

## Daily Outlook

### GLOBAL STOCK INDEX

<p><b><u>DJIA</u></b></p>	<p>Wall Street’s major stock indexes slipped from record highs on Monday as investors booked profits from gains made this month after the United States and China reached a trade deal. The S&amp;P 500, the Dow Jones Industrial Average and the Nasdaq posted their biggest one-day percentage declines in about four weeks.</p> <p>Monday brought minor updates on the U.S.-China trade agreement. White House trade adviser Peter Navarro said the pact was likely to be signed in the next week but that confirmation would come from President Donald Trump or U.S. Trade Representative Robert Lighthizer.</p> <p>A South China Morning Post report said Chinese Vice Premier Liu He would travel to Washington later this week to sign the deal.</p> <p>The news provided little impetus for U.S. stocks to extend their steep climb, analysts said. Going into Monday, the benchmark S&amp;P 500 had notched record high closes in nine of the past 11 sessions. The Dow Jones Industrial Average fell 183.12 points, or 0.64%, to 28,462.14, the S&amp;P 500 lost 18.73 points, or 0.58%, to 3,221.29 and the Nasdaq Composite dropped 60.62 points, or 0.67%, to 8,945.99. Communications services stocks fell 1%, the biggest percentage decline among the S&amp;P 500’s sectors. Technology stocks dropped 0.6% and weighed most heavily on the benchmark index. Technology, up 47.5% year-to-date, and communication services, up 30.6%, have led in percentage gains on the S&amp;P 500 this year.</p> <p>On Tuesday, stocks will trade on Wall Street for a full session prior to Wednesday’s New Year’s Day break. In a bright spot among U.S. stocks, Nio Inc shares surged 53.7% after the Chinese electric vehicle maker and Tesla rival beat quarterly revenue estimates on higher demand.</p>
<p><b><u>Nikkei</u></b></p>	<p>Japanese stocks ended slightly lower on the last trading day of the year as investors booked profits ahead of New Year holidays, although the Nikkei average held near three-decade highs in dollar terms. The Nikkei share average fell 0.76% to 23,656.62 on Monday, further from a 14-month peak of 24,091 hit about two weeks ago. The broader Topix lost 0.68% to 1,721.36.</p> <p>The Nikkei in dollar terms, a more important gauge for foreign investors, stood at 216.80, near a peak of around 220 hit this month and not far from a 28-year high hit in 2018.</p> <p>As Japanese financial markets will be closed from Tuesday through Friday to reopen on Monday, Jan. 6, many market players were eager to close their positions for now.</p> <p>On the year, the Nikkei was up 18.2% after a 12% drop in 2018, while the Topix was 15.2% higher after shedding nearly 18% in 2018.</p> <p>A broad range of shares fell, with all but one of the Tokyo Stock Exchange’s 33 industry subindexes in the negative territory.</p> <p>Some said market sentiment was also hurt by rising political tensions in North East Asia and violence in the Middle East.</p> <p>North Korean leader Kim Jong Un, at a ruling party meeting, called for “positive and offensive measures” to ensure security ahead of a year-end deadline he has set for denuclearisation talks with the United States.</p> <p>The U.S. military carried out air strikes in Iraq and Syria on Sunday against Iran-backed militia group, while Turkey plans to send troops to support Libya’s government that has been struggling to fend off a months-long offensive by General Khalifa Haftar’s forces in eastern Libya.</p>
<p><b><u>Kospi</u></b></p>	<p>South Korean shares closed lower on Monday as foreign investors booked profits in electronic stocks after a recent rally, and before the markets enter the two-day holiday. The Korean won jumped, while the benchmark bond yield fell.</p> <p>The KOSPI ended up 6.54 points, or 0.30%, at 2,197.67.</p> <p>For the year, the benchmark index gained 7.7%. The index added 5.3% in December.</p> <p>Foreigners were net sellers of 328.4 billion won (\$283.95 million) worth of shares on the main board. The index slipped due to foreigners’ profit-booking in electronic sector after those stocks rose sharply and as investors achieved the right to get dividend, said NH Investment &amp; Securities’ analyst Noh Dongkil.</p> <p>Shares of Samsung Electronics and SK Hynix, the two largest electronics stocks, sagged 1.2% and 2%, respectively.</p> <p>South Korean financial markets will be closed on Tuesday and Wednesday for the New Year. Markets will resume trade on Thursday, Jan. 2, 2020, but will open at 0100 GMT, an hour later than usual.</p> <p>The won was quoted at 1,156.4 per dollar on the onshore settlement platform, 0.44% higher than its previous close at 1,161.5. In early trade, the currency marked intraday high since Nov. 8 versus the dollar.</p>

