

Thursday, 7 February 2019

News, Views & Statistics
Gold Prices Slide Ahead of Comments from Fed Chair Powell

Gold prices edged lower on Wednesday, as market players looked ahead to comments from Federal Reserve Chair Jerome Powell for further hints about the outlook for monetary policy in the months ahead. Comex gold futures were at \$1,317.15 a troy ounce by 8:00AM ET (13:00 GMT), down \$2.05, or around 0.15%. Meanwhile, spot gold was trading at \$1,313.21 per ounce, down \$2.08, or 0.15%. Powell is scheduled to deliver opening remarks and answer questions on monetary policy at a town hall meeting with teachers in Washington, D.C., on Wednesday evening. The U.S. central bank last week signaled that its three-year drive to tighten monetary policy is close to an end due to rising headwinds to the economy. Meanwhile, markets digested U.S. President Donald Trump's State of the Union address on Tuesday, in which he raised the prospect of another shutdown should his demand for border wall funding not be met. "There is a likely risk of another government shutdown with President Trump still sticking to the rhetoric of erecting a border wall," said Hitesh Jain, vice president, Yes Securities, adding that a firmer dollar was capping gold's gains. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was up 0.1% at 95.92, its best level since Jan. 25. A stronger dollar can be a negative for commodities priced in the currency, making them more expensive to users of other currencies. In other metals trading, silver futures fell 9.4 cents, or about 0.6%, to trade at \$15.74 a troy ounce.

India to lose world's No.1 Cotton producer title to China

Unfavorable climatic conditions and water shortage coupled with a static growing area are set to blow India off its No. 1 position in Cotton production worldwide. As per the latest international reports, for the year 2018-19, India will lose its 'top Cotton producer' tag to China, which has shown improved yields with better farming practices. ICAC recently stated that India's Cotton production is expected to dip by 7 per cent due to insufficient rainfall in growing regions, whereas production in China is expected to increase by about 1 per cent to 5.94 million tons. This means, China will regain the 'top producer' title it lost to India in the 2015-16 season. The global data suggests India's Cotton output is projected to be at 5.98 million tons for the August-December period of the 2018-19 seasons. However, India follows the October-September Cotton season. Industry believes India's Cotton output will dip further.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	40185	39928	40056	40247	40375	40566	Up
GOLD	33336	33222	33279	33362	33419	33502	Up
CRUDE OIL	3882	3760	3821	3857	3918	3954	Up
COPPER	448.90	444.10	446.50	448.90	451.30	453.70	Down
NATURAL GAS	193.40	188.10	190.80	192.90	195.60	197.70	Down
JEERA	15500	15210	15355	15580	15725	15950	Down
TURMERIC	6296	6228	6262	6316	6350	6404	Down
SOYBEAN	3806	3743	3775	3821	3853	3899	Up
RM SEED	3928	3887	3907	3946	3966	4005	Up
GUAR SEED	4167	4060	4113	4196	4249	4332	Up

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1312.04	-0.24
LONDON SPOT SILVER	\$15.73	-0.69
NYMEX CRUDE OIL	\$54.02	0.60
NYMEX NATURAL GAS	\$2.692	0.30

Economic Data

Data	Previous	Forecast	Time
Jobless Claims	253K	220K	7:00pm
NG Inv.	-173B	-218B	9:00pm

RECOMMENDATIONS

SILVER

SILVER MAR: BUY ABOVE 40450 TP-40990 SL BELOW 40100.



Silver tumbled yesterday but the overall trend on higher time frame charts is still bullish. So the strategy should be to buy above immediate resistance.

COCUD

COCUD MAR: SELL AT 2005-2006 TP-1963/1933 SL ABOVE 2036.



COCUD broke below critical support level yesterday and ended in a bearish candlestick. Sell on rise.

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Contact**SMS: 'Arihant' to 56677****Website**www.arihantcapital.com**Email Id**research@arihantcapital.com

ARIHANT Capital Markets Ltd

Commodity/Currency Research Desk: 6, Lad Colony, Y.N. Road Indore-3
T: 0731-4217191. Fax: 0731-4217103

Corporate Office: 1011, Solitaire Corporate Park, Building No.10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093
D. +91.22.42254800 and 67114800
www.arihantcapital.com

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