

## Gold

### Technical

Gold markets pulled back slightly yesterday but continue to find support as buyers get aggressive occasionally. It shows that the \$1350 level above will be massive resistance. In the short term, the small positions will be the best way to play this market, as gold continues to see a lot of selling pressure above. Economists think that if it break above the \$1360 level, it's likely that it may go to the \$1400 level after that. It seems to buy in dips general, but it also recognize that gold will be volatile due to the conversation between China and the United States, and it's knock on effect in the global risk appetite. Market players believe that the \$1300 level below is a massive "floor" in the market, and if it can stay above there, the market is going to continue to find plenty of buyers. If it did breakdown below there, it would be a negative sign, but it may read more of a "reset" than anything else.

Pivot:	1,333		
Support	1,326	1,319	1,314
Resistance	1,338	1,342	1,348

Source: FX EMPIRE

### Highlights

- Gold prices settled higher for a second session in a row
- June gold rose \$4, or 0.3%, to settle at \$1,340.10 an ounce
- Russia's rouble suffered its biggest daily fall in over three years on Monday and stocks in major Russian companies also slid
- Higher interest rates tend to make gold less attractive since it does not bear interest
- For gold price action, support is at \$1,307 and resistance is at \$1,348. It needs to break out this zone, that would set the tone for the new trend

### Gold - Technical Indicators

RSI 14	33.74
SMA 20	1,263.6
SMA 50	1,291.6
SMA 100	1,287.1
SMA 200	1,300.1

Source: FX EMPIRE

### Gold Daily Graph



Source: Meta Trader

### Fundamentals

- Gold prices ticked up in early Asian trade as the dollar and Asian stocks slipped, while tensions between the U.S. and Russia raised the metal's investment appeal despite strength in the U.S. stock market. Geopolitical tensions have shifted into another gear" after the U.S announced new sanctions on Russia late last week.
- Spot gold rose for a third straight session and was 0.1 percent higher at \$1,337.11 an ounce. U.S. gold futures were steady at \$1,340.60 an ounce. Asian shares sagged after U.S equities ended far from their highs in the previous session and the dollar eased against its peers amid lingering trade conflict concerns.
- China stepped up its attacks on the Trump administration on Monday over billions of dollars worth of threatened tariffs, but U.S President Donald Trump again voiced optimism the two sides would hammer out a trade deal.
- The United States plans to call for a U.N. Security Council vote on a proposal for a new inquiry into responsibility for use of chemical weapons in Syria after reports of a poison gas attack on a rebel-held town.
- India's gold imports in March halved from a year ago to 52.5 tonnes as a rally in local prices to 16-month high slashed demand in the world's second-biggest consumer of bullion. Meanwhile Turkey raised its gold holdings by 4.5 tonnes to 595.477 tonnes in March.
- Russia's rouble suffered its biggest daily fall in over three years on Monday and stocks in major Russian companies also slid, as investors reacted to a new round of U.S sanctions targeting some of Russia's biggest tycoons.
- Syria and its main ally Russia blamed Israel for carrying out an attack on a Syrian air base near Homs on Monday which followed reports of a poison gas attack by President Bashar al-Assad's forces on a rebel-held town.

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

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/01/2017	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
12/08/2017	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
12/15/2017	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
12/12/2017	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
12/29/2017	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

## Crude Oil

### Technical

The WTI crude oil market rallied significantly yesterday, using the uptrend line from the daily chart as support. The \$62 level brought enough buying pressure into the market to rocket higher, gaining 2.5% during the US session. However, there is significant resistance above, so if it can break above the \$64 level, the market will probably struggle to break above the \$66 level as it is the next major resistance barrier. Longer-term, it shows that it will continue to go back and forth overall, as the fundamental situation with crude oil continues to be a very fluid situation. Brent markets rallied as well, also using the daily trendline for support. It looks as if breaking above the \$69 level could be an opportunity to push towards the \$70 level. Short-term pullbacks will more than likely common, but if it can stay above the uptrend line on the daily chart, then market may continue to find buyers.

Pivot:	63.81		
Support	63.20	62.80	62.40
Resistance	64.10	64.90	65.40

Source: FX EMPIRE

### Highlights

- Crude oil prices suffered their worst weekly declines in two months
- Oil market fundamentals are tightening and oil prices look set to be squeezed higher
- OPEC production fell in March to an 11-month low of 32.14 million barrels a day, down 250,000 barrels a day from February
- In the U.S, the number of rigs drilling for oil was up by 11 last week
- Crude oil trade in the spotlight all week, as it could see significant volatility and swings in both directions