**Hang Seng & Shanghai**

➤ Hong Kong shares tracked strength on the mainland to close at an over five-month high on Monday, after China’s central bank said it will switch the benchmark for floating-rate loans, a move that could help lower funding costs.  
 The Hang Seng index closed up 0.3% at 28,319.39, its highest since July 26, while the China Enterprises Index gained 0.3% to 11,225.31.  
 China’s central bank will use the loan prime rate (LPR) as a new benchmark for pricing existing floating-rate loans, in a step that analysts say could also underpin economic growth.  
 On the trade front, China’s commerce ministry has “proactively dealt with” trade frictions with the United States this year, it said on Sunday after an annual work conference.  
 Hong Kong will end 2019 with multiple protests planned for New Year’s Eve and New Year’s Day, aimed at disrupting festivities and shopping in the Asian financial hub, which has seen a rise in clashes between police and protesters since Christmas.

➤ China’s blue-chip index closed at an eight-month high on Monday, as the country’s central bank planned to switch benchmark for floating-rate loans to lower funding costs, while investors cheered signs of economic resilience following a Sino-U.S. trade truce.  
 The blue-chip CSI300 index rose 1.5% to 4,081.63, its highest closing level since April 19, while the Shanghai Composite Index ended up 1.2% at 3,040.02.  
 China’s central bank said on Saturday it will use the loan prime rate (LPR) as a new benchmark for pricing existing floating-rate loans, in a step that analysts say could help lower borrowing costs and underpin economic growth.  
 “The purpose of the step is to make interest rates more market-driven and help lower financing costs,” said Wen Bin, an economist at Minsheng Bank in Beijing.  
 Overall, it’s a favourable news for the equities market, though the impact on bond market could be quite limited, Huatai Securities said in a report.  
 Signs of recovery in the economy also added to optimism for the moment.  
 China’s factory activity likely expanded again in December on stronger external demand and an infrastructure push at home, but the pace of growth is set to ease as markets await more certainty on a U.S.-China trade truce, a Reuters poll showed.  
 The poll followed data showing profits at China’s industrial firms grew at the fastest pace in eight months in November.  
 The Commerce Ministry has “proactively dealt with” trade frictions with the United States this year, it said on Sunday after an annual work conference.  
 Consumer and securities firms led the gains, while banks sagged as their profitability is likely to be hit by the LPR move.

**Closing Prices – 30 December 2019**

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	28462.14	↓ 183.12/0.64%	.N225	23656.62	↓ 181.10/0.76%
/.SPX	3221.29	↓ 18.73/0.58%	.KS200	2197.67	↓ 6.54/0.30%
/.IXIC	8945.99	↓ 60.62/0.67%	.HSI	28319.39	↑ 93.971/0.33%
JPY=	108.88	↓ 0.58/0.53%	/.SSEC	3040.02	↑ 34.99/1.16%
KRW=	1156.18	↓ 5.11/0.44%	/CLc1 (Oil)	61.65	↓ 0.05/0.08%

