

Gold

Technical

Gold markets broke down from the \$1332 level, and then reached towards the \$1320 level. There is a significant amount of support down at the \$1300 level, its only a matter of time before the buyers return based upon the structure of the gold market, but it is going to take a lot of momentum building to go long. In the short term, sellers might will continue to jump into this market, and perhaps using the futures market to do so might be the way to go. However, the longer-term traders will be looking at opportunities to pick up physical gold, and perhaps adding to a retirement account. The US dollar will continue to be a major influence on this market, and as the bond markets continue to show higher interest rates, that attracts more money into the US dollar. Eventually gold breaks out to the upside, but its going to take a while to turn things around after this latest sell off.

Pivot:	1,325		
Support	1,318	1,314	1,309
Resistance	1,332	1,335	1,339

Source: FX EMPIRE

Highlights

- Gold prices are lower because of the stronger dollar
- The rise in U.S interest rates has come as investors increasingly start to price in four interest-rate hikes in 2018 from the Federal Reserve
- Heavy price action in gold is due to a combination of rising rates and a stronger dollar
- A rise in Asian stocks also took some safe-haven demand away from gold
- Gold prices settled lower yesterday, with rising bond yields and a firmer dollar sending prices to their lowest finish in five weeks

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 today stayed close to five-week lows hit in the previous session, pressured by a stronger dollar, which hovered near more than three-month highs, and a rise in U.S Treasury yields. Whereas the yellow metal yesterday hit a low of \$1,318.51 an ounce, its lowest since March 21.
- Spot gold was little changed at \$1,323.34 per ounce and it may test support at \$1,317 per ounce, with a good chance of breaking below this level and falling more to the next support at \$1,310. Gold futures gained 0.1 percent at \$1,324.60 an ounce.
- A stronger dollar makes bullion more expensive for holders of other currencies, while higher bond yields dampen demand for non-interest yielding bullion. The dollar index measures the greenback against a basket of currencies, was steady at 91.177 after rising to as much as 91.261 in the previous session.
- The benchmark U.S Treasury 10-year yield edged above 3 percent yesterday as jitters about growing federal borrowing spurred more selling in the U.S government bonds, paving the path for it to visit levels not seen since July 2011.
- U.S retail investors are losing their appetite for physical gold as buoyant stock markets offer tempting alternatives, sending sales of newly minted coins to their lowest in a decade.
- Contributing to this fall in gold prices was a rise in the dollar and further increase in Treasury yields above 3 percent, which made holding the precious metal less attractiv.
- At these low levels the market could now attract some physical buying interest, the market has a very good physical support at around \$1,310-\$1,315 levels. Gold has been pinned in a tight range between \$1,310 and \$1,360.

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 Crude Oil market sat sideways yesterday, hanging about the \$67.50 level. That's an area that should offer support, but its only a matter of time before we break above the \$68 level. If it can break above the \$60 level, the market more than likely will go to the \$69 level, and perhaps trying to reach towards the \$70 handle after that, as it is a major round figure. Ultimately, the market should have plenty of support below at the \$66 level as well. The US dollar has been rallying rather significantly though, and the greenback must be followed to see where this market goes. Brent markets also have gone sideways in general. It looks as if the \$73 level is offering support, and if it can break above the \$74 level, the market could go to the \$75 level next, which has been resistance in the past, and it is of course an area that has a certain amount of psychological importance.

Pivot:	68.21		
Support	67.78	67.10	66.70
Resistance	68.80	69.35	70.00

Source: FX EMPIRE

Highlights

- Oil prices bounced back to finish higher from earlier weakness
- U.S crude oil prices turned lower as EIA reports unexpected rise in U.S crude supplies
- Crude oil inventories fell to 27.11 million tonnes in March from 27.77 million tonnes a month previously
- Soaring U.S output has made WTI crude around \$6 per barrel cheaper than Brent and drawn exports to record highs
- U.S crude production rose by 46,000 bpd on the previous week, to 10.59 bpd

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 prices finished higher yesterday in volatile trading, with concerns surrounding Iran and the risks to global crude supplies helping to erase earlier losses fed by an unexpected weekly rise in U.S inventories.
- Prices for U.S benchmark crude hit new multiyear highs late last week, the market has been in a digestive, sideways churn. A double whammy of lower refinery runs and higher imports have ushered in a build to crude stocks.
- For now, geopolitical angst and optimism about global growth underpinning energy demand are trumping supply side concerns, but a resurgence in U.S oil output remains the single biggest threat to the oil rally.
- June West Texas Intermediate crude rose 35 cents or 0.5%, to settle at \$68.05 a barrel on the New York Mercantile Exchange, after trading between a low of \$67.11 and high of \$68.18. Global benchmark June Brent added 14 cents or 0.2%, at \$74 a barrel. On Tuesday, Brent had breached \$75 a barrel for the first time in over three years, before closing down 1.1%
- A report from the U.S Energy Information Administration yesterday showed that by 2.2 million barrels for the week ended April 20. Analysts surveyed by S&P Global Platts had forecast a decline 1.1 million barrels.
- The majority of the crude build came in the Midwest, due to both a drop in Canadian imports and a dip in refining activity on the Gulf Coast due to late-season maintenance, meaning less crude was needed at the U.S refining hub.
- Last week's emphatic rise in implied demand for gasoline appears to have been just noise, with throughput dropping precipitously this week. Total products supplied cratered on the week. On the other hand, OPEC production cuts and supply issues among big producers of heavy crude like Venezuela and Mexico have raised the cost of heavy, sour oil.

