

Tuesday 28.04.2020

### **Asian Session**

The majority of Asian stocks began the day higher today while US stocks futures fell. Hong Kong index rose by 0.6%, while South Korea's KOSPI index gained 0.4%, however Japan index remain flat today minus 0.1%, although yesterday's jump after the announcement of Japan's monetary policy which generated optimism. Shanghai index fell by 0.2%. It's expected to see stock market reaction, ahead of earnings announcement.

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	-0.1%
Hong Kong HSI	+0.6%
China Shanghai SSE	-0.2%
Kospi - South Korea	+0.4%

### **US Stocks**

US stocks yesterday jumped for second day in a row, and remain in a strong rally to the upside, because there is a lot of optimism in the market, however there exists big possibility to see stock market retest itself as this is just the beginning of the markets damage due to pandemic. SP500 closed yesterday even higher by 1.47%, while Dow Jones rose by 1.5% and Nasdaq Composite index rose by 1.1%. Today stocks futures remain flat along with oil prices decline.

<b>US Stocks</b>	<b>Closed</b>
DOW	+1.47%
S&P500	+1.5%
NASDAQ	+1.1%

### **Major Currencies**

EURUSD is trading near 1.085 for the day as the market sentiment improves amid EU meeting announcement on Thursday. Spain and France are set to provide lockdown easing measures. The euro may appreciate today against dollar as we expect to see negative consumer confidence and negative Goods trade balance later on the day. On the USDJPY a modest pickup in the dollar demand creates more support for the dollar. The sellers witnessed their preference to buy dollar and sell yen waiting the break below 107 price level. Pound dollar remains positive for fifth day in a row and today bounced above 1.24 level and has closed above 20 DMA. A break above 1.279 open the door for 1.2512 and then further to 1.264.

### **Gold Market**

Gold is moving lower today trying to find previous significant support levels. Is traded at 1700 price level and the fall came along with drop in oil prices as the lack of inflation, creates deflation and lead the gold price loose it value. According to CME futures contract on gold fell today by 30k. Gold price bounced from earlier low today from 1692 to 1700 and trying to stay above



## **Oil Market**

The excess supply leads the oil to go even lower. Today WTI declined by more than 14% at \$11 per barrel and is falling second day in a row after the recent pullback. The main reason oil dropped today is due to the popular US oil ETF, which said that will sell all its holdings for June contracts and will reduce its contracts for the upcoming months. Brent also fell by 5% at \$19 per barrel. Interesting is that HSBC the 7<sup>th</sup> largest Bank in the World reported 48% plunged in pre-tax profits in the last quarter as it was needed to put 3 billion dollars aside to cover its debts due to pandemic and they expected higher credit losses.

## **European Stocks**

European stocks began today higher, extending a series in which equities have closed higher 11 of the last 14 sessions. Stoxx600 index rose by 0.13% for the day and almost 20% higher from March lows. All eyes turn on Thursday's EU meeting announcements.

## **On the data front 28-04-2020**

<b>Time</b>	<b>Event</b>	<b>Impact</b>
07:00 am	EUR ECB Bank Lending Survey	High
13:00 pm	USD Richmond Fed Manufacturing Index (Apr)	Medium
14:00 pm	USD Consumer Confidence	Medium
22:45 pm	NZD Trade Balance (YoY) (Mar)	Medium