

Synopsis

Gold (Play the Range)	
2nd Resistance	US\$1,920
1st Resistance	US\$1,900
1st Support	US\$1,870
2nd Support	US\$1,860
Silver (Play the Range)	
2nd Resistance	US\$25.00
1st Resistance	US\$24.50
1st Support	US\$23.50
2nd Support	US\$23.00
WTI (Play the Range)	
2nd Resistance	US\$42.50
1st Resistance	US\$41.50
1st Support	US\$39.50
2nd Support	US\$38.50
EURUSD (Play the Range)	
2nd Resistance	US\$1.1850
1st Resistance	US\$1.1780
1st Support	US\$1.1700
2nd Support	US\$1.1630
GBPUSD (Play the Range)	
2nd Resistance	US\$1.3100
1st Resistance	US\$1.3030
1st Support	US\$1.2880
2nd Support	US\$1.2800
USDJPY (Play the Range)	
2nd Resistance	US\$106.50
1st Resistance	US\$106.00
1st Support	US\$105.00
2nd Support	US\$104.50
DJIA-30 (Play the Range)	
2nd Resistance	28,800
1st Resistance	28,600
1st Support	28,000
2nd Support	27,600
S&P-500 (Play the Range)	
2nd Resistance	3,600
1st Resistance	3,500
1st Support	3,400
2nd Support	3,300
NSDQ-100 (Play the Range)	
2nd Resistance	12,200
1st Resistance	12,000
1st Support	11,700
2nd Support	11,400

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REP-039

Gold edges up after Trump offers larger U.S. stimulus

GOLD: Gold prices edged up on Thursday after U.S. President Donald Trump reignited hopes of a coronavirus stimulus package before the Nov. 3 elections, but a strong dollar kept the metal's gains in check. Spot gold rose 0.3% at \$1,906.15 per ounce. U.S. gold futures settled up 0.1% at \$1,908.90. Gold, considered a hedge against inflation, currency debasement and uncertainty, has gained 25% this year, driven by massive global stimulus to cushion economies from the pandemic-induced slump. Elsewhere, silver fell 0.4% to \$24.19 per ounce, platinum rose 0.5% to \$860.92 and palladium climbed 0.2% to \$2,349.04.

CRUDE OIL: Oil prices fell on Friday on concerns that major producers will move ahead with plans to ease their supply cuts even as a spike in Covid-19 cases in Europe and the United States is curtailing demand in two of the world's biggest fuel consuming regions. Brent crude futures for December dropped 22 cents, or 0.5%, to \$42.94 a barrel by 0154 GMT, while U.S. West Texas Intermediate (WTI) crude futures for November delivery slid 16 cents, or 0.4%, to \$40.8 a barrel. A technical committee of the Organization of the Petroleum Exporting Countries (OPEC) and allied oil producers, a group known as OPEC+, ended a meeting on Thursday expressing concerns about rising oil supply as social restrictions to curb the spread of Covid-19 limit fuel usage.

U.S. EQUITIES: Stock futures were muted in overnight trading on Friday as investors await the latest retail sales data. The Dow Jones Industrial Average futures edged lower by about 25 points. The S&P 500 futures and the Nasdaq 100 futures also showed slight declines. Retail sales data, due Friday at 8:30 a.m. ET, will offer an update on the recovery in consumer spending. Economists polled by Dow Jones expect retail sales to rise by 0.7% in September, following a 0.6% rebound in August. Excluding autos, sales were expected to rise by 0.4%.

U.S. DOLLAR: The dollar was headed for its best week of the month on Friday, as surging coronavirus cases and stalled progress toward U.S. stimulus had nervous investors seeking safe assets. Weekly U.S. jobless claims rose by more than expected and hit a two-month high last week, increasing concerns the pandemic is causing lasting damage to the labor market. Some 25 million Americans are on jobless benefits. (Reuters, CNBC)

16th Oct, 2020

Time	Currency	Impact	Economic Indicator	Forecast	Previous
5:30pm	USD	High	Core Retail Sales m/m	0.4%	0.7%
5:30pm	USD	High	Retail Sales m/m	0.7%	0.6%
7:00pm	USD	Medium	Prelim UoM Consumer Sentiment	80.2	80.4

Refer to important disclosures on page 6

Source: www.forexfactory.com

Gold: Key Highlights

DATE	15-Oct
Open	1900.40
High	1908.86
Low	1889.60
Close	1908.23
MA(20)	1897.34
MA(100)	1869.52
MA(200)	1750.85
RSI(14)	49.82

Source: Bloomberg

Silver: Key Highlights

DATE	15-Oct
Open	24.24
High	24.30
Low	23.56
Close	24.27
MA(20)	24.04
MA(100)	22.79
MA(200)	19.54
RSI(14)	47.41

Source: Bloomberg

WTI Spot: Key Highlights

DATE	15-Oct
Open	41.14
High	41.28
Low	39.22
Close	40.91
MA(20)	39.90
MA(100)	40.16
MA(200)	38.50
RSI(14)	54.02

Source: Bloomberg

Gold Spot



Technical Strategy: Play the Range

Gold closed at US\$1,908/oz, above its 20-DMA which is at US\$1,899/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\$1,880/oz - US\$1,910/oz. A break below US\$1,880/oz could target US\$1,870/oz, while a break above US\$1,910/oz could target US\$1,920/oz.

