

Bullion inched lower as dollar gains ground

- GOLD:** Gold prices edged lower for a second session early on Wednesday, as a rally in equities and surge in U.S. treasury yields dented bullion's safe-haven appeal. In addition, investors are betting on further U.S. interest rate hikes after Friday's payrolls data did nothing to challenge the outlook for monetary policy tightening by the U.S. Federal Reserve. However, the losses were limited followed by bearish comments from some Fed members to keep interest rates low so that wage gains accelerate and inflation rises.
- CRUDE OIL:** Oil prices struck their highest levels since 2014 in the current session after API reported surprisingly huge draw of 11.19 million barrels this week, compared with the expectations for a much smaller drawdown of 3.89 million barrels. Also, the prices were supported by ongoing production cuts led by OPEC as well as healthy demand. However, participants are focused on EIA's crude oil inventories data which is due later in the day.
- U.S. EQUITIES:** S&P 500 and Dow Jones Industrial Average rose to record high on Tuesday as financial giants BlackRock, J.P. Morgan Chase and Wells Fargo are set to report quarterly results later this week. On the other hand, Nasdaq composite turned negative, falling 0.07% after scoring an intraday record.
- U.S. DOLLAR:** U.S. dollar surged to a one-week high in the previous session, bolstered by higher U.S. Treasury yields after Federal Reserve member of Cleveland President Loretta Mester argued earlier that the strong U.S. economy and low unemployment level make the case for four rate hikes in 2018. In economic news, the number of job openings was little changed at 5.9 million on the last business day of November, missing market estimates, the U.S. Labor Department reported Tuesday.

Reuters, CNBC

Time	Currency	Impact	Event	Forecast	Previous
10th January Wednesday					
6:30am	CNY	Medium	CPI y/y	1.9%	1.7%
6:30am	CNY	Medium	PPI y/y	4.8%	5.8%
2:30pm	GBP	High	Manufacturing Production m/m	0.3%	0.1%
2:30pm	GBP	Medium	Goods Trade Balance	-11.0B	-10.8B
6:30pm	CAD	Medium	Building Permits m/m	-1.1%	3.5%
6:30pm	USD	Medium	Import Prices m/m	0.4%	0.7%
8:30pm	USD	High	Crude Oil Inventories	-3.9M	-7.4M
11th January Thursday					
5:30am	AUD	High	Retail Sales m/m	0.4%	0.5%
6:30pm	USD	High	PPI m/m	0.2%	0.4%
6:30pm	USD	Medium	Core PPI m/m	0.2%	0.3%
6:30pm	USD	Medium	Unemployment Claims	248K	250K

Source: www.forexfactory.com/calendar

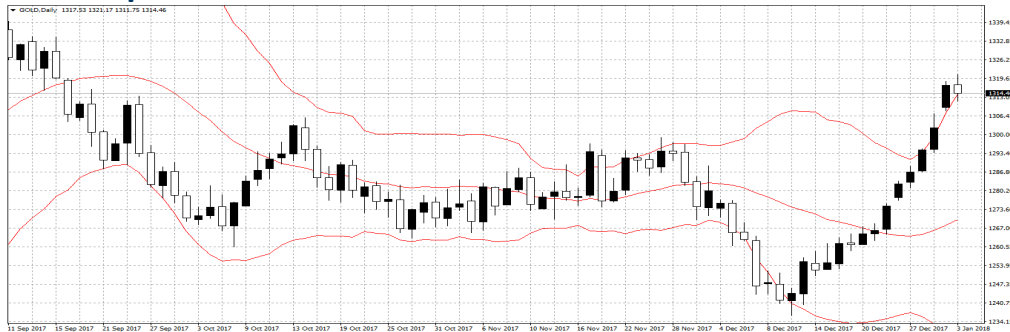
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Synopsis

