

The precious metal shines on weaker US dollar and equities

- GOLD:** Gold prices rose to a four-month high in the previous session after U.S. dollar plunged against its major peers after a report that Chinese officials had recommended on slowing or halting purchases of U.S. Treasury securities. In economic news, U.S. import prices recorded their smallest increase in five months in December. On the data front, U.S. Producer Price Index and Unemployment claims data are due to release later in the day.
- CRUDE OIL:** Oil prices trade near three-year high as markets have so far been generally supported by a production cut led by OPEC and Russia. In addition, EIA reported a large draw of 4.9 million barrels this week, while Distillates and Gasoline inventories rose by 4.25 million barrels and 4.1 million barrels, respectively. However, OPEC members fear current price gains could prompt U.S. shale oil companies to flood the market.
- U.S. EQUITIES:** U.S. stock indices ended lower on Wednesday after a choppy trading session as investors worried that China would slow U.S. government bond purchases and that U.S. President Donald Trump would end a key trade agreement. However, the losses were recovered as investor digested the Chinese report. According to Thomson Reuters, earnings for S&P 500 companies are expected to increase by 11.8 percent, with the biggest contribution from the energy sector.
- U.S. DOLLAR:** U.S. dollar recovered its losses from previous session after China's foreign exchange regulator said a recent report that China was considering on slowing down or halting its purchases of U.S. Treasury bonds could be based on erroneous information. Additionally, the main release for the dollar is Inflation data which is due on Friday. However, analysts cautioned that the dollar might get slammed against the basket of major currencies if the U.S. pull out of NAFTA.

Reuters, CNBC

Time	Currency	Impact	Event	Forecast	Previous
11th January Thursday					
5:30am	AUD	High	Retail Sales m/m	0.4%	0.5%
2:30pm	GBP	Medium	BOE Credit Conditions Survey		
5:30pm	EUR	Medium	ECB Monetary Policy Meeting Accounts		
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	246K	250K
12th January Friday					
1:30am	USD	Medium	FOMC Member Dudley Speaks		
6:30pm	USD	High	CPI m/m	0.1%	0.4%
6:30pm	USD	High	Core CPI m/m	0.2%	0.1%
6:30pm	USD	High	Core Retail Sales m/m	0.4%	1.0%
6:30pm	USD	High	Retail Sales m/m	0.5%	0.8%

Source: www.forexfactory.com/calendar

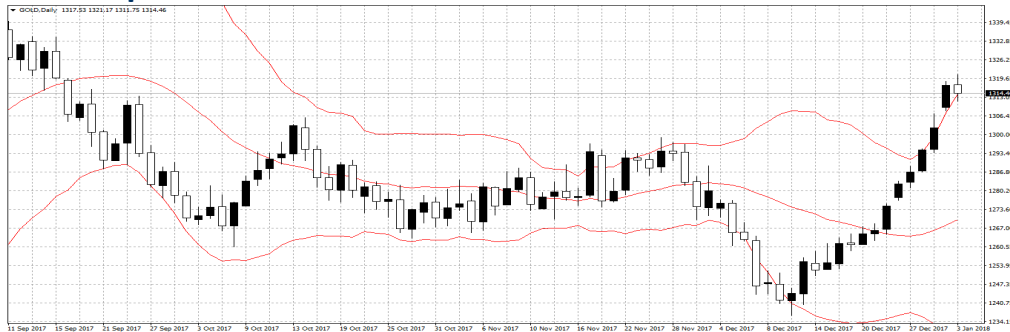
11 January, 2018

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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\$17.40
1 st Resistance		US\$17.20
1 st Support		US\$16.95
2 nd Support		US\$16.75
WTI (Play the Range)		
2 nd Resistance		US\$64.70
1 st Resistance		US\$64.20
1 st Support		US\$62.50
2 nd Support		US\$61.80
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\$1.3450
2 nd Support		US\$1.3380
USDJPY (Play the Range)		
2 nd Resistance		US\$112.80
1 st Resistance		US\$112.20
1 st Support		US\$111.30
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		2,740
2 nd Support		2,732
NSDQ-100 (Play the Range)		
2 nd Resistance		6,750
1 st Resistance		6,700
1 st Support		6,620
2 nd Support		6,550

