

# Commodities Market: Technical Outlook

April 18, 2019 

## Strategy

	Strategy	Target Range	Stoploss
Gold	Sell on Strength	\$1,271 - \$1,266	\$1,279.6 - \$1,279.7
Silver	Sell on Strength	\$14.90 - \$14.71	\$15.07 - \$15.08
Crude oil	Sell below 14-DMA	\$63.16 - \$60.94	\$64.68 - \$64.70
Dollar Index	Stay long above 50-DMA	96.76 - 97.10	96.55 - 96.54

## Support and Resistance

	Close	S2	S1	PIVOT	R1	R2
Gold	\$1,273.69	\$1,268.65	\$1,271.17	\$1,275.40	\$1,277.92	\$1,282.15
Silver	\$14.95	\$14.80	\$14.87	\$14.98	\$15.05	\$15.16
Crude oil	\$63.78	\$63.10	\$63.44	\$64.06	\$64.40	\$65.02
Dollar Index	96.65	96.30	96.48	96.63	96.81	96.96

## Technical View

Bearish movement continued for gold as it lost \$2.93 to close at \$1,274. If the decline continues, the likely target will be at \$1,266, with a chance of later extending towards \$1,250. However, any upside will face resistance at yesterday's high of \$1,280. The RSI and the MACD have continued to decline, supporting a negative view. We recommend investors to 'Sell on Strength', keeping stoploss above \$1,280.

Silver ended the session lower at \$14.95, down \$0.02. It is trading below the 200-DMA that will restrict upside at \$14.98, followed by the 14-DMA at \$15.07. However, a fall below yesterday's low will extend the decline towards \$14.71, followed by \$14.61. The RSI and the MACD have shown weakness, suggesting a negative trend ahead. We recommend investors to 'Sell' on the higher side, with risk defined above the 14-DMA.

Crude oil consolidated for another session to close at \$63.78, down \$0.63. Oil is currently trading above the 14-DMA that will restrict downside at \$63.16, followed by the 200-DMA at \$60.94. However, a break above yesterday's high will extend the gain towards \$66.72. The RSI and the Stochastic Oscillator have moved down, suggesting a negative trend ahead. We recommend investors to 'Sell' below the 14-DMA.

The USD index closed the session lower at 96.65, down 0.06 points. The index is trading above the 50-DMA that will provide support at 96.55. However, any upside will face resistance at 96.79; where a break above will target 97.10. The indicators are mixed, signaling no clear trading view. We recommend investors to stay long above the 50-DMA.

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## Economic Calendar

Time	Currency	Impact	Event	Forecast	Previous
12:30pm	EUR	High	German Flash Manufacturing PMI	45.2	44.1
12:30pm	EUR	High	German Flash Services PMI	55.0	55.4
1:00pm	EUR	Medium	Flash Manufacturing PMI	48.1	47.5
1:00pm	EUR	Medium	Flash Services PMI	53.1	53.3
1:30pm	GBP	High	Retail Sales m/m	-0.3%	0.4%
1:30pm	GBP	Medium	BOE Credit Conditions Survey		
5:30pm	CAD	High	Core Retail Sales m/m	0.2%	0.1%
5:30pm	CAD	Medium	Retail Sales m/m	0.4%	-0.3%
5:30pm	USD	High	Core Retail Sales m/m	0.7%	-0.4%
5:30pm	USD	High	Retail Sales m/m	0.9%	-0.2%
5:30pm	USD	Medium	Philly Fed Manufacturing Index	11.2	13.7

Source: [www.forexfactory.com](http://www.forexfactory.com)

## News Headlines

### Gold slips to 2019 low as global economic outlook improves

Gold fell to its lowest since end-December on Thursday as indications that the global economy might not be as pain-stricken as previously feared prompted investors to take risks ahead of a slew of economic data.

### Oil prices slip amid ample U.S. output, Brent drifts away from five-month high

Oil prices dropped on Thursday as the impact of plentiful U.S. production offset a surprise decline in U.S. inventories, leaving international benchmark Brent retreating from a five-month high touched in the previous session.

### Fed may need to buy more bonds than before crisis to manage U.S. rates: official

The Federal Reserve may need to buy more government bonds than it did before the 2008 financial crisis and conduct other money-market operations to implement its current approach to managing U.S. interest rates, an official of the New York Fed said on Wednesday.

