

**Tuesday 19.05.2020****Asian Session**

Asian stock markets rose today as US drug firm says experimental vaccine shows promising results and boost economies recovering. Asian shares jumped today along with oil prices with MSCI index going up by 1.5%. Japan index rose by 2%, while Hong Kong index and South Korea's KOSPI index rose 2% and 1.8% respectively and Shanghai index rose by 0.8%. Investors have positive sentiment about sooner economic recovery than expected.

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	+2%
Hong Kong HSI	+2%
China Shanghai SSE	+0.8%
KOSPI – South Korea	+1.8%

**US Stocks**

US stocks futures index indicated a lackluster start of trade today, following the SP500 and Dow Jones since early April. Dow Jones futures index rose by 0.2% and now is traded at 24700 and surpassed more than 1000 points since yesterday. SP500 index rose 0.2% and Nasdaq Composite index rose by 0.1%. Fed Chairman Jerome Powell will testify about the \$2 trillion relief package which going to aid small businesses, before the Congress and the stock market reaction weigh a lot from this announcement.

<b>US Stocks</b>	<b>Closed</b>
DOW	+0.2%
S&P500	+0.2%
NASDAQ	+0.1%

**Major Currencies & Dollar Index**

There is an optimism about anti coronavirus vaccine which negates the US China tensions and therefore there is no haven demand for US dollar and that helping the euro go even higher as we saw yesterday where it broke above the 1.09 level and we may see euro go even higher today at 1.10 after the German ZEW release, which shows the economic sentiment. GBPUSD is traded near the 1.227 level, a swing low in early March. The cable still trades below the 100 and 200 SMAs. Resistance can be found at 1.234 and support level remains at 1.225 and 1.216. Prospects of further gains in USDJPY have been losing traction in favor of consolidative move in the following weeks, according to FX Strategists at UOB Group. The pair is traded in 107-107.5 trading range. Dollar must clear the 107.8 level before goes higher.

## **Gold Market**

After the massive upside break out from the one month triangle pattern to 1760 price level, we saw a pullback yesterday on gold prices. The pullback was around 1727 price level, where 100 HMA offers immediate support. Gold price is currently traded at 1730 with next resistance level be around 1750. The upside major target remains at 1800, otherwise on the downside support could be found at 1717 weekly support level. Gold declined as optimism prevail for sooner economy reopening.

## **Oil Market**

Oil prices jumped by 8% ahead of June contracts expiry. We have seen a doji star candlestick today on oil prices as the began the trade day today narrowly. The supply and demand rebalanced the last weeks and it seems that the market favours the bulls. WTI June futures rose by 8.1%at \$31.8 per barrel and the July futures contracts rose by 1.6%. Brent futures prices rose by 7% at \$34.8 per barrel. There is an optimism from the market and is very unlikely to see again what happened on May expiry.

## **European Stocks**

European stocks have jumped yesterday as data showed that the coronavirus cases rowing at the lowest rate, while Fed Chairman Jerome Powell said that US central bank has plenty of ammunition to fight against the virus. Stoxx600 climbed yesterday by 2.6% and DAX30 rose by 3.5%.

## **On the data front 19-05-2020**

<b>Time (GMT+2)</b>	<b>Event</b>	<b>Impact</b>
09:00 am	GBP ILO Unemployment Rate (3M) (Mar)	High
12:00 pm	EUR ZEW Survey – Economic Sentiment (May)	High
17:00 pm	USD Fed’s Chair Powel testifies	High