

Commodities Market: Technical Outlook

June 10, 2019 

Strategy

	Strategy	Target Range	Stoploss
Gold	Stop buying below \$1,330	\$1,346 - \$1,357	\$1,330.2 - \$1,330.0
Silver	Stay long above 200-DMA	\$15.09 - \$15.28	\$14.88 - \$14.86
Crude oil	Buy on dips	\$54.37 - \$55.42	\$52.68 - \$52.65
Dollar Index	Sell on Strength	96.41 - 95.96	97.13 - 97.15

Support and Resistance

	Close	S2	S1	PIVOT	R1	R2
Gold	\$1,340.06	\$1,321.45	\$1,330.75	\$1,339.44	\$1,348.74	\$1,357.43
Silver	\$14.98	\$14.68	\$14.83	\$14.98	\$15.13	\$15.28
Crude oil	\$54.13	\$52.04	\$53.08	\$53.73	\$54.77	\$55.42
Dollar Index	96.53	95.96	96.24	96.69	96.97	97.42

Technical View

A steady uptrend continued for gold as it closed at \$1,340, up \$4.75. It is expected to revisit Friday's high of \$1,348 where a break above will target \$1,358. However, a fall below \$1,330 will kick off the corrective trend. The RSI has improved, while the Stochastic Oscillator has moved down, signaling no clear trading view. Investors are recommended to stop buying below \$1,330.

Silver ended the session higher at \$14.98, up \$0.12. It is expected to re-test support at the 200-DMA standing at \$14.88, followed by \$14.81 (50-DMA). However, any upside will find resistance at \$15.13. The RSI and the MACD are moving up, supporting a positive view. We recommend investors to stay 'long' above the 200-DMA.

Crude oil posted a gain of \$0.94 to close at \$54.13. Oil has formed a higher high and higher low that indicates potential further upside. A break above Friday's high will target the 14-DMA at \$56.64. However, any downside will find support at \$52.68. The RSI and the Stochastic Oscillator have generated a Buy signal, supporting a positive view. We recommend investors to 'Buy on dips', keeping stoploss below \$52.68.

The USD index showed negative movement to close at 96.53, down 0.44 points. The index is expected to target the 200-DMA at 96.28. However, any upside will face resistance in the range of 96.77-97.13. The RSI and the MACD are heading down, supporting a negative view. We recommend investors to 'Sell on Strength', with risk defined above 97.13.

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Economic Calendar

Time	Currency	Impact	Event	Forecast	Previous
1:00pm	EUR	Low	Italian Industrial Production m/m	0.2%	-0.9%
1:30pm	GBP	High	GDP m/m	-0.1%	-0.1%
1:30pm	GBP	High	Manufacturing Production m/m	-1.1%	0.9%
1:30pm	GBP	Low	Index of Services 3m/3m	0.2%	0.3%
1:30pm	GBP	Low	Industrial Production m/m	-0.7%	0.7%
2:00pm	GBP	Medium	MPC Member Tenreyro Speaks		
5:15pm	CAD	Low	Housing Starts	220K	235K
5:30pm	CAD	Low	Building Permits m/m	0.9%	2.1%
Tentative	GBP	Low	NIESR GDP Estimate		0.4%
7:00pm	USD	Low	JOLTS Job Openings	7.50M	7.49M
10:00pm	GBP	Medium	MPC Member Saunders Speaks		

Source: www.forexfactory.com

News Headlines

Gold off 14-month peak as U.S.-Mexico deal cools safe-haven demand

Gold prices retreated from a 14-month peak on Monday after an agreement between the United States and Mexico to avert a tariff war crimped safe-haven demand for the yellow metal.

Oil rises as Saudi sees producers sticking with ongoing supply cuts

Oil prices rose on Monday after Saudi Arabia said producer club OPEC and Russia should keep supplies restricted at current levels, and in relief that the United States withdrew a tariff threat against Mexico, removing a cloud over the global economy.

Global stocks gain as Mexico tariffs averted, yuan falls to 2019 lows

U.S. stock futures and Asian shares rose on Monday after the United States dropped its threat to impose tariffs on Mexico in a deal to combat illegal migration from Central America, and as weak U.S. jobs data raised hopes for U.S. interest rate cuts.

