

Gold

Technical

Gold markets initially tried to rally during the session on Tuesday, but continues to find resistance near the \$1265 level. Because of this, I think that we may pull back but I'm confident that there should be buying pressure underneath so I look at this is yet another attempt to build up momentum to finally break out to the upside and reach to higher levels. I have no interest in shorting, I believe that gold markets will continue to be very bullish, but obviously a very choppy market will be the main theme for the next several sessions. Gold prices attempted to recapture resistance near the 200-day moving average at 1,257, but was unable to hold on and slid below this level late in the trading session. Support on the yellow metal is seen near the March 30 lows at 1,239. The weekly chart on gold prices is forming a bull flat pattern which is a continuation pattern that is pause that generally refreshes.

Pivot:	1,252		
Support	1,249	1,244	1,240
Resistance	1,257	1,261	1,263

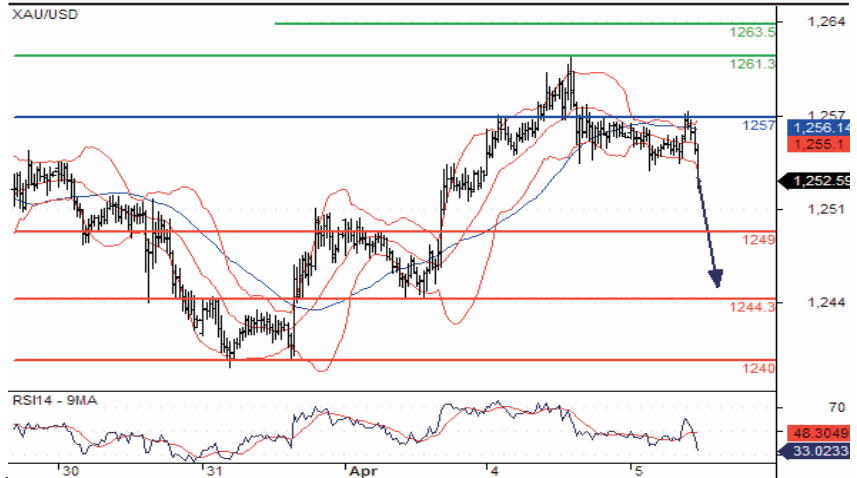
Highlights

- Gold futures rose for a third straight session yesterday for their highest settlement since late February
- Financial markets await a meeting later this week between President Donald Trump and Chinese President Xi Jinping
- Gold for June delivery rose \$4.40, or 0.4%, to settle at \$1,258.40 an ounce
- Financial market volatility over U.S. diplomacy could underpin haven gold
- Metals traders will be focused on employment data from the U.S. on Friday

Gold - Technical Indicators

RSI 14	46.37
SMA 20	1,245.2
SMA 50	1,239.3
SMA 100	1,198.5
SMA 200	1,255.8

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold prices held firm yesterday near one-month highs hit the day before, with appetite for risk easing ahead of a meeting this week between the leaders of the United States and China.
- Spot gold was mostly unchanged at \$1,256 per ounce by 0056 GMT. U.S. gold futures were also mostly flat at \$1,257.80. Spot gold hit its highest since Feb. 27 at \$1,261.15.
- Investors were also waiting for minutes from the U.S. Federal Reserve's March meeting. North Korea fired a ballistic missile on Wednesday from its east coast into the sea off the Peninsula, South Korea's military said, ahead of the summit between the United States and China.
- When U.S. President Donald Trump meets Chinese President Xi Jinping on Thursday and Friday, the event will be marked not only by deep policy divisions but a clash of personalities between America's brash "tweeter-in-chief" and Beijing's cautious, calculating leader.
- The U.S. trade deficit fell from a near two-year high in February as slowing domestic demand weighed on imports and stronger global growth boosted exports of American goods.
- Trump vowed on Tuesday to cut red tape to speed up approval of infrastructure projects and said his overhaul could top \$1 trillion on roads, tunnels and bridges, one of his 2016 election campaign promises. Looking ahead, metals traders will be focused on employment data from the U.S., with nonfarm-payrolls and other labor data due Friday.
- Richmond Federal Reserve President Jeffrey Lacker abruptly left the U.S. central bank on Tuesday after admitting that a conversation he had with a Wall Street analyst in 2012 may have disclosed confidential information about Fed policy options. In exchange-traded funds, the SPDR Gold Trust was up 0.2%.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2016	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
01/03/2017	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
01/10/2017	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
01/17/2017	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
01/24/2017	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

