

Gold

Technical

Gold markets continue to find support near the \$1320 level, an area that has been important more than once. Economists believe that the market will eventually reach towards the highs again near the \$1365 level, and then eventually higher than that so that we can take advantage of these pullbacks. The market should continue to be a bit noisy, but anybody who is experiencing trading gold nose this going into the trade. Market players think that the \$1300 level underneath should continue to be a massive supportive level. It have been grinding higher over the longer term, but it has not been an easy move at times. A strengthening US dollar has worked against the gold markets of the last couple of days, as interest rates have been rising in the bond markets. However, there's enough geopolitical concern out there that we should continue to see demand for gold overall.

Pivot:	1,325		
Support	1,322	1,317	1,314
Resistance	1,332	1,335	1,339

Source: FX EMPIRE

Highlights

- The yellow metal rose 0.5 percent today lifting prices up from the roughly one-month low they settled at in the previous session
- Gold prices fell today as the dollar advanced towards more than three-month highs and might will continue for the next few days
- Rising yields typically make gold less attractive since it does not bear interest
- U.S stocks traded broadly lower, offering support for the haven metal
- Gold is often seen as an alternative investment during times of political and financial uncertainty

Gold - Technical Indicators

RSI 14	33.74
SMA 20	1,263.6
SMA 50	1,291.6
SMA 100	1,287.1
SMA 200	1,300.1

Source: FX EMPIRE

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold prices gained after three days of losses as the dollar retreated from an earlier three-month peak and U.S equities weakened as the dollar has been a driving force as of late, even as benchmark U.S Treasury yields passed 3 percent for the first time in more than four years.
- The yield on U.S 10-year Treasury notes rose above 3 percent as investors reduced their U.S bond holdings on worries about rising inflation and growing government debt supply.
- A retreat in world stocks after yields crossed 3 percent and weakness in the U.S. dollar drew investors to gold and lifted its value, since it is priced in the greenback.
- Spot gold gained 0.5 percent to \$1,330.84 per ounce, while U.S gold futures for June added \$9 or 0.7%, to settle at \$1,333 an ounce. The contract closed at \$1,324 Monday, marking its lowest finish since March 21 and dropping for a third day in a row. In fact, the three-session skid was the lengthiest since a similar downturn ended March 16.
- It has benefited in recent weeks from concerns over the U.S and China trade dispute, sanctions on Russia and unrest in the Middle East, but has been kept in check by the prospect of further interest rate hikes from the Federal Reserve.
- Based on interest rates, prices should be lower. But there are a lot of other factors, and a lot of tensions that have been boosting prices. Gold will continue to trade in this range between \$1,300-1,350 depending on what happens with those risks, and the Fed hiking rates.
- The U.S Dollar Index was down less than 0.1% at 90.89. Its moves impact the appeal of dollar-priced commodities, including gold, to investors using other currencies.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/01/2017	337251	72353	82%	120854	284003	30%	49448	31277	61%	384,974
12/08/2017	340748	74460	82%	115571	287002	29%	51148	36,819	61%	450555
12/15/2017	291266	84634	77%	116493	311865	27%	53520	32958	62%	499110
12/12/2017	274589	77454	77%	118610	304141	28%	49810	33791	60%	493086
12/29/2017	295688	67069	82%	127081	327075	28%	51562	30399	63%	510579

Source: CFTC

Crude Oil

Technical

The Crude Oil market went back yesterday, as we tried to break above the \$69.50 level. So, pulling back towards the \$68.50 level makes quite a bit of sense. That was an area that it had seen resistance in previously. However, there is an upper proclivity in general, but I also recognize that the \$70 level is resistance above, so it will probably take a significant amount of momentum to break above there. That would suggest pullbacks occasionally, but those pullbacks should be thought of as value propositions. Brent market also went sideways yesterday, falling ever so slightly. There is plenty of support underneath though, especially at the \$73 level, so the market should eventually find reasons to go to the upside, but obviously the \$75 level is somewhat psychologically important, and that could keep the market from breaking out in the short term.