Stocks Gain With Treasury Yields on Mexico Relief: Markets Wrap

Asian stocks and U.S. and European equity futures climbed Monday after President Donald Trump suspended plans for U.S. tariffs on Mexico. Treasuries fell along with gold and the yen as demand for havens sank.

Source: Bloomberg & Reuters

Disclaimer:

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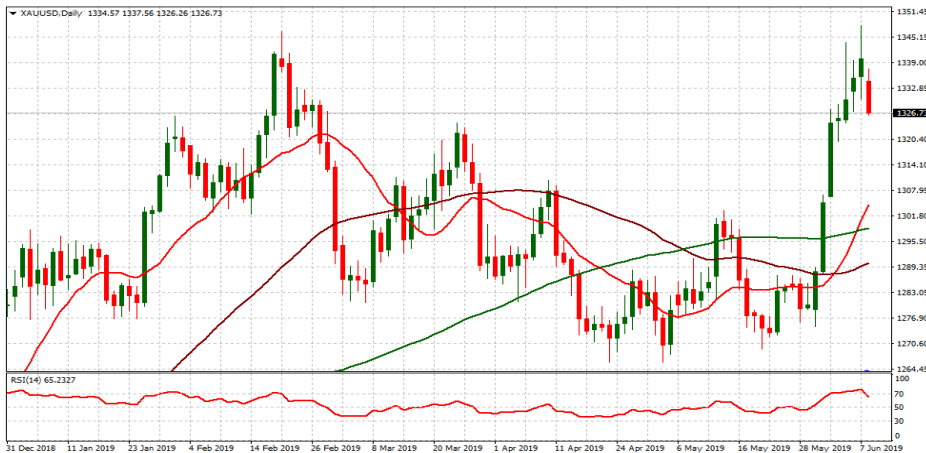
Gold (US\$/ounce) – Positive

	Open	High	Low	Close	Range	Change
7-Jun-19	\$1,335.55	\$1,348.12	\$1,330.13	\$1,340.06	\$17.99	0.4%
6-Jun-19	\$1,332.11	\$1,339.68	\$1,327.08	\$1,335.31	\$12.60	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$1,321.45	\$1,330.75	\$1,339.44	\$1,348.74	\$1,357.43
Fibonacci	\$1,328.32	\$1,332.56	\$1,339.44	\$1,346.31	\$1,350.55

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
7-Jun-19	\$1,331.02	\$1,300.58	\$1,291.45	\$1,289.54	\$1,298.37	\$1,263.46
Action	Buy	Buy	Buy	Buy	Buy	Buy
Summary	Buy	6	Sell	0		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
7-Jun-19	89.12	76.77	81.61	12.25	121.72	12.00
6-Jun-19	87.78	75.32	85.42	10.41	134.18	11.09
Action	Buy	Buy	Sell	Buy	Sell	Buy
Summary	Buy	4	Sell	2		



