

Daily Outlook

GLOBAL STOCK INDEX

DJIA

U.S. stocks on Tuesday reclaimed some of the ground lost in the prior day's steep sell-off, with tariff-sensitive technology stocks leading the S&P 500 and the Nasdaq higher as investors were heartened by a tonal shift in U.S.-China trade rhetoric.

All three major U.S. indexes closed in the black, although they pared gains late in the day and clawed back less than half of Monday's losses, which were the largest one-day percentage drops in months. The bellwether S&P 500 remains nearly 4% below its all-time high reached two weeks ago.

Investors' nerves were calmed after U.S. President Donald Trump referred to the escalating trade war with China as "a little squabble," and added, "We have a good dialogue going."

Beijing echoed that sentiment. A Chinese Foreign Ministry spokesman told reporters: "My understanding is that China and the United States have agreed to continue pursuing relevant discussions."

Boeing Co provided the biggest boost to the Dow, rising 1.7% as tariff-vulnerable industrials buoyed the blue chip index.

Ralph Lauren Corp fell 3.7% after the apparel company posted quarterly results that included disappointing North American sales.

Uber Technologies and ride-hailing rival Lyft Inc reversed course after their post-debut slides. Their stocks advanced 7.7% and 4.9%, respectively.

Uber's shares rose another 6.4 percent in after-the bell trading after a U.S. labor agency said it had concluded that the company's drivers were independent contractors, not employees.

Walt Disney Co announced it would take control of Comcast Corp's Hulu in a move to challenge Netflix and others in the global video streaming war.

Disney stock climbed 1.4%, while Comcast gained 1.5%. Netflix edged up 0.1%.

The Dow Jones Industrial Average rose 207.06 points, or 0.82%, to 25,532.05, the S&P 500 gained 22.54 points, or 0.80%, to 2,834.41, and the Nasdaq Composite added 87.47 points, or 1.14%, to 7,734.49.

Of the 11 major sectors of the S&P 500, all but utilities closed in the black. Technology stocks posted the largest percentage gains, climbing 1.6%.

Chipmakers enjoyed a reprieve, with the Philadelphia SE Semiconductor Index rising 2.4% after suffering its worst one-day percentage loss since Jan. 3.

The first-quarter earnings season is winding down, with 453 of the S&P 500 companies having reported. Of those, 75.3% beat analyst expectations, slightly below the 76% beat rate for the last four quarters.

Advancing issues outnumbered declining ones on the NYSE by a 3.16-to-1 ratio; on Nasdaq, a 2.67-to-1 ratio favored advancers.

The S&P 500 posted 25 new 52-week highs and six new lows; the Nasdaq Composite recorded 51 new highs and 86 new lows.

Volume on U.S. exchanges was 6.62 billion shares, compared to the 7.01 billion average over the last 20 trading days.

Nikkei

Japan's Nikkei stooped to a three-month low on Tuesday, as investor sentiment took a further hit after China defied Washington by announcing retaliatory tariffs, dragging most sectors into negative territory.

China said it would impose higher tariffs on \$60 billion in U.S. goods despite President Donald Trump's warnings not to retaliate against additional tariffs on Chinese imports announced by the White House on Friday.

The Nikkei share average ended the day down 0.59% at 21,067.23 after falling to as low as 20,751.45, the lowest since mid-February.

Automakers came under pressure. Mazda Motor slid 2% and Subaru Corp fell 2.3%.

Nissan Motor Co fell 2.95% after the Nikkei business daily reported that the automaker will likely experience its fourth straight year of decreasing profits in the financial year through March 2020.

But traders added that with signs of the market being oversold, some short-term investors were covering earlier shorts.

Komatsu Ltd, with a large exposure to China, ended up 0.55% after slumping 4% earlier. Fanuc Corp was up 0.1% after dropping 2.9% and Yaskawa Electric rose nearly 1% after sliding 4.5%.

Large telecommunication companies, considered defensive shares, gained amid the drop in the broader market. Nippon Telegraph and Telephone Corp rose 1.9% and KDDI Corp climbed 2.4%.

