

Wednesday 10.06.2020**Asian Session**

Asian stocks were mixed today as investors took stock of the recent risk asset rally and awaited for some output on upcoming monetary policy from the Fed. Japan's index is trading even higher today +0.14%, and yesterday closed 0.4% lower, while Hong Kong's index HSI, is trading lower today -0.05% and yesterday jumped 1.1% higher. South Korea's Kospi index is gaining today 0.35% and yesterday closed higher by 0.2% and Shanghai index fell by 0.4%.

Asian Stock	Closed
Nikkei	+0.14%
Hong Kong HSI	-0.05%
China Shanghai SSE	-0.4%
KOSPI – South Korea	+0.35%

US Stocks

Dow Jones index closed lower yesterday taking a breath, however since early May we have seen a clear uptrend in the market. From the other side Nasdaq closed even higher reaching another record high, as there exist growing optimism for US economy reopening. SP500 index fell by 0.8% at around 3207, while Nasdaq index gained 0.3% at 9954 and Dow Jones lost 1.09%. Report yesterday showed that small business owners in May were more optimistic for economic rebound and their optimism was increased by 4.5 points more than was expected as National Federation of Independent Business said.

US Stocks	Closed
DOW	-1.09%
S&P500	-0.8%
NASDAQ	+0.3%

Major Currencies & Dollar Index

Euro is appreciating against dollar as dollar resumes its falls. All eyes turn to today's Fed monetary policy decision later on the day, where it is expected that they will leave the interest rate unchanged. Jerome Powell, Chairman of the Federal Reserve, said the bank has "crossed red lines" and urged the government to do more. The pair is currently traded at 1.135. Gains are expected to be above 1.27 price level for pound against dollar one of its major counters. Yesterday the pair closed the day narrowly, however today is traded higher as investors mainly focus on FOMC. The yesterday pullback on pound caused by US safe heaven demand amid a slight deterioration in the global risk sentiment. Strong resistance is at 1.288 an inside support level since Feb. Selling pressure exist on dollar against the yen for third day in a row and the pair is currently traded at 107.3. Investors waiting for US Consumer Price Index data output for some dollar impetus to the upside ahead of the key FOMC decision today. Despite the positive stock market sentiment dollar continue losing value.



Gold Market & Treasuries

Gold futures for August rose by 0.08% on Comex and jumped \$16.80, or 1%, to settle at \$1,721.90 per ounce. As Fed is not expected to cut even more the interest rates in its monetary policy, this may lead gold go even lower today. Gold prices yesterday closed higher as US equities were modestly traded. The 10-year Treasury note yield, fell by 5.4 basis points to 0.829%. Bond prices move in the opposite direction of yields.

Oil Market

Crude oil prices closed even lower yesterday for second consecutive day, however reversed earlier losses, as more US business opened from lockdown measures and bring hope for a rebound in the black gold demand. WTI rose by 2%, around 0.75 cents per barrel at \$38.9, while Brent futures for August rose by 0.9% at \$41.18. Additionally, some Gulf producers may end their extra production cuts at the end of June and they US producers may reverse the production cuts as crude demand increases.

European Stocks

The Stoxx600 index, is trading lower today losing 1.22% following yesterday losses. Yesterday the index closed 1.2% lower and the FTSE 100 index UKX, -2.11% fell 2.1%. European stocks fell yesterday after bounced back the recent days, as in Germany new data showed exports plunged more than expected and investors worry for a second wave of the virus.

On the data front 10-06-2020

Time (GMT+3)	Event	Impact
04:30 am	CNY Consumer Price Index (YoY) (May)	High
15:30 pm	USD Consumer Price Index (MoM)(May)	Medium
15:30 pm	USD Consumer Price Index ex Food & Energy (MoM) (May)	High
21:00 pm	USD Fed Interest Rate Decision	High
21:30 pm	USD FOMC Press Conference	High