

Tuesday 01.09.2020

Asian Session

Australian shares underperformed, caused by a decline in financials, while South Korea's share market advanced even higher as the government prepares to boost its budget by the next year and equities were little changed elsewhere in Asia. South Korea's Kospi index yesterday closed lower by 1.85%, while Hong Kong's index closed negatively by 0.85%. Japan's index closed higher by 1.12% and Shanghai's index lost 0.24%

Asian Stock	Closed
Nikkei	+1.12%
Hong Kong HSI	-0.85%
China Shanghai SSE	-0.24%
KOSPI – South Korea	-1.85%

US Stocks

US stocks indexes had a great performance during August and with Dow Jones closing the month with more than 2000 points higher. Except the tech stocks that advanced higher, stocks in cruise lines, airlines, hotel, and casino operators have also increased significantly. The Dow rose by 7.6% during August and ended the month down 0.4% for 2020. The Nasdaq Composite was up by 9.6% for August and up 31.2% for the year, while the Nasdaq index rose by 11% for August and up 38.7% for 2020. Shares of Apple and Tesla was the main players with +21.4% and 74.1% respectively for August.

U.S Stocks	Closed
DOW	-1.15%
S&P500	-0.22%
NASDAQ	+0.68%

Major Currencies

Euro/Dollar is trading closer to 1.20, a two-year high. In the long-term, a close above 1.2015 would target 1.2630 the 200-month ma, according to Commerzbank's Karen Jones. Today Euro gained around 60 pips against dollar and was traded slightly below 1.20 before retreated back to 1.197 and initial support is being at 1.177. Pound/Dollar is trying to reach the 2007-2020 resistance line at 1.3522 The pound rose to 1.3410, currently around 1.3408, up 0.30% for the day and according to Commerzbank's Karen Jones expects Pound/Dollar to hold the initial test of the aforementioned resistance line. UK Manufacturing PMI, US ISM Manufacturing PMI will join the Brexit news for near-term direction. Yen still appreciating against dollar and tracks USD selling pressure amid dovish Fed, vaccine hopes, and the pair is currently traded at 105.751, 20 pips lower for the day. All eyes turn to US Manufacturing PMI.



Gold Market

Gold prices rise for the third consecutive day to hit two-week top. There is already a month passed since gold reached the all-time high records of \$2075 per ounce and found very strong support level around \$1850 per ounce. Overbought RSI, short-term rising trend line challenges the buyers, with significant resistance level being at \$2058 and the momentum shows clearly that gold is going towards \$2000 level once again.

Oil Market

Chinese crude oil demand had a significant effect and was one of the most critical pillars in the ongoing recovery in oil markets, especially with the largest oil consumer of all, the US, still struggling to recover from the negative demand implications of the coronavirus economic beat down. Furthermore, extra upside in prices of the WTI keeps targeting the \$44.00 mark per barrel.

European Stocks

European stocks fell at the last day of August with Stoxx600 index declining by 0.6% to 366.31, with the German DAX down 0.7and the French CAC40 down by 1.1%. For the month past, the Stoxx600 is up around 3%. European stocks closed lower Monday, despite a strong start to the session, as traders digested corporate news and dovish U.S. monetary policy signals and a break above \$43.8 indicates a buy signal.

On the data front 01-09-2020

Time (GMT+3)	Event	Impact
07:30 am	AUD RBA Interest Rate Decision	High
12:00 pm	EUR Consumer Price Index (YoY) (Aug)	High
17:00 pm	USD ISM Manufacturing PMI(Aug)	High