

Gold

Technical

Gold markets went back and forth during the day on Friday, as the \$1180 level offered a bit of support. This is an area that I feel is the bottom of the support that started at the \$1200 handle, so we can break down below the bottom of this candle, I believe that the market will break down rather significantly. Rallies of this point in time will more than likely show resistance that we can start selling above. Obviously, the US dollar continues to strengthen going forward, which should continue to work against the value of the gold market. Prices pushed through recent support near 1,199, and is poised to test the May lows at 1,080. The RSI (relative strength index) moved lower with price action, but the current print of 22, is below the oversold trigger level of 30 and could foreshadow a correction.

Better than expected German confidence failed to buoy the yellow metal.

Pivot:	1,194		
Support	1,184	1,178	1,171
Resistance	1,202	1,209	1,215

Highlights

- Gold futures sprang higher with a pullback in the U.S. dollar helping the precious metal regain strength
- Gold futures for December delivery rose \$14.50, or 1.2%, to \$1,192.80 an ounce
- Gold is attempting a recovery after touching a nine-month low on Friday
- The move is accompanied by a parallel decline in the U.S. dollar and U.S. front-end yields as implied in 2-year Treasury futures
- The U.S. Dollar Index was down 0.4% at 101.08 today in European session

Gold - Technical Indicators

RSI 14	25.62
SMA 20	1,261.96
SMA 50	1,274.70
SMA 100	1,303.14
SMA 200	1,288.88

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold prices rose more than 1 percent today, recovering from their lowest levels since February as the dollar and long-dated U.S. Treasury bond yields retreated from recent highs.
- Spot gold was up 0.7 percent at \$1,191.26 an ounce, after climbing as high as \$1,197.54 earlier in the session. U.S. gold futures were up 1 percent at \$1,190.30 an ounce.
- Spot prices marked their lowest since Feb. 8 at \$1,171.21 on Friday, under pressure from a 14-year high in the dollar. The metal has fallen 7 percent so far this month, as the dollar and bond yields benefitted from heightened expectations of enlarged fiscal spending by U.S. President-elect Donald Trump.
- As gold pays no interest, the rise in returns from U.S. bonds and other markets is seen as negative for the metal. The dollar index, which measures the greenback against a basket of currencies, was down 0.4 percent on Monday while the yield on 10-year U.S. Treasuries retreated from a 16-month high of 2.417 percent touched last week.
- If oil prices collapse or stay low then inflation won't pick up as much and there would be less of an incentive to raise U.S. rates rapidly and the dollar would not be as strong, which would be supportive for gold.
- However, going forward, the equity market is going to be a bigger driver than the rush to safety for gold. U.S. Federal Reserve policymakers appeared confident on the eve of the presidential election that the economy was strengthening enough to warrant an interest rate rise, minutes from the Fed's early November meeting showed.
- Demand from South East Asia is also quite good and buying at lower prices could have driven prices higher, said Cameron Alexander, an analyst with Thomson Reuters GFMS metals consultancy.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
5/10/2016	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
5/17/2016	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
5/24/2016	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
5/31/2016	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
6/07/2016	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

The WTI To Oil markets fell during the day on Friday, as it looks as if we are trying to fill the gap that was formed on Monday. Ultimately, this is a very negative looking candle, and as a result it's likely that we will reach towards the \$45 level next. I believe that short-term rallies will be selling opportunities as we exhaust the pressure. The crude oil markets still have to deal with an oversupply issue, and of course the US dollar strengthening overall. Ultimately, this is a market that should reach down to the \$42 level below, and of course short-term rallies could be thought of as "value" in the greenback. I have no interest in buying this market, and I think that we will continue to see sellers coming back again and again. Momentum remains positive as the MACD (moving average convergence divergence) index recently generated a crossover buy signal.

Pivot:	45.44		
Support	44.36	43.74	42.90
Resistance	46.55	47.15	47.70

Highlights

- Oil extended declines to slip below \$46 a barrel amid skepticism over OPEC's ability to reach an agreement to cut output
- Futures fell as much as 2 percent in New York after dropping 4 percent on Friday
- Saudi Arabia for the first time on Sunday suggested OPEC doesn't necessarily need to curb output
- OPEC will hold an internal meeting in Vienna Monday to resolve its differences
- The OPEC is heading into the final stretch before its Nov. 30 meeting