Silver Spot



Technical Strategy: Play the Range

Silver closed at US\$24.27/oz, above its 20-DMA which is at US\$24.04/oz. However, RSI and Stochastic are neutral in the short term chart and suggest range-bound trading or consolidation in the near term. We recommend playing within the range of US\$23.50/oz - US\$24.50/oz. A break below US\$23.50/oz could target US\$23.00/oz, while a break above US\$24.50/oz could target US\$25.00/oz.

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

Oil closed at US\$40.91/bbl, above its 20-DMA which is at US\$39.90/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\$39.50 - US\$41.50. A break below US\$39.50/bbl could target US\$38.50/bbl, while a break above US\$41.50/bbl could target US\$42.50/bbl.



EURUSD: Key Highlights

DATE	15-Oct
Open	1.1741
High	1.1757
Low	1.1688
Close	1.1704
MA(20)	1.1736
MA(100)	1.1595
MA(200)	1.1275
RSI(14)	44.31

Source: Bloomberg

GBPUSD: Key Highlights

DATE	15-Oct
Open	1.3006
High	1.3029
Low	1.2889
Close	1.2912
MA(20)	1.2887
MA(100)	1.2828
MA(200)	1.2696
RSI(14)	48.04

Source: Bloomberg

USDJPY: Key Highlights

DATE	15-Oct
Open	105.09
High	105.49
Low	105.06
Close	105.41
MA(20)	105.39
MA(100)	106.39
MA(200)	107.33
RSI(14)	47.82

Source: Bloomberg

EURUSD



Technical Strategy: Play the Range

EURUSD closed at US\$1.1704 below its 20-DMA which is at US\$1.1736. 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\$1.1700 - US\$1.1780. A break below US\$1.1700 could target US\$1.1630, while a break above US\$1.1780 could target US\$1.1850.

GBPUSD



Technical Strategy: Play the Range

GBPUSD closed at US\$1.2912 above its 20-DMA which is at US\$1.2887. 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\$1.2880 - US\$1.3030. A break below US\$1.2880 could target US\$1.2800, while a break above US\$1.3030 could target US\$1.3100.

USDJPY



Technical Strategy: Play the Range

USDJPY closed at US\$105.41 below its 20-DMA which is at US\$105.39. 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\$105.00 - US\$106.00. A break below US\$105.00 could target US\$104.50, while a break above US\$106.00 could target \$106.50.



DJIA-30: Key Highlights

DATE	15-Oct
Open	28514
High	28563
Low	28145
Close	28497
MA(20)	27861
MA(100)	27120
MA(200)	26235
RSI(14)	57.17

Source: Bloomberg

S&P-500: Key Highlights

DATE	15-Oct
Open	3487
High	3495
Low	3439
Close	3483
MA(20)	3381
MA(100)	3283
MA(200)	3122
RSI(14)	58.30

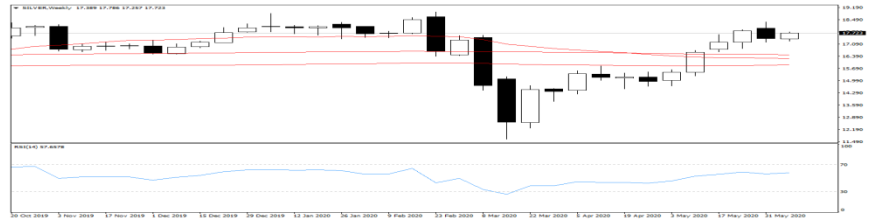
Source: Bloomberg

NASDAQ-100: Key Highlights

DATE	15-Oct
Open	11959
High	11991
Low	11746
Close	11892
MA(20)	11424
MA(100)	10898
MA(200)	9820
RSI(14)	58.18

Source: Bloomberg

DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 28,497 above its 20-DMA which is at 27,861. 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 28,000–28,600. A break below 28,000 could target 27,600, while a break above 28,600 could target 28,800.

S&P-500



Technical Strategy: Play the Range

S&P closed at US\$3,483 above its 20-DMA which is at 3,381. 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 3,400 – 3,500. A break below 3,400 could target 3,300, while a break above 3,500 could target 3,600.

NASDAQ-100



Technical Strategy: Play the Range

NASDAQ closed at 11,892 above its 20-DMA which is at 11,424. 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 11,700 – 12,000. A break below 11,700 could target 11,400 while a break above 12,000 could target 12,200.

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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