

Commodities Market: Technical Outlook

March 27, 2017 

Strategy

	Strategy	Target Range	Stoploss
Gold	Buy above 200-DMA	\$1,250 - \$1,260	\$1,240.9- \$1,240.8
Silver	Buy on dips	\$17.77 - \$18.01	\$17.52- \$17.50
Crude oil	Sell on Strength	\$47.94 - \$46.78	\$48.80 - \$48.85
Dollar Index	Stop buying below 99.35	99.75- 100.02	99.35 - 99.34

Support and Resistance

	Close	S2	S1	PIVOT	R1	R2
Gold	\$1,245.07	\$1,235.00	\$1,240.03	\$1,245.87	\$1,250.90	\$1,256.74
Silver	\$17.73	\$17.42	\$17.58	\$17.67	\$17.83	\$17.92
Crude oil	\$48.12	\$47.29	\$47.70	\$47.94	\$48.35	\$48.59
Dollar Index	99.57	99.12	99.35	99.57	99.80	100.02

Technical View

Gold witnessed a range bound session to close at \$1,245, up \$3.48. Gold is expected to revisit Friday's high of \$1,252; where a break above will deliver gain towards \$1,260 (200-DMA). However, a fall below \$1,241 will extend the decline towards \$1,231, followed by \$1,222. Meanwhile, the RSI and the MACD have moved up, suggesting a positive trend ahead. We recommend investors to 'Buy' above the 200-DMA.

Silver posted a gain of \$0.22 to close at \$17.73. Silver has currently formed a higher high and higher low that indicates potential for further upside. A break above \$17.77 will open the way towards \$18.01 (200-DMA). However, a fall below Friday's low will kick off the corrective trend. The RSI and the MACD have shown improvement, suggesting higher price movement in the near term. We recommend investors to 'Buy on dips', keeping stoploss below \$17.52.

Crude oil adjusted its previous decline to close at \$48.12, up \$0.47. The current pattern suggests that oil is expected to consolidate at current levels. Meanwhile, the 200-DMA is looming ahead which will restrict upside at \$48.80, followed by the 14-DMA at \$49.13. However, a fall below \$47.52 will target \$46.78, which could later extend to \$46.21. We recommend investors to remain sellers on the higher side, with risk defined above the 200-DMA.

The USD index witnessed a volatile session to close at 99.57, down 0.06 points. The index is expected to re-test support at Friday's low; where a fall below will resume the downtrend with 99.19 in sight. However, a break above 99.80 will extend the gain towards 100.02, followed by 100.44. The indicators are mixed, signaling no clear trading view. We recommend investors to stop buying below 99.35.

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Economic Calendar

Time	Currency	Impact	Event	Forecast	Previous
1:00pm	EUR	High	German Ifo Business Climate	111.2	111.0
1:00pm	EUR	Medium	M3 Money Supply y/y	4.9%	4.9%
1:00pm	EUR	Low	Private Loans y/y	2.3%	2.2%
10:15pm	USD	Medium	FOMC Member Evans Speaks		

Source: www.forexfactory.com

News Headlines

Gold hits 1-mth peak as dollar slides on Trump healthcare failure

Gold rose to a near one-month high on Monday as the dollar slid after President Donald Trump's failure to pass healthcare reform raised doubts over his ability to push through his economic agenda.

Oil dips as rising US drilling offsets talk of an OPEC-led cut extension

Oil prices dipped on Monday as rising U.S. drilling activity outweighed talks that an OPEC-led production cut initially due to end in mid-2017 may be extended.

Dollar, S&P 500 Futures Drop on Health-Care Flop: Markets Wrap

The dollar and U.S. equity futures built on Friday's declines and gold climbed with bonds as investors shunned risk assets amid increased skepticism of U.S. President Donald Trump's ability to implement his economic agenda after last week's failed U.S. health-care deal.

Fed Has Room for Two More Rate Increases in 2017, Lockhart Says

The Federal Reserve has room for two more rate increases this year, as the economy seems "reasonably close" to full employment and is likely to gather pace, former Federal Reserve Bank of Atlanta President Dennis Lockhart said.