Gold (Play the Range)		
2 nd Resistance		US\$1,328
1 st Resistance		US\$1,320
1 st Support		US\$1,308
2 nd Support		US\$1,300
Silver (Play the Range)		
2 nd Resistance		US\$17.35
1 st Resistance		US\$17.10
1 st Support		US\$16.75
2 nd Support		US\$16.60
WTI (Play the Range)		
2 nd Resistance		US\$64.20
1 st Resistance		US\$63.50
1 st Support		US\$62.20
2 nd Support		US\$61.50
EURUSD (Play the Range)		
2 nd Resistance		US\$1.2060
1 st Resistance		US\$1.2000
1 st Support		US\$1.1900
2 nd Support		US\$1.1830
GBPUSD (Play the Range)		
2 nd Resistance		US\$1.3630
1 st Resistance		US\$1.3580
1 st Support		US\$1.3500
2 nd Support		US\$1.3420
USDJPY (Play the Range)		
2 nd Resistance		US\$113.00
1 st Resistance		US\$112.50
1 st Support		US\$111.60
2 nd Support		US\$110.80
DJIA-30 (Play the Range)		
2 nd Resistance		25,550
1 st Resistance		25,450
1 st Support		25,250
2 nd Support		25,100
S&P-500 (Play the Range)		
2 nd Resistance		2,770
1 st Resistance		2,760
1 st Support		2,742
2 nd Support		2,734
NSDQ-100 (Play the Range)		
2 nd Resistance		6,750
1 st Resistance		6,700
1 st Support		6,650
2 nd Support		6,580

Gold Spot



Technical Strategy: Play the Range

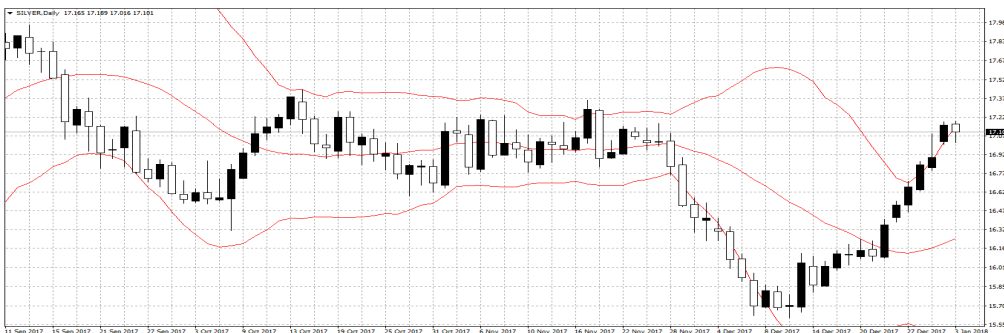
Gold closed at US\$1,313/oz, below its 05-DMA which is at US\$1,318/oz. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of US\$1,308/oz - US\$1,320/oz. A break below US\$1,308/oz could target US\$1,300/oz, while a break above US\$1,320/oz could target US\$1,328/oz.

Gold: Key Highlights

DATE	09-Jan
Open	1321.0
High	1321.1
Low	1310.0
Close	1313.0

Source: Bloomberg

Silver Spot



Technical Strategy: Play the Range

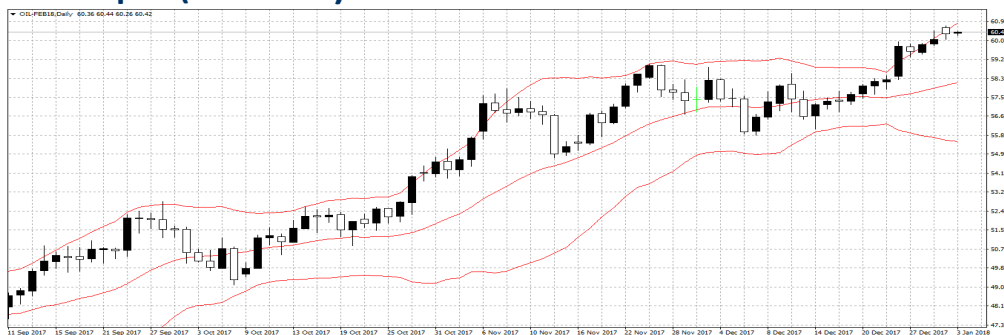
Silver closed at US\$16.98/oz, above its 200-DMA which is at US\$16.93/oz. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of US\$16.75/oz - US\$17.10/oz. A break below US\$16.75/oz could target US\$16.60/oz, while a break above US\$17.10/oz could target US\$17.35/oz.