The broader Topix shed 0.4% to 1,534.98, after falling to a more than four-month low of 1,508.85.

Small cap markets also lost ground, with the Mothers index sliding 1.96% and the Jasdaq market shedding 0.59%.

Kospi

South Korea's KOSPI stock index rebounded to end higher on Tuesday as slightly more optimistic comments from Washington and Beijing over trade negotiations lifted sentiment. The Korean won inched lower and the benchmark bond yields also dropped.

Chinese government's top diplomat said on Tuesday China and the United States both have the "ability and wisdom" to reach a trade deal that is good for both. China's State Councillor Wang Yi said the talks are not a one-way street and should be based on equality.

The remarks from China comes after U.S. President Donald Trump said earlier on Tuesday that he was optimistic about resolving the trade dispute with China, adding that he has "a feeling it's going to be very successful."

The Seoul stock market's main KOSPI ended up 2.83 points, or 0.14%, at 2,081.84 points.

Foreigners were net sellers of 285.2 billion won (\$240.19 million) worth of shares on the main board.

The won was quoted at 1,189.4 per dollar on the onshore settlement platform, 0.16% lower than its previous close of 1,187.5, marking the fourth fall in the past five sessions.

Amid won's weakness in the currency market, South Korea's finance minister said on Tuesday policy efforts are focused on monitoring and containing risks from increased FX volatility and U.S.-China trade dispute, adding that the ministry will hold policy meetings this week and next to deal with currency and trade risks.

In offshore trading, the won was quoted at 1,188.9 per U.S. dollar, down 0.1% from the previous session, while in one-year non-deliverable forward trading its one-month contract was quoted at 1,187.5 per dollar.

MSCI's broadest index of Asia-Pacific shares outside Japan was down 1.09%, in line with the overnight declines in Wall Street. Japanese stocks dropped 0.59%.

Hang Seng & Shanghai

Chinese stocks skidded further on Tuesday and the onshore yuan fell to its weakest level of the year as the Sino-U.S. trade war intensified.

Markets managed to claw up from early lows, however, with shares buoyed by suspected state-backed buying and comments from U.S. President Donald Trump that raised hopes the two sides would eventually reach a trade deal.

The Shanghai Composite ended 0.7% lower at 2,883.61 points, while the blue-chip CSI300 eased 0.6%, paring some of their initial losses. Both indexes swung in and out of positive territory during the session.

The recovery was aided by "national team" purchases, according to some analysts, referring to state-backed institutions.

Zhang Qi, analyst at Haitong Securities in Shanghai, said there was "buying of key stocks" by state-backed players, noting relatively high volume in the morning.

About 20.8 billion shares changed hands in Shanghai on Tuesday, not far off the 21.2 billion during Monday's sell-off.

Earlier, Trump said he would meet Chinese President Xi Jinping at a G20 summit in late June, reigniting hopes for an agreement.

Trump also said on Monday that he has not made a decision to go ahead with threatened tariffs on another \$325 billion in goods from China.

His comments came after China announced on Monday higher tariffs on \$60 billion of U.S. goods, effective June 1, in retaliation for Washington's decision last week to hike levies on \$200 billion in Chinese imports.

CSI300's sub-index for the financial sector fell 0.6% and consumer staples dropped 0.8%. Healthcare shares slid almost 1% and real estate stocks lost 0.8%.

The smaller Shenzhen market lost 0.6%, while the start-up ChiNext board fell close to 0.6% despite MSCI confirming it would include part of the board in its benchmark emerging market index.

The Hong Kong stock market, returning from a holiday, ended down 1.5% in its first reaction to the tariff retaliation, as the market was closed on Monday for a holiday.

Foreign investors sold a net 10.6 billion yuan (\$1.54 billion) worth of A-shares.

