



DAILY COMMENTARY

16.05.2018

HEADLINES

- Japan GDP was a big miss, contraction on a q/q -0,2%. USDJPY comfortably holds above 110 fig and 110,17 (200d SMA), but seems little offered on risk off move.
- Erdogan effectively pledged to take control of the Centralbank > markets dislike such ambitions driving TRY to hit fresh record low above 5,30 vd EUR
- Italian/German government bond spread widens to 138 bps from 129 bps late Tuesday after report that 5-Star/League want ECB to forgive Italy debt > EURCHF dropped right upon its 55-day SMA at 1,1819 in tight correlation mentioned here earlier but bounces a bit as League's economic spokesman says request for cancellation of € 250 Bln debt never in official draft of government programme

UPCOMING DATA / EVENTS*

CET	COUNTRY/RELEASE	EXPECTED	PREVIOUS
08:00	DE CPI Final YY	1,6%	1,6%
11:00	EU HICP Final YY	1,2%	1,2%
14:30	US Housing Starts	1,210M	1,319M
15:15	US Industrial Prod. MM	0,6%	0,5%
15:15	US Capacity Utilization MM	78,4%	78,0%

ON THE CHANGE



