

Gold

Technical

Gold markets initially fell during the week but by the time we got towards the end of the week, buyers came in and started to push this market back towards the \$1200 level. It has a couple of shooting stars just before, and that of course is very bearish. A break above the \$1215 level, essentially both shooting stars, would be an extraordinarily bullish sign. At that point, the market should then go to the \$1250 level. The alternate scenario of course would be a break down below the recent lows. At this point, the market looks likely to go back and forth and chop around. It will be difficult for longer-term traders, but if it can get above the \$1215 level, longer-term buyers will come in and push this market much higher. It won't necessarily be the easiest trade to take, and it of course will be influenced by the US dollar overall so you should pay attention to it.

Pivot:	1,185		
Support	1,180	1,177	1,173
Resistance	1,191	1,193	1,197

Source: FX EMPIRE

Highlights

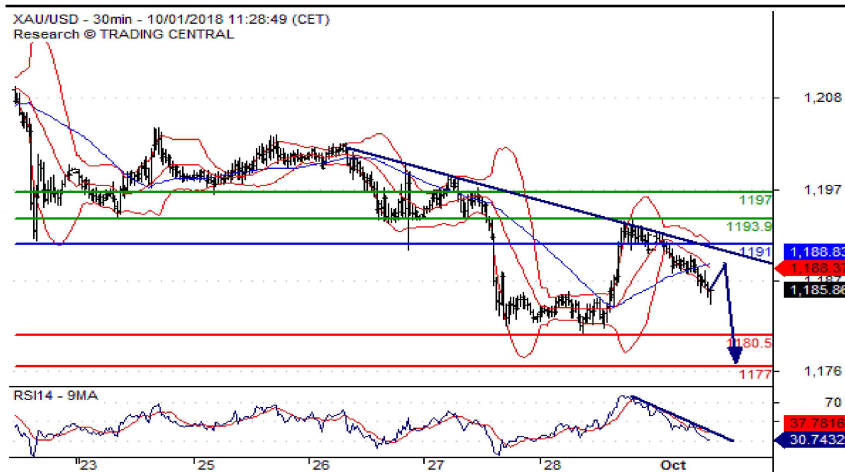
- Gold prices dipped to, with the US dollar holding steady after marking a near three-week high in the previous session
- Gold touched its lowest since Aug 17 at US\$1,180.34 an ounce
- Gold speculators raised their net short position by 2,923 lots to 77,313 lots
- The Fed raised interest rates last week and said it planned four more increases by the end of 2019
- Gold prices are likely to see lower volatility, with the Chinese markets closed for a week

Gold - Technical Indicators

RSI 14	64.11
SMA 20	1,200.4
SMA 50	1,199.7
SMA 100	1,199.3
SMA 200	1,199.2

Source: FX EMPIRE

Gold Daily Graph



Source: Meta Trader

Fundamentals

- Gold prices dipped today as the dollar firmed in the wake of indications from the U.S Federal Reserve last week that it will pursue a tighter monetary policy. The dollar index was up 0.1 percent versus a basket of major currencies, and hovered close to a near three-week high hit in the previous session.
- The Fed raised U.S interest rates last week and said it planned four more increases by the end of 2019 and another in 2020, amid steady economic growth and a strong job market.
- Higher U.S interest rates tend to boost the dollar and push bond yields up, putting pressure on gold prices by increasing the opportunity cost of holding non-yielding bullion.
- Spot gold was down 0.3 percent at \$1,188.41. On Friday, gold touched its lowest since Aug. 17 at \$1,180.34 an ounce. U.S gold futures were down 0.3 percent at \$1,192.30 an ounce.
- Gold prices remain dependent on the dollar prices at this juncture. The U.S economy has been rosy and better than expected. Efforts by the Trump administration to reduce the trade deficit from an economic point of view has been friendly for the greenback as well.
- Gold has fallen about 13 percent from an April high, largely because of the stronger dollar, which has been boosted by a vibrant U.S economy and fears of a global trade war. Investors have bought the greenback instead of gold as a safe investment.