Closing Prices – 14 May 2019

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	25532.05	↑ 207.06/0.82%	.N225	21067.23	↓ 124.05/0.59%
/.SPX	2834.41	↑ 22.54/0.81%	.KS200	268.57	↓ 0.15/0.06%
/.IXIC	7734.494	↑ 87.470/1.14%	.HSI	28122.02	↓ 428.22/1.50%
JPY=	109.59	↑ 0.29/0.27%	/.SSEC	2883.61070	↓ 20.10240/0.69%
KRW=	1186.82	↓ 0.96/0.08%	/CLc1 (Oil)	61.34	↑ 0.50/0.82%

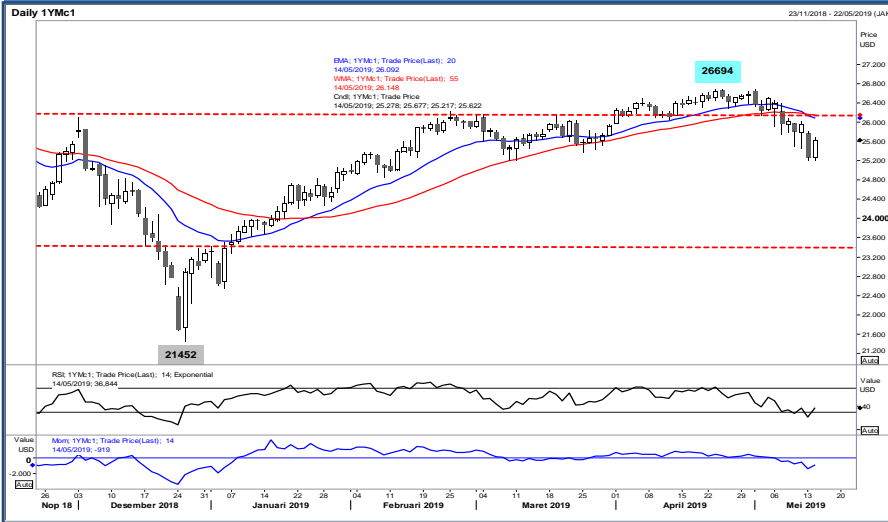
ECONOMIC INDICATORS

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
11-May - 18-May	N/A	CN	Foreign Direct Investment YoY CNY	Apr		--	8.0%	
Mon/13-May-19	06:50	JP	Official Reserve Assets	Apr	\$1293.5b	--	\$1291.8b	
	All	HK	Bank Holiday (The Birthday of The Buddha)					
	08:30	AU	Home Loans MoM	Mar	-2.8%	-0.5%	0.8%	0.5%
	08:30	AU	Investment Lending	Mar	-2.7%	-1.5%	0.9%	-0.2%
	08:30	AU	Owner-Occupier Loan Value MoM	Mar	-3.4%	-0.5%	3.4%	2.8%
	12:00	JP	Coincident Index	Mar P	99.6	99.6	100.4	
	12:00	JP	Leading Index CI	Mar P	96.3	96.3	97.1	
	20:05	US	Fed's Rosengren, Clarida Makes Remarks at Fed Listens Event					
Tue/14-May-19	06:50	JP	BoP Current Account Adjusted	Mar P	¥1271.0b	¥1710.9b	¥1957.6b	¥1896.7b
	06:50	JP	BoP Current Account Balance	Mar P	¥2847.9b	¥3007.2b	¥2676.8b	
	06:50	JP	Trade Balance BoP Basis	Mar P	¥700.1b	¥838.9b	¥489.2b	
	08:30	AU	NAB Business Conditions	Apr	3	--	7	
	08:30	AU	NAB Business Confidence	Apr	0	--	0	-1
	12:00	JP	Eco Watchers Survey Current SA	Apr	45.3	45.8	44.8	
	12:00	JP	Eco Watchers Survey Outlook SA	Apr	48.4	48.0	48.6	
	13:00	DE	CPI EU Harmonized MoM	Apr F	1.0%	1.0%	1.0%	
	13:00	DE	CPI EU Harmonized YoY	Apr F	2.1%	2.1%	2.1%	
	13:00	DE	CPI MoM	Apr F	1.0%	1.0%	1.0%	
	13:00	DE	CPI YoY	Apr F	2.0%	2.0%	2.0%	
	14:15	US	Fed's Williams Speaks at SNB/IMF Event in Zurich					
	15:30	GB	Average Weekly Earnings 3M/YoY	Mar	3.2%	3.4%	3.5%	
	15:30	GB	Claimant Count Rate	Apr	3.0%	--	3.0%	
	15:30	GB	Employment Change 3M/3M	Mar	99k	141k	179k	
	15:30	GB	ILO Unemployment Rate 3Mths	Mar	3.8%	3.9%	3.9%	
