

**Tuesday 25.08.2020****Asian Session**

Asian stock market showed some improvement during yesterday and went higher along with US equities after the caution over the spread of coronavirus last weeks. Hong Kong's index Hang Seng rose by 1.7%, while Shanghai's index increased by 0.8%. Japan's index Nikkei index rose by 0.28% and South Korea's Kospi index has increased by 1.08%.

<b>Asian Stock</b>	<b>Closed</b>
Nikkei	+0.28%
Hong Kong HSI	+1.7%
China Shanghai SSE	+0.8%
KOSPI – South Korea	+1.08%

**US Stocks**

US equities advanced even higher yesterday and the main increase was made by Dow Jones index. SP500 benchmark also had a noticeable increase and rose by 1% close to 3431. Shares of airlines, cruise operators and retailers led the index higher after their plummeting previously due to the coronavirus pandemic. Additionally, the good news for the virus vaccine gave more hopes to investors. Dow Jones rose by 1.2%, while Nasdaq increased by 0.6%.

<b>U.S Stocks</b>	<b>Closed</b>
DOW	+1.2%
S&P500	+1%
NASDAQ	+0.6%

**Major Currencies**

The German IFO Business Survey is set to be released later today and will directly affect the Euro/Dollar exchange rate, while it is expected to be improved by 92 against 90.5 from the previous rate. Euro may begin recovering against dollar and is traded above 1.18 for the time being and major resistance price level for the pair remains the previous 1.195. Pound/Dollar is below the 21 exponential moving average and this indicates a short-term bearish outlook. First resistance level for the pair is seen at 1.315 and according to FX Strategist at OCBC Bank a break below 1.30 may lead even lower. Lack of Brexit progress continues to weigh, but the underlying expectation that a compromise will eventually be trashed out supports for now. Dollar/Yen is currently traded at 106.1 with the greenback traded narrowly in Asia and Europe yesterday. Although that the pair fall to 105.7 price rebounded slightly above 106 and this caused from the rising US yields and stocks. Investors should pay attention to the US consumer confidence report later on the day.

### **Gold Market**

It is the third consecutive week that gold is traded lower and the second week in a row that gold is traded neutrally. Today gold is traded around \$1930 per ounce, slightly better than yesterday as US dollar eased broadly amid a risk on market environment, however US-China trade optimism may make more difficult the rebound for gold. The yellow metal's upside attempts appear limited and a break below the rising trendline support at \$1927 could trigger a fresh drop towards the daily lows.

### **Oil Market**

Despite Oil got support from the Energy Information Administration inventory data did not showed any upticks and it seems that the market observation regarding the decline in Oil volatility still holds. US Oil futures for delivery in September added 6.5% to \$1.3671 a gallon on the New York Mercantile Exchange, posting their largest one-day advance since mid-May.

### **European Stocks**

European stocks added gains from a strong mood. The Pan-European index Stoxx600 closed higher yesterday by 1.6%, while UK100 rose by 1.7% and rest EU indexes climbed by more than 2%.

### **On the data front 25-08-2020**

Time (GMT+3)	Event	Impact
09:00 am	EUR Gross Domestic Product (YoY) (Q2)	Medium
11:00 am	EUR German IFO – Business Climate (Aug)	Medium
17:00 pm	USD Consumer Confidence	Medium
20:30 pm	CAD BoC's Schembri speech	Medium