

Commodity Market Outlook

Gold prices were slightly lower on Thursday as the dollar firmed on renewed trade tensions, but a decline in global equities helped keep prices near the five-week high hit this week. Concern about a possible U.S. recession and an inversion in part of the Treasury yield curve has pressured the greenback, making bullion less expensive for holders of other currencies. The U.S. Federal Reserve may go for a rate increase in December. The dollar may strengthen and that may weigh on gold prices on a short-term basis and investors are keeping a close eye on signals for the future path of rate hikes.

Oil lost nearly 5 percent on Thursday, after OPEC signaled it may agree to a smaller output cut than expected and as concern over the economic impact of trade tensions hit global stocks as they decide its production policy in coordination with non-OPEC producers including Russia, Oman and Kazakhstan. Oil output from the world's biggest producers - OPEC, Russia and the United States - has increased by a 3.3 million bpd since the end of 2017, to 56.38 million bpd, meeting almost 60 percent of global consumption. Also the arrest of Huawei's CFO Meng Wanzhouof, who is also the daughter of the firm's founder, triggered renewed fireworks US-Sino Truce.

Fundamental News

- Gold Dips But Holds Near Five-Week High As Stocks Sag
- Oil Tumbles 5% After OPEC Hints At Smaller Output
- USD/JPY Lifted As China's Meng Wanzhouof Arrest Trade Triggers
- Pound to South African Rand (ZAR) Rallies Despite of Brexit Dilemma

COMEX

Commodities	Date	Date	% Chg
	05-12-18	06-12-18	
GOLD	1237.00	1235.81	-0.10%
SILVER	14.46	14.34	-0.83%
CRUDE	53.12	51.26	-3.50%
COPPER	2.7413	2.7055	-1.31%

Event Calendar (07th December - 2018, Friday)

Time	Currency	Event	Forecast	Previous
05:15	USD	Fed Chair Powell Speaks		
14:00	GBP	Halifax HPI (YoY)(Nov)	1.0%	1.5%
15:30	EUR	GDP (YoY)(Q3)	1.7%	1.7%
19:00	USD	ADP NF Payrolls(Nov)	200K	250K
19:00	USD	Unemployment Rate(Nov)	3.7%	3.7%
19:00	CAD	Employment Change (Nov)	11.0K	11.2K

COMEX GOLD



Global Commodities & Currencies

Commodities/ Currencies	Close 5 PM	Previous	% Chg
LEAD	1962.25	1998.75	-1.83%
ALUMINIUM	1940.25	1972.75	-1.65%
ZINC	2580.50	2603.00	-0.86%
NATURALGAS	4.457	4.602	-3.15%
PALLADIUM	1222.51	1245.51	-1.85%
PLATINUM	788.00	797.65	-1.21%
GBPUSD	1.2739	1.2774	-0.27%
EURUSD	1.1337	1.1352	-0.13%
USDJPY	112.78	112.96	-0.16%
EURJPY	127.85	128.23	-0.30%
GBPJPY	143.67	144.30	-0.44%
GBPCHF	1.2707	1.2743	-0.28%
USDCHF	0.9975	0.9976	-0.01%
USDCAD	1.3430	1.3284	+1.10%
EURGBP	0.8899	0.8886	+0.15%
CHFJPY	113.06	113.24	-0.16%
EURCHF	1.1309	1.1325	-0.14%
AUDUSD	0.7200	0.7292	-1.26%
EURAUD	1.5475	1.5566	-0.58%
GBPAUD	1.7693	1.7519	+0.99%

OUR PREVIOUS CALLS UPDATE

Intraday super star

Date	Currency	Entry	Exit	P/L
05/12	GBPJPY(S)	143.70	143.25	TARGET

Trifid special

Date	Commodity	Entry	Exit	P/L
05/12	CRUDE(S)	52.15	52.45	SL HIT

[For our next calls click here.....](#)