Gold Spot



Technical Strategy: Play the Range

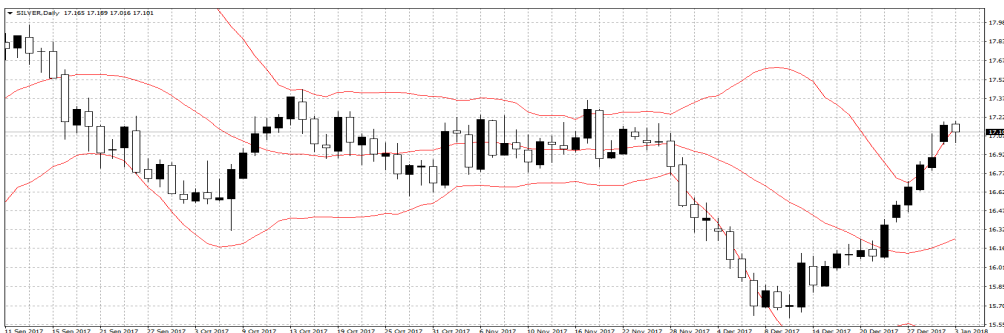
Gold closed at US\$1,317/oz, below its 05-DMA which is at US\$1,318/oz. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of US\$1,308/oz - US\$1,320/oz. A break below US\$1,308/oz could target US\$1,300/oz, while a break above US\$1,320/oz could target US\$1,328/oz.

Gold: Key Highlights

DATE	10-Jan
Open	1321.0
High	1321.1
Low	1310.0
Close	1313.0

Source: Bloomberg

Silver Spot



Technical Strategy: Play the Range

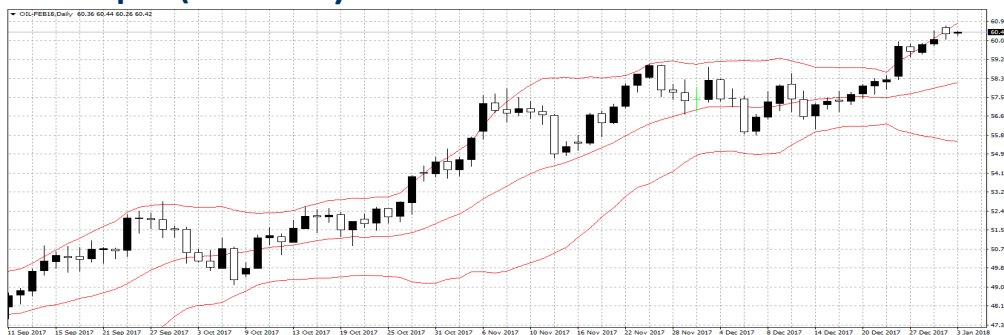
Silver closed at US\$16.98/oz, above its 200-DMA which is at US\$16.93/oz. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of US\$16.95/oz - US\$17.20/oz. A break below US\$16.95/oz could target US\$16.75/oz, while a break above US\$17.20/oz could target US\$17.40/oz.

