

Gold

Technical

Following its pullbacks from \$1262, the Gold dropped below 50-day SMA for the first time since early January and is presently struggling to clear the same moving average, failing to which indicates its quick downside to two month-old ascending trend-line support, at \$1215. Given the metal's daily close below \$1215, it can rest around \$1200 round figure mark support prior to testing the \$1180 and the 50% Fibonacci Retracement level of its December 2015 – March 2016 upside, near \$1164. Should the bullion manage to clear the 50-day SMA level of \$1233 on a closing basis, \$1245 and the downward slanting trend-line, at \$1255 now, are likely nearby resistances it needs to break in order to revisit the \$1268 and the March month highs around \$1282.

Pivot:	1,234		
Support	1,230	1,227	1,224
Resistance	1,240	1,244	1,251

Highlights

- Gold futures inched higher today, helped by haven demand as stocks and oil dropped in the wake of an oil-freeze deal's failure
- June gold traded up by \$2.50, or 0.2%, to \$1,237.10 an ounce
- Gold prices had posted a weekly loss on Friday as equities and oil gained on upbeat Chinese economic data
- Gold have steadied after posting their biggest quarterly rise in nearly 30 years
- Hedge funds and money managers raised their bullish bets on gold in the week to April 12

Gold - Technical Indicators

RSI 14	50.47
SMA 20	1,234.14
SMA 50	1,236.69
SMA 100	1,165.36
SMA 200	1,143.12

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold rose in today's Asian session after oil producers failed to agree on an output freeze, sending crude prices and equities tumbling and stocking safe haven demand for bullion.
- A deal to freeze oil output by OPEC and non-OPEC producers fell apart on Sunday after Saudi Arabia demanded that Iran join in despite calls on Riyadh to save the agreement and help prop up crude prices.
- Asian shares fell, dragged down by the drop in crude oil futures, while the safe-haven yen soared. Spot gold rose to a session high of \$1,239.30 an ounce, before giving up gains to trade flat at \$1,234.
- There is a little bit of safe haven buying. But there are concerns about (US) interest rate hikes. That tug of war is keeping prices in range. Physical demand is soft and is unable to support rallies.
- Gold prices have steadied after posting their biggest quarterly rise in nearly 30 years in the three months to March on scaled-back expectations that the US Federal Reserve will push ahead with several rate hikes this year.
- Since its initial rate hike in December, the Fed has slowed its expected pace of subsequent increases in response to risks that a slowdown in the global economy could be more severe than expected. Markets are pricing in only one rate hike this year. But recent upbeat economic data and hawkish comments from Fed officials have kept investors on edge.
- The Fed is unlikely to raise US interest rates when it meets later this month but seems to be on track for at least two increases over the rest of the year, Chicago Fed President Charles Evans said on Friday.
- Assets in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, rose 5.64 tonnes to 812.46 tonnes on Friday, the first increase in a week. Hedge funds and money managers raised their bullish bets on gold.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
23- Feb-16	227381	82403	73%	120854	284003	30%	49448	31277	61%	384,974
01- Mar-16	223186	70773	76%	115571	287002	29%	51148	36,819	61%	450555
08- Mar-16	252895	78085	76%	116493	311865	27%	53520	32958	62%	499110
15- Mar-16	247659	78147	76%	118610	304141	28%	49810	33791	60%	493086
22- Mar-16	258646	79815	76%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

Crude Oil market rose during the course of the week but turned back to form a shooting star. Crude's bounce from 100-day SMA failed to clear the \$43.50 horizontal support-turned-resistance and is now indicating a quick test to 38.2% Fibonacci Retracement of its June 2015 – January 2016 downside, near \$40.80, which if broken can further drag the energy prices to \$39.00 and the short-term ascending trend-channel support of \$37.50. Should the Crude price failed to hold its decline at \$37.50, it can re-test the 100-day SMA support of \$36.25 prior to aiming the \$35.30 mark. On the upside, a clear break above \$43.60 can trigger the prices rally to \$44.80, comprising 50% Fibo, clearing which the channel resistance level of \$46.50 is an important number for the crude traders to watch. Given the price break above \$46.50, chances of its north-run to aim for \$49.00, including 61.8% Fibo, can't be denied.

