

Gold

Technical

Gold markets went back as it continue to see a lot of interest in the \$1300 level, an area that of course is psychologically important. At this point, to the upside it has a significant amount of resistance at the \$1325 level, which is also the bottom of the uptrend line which has been so important recently. That should cause resistance, but if it can clear the \$1325 level, the market will more than likely go to the \$1350 level, and then beyond that which could open the door to the crucial \$1400 level. The market has been bouncing between \$1200 on the bottom and \$1400 on the top for some time, so is very likely that it will try to get there given enough time. This week is going to be all about the Fed, and what their interest rate outlook is for the remainder of 2019.

Pivot:	1,301		
Support	1,301	1,298	1,294
Resistance	1,315	1,311	1,308

Source: FX EMPIRE

Highlights

- Gold prices edged up yesterday as expected the U.S Federal Reserve will be accommodative for the rest of the year weighed on the dollar
- Gold is used as a safe investment during times of political and financial uncertainties
- Gold has been edging up and the main driver is a softening dollar
- The Fed's decision and Brexit vote could be gold boosters in the short term
- A stronger dollar can be a weight on to commodities priced in the unit, making them more expensive to users of other currencies

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 rose for a third consecutive session today as the dollar weakened on expectations that the U.S Federal Reserve will maintain a dovish tone at its monetary policy meeting this week.
- U.S gold futures rose about 0.3 percent to \$1,304.70 an ounce. The dollar, which eased marginally against major currencies, traded close to a two-week low posted in the previous session.
- Investors currently expect there will be no U.S rate hikes this year, and are even building in bets for a rate cut in 2020. If the Fed is more dovish than expected, dollar is likely to move lower, and there is a lot of uncertainty surrounding Brexit with hedging demand for safety.
- Spot gold rose 0.3 percent at \$1,306.76 per ounce, as the dollar languished near two-week lows hit in the previous session on growing expectations the Fed would shift to a more accommodative policy stance.
- Indicative of investor sentiment toward gold, holdings of the SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, rose about 1.1 percent yesterday, its biggest one-day percentage gain since Jan. 18.
- Markets currently expect there will be no rate hikes this year, and are even building in bets for a rate cut in 2020. The dollar index slid 0.2 percent, having posted its biggest weekly decline since early December last week.
- The US dollar should remain firm, as the American economy continues to be the best performer relative its peers, gold will face strong headwinds from the broader currency markets.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2018	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
01/03/2019	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
01/10/2019	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
01/17/2019	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
01/24/2019	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

The WTI Crude Oil market initially pulled back, as it continues to see buyers jump into this market, perhaps due to production cuts, perhaps due to a slightly softer US dollar. With that being the case, it's likely that it should continue to see a lot of momentum entering this market. Brent markets also rallied during the day, breaking above the 200 day EMA it again. The \$67.50 level has been significant resistance, but it looks as if it is trying to clear that area. It appears also that the WTI Crude Oil market is going to lead the way, so therefore Brent markets may play a bit of "catch-up" to the WTI market. To the downside, a lot of support at the \$65 level, which should cause plenty of buying to reenter the marketplace. The crude oil production in Libya is rising, but the markets are not much interested in this news, as Libya's share in the total production volume is very much low.

Pivot:	58.70		
Support	58.70	58.40	58.05
Resistance	60.10	59.80	59.55

Source: FX EMPIRE

Highlights

- Crude oil ends higher as OPEC looks to stick to output cuts through June
- May Brent prices currently around \$1.20 per barrel more expensive than December delivery
- The OPEC+ deal has brought stability to crude prices and signs of an extension have taken crude higher
- Prices have been further supported by U.S sanctions against oil exports from Iran and Venezuela
- On the demand-side, there is concern that an economic slowdown will erode oil consumption

