

Gold

Technical

Gold prices dropped through the 1,290 level and are poised to continue to slide lower. The dollar continued to gain ground early despite the comment from President Trump that he does not want to see a stronger greenback. Late in the trading session, the dollar moved lower following soft than expected US economic data. Support is seen near the January lows at 12,276, and then an upward sloping trend line that comes in near 1,243. Resistance is seen near the 50-day moving average at 1,300. At this point, the \$1300 level should be resistance, but it is also an area that had previously been rather supportive. The US dollar is highly manipulative when it comes to the value of gold, so if it rallies significantly it could see gold markets roll over.

Pivot:	1,292		
Support	1,282	1,276	1,270
Resistance	1,304	1,297	1,292

Source: FX EMPIRE

Highlights

- Gold futures settled lower for a sixth straight session, marking the longest streak of daily declines in about two years
- The precious metal was testing a key support area in the \$1,285 region
- Increasing risk appetite is clearly a little negative for gold
- China cut its growth target for this year to 6.0 to 6.5 percent from around 6.5 percent last year
- The dollar has remained supported as safe-haven gold has not been able to benefit in a meaningful way yet

Gold - Technical Indicators

RSI 14	45.44
SMA 20	1,267.2
SMA 50	1,252.1
SMA 100	1,256.3
SMA 200	1,277.8

Source: FX EMPIRE

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold steadied today, but was hovering near a five-week low touched in the previous session, as rising U.S Treasury yields boosted the dollar. The dollar, against a group of six major currencies, traded close to its two-week high of 96.816 posted in the previous session.
- Spot gold crept up 0.2 percent to \$1,288.87 per ounce, after slipping to \$1,282.50 in the previous session, its lowest since Jan. 25. The dollar consolidated gains after posting its biggest monthly rise in four months, reducing appeal for gold among holders of other currencies.
- Investors are more comfortable in moving out of safe-haven assets and gold is coming under pressure from that. Global markets rose on expectations that the two largest economies in the world might stave off a drawn-out trade war.
- A lot of money was parked in gold at the start of the year, waiting for clarity on tariffs. Now that it is seeing little bit of optimism on the tariffs that is sort of undermining pillars for buying gold.
- Equities had their best start into the year since 1991, sentiment is positive again and against that backdrop, it is not surprising that it has seen some selling out of gold-backed products.
- The gold market now is in consolidation mode. Since this is more related to the U.S domestic economy and not political or market tensions, gold hasn't attracted renewed interest.
- Futures dropped below the \$1,300 mark on Friday to settle at their lowest in a month and half, down over 2% for the week, the sharpest weekly fall since August.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2018	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
01/03/2019	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
01/10/2019	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
01/17/2019	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
01/24/2019	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

The WTI Crude Oil market continues to grind back and forth, in a relatively tight range. The market has been going back and forth over the last couple of weeks, as it seems it is trying to build up enough momentum to make a significant move. The \$58 level above offering resistance, just as the \$55 level underneath has offered a massive support. Brent markets rallied a bit to kick off the week, showing \$65 to be supportive. Ultimately, the analysis is almost the exact same as over in the WTI Crude Oil market. The main trend is up. However, momentum may be getting ready to shift based on Friday's closing price reversal top. A trade through \$55.02 will change the main trend to down. A move through \$57.88 will signal a resumption of the uptrend. The main range is \$51.62 to \$57.88. Its retracement zone at \$54.72 to \$53.98 is the primary downside target.

Pivot:	56.05		
Support	56.05	55.55	55.05
Resistance	57.25	57.00	56.65

Source: FX EMPIRE

Highlights

- Oil futures climbed yesterday as OPEC and its allies continue to cut back on crude production
- It might look that demand side pressure may put a cap on further rises
- Gains were tempered by a drop in equity indexes, which weakened sentiment on oil markets
- Trade concerns between US and China remained the focus of equity markets
- U.S crude oil stockpiles were seen rising last week, while refined products likely fell for a third consecutive week

Crude - Technical Indicators

RSI 14	55.83
SMA 20	48.93
SMA 50	46.53
SMA 100	47.26
SMA 200	51.85

Source: FX EMPIRE

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- Oil prices rose about 1 percent yesterday as the United States and China appeared closer to ending a trade war that has slowed global economic growth while OPEC ally Russia said it would ramp up its crude supply cuts.
- Brent crude futures settled at \$65.67 a barrel, up 60 cents or 0.9 percent. U.S West Texas Intermediate crude futures ended 79 cents, or 1.4 percent, higher at \$56.59 a barrel.
- Crude futures gave up some of their gains around midday as the U.S stock market slumped on weak construction spending data, but the commodity rallied into yesterday's price settlement.
- The gains come after both benchmarks posted losses during a volatile trading period last week. Brent fell more than 3 percent, while WTI dropped 2.5 percent on the week.
- OPEC and its allies are expected to extend its supply reduction pact at its June meeting, but much depends on the extent of U.S sanctions on OPEC members Iran and Venezuela.
- Crude supply from OPEC fell to a four-year low in February as top exporter Saudi Arabia cut production more than it had agreed to, and as U.S sanctions on Venezuelan oil took effect.
- Hedge funds and other money managers raised their net long, or bullish, positions on Brent crude by 15,887 contracts to 291,336 in the week to Feb. 26. Investors have been eyeing prospects for a U.S and China trade deal, which could be reached as early as this month.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2018	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
01/03/2019	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
01/10/2019	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
01/17/2019	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
01/24/2019	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

