

Synopsis

Gold (Play the Range)

2nd Resistance	US\$1,940
1st Resistance	US\$1,920
1st Support	US\$1,900
2nd Support	US\$1,880

Silver (Play the Range)

2nd Resistance	US\$28.00
1st Resistance	US\$27.50
1st Support	US\$26.50
2nd Support	US\$26.00

WTI (Play the Range)

2nd Resistance	US\$52.50
1st Resistance	US\$51.50
1st Support	US\$49.50
2nd Support	US\$48.50

EURUSD (Play the Range)

2nd Resistance	US\$1.2480
1st Resistance	US\$1.2350
1st Support	US\$1.2200
2nd Support	US\$1.2080

GBPUSD (Play the Range)

2nd Resistance	US\$1.3780
1st Resistance	US\$1.3650
1st Support	US\$1.3510
2nd Support	US\$1.3400

USDJPY (Play the Range)

2nd Resistance	US\$104.50
1st Resistance	US\$103.80
1st Support	US\$103.00
2nd Support	US\$102.40

DJIA-30 (Play the Range)

2nd Resistance	31,600
1st Resistance	31,200
1st Support	30,600
2nd Support	30,000

S&P-500 (Play the Range)

2nd Resistance	3,900
1st Resistance	3,800
1st Support	3,700
2nd Support	3,600

NSDQ-100 (Play the Range)

2nd Resistance	12,850
1st Resistance	12,750
1st Support	12,450
2nd Support	12,300

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REP-039

Gold inches down as higher yields outweigh stimulus optimism

GOLD: Gold prices edged lower on Thursday as firmer Treasury yields eclipsed support from a Democrat sweep in Georgia Senate runoffs that boosted hopes for more stimulus. Spot gold eased 0.1% to \$1,916.77 per ounce by 0250 GMT, after declining more than 1.5% in the previous session. U.S. gold futures climbed 0.5% to \$1,918.40. The Federal Reserve was nearly unanimous in its decision last month to leave its bond-buying program unchanged, according to minutes of the U.S. central bank's December policy meeting. Among other precious metals, silver shed 1% to \$27.03 an ounce. Platinum eased 0.9% to \$1,091.75, while palladium rose 0.1% to \$2,441.18.

CRUDE OIL: Oil prices were steady on Thursday after supporters of President Donald Trump stormed the U.S. Capitol, with investors focusing on the likelihood of tighter supplies after Saudi Arabia unilaterally agreed to cut output. Brent crude was up 8 cents at \$54.38 a barrel by 0125 GMT, after gaining 1.3% overnight. U.S. West Texas Intermediate (WTI) gained 11 cents to \$50.74, having slipped earlier in the Asian session. The contract rose 1.4% on Wednesday. Crude inventories were down by 8 million barrels in the week to Jan. 1 to 485.5 million barrels, against a Reuters poll showing analysts expected a 2.1 million-barrel decline.

U.S. EQUITIES: U.S. stock futures rose in early morning trading on Thursday as investors digested the likely event of a Democratic held Congress and continued to look past riots at the U.S. Capitol. Dow Jones Industrial average futures jumped 161 points. S&P 500 futures and Nasdaq 100 futures also both traded in positive territory. During Wednesday's trading session, markets were largely unaffected by the chaos in Washington caused by pro-Trump rioters at the U.S. Capitol. Lawmakers had just started the procedural process of counting the Electoral College votes and formally declaring President-elect Joe Biden the winner, when protesters stormed the chamber.

U.S. DOLLAR: The dollar languished near its lowest level in nearly three years on Thursday after Democrats won control of the U.S. Senate, clearing the way for a larger fiscal stimulus under President-elect Joe Biden. Currency markets were largely unperturbed by scenes of chaos in Washington as supporters of outgoing President Donald Trump stormed Capitol Hill. The dollar index was little changed at 89.321 in early Asian trade on Thursday, after dipping to its lowest since March 2018 at 89.206 overnight.

(Reuters, CNBC)

07th Jan, 2021

Time	Currency	Impact	Economic Indicator	Forecast	Previous
6:30pm	USD	Medium	Unemployment Claims	798K	787K
8:00pm	USD	Medium	ISM Services PMI	54.5	55.9

Source: www.forexfactory.com

Refer to important disclosures on page 6

Gold: Key Highlights

DATE	06-Jan
Open	1950.15
High	1959.32
Low	1900.85
Close	1918.72
MA(20)	1876.84
MA(100)	1894.94
MA(200)	1833.19
RSI(14)	59.89

Source: Bloomberg

Silver: Key Highlights

DATE	06-Jan
Open	27.57
High	27.91
Low	26.59
Close	27.28
MA(20)	25.59
MA(100)	25.08
MA(200)	21.76
RSI(14)	66.73

Source: Bloomberg

WTI Spot: Key Highlights

DATE	06-Jan
Open	49.80
High	50.92
Low	49.47
Close	50.50
MA(20)	47.83
MA(100)	42.29
MA(200)	37.90
RSI(14)	68.51

Source: Bloomberg

Gold Spot



Technical Strategy: Play the Range

Gold closed at US\$1,919/oz, above its 20-DMA which is at US\$1,876/oz. However, RSI and Stochastic are neutral in the short term charts and suggest consolidation in the tight range. We recommend playing within the range of US\$1,900/oz - US\$1,920/oz. A break below US\$1,900/oz could target US\$1,880/oz, while a break above US\$1,920/oz could target US\$1,940/oz.