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 were near 2019 highs, supported by supply cuts led by producer club OPEC. U.S sanctions against oil producers Iran and Venezuela are also boosting prices.
- U.S. West Texas Intermediate futures were at \$59.10 per barrel, virtually unchanged from their last settlement and close to the 2019 high of \$59.23 reached the previous day. Brent crude oil futures were up 10 cents at \$67.64 per barrel, also close to this year's peak of \$68.14 reached late last week.
- The OPEC scrapped its planned meeting in April, effectively extending supply cuts that have been in place since January until at least June, when the next meeting is scheduled.
- OPEC and a group of non-affiliated producers including Russia, known as OPEC+, started withholding supply to halt a sharp price drop in the second-half of 2018, when markets came under pressure from surging output as well as an economic slowdown.
- OPEC members had agreed to trim 800,000 bpd from October's production levels for six months through June of this year, with Russia and other allied producers cutting another 400,000 bpd to total 1.2 million barrels in cuts.
- Oil futures gained with U.S prices climbing back to their highest finish since November, as OPEC and its allies looked set to continue their crude production cuts until June.
- Oil prices have continued to edge higher, hitting their highest levels this year yesterday, as extended OPEC production cuts and lower inventories help underpin prices.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2018	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
01/03/2019	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
01/10/2019	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
01/17/2019	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
01/24/2019	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

The silver market initially pulled back during the trading session yesterday but found buyers to push higher as the market has seen plenty of volatility in this market, as it continues to see a lot of questions about the Federal Reserve and what its next move is. There will be a lot of attention paid to the Federal Reserve this week, as it gets more information on the overall outlook of interest rate hikes for 2019. It appears that investors are trying to break above the psychologically important \$15.50 level, and it's the gateway to higher pricing. The \$15.50 level is essentially halfway between support at the \$15 level and resistance at the \$16 level above. If it can get above that \$16 level, it's likely that it will continue to go higher. The \$16.50 level would be next, followed by the \$17 level is massive resistance. The alternate scenario is that it break down below the \$15 level.

Pivot:	15.24		
Support	15.24	15.19	15.13
Resistance	15.53	15.48	15.42

Source: FX EMPIRE

Highlights

- Silver prices gained 0.4 percent to \$15.34 an ounce
- Silver prices are trading not too far from unchanged levels on the day
- The market is potentially setting up for some additional dovish comments from the FOMC this week
- A lack of fresh fundamental inputs to start the trading week is keeping trading in many markets more subdued
- May Comex silver was last up \$0.011 at \$15.335 an ounce

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 prices are slightly higher in lackluster early U.S trading yesterday. A weaker U.S dollar index on this day is working in favor of the precious metals market bulls.
- Silver futures rallied during the Asian session as the US dollar rebounded to its seventh session in nine sessions from its highest since the 21th of June, 2017, according to the inverse relationship between them on the eve of the launch of the FOMC meeting in Washington.
- Silver futures rose 0.33% to trade at \$15.40 an ounce from the opening at \$15.34 an ounce, while the US dollar index fell 0.10% to 96.43 compared to the opening at 96.51.
- Investor focus is turning to this week's FOMC meeting of the Federal Reserve, which begins today morning and ends on Wednesday afternoon with a statement. The FOMC is not expected to change its monetary policy at this meeting. The Fed has become more dovish the past few months.
- There is no specific, significant driver for gold at the moment, it is likely to remain steady. Fundamentally, uncertainties surrounding trade tensions, U.S-North Korea relations or Brexit have not really attracted significant investment demand in gold.
- Investors are also looking the reveal of expectations of growth and unemployment as well as inflation and future interest rates for the next three years by FOMC members. While the Fed's intention to be patient and monitor the economical data before resuming monetary policy tightening or not.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/05/2018	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
12/12/2018	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
12/19/2018	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
12/29/2018	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
01/02/2019	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Commodity News

Tuesday, March 19, 2019



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Tues Mar 19	14:30	GBP Claimant Count Rate (FEB)	Medium	2.9%		2.80%
Tues Mar 19	14:30	GBP Jobless Claims Change (FEB)	Medium	27.0k		15.7k
Tues Mar 19	14:30	GBP Average Weekly Earnings (3M/YoY) (JAN)	Medium	3.40%	3.20%	3.50%
Tues Mar 19	14:30	GBP Weekly Earnings ex-Bonus (3M/YoY) (JAN)	Medium	3.40%	3.40%	3.40%
Tues Mar 19	14:30	GBP Employment Change 3M/3M (JAN)	Medium	222k	120k	167k
Tues Mar 19	15:00	EUR German ZEW Survey Expectations (MAR)	High		-11.0	-13.4
Tues Mar 19	19:00	USD Factory Orders (JAN)	Medium		0.30%	0.10%
Tues Mar 19	19:00	USD Durable Goods Orders (JAN F)	Medium		0.40%	0.40%
Tues Mar 19	19:00	USD Cap Goods Orders Nondef Ex Air (JAN F)	Low			0.80%

Source: Forex Factory, DailyFX

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