Pivot:	67.67		
Support	61.70	58.20	54.50
Resistance	70.00	73.50	77.50

Source: FX EMPIRE

Highlights

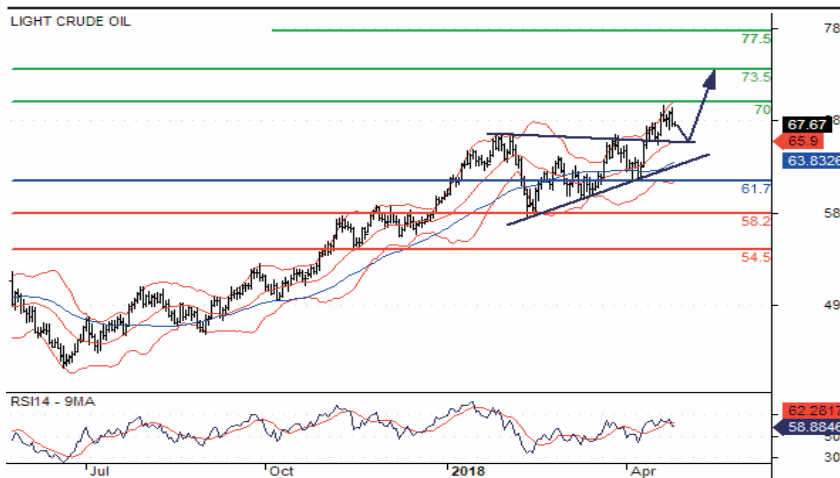
- Oil prices were little changed on Tuesday after Brent hit its highest level since November 2014
- U.S crude oil production has shot up by more than a quarter since mid-2016 to over 10.54 million barrels per day
- OPEC led production cuts, and the prospect of renewed U.S sanctions on Iran
- Market sentiment is turning increasingly bullish towards the commodity, as it was fuelled largely by political risk in the Middle East
- OPEC oil output fell in March to an 11-month low due to declining Angolan exports

Crude - Technical Indicators

RSI 14	31.91
SMA 20	48.72
SMA 50	48.27
SMA 100	51.11
SMA 200	56.32

Source: FX EMPIRE

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- The crude oil prices settled lower today after tapping highest levels in more than 3 years and finding little support from uncertainty surrounding Iran's nuclear deal, as a diminished appetite for risk weighed on the U.S stock market. U.S crude inventories rose by 1.1 million barrels in the week to April 20.
- U.S inventories and other indications of energy demand, like U.S GDP on Friday, may also have a significant impact on energy prices. Oil market slump that started in 2014 has now ended and is turning into a sustained price rally due to supply disruptions and also strong demand, especially in Asia.
- June West Texas Intermediate crude lost 94 cents, or 1.4%, to settle at \$67.70 a barrel on the New York Mercantile Exchange, the lowest finish since April 17. It fell from an intraday high of \$69.38, which would have marked its highest settlement since November 2014.
- Global benchmark June Brent settled at \$73.86 a barrel on ICE Futures Europe, down 85 cents, or 1.1%. It had touched a high of \$75.47, the highest level since November 2014.
- The two contracts settled higher on Monday. That was seen as raising the potential for disruptions to crude supply in the Middle East, which is a major oil-producing region.
- WTI bulls may be heavily reliant on geopolitics to keep prices appreciating, which could expose oil to extreme downside risks if geopolitical tensions start to ease, with rising production from U.S shale still a key market theme that continues to weigh on oil prices.
- Brent and WTI crude prices averaging \$71 a barrel and \$68 a barrel respectively this year. It also raised its 2019 price outlook by \$13 with Brent oil seen averaging \$75 a barrel and WTI \$71.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/01/2017	458,206	105,441	81%	560,983	925,531	38%	82,700	70,917	54%	1,598,935
12/08/2017	462,028	106,739	81%	557,217	927,085	38%	85,279	70,700	55%	1,615,844
12/15/2017	454,829	123,816	79%	571,328	916,651	38%	87,594	73,282	54%	1,619,796
12/12/2017	463,186	135,835	77%	560,029	897,400	38%	87,590	77,633	53%	1,623,027
12/29/2017	473,506	133,457	78%	558,910	898,363	38%	79,121	79,717	50%	1,613,293