### Asian shares off nine-month peak, European PMIs in focus

Asian shares slipped on Thursday after losses on Wall Street but trade was subdued as investors awaited business surveys in Europe and largely stayed on the sidelines ahead of the long Easter weekend holiday.

### Asian Stocks Slip; Treasuries Edge Higher: Markets Wrap

Stocks in Asia slipped Thursday after the latest batch of corporate earnings did little to boost their U.S. counterparts. Treasuries inched higher alongside the yen.

Source: Bloomberg & Reuters

## Disclaimer:

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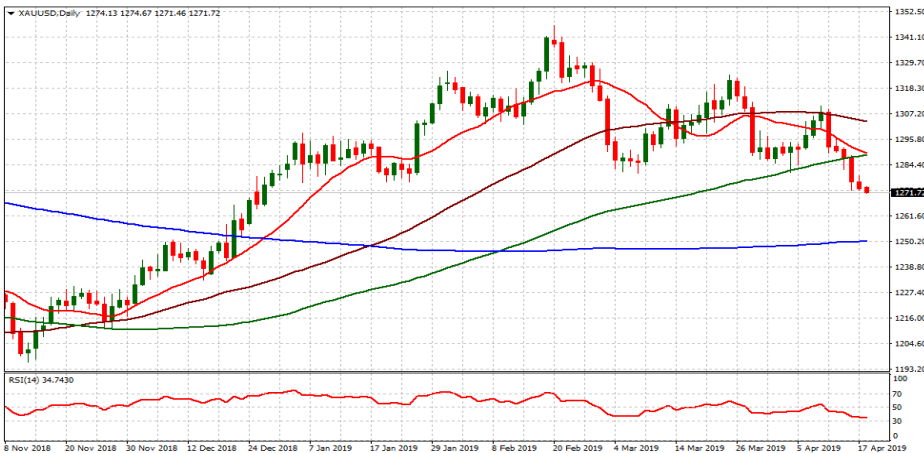
## Gold (US\$/ounce) – Negative

	Open	High	Low	Close	Range	Change
17-Apr-19	\$1,276.73	\$1,279.63	\$1,272.88	\$1,273.69	\$6.75	-0.2%
16-Apr-19	\$1,287.72	\$1,288.60	\$1,272.81	\$1,276.62	\$15.79	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$1,268.65	\$1,271.17	\$1,275.40	\$1,277.92	\$1,282.15
Fibonacci	\$1,271.23	\$1,272.82	\$1,275.40	\$1,277.98	\$1,279.57

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
17-Apr-19	\$1,284.08	\$1,290.95	\$1,297.90	\$1,304.32	\$1,288.11	\$1,249.95
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)
17-Apr-19	25.90	35.64	9.65	-5.59	-188.97	10.62
16-Apr-19	27.94	36.97	11.40	-4.40	-179.26	11.83
Action	Sell	Sell	Sell	Sell	Sell	Sell
Summary	Buy	0	Sell	6		



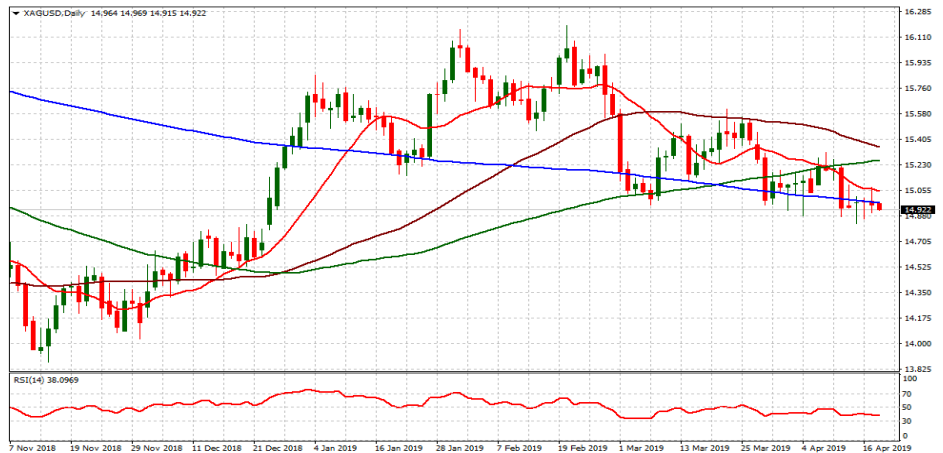
## Silver (US\$/ounce) – Negative

	Open	High	Low	Close	Range	Change
17-Apr-19	\$14.98	\$15.08	\$14.90	\$14.95	\$0.18	-0.1%
16-Apr-19	\$14.98	\$15.00	\$14.86	\$14.97	\$0.14	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$14.80	\$14.87	\$14.98	\$15.05	\$15.16
Fibonacci	\$14.87	\$14.91	\$14.98	\$15.05	\$15.09

