

Gold plunged lower after Fed hikes by 25 basis points

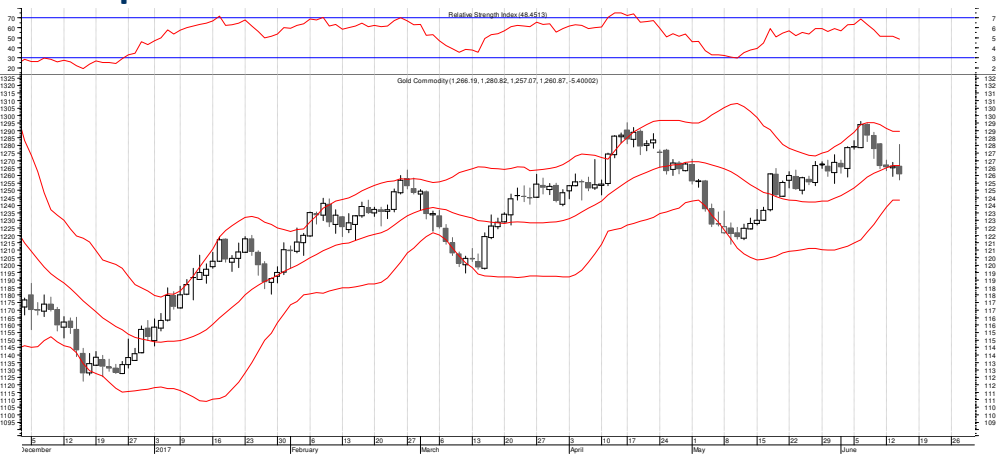
- **Gold closed near 55-DMA:** Gold prices rose initially in the previous session after weaker-than-expected U.S. CPI and Retail sales data but gave up gains after U.S. Federal Reserve raised interest rates for the second time this year by 25 basis points to 1.25%. However, analyst see strong support at US\$1,260/oz and prices could bounce following a report that President Donald Trump was being investigated for possible obstruction of justice.
- **Oil below US\$45/bbl:** Oil prices fell to a five-week low on Wednesday after EIA reported that U.S. crude stockpiles fell by 1.7 million barrels, less than the expected decline of 2.7 million barrels. In addition, gasoline stockpiles rose by 2.1 million barrels in the week. Experts suggest prices to fall further as production growth in Libya and Nigeria and continued rig additions in U.S. are raising doubts on OPEC's plan.

Reuters, CNBC

Time	Currency	Impact	Event	Forecast	Previous
15th June Thursday					
12:30pm	CHF	High	Libor Rate	-0.75%	-0.75%
12:30pm	CHF	High	SNB Press Conference		
1:30pm	GBP	High	Retail Sales m/m	-0.9%	2.3%
4:00pm	GBP	High	Monetary Policy Summary		
4:00pm	GBP	High	Official Bank Rate	0.25%	0.25%
5:30pm	USD	High	Unemployment Claims	241K	245K
5:30pm	USD	Medium	Empire State Manufacturing Index	5.2	-1.0
5:30pm	USD	Medium	Import Prices m/m	0.1%	0.5%
5:30pm	USD	Medium	Philly Fed Manufacturing Index	25.5	38.8
6:15pm	USD	Medium	Capacity Utilization Rate	76.8%	76.7%
6:15pm	USD	Medium	Industrial Production m/m	0.2%	1.0%

Source: www.forexfactory.com/calendar

Gold Spot



Technical Strategy: Play the Range

Gold closed at US\$1,263/oz, above its 55-DMA which is at US\$1,261/oz. 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\$1,260/oz - US\$1,272/oz. A break below US\$1,260/oz could target US\$1,248/oz, while a break above US\$1,272/oz could target US\$1,280/oz.

Refer to important disclosures on page 3

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Synopsis

Gold (Play the Range)	
2 nd Resistance	US\$1,280
1 st Resistance	US\$1,272
1 st Support	US\$1,260
2 nd Support	US\$1,248
Silver (Play the Range)	
2 nd Resistance	US\$17.40
1 st Resistance	US\$17.20
1 st Support	US\$16.70
2 nd Support	US\$16.50
TI Spot (Play the Range)	
2 nd Resistance	US\$46.50
1 st Resistance	US\$45.80
1 st Support	US\$44.80
2 nd Support	US\$44.00

Source: BIPLS Technical Research

Gold: Key Highlights

US\$/oz.	14-Jun	Change
Open	1266.19	-0.08
High	1280.82	14.55
Low	1257.07	-9.20
Close	1260.87	-5.40