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 has broken above the \$71 level during the week, showing signs of strength. It gapped higher at the beginning of the week on Monday, and simply went sideways with an upward proclivity, showing even more bullish pressure on Friday as it made even higher highs. Economists think that short-term pullbacks are opportunities to go long, and have no interest in shorting this market. It looks likely that it will now go looking towards the \$75 level, as it has firmly ensconced ourselves into a nice uptrend. Brent markets or even more bullish than the WTI Crude Oil market as it has sliced through the \$80 level. Not only did it slice through that crucial round number, but it has broken above the tops of three consecutive shooting stars, which of course is an extraordinarily bullish sign. The \$85 level above will be a target, just as the \$80 level underneath will be massive support.

Pivot:	73.38		
Support	73.10	72.80	72.50
Resistance	73.65	73.90	74.25

Source: FX EMPIRE

Highlights

- Oil futures gained with global crude prices settling at another four-year high
- Increasing futures and options positions in New York and London by 3,728 contracts to 346,566 during the period
- Brent was pushed up against Iran, which will start targeting its oil sector from Nov. 4
- U.S WTI oil saw a weekly climb of 3.5% and a monthly rise of roughly 4.9%
- For the week, based on the front-month contracts, Brent crude was up 5%

Crude - Technical Indicators

RSI 14	69.48
SMA 20	72.22
SMA 50	72.19
SMA 100	72.19
SMA 200	72.24

Source: FX EMPIRE

Crude Oil Daily Graph



Source: Meta Trader

Fundamentals

- Brent crude oil prices rose to their highest since November 2014 today ahead of U.S sanctions against Iran, the third-largest producer in the Organization of the Petroleum Exporting Countries (OPEC), that kick in next month.
- Benchmark Brent crude oil futures rose to as much as \$83.32 a barrel on Wednesday and were at \$83.09, still 36 cents, or 0.4 percent above their last close. U.S. West Texas Intermediate crude futures were up 19 cents, or 0.3 percent, at \$73.44 a barrel.
- WTI prices were supported by a report on Friday of a stagnant rig count in the United States, which points to a slowdown in U.S crude production, which now rivals top producers Russia and Saudi Arabia. Overall, the market has been bolstered by declining Iranian crude exports.
- In a sign that the financial market is positioning itself for further price rises, hedge funds increased their bullish wagers on U.S crude in the week to Sept. 25, data from the U.S CFTC showed.
- In a further sign of the impact that the U.S sanctions on Iran will have on the market, China's Sinopec (600028.SS) said it is halving loadings of Iranian crude oil this month. China is the biggest buyer of Iranian oil.
- If Chinese refiners do comply with U.S sanctions more fully than expected, then the market balance is likely to tighten even more aggressively. Until sizable supply is offered up by OPEC, ultimately traders will continue to push the envelope even more.

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

Commodity News

Monday, October 01, 2018



Silver

Technical

The Silver markets have rallied during the week, showing signs of strength, and it is closing towards the top of the range for the week which of course is a very bullish sign. It had broken above an inverted hammer from a couple of weeks ago, which is a bullish sign, and now it has \$15 in our targets. Economists think that if it can break above that level, it's likely that it will then go to the \$15.50 level, and then eventually the \$16 level. Overall, this is a historically cheap levels that it has seen a lot of buying at, and that will continue to be looked at as a value buying opportunity. It will probably have the occasional pullback, but at this point silver has become cheap enough that larger money is starting to come in and pick it up. The easiest way to deal with the turnaround is to buy silver in its physical form as it allows you to ride out the volatility. Futures market is \$25 a tick, which is only one half of a cent.