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
17-Apr-19	\$14.95	\$15.07	\$15.20	\$15.37	\$15.26	\$14.98
Action	Buy	Sell	Sell	Sell	Sell	Sell
Summary	Buy	1	Sell	5		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
17-Apr-19	35.11	39.32	30.79	-0.11	-79.29	0.19
16-Apr-19	36.76	40.03	25.20	-0.11	-126.31	0.20
Action	Sell	Sell	Buy	Sell	Buy	Sell
Summary	Buy	2	Sell	4		



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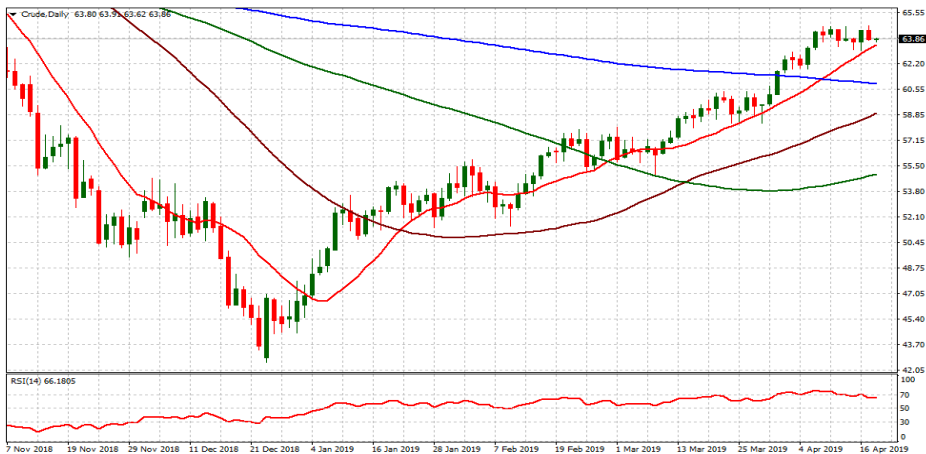
## Crude Oil (US\$/barrel) – Negative

	Open	High	Low	Close	Range	Change
17-Apr-19	\$64.39	\$64.68	\$63.72	\$63.78	\$0.96	-1.0%
16-Apr-19	\$63.65	\$64.41	\$63.09	\$64.41	\$1.32	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$63.10	\$63.44	\$64.06	\$64.40	\$65.02
Fibonacci	\$63.47	\$63.69	\$64.06	\$64.43	\$64.65

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
17-Apr-19	\$63.88	\$63.16	\$60.75	\$58.70	\$54.81	\$60.94
Action	Sell	Buy	Buy	Buy	Buy	Buy
Summary	Buy	5	Sell	1		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
17-Apr-19	60.51	65.81	53.32	1.66	63.04	1.11
16-Apr-19	72.48	71.47	54.43	1.74	65.74	1.13
Action	Sell	Sell	Sell	Sell	Sell	Sell
Summary	Buy	0	Sell	6		



## Dollar Index – Neutral

	Open	High	Low	Close	Range	Change
17-Apr-19	96.72	96.79	96.46	96.65	0.33	-0.1%
16-Apr-19	96.55	96.72	96.50	96.71	0.22	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	96.30	96.48	96.63	96.81	96.96
Fibonacci	96.43	96.51	96.63	96.76	96.84

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
17-Apr-19	96.65	96.73	96.58	96.55	96.33	95.82
Action	Buy	Sell	Buy	Buy	Buy	Buy
Summary	Buy	5	Sell	1		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
17-Apr-19	50.45	51.56	54.67	0.06	-51.89	0.33
16-Apr-19	53.53	52.82	44.24	0.07	-48.18	0.34
Action	Sell	Sell	Buy	Sell	Sell	Sell
Summary	Buy	1	Sell	5		