The WTI Crude Oil market initially fell on Tuesday but continues to find support near the \$50 level to keep the market somewhat afloat. Because of this, I believe that we are going to continue to grind higher but I recognize there is a significant amount of resistance at the \$51 handle. In the next couple of sessions, I anticipate to see a lot of back and forth as the markets trying to get a handle on where we go next. A breakdown below the \$49.50 level would be negative, but a break above the \$51 level would be extremely positive. Until then, expect an extraordinarily large amount of volatility in this market. I believe that the oil markets are going to be very difficult over the next several sessions until we can make some type of impulsive move. Momentum on crude oil prices has turned positive as the MACD index recently generated a crossover buy signal.

Pivot:	51.41		
Support	50.70	50.38	49.88
Resistance	51.80	52.25	52.60

Highlights

- Crude prices climbed today on the news of a supply outage at a field in the United Kingdom's sector of the North Sea
- Crude futures were up 52 cents, at \$51.55 per barrel
- Crude prices were also propped up by expectations the OPEC would continue looking at cutting production
- There has been information that shipped oil supplies have dropped by 17 percent this year
- US oil stockpiles dropped by 1.8 million barrels last week to 533.7 million

Crude - Technical Indicators

RSI 14	43.33
SMA 20	53.59
SMA 50	53.12
SMA 100	51.31
SMA 200	48.72

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- Oil hit a one-month high near \$55 a barrel today as a fall in U.S. crude inventories raised hopes OPEC-led supply cuts were clearing a glut, while an outage at the largest UK North Sea oilfield lent support.
- U.S. crude inventories fell by a more-than-expected 1.8 million barrels last week, American Petroleum Institute data showed on Tuesday. The focus is now on whether the government's supply report on Wednesday confirms the decline.
- Should it confirm that U.S. crude stocks did indeed fall for what would only be the second time this year, it will mark the start of a sustained tightening in U.S. crude supplies.
- Global benchmark Brent crude had risen 63 cents to \$54.80 a barrel. It reached \$54.91 intraday, the highest since March 8. U.S. crude was up 56 cents at \$51.59.
- Oil also gained after an outage at the 180,000-barrels-per-day Buzzard field in the North Sea. Buzzard is the largest field contributing to Forties, the most important of the four crude streams underpinning Brent. This outage more than offsets the increase in oil production in Libya.
- An output cut from Jan. 1 led by the Organization of the Petroleum Exporting Countries has helped Brent recover from a 12-year low near \$27 last year, although rising U.S. output and stubbornly high stocks have limited the rally. U.S. drillers added rigs for an 11th straight week, data showed on Friday as companies boost spending on new production.
- OPEC and non-OPEC producers, including Russia, together cut supply by about 1.8 million bpd for six months until June, and are considering whether to extend the agreement. The inventory surplus is likely to be eroded, even without a prolonged cut.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2016	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
01/03/2017	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
01/10/2017	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
01/17/2017	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
01/24/2017	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