Silver Spot



Technical Strategy: Play the Range

Silver closed at US\$27.28/oz, above its 20-DMA which is at US\$25.59/oz. However, RSI and Stochastic are neutral in the short term chart and suggest range-bound trading or consolidation in the near term. We recommend playing within the range of US\$26.50/oz - US\$27.50/oz. A break below US\$26.50/oz could target US\$26.00/oz, while a break above US\$27.50/oz could target US\$28.00/oz.

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

Oil closed at US\$50.50/bbl, above its 20-DMA which is at US\$47.83/bbl. 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 US\$49.50 - US\$51.50. A break below US\$49.50/bbl could target US\$48.50/bbl, while a break above US\$51.50/bbl could target US\$52.50/bbl.



EURUSD: Key Highlights

DATE	06-Jan
Open	1.2291
High	1.2349
Low	1.2265
Close	1.2322
MA(20)	1.2201
MA(100)	1.1896
MA(200)	1.1555
RSI(14)	67.84

Source: Bloomberg

GBPUSD: Key Highlights

DATE	06-Jan
Open	1.3622
High	1.3670
Low	1.3536
Close	1.3603
MA(20)	1.3475
MA(100)	1.3162
MA(200)	1.2858
RSI(14)	58.71

Source: Bloomberg

USDJPY: Key Highlights

DATE	06-Jan
Open	102.69
High	103.44
Low	102.59
Close	102.99
MA(20)	103.52
MA(100)	104.78
MA(200)	105.97
RSI(14)	39.31

Source: Bloomberg

EURUSD



Technical Strategy: Play the Range

EURUSD closed at US\$1.2322 above its 20-DMA which is at US\$1.2201. 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 US\$1.2200 - US\$1.2350. A break below US\$1.2200 could target US\$1.2080, while a break above US\$1.2350 could target US\$1.2480.

GBPUSD



Technical Strategy: Play the Range

GBPUSD closed at US\$1.3603 above its 20-DMA which is at US\$1.3475. 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 US\$1.3510 - US\$1.3650. A break below US\$1.3510 could target US\$1.3400, while a break above US\$1.3650 could target US\$1.3780.

USDJPY



Technical Strategy: Play the Range

USDJPY closed at US\$102.99 below its 20-DMA which is at US\$103.52. 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 US\$103.00 - US\$103.80. A break below US\$103.00 could target US\$102.40, while a break above US\$103.80 could target \$104.50.



DJIA-30: Key Highlights

DATE	06-Jan
Open	30391
High	31028
Low	30267
Close	30887
MA(20)	30237
MA(100)	28757
MA(200)	27010
RSI(14)	67.83

Source: Bloomberg

DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 30,887 above its 20-DMA which is at 30,237. 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 30,600–31,200. A break below 30,600 could target 30,000, while a break above 31,200 could target 31,600.

S&P-500: Key Highlights

DATE	06-Jan
Open	3726
High	3783
Low	3694
Close	3758
MA(20)	3704
MA(100)	3508
MA(200)	3271
RSI(14)	65.92

Source: Bloomberg

S&P-500



Technical Strategy: Play the Range

S&P closed at US\$3,758 above its 20-DMA which is at 3,704. 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 3,600, while a break above 3,800 could target 3,900.

NASDAQ-100: Key Highlights

DATE	06-Jan
Open	12812
High	12852
Low	12501
Close	12668
MA(20)	12664
MA(100)	11878
MA(200)	10798
RSI(14)	54.87

Source: Bloomberg

NASDAQ-100



Technical Strategy: Play the Range

NASDAQ closed at 12,668 above its 20-DMA which is at 12,664. 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 12,450 – 12,750. A break below 12,450 could target 12,300 while a break above 12,750 could target 12,850.

Glossary of Terms

Relative Strength Index (RSI): The Relative Strength Index (RSI) is a popular oscillator used by traders. The name "Relative Strength Index" is slightly misleading as the RSI does not compare the relative strength of two securities, but rather the internal strength of a single security. A more appropriate name might be "Internal Strength Index."

The RSI is a fairly simple formula, but is difficult to explain without pages of examples.

The Moving Average Convergence/Divergence indicator (MACD): is calculated by subtracting 26-period exponential moving average from 12-period exponential moving average. A 9-period dotted exponential moving average (the "signal line") is automatically displayed on top of the MACD indicator line.

The Stochastic Oscillator: is based on stochastic mathematics. It compares where a security's price closed relative to its trading range over the last x-time periods. The Stochastic Oscillator always ranges between 0% and 100%. A reading of 0% shows that the security's close was the lowest price that the security has traded during the preceding x-time periods. A reading of 100% shows that the security's close was the highest price that the security has traded during the preceding x-time periods. The Stochastic Oscillator indicates an oversold state below 20% and an overbought state above 80%.

Bollinger Bands: is a type of envelope developed by John Bollinger. Bollinger Bands are plotted at standard deviation levels above and below a moving average. The moving average generally taken is a 20-DMA, while the standard deviation count is 2. This is a very good to gauge both the general direction and the volatility.

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