Crude - Technical Indicators

RSI 14	45.20
SMA 20	45.52
SMA 50	47.64
SMA 100	46.10
SMA 200	45.86

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- Oil prices edged higher today, after falling as much as 2 percent in early trading, as the market grappled over the shaky prospect of major producers being able to agree output cuts at a meeting on Wednesday aimed at reining in global oversupply.
- U.S. West Texas Intermediate (WTI) crude futures also recouped early losses and were trading up 15 cents at \$46.21 per barrel. The choppy trading came after prices tumbled more than 3 percent on Friday as doubts grew over whether the Organization of the Petroleum Exporting Countries (OPEC) would reach agreement to help curb global supply overhang that has more than halved prices since 2014.
- On Sunday, Saudi Arabian Energy Minister Khalid al-Falih said that he believed the oil market would balance itself in 2017 even if producers did not intervene, and that keeping output at current levels could therefore be justified.
- The statement added to simmering disagreement between OPEC and non-OPEC crude exporters such as Russia over who should cut production by how much. Analysts said that even if some form of an output restriction is announced after producers meet in Vienna on Wednesday, the details matter greatly.
- Do not take an announcement of a headline cut of 1 million barrels per day (bpd) at face value. It could still imply an OPEC production level considerably in excess of 33 million bpd, depending on developments in Libya and Nigeria and the speed and rigor of compliance.
- A meeting scheduled for Monday between OPEC and non-OPEC producers was called off after Saudi Arabia declined to attend, while concerns over the feasibility of a deal pushed the crude oil volatility index .OVX close to a nine-month high. The U.S. oil rig count rose by three last week, and Goldman Sachs said that since May 27, 2016, producers have added 158 oil rigs in the U.S.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
5/10/2016	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
5/17/2016	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
5/24/2016	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
5/31/2016	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
6/07/2016	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

Silver markets found a bit of support during the day on Friday, as the \$16 level offered support and urged a bit of a bounce. I think that a bounce from here is going to find quite a bit of resistance above though, so it's only matter of time before the exhaustive candle comes that we can start shorting. Ultimately, if we break down below the bottom of the candle for the day on Friday, I would be a seller there as well. The US dollar continues to work against precious metals overall and of course silver is going to be no different. The strong bid in the US dollar continues to weigh heavily on the price of silver; the correlation between the two sits at an extremely negative -93% on a monthly basis. Moving away from this relationship, silver sits in the middle of an air pocket we've been discussing between the low-17s and 16/15.80 support. we will reside in the bear camp until support is met.

Pivot:	16.79		
Support	16.56	16.40	16.16
Resistance	17.09	17.23	17.50

Highlights

- Silver fell on Friday as expectations for higher U.S interest rates continued to cloud the demand outlook for the precious metal
- Safe haven demand for precious metal has been hit since the U.S election
- According to Fed Rate Monitor Tool, 95.4% of traders expect the Fed to raise interest rates at its policy meeting next month
- Markets will be paying close attention to Friday's U.S. nonfarm payrolls report
- Top consumers China may bolster demand for the industrial metal

Silver - Technical Indicators

RSI 14	30.06
SMA 20	17.78
SMA 50	18.01
SMA 100	18.74
SMA 200	18.05

Silver Daily Graph



Fundamentals

- Silver prices edged higher Friday, but were on pace for a weekly decline as continued strength in the US dollar weighed on precious metals. March silver futures advanced 7 cents, or 0.4%, to \$16.55 a troy ounce. The grey metal was down as much as 1.5% earlier in the session. For the week, silver is on track for a decline of around 1%.
- Silver has declined in each of the last two weeks and has been caught in a general downtrend since the November 8 US election. Meanwhile, February gold futures were trading near nine-month lows at \$1,191.30. Bullion first broke below \$1,200 on Wednesday and is on track for a weekly loss of around 1.7%.
- The US dollar eased off recent highs Friday morning, but was poised for a third consecutive weekly gain. The dollar index, which tracks the greenback against a basket of other major currencies, was down 0.3% at 101.43. The dollar has advanced 4.5% over the past three weeks.
- The global equity markets were mixed on Friday, with European stocks on pace for slight declines. That followed an upbeat Asian session, which saw gains in the Nikkei, Hang Seng in Shanghai Composite.
- US stock futures were trading firmly higher ahead of New York trading, pointing to a positive start to a holiday-shortened session. Futures rose on Thursday as Wall Street paused for Thanksgiving. The New York Stock Exchange will reopen for a half session on Friday.
- In economic data, the UK economy expanded 0.5% in the third quarter and 2.3% annually, the Office for National Statistics confirmed Friday. The economy benefited from export growth and higher consumer spending.
- Safe haven demand for precious metals has been hit since the U.S. presidential election amid expectations that increased fiscal spending and tax cuts under the Trump administration will spur economic growth 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	
5/10/2016	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
5/17/2016	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
5/24/2016	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
5/31/2016	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
6/07/2016	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Commodity News

Monday, November 28, 2016



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Mon Nov 28	14:00	EUR Euro-Zone M3 s.a. (YoY) (OCT)	Low	4.4%	5.0%	5.0%
Mon Nov 28	14:00	CHF Total Sight Deposits (NOV 25)	Low	527.6b		524.7b
Mon Nov 28	15:00	EUR OECD Economic Outlook	Medium			
Mon Nov 28	17:15	EUR ECB's Coeure speaks in Athens	Low			
Mon Nov 28	19:00	EUR ECB's Draghi Speaks at European Parliament in Brussels	High			
Mon Nov 28	19:50	GBP Bank of England Bond Buying Operation	Low			
Mon Nov 28	20:30	USD Dallas Fed Manufacturing Activity (NOV)	Low		1.5	-1.5
Mon Nov 28	21:00	EUR ECB President Draghi Speaks in Brussels	High			
Mon Nov 28	21:30	USD U.S. to Sell USD36 Bln 3-Month Bills	Low			

Source: Forex Factory, DailyFX

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