

Gold

Technical

Gold markets initially tried to rally yesterday but found enough resistance at the \$1325. The previous uptrend line is just above there, so it's very likely that it can continue to see a lot of action in this area. Gold prices moved lower forming an inside day which is a lower high and a higher low which is a sign of indecision. Short term support is seen near the 10-day moving average at 1,309. If it can get a daily close above the \$1330 level, then it could go to the \$1350 level. On the other side of the equation, if it do break down below the \$1300 level, it could very well find the market going down to the \$1280 level, possibly even the 200 day EMA which is down at the \$1275 level. If the US dollar strengthen significantly that will probably weigh upon the gold market.

Pivot:	1,318		
Support	1,309	1,306	1,303
Resistance	1,324	1,321	1,318

Source: FX EMPIRE

Highlights

- Gold retreated yesterday from more than three-week highs in the previous session
- If dollar continues to strengthen that could put pressure on gold
- There is a strong hurdle at higher levels close to \$1,325 per ounce mark which may lead to some consolidation in gold prices
- Gold's gains was a stronger U.S dollar, which rose 0.2 percent to its highest in two weeks
- The dollar index was up 0.2 percent. A higher greenback makes gold expensive for buyers holding 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 steadied today, after declining the most in nearly two weeks in the previous session, as U.S recession fears triggered by a sharp decline in U.S Treasury yields and weak data weighed on the share markets.
- Spot gold was flat at \$1,315.58 per ounce. U.S gold futures were also steady at \$1,314.80 an ounce. Investors are very cautious on Treasury yield curve inversion, which had proven many times as early signal for a recession.
- Gold has gained about 14 percent since touching more than 1-1/2-year lows last August on a dovish U.S Fed and global growth concerns. The trend of the U.S dollar has reversed a little bit and at the same time there was a bounce back from the lows across yield curves.
- Benchmark bond yields ticked higher after a few days dominated by recession worries, which prompted investors to seek safe-haven assets such as gold. An inverted U.S yield curve is widely seen as indicating an economic recession.
- The firm U.S dollar remains a big impediment for gold. Even with a very dovish U.S Federal Reserve, the market is still looking at other asset classes such as equities.
- Investors were watching for the latest round of China-U.S trade negotiations, scheduled for Thursday in Beijing as well as lawmakers' bid to break a deadlock over Britain's plans to leave the European Union.
- The falling Treasury yields gave market sufficient reason to take some hedging measures, which along with weaker-than-expected U.S data supported the non-interest bearing 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	
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 rallied rather significantly during the trading session yesterday, slamming into the \$60 handle. This is an area that is rather significant from not only a large, round, psychologically important standpoint, but also the fact that it was the scene of a gap previously. However, it has the 200 day EMA that continues to offer support. Because it has seen a hammer that seemed to be reacting to the 200 day EMA, eventually it break out to the upside. Beyond that, it also have the OPEC which is an even beating again until June, making the production cuts run just that much longer. Brent markets also are finding support at the 200 day EMA, and of course testing resistance above. The market continues to go higher in general, and it looks as if it is going to try to break out. Obviously, it has the same issues over here as it do in the WTI Crude Oil market.

Pivot:	59.65		
Support	59.65	59.35	59.10
Resistance	60.85	60.55	60.35

Source: FX EMPIRE

Highlights

- Crude oil benchmark crossed above the \$60-mark yesterday but failed to stay there
- Economic worries that threaten future oil demand serve as the current barrier for further price gains
- Oil prices climbed yesterday, with U.S prices posting their first gain in three sessions
- Crude oil prices surged after Russia claimed to be on track in meeting its pledged output cut
- Crude oil inventories at the Cushing, Oklahoma facility grew by 688,000 barrels for the week

