

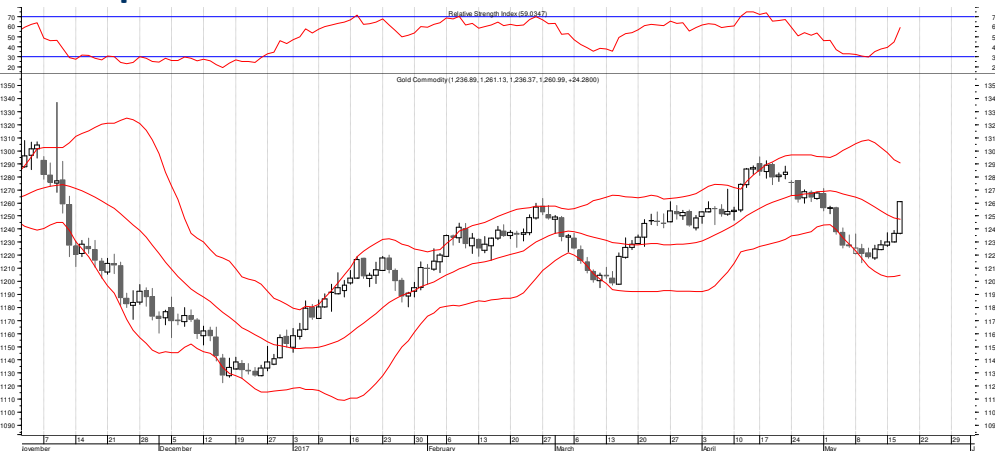
Gold jumped to its two-week high on political uncertainty

- Gold surged 2%:** The yellow metal, on Wednesday, showed biggest one-day percentage gain since June last year and struck a high of US\$1,261/oz after U.S. dollar plunged to its 6-month low on political uncertainty surrounding the Trump administration. This prompted investors to take refuge in the perceived safety of gold. In addition, expectations for rate hike fell to 60% from 90% for the month of June. However, technical analyst see support and resistance at US\$1,252/oz and US\$1,264/oz respectively.
- Oil near 200-DMA:** Oil prices rose in the previous session after U.S. crude oil inventories fell by 1.8 million barrels this week, compared with the expectations for a decline of 2.5 million barrels. The gains, however, were limited as overall oil production is rising from U.S. and other OPEC members who are exempted from the cuts. Experts believe prices to rise further if OPEC and non-OPEC agree to extend the deal beyond June in upcoming meeting on May 25th in Vienna, Austria.

Time	Currency	Impact	Event	Reuters, CNBC	
				Forecast	Previous
18th May Thursday					
5:30pm	USD	High	Unemployment Claims	240K	236K
5:30pm	USD	Medium	Philly Fed Manufacturing Index	19.9	22.0
10:00pm	EUR	High	ECB President Draghi Speaks		
19th May Friday					
5:30pm	CAD	High	CPI m/m	0.5%	0.2%
5:30pm	CAD	High	Core Retail Sales m/m	0.2%	-0.1%

Source: www.forexfactory.com/calendar

Gold Spot



Technical Strategy: Play the Range

Gold closed at US\$1,261/oz, above its 200-DMA which is at US\$1,247/oz. However, RSI and Stochastic are neutral in the short term charts, suggesting range-bound trading in the near term. We recommend playing within the range of US\$1,252/oz - US\$1,264/oz. A break below US\$1,252/oz could target US\$1,245/oz, while a break above US\$1,264/oz could target US\$1,272/oz.

Refer to important disclosures on page 3

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Synopsis

Gold (Play the Range)	
2 nd Resistance	US\$1,272
1 st Resistance	US\$1,264
1 st Support	US\$1,252
2 nd Support	US\$1,245

Silver (Play the Range)	
2 nd Resistance	US\$17.50
1 st Resistance	US\$17.00
1 st Support	US\$16.50
2 nd Support	US\$16.20

WTI Spot (Play the Range)	
2 nd Resistance	US\$50.80
1 st Resistance	US\$50.00
1 st Support	US\$48.50
2 nd Support	US\$47.50

Source: BIPLS Technical Research

Gold: Key Highlights

US\$/oz.	17-May	Change
Open	1236.89	0.18
High	1261.13	24.42
Low	1236.37	-0.34
Close	1260.99	24.28