Silver markets tried to rally during the day on Tuesday, but found enough resistance near the \$18.50 level to turn things around and show a resistive looking candle. Nonetheless, I still believe in the uptrend and I think that these pullbacks will end up offering buying opportunities. Once we break above the \$18.50 level, I feel that the Silver markets can go much higher. I also believe that the \$18 level underneath is essentially the “floor” in the market, at least now. Silver is one of the most bullish markets that I know right now, so I certainly have no interest in trying to fight against the rally. Latest holdings of the largest silver-backed ETF, New York’s iShares Silver Trust SLV, stood at 10,241.90 tonnes down 32.39 tonnes, from previous business day. The Fed and Central Banks will hit a brick wall and that is due to the disintegrating energy sector specially the U.S and global oil industry

Pivot:	18.27		
Support	18.17	18.11	18.05
Resistance	18.32	18.41	18.48

Highlights

- Focus is turning towards the release later in the day of the minutes from the Federal Reserve's March meeting
- The dollar index fell 0.1 percent to 100.470 today in Asian session
- Whether the Fed would raise rates in its June conference is not very certain
- U.S President meets Chinese President Xi Jinping on Thursday and Friday
- Spot silver climbed 0.1 percent to \$18.30 an ounce after touching a one-month peak of \$18.41 in the previous session

Silver - Technical Indicators

RSI 14	46.12
SMA 20	18.04
SMA 50	17.48
SMA 100	17.12
SMA 200	18.11

Silver Daily Graph



Source: Meta Trader

Fundamentals

- Silver prices advanced Tuesday, reaching their highest level in more than one month, as buying interest returned to precious metals ahead of a key trade summit between the U.S. and China.
- May silver futures advanced 17 cents, or 0.9%, to \$18.38 a troy ounce in yesterday’s session. Prices fluctuated within a daily range of \$18.27 and \$18.43 overnight.
- The U.S. dollar, which normally trades inversely with precious metals, also gained on Tuesday. The dollar index climbed 0.1% to 100.68, putting it on track for its highest settlement since March 15. The greenback gained ground against the euro, pound and Canadian dollar early Tuesday.
- In economic data, Eurozone retail sales rose faster than anticipated in February, offering further evidence of a deepening recovery. Receipts at retail stores rose 0.7%, following an upwardly revised 0.1% gain in January, the European Commission’s statistics agency said. In annualized terms, retail sales rose 1.8%.
- Economic data will be in focus throughout the week, as investors gear up for a pair of U.S. jobs reports. Today, ADP Inc. will release its estimate of March private payrolls. Two days later, the Labor Department will produce the official nonfarm payrolls report.
- On the policy front, the Reserve Bank of Australia (RBA) voted Tuesday to leave interest rates at record lows. The central bank’s official cash rate has held at 1.5% since last August.
- European stocks wavered on Tuesday as investors awaited a key meeting between U.S. President Donald Trump and Chinese President Xi Jinping. The meeting will be held at an upcoming bilateral summit, which could be a source of volatility for the financial markets..

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/27/2016	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
01/03/2017	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
01/10/2017	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
01/17/2017	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
01/24/2017	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Wed Apr 05	12:50	EUR Markit France Services PMI (MAR)	Low	57.5	58.5	58.5
Wed Apr 05	12:55	EUR Markit Germany Services PMI (MAR)	Low	55.6	55.6	55.6
Wed Apr 05	13:00	EUR Markit Eurozone Services PMI (MAR)	Low	56.0	56.5	56.5
Wed Apr 05	13:30	GBP Markit/CIPS UK Services PMI (MAR)	Medium	55.0	53.5	53.3
Wed Apr 05	16:00	USD MBA Mortgage Applications (MAR 31)	Medium	-1.6%		-0.8%
Wed Apr 05	17:15	USD ADP Employment Change (MAR)	Medium		189k	298k
Wed Apr 05	19:00	USD ISM Services/Non-Manufacturing Composite (MAR)	High		57	57.6
Wed Apr 05	19:30	USD DOE U.S. Crude Oil Inventories (MAR 31)	Medium			867k
Wed Apr 05	23:00	USD FOMC Meeting Minutes (MAR 15)	High			

Source: Forex Factory, DailyFX

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