Silver: Key Highlights

DATE	10-Jan
Open	17.12
High	17.14
Low	16.92
Close	16.98

Source: Bloomberg

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

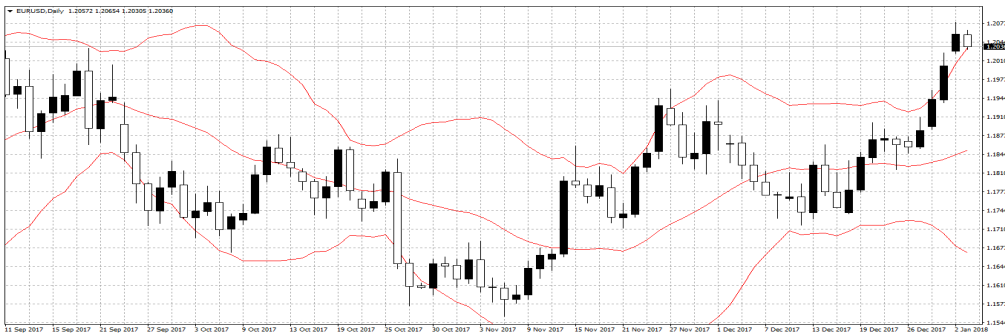
Oil closed at US\$63.47/bbl, above its 05-DMA which is at US\$62.44/bbl. However, RSI and Stochastic are neutral in the short term charts and suggest range-bound trading in the near term. We recommend playing within the range of US\$62.50/bbl - US\$64.20/bbl. A break below US\$62.50/bbl could target US\$61.80/bbl, while a break above US\$64.20/bbl could target US\$64.70/bbl.

WTI Spot: Key Highlights

DATE	10-Jan
Open	61.89
High	63.44
Low	61.78
Close	63.43

Source: Bloomberg

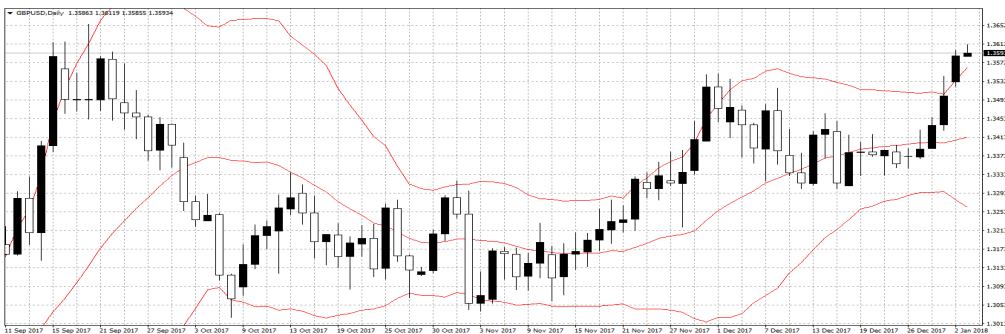
EURUSD



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.

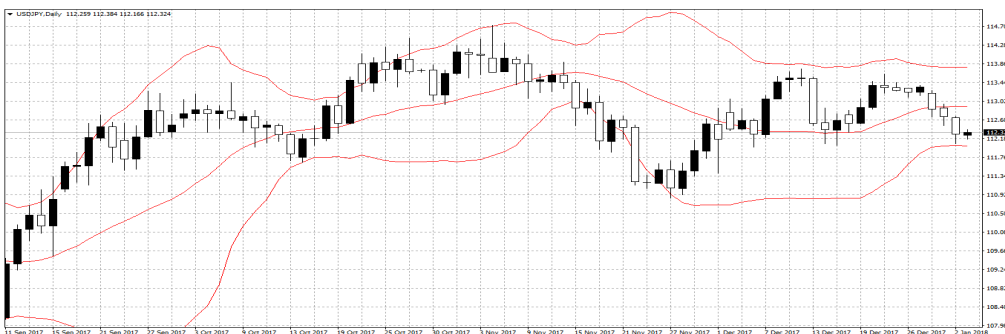
GBPUSD



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\$1.3450 - US\$1.3580. A break below US\$1.3450 could target US\$1.3380, 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\$111.30 - US\$112.20. A break below US\$111.30 could target US\$110.80, while a break above US\$112.20 could target US\$112.80.