**ECONOMIC INDICATORS**

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/30-Dec-19	06:00	KR	Cyclical Leading Index Change	Nov		--	0.2	
	06:00	KR	Industrial Production SA MoM	Nov	-0.5%	-0.7%	-1.7%	-1.6%
	06:00	KR	Industrial Production YoY	Nov	-0.3%	-1.2%	-2.5%	-2.1%
30-Dec - 31-Dec	N/A	GB	Retail Sales MoM	Nov		1.0%	-1.9%	
30-Dec - 31-Dec	N/A	GB	Retail Sales NSA YoY	Nov		1.1%	0.8%	
	15:00	CH	KOF Leading Indicator	Dec	96.4	94.5	93	
	15:30	HK	Exports YoY	Nov	-1.4%	-5.5%	-9.2%	
	15:30	HK	Imports YoY	Nov	-5.8%	-8.4%	-11.5%	
	15:30	HK	Trade Balance HKD	Nov	H\$-26.2b	H\$-46.0b	H\$-30.6b	
	20:30	US	Advance Goods Trade Balance	Nov	-\$63.2b	-\$68.9b	-\$66.5b	
	20:30	US	Retail Inventories MoM	Nov	-0.2%	0.1%	0.3%	0.5%
	20:30	US	Wholesale Inventories MoM	Nov P	0.0%	0.2%	0.1%	0.0%
	21:45	US	MNI Chicago PMI	Dec	48.9	48.0	46.3	
	22:00	US	Pending Home Sales MoM	Nov	1.2%	1.3%	-1.7%	-1.3%
	22:00	US	Pending Home Sales NSA YoY	Nov	5.6%	7.4%	3.9%	4.4%
	22:30	US	Dallas Fed Manf. Activity	Dec	-3.2	0	-1.3	
Tue/31-Dec-19	04:00	KR	Business Survey Manufacturing	Jan		--	71	
	04:00	KR	Business Survey Non-Manufacturing	Jan	74	75	74	
	06:00	KR	CPI Core YoY	Dec		0.6%	0.6%	
	06:00	KR	CPI MoM	Dec		0.1%	-0.6%	
	06:00	KR	CPI YoY	Dec		0.6%	0.2%	
	All	KR	<b>Bank Holiday (End of Year)</b>					
	All	JP	<b>Bank Holiday (Exchange Holiday)</b>					
	08:00	CN	Composite PMI	Dec		--	53.7	
	08:00	CN	Manufacturing PMI	Dec		50.1	50.2	
	08:00	CN	Non-manufacturing PMI	Dec		54.2	54.4	
	All	DE	<b>Bank Holiday (New Year's Eve)</b>					
	21:00	US	FHFA House Price Index MoM	Oct		0.4%	0.6%	
	21:00	US	S&P CoreLogic CS 20-City MoM SA	Oct		0.4%	0.36%	
	21:00	US	S&P CoreLogic CS 20-City NSA Index	Oct		--	218.27	
	21:00	US	S&P CoreLogic CS 20-City YoY NSA	Oct		2.1%	2.1%	
	21:00	US	S&P CoreLogic CS US HPI NSA Index	Oct		--	212.2	
	21:00	US	S&P CoreLogic CS US HPI YoY NSA	Oct		--	3.22%	
	22:00	US	Conf. Board Consumer Confidence	Dec		128	125.5	
	22:00	US	Conf. Board Expectations	Dec		--	97.9	
	22:00	US	Conf. Board Present Situation	Dec		--	166.9	
Wed/01-Jan-20	All	NZ	<b>Bank Holiday (New Year's Day)</b>					
	All	AU	<b>Bank Holiday (New Year's Day)</b>					
	All	CN	<b>Bank Holiday (New Year's Day)</b>					
	All	KR	<b>Bank Holiday (New Year's Day)</b>					
	07:00	KR	Exports YoY	Dec		-8.5%	-14.3%	
	07:00	KR	Imports YoY	Dec		-6.3%	-13.0%	
	07:00	KR	Trade Balance	Dec		\$3500m	\$3369m	
	All	CH	<b>Bank Holiday (New Year's Day)</b>					
	All	HK	<b>Bank Holiday (New Year's Day)</b>					
	All	JP	<b>Bank Holiday (New Year's Day)</b>					
	All	FR	<b>Bank Holiday (New Year's Day)</b>					
	All	IT	<b>Bank Holiday (New Year's Day)</b>					
	All	GB	<b>Bank Holiday (New Year's Day)</b>					
	All	DE	<b>Bank Holiday (New Year's Day)</b>					
	All	CA	<b>Bank Holiday (New Year's Day)</b>					
	All	US	<b>Bank Holiday (New Year's Day)</b>					
Thu/02-Jan-20	05:00	AU	CBA Australia PMI Mfg	Dec F		--	49.4	
	All	NZ	<b>Bank Holiday (New Year's Day)</b>					
	All	JP	<b>Bank Holiday (Market Holiday)</b>					
	06:00	AU	CoreLogic House Px MoM	Dec		--	2.0%	
	07:30	KR	Markit South Korea PMI Mfg	Dec		--	49.4	
	08:45	CN	Caixin China PMI Mfg	Dec		51.6	51.8	
	12:30	AU	Commodity Index AUD	Dec		--	115.9	
	12:30	AU	Commodity Index SDR YoY	Dec		--	-5.0%	
	12:30	AU	Commodity Index SDR YoY	Dec		--	-5.0%	
	All	CH	<b>Bank Holiday (New Year's Day)</b>					
	15:55	GB	Markit/BME Germany Manufacturing PMI	Dec F		43.4	43.4	
	16:00	EZ	Markit Eurozone Manufacturing PMI	Dec F		45.9	45.9	
	16:30	GB	Markit UK PMI Manufacturing SA	Dec F		47.6	47.4	
	20:30	US	Continuing Claims	Dec-21		--	--	

