

Wednesday 17.06.2020**Asian Session**

Asian stocks are modestly traded today, and investors weighted encouraging signs on policy stimulus against the threats of increased virus cases. Shanghai's index lost 0.1%, while Japan's index retreated 0.9%. The Hong Kong's index remains flat losing 0.09% and South Korea's kospi index declined by 0.4%.

Asian Stock	Closed
Nikkei	-0.9%
Hong Kong HSI	-0.09%
China Shanghai SSE	-0.1%
KOSPI – South Korea	-0.4%

US Stocks

US stocks index on futures were lower yesterday after Wall Street rally continued. Dow Jones today went down by 0.6%, while SP500 declined by 0.31% and Nasdaq composite index fell by 0.14%. US equities have jumped after Fed Chairman Powell noted that they will provide more fiscal stimulus amid pandemic. Stocks also closed lower after retails sales data output was better than expected along with the progress on a virus therapeutic drug. Retail sector showed gains of 18% but is still \$50 billion below due to pandemic as Rob Carnell announced.

US Stocks	Closed
DOW	-0.6%
S&P500	-0.31%
NASDAQ	-0.14%

Major Currencies & Dollar Index

Euro against dollar is trading below 1.13 as there exist worries in US and China outweigh for recovery. All eyes today turn to Eurozone inflation and Fed's Powell second testimony on the data front. Euro need to stabilize and reach back again above 1.13 price level. Resistance level can be found at 1.12. The pair was further supported by yesterday upbeat German ZEW Economic Sentiment Index, which improved to 63.4 in June. Pound against dollar is trading below 1.26 and yesterday lost more than 60 pips. The UK CPI index inflation rate has decreased from 0.8% to 0.8%. The key focus will remain on the latest BoE monetary policy update on Thursday. Any upside movements may be refrained ahead of BoE monetary policy meeting tomorrow. BoE it is expected to keep the benchmark rate unchanged at 0.1% but increase the size of its quantitative easing programme by at least 100 billion pounds. Dollar depreciated against yen from intraday high after an initial positive reaction to Japan's downbeat trade numbers. Dollar's recent upside movements caused from the drop in Japan's exports for May. Japan's preliminary export data plummeted 28.3% versus -17.9% expected and -21.9% prior. The most recent resistance can be found at 109.8 and support is at 106.6.



Gold Market

As the cases in Beijing to Florida showed that the recovery will be slower and unstable, gold prices turning positive. Yesterday gold was traded modestly as it gains only \$4 per ounce and investors remains frustrated despite the significant fundamental outlook as price range remains between 1680-1750. Current resistance level is at 1760 price level while support level can be found near 1688 level.

Oil Market

Crude oil demand may not recover to pre-pandemic levels until 2022, according to a new report came out from the (EIA) International Energy Agency. Daily oil supply fell by 12 million barrels per day from OPEC and non-OPEC members. Yesterday (API) American Petroleum Institute reported 3.8 million of barrels in inventory for the previous week, lower from the previous report and aid oil price almost \$1 dollar higher. The WTI is currently traded around \$38 per barrel, however if China back to lockdown mode the demand may decline by 10% lower.

European Stocks

European stocks closed even higher yesterday with German stocks leading the region. The pan European index Stoxx600 recorded its best day during the month after the prospect of historic monetary stimulus revived hopes of an economic recovery. The index rose by 2.9%. Additionally, the German ZEW survey yesterday was greater than expected with 63.4 rate level of 60 that was forecasted and that boosted the European stock market.

On the data front 17-06-2020

Time (GMT+3)	Event	Impact
17.06 09:00 am	GBP Consumer Price Index (YoY)(May)	High
17.06 12:00 pm	EUR Consumer Price Index - Core (YoY)(May)	Medium
17.06 15:30 pm	CAD BoC Consumer Price Index Core (YoY)(May)	High
17.06 19:00 pm	USD Fed's Chair Powell testifies	High