EURUSD: Key Highlights

DATE	10-Dec
Open	1.1965
High	1.1975
Low	1.1915
Close	1.1936

Source: Bloomberg

GBPUSD: Key Highlights

DATE	10-Jan
Open	1.3564
High	1.3581
Low	1.3507
Close	1.3539

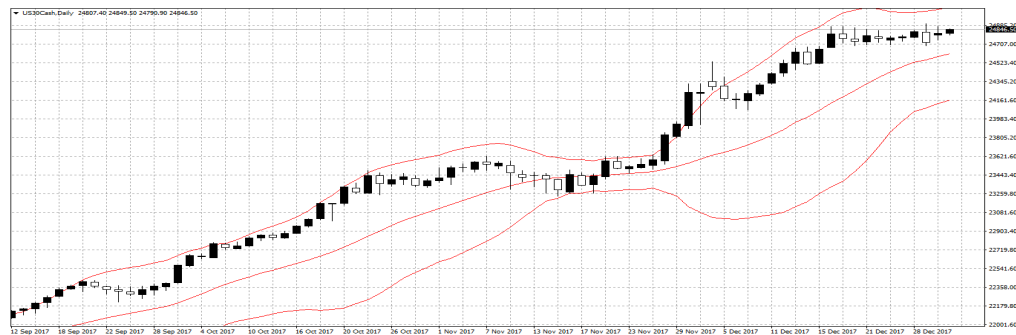
Source: Bloomberg

USDJPY: Key Highlights

DATE	10-Jan
Open	113.073
High	113.171
Low	112.361
Close	113.636

Source: Bloomberg

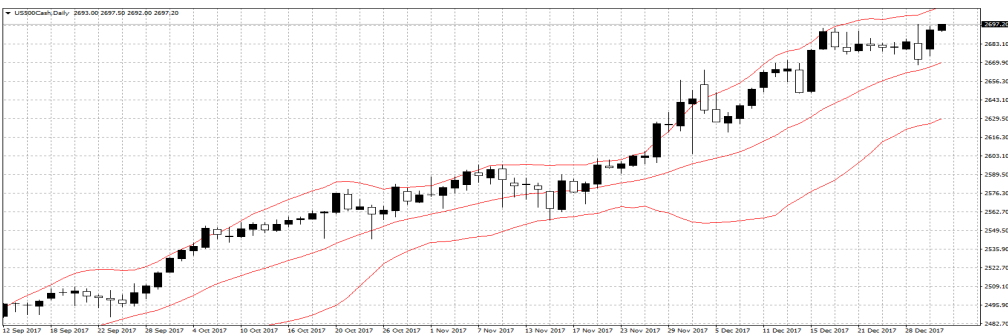
DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 25,376, 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.

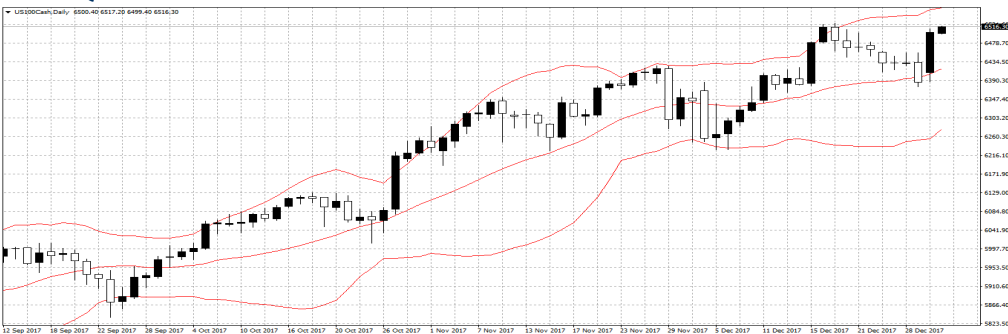
S&P-500



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 2,740 – 2,760. A break below 2,740 could target 2,732, 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 6,620 – 6,700. A break below 6,620 could target 6,550, while a break above 6,700 could target 6,750.

DJIA-30: Key Highlights

DATE	10-Jan
Open	25277.40
High	25439.10
Low	25258.90
Close	25380.90

Source: Bloomberg

S&P-500: Key Highlights

DATE	10-Jan
Open	2746.80
High	2758.90
Low	2741.90
Close	2749.10

Source: Bloomberg

NSDQ-100: Key Highlights

DATE	10-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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