

U.S. dollar inched up amid stronger U.S. bond yields

- GOLD:** Gold prices were little changed on Tuesday, as the dollar held on to gains from the previous session after a Federal Reserve official backed the case for further interest rate hikes in the United States. The Fed should continue its gradual approach to raising interest rates given that inflation has not yet reached the U.S. central bank's 2 percent goal in a sustained way, Cleveland Fed President Loretta Mester said on Monday. However, investors awaiting U.S. retail sales data due to be released later in the day.
- CRUDE OIL:** Oil prices held firm on Tuesday as ongoing production cuts by OPEC and looming U.S. sanctions against Iran tightened the market amid signs of ongoing strong demand. Markets have generally tightened as the Organization of the Petroleum Exporting Countries (OPEC), led by Saudi Arabia, has been withholding supplies since 2017 in order to push up oil prices. Moreover, hedge funds and other money managers have amassed a record position on bullish bets in oil futures, a sign of widespread expectations of rising prices. However, this exposes oil prices to a potentially sharp correction if sentiment shifts.
- U.S. EQUITIES:** Stocks closed higher on Monday amid hopes of a potential breakthrough in trade tensions between the U.S. and China, the world's two largest economies. Equities came into the session riding last week's strong gains. The Dow posted its biggest weekly gain since March last week while the S&P 500 and Nasdaq climbed 2.4% and 2.7%, respectively. In corporate news, Xerox fell more than 4% after the company abandoned a \$6.1 billion deal with Japanese firm Fujifilm as part of a settlement between Carl Icahn and Darwin Deason.
- U.S. DOLLAR:** U.S. dollar inched up against a basket of currencies on Tuesday from its lowest level in more than a week as hopes for an easing of global trade tensions pushed U.S. bond yields higher. However, investors are focused this week on speeches by Fed officials, as well as economic indicators such as U.S. retail sales data due to be released later on Tuesday.

Time	Currency	Impact	Event	Reuters, CNBC	
				Forecast	Previous
15th May, 2018					
1:30pm	GBP	High	Average Earnings Index 3m/y	2.7%	2.8%
1:30pm	GBP	Medium	Claimant Count Change	13.3K	11.6K
1:30pm	GBP	Medium	Unemployment Rate	4.2%	4.2%
5:30pm	USD	High	Core Retail Sales m/m	0.5%	0.2%
5:30pm	USD	High	Retail Sales m/m	0.4%	0.6%
5:30pm	USD	Medium	Empire State Manufacturing Index	15.1	15.8

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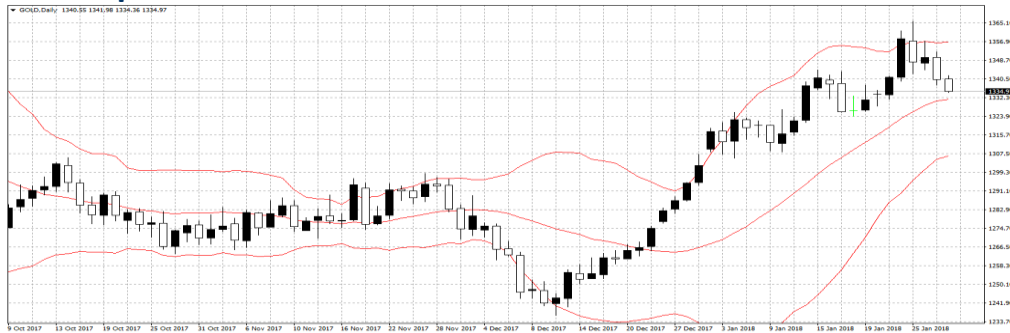
Synopsis

Gold (Play the Range)		
2 nd Resistance		US\$1,340
1 st Resistance		US\$1,330
1 st Support		US\$1,310
2 nd Support		US\$1,300
Silver (Play the Range)		
2 nd Resistance		US\$17.00
1 st Resistance		US\$16.80
1 st Support		US\$16.50
2 nd Support		US\$16.20
WTI (Play the Range)		
2 nd Resistance		US\$72.50
1 st Resistance		US\$71.50
1 st Support		US\$69.20
2 nd Support		US\$68.00
EURUSD (Play the Range)		
2 nd Resistance		US\$1.2150
1 st Resistance		US\$1.2050
1 st Support		US\$1.1900
2 nd Support		US\$1.1820
GBPUSD (Play the Range)		
2 nd Resistance		US\$1.3700
1 st Resistance		US\$1.3620
1 st Support		US\$1.3520
2 nd Support		US\$1.3450
USDJPY (Play the Range)		
2 nd Resistance		US\$111.00
1 st Resistance		US\$110.20
1 st Support		US\$108.80
2 nd Support		US\$108.30
DJIA-30 (Play the Range)		
2 nd Resistance		25,300
1 st Resistance		25,000
1 st Support		24,700
2 nd Support		24,400
S&P-500 (Play the Range)		
2 nd Resistance		2,780
1 st Resistance		2,745
1 st Support		2,700
2 nd Support		2,670
NASDAQ-100 (Play the Range)		
2 nd Resistance		7,100
1 st Resistance		7,000
1 st Support		6,880
2 nd Support		6,780

