

Commodities Market: Technical Outlook

May 05, 2017 

Strategy

	Strategy	Target Range	Stoploss
Gold	Sell on Strength	\$1,225 - \$1,215	\$1,241.1 - \$1,241.2
Silver	Sell on Strength	\$16.21 - \$15.95	\$16.62 - \$16.64
Crude oil	Sell on Strength	\$45.28 - \$43.71	\$47.72 - \$47.75
Dollar Index	Sell on Strength	98.55 - 97.90	99.06 - 99.08

Support and Resistance

	Close	S2	S1	PIVOT	R1	R2
Gold	\$1,227.25	\$1,215.78	\$1,221.51	\$1,231.33	\$1,237.06	\$1,246.88
Silver	\$16.28	\$15.95	\$16.11	\$16.37	\$16.53	\$16.79
Crude oil	\$45.46	\$43.71	\$44.59	\$46.15	\$47.03	\$48.59
Dollar Index	98.58	97.90	98.24	98.89	99.23	99.88

Technical View

Bears continued to dominate the session as gold lost \$9.31 to close at \$1,227. If the decline continues, the initial target will be at \$1,218, with a chance of later extending towards \$1,205. However, any upside will face resistance at yesterday's high of \$1,241. Meanwhile, the RSI and the MACD are heading down, supporting a bearish view. We recommend investors to 'Sell on Strength', keeping stoploss above \$1,241.

Another negative session for silver was witnessed as it closed at \$16.28, down \$0.17. Silver has currently formed a lower high and lower low that indicates further downside. A fall below yesterday's low will target \$16.12, which could later extend to \$15.69. However, any upside will revisit yesterday's high of \$16.62. The RSI and the MACD have continued to decline, supporting a negative view. Investors are recommended to 'Sell' on the higher side, keeping stoploss above \$16.62.

Bearish movement continued for crude oil as it closed at \$45.46, down \$2.05. The current formation of lower high and lower low suggests further downside. The next target is established at \$44.51, followed by \$42.94. However, any upside will find resistance at yesterday's high of \$47.72. The RSI and the Stochastic Oscillator are moving down, suggesting lower price movement in the near term. We recommend investors to 'Sell on Strength', keeping stoploss above \$47.72.

The USD index posted a loss of 0.66 points to close at 98.58. The current formation is an Engulfing Bear which indicates a negative trend ahead. Moreover, the index has dropped below the 200-DMA which will now restrict upside at 99.06. However, a fall below yesterday's low will target 97.68. The RSI and the Stochastic Oscillator have taken a downturn, supporting a negative view. We recommend investors to 'Sell on Strength', keeping stoploss above the 200-DMA.

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Economic Calendar

Time	Currency	Impact	Event	Forecast	Previous
1:10pm	EUR	Low	Retail PMI		49.5
5:30pm	CAD	High	Employment Change	20.0K	19.4K
5:30pm	CAD	High	Unemployment Rate	6.7%	6.7%
5:30pm	USD	High	Average Hourly Earnings m/m	0.3%	0.2%
5:30pm	USD	High	Non-Farm Employment Change	194K	98K
5:30pm	USD	High	Unemployment Rate	4.6%	4.5%
7:00pm	CAD	Medium	Ivey PMI	62.3	61.1
8:30pm	USD	Medium	FOMC Member Fischer Speaks		
10:30pm	USD	High	Fed Chair Yellen Speaks		
10:30pm	USD	Medium	FOMC Member Evans Speaks		

Source: www.forexfactory.com

News Headlines

Gold edges up, but set for worst week since November

Gold inched up on Friday as the euro rose against the dollar, but was on track for its biggest weekly fall since November on receding political risks in France and expectations of a U.S. rate rise as early as June.

Oil Tumbles Again, Asian Equities Fall Before Jobs: Markets Wrap

Oil slid below \$45 a barrel for the first time since November and Chinese equities headed for their longest losing streak this year amid weakness across most Asian stock markets.

Oil prices pinned near five-month low as supply glut weighs

Oil prices fell further on Friday to be mired at five-month lows after tumbling in the previous session, as concerns about global oversupply wiped out all of the price gains since OPEC's move to cut output.

Asian stocks fall for third day as cracks in commodities widen

Asian stocks declined for a third consecutive day on Friday as fresh falls in commodities raised concerns about the health of the global economy, though the euro bucked the broad weakness on receding concerns about France's presidential election.