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 mixed today, with Brent extending the previous session's rise, but gains were kept in check amid growing fears over the impact of a global economic slowdown on demand.
- Brent added 16 cents, or 0.2 percent, to \$68.13, reversing earlier losses, and was not far off its year-to-date high of \$68.69 reached last week. May WTI futures peaked at \$60.38 per barrel but ended the day at \$59.94, which nevertheless reflects a \$1.12 day-on-day gain.
- U.S crude futures were down 3 cents at \$59.91 after spending much of the session in positive territory. The U.S benchmark rose 1.9 percent in the previous session.
- Oil rose yesterday as Venezuela's main oil export port of Jose and its four crude upgraders were unable to resume operations following a massive power blackout on Monday, the second in a month.
- Prices have risen more than 25 percent this year, supported by supply curbs by the Organization of the Petroleum Exporting Countries and other major producers, along with U.S sanctions on exports from Venezuela and Iran.
- The American Petroleum Institute, a trade organization that U.S crude inventories rose 1.9 million barrels in the latest week, while analysts had forecast a decrease of 1.2 million barrels.
- Last week, the API reported a large surprise draw in crude oil of 2.133 million barrels. A day later, the EIA reported a draw of a much larger amount, estimating that crude inventories had drawn down by 9.6 million barrels.

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 tried to rally during early trading yesterday but fell below the \$15.50 level. That is an area that of course is psychologically important but it also has had some structural effect on the markets recently as well. It has seen the market flip back and forth in this area, it makes sense that it would continue to see it have both support and resistance found there. If it can break down below the moving averages, then it might looking towards the \$15.25 level, possibly even the \$15.00 level. On the other side, if it break above the previous uptrend line, then it will more than likely go looking towards the \$16.00 level. At this point it's probably likely to see this market go back and forth between here and the previous uptrend line, meaning that it should have a lot of choppiness and back-and-forth trading.

Pivot:	15.48		
Support	15.30	15.24	15.19
Resistance	15.63	15.58	15.48

Source: FX EMPIRE

Highlights

- Silver prices dipped 0.1 percent to \$15.42 per ounce
- The stronger greenback is a negative for the metals
- Silver prices fell 0.45% to trade at \$15.44 an ounce from the opening of \$15.51, with a high of \$15.53 and a low of \$15.40
- U.S Treasury yields briefly inverted late last week when the short-term 3-month note yield moved above the 10-year note yield
- May Comex silver was last down \$0.137 at \$15.43 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 fell during the day as the dollar stabilized against most major currencies and investors shifted to stocks markets at the expense of metals as concerns about a slowing global economic growth eased.
- Silver prices are lower in U.S trading yesterday, on normal downside corrections following recent gains that pushed prices to multi-week highs recently. Some profit-taking from the shorter-term futures traders was also featured today.
- Investor risk appetite up-ticked a bit today, which is also a negative for the safe-haven metals. Trading is more subdued early this week, amid a lack of major news to move markets and ahead of key events later this week that include high-level trade talks between the U.S and China, and gross domestic product data coming from several countries.
- Economic Data in the eurozone last week showed a slowdown in February's industrial activity in the European union countries at its largest monthly pace in six years, as well as the manufacturing sector also falling in the US during the same period.
- Silver futures fell 0.9% to close at \$15,429 an ounce, with the metal hitting a high of \$15.56 and a low of \$15.39. The dollar index against a number of major currencies stabilized at 96.6 points, with a day high of 96.7 points and a low of 96.4 points.
- On the other hand, markets are looking forward this week to the outcome of trade talks in a new round between the United States and China, that will be held in the Chinese capital "Beijing".

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

Wednesday, March 27, 2019



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Wed Mar 27	06:00	NZD RBNZ Official Cash Rate (MAR 27)	High	1.75%	1.75%	1.75%
Wed Mar 27	13:00	EUR ECB President Mario Draghi Speaks in Frankfurt	High			
Wed Mar 27	16:00	USD MBA Mortgage Applications (MAR 22)	Medium			1.60%
Wed Mar 27	17:30	CAD International Merchandise Trade (Canadian dollar) (JAN)	Low		-3.85b	
Wed Mar 27	17:30	USD Trade Balance (JAN)	Medium		-\$57.5b	-\$59.8b
Wed Mar 27	19:30	USD DOE U.S. Crude Oil Inventories (MAR 22)	Medium		-2500k	-9589k
Wed Mar 27	19:30	USD DOE Cushing OK Crude Inventory (MAR 22)	Low			-468k
Wed Mar 27	19:30	USD DOE U.S. Gasoline Inventories (MAR 22)	Low			-4587k
Wed Mar 27	19:30	USD DOE U.S. Distillate Inventory (MAR 22)	Low			-4127k

Source: Forex Factory, DailyFX

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