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US markets - US futures stock market value for some huge companies increased at the beginning of last week, ahead of possible negative earnings report. Some giants technology companies have reported huge losses for the first quarter of 2020, while some other reported huge revenues. Last week there was a big possibility to see stock market retest itself once again as this is just the beginning of the markets damage due to pandemic. Despite the extra stimulus that Federal Bank of America announced that will provide in its QE aid last week, along with unchanged interest rates, we did not saw stock market reacted well. It was expected that Fed interest rates report would remain unchanged as they finally did, however the Fed announced that will offer reassurance to investors, meaning that the economy is under control and they can provide more stimulus, as the US moves towards reopening the economy. US stocks futures index and sentiment have decreased violently at the beginning of this week as investors have doubts about US economy reopening amid signs of conflict between China and America trade over Beijing's handling of the coronavirus outbreak. Investors sentiment is affected from Trump announcement to impose tariffs on China, as a conflict which generated due to pandemic, and as Donald Trump said tariffs "would be ultimately punishment on China and if China does not purchase US goods , US will end the trade deal.

Asian and European Markets - Asian shares went higher last week and increased by almost 8%. Bank of Japan announced at the beginning of the last week, that will enhance its monetary policy, by purchasing in corporate, governments bonds and discount treasury bills. Chinese industrial profits came out last week according to country's Bureau of Statistics as Chinese economy starts recovering. Asian stock market rose last week despite that tech giants companies reported losses for the first quarter, such as Samsung Electronics shares which lost 0.2% in net quarterly profit. Investors were waiting for Federal Reserve meeting of last week which finally announced extra stimulus package and gave some confidence. At the beginning of this week Asian stocks fell along with US stocks as trade war-era geopolitical tensions returned between US and China. Hong Kong index fell opened with gap to the downside and fell by 3.8%, while South Korea's KOSPI index dropped by 1.6%. Additionally, shares fall, caused by Donald Trump announcement that will punish China with new tariffs because of the pandemic outbreak. European governments have discussed about a possible reopening of the economy in last week, however any opening will be slow, but investors were optimistic in such scenario, that recovery could begin soon, but further lockdown is possible after a European Union summit failed to agree on a stimulus package. Investors were waiting for Thursday's EU meeting announcements, which finally decided to provide further stimulus package later on previous week, raising funds from the European Security Fund on Thursday's EU meeting announcements.

Gold Market - Despite that analysts forecast that gold price will touch $3000 per ounce in 18 months timeframe, the precious metal it is facing now near-term risks. The truth is that gold is benefiting from low interest rates, and outperformed the wider market, however a virus vaccine news may lead gold price in very negative territory, along with US economic recovery. The last thing that may lead back the price is deflation, as gold tends to move against inflation. Last week gold was traded at 1700 price level and below 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 last week on gold were decreased a lot. It was expected that price of gold would go higher after Fed extra stimulus package, along with jobless claims and interest rate decisions reports, however gold was narrowly traded. The US bonds yields on 10-year treasury note rose amid Fed news that it would keep the rates closed to zero unchanged for longer timeframe. Gold prices finally did not fail to extend beyond the 1700 price level. The bullion was slipped in the early Asian session amid broad risk off sentiment. Gold demand today increased, given the fact that tensions between US and China resurfaced. Technically if gold price be sustained above 1700 price level, we expect to find resistance level to 1720, then to 1740 and finally to 1800 quickly, otherwise 1690 is the first support, before 1670 price level.

