

Tuesday 23.06.2020

### **Asian Session**

Asian equities print modest gains as the recent volatility receded after Trump confirmed that the Sino American deal is not over yet. Japan's Nikkei 225 gains 0.91% to 22,642 ahead of the European open today. Hong Kong's index rises 1.15% to 24,790. Shanghai index rose by 0.18% and South Korea's Kospi index rose by 0.21%.

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	+0.91%
Hong Kong HSI	+1.15%
China Shanghai SSE	+0.18%
KOSPI – South Korea	+0.21%

### **US Stocks**

US stocks closed even higher yesterday and continued improving, despite the possibility of another shock in the stock market from a second wave of a virus, however they are trading lower. Dow Jones index on futures was down by 0.8% after being up about 100 points earlier, while SP500 index on futures was up by 0.03% and Nasdaq futures was up by 0.01%.

<b>US Stocks</b>	<b>Closed</b>
DOW	-0.8%
S&P500	+0.03%
NASDAQ	+0.01%

### **Major Currencies & Dollar Index**

Euro gained more than 100 pips since yesterday against dollar and from the 1.11 price range jumped to almost 1.13 and is set to break above this level once again as the market momentum is very bullish. Euro appreciation caused also from today's German Manufacturing PMI which showed rate of 44.6 in June against 41.5 that was expected. Euro/Dollar has moved higher over the last month, trades near the 1.13 level, as global risk sentiment has improved and economists at Danske Bank see the pair at 1.15 on a one-to-three-month horizon. Despite yesterday's rebound on pound today is traded narrowly against dollar amid today's UK Preliminary PMI news for June. The index is expected to arrive at 45.0 versus 40.0 last. Levels to watch can be found at 1.253 as a resistance level and 1.24 as a support level. The yen retreated after President Donald Trump said that the U.S.-China trade deal is intact. Dollar/Yen still sees a probable move to the 106.00, if 106.70 is cleared in the near-term, noted FX Strategists at UOB Group.

### **Gold Market**

Gold futures prices for August delivery jumped by 1.5% yesterday to \$1779 per ounce reaching the highest level in nearly eight years as coronavirus infections increased. Gold is currently traded by 15% higher year-to-date. Gold spot is traded now at \$1752 with many possibilities to break out above the recent resisatnce level of \$1760 per ounce and open the road for \$1800.

### **Oil Market**

With oil prices having rallied up to the \$40 mark, some analysts have come out with bullish forecasts for the near-term. In the very short term, money managers and hedge funds sold off some of their bullish bets when oil hit \$40. Short positions on US crude oil can be found below \$41.25 with targets at 439.40 and \$38.80 per barrel in extension, while above \$41.25 look for further upside with \$41.75 and \$42.40 as targets.

### **European Stocks**

European stocks were expected to be opened higher today as they did, despite some worries over the state of the US and China trade deal and a surge of coronavirus cases. The EuroStoxx600 rose by 0.56% to lead the way, with the CAC40 and DAX30 gaining 0.42% and 0.40% respectively.

### **On the data front 23-06-2020**

<b>Time (GMT+3)</b>	<b>Event</b>	<b>Impact</b>
11:00 am	EUR Markit PMI Composite (Jun)	Medium
11:30 am	GBP Markit Services PMI (Jun)	High
11:45 am	GBP BoE's Governor Bailey speech	High