

Wednesday 13.05.2020**Asian Session**

Asian stock market began the day lower today as investors sentiment remain unstable as the world's economies slowly start reopening from the virus lockdowns, and as the US Senators warned that US economy reopening need to be later. Japan index dropped by 0.48%, while Hong Kong index rose slightly by 0.04% and Shanghai index went down by 0.23%. South Korea's KOSPI index gained almost 0.1% and Australia's index fell by 1%.

Asian Stock	Closed
Nikkei	-0.48%
Hong Kong HSI	+0.04%
China Shanghai SSE	-0.23%
Kospi - South Korea	+0.1%

US Stocks

US stocks index futures have changed slightly yesterday, following the sharp selloff on Wall Street during the day. Dow Jones futures as of midnight rose by 0.2%, while SP500 futures went up by 0.37% and Nasdaq Composite index rose slightly by 0.46%. The Senators warned that if economy reopens a new coronavirus outbreak will appear despite that economy will recover sooner.

US Stocks	Closed
DOW	+0.2%
S&P500	+0.37%
NASDAQ	+0.46%

Major Currencies & Dollar Index

EURGBP showed indications for recovery and is currently traded above the 200 simple moving average at 0.872. A close above 0.887 area will confirm a short term base targeting 0.90. Today UK GDP announcement for year over year and quarter over quarter was greater than expected as a result pound moved slightly higher against dollar. It was expected to drop further and open the doors for 1.21 price level. Now the pair is traded at 1.229. According to TD Securities forecast pound is likely to have better second half of the year and they expect GBPUSD to finish the year around 1.26 level. USDJPY tends to go further to the downside as the pair is traded on a downward price channel at 107.2. Short positions should be below 107.4 with targets at 107 and 106.7 extension level, otherwise resistance can be found at 107.8 and a break below 107 would trigger a drop towards 106.75.

Gold Market

Mining production fell 3 per cent year-on-year in the first quarter, the lowest since 2015, as per data from the World Gold Council. If trade wars worsen and if the central bankers want to further diversify away from the US dollar, the demand for gold may go up, thus pushing up prices. Gold yesterday has pushed higher after US CPI data, but still looks vulnerable in short term. Gold price now is traded at 1703 above the psychological level of 1700, with key resistance be around 1710. IF price remain above 1690 may see higher movements and a key to the upside breaks for the bulls remains above 1724.

Oil Market

The American Petroleum Institute (API) estimation about crude oil inventories increased about 7.58 million barrels even as many US states began reopening. Oil prices were traded higher yesterday before API data release, as data from OPEC came out for additional production cuts reinvigorated markets skittish about oversupply at a time when demand continues to lag. WTI gained another \$1.7 yesterday at \$25.8, while Brent crude oil was up by 1.08% at \$29.9 per barrel.

European Stocks

European stocks rebounded yesterday amid data showing that virus infections are decreasing and the Stoxx600 index rose by almost 0.3%. The virus slowed down to 1.8% from 2.9%

On the data front 13-05-2020

Time (GMT+2)	Event	Impact
09:00 am	GBP Industrial Production (MoM) (Mar)	High
09:00 am	GBP Gross Domestic Product (MoM) (Mar)	High
09:00 am	GBP Gross Domestic Product (QoQ) (Mar)	High
14:00 pm	EUR ECB's Lane speech	Medium
16:00 pm	USD Fed's Chair Powell speech	High
17:30 pm	USD EIA Crude Oil Stock Change (May 8)	Medium