

## Synopsis

### Gold (Play the Range)

2nd Resistance	US\$1,250
1st Resistance	US\$1,243
1st Support	US\$1,230
2nd Support	US\$1,220

### Silver (Play the Range)

2nd Resistance	US\$14.70
1st Resistance	US\$14.60
1st Support	US\$14.30
2nd Support	US\$14.20

### WTI (Play the Range)

2nd Resistance	US\$55.50
1st Resistance	US\$54.50
1st Support	US\$51.90
2nd Support	US\$50.90

### EURUSD (Play the Range)

2nd Resistance	US\$1.1390
1st Resistance	US\$1.1350
1st Support	US\$1.1290
2nd Support	US\$1.1250

### GBPUSD (Play the Range)

2nd Resistance	US\$1.2920
1st Resistance	US\$1.2850
1st Support	US\$1.2710
2nd Support	US\$1.2640

### USDJPY (Play the Range)

2nd Resistance	US\$114.10
1st Resistance	US\$113.70
1st Support	US\$112.60
2nd Support	US\$112.20

### DJIA-30 (Play the Range)

2nd Resistance	25,400
1st Resistance	25,100
1st Support	24,500
2nd Support	24,200

### S&P-500 (Play the Range)

2nd Resistance	2,730
1st Resistance	2,710
1st Support	2,650
2nd Support	2,630

### NSDQ-100 (Play the Range)

2nd Resistance	6,930
1st Resistance	6,830
1st Support	6,630
2nd Support	6,500

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## Gold inches higher as dollar dips amid risk aversion

**GOLD:** Spot gold was up 0.2 percent at \$1,239.86 per ounce, as of 0429 GMT, while U.S. gold futures were 0.2 percent higher at \$1,244.9 per ounce. A balance between a host of factors such as a rate hike by the U.S. Federal Reserve in December, uncertainty about trade tensions between Washington and Beijing, and a flattening yield curve has helped create a premium for the bullion, Lu added. Fed policymakers will gather at a Dec. 18-19 meeting, at which the central bank is widely expected to raise interest rates. Spot gold may test a resistance at \$1,245 per ounce, a break above which could lead to a gain into a range of \$1,253-\$1,258, according to Reuters technical analyst Wang Tao.

**CRUDE OIL:** Oil prices fell along with weak stock markets on Thursday, but trading was tepid ahead of a meeting by producer group OPEC that is expected to result in a supply cut aimed at draining a glut that has pulled down crude prices by 30 percent since October. Traders said oil prices were being weighed down by weak global financial markets, which saw stock markets tumble on Thursday. The Organisation of the Petroleum Exporting Countries (OPEC) is meeting at its headquarters in Vienna, Austria, on Thursday to decide its production policy.

**U.S. EQUITIES:** U.S. stock futures opened lower Wednesday amid lingering anxiety about a possible economic slowdown and continued murkiness around trade relations with China. On Wednesday evening, futures initially indicated that the Dow Jones Industrial Average would open 400 points lower. Dow futures fell as much as 486 points at their lows. As of 2:24 a.m., ET Thursday, the futures indicated that the Dow would open 259.07 points lower on Thursday. Investors remain uncertain about the prospects of a permanent trade deal with China. Over the weekend, U.S. President Donald Trump met with Chinese President Xi Jinping to discuss ongoing trade quarrels between their two countries. While the White House has said it has worked out a cease-fire with Beijing, discrepancies in messaging haven't assuaged market fears of uncertainty.

**U.S. DOLLAR:** "The dollar could remain under pressure until this month's Fed meeting as long-term Treasury yields may not be able to mount a rebound until the market sees the Fed's stance on policy and the economy," said Junichi Ishikawa, senior FX strategist at IG Securities in Tokyo. (Reuters, CNBC)

### 06<sup>th</sup> December, 2018

Time	Currency	Impact	Event	Forecast	Previous
6:35pm	CAD	High	BOC Gov Poloz Speaks		
8:00pm	USD	High	ISM Non-Manufacturing PMI	59.1	60.3
9:00pm	USD	Medium	Crude Oil Inventories	-1.3M	3.6M
10:15pm	USD	Medium	FOMC Member Bostic Speaks		

Source: www.forexfactory.com

### Gold: Key Highlights

DATE	05-Dec
Open	1238.61
High	1239.15
Low	1233.20
Close	1236.74
MA(20)	1220.41
MA(100)	1210.79
MA(200)	1256.65
RSI(14)	61.19

