

## Gold steady as hopes of Fed slowdown counter firmer dollar

**GOLD:** Gold prices were steady on Monday, having risen 1.8% in the previous session, as hopes that the U.S. Federal Reserve will adopt a less aggressive policy stance later in the year countered pressure from a firmer dollar. Spot gold held its ground at \$1,656.09 per ounce, as of 0113 GMT. Prices marked their biggest one-day percentage gain since Oct. 3 on Friday, following a report that some Fed officials are signaling greater unease with oversized rate hikes. The Fed is widely expected to raise its benchmark overnight interest rate by 75 basis points next month, as it battles high inflation. Although gold is considered a hedge against inflation, higher interest rates increase the opportunity cost of holding the asset, which yields nothing. Demand for physical gold picked up pace in India last week as some consumers bought into a retreat in domestic prices to a near one-month low ahead of the Dhanteras and Diwali festivals.

	1st Support	2nd Support	1st Resistance	2nd Resistance
<b>Gold</b>	\$1,631	\$1,603	\$1,671	\$1,685
<b>Silver</b>	\$18.64	\$17.88	\$19.78	\$20.16
<b>WTI</b>	\$83.54	\$81.98	\$86.28	\$87.46
<b>EURUSD</b>	\$0.9752	\$0.9646	\$0.9917	\$0.9975
<b>GBPUSD</b>	\$1.1132	\$1.0969	\$1.1386	\$1.1477
<b>USDJPY</b>	145.15	142.70	150.99	154.39
<b>DJIA-30</b>	30,427	29,702	31,517	31,882
<b>S&amp;P-500</b>	3,675	3,588	3,805	3,848
<b>NSDQ-100</b>	11,036	10,742	11,483	11,635

Source: AKD Research and MT4

**OIL:** Oil rose in early Asian trade on Monday as expectations of tighter supplies globally ahead of European Union sanctions on Russian oil underpinned prices. Brent crude futures climbed 54 cents, or 0.6%, to \$94.04 a barrel by 0125 GMT while U.S. West Texas Intermediate crude was at \$85.56 a barrel, up 51 cents, or 0.6%. Last week, U.S. energy firms added oil and natural gas rigs for the second week in a row as relatively high oil prices encourage firms to drill more, energy services firm Baker Hughes said in a report on Friday.

**US-EQUITIES:** U.S. stock futures fell Monday morning after all three major averages notched their best week since June at Friday's close. Futures tied to the Dow Jones Industrial Average lost 116 points, or 0.37%. S&P 500 futures and Nasdaq 100 futures shed 0.41% and 0.47%, respectively. Stocks also rose Friday despite bond yields marching higher - the 10-year U.S. Treasury hit its highest level since 2008 amid mixed corporate earnings. Bond yields are inverse to price.

**U.S DOLLAR:** The dollar index rose 0.2%, making greenback-priced gold more expensive for overseas buyers. Meanwhile benchmark 10-year Treasury yields were off their near 15-year high touched on Friday. The Japanese yen made a thumping 4 yen jump for a second straight session on Monday on suspected early intervention by the Bank of Japan, but struggled to hold its gains against a robust U.S. dollar. The Japanese yen made a thumping 4 yen jump for a second straight session on Monday on suspected early intervention by the Bank of Japan, but struggled to hold its gains against a robust U.S. dollar.

Source: Reuters,CNBC,Bloomberg

### Key Economic Indicators for today

Time	Currency	Impact	Economic Indicator	Forecast	Previous
6:45pm	USD	High	Flash Services PMI	49.6	49.3
8:00pm	USD	Medium	Treasury Sec Yellen Speaks	-	-

Source: www.forexfactory.com

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## GOLD: KEY HIGHLIGHTS

Date	21-Oct
Open	1,627.62
High	1,657.86
Low	1,617.07
Close	1,657.67
MA(20)	1,695.96
MA(100)	1,739.42
MA(200)	1,814.02

Source: AKD Research & MT4

## GOLD SPOT



### Technical Strategy: Buy on Weakness

Gold closed at US\$1,658/oz, below its 20-DMA which is at US\$1,696/oz. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US\$1,670/oz - US\$1,640/oz. A break below US\$1,640/oz could target US\$1,620/oz, while a break above US\$1,670/oz could target US\$1,680/oz.

## SILVER: KEY HIGHLIGHTS

Date	21-Oct
Open	18.64
High	19.40
Low	18.27
Close	19.39
MA(20)	19.13
MA(100)	19.67
MA(200)	21.69

Source: AKD Research & MT4

## SILVER



### Technical Strategy: Play the Range

Silver closed at US\$19.39/oz, below its 20-DMA which is at US\$19.13/oz. However, RSI and Stochastic are neutral. The short term chart suggest range-bound trading or consolidation in the near term. We recommend playing within the range of US\$18.70/oz - US\$19.70/oz. A break below US\$18.70/oz could target US\$18.20/oz, while a break above US\$19.70/oz could target US\$20.50/oz.

## WTI SPOT: KEY HIGHLIGHTS

Date	21-Oct
Open	85.05
High	85.89
Low	83.15
Close	85.11
MA(20)	86.37
MA(100)	94.17
MA(200)	97.35

Source: AKD Research & MT4

## WTI SPOT (CRUDE OIL)



### Technical Strategy: Buy on Weakness

Oil closed at US\$85.11/bbl, below its 20-DMA which is at US\$86.37/bbl. However, RSI and Stochastic are neutral. The short term chart suggest range-bound trading or consolidation in the near term. We recommend playing within the range of US\$82.30 - US\$86.00. A break below US\$82.30/bbl could target US\$81.30/bbl, while a break above US\$86.00/bbl could target US\$87.20/bbl.



