

Gold

Technical

Gold markets broke above the \$1230 level, an area that has been resistance, and now it looks like it is going to pull back to the \$1230 level to find buyers. At this point, it's very likely that it should continue to go higher, perhaps reaching towards \$1250 level. Underneath, the \$1220 level as being very supportive, so a break down below there would of course change a lot. That would probably coincide with strength in the US dollar, which of course does happen when people start to freak out although gold has enjoyed a bit of buoyancy due to the exact same issue. Gold markets have benefited from a lot of the uncertainty around the world, and it looks as if it is going to continue to see that going forward. The \$1250 level above will be a bit resistive. The Gold markets have recently found a lot of support near the \$1200 level, which was technically and structurally important.

Pivot:	1,222		
Support	1,222	1,219	1,215
Resistance	1,238	1,233	1,230

Source: FX EMPIRE

Highlights

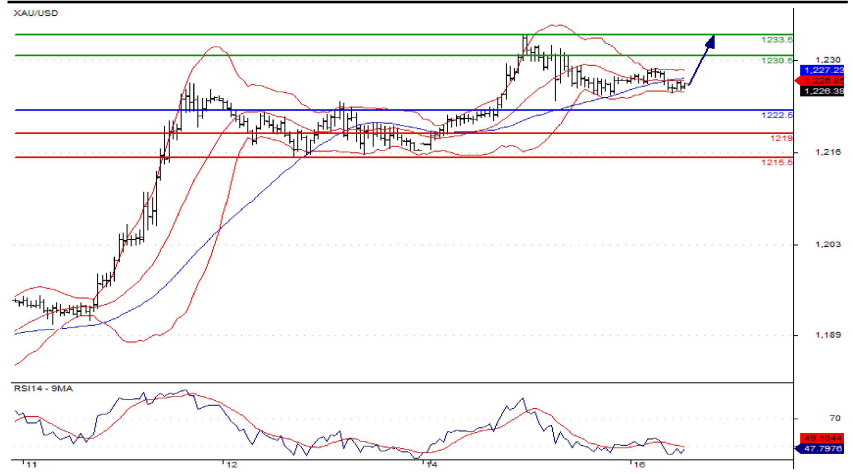
- Gold rose more than 1 percent, the stock market is not stabilised yet and gold prices are expected to go up
- Gold broke above the 100-day moving average at around \$1,227
- Spot gold was little-changed at \$1,226.11 an ounce and U.S gold futures were flat at \$1,229.90 an ounce
- The U.S-China trade war unfolded against a background of higher U.S interest rates
- Asian stocks rose modestly gaining a firmer footing after a week of heavy losses

Gold - Technical Indicators

RSI 14	45.44
SMA 20	1,267.2
SMA 50	1,252.1
SMA 100	1,256.3
SMA 200	1,277.8

Source: FX EMPIRE

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold prices held steady today near last session's 2-1/2-month high as risk-averse investors sought refuge in the metal amid rising political tensions and economic uncertainty.
- Gold touched \$1,233.26, its highest since July 26, as global stocks slid on rising tensions between Western powers and Saudi Arabia and concerns over the pace of global economic growth.
- The sell-off in stocks rekindled some demand, there were other key factors in play. With escalating trade tensions, concerns over slowing global growth, geopolitical tensions and U.S mid-term election jitters in the mix, gold has a chance to shine.
- While the risk-off trading environment is poised to send gold higher in the near term, the medium- to longer-term outlook remains dictated by the dollar and U.S rate hike expectations.
- If gold breaks the \$1,230 level, which has been a resistance for a long time, with short positions being still quite large, there is a good possibility of buyback of short positions which could push prices to \$1,250.
- Gold, usually seen as a safe store of value during political and economic uncertainty, remains down nearly 10 percent from its April peak after investors preferred the dollar.
- The soft U.S inflation figures in September have prompted investors to reevaluate the Federal Reserve's hiking path beyond December. With Donald Trump's recent criticism of the Fed adding to the factors that have weakened the dollar, gold is likely to edge higher in the near term.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2016	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
01/03/2017	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
01/10/2017	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
01/17/2017	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
01/24/2017	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

The WTI Crude Oil market fell significantly after initially gapping much higher, before reaching down towards the \$71 level. This is an area that has been supportive, and it looks as if the buyers are willing to step in near that area. It also believe that the \$70 level underneath is a massive support level based upon the round figure. At that point, if it break down below there the crude oil markets could be in serious trouble. It suspect that it will continue to have buyers underneath though, as it continue to see choppy trading conditions. Brent markets tried to gap higher initially during the session but found the \$82 level to be far too resistive. Because of this, it broke down to the \$80 level underneath, which is an area that of course has a certain amount of psychological importance built into it. The \$79 level underneath is massive support based upon the recent bounce.