Source: CFTC

Silver

Technical

Silver markets initially drifted lower yesterday but found enough support near the \$16.55 level to turn things around and bounce higher. The market is trying to form a bit of a base in this region, as it has been the bottom of the overall consolidation. Economists think that it will probably go towards the \$17.25 level, although it will take a lot of effort to get there. The market should continue to find more than enough reasons to look towards the upside, and the Silver markets might will be highly sensitive to where the US dollar is moving. The US dollar has been stronger over the last couple of days, and that in fact has been one of the major drivers of silver to go lower. If it can break above the \$17.30 level, then the market will go looking towards the \$17.50 level after that. The \$16.50 level continues to be an important area, and that will continue to see buyers near that area.

Pivot:	16.65		
Support	16.53	16.42	16.30
Resistance	16.75	16.84	16.90

Source: FX EMPIRE

Highlights

- The price of silver will depend heavily on trends in investment demand in 2018
- May comex silver was last up \$0.128 at \$16.715 an ounce
- Global silver mine production was forecast to rise to 776.6 million ounces in 2018, up 0.2 percent from 2017
- The fundamental story on silver is stronger than the investment
- Financial and political issues facing the world and individual investors seems more likely to lead to a rekindling of silver demand from investors

Silver - Technical Indicators

RSI 14	37.92
SMA 20	16.60
SMA 50	17.09
SMA 100	17.05
SMA 200	16.83

Source: FX EMPIRE

Silver Daily Graph



Source: Meta Trader

Fundamentals

- Silver prices were higher yesterday, on rebounds following recent selling pressure. A weaker U.S dollar index on this day and a sell-off in the U.S stock market worked in favor of the precious metals bulls today.
- The U.S stock market bulls may have been spooked a bit today as U.S Treasury 10-year note yields hit a four-year high of 3%. Such hints at rising inflation, but not yet problematic.
- May silver added 11.6 cents or 0.7%, to \$16.703 an ounce. It tumbled 3.4% to \$16.587 an ounce on Monday, pulling back from its own 2 ½-month high hit last week. The decline represented the sharpest daily fall since July 3, 2017 and its longest losing trend since mid-March.
- The U.S stock indexes have also come down from their daily highs, which is mildly supportive for the safe-haven silver markets. The precious metal generally shines vs. dollar weakness, increasing inflation and bottoming stock-market volatility.
- Renewed momentum in the U.S dollar and rising bond yields are helping to keep the gold market in check. The price of silver will depend heavily on trends in investment demand in 2018, but could get a boost from international political and economic risk purchases.
- Spot silver prices finished up 7.2 percent in 2017, versus 2016. However the average price declined 0.5 percent in 2017. Prices are down roughly 2.5 percent so far this year as investors pursue higher-yielding opportunities, including global equities.
- Silver investment demand dropped 52% in 2017 to 50.2 million ounces on a net basis. CPM Group expects 43.9 million ounces in investment during 2018, the lowest since 2006 when investors added 30.6 million ounces to holdings.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/01/2017	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
12/08/2017	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
12/15/2017	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
12/12/2017	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
12/29/2017	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 April 25	06:10	JPY BOJ Outright Bond Purchase 5~10 Years	Low			
Wed April 25	09:30	JPY All Industry Activity Index (MoM) (FEB)	Medium	0.4%	0.5%	-1.1%
Wed April 25	13:00	CHF Credit Suisse Survey Expectations (APR)	Low	7.2		16.7
Wed April 25	16:00	USD MBA Mortgage Applications (APR 20)	Medium	-0.2%		4.9%
Wed April 25	19:30	USD DOE U.S. Crude Oil Inventories (APR 20)	Medium			-1071k
Wed April 25	19:30	USD DOE Cushing OK Crude Inventory (APR 20)	Low			-1115k
Wed April 25	19:30	USD DOE U.S. Gasoline Inventories (APR 20)	Low			-2968k
Wed April 25	19:30	USD DOE U.S. Distillate Inventory (APR 20)	Low			-3107k
Wed April 25	22:00	USD U.S. to Sell USD35 Bln 5-Year Notes	Low			

Source: Forex Factory, DailyFX

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