

Monday 13.04.2020

Asian Session

In Asia stocks markets, Japan's index and South Korea's Kospi (KOSPI) fell 1.2% and 0.8%, respectively, in early trading. China's Shanghai Composite index declined by 0.6%. Hong Kong index remain closed for the Easter holiday and will reopen on Tuesday. On Friday China will release its Gross Domestic Product for the first quarter of 2020, which will show how the virus crisis damaged the world's second largest economy and many analysts expecting China's first shrinkness in decades.

Asian Stock	Closed
Nikkei	-1.2%
Hong Kong HSI	-
China Shanghai SSE	-0.6%
Kospi - South Korea	-0.8%

US Stocks

US stock index futures went higher on Sunday but lost their gains sharply, tracking choppy in oil futures, after the agreement between Russia and Saudi Arabia to cut oil production by almost 10 million per barrel. Dow Jones futures fell by 1.4%. S&P 500 futures and Nasdaq Composite Index futures were also down about 1.4% both. It's expected to see first quarter earnings this week by many companies and major banks. Additionally, all eyes turn on US Retail Sales and industrial production on Wednesday, which will provide the economic outlook at the toll of the virus.

US Stocks	Closed
DOW	-1.4%
S&P500	-1.4%
NASDAQ	-1.4%

Major Currencies

Euro dollar it was expected to reach 1.102 support level due to recent economic news from Fed, along with EU stimulus package however is traded narrowly and lost momentum to go higher. Pound dollar broke above 1.25 consolidation level and spiked to one month's tops around 1.253. 1.25 still a psychological level for bullish traders and it's expected to find resistance level at 1.2585 amid some possibility of dollar selling bias. Canadian dollar still appreciated against dollar, with the US dollar remained depressed due to Fed's additional loans of up to 2.3 trillion and softer US consumer inflation released on Friday. Australian dollar rose sharply last week trading session however, now is traded in a narrow range as we observe an overbought area. It's expecting to continue to consolidate between 0.63 - 0.637.

Gold Market and Treasuries

Gold prices went higher during European session and is near the top of its daily range around 160 price level. The continuously lending support of 2.3 trillion dollars from the US help the precious metal go even higher to break above 1700 and find next resistance level at 1800. The market concerns were evident from the risk-off tone in the global equity markets, which turned out to be a key factor that helped revive demand for traditional safe-haven assets, including gold. Treasury yields track an increase of 0.7% while US stocks fell for about 1.3% amid concerns over the virus.

Oil Market

US oil futures went higher today by 5% to \$23.9 per barrel as investors came back from extended holidays and amid oil cut production by almost 10 million barrels per day which schedule to begin from next month. Brent futures rose by 4.5% at \$32.8 and the OPEC deal aim to aid to stabilize the energy market, however the oil cut production might not be enough as long as the lack of oil demand exist, and the virus threat remain.

USD Index

The attention of the greenback course is now turned to US corporate earnings that will be announced by this week along with Retail Sales and industrial production. DXY began the week negatively around two weeks lows near 99.4 following the Fed measures of last week and the further deterioration on the US labor market, however market participants prefer the greenback as a reserve currency against yen or swiss franc in cases when risk aversion kicks in. A brake above 100 open the door for 101, otherwise may drop to 98.2 level.

European Stocks

European stocks went higher last week after EU Finance Ministers agreement for half a trillion stimulus package and by the latest round of stimulus from the Fed on hopes that the virus was close to peaking. DAX30 index rose by 2.2%, STOXX600 index jumped by 1.46% and UK100 climbed sharply to .9%

On the data front 13-04-2020

Time	Event	Impact
N/A	CNY FDI - Foreign Direct Investment (YTD) (YoY)(Mar)	Medium
15:30 pm	USD 3-Month Bill Auction	Low
15:30 pm	USD 6-Month Bill Auction	Low
N/A	NZD REINZ House Price Index (MoM)(Mar)	Medium
22:45 pm	NZD Visitor Arrivals (YoY)(Feb)	Low