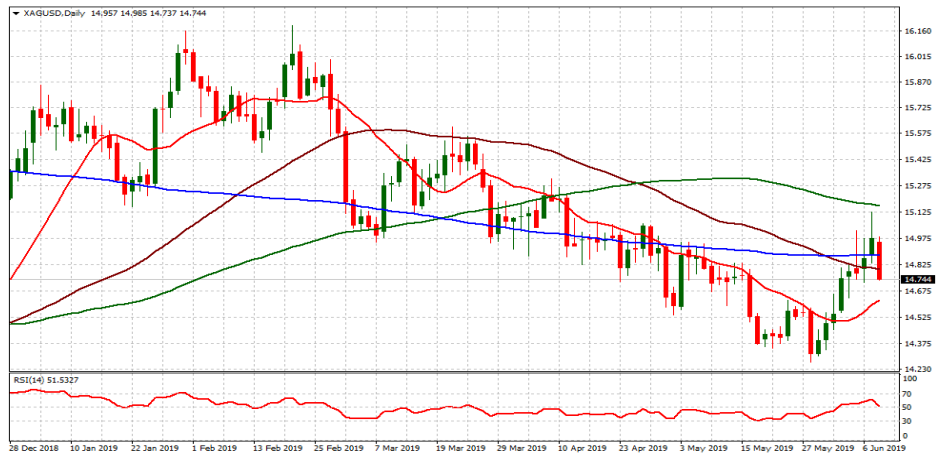
Silver (US\$/ounce) – Positive

	Open	High	Low	Close	Range	Change
7-Jun-19	\$14.88	\$15.13	\$14.83	\$14.98	\$0.30	0.8%
6-Jun-19	\$14.81	\$14.98	\$14.73	\$14.86	\$0.25	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$14.68	\$14.83	\$14.98	\$15.13	\$15.28
Fibonacci	\$14.79	\$14.87	\$14.98	\$15.09	\$15.17

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
7-Jun-19	\$14.83	\$14.60	\$14.66	\$14.81	\$15.17	\$14.88
Action	Buy	Buy	Buy	Buy	Sell	Buy
Summary	Buy	5	Sell	1		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
7-Jun-19	77.60	62.64	69.70	0.00	155.71	0.20
6-Jun-19	72.07	58.47	74.70	-0.02	149.00	0.18
Action	Buy	Buy	Sell	Buy	Buy	Buy
Summary	Buy	5	Sell	1		



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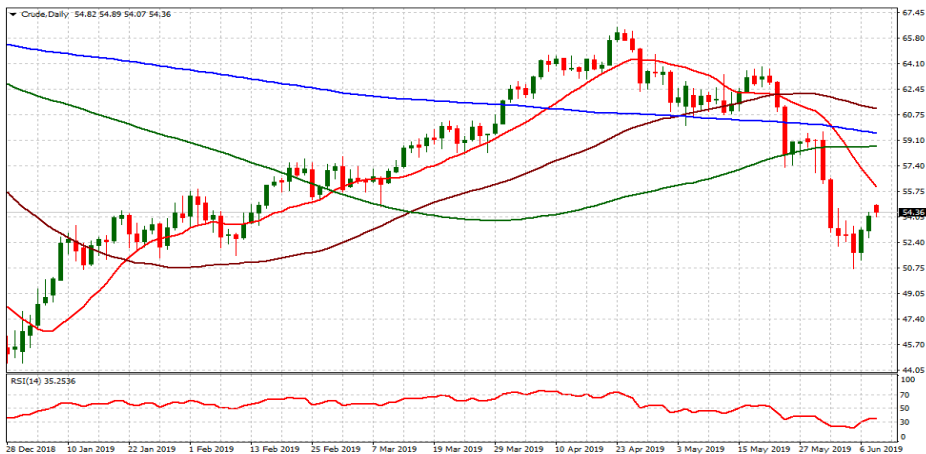
Crude Oil (US\$/barrel) – Positive

	Open	High	Low	Close	Range	Change
7-Jun-19	\$53.17	\$54.37	\$52.68	\$54.13	\$1.69	1.8%
6-Jun-19	\$51.73	\$53.34	\$51.25	\$53.19	\$2.09	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$52.04	\$53.08	\$53.73	\$54.77	\$55.42
Fibonacci	\$52.68	\$53.08	\$53.73	\$54.37	\$54.77

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
7-Jun-19	\$52.95	\$56.64	\$59.68	\$61.28	\$58.67	\$59.65
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)
7-Jun-19	36.78	34.06	37.24	-2.45	-65.32	2.14
6-Jun-19	27.54	29.11	19.15	-2.50	-102.51	2.11
Action	Buy	Buy	Buy	Buy	Buy	Buy
Summary	Buy	6	Sell	0		



Dollar Index – Negative

	Open	High	Low	Close	Range	Change
7-Jun-19	96.98	97.13	96.40	96.53	0.73	-0.5%
6-Jun-19	97.30	97.38	96.72	96.97	0.66	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	95.96	96.24	96.69	96.97	97.42
Fibonacci	96.24	96.41	96.69	96.97	97.14

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
7-Jun-19	97.00	97.52	97.46	97.26	96.77	96.28
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)
7-Jun-19	25.42	35.75	24.94	-0.08	-157.83	0.44
6-Jun-19	33.30	41.54	25.18	0.00	-132.26	0.40
Action	Sell	Sell	Sell	Sell	Sell	Buy
Summary	Buy	1	Sell	5		