Pivot:	38.77		
Support	37.60	36.80	35.90
Resistance	40.00	40.80	41.73

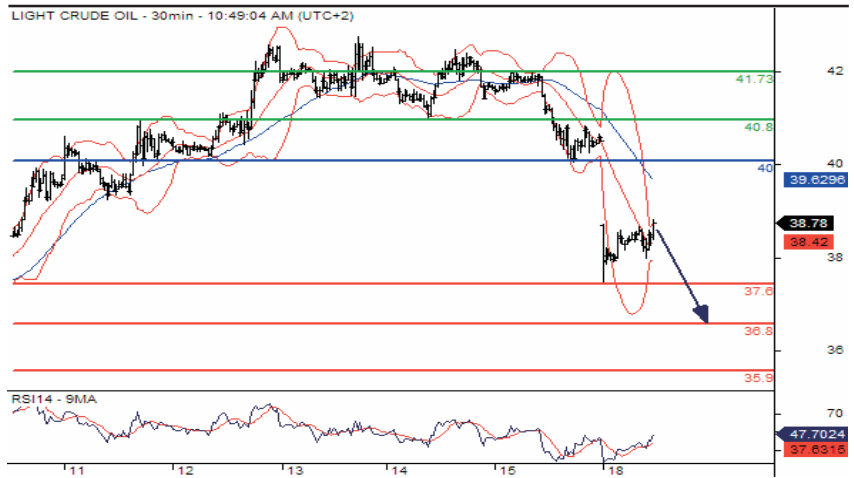
Highlights

- Oil prices pared some of the over 5 percent losses after the world's largest oil-producing countries failed a deal to freeze output
- U.S crude futures were down 4.88 percent at \$38.39 a barrel
- There had been hopes for a deal between nearly 20 of the world's largest oil exporters
- In February, Russia, Saudi Arabia, Qatar and Venezuela agreed to freeze output if other producers would join them
- Optimism for an agreement took an early hit, after Iran made a last minute decision not to attend

Crude - Technical Indicators

RSI 14	65.48
SMA 20	39.31
SMA 50	36.18
SMA 100	34.76
SMA 200	39.41

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- Oil prices slid today after key producers failed to negotiate a curb on their output, fueling concerns that this could hit the recent recovery in the crude market.
- Sunday's failed attempt to implement a production freeze between Russia and members of the Organization of the Petroleum Exporting Countries in Doha threatened to undo a nascent rally that has lifted oil more than 50% from its February lows.
- Today analysts debated whether declines in production from the U.S. and other producers will continue to support the market or whether the weekend's failed deal will see more oil unlocked from OPEC nations like Saudi Arabia.
- Brent crude, the global oil benchmark, fell 2.5% to \$42.01 a barrel on London's ICE Futures exchange. On the New York Mercantile Exchange, West Texas Intermediate futures were trading down 3.2% at \$39.05 a barrel.
- Most analysts appeared to believe that declines in the U.S. and other big producers mean that the impact of failure in Doha might be limited. Both benchmarks had pared their initial losses after falling by more than 6% in earlier trade.
- The initial post-Doha reaction will likely see an initial leg lower, but a sentiment-driven pullback should find support near the mid-\$30 a barrel range... given an otherwise improving market balance.
- An oil worker strike in Kuwait was also adding support to prices as the industrial action cut the country's oil production in half. Kuwait's output fell to 1.1 million barrels a day, down from nearly 3 million barrels a day.
- Hopes for a deal among major producers were a main driver in a rally that lifted U.S. crude prices from their February lows. The U.S needs a WTI oil price of at least \$50 per barrel to stop the decline of U.S production.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
23- Feb-16	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
01- Mar-16	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
08- Mar-16	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
15- Mar-16	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
22- Mar-16	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