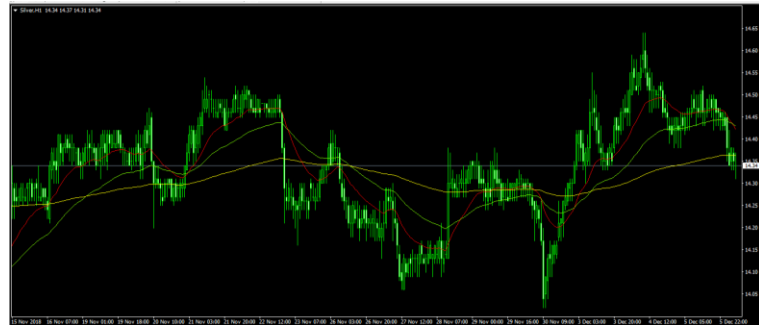
GOLD



Gold prices moved up in the previous session but could not break above its recent high and turned lower in today's session. It made a double top pattern and if it breaks below its support at \$1232 then it may turn bearish and may move further down. On the higher side it faces stiff resistance at \$1243 level.

R1	R2	S1	S2
1243	1252	1232	1226

SILVER



Silver prices fell in today's session as it failed to sustain at the higher levels in the last couple of sessions. It is trading just above its immediate support at \$14.30 and a break of this support may lead to further sell off while any upside bounce is likely to be limited and may find resistance around \$14.47 level.

R1	R2	S1	S2
14.47	14.60	14.30	14.20

CRUDE



Crude oil prices fell sharply in today's session ahead of the OPEC meeting scheduled today. It is moving just above the psychological level of \$50 and slide below it may take it further down while any up move is likely to find resistance at \$52.60 level.

R1	R2	S1	S2
52.60	54.80	50.05	49.10

COPPER



Copper prices continued its downtrend in this week and fell further down in today's session. It may continue to trade at the lower side in the short term as the bearishness remains strong in it. However it has a strong support near 2.6960 level which may halt further downfall in copper.

R1	R2	S1	S2
2.7350	2.7640	2.6960	2.6690

GBPUSD



Sterling continues to trade in a sideways trend with spot rate little changed on the upside near 1.2740 after finding a bottom in the 1.2700 neighborhood earlier on Thursday. The Bank of England Deputy Governor Dave Ramsden is scheduled to speak at the payment conference hosted by the Bank of England. Technically, sterling needs to break above 1.2800 to confirm the bullish reversal.

R1	R2	S1	S2
1.2800	1.2880	1.2698	1.2665

EURUSD



The Euro is trading in a sideways trend little changed at around 1.1340 ahead of US data confirming the strength of the US labor market while China is confident to reach a trade deal with the US within 90days truce period. The pair has been trading in a well limited 100 pips range for over a week already and doesn't seem in a rush to go anywhere fast. Support is at 1.1315, 1.1290 and resistance is 1.1365, 1.1400.

R1	R2	S1	S2
1.1365	1.1400	1.1315	1.1290

USDJPY



USDJPY is tracking the risk-off action in the Asian equity markets, which lifts the safe-haven bids for the JPY while the Treasury yield curve inversion also adds to it. The pair set to test the support at 112.58, having suffered a rising wedge breakdown earlier today. Deeper the drop below that level will possibly move towards the 100-day moving avg. of 112.24.