Dollar hit by Trump's healthcare defeat, drops to near two-month low

The dollar slid to a near two-month low against a basket of currencies on Monday as concerns mounted about the chances of U.S. fiscal stimulus after President Donald Trump's failure to push through a healthcare reform bill.

Source: Bloomberg & Reuters

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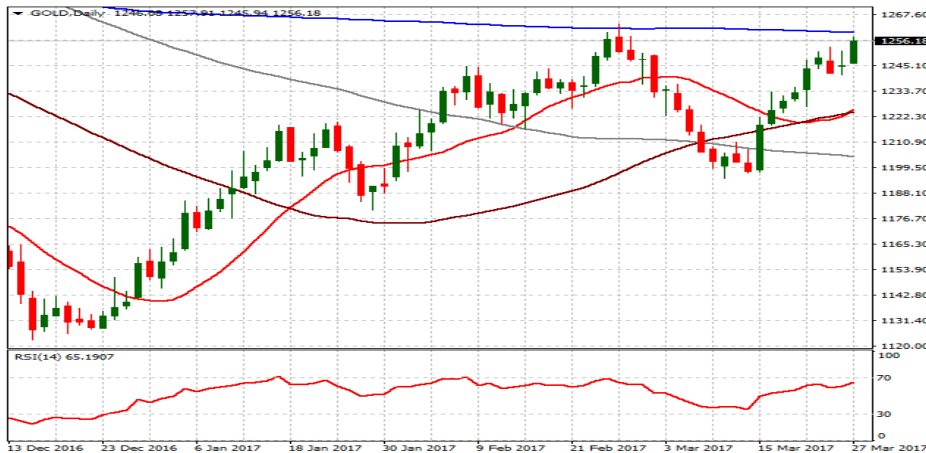
Gold (US\$/ounce) – Positive

	Open	High	Low	Close	Range	Change
24-Mar-17	\$1,244.57	\$1,251.70	\$1,240.83	\$1,245.07	\$10.87	0.3%
23-Mar-17	\$1,246.98	\$1,253.15	\$1,241.59	\$1,241.59	\$11.56	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$1,235.00	\$1,240.03	\$1,245.87	\$1,250.90	\$1,256.74
Fibonacci	\$1,239.15	\$1,241.71	\$1,245.87	\$1,250.02	\$1,252.58

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
24-Mar-17	\$1,242.34	\$1,222.39	\$1,230.86	\$1,223.39	\$1,204.93	\$1,259.81
Action	Buy	Buy	Buy	Buy	Buy	Sell
Summary	Buy	5	Sell	1		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
24-Mar-17	67.19	60.51	74.48	4.78	102.07	12.05
23-Mar-17	64.34	58.90	83.71	3.91	114.87	12.15
Action	Buy	Buy	Sell	Buy	Sell	Sell
Summary	Buy	3	Sell	3		



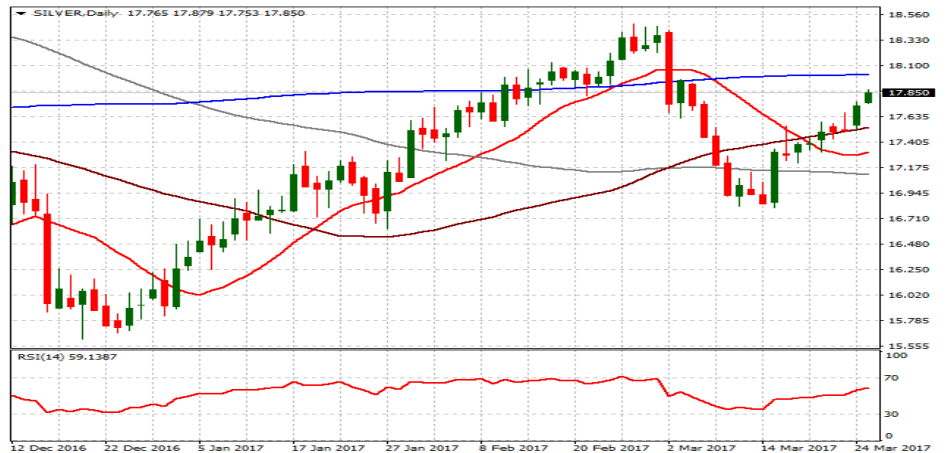
Silver (US\$/ounce) – Positive

	Open	High	Low	Close	Range	Change
24-Mar-17	\$17.56	\$17.77	\$17.52	\$17.73	\$0.25	1.3%
23-Mar-17	\$17.52	\$17.67	\$17.50	\$17.51	\$0.17	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$17.42	\$17.58	\$17.67	\$17.83	\$17.92
Fibonacci	\$17.52	\$17.58	\$17.67	\$17.77	\$17.83

