

**Thursday 09.07.2020**

### **Asian Session**

Asian equities were led higher as investors seem that overcome the Sino-US tensions to mainly focus on upcoming company earnings. Chinese stocks extended their gains for eighth consecutive session after data came out showing the country's month to month consumer inflation rose in June. The prices of producers fell for fifth day in a row but at a slower than expected rate. Japan's index rose 0.2%, while Hong Kong's index rose by 0.5%. Shanghai's index jumped by 1.3% and South Korea's Kospi index declined by 0.24%

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	+0.2%
Hong Kong HSI	+0.5%
China Shanghai SSE	+1.3%
KOSPI – South Korea	-0.24%

### **US Stocks**

US stocks jumped higher yesterday as investors took into consideration the efforts of the economy's reopening in the face of climbing coronavirus cases, which reached a single day record of 60k on Tuesday. Obviously, the increasing number of new cases threaten the US economic recovery, however technology shares rose leading the broader market higher. Dow Jones industrial average rose by 0.7%, while SP500 rose by 0.8% and Nasdaq index jumped by 1.4%.

<b>US Stocks</b>	<b>Closed</b>
DOW	+0.7%
S&P500	+0.8%
NASDAQ	+1.4%

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

Euro/Dollar yesterday faced initially a drop at 1.126 at European opening and price then rebounded to 1.129 and today the pair is traded above 1.13 reaching 1.135 before retreating to 1.1328. All eyes today turn to comments from ECB President Christine Lagarde and board member Fabio Panetta, who will participate in a Eurogroup meeting. Due to dollar weakness as stocks advance pound advancing higher above 1.26 price level, along with the UK Chancellor Sunak who presented 30 billion stimulus package and additional support for the economy at the time where Brexit talks remain stuck. US weekly Jobless Claims, expected to be 1375K against 1427K, and will also be important factor to determine the pair's course. USD/JPY has dropped 0.25% on Thursday as the dollar struggles today. USD/JPY opened down in Asia as the risk rally undermines the safe haven of the US dollar, continuing the theme from Wall Street and bears are trying to test a key support level at 107.20. The pair is traded modestly as the JPY also been weakened as the safe heaven assets sold off on global economic recovery hopes.



### **Gold Market**

Gold finally broke above \$1,800 per ounce for the first time since 2011 as investors piled into the precious metal asset amid mounting fears of a second wave of coronavirus cases. Gold ETFs have reached more than 650 tons during yesterday for year to year inflows according to Bloomberg and Goldman Sachs set a 12-month price target at \$2000.

### **Oil Market**

Oil futures went even higher due to rise in US crude imports. Oil prices were increased breaking above \$40 per barrel, following a key report from the Energy Department Administration (EIA), that showed that crude stockpiles increased last week by 5.65 million barrels. West Texas Intermediate crude rose as much as 1.1%, to \$41.08 per barrel, while Brent crude, the international benchmark, rose by 0.9%, to \$43.47 per barrel, at intraday highs.

### **European Stocks**

European markets fell on Wednesday as investors kept an eye on rising coronavirus cases, Brexit negotiations and growing tensions between Washington and Beijing. The European Stoxx600 index declined by 0.7%, while DAX30 dropped by 1% and the UK100 declined by 0.6%.

### **On the data front 09-07-2020**

<b>Time (GMT+3)</b>	<b>Event</b>	<b>Impact</b>
09:00 am	EUR Trade Balance (May)	Medium
15:30 pm	USD Continuing Jobless Claims (Jun 26)	Medium
15:30 pm	USD Initial Jobless Claims 4-week average (Jul 3)	Medium