Pivot:	14.55		
Support	14.50	14.43	14.36
Resistance	14.65	14.72	14.83

Source: FX EMPIRE

Highlights

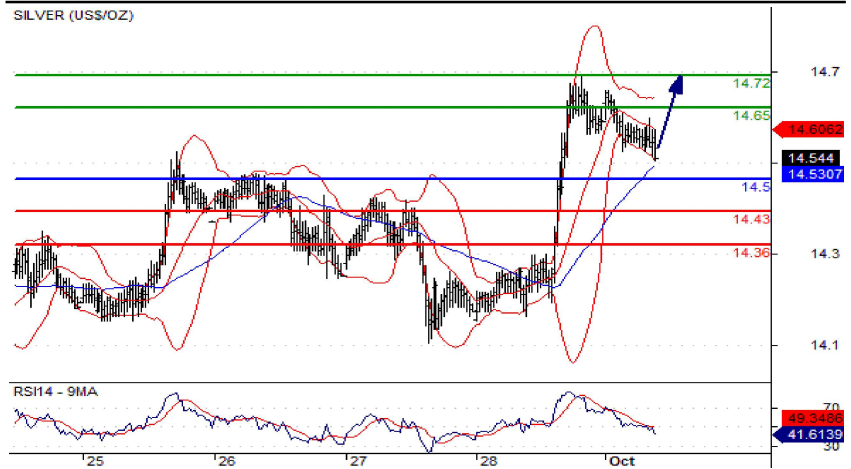
- Silver prices were down 0.3 percent at \$14.55 per ounce
- Silver prices are modestly lower in U.S trading and are seeing some pressure from a rebound in the U.S dollar index
- Earlier US data showed personal spending rose 0.3% as expected, slowing down from 0.4%
- Personal income rose 0.3% with no change, missing estimates of 0.4%
- December Comex silver was last up \$0.105 at \$14.395 an ounce

Silver - Technical Indicators

RSI 14	68.06
SMA 20	14.32
SMA 50	14.29
SMA 100	14.28
SMA 200	14.26

Source: FX EMPIRE

Silver Daily Graph



Source: Meta Trader

Fundamentals

- Silver futures fell in Asian trade as the dollar index climbed for the sixth session out of seven away from July 9 lows, following earlier data from China, the world's largest metals consumer, and ahead of US manufacturing data.
- Silver futures due in December fell 0.59% to \$14.63 an ounce, while the dollar index inched up 0.09% against a basket of major rivals away from three-month lows.
- The metals late this week are seeing limited buying interest due to a strong rally in the U.S dollar index. Also, half-way through the historically markets-turbulent September-October timeframe finds risk aversion low among investors.
- World stock markets were mostly lower overnight. U.S stock indexes are pointed toward weaker openings when the New York day session begins. Recent strength in the U.S stock market finds the major U.S indexes not far below their recent record highs.
- Earlier Chinese data showed the manufacturing PMI slowed down to 50.8 from 51.3, missing estimates of 51.2, while the services PMI widened to 54.9 from 54.2, beating estimates of 54.1.
- Markets also await the final Markit manufacturing PMI reading, expected at 55.6, up from 54.7 in August, while ISM manufacturing PMI is estimated at 60.1, slightly below 61.3 in August. ISM manufacturing prices are expected to slip to 72 from 72.1, while construction spending is expected with a 0.5% increase, accelerating from 0.1% in July.

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
12/05/2017	42,097	29,999	58%	56,157	75,843	43%	23,121	15,533	60%	132,501
12/12/2017	42,083	27,402	61%	54,280	79,052	41%	24,963	14,872	63%	132,475
12/19/2017	41,285	23,950	63%	53,875	79,404	40%	23,378	15,184	61%	131,294
12/29/2017	41,287	24,798	62%	58,869	83,678	41%	21,523	13,203	62%	136,158
01/02/2018	41,334	26,466	62%	60,600	84,551	42%	21,666	13,583	61%	139,468

Source: CFTC

Commodity News

Monday, October 01, 2018



Data Calendar

Economic Data

Date	Time	Event	Importance	Actual	Forecast	Previous
Mon, Oct 01	08:30	GBP Mortgage Approvals (AUG)	Medium	66.44k	64.5k	65.156k
Mon, Oct 01	09:00	EUR Euro-Zone Unemployment Rate (AUG)	Medium	8.1%	8.1%	8.2%
Mon, Oct 01	13:30	CAD RBC Canadian Manufacturing PMI (SEP)	High			56.8
Mon, Oct 01	14:00	USD Construction Spending (MoM) (AUG)	Medium		0.4%	0.1%
Mon, Oct 01	14:00	USD ISM Manufacturing (SEP)	High		60	61.3
Mon, Oct 01	14:00	USD ISM Employment (SEP)	High			58.5
Mon, Oct 01	14:00	USD ISM Prices Paid (SEP)	Medium		71.4	72.1
Mon, Oct 01	14:30	MXN Markit Mexico PMI Mfg (SEP)	Medium			50.7
Mon, Oct 01	23:50	JPY Monetary Base (YoY) (SEP)	Medium			6.9%

Source: Forex Factory, DailyFX

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