Silver markets have continued to fall yesterday, reaching down towards the psychologically and structurally important \$15 level. It should continue to cause a bit of noise, so it is going to be very crucial. If it can break down below the \$14.90 level, then it continue to go much lower, perhaps reaching down towards the \$14.50 level, possibly even the \$14.00 level. If it can turn around and show signs of life at the \$15.00 level, then it might turn around and reach towards the 200 day EMA at the \$15.42 level. The US dollar, it is highly influential on what happens with silver, and as a result if it rallies quite often silver will get beaten up. However, at this point it is looking at one of two potential scenarios, either it will stabilize in this area, perhaps turning around to show signs of life again, or it will break down below the \$14.90 level and continue to go much lower.

Pivot:	15.20		
Support	15.03	14.93	14.84
Resistance	15.39	15.27	15.20

Source: FX EMPIRE

Highlights

- The continuous rise of the U.S dollar get the silver prices lower
- Spot silver shed 0.6 percent to \$15.12, having hit a trough since Dec. 27 last year at \$15.08 earlier
- A trade deal would end months of investor uncertainty regarding the world's two largest economies penalizing each other
- Asian and European stock markets were mostly higher, with the stock market in China hitting a nine-month high
- May Comex silver was last down \$0.106 at \$15.15 an ounce

Silver - Technical Indicators

RSI 14	19.80
SMA 20	17.27
SMA 50	16.72
SMA 100	16.85
SMA 200	16.87

Source: FX EMPIRE

Silver Daily Graph



Source: Meta Trader

Fundamentals

- Silver prices are lower and hit a nine-week bottom. Risk-on investor attitudes at present are hammering on the safe-haven metals. Silver prices dropped out at a rate of 4.4% over the last week, in the third weekly loss during the month, the highest weekly loss since the last of January 2018.
- Silver prices in the European market dropped down recording its lowest in three months yesterday, continuing its losing streak of four days in a row, Due to the rising pressure of USD climb against a basket of global currencies and a weaker demand for safe assets as the United States and China approach a trade agreement.
- Silver prices fell at a rate of 0.4%, traded at \$15.14 an ounce, starting at \$15.20 with an intraday high \$15.26 and a low at \$15.12 which is the lowest rate since December 27th.
- Silver prices fell at a rate of 2.6% the third consecutive daily loss in a row on Friday, with a fall happening to almost all of the metals that are connected to USD.
- As of yesterday, USD index climbed up at a rate more than 0.2% to continue its profit streak of four days reaching its highest in two weeks at 96.53 points, reflecting a continuous rise against a basket of other global currencies.
- Demand for safe investment assets has dropped especially silver, as the US-China trade talks continue to progress, in addition to the Wall Street Journal reported that the world's two largest economies are going to announce a trade deal at the March 27 summit.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/05/2018	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
12/12/2018	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
12/19/2018	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
12/29/2018	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
01/02/2019	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Commodity News

Tuesday, March 05, 2019



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Tues Mar 05	08:30	AUD RBA Cash Rate Target (MAR 05)	High	1.50%	1.50%	1.50%
Tues Mar 05	12:30	CHF Consumer Price Index (YoY) (FEB)	Medium	0.6%	0.60%	0.60%
Tues Mar 05	12:30	CHF Consumer Price Index Core (YoY) (FEB)	Medium	0.40%	0.50%	0.50%
Tues Mar 05	14:00	EUR Italian Gross Domestic Product w.d.a. (YoY) (4Q F)	Medium		0.10%	0.10%
Tues Mar 05	14:30	GBP Markit/CIPS UK Services PMI (FEB)	Medium		50.0	50.1
Tues Mar 05	15:00	EUR Euro-Zone Retail Sales (YoY) (JAN)	Medium		2.10%	0.80%
Tues Mar 05	20:00	USD ISM Non-Manufacturing/Services Composite (FEB)	High		57.3	56.7
Tues Mar 05	20:00	USD New Home Sales (MoM) (DEC)	Medium		-8.70%	16.90%
Tues Mar 05	20:35	GBP BOE Governor Mark Carney Testifies to House of Lords	High			

Source: Forex Factory, DailyFX

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