Oil Market – The financial pain for oil market seems that has just begun. The big dilemma now is whether oil companies will proceed to cut its dividends or cut their operations. Eni big oil company reported huge losses for the first quarter. US crude futures last week began the week below $16 a barrel, while Brent crude futures was traded at $21 due to signs that oil storage is fully covered, increasing concerns that cuts for May 1 would offset the lack of demand soon. US crude inventories rose to 518.6 million barrels, higher than expected and led oil price as investors confidence increased. The excess supply leads the oil to go even lower, however oil started recovering last week but in short term as analysts predict. Later in previous week oil price dropped 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. Interesting is that HSBC, the 7th 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. Positive sentiment also appeared in oil market last week after the bad data output for US GDP which was worse than expected and fell by 4.8% for the first quarter. Weaker dollar caused the oil price go higher. Boost in oil price was also generated following the news from Norway major oil producer which announced that it would limit the production. Oil prices commenced the week negatively after three days of recovery amid May 1 cut production by OPEC members. The reason of the decline is due to worries about the supply after new data production levels in April. As analysts said they cannot expect oil to recover soon and its predicted that in early 2021 price will go back to $40.

Foreign Currencies - Yen began higher last week against the dollar, as Bank of Japan announced that will enhance its monetary policy and purchase in corporate bonds and will leave interest rate unchanged, yen remaining in bullish momentum as a safe heaven instrument. Euro dollar was traded near 1.085 last week as the market sentiment improved amid EU meeting

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announcement on Thursday. Spain and France are set to provide lockdown easing measures. The euro was also appreciated against dollar after negative consumer confidence and negative Goods trade balance last week. Additionally, euro went even higher after US GDP report which showed that the economy contracted by 4.8% annualized pace during the first quarter of 2020, higher than expected and after the Fed announcement for extra stimulus aid during the FOMC news. Euro dollar closed the week at almost 1.10, but as analysts said will drop soon again as we expected further bad upcoming news. Despite that euro was appreciated against dollar last Friday as the ECB left unchanged the Interest rate, today began the day negatively and is trying to make a correction to 1.092 from 1.10 closing price of previous week. Pound also recovered a lot last week against dollar as dollar became weaker due to bad data releases. Pound dollar remained positive for fifth day in a row last days and bounced above 1.24 level and has closed above 20 DMA. Pound managed to find resistance at 1.26 but closed the week below 1.25. it is expected to see pound fall again as the UK GDP may fall by 2% for the first quarter of the year and may contract by 10% on the second quarter. Remains to see whether pound will go higher after a possible scenario that Bank of England sustain the same interest rate later this week.

Weekly News 04-05-2020 – 08-05-2020

Time	Event	Impact
04-05 10:55 am	EUR Markit Manufacturing PMI (Apr)	Medium
04-05 17:00 pm	USD Factory Orders (MoM) (Mar)	Medium
05-05 07:30 am	AUD RBA Interest Rate Decision	High
05-05 07:30 am	AUD RBA Rate Statement	High
05-05 11:30 am	GBP Markit Services PMI (Apr)	Medium
05-05 17:00 am	USD ISM Non - Manufacturing PMI (Apr)	High
05-05 17:00 am	USD ISM Non – Employment Index (Apr)	High
06-05 01:45 am	NZD Employment Change (Q1)	High
06-05 01:45 am	NZD Unemployment Rate(Q1)	High
06-05 15:15 am	USD ADP Employment Change (Apr)	High
07-05 02:50 am	JPY BoJ Monetary Policy Meeting Minutes	High
07-05 09:00 am	GBP Bank of England Monetary Policy Report	High
07-05 09:00 am	GBP Monetary Policy Summary	High
07-05 09:00 am	GBP Financial Stability Report	High
07-05 09:00 am	GBP Bank of England Minutes	High
07-05 12:00 pm	GBP BoE’s Governor Bailey speech	High
07-05 15:30 pm	USD Initial Jobless Claims (May 1)	High
08-05 04:30 am	AUD RBA Monetary Policy Statement	High
08-05 15:30 pm	USD Nonfarm Payrolls (Apr)	High
08-05 15:30 pm	USD Average Hourly Earnings (YoY)(Apr)	High
08-05 15:30 pm	USD Unemployment Rate (Apr)	High
08-05 15:30 pm	CAD Unemployment Rate (Apr)	High
08-05 15:30 pm	CAD Net Change in Employment (Apr)	High