9:45pm USD Medium FOMC Member Williams Speaks

Source: www.forexfactory.com/calendar

Gold Spot



Technical Strategy: Play the Range

Gold closed at US\$1,318/oz, above its 05-DMA which is at US\$1,317/oz. However, RSI and Stochastic are neutral in the short term charts and suggest consolidation in the tight range. We recommend playing within the range of US\$1,310/oz - US\$1,330/oz. A break below US\$1,310/oz could target US\$1,300/oz, while a break above US\$1,330/oz could target US\$1,340/oz.

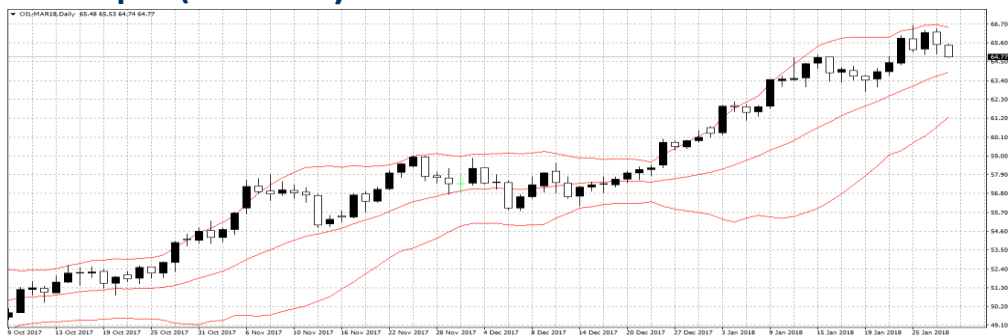
Silver Spot



Technical Strategy: Play the Range

Silver closed at US\$16.67/oz, above its 05-DMA which is at US\$16.60/oz. However, RSI and Stochastic are neutral in the oversold in the short term chart and suggest range-bound trading or consolidation in the near term. We recommend playing within the range of US\$16.50/oz - US\$16.80/oz. A break below US\$16.50/oz could target US\$16.20/oz, while a break above US\$16.80/oz could target US\$17.00/oz.

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

Gold: Key Highlights

DATE	14-May
Open	1321.39
High	1325.82
Low	1317.23
Close	1318.09

Source: Bloomberg

Silver: Key Highlights

DATE	14-May
Open	16.71
High	16.81
Low	16.63
Close	16.64

Source: Bloomberg

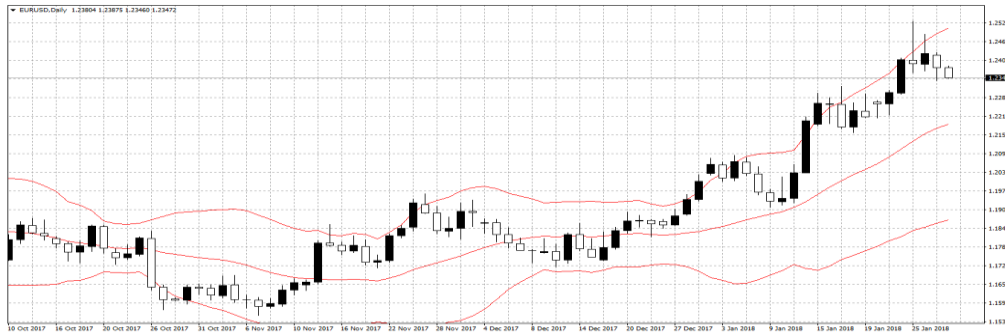
WTI Spot: Key Highlights

DATE	14-May
Open	71.43
High	71.60
Low	70.43
Close	70.52

Source: Bloomberg

Oil closed at US\$70.52/bbl, above its 05-DMA which is at US\$70.48/bbl. 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\$69.20/bbl - US\$71.50/bbl. A break below US\$69.20/bbl could target US\$68.00/bbl, while a break above US\$71.50/bbl could target US\$72.50/bbl.

EURUSD



Technical Strategy: Play the Range

EURUSD closed at US\$1.1938, above its 05-DMA which is at US\$1.1920. 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\$1.1900 - US\$1.2050. A break below US\$1.1900 could target US\$1.1820, while a break above US\$1.2050 could target US\$1.2150.