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	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 rolled over yesterday, reaching down towards the \$16.50 level. This is an area that has been supportive in the past and should extend support down to at least the \$16 level. It will continue to find buyers underneath, but in the short term it looks as if we are going to struggle. U.S dollar has been strengthening quite drastically. That of course puts bearish pressure on precious metals, as they are so heavily influenced by the greenback itself. As yields rise in America, that has put bullish pressure on the greenback, and thereby has put a lot of downward pressure on silver. If the US dollar get sold off, perhaps in some type of risk on move, then silver will rally. The market should continue to be very choppy, and of course there are a couple of ways to look at this. The longer-term situation for silver could be bullish, whereas it might look at these short-term pullbacks as a buying opportunity.

Pivot:	16.58		
Support	16.42	16.30	16.17
Resistance	16.75	16.84	16.90

Source: FX EMPIRE

Highlights

- Silver gained 0.2 percent to \$16.56 per ounce, after falling over 1 percent in the previous session
- A feature in the marketplace recently has been rising world government bond yields. The U.S. Treasury 10-year note yield moved above 3.0%
- World stock markets were mostly lower and U.S stock indexes are weaker
- The silver production rose to 15.4 million ounces in the first quarter ended March from 13.5 million ounces a year ago
- Silver is on track to achieve its 2018 production guidance of 67 million-70 million ounces

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 are lower yesterday. The precious metal was pressured in part by a resumption of the appreciation of the U.S dollar on the foreign exchange market. The safe-haven metal bulls need a big dose of geopolitical uncertainty to jumpstart price rallies.
- The U.S Dollar hit a 3.5-month high today. It has also seen a bullish upside technical breakout on the daily chart, to suggest more gains in the near term. Such could be a significantly bearish weight on the metal in the coming weeks.
- May silver fell 20.1 cents or 1.2%, to \$16.502 an ounce. Gold's sister metal has traded in volatile fashion since tumbling 3.4% on Monday. The global silver market is likely to show a surplus of around 44 million ounces in 2018.
- The silver ratio, which had fallen for a time to 78, has climbed back almost to 80 as a result, noted analysts at Commerzbank led by Carsten Fritsch. Silver has clearly been dragged down by base metal in recent days, whereas silver has fared somewhat better, despite suffering some losses.
- The analysts also remarked on a mixed demand picture for silver, citing slightly conflicting reports. According to the CPM Group, global silver demand this year will grow by only 0.8% to 934.2 million ounces. The CPM Group says this is the lowest demand growth since 2012.
- The World Silver Survey 2018 is compiled for the Silver Institute. GFMS envisages a small deficit on the silver market in 2018 after supply already failed to keep pace with demand last year.
- Precious metals miner Fresnillo Plc yesterday reported a 14 percent rise in first-quarter silver production. Investor risk appetite on some disappointing corporate earnings reports and worries about rising interest rates and inflation.

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	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

Thursday, April 26, 2018



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Thurs April 26	16:45	EUR European Central Bank Rate Decision (APR 26)	High		0.00%	0.00%
Thurs April 26	16:45	EUR ECB Marginal Lending Facility (APR 26)	High		0.25%	0.25%
Thurs April 26	16:45	EUR ECB Deposit Facility Rate (APR 26)	High		-0.4%	-0.4%
Thurs April 26	17:30	USD Initial Jobless Claims (APR 21)	Medium		230k	232k
Thurs April 26	17:30	USD Continuing Claims (APR 14)	Medium		1850k	1863k
Thurs April 26	17:30	USD Advance Goods Trade Balance (MAR)	High		-\$75.0b	-\$75.9b
Thurs April 26	17:30	USD Wholesale Inventories (MoM) (MAR P)	Medium		0.7%	1.0%
Thurs April 26	17:30	USD Durable Goods Orders (MAR P)	High		1.6%	3.0%
Thurs April 26	17:30	USD Durables Ex Transportation (MAR P)	Medium		0.5%	1.0%

Source: Forex Factory, DailyFX

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