

## Gold

### Technical

Gold prices moved lower on Thursday following the decision of the BoE to keep rates unchanged. The central bank is expected to provide stimulus at its August meeting according to the statement released at the time of the decision. Gold was weighed on as another round of risk-on dents the yellow metal's safe-haven appeal. Prices were unable to recapture resistance near the 10-day moving average at 1,350.

Support is seen near an upward sloping trend line near 1,300. Momentum has turned negative as the MACD (moving average convergence divergence) index generated a sell signal. This occurs as the spread (the 12-day moving average minus the 26-day moving average) crosses below the 9-day moving average of the spread. The index is printing in the red with a downward sloping trajectory which is pointing to lower prices for the yellow metal.

Pivot:	1,333		
Support	1,320	1,312	1,305
Resistance	1,342	1,350	1,357

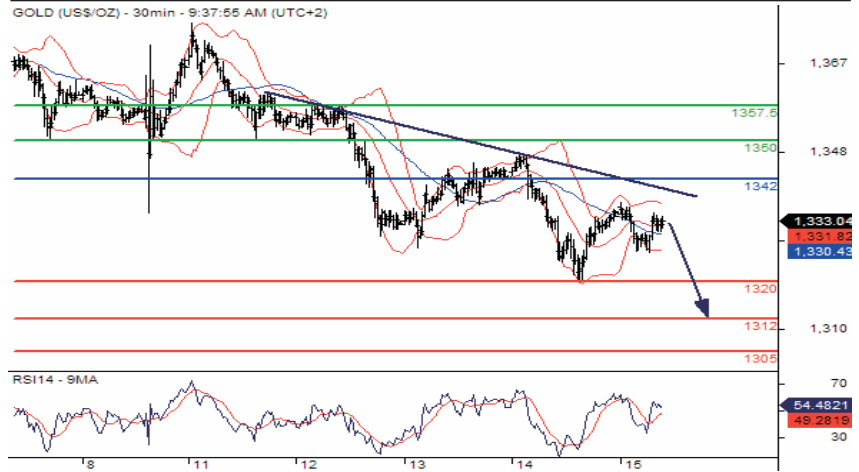
### Highlights

- Gold prices dipped today on a firmer dollar and surging Asian shares
- Better-than-expected economic data from China lifted risk sentiment that was already buoyant after record highs on Wall Street
- Bullion fell about 0.6% yesterday and hit \$1,319.82, its lowest since June 30
- The metal has fallen about 2.7% so far this week and is on track for its first weekly decline since the week ending May 27
- Three Fed officials expressed the view that there was no hurry to raise US interest rates

### Gold - Technical Indicators

RSI 14	66.40
SMA 20	1,280.60
SMA 50	1,265.06
SMA 100	1,253.98
SMA 200	1,182.28

### Gold Daily Graph



Source: Meta Trader

### Fundamentals

- Gold fell early today on a firmer dollar and surging Asian shares and was set for its first weekly decline since May, after dipping to a two-week low in the previous session.
- Spot gold edged 0.4 percent lower to \$1,329.40 per ounce. Bullion fell about 0.6 percent on Thursday and hit a low of \$1,319.82, its worst since June 30. The metal has fallen about 2.5 percent so far this week and is on track for its first weekly decline in seven weeks.
- U.S gold slipped 0.2 percent to \$1,330.20 an ounce. Asian shares rose to eight-month highs today, on track for solid weekly gains, as record highs on Wall Street offset the impact on sentiment of an attack in France. The dollar edged up 0.1 percent to 105.47 yen, while the dollar index, held steady at 96.116.
- The Bank of England wrong-footed investors by keeping interest rates on hold on Thursday, but held out the prospect of a stimulus package soon to help the economy cope with Britain's decision to leave the European Union.
- Federal Reserve policymakers appear to be in no hurry to raise U.S. interest rates despite signs that the U.S. economy is near full employment, with two more top Fed officials expressing that view on Thursday.
- The number of Americans filing for unemployment benefits unexpectedly held steady near a 43-year low last week, pointing to further momentum in the labor market after job growth surged in June.
- Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.25 percent to 962.85 tonnes on Thursday. Azerbaijan's top gold producer Anglo Asian Mining said on Thursday its first-half output fell 5.9 percent to 33,837 ounces but that it was keeping its 2016 production target unchanged at 73,000 to 77,000 ounces.

### US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
5/10/2016	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
5/17/2016	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
5/24/2016	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
5/31/2016	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
6/07/2016	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

## Crude Oil

### Technical

Crude rallied 2%, topping at 45.76, and up better than \$1 per barrel from the 44.52 low seen on Wednesday. The return of risk taking seen, has prompted some short-covering related in the aftermath of the 4% decline on Wednesday, though with the market still seen as over supplied, selling into strength may become apparent in the coming sessions. Crude was weighed on by heating oil and gasoline after the larger EIA stock build reported. High gasoline inventories may ultimately cut crude demand, as refiners put the brakes on gasoline production in the coming weeks, as the U.S summer driving season begins to wind down. Resistance is seen near the 20-day moving average at 47.49, while support is seen near the low made on Wednesday near 44.50. Momentum remains negative as the MACD prints in the red with a downward sloping trajectory which points to lower prices.