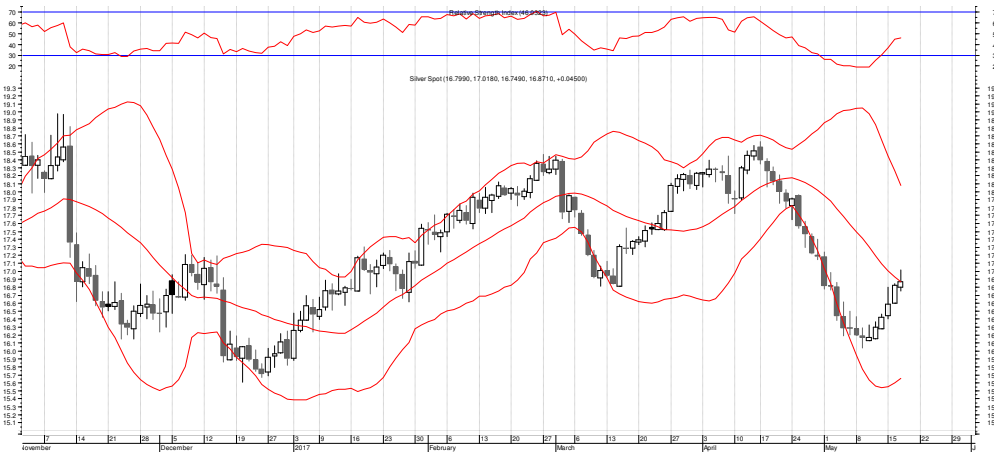
Source: Bloomberg

Key Technical Indicators

Date	17-May	16-May	Change
30-DMA	1255.57	1255.39	0.17
50-DMA	1246.59	1245.68	0.91
200DMA	1246.61	1246.98	-0.38
9-D RSI	66.30	46.52	19.77
14-D RSI	59.03	44.88	14.15

Source: BIPLS Technical Research

Silver Spot



Technical Strategy: Play the Range

Silver closed at US\$16.87/oz, above its 05-DMA which is at US\$16.60/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\$16.50/oz - US\$17.00/oz. A break below US\$16.50/oz could target US\$16.20/oz, while a break above US\$17.00/oz could target US\$17.50/oz.

Silver: Key Highlights

US\$/oz.	17-May	Change
Open	16.80	-0.03
High	17.02	0.19
Low	16.75	-0.08
Close	16.87	0.04

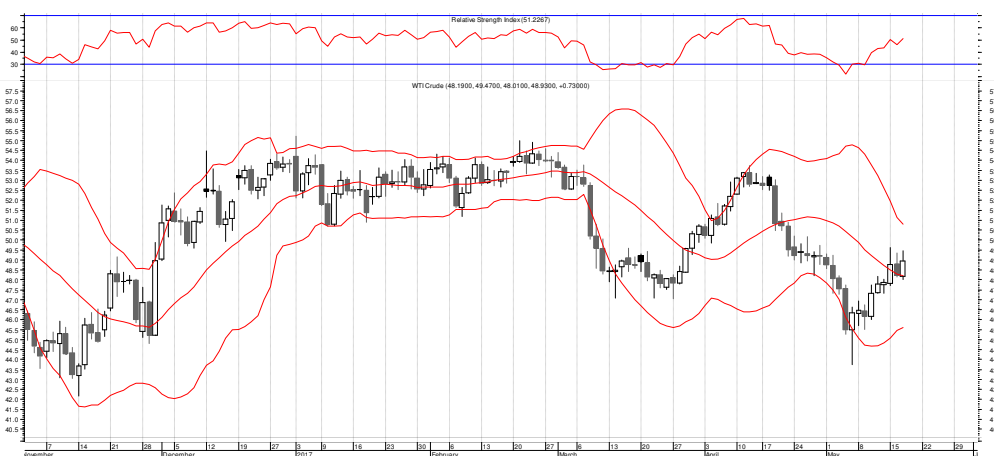
Source: Bloomberg

Key Technical Indicators

Date	17-May	16-May	Change
30-DMA	17.33	17.37	-0.05
50-DMA	17.44	17.45	-0.01
200DMA	17.69	17.70	-0.01
9-D RSI	54.13	52.25	1.88
14-D RSI	46.03	44.67	1.36

Source: BIPLS Technical Research

WTI Spot (Crude Oil)



Technical Strategy: Play the Range

Oil closed at US\$49.23/bbl, below its 200-DMA which is at US\$49.88/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\$48.50/bbl - US\$50.00/bbl. A break below US\$48.50/bbl could target US\$47.50/bbl, while a break above US\$50.00/bbl could target US\$50.80/bbl.

WTI Spot: Key Highlights

US\$/bbl	17-May	Change
Open	48.19	-0.01
High	49.47	1.27
Low	48.01	-0.19
Close	48.93	0.73

Source: Bloomberg

Key Technical Indicators

Date	17-May	16-May	Change
30-DMA	49.57	49.64	-0.07
50-DMA	49.36	49.43	-0.08
200DMA	49.41	49.37	0.04
9-D RSI	56.56	49.88	6.69
14-D RSI	51.23	46.47	4.76

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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