

Friday 10.04.2020

Asian Session

Stocks slipped in Tokyo and were little changed in Seoul, with Australia, Hong Kong, India, and Singapore among markets closed for holidays. Japan index gained 0.78% and was about flat while KOSPI index of South Korea rose by 1.33%, Shanghai index declined by 1% and Honk Kong index closed higher by 1.38%.

Asian Stock	Closed
Nikkei	+0.78%
Hong Kong HSI	+1.38%
China Shanghai SSE	+1%
Kospi – South Korea	+1.33%

US Stocks

Central Bank announced measures of providing another 2.3 million as further aid to help businesses and confront the virus in order to boost the economy. This happened along with the initial jobless claims whose data showed surged for third week and as Jerome Powell said US will provide as much relief, they can to in order to achieve a recovery. Amid news Dow Jones rose by 1.22% at 23700 level, SP500 gained around 1.45% and Nasdaq index rose by 0.77%

US Stocks	Closed
DOW	+1.22%
S&P500	+1.45%
NASDAQ	+0.77%

Major Currencies

There is a selling interest around greenback against the major currencies after new jobless claims disappointments. Euro dollar is traded close to 1.095 amid US news and dollar weakness and due to the Eurogroup meeting where a half trillion package achieved. Its expected to see euro find resistance at 1.102 Pound dollar went even higher towards 1.25 amid Good Friday that led thin market conditions. The pair is traded in an upward channel with the next resistance level around 1.255. Aussie dollar remains weak after China's March Consumer Price Index dropped as the inflation increased. Australia is China's sixth largest trading partner. It is China's fifth biggest supplier of imports and its tenth biggest customer for exports. Dollar weaken against swiss franc as it is observed a bearish engulfing candlestick which indicating bearish momentum

Gold Market and Treasuries

After the Fed announcement of the 2.3 extra relief package gold prices rose by 2.5% to their highest level in a month and as Reuters reported spot gold rose to 1686 per troy ounce reaching earlier 1690 per ounce. It's expected to see gold prices moving higher while dollar weaken and as bonds yields commence declining. The next resistance level now is at 1705 level which open the door to 1800 historic record level. The yield on 10-year Treasuries fell five basis points to 0.72% Thursday.

Oil Market

Yesterday's OPEC meeting between Russia and Saudi Arabia had a positive output for oil production. They both agreed to cut by around 10% to counter the slump in demand which caused by the pandemic. They will cut 10 million barrels a day or 10% of global supplies, however this can be proof not enough to aid oil prices. It's expected to see another 5 million cut by other nations and members of OPEC as well. We saw yesterday that oil price did not react so well and closed the day lower to \$23 per barrel after it reached \$27 from \$26 during news. As long as virus spread appear it's hard to see oil going up soon.

USD Index

The US dollar index holds the lower ground at 99.45, breaking the 100 level and its down - 0.07% so far after Fed announcement of an extra 2.3 trillion stimulus package yesterday. Additionally, the dropped caused also by the initial jobless claims which rose by 6.6 million surpassing estimates.

European Stocks

EU Finance Ministers found finally an agreement to take measures to help the economy on yesterday's meeting. They agreed to provide 540 billion euro package and this push the European Stoxx600 index to went higher and closed even higher by 1.6% and climbed 11% over the last month and now many governments in Europe looking to give an end to the lockdowns soon.

On the data front 10-04-2020

Time	Event	Impact
12:30 pm	USD Consumer Price Index s.a (Mar)	Medium
12:30 pm	USD Consumer Price Index (MoM) (Mar)	Medium
12:30 pm	USD Consumer Price Index ex Food & Energy (MoM) (Mar)	High
12:30 pm	USD Consumer Price Index ex Food & Energy (YoY) (Mar)	Medium
16:30 pm	USD Fed's Mester speech	Medium
18:00 pm	Monthly Budget Statement (Mar)	Medium