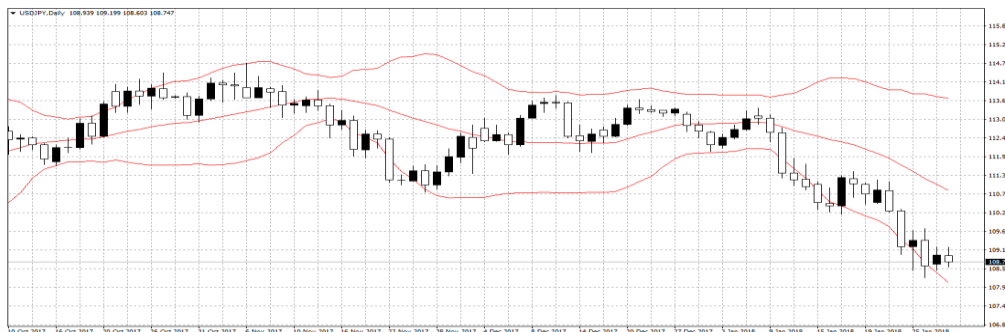
GBPUSD



Technical Strategy: Play the Range

GBPUSD closed at US\$1.3537, below its 05-DMA which is at US\$1.3548. 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\$1.3520 - US\$1.3620. A break below US\$1.3520 could target US\$1.3450, while a break above US\$1.3620 could target US\$1.3700.

USDJPY



Technical Strategy: Play the Range

USDJPY closed at US\$109.35, below its 05-DMA which is at US\$109.36. 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\$108.80 -

EURUSD: Key Highlights

DATE	14-May
Open	1.1913
High	1.1967
Low	1.1890
Close	1.1938

Source: Bloomberg

GBPUSD: Key Highlights

DATE	14-May
Open	1.3512
High	1.3595
Low	1.3501
Close	1.3537

Source: Bloomberg

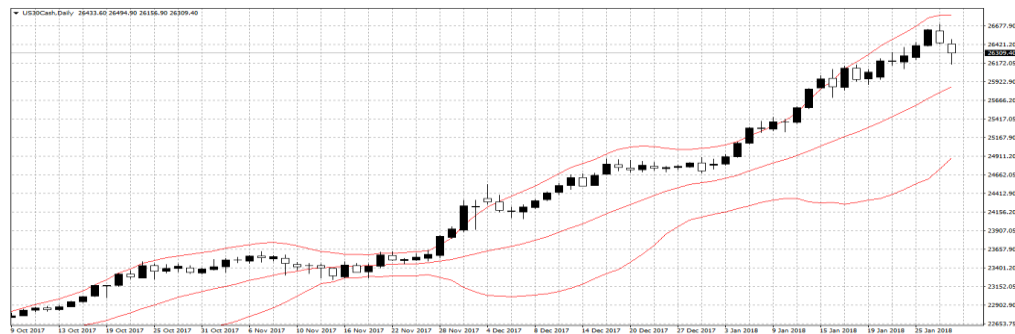
USDJPY: Key Highlights

DATE	14-May
Open	109.37
High	109.56
Low	109.14
Close	109.35

Source: Bloomberg

US\$110.00. A break below US\$108.80 could target US\$108.00, while a break above US\$110.00 could target US\$111.00.

DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 24,847, above its 05-DMA which is at 24,595. 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 24,700 – 25,000. A break below 24,700 could target 24,400, while a break above 25,000 could target 25,300.

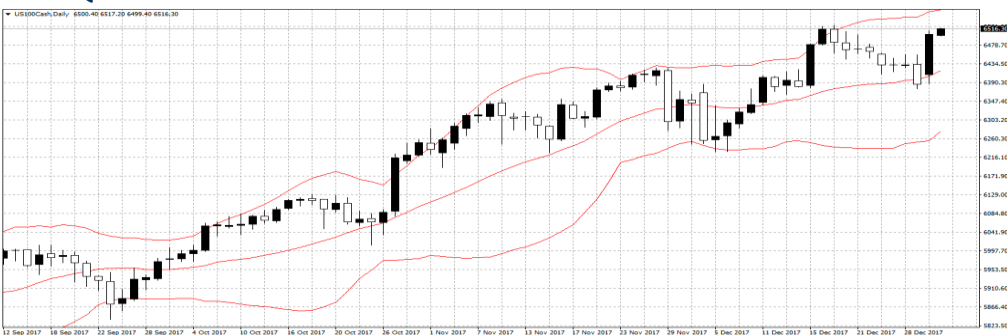
S&P-500



Technical Strategy: Play the Range

S&P closed at US\$2,729, above its 05-DMA which is at 2,702. 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 2,700 – 2,745. A break below 2,700 could target 2,670, while a break above 2,745 could target 2,780.

NSDQ-100



Technical Strategy: Play the Range

NASDAQ closed at 6,953, above its 05-DMA which is at 6,886. 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 6,880 – 7,000. A break below 6,880 could target 6,780, while a break above 7,000 could

DJIA-30: Key Highlights

DATE	14-May
Open	24,694
High	24,868
Low	24,694
Close	24,847

Source: Bloomberg

S&P-500: Key Highlights

DATE	14-May
Open	2716
High	2733
Low	2716
Close	2729

Source: Bloomberg

NSDQ-100: Key Highlights

DATE	14-May
Open	6943
High	6972
Low	6922
Close	6953

Source: Bloomberg

target 7,100.

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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