

Tuesday 14.04.2020

Asian Session

Asian stocks went higher today as investors took into consideration some good data of how China began recovering from the coronavirus pandemic. Japan index rose by 3.1% while South Korea index KOSPI gained around 1.7%. Shanghai index increased by 1.3% and Hong Kong index rose by 0.7%. Chinese announcement for March trade data came out even better than was expected. China's exports dropped by 6.6% and it was expected to reach 14%. Imports declined almost 1% which is even better than 9.5% that was expected. Although good data came out, exports still be in trouble.

Asian Stock	Closed
Nikkei	+3.1%
Hong Kong HSI	+0.7%
China Shanghai SSE	+1.3%
Kospi - South Korea	+1.7%

US Stocks

On late Monday US stock index rose by more than 1%. Dow Jones jumped by 1.23%, while SP500 futures rose by 1.13% and Nasdaq index went up by 1.4%. Investors are struggling to find good new opportunities to invest due to virus outbreak. US stock market is looking ahead for major corporate earnings today. Major commercial banks in US such as JPMorgan be among the first company to start off earnings season for the first quarter, reporting later on the day.

US Stocks	Closed
DOW	+1.23%
S&P500	+1.13%
NASDAQ	+1.4%

Major Currencies

Euro dollar remained above 1.09 price level yesterday after doubts that may fail to reach 1.10 as a resistance level to the upside, however today moved higher as Europe's showed gradual approach to reopen the economy and due to that Chinese economy began recovering. The pair now is trading on an ascending price channel. Pound dollar remains in an overbought territory, however relative strength index could be lagging indicator in this case as the pair is trading in an upside momentum. Pound may go higher after the today's earning's announcement by US commercial bank for the first quarter. Although that pound appreciated, the country's GDP for the second quarter may dropped by 30% and will cause a massive drop to the pair. Japanese yen strengthens against dollar the recent days as investors rethinking holding dollar long as they weigh up the dawning US corporate earning's season's chances and as US yields rising the yen is more attractive.

Gold Market and Treasuries

As dollar remains weak and uncertainty prevails gold finds the way to go even higher. Yesterday we observe that gold broke above the resistance level of 1680 and went sharply to 1700 price level and moved up to 1720 surpassing the record high of the year. Gold futures reached the 1761 price level. Now it's a matter of time to see gold price going up to 1800, however we may see a lot of structure before reaching that level like some pullbacks. As dollar weakening treasury yields rose yesterday. The US treasury's substantial \$105 billion in three months and six month bill auction were well contributed yesterday as demand remained high for quality debt.

Oil Market

The oil cut production could be not enough to force prices go higher due to lack of demand globally. Today oil went up slightly higher with the Brent Crude increasing by 1% to \$32 a barrel while WTI jumped by 0.2% to \$22.4 a barrel.

USD Index

Dollar index ranges on sideways pattern nearly 99 price level as the greenback exposed to further declines the recent days as there exist a lot of concerns over the virus. All eyes today turn to import and exports index announcements. Significant support level remains at 98.2, otherwise brake above 100 lead to 101 price level.

European Stocks

As Chinese economy began recovering and exports was less than expected European equity markets went higher with Stoxx600 index rising by 1.2%. DAX30 rose by 1.6%, while UK100 increased by 0.8%. European leaders began to reopen the European Economy in response to signs that they overcome the virus outbreak.

On the data front 14-04-2020

Time	Event	Impact
12:30 pm	USD Import Price Index (YoY)(Mar)	Low
12:30 pm	USD Export Price Index (MoM)(Mar)	Low
20:30 pm	USD API Weekly Crude Oil Stock(Apr 10)	Low
N/A	NZD REINZ House Price Index (MoM)(Mar)	Medium
22:45 pm	NZD Food Price Index (MoM)(Mar)	Low