Pivot:	71.30		
Support	71.30	70.85	70.50
Resistance	73.60	73.20	72.70

Source: FX EMPIRE

Highlights

- Oil prices steadied yesterday, supported by geopolitical tension over the disappearance of a Saudi journalist
- Market participants also focused on a weakening gasoline crack spread
- Gains for oil were being kept in check by potential headwinds for prices
- Some producers are aiming to boost production amid the falling Iranian exports, with Iraq planning to increase oil exports
- The United States is still aiming to cut Iran's oil sales to zero

Crude - Technical Indicators

RSI 14	55.83
SMA 20	48.93
SMA 50	46.53
SMA 100	47.26
SMA 200	51.85

Source: FX EMPIRE

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- Oil prices rose today on signs Iranian oil exports this month have fallen from September ahead of U.S sanctions against Tehran that are set to start in November. Saudi Arabia, the world's largest oil exporter, has denied the allegation.
- International benchmark Brent crude for December delivery rose 27 cents, or 0.33 percent, to \$81.05 per barrel. U.S West Texas Intermediate crude for November delivery was up 12 cents at \$71.90 a barrel.
- Iran has exported 1.33 million barrels per day (bpd) to countries including India, China and Turkey in the first two weeks of October, according to Refinitiv Eikon data. That was down from 1.6 million bpd in September, the data showed.
- The October exports are a sharp drop from the 2.5 million bpd exported in April before U.S President withdrew from a multi-lateral nuclear deal with Iran in May and ordered the re-imposition of economic sanctions on the country, the third-largest producer among the members of the OPEC.
- Uncertainties will remain until Nov. 4 when it would be clear whether the United States would want to cut Iran oil exports to zero or grant waivers. Brent prices are likely stay in the range of \$80 a barrel or slightly higher, while WTI prices are likely to be \$70-\$75 a barrel.
- Crude prices have also been supported by geopolitical tensions caused by the disappearance of a Saudi Arabian journalist in Turkey. The sanctions on Iran's petroleum sector will go into effect on Nov. 4.
- Liquidation was concentrated in Brent (-6 million barrels) and WTI (-37 million), while fund managers left positions unchanged in U.S. heating oil and added them in U.S. gasoline (+2 million) and European gasoil (+6 million).

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2016	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
01/03/2017	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
01/10/2017	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
01/17/2017	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
01/24/2017	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

Silver markets pulled back a little bit during the trading session initially but found enough support near the \$14.70 level to turn around and rally again. Overall, the market is reaching towards the \$15 level above, which of course will attract a lot of psychological interests. Overall, the markets continue to be more of a "buy on the dips" type of situation. As long as there is so much in the way of uncertainty out there in an economic sense, investors are going to be coming back to the precious metals for safety. Silver markets had been artificially negative for quite some time, as there are a lot of paper shorts out there, but there is a significant demand for silver overall. The market probably will continue to reach towards the \$15 level, which makes a lot of sense considering that there are a lot of concerns out there, and of course a lot of technical investors will be attracted to these big figures.

Pivot:	14.62		
Support	14.62	14.55	14.49
Resistance	14.91	14.85	14.77

Source: FX EMPIRE

Highlights

- Silver futures tilted higher in Asian trade while the dollar index traded flat near September 28 lows
- The Empire State Manufacturing index is expected at 20.4, up from 19 in September
- December Comex silver was last up \$0.09 at \$14.72 an ounce
- The silver-equivalent output was up 31% from 5.1 million ounces in the second quarter
- Silver production for the first three quarters of 2018 totaled 8.4 million ounces, or 15.8 million silver-equivalent ounces

