

Gold

Technical

Gold markets rose at the open on Monday but turned right back around to the open again, forming a shooting star. The \$1200 level looks to be massively resistive, and as a result I feel that the market is going to continue to try to break down and with the US GDP numbers coming out today, that could have an influence on the US dollar itself. By extension, if the US dollar continues to strengthen, that will be further fuel for the fire and break this market down even further. Buying opportunities don't really exist at the moment as far as I can see. Resistance on the yellow metal is seen near the 10-day moving average at 1,205, while support is seen near the November lows at 1,170. The RSI (relative strength index) moved higher with price action, but remains below the oversold trigger level of 30, which could foreshadow a correction. OECD sees German growth at 1.7% through 2018.

Pivot:	1,189		
Support	1,185	1,178	1,171
Resistance	1,203	1,208	1,215

Highlights

- Gold steadied yesterday after rising 0.9 percent in the previous session, as the U.S. dollar held on to losses
- The dollar index, which measures the greenback against a basket of currencies, fell 0.21 percent at 101.120
- The U.S. dollar took a breather as global bonds steadied from their recent rout
- Stalling recovery would be the greatest risk facing the euro zone's economy
- Hedge funds and money managers again cut their net long positions in gold

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 edged lower today as the U.S. dollar steadied, with markets on edge ahead of a meeting this week that could see oil producers curb output. Spot gold was down 0.36 percent at \$1,189.10 an ounce. It gained 0.9 percent in the previous session.
- U.S. gold futures were 0.2-percent lower at \$1,188.50 per ounce. People will be likely watching the OPEC meeting. If the meeting leads to higher oil prices, that should have some inflationary pressure across the global economies, especially the U.S. and that could lead to lower gold prices.
- Oil prices fell early on Tuesday on doubts over a meaningful output cut during Wednesday's meeting. Gold edged lower in early trade on a firm U.S. dollar, said MKS PAMP Group trader Jason Cerisola.
- The dollar index, which measures the greenback against a basket of currencies, was steady at 101.390. Gold prices have fallen over \$140 an ounce from their post-U.S. election peak on Nov. 9 after a surge in U.S. Treasury yields had sent the dollar to its highest in nearly 14 years.
- Global growth will pick up faster than expected in the coming months as the U.S. President-elect Donald Trump administration's planned tax cuts and public spending fire up the U.S. economy, the Organisation for Economic Cooperation and Development said on Monday (OECD).
- Also weighing on bullion was a highly anticipated U.S. interest rate hike in December by the Federal Reserve, which is due to next meet on Dec. 13-14. The probability of a rate hike is 100 percent. Market watchers are looking for a hike and that's why prices are so weak - under \$1,200.
- Gold is highly sensitive to rising rates, which lift the opportunity cost of holding non-yielding assets such as bullion, while boosting the dollar, in which it is priced.

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 Crude Oil market rallied during the day on Monday, after initially gapping much lower. The fact that we have blown back through the gap is a very bullish sign, but I still believe that sooner or later the sellers will get involved. I think the \$49 level above continues to be massively difficult to overcome, and sooner or later more bearish news will push this market lower. With the bullish candle that we see at the moment though, it's difficult to place that short-range right now. Given enough time, I still think we're going to reach towards the \$43 level underneath, but clearly right now is not the time to start shorting. Unless you are already long of this market, it's difficult to go long because of all of the noise AC above. Because of this, patience will be needed. Prices recaptured the 10-day moving average at 46.63, which is now seen as short term support.