### Crude - Technical Indicators

RSI 14	31.91
SMA 20	48.72
SMA 50	48.27
SMA 100	51.11
SMA 200	56.32

Source: FX EMPIRE

### Crude Oil Daily Graph



Source: Meta Trader

### Fundamentals

- Oil markets rose by more than 1 percent today, extending strong gains from the previous session, on hopes a trade dispute between the United States and China may be resolved without greater damage to the global economy.
- Prices remain within recent ranges as oil markets still face an abundance of supply that puts pressure on producers to keep their prices competitive in order not to lose market share.
- Brent crude futures were at \$69.62 per barrel, up 96 cents or 1.4 percent and U.S West Texas Intermediate crude futures were at \$64.31 a barrel, up 89 cents or 1.4 percent. The gains followed a more than 2 percent rally on Monday, but that was a rebound from a 2 percent decline on Friday.
- The crude oil price rises had come "amid easing apprehensions of a trade war between the United States and China". Oil markets have been supported by healthy demand and supply cuts led by the OPEC.
- Concerns of a prolonged trade dispute between the world's two biggest economies and uncertainty over the supply and demand balance of global oil markets have resulted in volatile recent trading. Beyond the trade dispute, oil markets are also concerned about the potential of renewed U.S sanctions against some significant oil producers.
- Oil prices settled to recover much of what they lost last week, as U.S and China tensions appeared to ease, but concerns over U.S production growth lingered in the wake of a hefty weekly rise in domestic rig activity. The market saw a nice relief rally after U.S officials backpedaled on a trade war with China.
- There has been a significant change in the Trump administration that has raised risks of potential sanctions on key oil exporting countries including Iran, Venezuela and Russia.

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Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/01/2017	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
12/08/2017	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
12/15/2017	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
12/12/2017	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
12/29/2017	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

## Silver

### Technical

Silver markets continue to be very noisy, as the \$16.30 level continues to be support. Ultimately, it looks as if the \$16.50 level offers resistance as well. If it can break above there, then the market should go towards the \$17.00 level next. If the US Dollar Index falls, that typically is good for silver in general, as well as other precious metals. It looks as an opportunity to gauge where the silver market will go. Economists think that ultimately, this is a “buy the dips” situation, and it will continue to approach precious metals as such. It would not use a lot of leverage though, because of the volatility. The CFD market looks a bit like a nice opportunity as well, as it can continue to go back and forth for the time being. Silver will eventually try to break above the \$17.50 level, and that could send it much higher. However, it’s going to take a while to do that and that the interim is going to be very volatile.

Pivot:	16.45		
Support	16.30	16.24	16.17
Resistance	16.55	16.60	16.66

Source: FX EMPIRE

### Highlights

- Silver lifted slightly by the weaker U.S Dollar and buoyed by geopolitical tensions
- Silver used both for industrial purposes and so more sensitive to trade issues
- The metal had posted a gain, although remains largely confined in a narrow range
- Silver prices continued to be underpinned as geopolitical tensions helped support safe haven demand
- U.S tensions with Russia and China raised the metal’s investment appeal despite strength in the U.S. stock market

### Silver - Technical Indicators

RSI 14	37.92
SMA 20	16.60
SMA 50	17.09
SMA 100	17.05
SMA 200	16.83

Source: FX EMPIRE

### Silver Daily Graph



Source: Meta Trader

### Fundamentals

- Silver prices were slightly higher yesterday. The precious metal saw modest support from a weaker U.S dollar index on this day. Buyers of the safe-haven metals were squelched by a solid rally in the U.S stock market today. May comex silver was last up \$0.078 at \$16.344 an ounce and as a haven financial asset, tacked on 1% to \$16.529 an ounce.
- The U.S dollar index slipped against a basket of currencies and global equities rose as the U.S government played down fears of a trade war with China, though traders remained cautious. A weaker dollar can make U.S priced commodities, including silver, more attractive to buyers using other currencies.
- The safe-haven metals markets did not react significantly to reports of missile strikes on the Syrian military overnight, after weekend reports that the Syrian army has used poison gas on its civilians.
- Silver bulls' next upside price breakout objective is closing prices above solid technical resistance at \$17.00 an ounce. The next downside price breakout objective for the bears is closing prices below solid support at \$16.00.
- Higher world stock markets overnight are a negative for the competing asset class of precious metals. However, a slightly weaker U.S dollar index today is working in favor of the metals bulls.
- Investors are wondering if the high volatility in the stock market will continue this week. Such would favor the stock market bears and the precious metals market bulls. In the future, a lot of certainty can be see into this market and when it does it will almost certainly be to the upside.
- U.S stock indexes are also pointed toward higher openings when the New York day session begins, which suggests better investor risk appetite in the marketplace to start the trading week.

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	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/01/2017	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
12/08/2017	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
12/15/2017	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
12/12/2017	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
12/29/2017	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

# Commodity News

Tuesday, April 10, 2018



## Data Calendar

### Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Tues April 10	06:30	AUD NAB Business Confidence (Mar)	Medium	7		9
Tues April 10	11:00	JPY Machine Tool Orders (YoY) (Mar P)	Medium	28.1%		39.5%
Tues April 10	14:30	GBP BOE's Haldane speaks in Melbourne.	Medium			
Tues April 10	17:15	CAD Housing Starts (Mar)	Medium		218.0k	229.7k
Tues April 10	17:30	CAD Building Permits (MoM) (Feb)	Medium			5.6%
Tues April 10	17:30	USD Producer Price Index Ex Food and Energy (MoM) (Mar)	Low		0.2%	0.2%
Tues April 10	17:30	USD Producer Price Index Final Demand (YoY) (Mar)	Low		2.9%	2.8%
Tues April 10	19:00	USD Wholesale Trade Sales (MoM) (Feb)	Low			-1.1%
Tues April 10	19:00	USD Wholesale Inventories (MoM) (Feb F)	Low		0.6%	1.1%

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

5-FC.C Ground Floor, Syed Maratib Ali Road,  
Gulberg II, 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