Silver - Technical Indicators

RSI 14	19.80
SMA 20	17.27
SMA 50	16.72
SMA 100	16.85
SMA 200	16.87

Source: FX EMPIRE

Silver Daily Graph



Source: Meta Trader

Fundamentals

- Silver futures rose in American trade to October 3 highs as the dollar index fell off August 20 highs for the fourth session out of five, following earlier data from the US today.
- silver futures due in December rose 0.34% to \$14.69 an ounce, marking two-week highs, while the dollar index slipped 0.13% to 95.10 away from two-month highs.
- Earlier US data showed retail sales rose 0.1%, same as August and missing estimates of 0.7%, while core prices fell 0.1%, missing estimates of a 0.4% addition. The Empire State Manufacturing index rose to 21.1 from 19 in August, besting estimates of 20.4, while wholesale inventories rose 0.5%, adding to the 0.6% increase in July.
- Silver marked the best daily performance last Thursday since September 28, but still sustained the second weekly loss in a row, weighed down by US-China trade worries.
- Global stock markets were mostly lower today. U.S. stock indexes are modestly down at midday. There is still risk aversion in the marketplace after last week's high volatility in the world stock markets, led by the U.S. stock indexes that hit 3.5-month lows.
- U.S. retail sales rose 0.1% in September following a downwardly revised advance of 0.1% in August, according to the latest data from the U.S. Commerce Department. Economists were expecting to see an increase of 0.7% in last month's headline number.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/05/2017	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
12/12/2017	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
12/19/2017	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
12/29/2017	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
01/02/2018	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Commodity News

Tuesday, October 16, 2018



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Tues Oct 16	06:30	CNY Consumer Price Index (YoY) (SEP)	High	2.5%	2.5%	2.3%
Tues Oct 16	13:30	GBP Claimant Count Rate (SEP)	Medium	2.6%		2.6%
Tues Oct 16	13:30	GBP Jobless Claims Change (SEP)	Medium	18.5k		14.2k
Tues Oct 16	13:30	GBP Weekly Earnings ex Bonus (3M/YoY) (AUG)	Medium	3.1%	2.9%	2.9%
Tues Oct 16	14:00	EUR German ZEW Survey Expectations (OCT)	High	-24.7	-12	-10.6
Tues Oct 16	18:15	USD Industrial Production (MoM) (SEP)	Medium		0.2%	0.4%
Tues Oct 16	18:15	USD Manufacturing (SIC) Production (SEP)	Medium		0.2%	0.2%
Tues Oct 16	19:00	USD NAHB Housing Market Index (OCT)	Medium		67	67
Tues Oct 16	20:30	USD U.S. to Sell 4-Week Bills	Low			

Source: Forex Factory, DailyFX

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Contact Details

IGI Commodity Team

Zaeem Haider Khan	(Head of Commodity)	Cell: 0321-4772883	Tel: (+92-42) 35777863-70	zaeem.haider@igi.com.pk
Syed Zeeshan Kazmi	(Deputy Manager)	Cell: 0321-4499228	Tel: (+92-42) 35777863-70	zeeshan.kazmi@igi.com.pk
Ehsan Ull Haq	(Commodity Trader - Lahore)	Cell: 0321-4861015	Tel: (+92-42) 35777863-70	ehsan.haq@igi.com.pk
Muhammad Naveed	(Branch Manager - Islamabad)	Cell: 0345-5599900	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Gul Hussain	(Branch Manager - Faisalabad)	Cell: 0344-7770878	Tel: (+92-41) 2540843-45	gul.hussain@igi.com.pk
Asif Saleem	(Branch Manager - Rahim Yar Khan)	Cell: 0334-7358050	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	(Branch Manager - Multan)	Cell: 0300-6348471	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk
Zeeshan Kayani	(Branch Manager - Abbottabad)	Cell: 0333-5061009	Tel: (+92-992) 408243-44	zeeshan.kayani@igi.com.pk

IGI Finex Securities Limited

Trading Rights Entitlement Certificate (TREC) Holder of
Pakistan 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

G-009, Ground Floor, Packages Mall,
Lahore.
Tel :(+92-42) 95777863-70, 35876075-76
Fax :(+92-42) 35763542

Islamabad Office

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

Faisalabad Office

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

Stock Exchange Office

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

Rahim Yar Khan Office

Plot #: 12, Basement of Khalid Market,
Model Town, Town Hall Road,
Rahim Yar Khan
Tel: (+92-68) 5871652-6
Fax: (+92-68) 5871651

Multan Office

Mezzanine Floor, Abdali Tower,
Abdali Road, Multan
Tel: (+92-992) 408243-44

Abbottabad Office

Ground Floor, Al Fatah Shopping Center,
Opp. Radio Station, Mandehra Road,
Abbottabad
Tel: (+92-99) 2408243-44