Silver: Key Highlights

DATE	09-Jan
Open	17.12
High	17.14
Low	16.92
Close	16.98

Source: Bloomberg

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

Oil closed at US\$63.43/bbl, above its 05-DMA which is at US\$62.13/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\$62.20/bbl - US\$63.50/bbl. A break below US\$62.20/bbl could target US\$61.50/bbl, while a break above US\$63.50/bbl could target US\$64.20/bbl.

WTI Spot: Key Highlights

DATE	09-Jan
Open	61.89
High	63.44
Low	61.78
Close	63.43

Source: Bloomberg

EURUSD



Technical Strategy: Play the Range

EURUSD closed at US\$1.1936, below its 14-DMA which is at US\$1.1943. 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\$1.2000. A break below US\$1.1900 could target US\$1.1830, while a break above US\$1.2000 could target US\$1.2060.

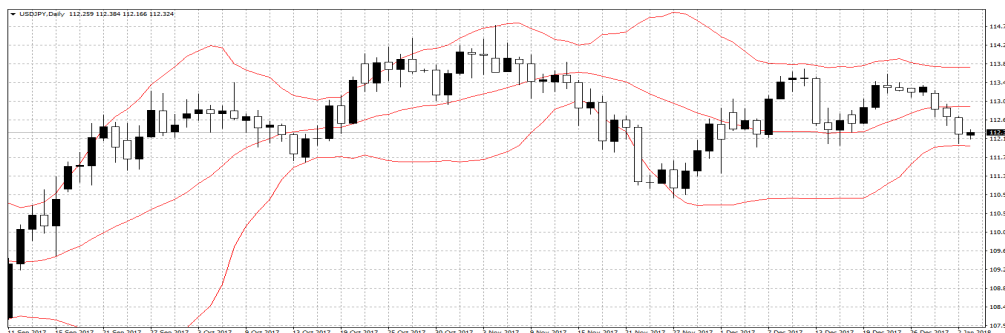
GBPUSD



Technical Strategy: Play the Range

GBPUSD closed at US\$1.3566, above its 05-DMA which is at US\$1.3555. 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\$1.3500 - US\$1.3580. A break below US\$1.3500 could target US\$1.3425, while a break above US\$1.3580 could target US\$1.3630.

USDJPY



Technical Strategy: Play the Range

USDJPY closed at US\$112.64, below its 55-DMA which is at US\$112.94. 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\$111.60 - US\$112.50. A break below US\$111.60 could target US\$110.80,