Pivot:	46.63		
Support	46.55	45.60	45.13
Resistance	47.65	48.25	49.10

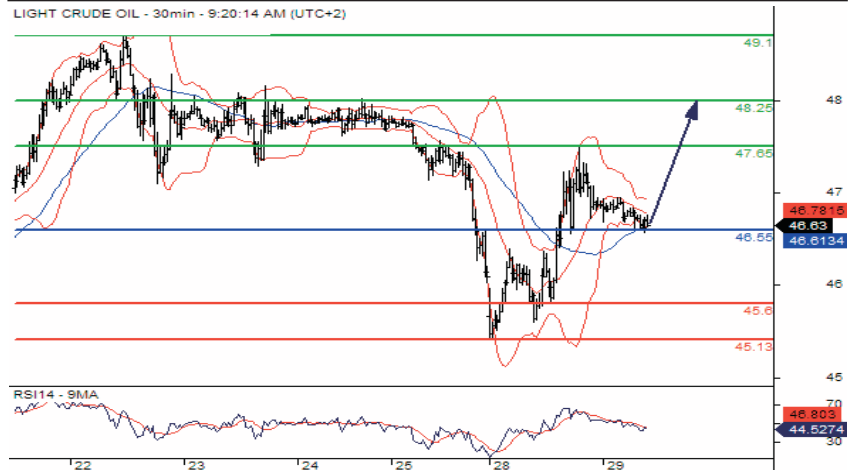
Highlights

- Oil investors approached this week's OPEC meeting more optimistic about the chances of an output cut
- Money managers increased wagers on rising prices to the highest in more than a month ahead of the OPEC meeting this week
- Oil climbed yesterday as Iraq's oil minister said he's "optimistic" a deal will be reached
- Recent rhetoric from OPEC about a deal has been effective in supporting prices
- WTI futures rose 4.8 percent to \$48.03 a barrel in the report week

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 fell around 2 percent in today's Asian trading session on signs leading oil exporters were struggling to agree a deal to cut production to reduce global oversupply.
- The Organization of the Petroleum Exporting Countries will meet in Vienna on Wednesday aiming to implement an agreement outlined in September to cut output by around 1 million barrels per day (bpd), from around 33.82 million bpd in October.
- But key OPEC members appear to disagree over details of the agreement and some analysts have suggested the meeting may fail to reach a deal or produce one that is unworkable.
- Indonesian Energy Minister Ignasius Jonan said he was not sure OPEC would clinch a deal to limit oil output when it met. U.S. light crude oil was down 90 cents at \$46.18 a barrel.
- Non-OPEC producer Russia confirmed on Tuesday it would not attend the OPEC gathering, but added that a meeting between the group and non-affiliated producers at a later stage was possible. Volatility is set to be high in the oil market in the days ahead.
- Intense negotiations would be needed on Wednesday to cement a deal. The latest headlines suggest that while there is a broad agreement on the rationale for a cut, political considerations and country level quota negotiations are so far preventing a deal from being reached.
- There remains disagreement among OPEC members over which producers should cut by how much. If OPEC agreed a production cut to 32.50 million bpd, crude prices would likely rise to the low \$50s a barrel. Both Goldman and Barclays said oil prices would move above \$50 if a production cut is agreed.

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

The silver markets initially rallied on Monday, but turned around to form a very resistive looking shooting star. Ultimately, this is a market that will continue to face headwinds above, and I believe that the \$17 level will be a bit of a ceiling at the moment. Keep in mind that the United States dollar continues to strengthen and that of course works against the value of precious metals in general, and of course extends to the silver markets. I believe that we are going to reach towards the \$16 level again, and an attempt to break down silver put in a bearish reversal bar, which leads us to conclude that we should soon see another downdraft after a rejection occurred at a previous small swing low around 16.90. Watch for a break below 16.45, as this will constitute another lower low following the early week reprieve. Also, keep an eye on gold as it approaches important support.