	15:30	GB	Jobless Claims Change	Apr	24.7k	--	28.3k	22.6k
	15:30	GB	Weekly Earnings ex Bonus 3M/YoY	Mar	3.3%	3.3%	3.4%	
	16:00	EZ	Industrial Production SA MoM	Mar	-0.3%	-0.3%	-0.2%	-0.1%
	16:00	EZ	Industrial Production WDA YoY	Mar	-0.6%	-0.8%	-0.3%	
	16:00	DE	ZEW Survey Current Situation	May	8.2	6.0	5.5	
	16:00	EZ	ZEW Survey Expectations	May	-1.6	--	4.5	
	16:00	DE	ZEW Survey Expectations	May	-2.1	5.0	3.1	
	17:00	US	NFIB Small Business Optimism	Apr	103.5	102	101.8	
	23:45	US	Fed's George Speaks to Economic Club of Minnesota					
Wed/15-May-19	06:00	KR	Unemployment rate SA	Apr		--	3.8%	
	07:30	AU	Westpac Consumer Conf Index	May		--	100.7	
	07:30	AU	Westpac Consumer Conf SA MoM	May		--	1.9%	
	08:30	AU	Wage Price Index QoQ	1Q		--	0.5%	
	08:30	AU	Wage Price Index YoY	1Q		--	2.3%	
	09:00	CN	Industrial Production YoY	Apr		6.5%	8.5%	
	09:00	CN	Industrial Production YTD YoY	Apr		6.4%	6.5%	
	09:00	CN	Retail Sales YoY	Apr		8.6%	8.7%	
	09:00	CN	Retail Sales YTD YoY	Apr		8.4%	8.3%	
	09:00	CN	Surveyed Jobless Rate	Apr		--	5.2%	
	13:00	DE	GDP NSA YoY	1Q P		--	0.9%	
	13:00	DE	GDP SA QoQ	1Q P		--	0.0%	
	13:00	DE	GDP WDA YoY	1Q P		--	0.6%	
	13:00	JP	Machine Tool Orders YoY	Apr P		--	-28.5%	
	16:00	EZ	Employment QoQ	1Q P		--	0.3%	
	16:00	EZ	Employment YoY	1Q P		--	1.3%	
	16:00	EZ	GDP SA QoQ	1Q P		--	0.4%	
	16:00	EZ	GDP SA YoY	1Q P		--	1.2%	
	19:30	CA	Consumer Price Index	Apr		--	135.4	
	19:30	CA	CPI Core- Common YoY%	Apr		--	1.8%	
	19:30	CA	CPI Core- Median YoY%	Apr		--	2.0%	
	19:30	CA	CPI Core- Trim YoY%	Apr		--	2.1%	
	19:30	CA	CPI NSA MoM	Apr		--	0.7%	
	19:30	CA	CPI YoY	Apr		--	1.9%	
	19:30	US	Empire Manufacturing	May		8	10.1	
	19:30	US	Retail Sales Advance MoM	Apr		0.3%	1.6%	
	19:30	US	Retail Sales Control Group	Apr		--	1.0%	
	19:30	US	Retail Sales Ex Auto and Gas	Apr		--	0.9%	
	19:30	US	Retail Sales Ex Auto MoM	Apr		0.7%	1.2%	
	20:15	US	Capacity Utilization	Apr		78.8%	78.8%	
	20:15	US	Industrial Production MoM	Apr		0.1%	-0.1%	