Pivot:	45.20		
Support	44.40	43.85	43.30
Resistance	46.00	46.90	48.25

### Highlights

- Crude oil prices edged lower in early Asian trade today as traders booked profits
- Crude underpinned by market anxiety that the global glut is shrinking at a slower rate than expected
- Crude futures for delivery in August at \$45.54 a barrel, down \$0.34, or 0.7%
- Prices were also suppressed by an appreciating greenback, the currency that the oil industry uses to conduct business
- Any risk-on sentiment seen in the past few weeks has been short-lived

### Crude - Technical Indicators

RSI 14	45.96
SMA 20	48.86
SMA 50	47.93
SMA 100	43.61
SMA 200	40.09

### Crude Oil Daily Graph



Source: Meta Trader

### Fundamentals

- Oil prices fell on today as investors' confidence of a further recovery in this market waned amid signs the global glut in crude is shrinking at a slower pace than expected.
- Brent crude, the global oil benchmark, fell 1% to \$46.91 a barrel on London's ICE Futures exchange. On the New York Mercantile Exchange, West Texas Intermediate futures were trading down 1% at \$45.24 a barrel.
- The market remained volatile as a recent bout of so-called risk-on sentiment faded and investors digested data that showed declining production in North America but still-elevated inventories of crude and refined products around the world.
- In June, global oil supply grew by 600,000 barrels a day to 96 million barrels a day, the International Energy Agency said in its latest oil report. In the first quarter alone, growth in production at global refineries outpaced increases in demand for refined products by 60%, leaving the world drenched in unwanted fuel, the agency said.
- Even with robust consumption levels in Europe, the gasoline glut is expected to remain for the rest of the year. Such is the extent of the European oil product glut that it may very well depress the wider energy complex and stifle the ongoing recovery in crude oil prices.
- Investors saw another encouraging sign from China on Friday, when the world's second largest economy posted a slightly better-than-expected second quarter gross domestic product numbers.
- Market participants will also be eyeing the U.S, with the weekly rig count due later on Friday. Investors will be eager to see whether more rigs have been added for what would be the third consecutive week. On a brighter note, China's thirst for crude is likely to hold up in the coming months.

### US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
5/10/2016	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
5/17/2016	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
5/24/2016	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
5/31/2016	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
6/07/2016	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

## Silver

### Technical

The silver markets went back and forth during the course of the session on Thursday, testing the \$20 level for support yet again. We have been in a very tight consolidation range recently, but quite frankly I feel that we are simply looking to continue the uptrend that the market has found itself in recently. This is a market that should continue to find buyers again and again, so having said that I think that given enough time we will break out. Any pullback at this point in time is still considered an uptrend by myself until we break down below the \$18 level. Given enough time, economists do expect this market to break out to the upside and therefore I think that buying physical silver has also become very attractive as of late. Longer-term, I believe that silver is going to try to get to the \$22.50 level, and then beyond even if the market break down below the \$19.50 level.

Pivot:	20.27		
Support	19.93	19.78	19.56
Resistance	20.47	20.75	21.13

### Highlights

- Silver prices inched up in European trading session today with better-than-expected GDP data from China
- Silver futures for September delivery were down 0.12% to \$20.297 a troy ounce
- GDP figures out of China showed a 6.7% gain in the second quarter ended June year-on-year period, beating the 6.6% rise seen
- JP Morgan-driven rally sent equities soaring to fresh record-highs
- Investors are waiting for release of U.S retail sales due for release today