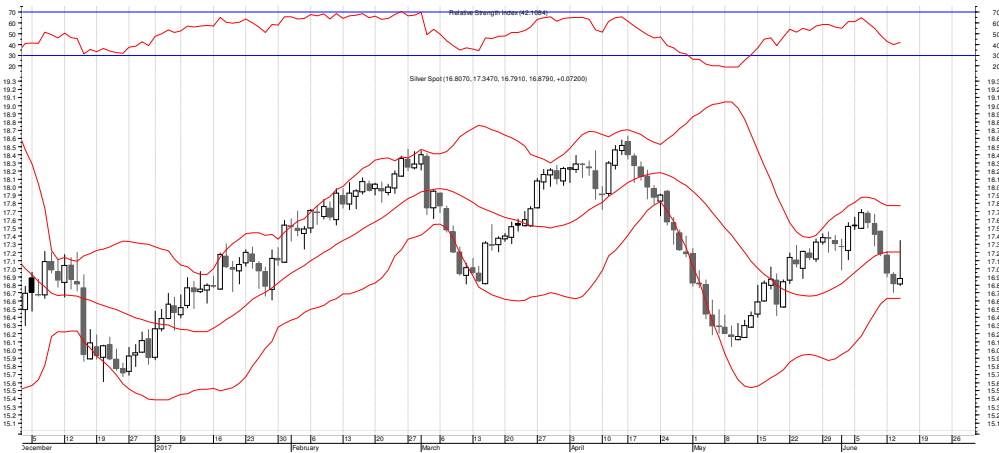
Source: Bloomberg

Key Technical Indicators

Date	14-Jun	13-Jun	Change
30-DMA	1254.40	1253.62	0.78
50-DMA	1259.98	1259.88	0.10
200DMA	1240.04	1240.35	-0.32
9-D RSI	43.93	48.64	-4.71
14-D RSI	48.45	51.56	-3.11

Source: BIPLS Technical Research

Silver Spot



Technical Strategy: Play the Range

Silver closed at US\$16.88/oz, below its 05-DMA which is at US\$17.04/oz. 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\$16.70/oz - US\$17.20/oz. A break below US\$16.70/oz could target US\$16.50/oz, while a break above US\$17.20/oz could target US\$17.40/oz.

Silver: Key Highlights

US\$/oz.	14-Jun	Change
Open	16.81	0.00
High	17.35	0.54
Low	16.79	-0.02
Close	16.88	0.07

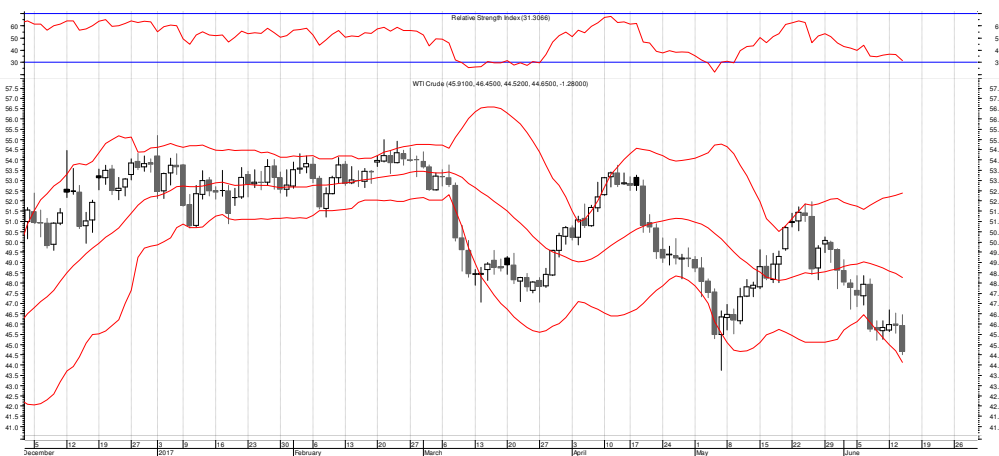
Source: Bloomberg

Key Technical Indicators

Date	14-Jun	13-Jun	Change
30-DMA	16.94	16.92	0.01
50-DMA	17.28	17.31	-0.03
200DMA	17.48	17.50	-0.01
9-D RSI	37.46	33.64	3.83
14-D RSI	42.11	39.88	2.23

Source: BIPLS Technical Research

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

Oil closed at US\$44.90/bbl, below its 05-DMA which is at US\$45.86/bbl. 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\$44.80/bbl - US\$45.80/bbl. A break below US\$44.80/bbl could target US\$44.00/bbl, while a break above US\$45.80/bbl could target US\$46.50/bbl.

WTI Spot: Key Highlights

US\$/bbl	14-Jun	Change
Open	45.91	-0.02
High	46.45	0.52
Low	44.52	-1.41
Close	44.65	-1.28

Source: Bloomberg

Key Technical Indicators

Date	14-Jun	13-Jun	Change
30-DMA	47.95	48.05	-0.10
50-DMA	49.05	49.18	-0.13
200DMA	49.67	49.66	0.00
9-D RSI	25.13	32.47	-7.33
14-D RSI	31.31	36.54	-5.24

Source: BIPLS Technical Research

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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