Source: Bloomberg

### Silver: Key Highlights

DATE	05-Dec
Open	14.51
High	14.53
Low	14.41
Close	14.45
MA(20)	14.26
MA(100)	14.59
MA(200)	15.51
RSI(14)	53.57

Source: Bloomberg

### WTI Spot: Key Highlights

DATE	05-Dec
Open	52.56
High	54.40
Low	52.14
Close	52.90
MA(20)	54.41
MA(100)	66.03
MA(200)	66.59
RSI(14)	37.92

Source: Bloomberg

### Gold Spot



#### Technical Strategy: Play the Range

Gold closed at US\$1,237/oz, above its 20-DMA which is at US\$1,220/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\$1,230/oz - US\$1,243/oz. A break below US\$1,230/oz could target US\$1,220/oz, while a break above US\$1,243/oz could target US\$1,250/oz.

### Silver Spot



#### Technical Strategy: Play the Range

Silver closed at US\$14.45/oz, above its 20-DMA which is at US\$14.26/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\$14.30/oz - US\$14.60/oz. A break below US\$14.30/oz could target US\$14.20/oz, while a break above US\$14.60/oz could target US\$14.70/oz.

### WTI Spot (Crude Oil)



#### Technical Strategy: Play the Range

Oil closed at US\$52.90/bbl, below its 20-DMA which is at US\$54.41/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\$51.90 - US\$54.50. A break below US\$51.90/bbl could target US\$50.90/bbl, while a break above US\$54.50/bbl could target US\$55.50/bbl.



### EURUSD: Key Highlights

DATE	05-Dec
Open	1.1340
High	1.1361
Low	1.1310
Close	1.1344
MA(20)	1.1345
MA(100)	1.1516
MA(200)	1.1743
RSI(14)	47.19

Source: Bloomberg

### GBPUSD: Key Highlights

DATE	05-Dec
Open	1.2712
High	1.2797
Low	1.2671
Close	1.2732
MA(20)	1.2829
MA(100)	1.2959
MA(200)	1.3290
RSI(14)	42.16

Source: Bloomberg

### USDJPY: Key Highlights

DATE	05-Dec
Open	112.75
High	113.23
Low	112.64
Close	113.18
MA(20)	113.36
MA(100)	112.23
MA(200)	110.54
RSI(14)	50.00

Source: Bloomberg

### EURUSD



#### Technical Strategy: Play the Range

EURUSD closed at US\$1.1344 below its 20-DMA which is at US\$1.1345. 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\$1.1290 - US\$1.1350. A break below US\$1.1290 could target US\$1.1250, while a break above US\$1.1350 could target US\$1.1390.

### GBPUSD



#### Technical Strategy: Play the Range

GBPUSD closed at US\$1.2732 below its 20-DMA which is at US\$1.2829. 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\$1.2710 - US\$1.2850. A break below US\$1.2710 could target US\$1.2640, while a break above US\$1.2850 could target US\$1.2920.

### USDJPY



#### Technical Strategy: Play the Range

USDJPY closed at US\$113.18, above its 20-DMA which is at US\$113.36. 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\$112.60 - US\$113.70. A break below US\$112.60 could target US\$112.20, while a break above US\$113.70 could target US\$114.10.



### DJIA-30: Key Highlights

DATE	05-Dec
Open	25011
High	25175
Low	24993
Close	25157
MA(20)	25146
MA(100)	25621
MA(200)	25109
RSI(14)	49.21

Source: Bloomberg

### DJIA-30



#### Technical Strategy: Play the Range

Dow Jones closed at 25,157, above its 20-DMA which is at 25,146. 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 24,500–25,100. A break below 24,500 could target 24,200, while a break above 25,100 could target 25,400.

### S&P-500: Key Highlights

DATE	05-Dec
Open	2698
High	2720
Low	2697
Close	2718
MA(20)	2713
MA(100)	2812
MA(200)	2762
RSI(14)	49.02

Source: Bloomberg

### S&P-500



#### Technical Strategy: Play the Range

S&P closed at US\$2,718, above its 20-DMA which is at 2,713. 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 2,650 – 2,710. A break below 2,650 could target 2,630, while a break above 2,710 could target 2,730.

### NASDAQ-100: Key Highlights

DATE	05-Dec
Open	6791
High	6857
Low	6788
Close	6848
MA(20)	6798
MA(100)	7245
MA(200)	7084
RSI(14)	49.01

Source: Bloomberg

### NASDAQ-100



#### Technical Strategy: Play the Range

NASDAQ closed at 6,848 above its 20-DMA which is at 6,798. 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 6,630 – 6,830. A break below 6,630 could target 6,500, while a break above 6,830 could target 6,930.

## 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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