

WEEKLY REPORT

September 03 – September 07, 2018

Futures Market:

Another short week, this time due to the Labor Day Holiday in the United States. Apparently the market felt it needed some drama to make up for the lost day, and dropped to twelve year lows on heavy selling and continued Real weakness during the early part of the session. Roaster buying countered somewhat but was no match for the downward spiral. The Real later strengthened to allow the market a breather and to settle off the lows at 101.45. On Tuesday, currency fluctuations in the Dollar (down) and the Real (up) lifted the market somewhat on uninteresting volumes to mark the week's highest settlement (103.80).

Brazil shut down on Friday to celebrate their Independence Day and the loss of that possible volume plus no Real action made the trading day meander boringly along on weak volumes and irregular trading. After a dreadfully uneventful day the week ended basically unchanged (102.45 +.25). London traded in tandem with KC through much of the week and the most interesting take away is a deflating U/X which traded a +45/50 range today after reaching a high of +94 on 8/23.

Interesting news out of Brazil yesterday as it was reported that right wing **Presidential Candidate Jair Bolsonaro** was stabbed in the abdomen as he was making an appearance at a campaign rally. He was immediately taken to a hospital where it was announced that he had lost a lot of blood and was placed in critical condition. He is to remain hospitalized for the next 10 days but is expected to make a full recovery. The attack was condemned along all party lines with even his most bitter rivals damning the violent act and it has been speculated that the attack will bolster popular support for Bolsonaro, who was previously in second place, after ex-President Lula, in the polls.