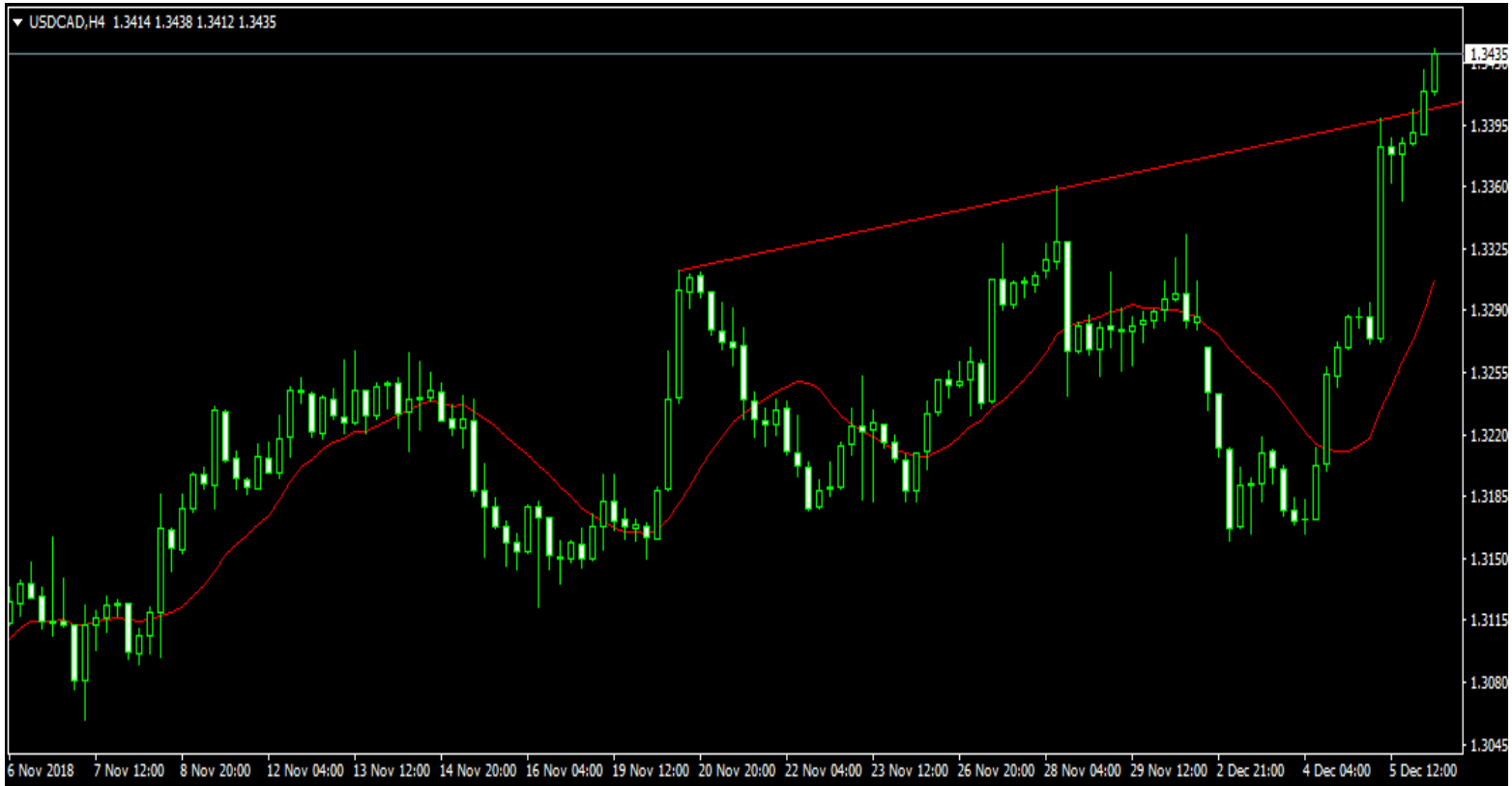
R1	R2	S1	S2
113.20	113.84	112.58	112.24

USDCHF



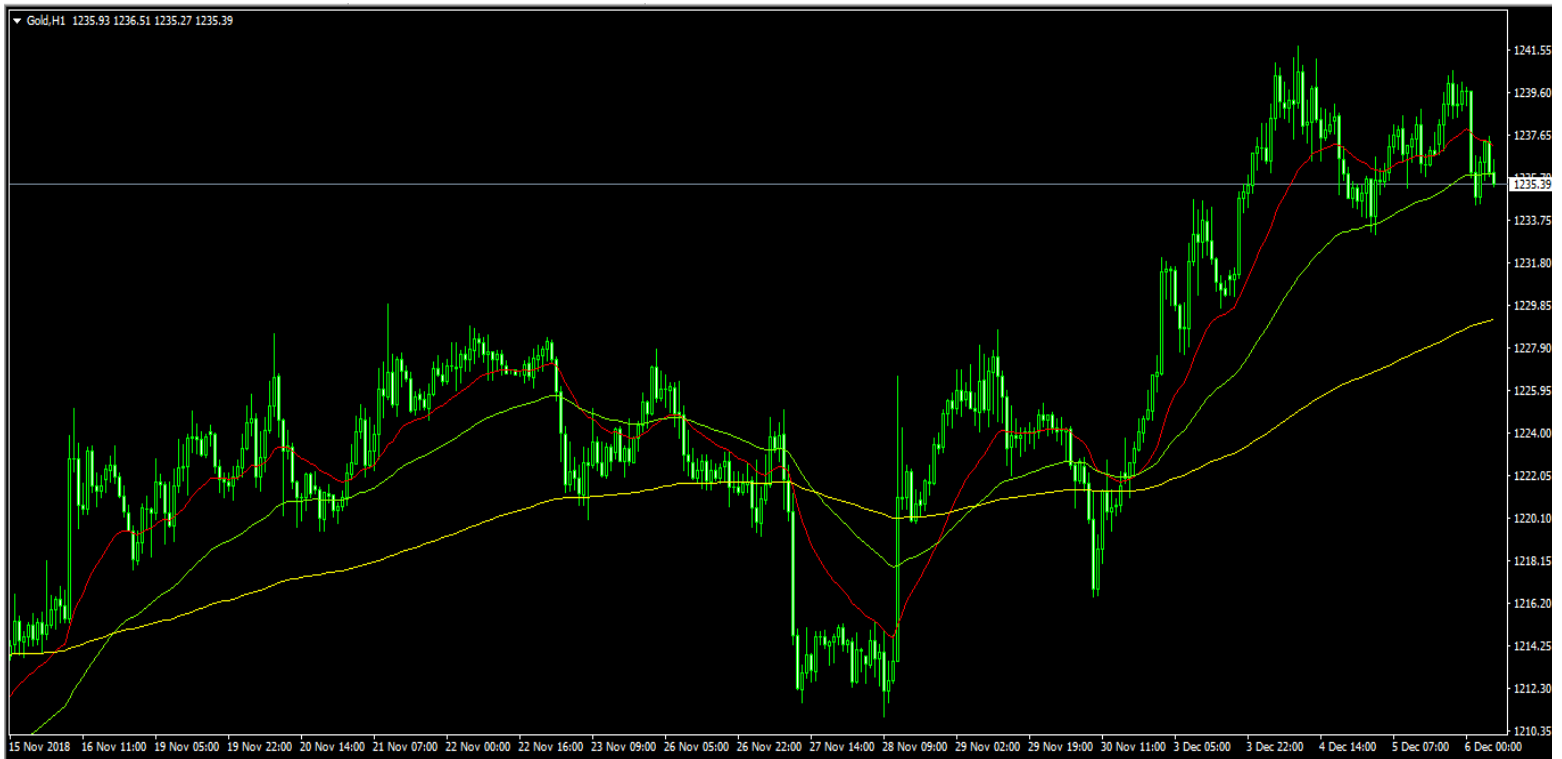
We wrote yesterday that it may be hard for the price to break much further above 1.0008 levels, so there could be limited upside. The most likely scenario was that the price will range 0.9938 and 1.0008 over the short-term, so a short trade off a bearish reversal at resistance looks like being the best possible trade which might set up here.

R1	R2	S1	S2
1.0008	1.0035	0.9939	0.9918



USDCAD seems to be downwards in 4-hours chart. A breakdown below 1.3418 put some more bearish outlook.

SELL BELOW – 1.3418 TARGET –1.3403/1.3388/1.3373 SL ABOVE – 1.3448



Gold prices are trading lower and a break of its support at \$1232 may take it further down.

SELL BELOW – 1232 TARGET – 1227 SL ABOVE – 1237

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