	20:15	US	Manufacturing (SIC) Production	Apr		--	0.0%	
	21:00	US	Business Inventories	Mar		0.0%	0.3%	
	21:00	US	NAHB Housing Market Index	May		64	63	
	21:30	US	DOE Cushing OK Crude Inventory	May-10		--	821k	
	21:30	US	DOE U.S. Crude Oil Inventories	May-10		--	-3963k	
	21:30	US	DOE U.S. Distillate Inventory	May-10		--	-159k	
	21:30	US	DOE U.S. Gasoline Inventories	May-10		--	-596k	
	23:00	US	Fed's Barkin Speaks to Economists in New York					
Thu/16-May-19	06:50	JP	PPI MoM	Apr		--	0.3%	
	06:50	JP	PPI YoY	Apr		--	1.3%	
	08:00	AU	Consumer Inflation Expectation	May		--	3.9%	
	08:30	AU	Employment Change	Apr		--	25.7k	
	08:30	AU	Full Time Employment Change	Apr		--	48.3k	
	08:30	AU	Part Time Employment Change	Apr		--	-22.6k	
	08:30	AU	Participation Rate	Apr		--	65.7%	
	08:30	AU	Unemployment Rate	Apr		--	5.0%	
	09:45	AU	RBA's Bullock Gives Speech in Sydney					
	16:00	EZ	Trade Balance NSA	Mar		--	17.9b	
	16:00	EZ	Trade Balance SA	Mar		--	19.5b	
	19:30	CA	ADP Canada Releases April Payroll Estimates					
	19:30	US	Building Permits	Apr		1295k	1269k	
	19:30	US	Building Permits MoM	Apr		2.1%	-1.7%	
	19:30	US	Continuing Claims	May-04		--	--	
	19:30	US	Housing Starts	Apr		1228k	1139k	
	19:30	US	Housing Starts MoM	Apr		7.8%	-0.3%	
	19:30	US	Initial Jobless Claims	May-11		--	--	
	19:30	CA	Manufacturing Sales MoM	Mar		--	-0.2%	
	19:30	US	Philadelphia Fed Business Outlook	May		10	8.5	
	21:30	CA	Publication - Bank of Canada's Financial System Review					
	23:05	US	Fed's Kashkari Discusses Monetary Policy and the Economy					
Fri/17-May-19	00:30	GB	BOE's Jonathan Haskel speaks in York					
	05:30	NZ	BusinessNZ Manufacturing PMI	Apr		--	51.9	
	05:45	NZ	PPI Input QoQ	1Q		--	1.6%	
	05:45	NZ	PPI Output QoQ	1Q		--	0.8%	
	N/A	HK	Composite Interest Rate	Apr		--	0.82%	
	11:30	JP	Tertiary Industry Index MoM	Mar		--	-0.6%	
	15:30	HK	GDP SA QoQ	1Q F		--	1.2%	
	15:30	HK	GDP YoY	1Q F		--	0.5%	
	16:00	EZ	Construction Output MoM	Mar		--	3.0%	
	16:00	EZ	Construction Output YoY	Mar		--	5.2%	
	16:00	EZ	CPI Core YoY	Apr F		--	1.2%	
	16:00	EZ	CPI MoM	Apr		--	1.0%	
	16:00	EZ	CPI YoY	Apr F		--	1.4%	
	19:00	GB	BOE's Alex Brazier speaks in London					
	21:00	US	Leading Index	Apr		0.2%	0.4%	
	21:00	US	U. of Mich. 1 Yr Inflation	May P		--	2.5%	
	21:00	US	U. of Mich. 5-10 Yr Inflation	May P		--	2.3%	
	21:00	US	U. of Mich. Current Conditions	May P		--	112.3	
	21:00	US	U. of Mich. Expectations	May P		--	87.4	
	21:00	US	U. of Mich. Sentiment	May P		97.7	97.2	
	22:15	US	Fed's Williams Meets With Community Leaders					
Sat/18-May-19	00:00	US	Baker Hughes U.S. Rig Count	May-17		--	--	
	01:00	US	Fed's Williams Meets With Community Leaders					

Dow Jones (1YMM9 – Jun)