EURUSD: Key Highlights

DATE	09-Dec
Open	1.1965
High	1.1975
Low	1.1915
Close	1.1936

Source: Bloomberg

GBPUSD: Key Highlights

DATE	09-Jan
Open	1.3564
High	1.3581
Low	1.3507
Close	1.3539

Source: Bloomberg

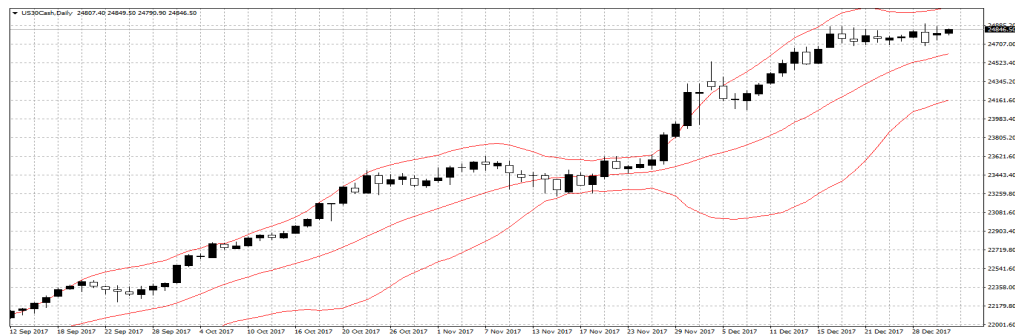
USDJPY: Key Highlights

DATE	09-Jan
Open	113.073
High	113.171
Low	112.361
Close	113.636

Source: Bloomberg

while a break above US\$112.50 could target US\$113.30.

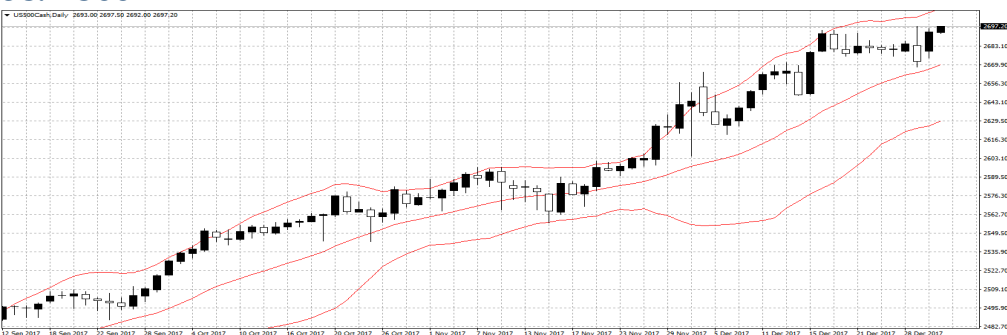
DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 25,381, above its 05-DMA which is at 25,190. 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 25,250 – 25,450. A break below 25,250 could target 25,100, while a break above 25,450 could target 25,550.

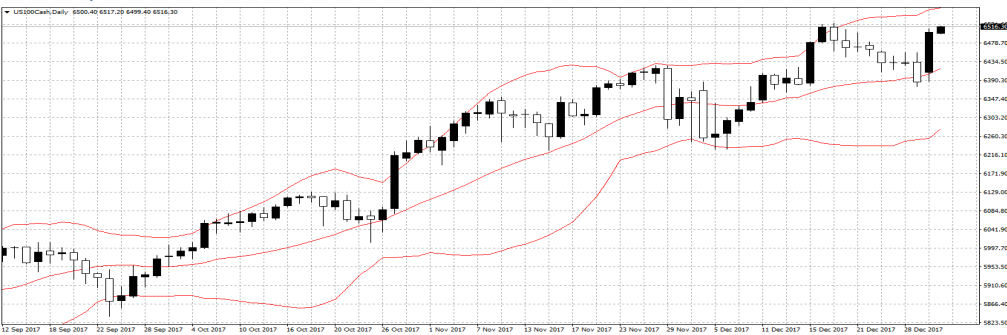
S&P-500



Technical Strategy: Play the Range

S&P closed at US\$2,747, above its 05-DMA which is at 2,723. 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 2,742 – 2,760. A break below 2,742 could target 2,734, while a break above 2,760 could target 2,770.

NSDQ-100



Technical Strategy: Play the Range

NASDAQ closed at 6,669, above its 05-DMA which is at 6,600. 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 6,650 – 6,700. A break below 6,650 could target 6,580, while a break above 6,700 could target 6,750.

DJIA-30: Key Highlights

DATE	09-Jan
Open	25277.40
High	25439.10
Low	25258.90
Close	25380.90

Source: Bloomberg

S&P-500: Key Highlights

DATE	09-Jan
Open	2746.80
High	2758.90
Low	2741.90
Close	2749.10

Source: Bloomberg

NSDQ-100: Key Highlights

DATE	09-Jan
Open	6677.40
High	6695.65
Low	6655.75
Close	6669.40

Source: Bloomberg

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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