Pivot:	16.60		
Support	16.45	16.25	16.15
Resistance	16.85	17.00	17.10

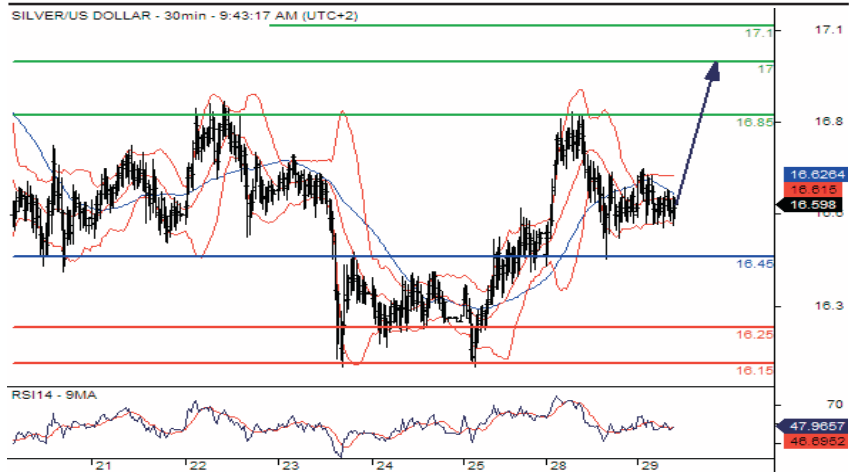
Highlights

- silver prices were unable to break above the \$17.00 per ounce level and drifted lower as the dollar fought back
- There was a significant US dollar correction weaker yesterday
- The U.S Dollar retreat had a significant impact in underpinning commodity prices
- After opening close to \$16.60 per ounce, prices moved significantly higher during Asian trading with a peak above \$16.90 into the European open
- The US currency found support at lower levels with USD/JPY trading back above the 112.00

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



Source: Meta Trader

Fundamentals

- Silver prices advanced yesterday, as precious metals attempted a recovery following a three-week skid. Silver for March delivery rose 18 cents, or 1.1%, to \$16.73 a troy ounce. The gain more than reversed last week's decline. The grey metal rose as much as 2.4% yesterday.
- Precious metals benefited from a pullback in the US dollar, which fell as much as 0.8% against a basket of other major currencies through the overnight session. By the morning, the dollar index had pared losses to trade flat.
- The US currency has been in a general uptrend since the surprise election of Donald Trump on November 8. Dollar bulls have also been encouraged by a slew of upbeat economic data and hawkish central bank rhetoric that point to a December interest rate increase.
- The Labor Department will release November nonfarm payrolls data on Friday, the final major jobs report before the December 13-14 Federal Open Market Committee (FOMC) meeting. Economists forecast a monthly increase of 170,000 jobs, which should be more than enough to convince policymakers to hike rates for the first time in a year.
- Investors will also monitor a string of other noteworthy data releases earlier in the week. On Tuesday the Commerce Department will release its revised estimate of third quarter GDP, which is expected to show the economy accelerated at an annualized 3% instead of the initially reported 2.9%.
- On Wednesday, government economists will report on personal income and outlays, which provide a monthly snapshot of the health of US households. The report will also include the latest core PCE inflation figure, the Fed's preferred inflationary gauge.
- The Chicago purchasing managers index (PMI) and Fed's Beige Book will also make headlines in mid-week trading.

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

Tuesday, November 29, 2016



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Tue Nov 29	04:50	JPY Large Retailers' Sales (OCT)	Medium	-1.0%	-0.9%	-3.2%
Tue Nov 29	12:45	EUR French Gross Domestic Product (YoY) (3Q)	Medium	1.1%	1.1%	1.1%
Tue Nov 29	14:30	GBP Net Consumer Credit (OCT)	Medium	1.62b	1.5b	1.48b
Tue Nov 29	14:30	GBP Mortgage Approvals (OCT)	Medium	67.52k	65.0k	63.59k
Tue Nov 29	18:00	EUR German Consumer Price Index (YoY) (NOV)	High		0.8%	0.8%
Tue Nov 29	18:30	USD Gross Domestic Product (Annualized) (3Q)	Medium		3.0%	2.9%
Tue Nov 29	18:30	USD Personal Consumption (3Q)	Medium		2.3%	2.1%
Tue Nov 29	19:00	USD S&P/Case-Shiller Composite-20 (YoY) (SEP)	Medium		5.20%	5.13%
Tue Nov 29	20:00	USD Consumer Confidence (NOV)	High		101.5	98.6

Source: Forex Factory, DailyFX

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