

Tuesday 21.07.2020**Asian Session**

Chinese equities rose today and were supported by strong gains in healthcare equities on rising hopes for a coronavirus vaccine. Japan's index Nikkei 225 futures rose by 0.7%, while Hong Kong's Hang Seng Index futures lost 0.12%. Shanghai composite index closed higher yesterday by 3.1%. South Korea's Kospi index declined by 0.4%. Additionally, Asian stocks rose as EU leaders make efforts to reach a deal on a massive stimulus plan and this lifted global risk appetite.

Asian Stock	Closed
Nikkei	+0.7%
Hong Kong HSI	-0.12%
China Shanghai SSE	+3.1%
KOSPI – South Korea	-0.4%

US Stocks

US stock market advanced higher yesterday and were enhanced by a rally from technology stocks amid investor's upbeat mood about the prospects of a novel coronavirus vaccine being ready soon. Nasdaq index hit a record high today at 10767 which was 2.5% increase. Dow Jones closed yesterday 0.07% higher, while Nasdaq closed 0.28% and SP500 closed by 0.84% higher. BM shares rose more than 6% in extended trading following the release of the company's second quarter earnings. Tesla, the automaker's stock gained 1% in extended trading after jumping 9.5% earlier Monday.

US Stocks	Closed
DOW	+0.07%
S&P500	+0.84%
NASDAQ	+0.28%

Major Currencies & Dollar

For third consecutive day Euro advanced higher against dollar, due to a combination of factors that assisted euro to gain some follow through traction. The optimism over a virus vaccine which continues to undermine the greenback, along with the EU agreement on the recovery fund aided euro appreciated against dollar. Resistance level is at 1.15, and then we may see the pair may go towards 1.14 back again. Pound/Dollar hovers in a choppy trading range between 1.2685 and 1.2670. Haldane further added that the UK's economic recovery is still looking V-shaped, which inspired bullish traders and provided an additional boost to the British pound. Dollar/Yen has pulled back almost 15 pips since yesterday closing as dollar remains weak due to the possibility of further stimulus expectations and progress towards coronavirus vaccine. According to FX Strategists at UOB Group, the outlook on USD/JPY remains mixed for the time being.



Gold Market

Gold prices began today higher touching again the level of \$1817 per ounce, near a nine-year peak, as concerns about a new spike in COVID-19 cases, along with expectations for inflation that most probably may be caused from further economic stimulus measures boosted demand for the precious metal. Gold was at \$1,817.77 an ounce, near the highest in nine years and now is currently traded near \$1823. Adding to hopes for more economic stimulus, congressional Republicans announced plans to seek another \$1 trillion in coronavirus economic relief.

Oil Market

Crude Oil prices were slightly changed today, trapped in the narrow trading complex of the last three weeks as investors calculated hopes for a recovery in oil demand against fears of new lockdowns. Oil prices found some support after positive news of vaccine development. West Texas Intermediate crude fell 0.4% to \$40.64 a barrel, while Brent futures rose by 15 cents, or 0.4% at \$43.43 per barrel. Both Brent and WTI are traded within \$2 dollars price range in July and this shows shrinkage.

European Stocks

European equities are expected to begin higher today as it did, after EU leaders finally achieved a deal on a 750 billion euro of a recovery fund to confront the coronavirus. "In addition, exhausted leaders also agreed on a 7-year budget running from 2021 to 2027, of €1.074 trillion expenditure. Stoxx50 index closed by 0.01% higher yesterday and today is currently traded by 0.68% higher.

On the data front 21-07-2020

Time (GMT+3)	Event	Impact
04:30 am	AUD RBA Meeting Minutes	High
15:30 pm	USD Chicago Fed National Activity Index (Jun)	Medium
15:30 pm	CAD Retail Sales (MoM)(May)	High