

## Gold

### Technical

Gold markets fell during the course of the session on Wednesday, as the \$1250 level offered far too much in the way of resistance. Ultimately, the market looks as if there is plenty of support just below though, so we are waiting to see whether or not we can get some type of supportive candle in order to go long. A break above the top of the range for the session on Wednesday is reason enough to start going long as the market should then reach towards the \$1280 level given the longer-term Outlook. Gold futures spiked higher on Tuesday after U.S. Federal Reserve Chair Janet Yellen made cautious remarks in a speech delivered to the Economic Club of New York. Gold's strength was fueled by lowered expectations for U.S. interest rate increases in 2016.

Pivot:	1,229		
Support	1,223	1,216	1,209
Resistance	1,237	1,243	1,249

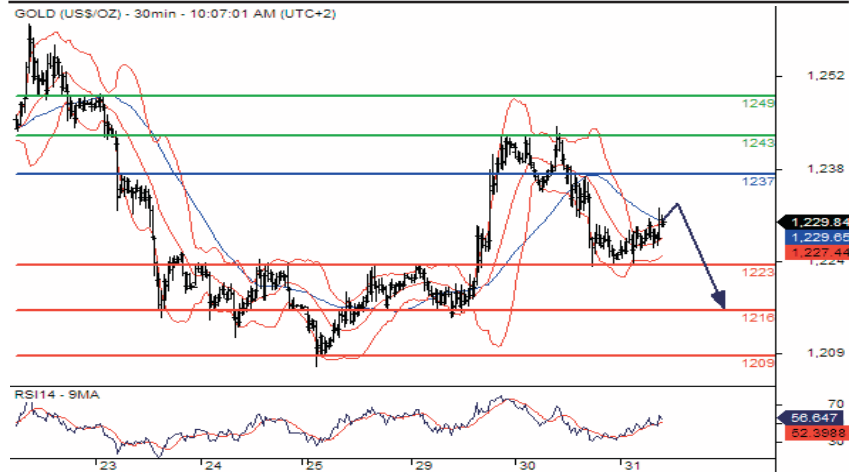
### Highlights

- Gold prices are likely to slip below \$1,200 an ounce in the months to come, GFMS analysts at Thomson Reuters said today
- The metal has rallied more than 16 percent this year
- Following three consecutive years of annual price declines, gold has recorded a blistering start to 2016
- Reduced expectations for U.S. interest rate increase this year have helped gold
- Global physical gold demand fell to a five-year low of 4,124 tonnes in 2015

### Gold - Technical Indicators

RSI 14	50.74
SMA 20	1,243.54
SMA 50	1,217.50
SMA 100	1,148.93
SMA 200	1,136.16

### Gold Daily Graph



Source: Meta Trader

### Fundamentals

- Gold slipped, wiping out this month's gain, as signs of a strengthening U.S. labor market and a rally in equities curbed demand for haven assets. Companies took on 200,000 workers in March, beating a median forecast of 195,000 and adding to evidence of a firming labor market, according to figures from the Roseland, New Jersey-based ADP Research Institute.
- Stocks around the world advanced and oil gained for the first time in five days. It really looks like gold has topped out. Any good economic news is going to be bad for gold.
- Gold futures for June delivery declined 0.7 percent to settle at \$1,228.60 an ounce. on the Comex in New York. On Tuesday, prices gained 1.3 percent, the biggest advance since March 17, after Federal Reserve Chair Janet Yellen reasserted a gradual approach to raising interest rates. Prices are down 0.5 percent this month.
- Gold is still this year's best performing commodity on speculation the Fed will refrain from tightening to protect the recovery in the world's largest economy. In comments at the Economic Club of New York, Yellen indicated deteriorating world growth warranted a slow approach.
- Futures now show traders now see no chance of a change in policy next month and only a 47 percent likelihood of an increase by November. Metal held in exchange-traded funds declined 0.6 percent to 1,761.2 metric tons, according to data compiled by Bloomberg as of Tuesday.
- China and India, which vie for the position of the largest global gold consumer, saw divergent trends last year. Chinese gold fabrication, including scrap, slipped to 668 tonnes, while Indian fabrication rose to 812 tonnes, up 5 percent. Chinese jewellery consumption fell 11 percent to 563.7 tonnes, a four-year low. Jewellery fabrication in the country slid nearly 10 percent.

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

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
23- Feb-16	227381	82403	73%	120854	284003	30%	49448	31277	61%	384,974
01- Mar-16	223186	70773	76%	115571	287002	29%	51148	36,819	61%	450555
08- Mar-16	252895	78085	76%	116493	311865	27%	53520	32958	62%	499110
15- Mar-16	247659	78147	76%	118610	304141	28%	49810	33791	60%	493086
22- Mar-16	258646	79815	76%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

## Crude Oil

### Technical

Oil market initially rallied during the course of the session on Wednesday, but turned back around at the \$40 level. Having said that, we ended up forming a shooting star, so it's very likely that the market should continue to go lower. On a break below the bottom of the shooting star, the market should then drive to the \$36 handle given enough time. The nonfarm payroll numbers come out during the course of the session tomorrow, so that could have a massive effect on the demand picture when it comes to crude oil in general. At this point, a rally would more than likely have us selling this market as well, so with that market players are very bearish but recognize that there is a massive amount of noise just below that's going to make the move difficult. Crude oil prices moved lower on Tuesday dropping below support which is now resistance near the 10-day moving average at 39.77.