Exp. Date: 21 Jun 2019



RESISTANCE	26225	
	25951	
	25765	
SUPPORT	25305	
	25031	
	24845	
SUGGESTION	BUY	25545
	SELL	---
	S/L	25395
	T/P:	25795 25895

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
14 May	25278	25677	25217	460	25574	25574	↑ 293	1.16	248898

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
25818 (13/May)	25215 (13/May)	26691 (01/May)	25215 (13/May)	26694 (24/Apr)	22563 (04/Jan)

Nikkei (SSlamM9 – Jun)

Last Trading Date: 17 Jun 2019



RESISTANCE	21745	
	21465	
	21305	
SUPPORT	20865	
	20585	
	20425	
SUGGESTION	BUY	21115
	SELL	---
	S/L	20965
	T/P:	21365 21465

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE%	VOLUME
14 May SS1pmM9	21025	21185	21005	180	21145	---	↑ 140	0.67	25187
14 May SS1amM9	20810	21080	20745	335	21005	21005	↓ 200	0.94	69256

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
21275 (13/May)	20745 (14/May)	22495 (03/May)	20745 (14/May)	22495 (03/May)	19205 (04/Jan)

Kospi 200 (KSM9 – Jun)

Exp. Date: 13 Jun 2019



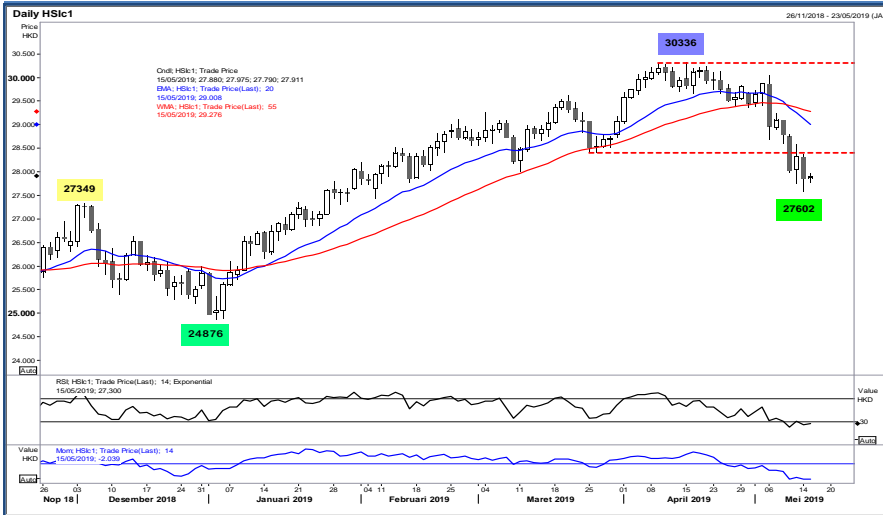
RESISTANCE	275.51	
	273.08	
	270.86	
SUPPORT	266.21	
	263.78	
	261.56	
SUGGESTION	BUY	---
	SELL	268.15
	S/L	269.65
	T/P:	265.65 264.65

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
14 May	266.00	270.65	266.00	4.65	268.65	268.65	↓ 0.40	0.15	275152

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
271.65 (13/May)	266.00 (14/May)	287.50 (02/May)	266.00 (14/May)	292.10 (17/Apr)	255.60 (04/Jan)

Hang Seng (HSIK9 – May)

Exp. Date: 30 May 2019



RESISTANCE	28459	
	28220	
	28080	
SUPPORT	27701	
	27462	
	27322	
SUGGESTION	BUY	---
	SELL	27890
	S/L	28040
	T/P:	27640 27540

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	CHANGE %	VOLUME
14 May	27634	27971	27602	369	27854	27854	↓ 473	1.67	255371

WEEKLY		MAY		2019	
HIGH	LOW	HIGH	LOW	HIGH	LOW
27971 (14/May)	27602 (14/May)	29875 (03/May)	27602 (14/May)	30336 (15/Apr)	24876 (03/Jan)

Disclaimer

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