U.S. Senate passes bill to fund government through September

The U.S. Senate on Thursday gave final legislative approval to a \$1.2 trillion spending bill to keep the government open through September, a measure President Donald Trump is expected to sign before Friday's deadline.

Source: Bloomberg & Reuters

Disclaimer:

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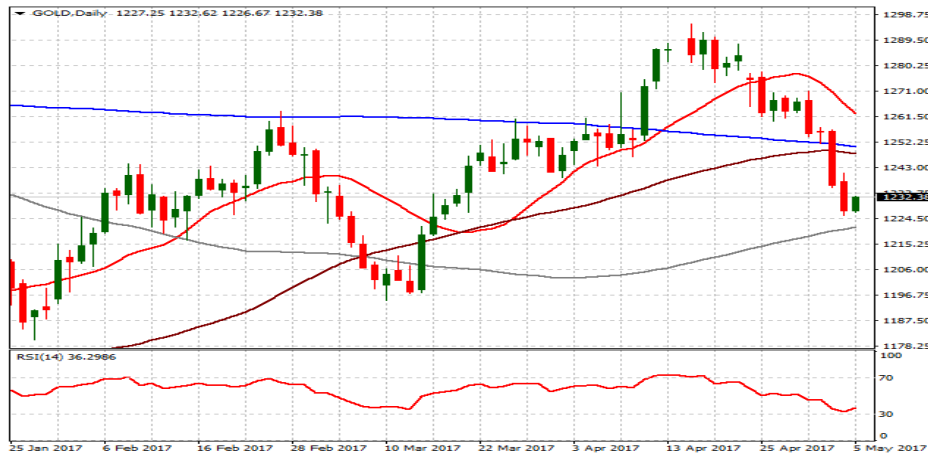
Gold (US\$/ounce) – Negative

	Open	High	Low	Close	Range	Change
4-May-17	\$1,237.95	\$1,241.14	\$1,225.59	\$1,227.25	\$15.55	-0.8%
3-May-17	\$1,256.20	\$1,256.78	\$1,235.77	\$1,236.56	\$21.01	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$1,215.78	\$1,221.51	\$1,231.33	\$1,237.06	\$1,246.88
Fibonacci	\$1,221.72	\$1,225.39	\$1,231.33	\$1,237.27	\$1,240.94

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
4-May-17	\$1,248.48	\$1,266.35	\$1,262.44	\$1,248.77	\$1,220.66	\$1,251.20
Action	Sell	Sell	Sell	Sell	Buy	Sell
Summary	Buy	1	Sell	5		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
4-May-17	17.73	32.61	6.66	-1.81	-196.11	12.72
3-May-17	21.40	36.14	8.10	1.02	-171.39	11.62
Action	Sell	Sell	Sell	Sell	Sell	Buy
Summary	Buy	1	Sell	5		



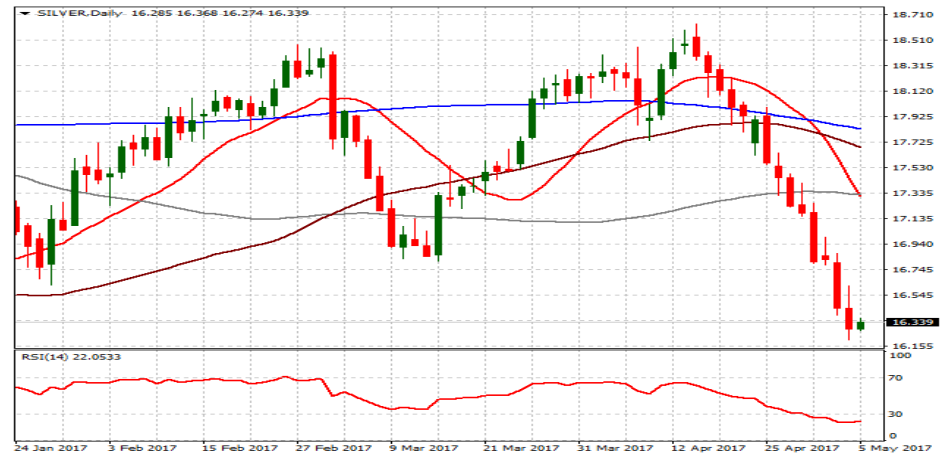
Silver (US\$/ounce) – Negative

	Open	High	Low	Close	Range	Change
4-May-17	\$16.45	\$16.62	\$16.20	\$16.28	\$0.42	-1.0%
3-May-17	\$16.80	\$16.87	\$16.40	\$16.45	\$0.47	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$15.95	\$16.11	\$16.37	\$16.53	\$16.79
Fibonacci	\$16.11	\$16.21	\$16.37	\$16.53	\$16.63

