

Gold prices at 2½-year low as traders brace for Fed outcome

GOLD: Gold prices on Wednesday lingered near their lowest level since April 2020, as investors prepared for the likelihood of another super-sized interest rate hike from the Federal Reserve in its effort to tackle inflation. Spot gold was flat at \$1,663.68 per ounce, as of 0324 GMT. Earlier in the day, bullion hovered close to a 2½-year low touched last week. The Fed will release its policy decision at 1800 GMT on Wednesday, followed by chair Jerome Powell's press conference. Rate futures traders are pricing in an 81% chance of another 75 basis-point hike and a 19% probability of a 100 bps increase. Spot silver edged 0.2% lower to \$19.28 per ounce, platinum rose 0.3% to \$925.31 and palladium fell 1.1% to \$2,144.91.

	1st Support	2nd Support	1st Resistance	2nd Resistance
Gold	\$1,657	\$1,649	\$1,676	\$1,687
Silver	\$19.02	\$18.77	\$19.54	\$19.81
WTI	\$82.82	\$81.37	\$85.92	\$87.57
EURUSD	\$0.9931	\$0.9895	\$1.0027	\$1.0086
GBPUSD	\$1.1335	\$1.1294	\$1.1438	\$1.1500
USDJPY	143.11	142.52	144.10	144.51
DJIA-30	30,425	30,102	31,110	31,473
S&P-500	3,820	3,778	3,911	3,960
NSDQ-100	11,754	11,629	12,011	12,144

Source: AKD Research and MT4

OIL: Oil prices slid on Wednesday, extending the previous day's losses, as investors braced for another aggressive interest rate hike from the U.S. Federal Reserve that they fear could lead to recession and plunging fuel demand. Brent crude futures dropped 26 cents, or 0.3%, to \$90.36 a barrel by 0040 GMT after falling \$1.38 the previous day. U.S. West Texas Intermediate crude was at \$83.74 a barrel, down 20 cents, or 0.2%. The October delivery contract expired down \$1.28 on Tuesday while the more active November contract lost \$1.42. The Fed is widely expected to hike rates by 75 basis points for the third time in a row later on Wednesday in its drive to rein in inflation. Those expectations are weighing on equities, which often move in tandem with oil prices.

US-EQUITIES: Stock futures were muted on Wednesday morning as traders look ahead to the upcoming interest rate hike announcement from the Federal Reserve. Dow Jones Industrial Average futures gained 24 points, or 0.08%. S&P 500 and Nasdaq 100 futures were roughly flat. Russian President Vladimir Putin on Wednesday announced a partial military mobilization in Russia, putting the country's people and economy on a wartime footing as Moscow's invasion of Ukraine continues.

U.S DOLLAR: The dollar hovered near a two-decade peak against a basket of currencies on Wednesday, after yields on U.S. Treasuries leaped ahead of an interest rate decision that is likely to set the tone in financial markets for months to come. The U.S. dollar index, which measures the greenback against a basket of currencies, was steady at 110.17 after a 0.57% overnight gain, and remained not far below a 20-year high of 110.79 hit this month. "The next level we see the [U.S. dollar index] getting to in the near-term would be 112 points," said Kristina Clifton, a senior economist and senior currency strategist at Commonwealth Bank of Australia.

Source: Reuters, CNBC, Bloomberg

Key Economic Indicators for today

Time	Currency	Impact	Economic Indicator	Forecast	Previous
11:00pm	USD	High	FOMC Economic Projections	-	-
11:00pm	USD	High	Federal Funds Rate	3.25%	2.50%
11:30pm	USD	High	FOMC Press Conference	-	-

Source: www.forexfactory.com

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GOLD: KEY HIGHLIGHTS

Date	20-Sep
Open	1,675.64
High	1,679.33
Low	1,659.87
Close	1,664.75
MA(20)	1,734.62
MA(100)	1,781.34
MA(200)	1,829.84

Source: AKD Research & MT4

GOLD SPOT



Technical Strategy: Buy on Weakness

Gold closed at US\$1,665/oz, below its 20-DMA which is at US\$1,734/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\$1,660/oz - US\$1,680/oz. A break below US\$1,660/oz could target US\$1,650/oz, while a break above US\$1,680/oz could target US\$1,700/oz.