Pivot:	37.65		
Support	37.38	36.94	36.20
Resistance	38.71	39.07	39.45

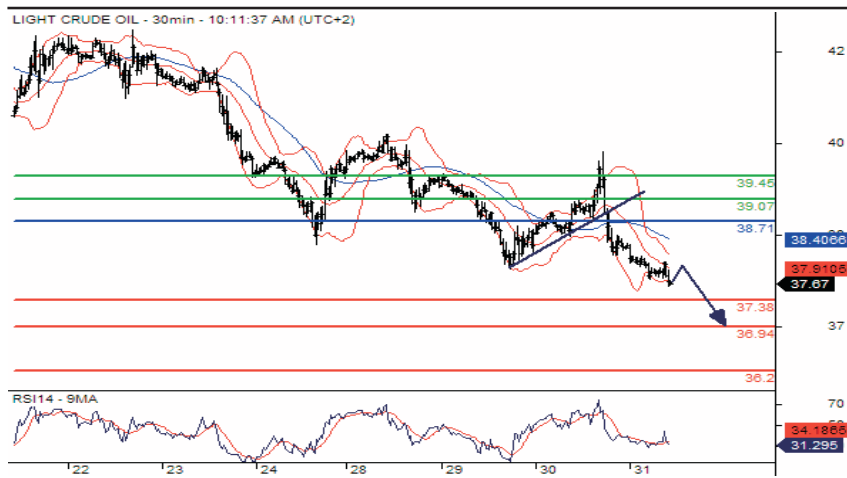
### Highlights

- Oil prices slid with the market's focus back on the persistent global glut of crude
- On the New York Mercantile Exchange, West Texas Intermediate futures were trading down 1.6% at \$37.70 a barrel
- Data from the U.S Department of Energy showed oil inventories there rose 2.5 million barrels last week
- The increase in U.S oil stockpiles highlighted the continuing oversupply of crude
- Iran has declined to join the freeze deal as it seeks to increase its output

### Crude - Technical Indicators

RSI 14	51.62
SMA 20	38.90
SMA 50	34.64
SMA 100	34.81
SMA 200	39.81

### Crude Oil Daily Graph



Source: Meta Trader

### Fundamentals

- Oil futures fell today, with U.S. crude hitting its lowest price in more than two weeks as the country's crude stocks reached yet another record high, renewing concerns about global oversupply.
- The increase in U.S. inventories came despite seasonal refinery utilisation hitting an 11-year high, while a rise in the dollar .DXY put further pressure on oil prices. The front-month contract for U.S. crude futures was down 65 cents at \$37.67 a barrel, after dropping to \$37.57, the lowest since March 16.
- U.S crude stockpiles rose by 2.3 million barrels to 534.8 million barrels in the week to March 25, the seventh week at record highs, data from the U.S. government's Energy Information Administration showed. The increase was less than analysts' expectations of a 3.3-million-barrel build after crude imports fell by 636,000 barrels per day (bpd) to 7.4 million bpd.
- Crude prices have risen about 50 percent since mid-February on optimism over a proposal by several major oil-exporting countries to freeze production and signs of falling U.S. output. Producers are meeting on April 17 in Qatar to discuss the plan to stabilise output at January's levels.
- Despite the freeze proposal, OPEC crude output rose in March to 32.47 million bpd from 32.37 million bpd in February, according to a Reuters survey. Iran is expected to add another half a million bpd of oil within a year, Fatih Birol, head of the IEA, told Reuters yesterday.
- But elsewhere in Asia, the sustained weakness in oil prices has suppressed upstream oil and gas production. Weaker prices are limiting opportunities to stem natural declines in ageing assets. China's still-growing demand could help absorb the excess. China is set to import 7.5 million bpd this year, overtaking the United States as the world's biggest crude importer, a vice president of Unipecc, the trading arm of Sinopec, told a seminar.

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

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
23- Feb-16	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
01- Mar-16	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
08- Mar-16	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
15- Mar-16	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
22- Mar-16	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

## Silver

### Technical

The silver markets initially tried to rally during the course of the session on Wednesday, but turned right back around near the \$15.50 level in order to form a very negative candle. The market fell towards the \$15.20 handle. We could break down below there, but the \$15 level below should be a bit of a hard floor. Because of this, we are waiting to see what happens next, and hope for a supportive candle that we can start buying as the market looks like it will try to grind its way higher given enough time. The Technical picture remains negative but this could change quickly because of the two-day nature of the fall from the uptrend. Silver prices are now trading without a strong trend in the short-term. The longer-term trend is also flat as silver prices have been oscillating around \$15.38 since February 8.