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
4-May-17	\$16.71	\$17.46	\$17.81	\$17.72	\$17.33	\$17.84
Action	Sell	Sell	Sell	Sell	Sell	Sell
Summary	Buy	0	Sell	6		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
4-May-17	7.13	19.95	5.48	-0.35	-140.83	0.33
3-May-17	8.19	21.53	3.14	-0.29	-143.28	0.31
Action	Sell	Sell	Buy	Sell	Buy	Buy
Summary	Buy	3	Sell	3		



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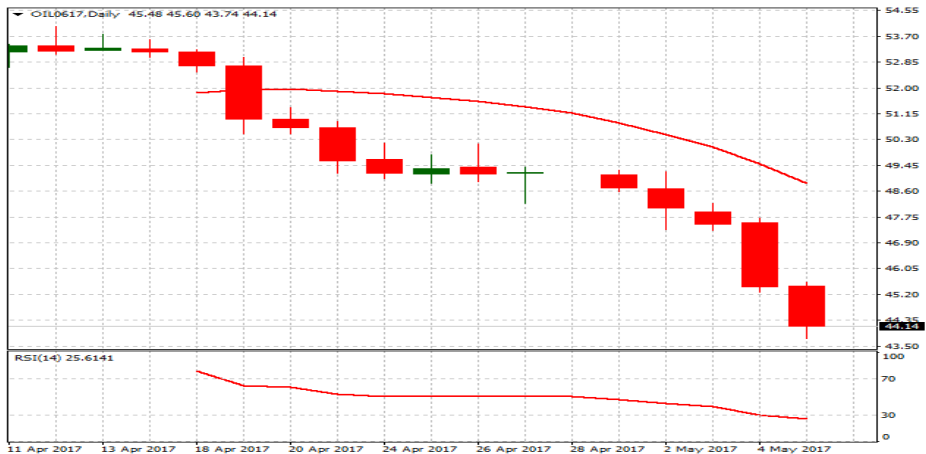
Crude Oil (US\$/barrel) – Negative

	Open	High	Low	Close	Range	Change
4-May-17	\$47.55	\$47.72	\$45.28	\$45.46	\$2.44	-4.3%
3-May-17	\$47.91	\$48.20	\$47.30	\$47.51	\$0.90	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	\$43.71	\$44.59	\$46.15	\$47.03	\$48.59
Fibonacci	\$44.65	\$45.22	\$46.15	\$47.09	\$47.66

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
4-May-17	\$47.78	\$49.50	\$50.28	\$50.41	\$51.71	\$49.21
Action	Sell	Sell	Sell	Sell	Sell	Sell
Summary	Buy	0	Sell	6		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
4-May-17	9.04	29.87	11.22	-0.78	-166.55	1.28
3-May-17	15.93	39.27	19.64	-0.51	-109.19	1.15
Action	Sell	Sell	Sell	Sell	Sell	Buy
Summary	Buy	1	Sell	5		



Dollar Index – Negative

	Open	High	Low	Close	Range	Change
4-May-17	99.54	99.54	98.55	98.58	0.99	-0.7%
3-May-17	98.76	99.26	98.74	99.24	0.52	

Support and Resistance					
	S2	S1	PIVOT	R1	R2
Classic	97.90	98.24	98.89	99.23	99.88
Fibonacci	98.28	98.51	98.89	99.27	99.50

Moving Averages						
	5-DMA	14-DMA	30-DMA	50-DMA	100-DMA	200-DMA
4-May-17	98.89	99.18	99.73	100.26	100.81	99.06
Action	Sell	Sell	Sell	Sell	Sell	Sell
Summary	Buy	0	Sell	6		

Indicators						
	7-DRSI	14-DRSI	SO (5,3,3)	MACD	CCI (14)	ATR (14)
4-May-17	34.66	37.39	38.96	-0.42	-55.08	0.57
3-May-17	49.27	44.26	64.80	-0.40	-33.79	0.54
Action	Sell	Sell	Sell	Sell	Sell	Buy
Summary	Buy	1	Sell	5		