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
24-Mar-17	\$17.53	\$17.28	\$17.68	\$17.52	\$17.12	\$18.01
Action	Buy	Buy	Buy	Buy	Buy	Sell
Summary	Buy	5	Sell	1		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
24-Mar-17	67.87	56.52	77.62	-0.03	120.80	0.26
23-Mar-17	56.74	50.95	78.75	-0.06	79.20	0.26
Action	Buy	Buy	Sell	Buy	Buy	Sell
Summary	Buy	4	Sell	2		



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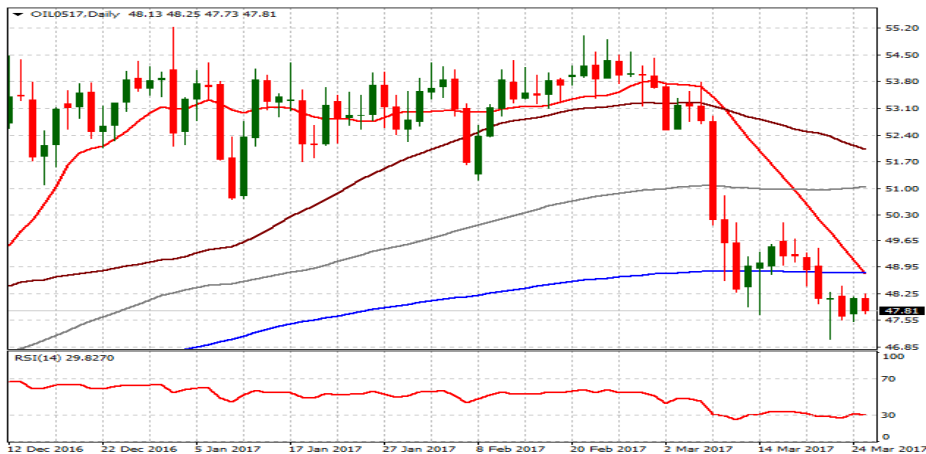
Crude Oil (US\$/barrel) – Negative

	Open	High	Low	Close	Range	Change
24-Mar-17	\$47.72	\$48.17	\$47.52	\$48.12	\$0.65	1.0%
23-Mar-17	\$48.19	\$48.44	\$47.56	\$47.65	\$0.88	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$47.29	\$47.70	\$47.94	\$48.35	\$48.59
Fibonacci	\$47.53	\$47.69	\$47.94	\$48.18	\$48.34

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
24-Mar-17	\$48.18	\$49.13	\$51.55	\$52.14	\$51.02	\$48.80
Action	Sell	Sell	Sell	Sell	Sell	Sell
Summary	Buy	0	Sell	6		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
24-Mar-17	29.80	31.30	33.79	-1.33	-93.14	1.32
23-Mar-17	17.32	26.17	23.08	-1.34	-93.71	1.33
Action	Buy	Buy	Buy	Buy	Buy	Sell
Summary	Buy	5	Sell	1		



Dollar Index – Negative

	Open	High	Low	Close	Range	Change
24-Mar-17	99.57	99.80	99.35	99.57	0.45	-0.1%
23-Mar-17	99.57	99.65	99.43	99.63	0.22	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	99.12	99.35	99.57	99.80	100.02
Fibonacci	99.30	99.40	99.57	99.75	99.85

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
24-Mar-17	99.67	100.62	100.95	100.70	100.94	98.52
Action	Sell	Sell	Sell	Sell	Sell	Buy
Summary	Buy	1	Sell	5		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
24-Mar-17	26.77	35.94	22.26	-0.40	-86.37	0.54
23-Mar-17	27.72	36.48	12.56	-0.37	-100.83	0.55
Action	Sell	Sell	Buy	Sell	Buy	Sell
Summary	Buy	2	Sell	4		