Pivot:	15.23		
Support	15.13	15.08	15.02
Resistance	15.32	15.36	15.42

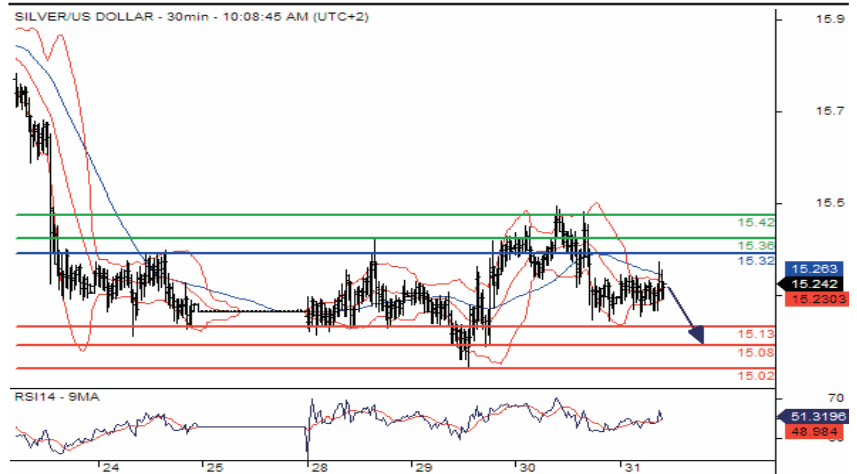
### Highlights

- Silver ends its short-term bearish trend by taking out the March 28 high of \$15.39.
- U.S. ADP employment report showed a jobs gain of 200,000, which was in line with market expectations
- Silver ETF holdings rose 846 metric tons in March the biggest jump since August 2013
- Continued fund buying shows longer-term investors haven't been put off by recent price declines
- Profit taking from the shorter-term futures traders was featured

### Silver - Technical Indicators

RSI 14	49.38
SMA 20	15.48
SMA 50	15.21
SMA 100	14.64
SMA 200	14.84

### Silver Daily Graph



Source: Meta Trader

### Fundamentals

- The silver price began its recovery yesterday and saw 46 tonnes of silver bought into the Silver Trust. It must be noted that investors into the Silver Trust rarely influence the price as the silver price is priced as a monetary metal alongside gold.
- The Fed remains data led and will 'proceed cautiously'. Observers keep pushing, as always, for a hike in interest rates and keep being disappointed, despite the Fed making it clear that they are following the data not leading it.
- The recent weakness in Silver has done nothing to dissuade precious metal 'hoarders' from buying-the-dip. Silver ETF holdings rose 846 metric tons in March – the biggest jump since August 2013 – to the highest since April 2015. And all of this buying has occurred as prices dropped to one-month lows, as it seems – like China and Russia - taking advantage of lower precious metal prices amid the collapse of central bank credibility around the world.
- Continued fund buying shows longer-term investors haven't been put off by recent price declines. The U.S. ADP March national employment report was just released and showed a jobs gain of 200,000, which was in line with market expectations. The markets saw little reactions to the data. This report comes just ahead of Friday's important U.S. employment report from the Labor Department.
- The market is pausing and consolidating after the solid gains posted Tuesday afternoon that did reinvigorate the silver market bulls. May Comex silver was last up \$0.127 at \$15.36 an ounce.
- The marketplace deemed Yellen's comments as fully dovish on U.S. monetary policy. Yellen said the U.S economic growth pace has weakened and the pace of interest rate increases by the Fed will be gradual. She said global developments and slow global economic growth pose ongoing risks for the U.S economy.

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

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	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
23- Feb-16	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
01- Mar-16	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
08- Mar-16	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
15- Mar-16	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
22- Mar-16	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

# Commodity News

Thursday, March 31, 2016



## Data Calendar

### Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Thu Mar 31	04:05	U.K GfK Consumer Confidence Survey (MAR)	medium	0	-1	0
Thu Mar 31	10:00	Japan Housing Starts (YoY) (FEB)	medium	7.8%	-2.4%	0.2%
Thu Mar 31	11:00	German Retail Sales (YoY) (FEB)	medium	5.4%	2.2%	-1.2%
Thu Mar 31	12:00	BOE Governor Mark Carney Speaks at FSB Briefing in Tokyo.	medium			
Thu Mar 31	12:55	German Unemployment Change (MAR)	high	0k	-6k	-9k
Thu Mar 31	13:30	U.K Gross Domestic Product (YoY) (4Q)	medium	2.1%	1.9%	1.9%
Thu Mar 31	14:00	Euro-Zone Consumer Price Index - Core (YoY) (MAR)	high	1.0%	0.9%	0.8%
Thu Mar 31	17:30	Canada Gross Domestic Product (MoM) (JAN)	high		0.3%	0.2%
Thu Mar 31	17:30	U.S Initial Jobless Claims (MAR 26)	medium		265k	265k

Source: Forex Factory, DailyFX

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