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## EUR/USD: KEY HIGHLIGHTS

Date	21-Oct
Open	0.9780
High	0.9868
Low	0.9704
Close	0.9859
MA(20)	0.9902
MA(100)	1.0113
MA(200)	1.0532

Source: AKD Research & MT 4

## EUR-USD



### Technical Strategy: Play the Range

EURUSD closed at US\$0.9859 below its 20-DMA which is at US\$0.9902. However, RSI and Stochastic are neutral in the short term charts. We recommend playing within the range of US\$0.9760 - US\$0.9900. A break below US\$0.9760 could target US\$0.9670, while a break above US\$0.9900 could target US\$0.9980.

## GBP/USD: KEY HIGHLIGHTS

Date	21-Oct
Open	1.1221
High	1.1314
Low	1.1060
Close	1.1296
MA(20)	1.1425
MA(100)	1.1779
MA(200)	1.2409

Source: AKD Research & MT 4

## GBP-USD



### Technical Strategy: Play the Range

GBPUSD closed at US\$1.1296 below its 20-DMA which is at US\$1.1425. However, RSI and Stochastic are bullish and suggest for a upside move in the near term. We recommend playing within the range of US\$1.1290 - US\$1.1410. A break below US\$1.1290 could target US\$0.1210, while a break above US\$1.1410 could target US\$1.1510.

## USD/JPY: KEY HIGHLIGHTS

Date	21-Oct
Open	150.11
High	151.94
Low	146.09
Close	147.60
MA(20)	142.62
MA(100)	138.95
MA(200)	130.36

Source: AKD Research & MT 4

## JPY-USD



### Technical Strategy: Buy on Weakness

USDJPY closed at US\$147.60 above its 20-DMA which is at US\$142.62. However, RSI and Stochastic are bullish and short term charts support for further upside. We recommend playing within the range of US\$145.50 - US\$150.50. A break below US\$145.50 could target US\$144.30, while a break above US\$150.50 could target \$151.20.



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## DJIA-30: KEY HIGHLIGHTS

Date	21-Oct
Open	30,371
High	31,157
Low	30,067
Close	31,152
MA(20)	31,098
MA(100)	31,380
MA(200)	32,648

Source: AKD Research & MT4

## DJIA-30



### Technical Strategy: Play the Range

Dow Jones closed at 31,152 above its 20-DMA which is at 31,098. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of 30,800–31,500. A break below 30,800 could target 30,500, while a break above 31,500 could target 32,000.

## S&P-500: KEY HIGHLIGHTS

Date	21-Oct
Open	3,667
High	3,762
Low	3,632
Close	3,761
MA(20)	3,882
MA(100)	3,910
MA(200)	4,118

Source: AKD Research & MT4

## S&P-500



### Technical Strategy: Play the Range

S&P closed at 3,761 below its 20-DMA which is at 3,882. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of 3,700 – 3,800. A break below 3,700 could target 3,650, while a break above 3,800 could target 3,845.

## NASDAQ-100: KEY HIGHLIGHTS

Date	21-Oct
Open	11,017
High	11,340
Low	10,893
Close	11,331
MA(20)	11,941
MA(100)	12,074
MA(200)	12,937

Source: AKD Research & MT4

## NASDAQ-100



### Technical Strategy: Play the Range

NASDAQ closed at 11,331 below its 20-DMA which is at 11,941. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of 11,200– 11,500. A break below 11,200 could target 11,120 while a break above 11,500 could target 11,580.



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## Glossary of Terms

**Support:** Support is the level at which the stock is likely to see increased interest from buyers. The buying support will prevent the stock from falling further.

**Resistance:** Resistance is the level at which the stock is likely to see increased interest from sellers. The selling pressure will prevent the stock from rising further.

**RSI:** The Relative Strength Index (RSI) is a momentum oscillator that ranges from 0 to 100. It compares the extent of the stock's recent price movements by evaluating recent gains and losses. Stocks with RSI above 70 could be considered overbought, and below 30 could be considered oversold. Generally, if the RSI falls below 70, it is a bearish signal. Conversely, if the RSI of a stock rises above 30 it is considered bullish. The RSI used is of 14 days.

**Bollinger Bands:** A Bollinger Band, developed by famous technical trader John Bollinger, is plotted two standard deviations away from a simple moving average. BB highly popular technical analysis technique. Many traders believe the closer the prices move to the upper band, the more overbought the market, and the closer the prices move to the lower band, the more oversold the market.

**MACD:** MACD shows the relationship between a longer period moving average and a short period Moving average of a stock's price. Generally, the 26-day exponential moving average (EMA) and the 12-day EMA are used to calculate MACD.

**EMA:** Exponential moving average (EMA) is the weighted average of the prices of a given security where higher weights are given to recent data points. EMA is used to analyze the trend of a stock.

**SMA:** A simple moving average (SMA) is the average of the closing price of a security for a given period.

**The parabolic SAR:** is a technical indicator used to determine the price direction of an asset, as well as draw attention to when the price direction is changing. Sometimes known as the "stop and reversal system," the parabolic SAR was developed by J. Welles Wilder Jr., creator of the relative strength index (RSI).

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