SILVER: KEY HIGHLIGHTS

Date	20-Sep
Open	19.55
High	19.57
Low	19.05
Close	19.26
MA(20)	19.25
MA(100)	20.26
MA(200)	22.08

Source: AKD Research & MT4

SILVER



Technical Strategy: Play the Range

Silver closed at US\$19.26/oz, above its 20-DMA which is at US\$19.25/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\$19.00/oz - US\$19.60/oz. A break below US\$19.00/oz could target US\$18.50/oz, while a break above US\$19.60/oz could target US\$20.00/oz.

WTI SPOT: KEY HIGHLIGHTS

Date	20-Sep
Open	85.02
High	86.12
Low	83.02
Close	84.27
MA(20)	90.96
MA(100)	100
MA(200)	96.32

Source: AKD Research & MT4

WTI SPOT (CRUDE OIL)



Technical Strategy: Buy on Weakness

Oil closed at US\$85.00/bbl, below its 20-DMA which is at US\$91.13/bbl. However, RSI and Stochastic are bullish and could call for an upside move in near term. We recommend playing within the range of US\$83.50 - US\$86.50. A break below US\$83.50/bbl could target US\$82.50/bbl, while a break above US\$86.50/bbl could target US\$88.00/bbl.



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EUR/USD: KEY HIGHLIGHTS

Date	20-Sep
Open	1.0017
High	1.0050
Low	0.9954
Close	0.9968
MA(20)	1.0093
MA(100)	1.0304
MA(200)	1.0711

Source: AKD Research & MT 4

EUR-USD



Technical Strategy: Play the Range

EURUSD closed at US\$0.9968 below its 20-DMA which is at US\$1.0093. However, RSI and Stochastic seem bullish and could call for upside move. We recommend playing within the range of US\$0.9880 - US\$0.9990. A break below US\$0.9880 could target US\$0.9820, while a break above US\$0.9990 could target US\$1.0080.

GBP/USD: KEY HIGHLIGHTS

Date	20-Sep
Open	1.1414
High	1.1460
Low	1.1357
Close	1.1375
MA(20)	1.1848
MA(100)	1.2080
MA(200)	1.2680

Source: AKD Research & MT 4

GBP-USD



Technical Strategy: Play the Range

GBPUSD closed at US\$1.1375 below its 20-DMA which is at US\$1.1848. However, RSI and Stochastic are bullish and suggest for a upside move in the near term. We recommend playing within the range of US\$1.1300 - US\$1.1420. A break below US\$1.1300 could target US\$1.1220, while a break above US\$1.1420 could target US\$1.1540.

USD/JPY: KEY HIGHLIGHTS

Date	20-Sep
Open	143.19
High	143.92
Low	142.93
Close	143.70
MA(20)	137.80
MA(100)	135.02
MA(200)	126.78

Source: AKD Research & MT 4

JPY-USD



Technical Strategy: Buy on Weakness

USDJPY closed at US\$143.70 above its 20-DMA which is at US\$137.80. However, RSI and Stochastic are bullish and short term charts support for further upside. We recommend playing within the range of US\$142.60 - US\$145.00. A break below US\$142.60 could target US\$141.50, while a break above US\$145.00 could target \$146.40.



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DJIA-30: KEY HIGHLIGHTS

Date	20-Sep
Open	31,050
High	31,150
Low	30,465
Close	30,748
MA(20)	32,230
MA(100)	31,983
MA(200)	33,368

Source: AKD Research & MT4

DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 30,748 below its 20-DMA which is at 32,230. 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 30,570–30,900. A break below 30,570 could target 30,230, while a break above 30,900 could target 31,200.

S&P-500: KEY HIGHLIGHTS

Date	20-Sep
Open	3,905
High	3,918
Low	3,827
Close	3,862
MA(20)	4,046
MA(100)	3,994
MA(200)	4,236

Source: AKD Research & MT4

S&P-500



Technical Strategy: Play the Range

S&P closed at 3,862 below its 20-DMA which is at 4,046. 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 3,830 – 3,900. A break below 3,830 could target 3,800, while a break above 3,900 could target 3,930.

NASDAQ-100: KEY HIGHLIGHTS

Date	20-Sep
Open	11,972
High	12,018
Low	11,761
Close	11,879
MA(20)	12,628
MA(100)	12,342
MA(200)	13,496

Source: AKD Research & MT4

NASDAQ-100



Technical Strategy: Play the Range

NASDAQ closed at 11,879 below its 20-DMA which is at 12,628. 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 11,800 – 11,900. A break below 11,800 could target 11,750 while a break above 11,900 could target 11,950.



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COMMODITIES VANTAGE

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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