### Silver - Technical Indicators

RSI 14	65.08
SMA 20	17.49
SMA 50	17.00
SMA 100	16.39
SMA 200	15.45

### Silver Daily Graph



Source: Meta Trader

### Fundamentals

- Silver markets have been grinding sideways for the last couple of days, essentially banging around in a rectangle. The overall consolidation between the \$19.50 level on the bottom and the \$20.50 level on the top as a sign of the market trying to build up more momentum.
- However, as long as there is instability in the world's financial markets and more specifically the forex markets, The overall consensus on precious metals is going to be positive.
- The market players believe that the silver market is entering a longer-term "buy-and-hold" type of attitude, but these things take time. When silver do this action, consolidation normally means continuation.
- Silver imports by India are set to plunge from last year's record as jewelers grapple with slowing demand and excessive inventories after domestic prices climbed to the highest levels since 2013.
- Global investors have sought precious metals as a haven from increasing economic and political risks, negative or low interest rates, and most recently the fallout from the U.K. vote to leave the EU.
- GDP figures out of China showed a 6.7% gain in the second quarter ended June year-on-year period, beating the 6.6% rise seen, and also rose 1.8% quarter-on-quarter, better than the 1.6% increase expected.
- Also in China, fixed asset investment rose 9.0%, less than the 9.4% year-on-year gain seen in June, while industrial production gained 6.2%, better than 5.9% seen in the same period and retail sales rose 10.6%, abetter than 10.0%.
- On Friday's economic calendar, investors will focus on a score of data out stateside with particular attention paid to June inflation figures, retail sales for the same month and the preliminary read of consumer sentiment in July from the University of Michigan.

### US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
5/10/2016	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
5/17/2016	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
5/24/2016	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
5/31/2016	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
6/07/2016	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

# Commodity News

Friday, July 15, 2016



## Data Calendar

### Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Fri Jul 15	07:00	CNY Industrial Production (YoY) (JUN)	Medium	6.2%	5.9%	6.0%
Fri Jul 15	07:00	CNY Retail Sales (YoY) (JUN)	Medium	10.6%	9.9%	10.0%
Fri Jul 15	07:00	CNY GDP (YoY) (2Q)	High	6.7%	6.6%	6.7%
Fri Jul 15	14:00	EUR Euro-Zone Consumer Price Index (YoY) (JUN F)	Medium		0.1%	0.1%
Fri Jul 15	17:30	USD Advance Retail Sales (JUN)	High		0.1%	0.5%
Fri Jul 15	17:30	USD Consumer Price Index (YoY) (JUN)	High		1.1%	1.0%
Fri Jul 15	17:30	USD Real Avg Weekly Earnings (YoY) (JUN)	Medium			1.1%
Fri Jul 15	19:00	USD U. of Michigan Confidence (JUL P)	High			93.5
Fri Jul 15	22:00	USD Baker Hughes U.S. Rig Count (JUL 15)	Medium			

Source: Forex Factory, DailyFX

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## Contact Details

### IGI Commodity Team

#### Karachi Office

Tel: (+92-21) 35301392      Cell: 0321-4499228      igi.commodity@igi.com.pk

#### Lahore Office

Zaeem Haider Khan      Tel: (+92-42) 35777863-70      Cell: 0321-4772883      zaeem.haider@igi.com.pk  
 Syed Zeeshan Kazmi      Tel: (+92-42) 35777863-70      Cell: 0321-4499228      zeeshan.kazmi@igi.com.pk  
 Ehsan Ull Haq      Tel: (+92-42) 35777863-70      Cell: 0321-4861015      ehsan.haq@igi.com.pk

#### Islamabad Office

Muhammad Naveed      Tel: (92-51) 2604861-62      Cell: 0345-5599900      muhammad.naveed@igi.com.pk

#### Faisalabad Office

Gul Hussain      Tel: (92-41) 2540843-45      Cell: 0344-7770878      gul.hussain@igi.com.pk

#### Rahim Yar Khan Office

Laiq Ur Rehman      Tel: (+92-68) 5871653-55      Cell: 0300-8670967      laiq.queshi@igi.com.pk

#### Multan Office

Mehtab Ali      Tel: (+92-61) 4512003      Cell: 0300-6348471      mahtab.ali@igi.com.pk

#### IGI Finex Securities Limited

Trading Rights Entitlement Certificate (TREC) Holder of Karachi Stock Exchange Limited and  
 Lahore Stock Exchange Limited | Corporate member of Pakistan Mercantile Exchange Limited

##### Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,  
 Khayaban-e-Jami Block-09, Clifton, Karachi-75600  
 UAN : (+92-21) 111-444-001 | (+92-21) 111-234-234  
 Fax : (+92-21) 35309169, 35301780  
 Website : www.igisecurities.com.pk

##### Lahore Office

5-F.C.C. Ground Floor, Syed Maratib Ali  
 Road, Gulberg II, Lahore  
 Tel : (+92-42) 35777863-70, 35876075-76  
 Fax : (+92-42) 35763542

##### Faisalabad Office

Room #: 515-516, 5th Floor, State Life  
 Building, 2- Liaquat Road, Faisalabad  
 Tel : (+92-41) 2540843-45  
 Fax : (+92-41) 2540815

##### Islamabad Office

Mezzanine Floor Razia Sharif Plaza,  
 90-Blue Area G-7, Islamabad  
 Tel : (+92-51) 2802241-42, 2273439, 2273443  
 Fax : (+92-51) 2802244

##### Stock Exchange Office

Room # 719, 7th Floor, KSE Building  
 Stock Exchange Road, Karachi  
 Tel : (+92-21) 32429613-4, 32462651-2  
 Fax : (+92-21) 32429607