Main Refinancing Rate	Dec-12	0.00%	0.00%	
	19:45	EZ	ECB Marginal Lending Facility	Dec-12	0.25%	0.25%	
	20:30	US	Continuing Claims	Nov-30	--	--	
	20:30	EZ	ECB's Lagarde Speaks in Frankfurt After Policy Decision				
	20:30	US	Initial Jobless Claims	Dec-07	--	--	
	20:30	US	PPI Ex Food and Energy MoM	Nov	0.2%	0.3%	
	20:30	US	PPI Ex Food and Energy YoY	Nov	--	1.6%	
	20:30	US	PPI Ex Food, Energy, Trade MoM	Nov	0.1%	0.1%	
	20:30	US	PPI Ex Food, Energy, Trade YoY	Nov	--	1.5%	
	20:30	US	PPI Final Demand MoM	Nov	0.2%	0.4%	
	20:30	US	PPI Final Demand YoY	Nov	1.3%	1.1%	
	N/A	GB	U.K. General Election				
Fri/13-Dec-19	00:00	US	Household Change in Net Worth	3Q	--	\$1830b	
	00:30	CA	Bank of Canada's Poloz Gives Speech in Toronto				
	04:30	NZ	BusinessNZ Manufacturing PMI	Nov	--	52.6	
	06:50	JP	Tankan Large All Industry Capex	4Q	--	6.60%	
	06:50	JP	Tankan Large Mfg Index	4Q	-1	5	
	06:50	JP	Tankan Large Mfg Outlook	4Q	--	2	
	06:50	JP	Tankan Large Non-Mfg Index	4Q	--	21	
	06:50	JP	Tankan Large Non-Mfg Outlook	4Q	--	15	
	06:50	JP	Tankan Small Mfg Index	4Q	--	-4	
	06:50	JP	Tankan Small Mfg Outlook	4Q	--	-9	
	06:50	JP	Tankan Small Non-Mfg Index	4Q	--	10	
	06:50	JP	Tankan Small Non-Mfg Outlook	4Q	--	1	
	N/A	GB	United Kingdom Sovereign Debt to be rated by DBRS				
	11:30	JP	Capacity Utilization MoM	Oct	--	1.0%	
	11:30	JP	Industrial Production MoM	Oct F	--	-4.2%	
	11:30	JP	Industrial Production YoY	Oct F	--	-7.4%	
	15:30	HK	Industrial Production YoY	3Q	--	0.3%	
	15:30	HK	PPI YoY	3Q	--	0.8%	
	16:00	EZ	ECB's Holzmann Presents Austrian C.Bank's Economic Outlook				
	16:30	GB	BoE/TNS Inflation Next 12 Mths	Nov	--	3.3%	
	20:30	US	Retail Sales Advance MoM	Nov	0.4%	0.3%	
	20:30	US	Retail Sales Control Group	Nov	--	0.3%	
	20:30	US	Retail Sales Ex Auto and Gas	Nov	0.4%	0.1%	
	20:30	US	Retail Sales Ex Auto MoM	Nov	0.4%	0.2%	
	22:00	US	Business Inventories	Oct	0.2%	0.0%	
	23:00	US	Fed's Williams Discusses Topics in Monetary Policy				
Sat/14-Dec-19	01:00	US	Baker Hughes U.S. Rig Count	Dec-13	--	--	

Dow Jones (1YMZ9 – Dec)

Exp. Date: 20 Dec 2019



RESISTANCE	28250	
	28107	
	28012	
SUPPORT	27774	
	27631	
	27536	
SUGGESTION	BUY	---
	SELL	27950
	S/L	28100
	T/P:	27750 27600

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
10 Dec	27899	27964	27726	238	27917	27917	↑ 20	0.07	--

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
28041 (09/Dec)	27726 (10/Dec)	28194 (02/Dec)	27309 (03/Dec)	28169 (27/Nov)	22563 (04/Jan)

Nikkei (NIKZ9 – Dec)

Exp. Date: 12 Dec 2019



RESISTANCE	23826	
	23653	
	23541	
SUPPORT	23256	
	23083	
	22971	
SUGGESTION	BUY	---
	SELL	23460
	S/L	23585
	T/P:	23285 23160

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE%	VOLUME
10 Dec (NIK-DEC)	23350	23480	23260	220	23430	23430	↑ 45	0.19	--
10 Dec (NIK-MAR)	23280	23415	23195	220	23365	23365	↑ 40	0.17	--

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
23550 (09/Dec)	23195 (10/Dec)	23590 (02/Dec)	22900 (03/Dec)	23645 (07/Nov)	19205 (04/Jan)

Kospi 200 (KSZ9 – Dec)

Exp. Date: 12 Dec 2019



RESISTANCE	287.00	
	283.30	
	281.35	
SUPPORT	275.70	
	272.00	
	270.05	
SUGGESTION	BUY	278.80
	SELL	---
	S/L	277.30
	T/P:	280.80 282.30

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
10 Dec (KOS DEC)	277.50	279.60	276.80	2.80	279.40	279.40	↑ 1.55	0.56	---
10 Dec (KOS MAR)	274.65	276.75	273.95	2.80	276.55	276.55	↑ 1.40	0.51	---

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
279.60 (10/Dec)	273.95 (10/Dec)	279.60 (02/Dec)	272.70 (05/Dec)	292.10 (17/Apr)	250.95 (06/Aug)

Hang Seng (HSIZ9 – Dec)

Exp. Date: 30 Dec 2019



RESISTANCE	26917	
	26744	
	26615	
SUPPORT	26313	
	26140	
	26011	
SUGGESTION	BUY	---
	SELL	26460
	S/L	26610
	T/P:	26260 26110

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
10 Dec	26399	26570	26296	274	26417	26417	↓ 97	0.37	---

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
26661 (09/Dec)	26296 (10/Dec)	26661 (09/Dec)	25965 (04/Dec)	30336 (15/Apr)	24814 (15/Aug)



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