	20:30	US	Initial Jobless Claims	Dec-28		--	--
	20:30	CA	MLI Leading Indicator MoM	Nov		--	0.4%
	21:30	CA	Markit Canada Manufacturing PMI	Dec		--	51.4
	21:45	US	Markit US Manufacturing PMI	Dec F		52.5	52.5
<b>Fri/03-Jan-20</b>	All	JP	<b>Bank Holiday (Market Holiday)</b>				
	14:00	GB	Nationwide House PX MoM	Dec		0.0%	0.5%
	14:00	GB	Nationwide House Px NSA YoY	Dec		1.4%	0.8%
	15:30	CH	PMI Manufacturing	Dec		48.5	48.8
	15:30	HK	Retail Sales Value YoY	Nov		-25.2%	-24.3%
	15:30	HK	Retail Sales Volume YoY	Nov		-26.7%	-26.2%
	15:55	GB	Unemployment Change (000's)	Dec		2.0k	-16.0k
	15:55	GB	Unemployment Claims Rate SA	Dec		5.0%	5.0%
	16:30	GB	Consumer Credit YoY	Nov		--	6.1%
	16:30	GB	Markit/CIPS UK Construction PMI	Dec		45.8	45.3
	16:30	GB	Mortgage Approvals	Nov		64.5k	64.6k
	16:30	GB	Net Consumer Credit	Nov		1.0b	1.3b
	16:30	GB	Net Lending Sec. on Dwellings	Nov		4.0b	4.3b
	20:00	GB	CPI EU Harmonized MoM	Dec P		0.5%	-0.8%
	20:00	GB	CPI EU Harmonized YoY	Dec P		1.4%	1.2%
	20:00	GB	CPI MoM	Dec P		0.4%	-0.8%
	20:00	GB	CPI YoY	Dec P		1.4%	1.1%
	22:00	US	Construction Spending MoM	Nov		0.3%	-0.8%
	22:00	US	ISM Employment	Dec		--	46.6
	22:00	US	ISM Manufacturing	Dec		49	48.1
	22:00	US	ISM New Orders	Dec		--	47.2
	22:00	US	ISM Prices Paid	Dec		47.5	46.7
	23:00	US	DOE Cushing OK Crude Inventory	Dec-27		--	--
	23:00	US	DOE U.S. Crude Oil Inventories	Dec-27		--	--
	23:00	US	DOE U.S. Distillate Inventory	Dec-27		--	--
	23:00	US	DOE U.S. Gasoline Inventories	Dec-27		--	--
	23:05	US	Fed's Barkin Speaks to Bankers in Baltimore				
<b>Sat/04-Jan-20</b>	01:00	US	Baker Hughes U.S. Rig Count	Jan-03		--	--
	01:15	US	Fed's Brainard, Daly and Evans Speak on AEA Panel in San Diego				
	02:00	US	FOMC Meeting Minutes	Dec-11		--	--
	03:30	US	Fed's Kaplan Speaks at AEA in San Diego				

### Dow Jones (DJ – Mar)

Exp. Date: 20 Mar 2020



RESISTANCE	28849	
	28752	
	28592	
SUPPORT	28335	
	28238	
	28078	
SUGGESTION	BUY	---
	SELL	28465
	S/L	28615
	T/P:	28265 28115

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
30 Dec	28615	28655	28398	257	28432	28432	↓ 172	0.60	--

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
28655 (30/Dec)	28398 (30/Dec)	28716 (27/Dec)	27309 (03/Dec)	28716 (27/Dec)	22563 (04/Jan)

### Nikkei (NIK – Mar)

Exp. Date: 12 Mar 2020



RESISTANCE	24036	
	23908	
	23651	
SUPPORT	23266	
	23138	
	22881	
SUGGESTION	BUY	---
	SELL	23425
	S/L	23575
	T/P:	23225 23075

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE%	VOLUME
30 Dec	23780	23780	23395	385	23395	23395	↓ 355	1.49	--

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
23780 (30/Dec)	23395 (30/Dec)	24105 (16/Dec)	22900 (03/Dec)	24105 (16/Dec)	19205 (04/Jan)

### Kospi 200 (KOS – Mar)

Exp. Date: 12 Mar 2020



RESISTANCE	297.80	
	297.15	
	296.15	
SUPPORT	294.50	
	293.85	
	292.85	
SUGGESTION	BUY	---
	SELL	295.45
	S/L	296.95
	T/P:	293.45 291.95

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
30 Dec	295.90	296.50	294.85	1.65	295.15	295.15	↓ 1.40	0.47	---

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
296.50 (30/Dec)	294.85 (30/Dec)	298.05 (27/Dec)	272.70 (05/Dec)	298.05 (27/Dec)	250.95 (06/Aug)

### Hang Seng (HAS – Jan)

Exp. Date: 30 Jan 2020



RESISTANCE	28807	
	28670	
	28543	
SUPPORT	28279	
	28142	
	28015	
SUGGESTION	BUY	---
	SELL	28465
	S/L	28590
	T/P:	28265 28165

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
30 Dec	28327	28533	28269	264	28416	28416	↑ 197	0.70	---

WEEKLY		DECEMBER		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
28533 (30/Dec)	28269 (30/Dec)	28533 (30/Dec)	25965 (04/Dec)	30336 (15/Apr)	24814 (15/Aug)



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