

Tuesday 05.05.2020

### **Asian Session**

Asian stock market began the day higher and ignored the fact that Hong Kong economy reported its worst quarter since 1974. Hong Kong index rose by 0.5% and its economy plunged by 8.9% year over year for the first quarter. Australia's index gained 0.9%, while Japan index rose declined by 2.8% and KOSPI index fell by 2.68%. Shanghai index rose by 1.3%.

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	-2.8%
Hong Kong HSI	+0.5%
China Shanghai SSE	+1.3%
Kospi - South Korea	-2.68%

### **US Stocks**

US stocks went higher today as futures contracts in stock market went up following yesterday gains and after turnaround from energy and technology stocks allowed the the benchmark to end up in a positive territory. Dow Jones futures went up by 1.37%, while SP500 rose by 1.23% and Nasdaq index rose by 0.7%. Investors ignored the reports on growing tensions between China and US and focused only on economy reopening

<b>US Stocks</b>	<b>Closed</b>
DOW	+1.37%
S&P500	+1.23%
NASDAQ	+0.7%

### **Major Currencies**

Australian dollar is appreciated against dollar today amid expectation of interest rate decision later today, along with the reopening of their economy. And its expected to go further to the upside during the day. Dollar was slightly changed against the Japanese Yen and its traded in sideways for the moment. Dollar edged lower against Canadian dollar and placed near the lower of its trading range below 1.40. The pair came under selling pressure and Canadian dollar is supported from higher oil prices. Euro continue to depreciate against dollar as Deutsche Bundesbank President Jens Weidmann, speaking about COVID-19 and the effects on banks in Germany at a virtual event today, said that a rapid and strong economic recovery after the coronavirus crisis is quite unlikely. Euro dollar is currently traded at 1.086 and seems that become again weaker than dollar.

### **Gold Market**

Gold market remained flat yesterday, and buyers sustained the price above 1700. Generally, we observed many bounces and gold is showing a lot of buyers around 1690 range zone, but the continuation of the bullish momentum is only possible above 1695, otherwise we may see gold price drop to the previous support levels. The not so clear path is amid expectation is US economy reopening and it is remain to see if prices stays above 1700 price level.

### **Oil Market**

Oil companies and traders believe that the worst-case scenario has already past for oil market contraction, however it will take a lot of time for global oil demand to recover and find balance on supply and demand. Crude oil began the day higher today, however found resistance at \$23 per barrel. A possible correction is on the way for oil prices, otherwise the price may go higher at next resistance level at \$32 per barrel.

### **European Stocks**

European stocks also rallied alongside with US and Asian shares today, as investors sentiment is positive amid expectations that more economies will go toward easing their pandemic lockdown. Stox600 opened higher by 1.5%.

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

<b>Time</b>	<b>Event</b>	<b>Impact</b>
05-05 11:00 am	GBP Markit Services PMI (Apr)	Medium
05-05 11:40 am	EUR ECB's Mercsch speech	Medium
N/A	USD Trade Balance March	Medium
05-05 15:30 pm	CAD International Merchandise Trade (Mar)	Medium
05-05 17:00 pm	USD ISM Non-Manufacturing PMI (Apr)	High
05-05 17:00 pm	USD ISM Non-Manufacturing Employment Index (Apr)	High
06-05 17:00 pm	NZD Unemployment Rate (Q1)	High