Ever since the Silver prices reversed from 200-day SMA, it rallied to six month highs; however, two-month old broad upward slanting trend-channel resistance, at \$16.30 now, confined its further up-move. The metal again seems heading to conquer with the mentioned channel resistance, which if broken, can propel the prices to \$16.50-55 and \$16.80 resistances. If Silver advance beyond \$16.80, the \$17.30 is likely a buffer level that it needs to clear prior to revisiting the May 2015 highs around \$17.80. Alternatively, \$15.85 is likely an immediate support that the prices could witness on a pullback, breaking which 50% Fibonacci Retracement of its May – December 2015 decline, near \$15.65, and the \$15.45 are likely consecutive levels that it can witness. Given the sustained downside below \$15.45, 38.2% Fibon may hold its additional south-run limited.

Pivot:	16.16		
Support	15.96	15.75	15.52
Resistance	16.31	16.45	16.63

Highlights

- Silver prices have lingered below the October high of \$16.38 over the last two days
- An ounce of gold buys the fewest ounces of silver since December after silver climbed on signs of stabilization in China
- More than 50 percent of global demand for silver comes from industry
- The metal surged 5.7 percent last week, while gold declined
- iShares MSCI Global Silver Miners ETF (SLVP) — Shares of SLVP have more than doubled since their Jan. 20 low

Silver - Technical Indicators

RSI 14	63.83
SMA 20	15.47
SMA 50	15.38
SMA 100	14.77
SMA 200	14.88

Silver Daily Graph



Fundamentals

- Comex silver futures settled the week at 16.313 an ounce up 6% week, its biggest weekly gain since early May 2015. The rally also helped propel silver to be the best performing precious metal with gains of 17.6% on the year, compared to gold's 16% year-to-date performance.
- Silver was the star performer last week, rising strongly to correct this year's underperformance, as shown in our headline chart, and it broadly held its ground while gold lost about \$30 from this week's highs.
- Silver's strength in recent days is an illustration of how the mixture of regulated futures, forwards, and over-the-counter instruments creates analytical difficulties. The only reliable trading figures we have are from the CFTC's Commitment of Traders Reports, issued after a delay of three days.
- Those indicate silver is very overbought, with hedge funds holding near-record net longs. Yet silver's outperformance has the clear characteristics of a bear squeeze.
- There are signs of considerable stress building in the shadow banking system, which may be leading to synthetic positions in precious metals being wound down. Shadow banks are financial intermediaries which facilitate these paper transactions, and if they are forced to curtail their activities, the ability of traders to deal in markets is reduced in turn.
- Trading in physical metal should begin to determine prices to a greater extent. Market liquidity in derivatives is bound to suffer. The principal counterpart driving the silver price has been dollar weakness followed by dollar strength.
- The silver price is chomping at the bit waiting to run and rising at the first sign of small recovery in the gold price. While these fluctuations are always a feature of price progression, underlying demand for physical metal appears robust.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
23- Feb-16	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
01- Mar-16	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
08- Mar-16	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
15- Mar-16	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
22- Mar-16	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Commodity News

Monday, April 18, 2016



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Mon Apr 18	03:45	NZD Consumer Prices Index (YoY) (1Q)	high	0.4%	0.4%	0.1%
Mon Apr 18	04:01	GBP Rightmove House Prices (YoY) (APR)	medium	7.3%		7.6%
Mon Apr 18	06:30	AUD New Motor Vehicle Sales (YoY) (MAR)	low	4.2%		2.5%
Mon Apr 18	12:00	CHF Total Sight Deposits (APR 15)	low	489.2b		486.4b
Mon Apr 18	12:00	CHF Domestic Sight Deposits (APR 15)	low	423.8b		423.6b
Mon Apr 18	17:30	CAD International Securities Transactions (Canadian dollar) (FEB)	low			13.51b
Mon Apr 18	17:30	USD Fed's Dudley Gives Opening Remarks at Economics Conference	low			
Mon Apr 18	19:00	USD NAHB Housing Market Index (APR)	medium		59	58
Mon Apr 18	20:30	USD U.S. to Sell 3-Month Bills	low			

Source: Forex Factory, DailyFX

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