

Thursday, 07 March 2019

News, Views & Statistics
Gold Prices Rise to Session Highs After ADP Employment Report

Gold prices were higher on Wednesday, hitting an intra-day high after data showed that U.S. non-farm private employment rose less than expected. U.S. private employers added 183,000 jobs in February, below economists' expectations, a report by payrolls processor ADP (NASDAQ:ADP) showed. Economists had expected a gain of 189,000 jobs. The shortfall was more than offset by a sharp upward revision in the number of private-sector created in January, to 300,000 from a previously reported increase of 213,000. Comex gold futures were up \$3.05, or 0.25%, at \$1,287.65 a troy ounce by 8:30AM ET (13:30 GMT), after falling as low as \$1,282.00 on Tuesday. That was its lowest level in six weeks, a reflection of growing risk appetite in world markets amid prospects of an end to the trade war between China and the U.S. Meanwhile, spot gold was flat at \$1,286.84 per ounce. The yellow metal also drew support from the latest data point highlighting the extent of the global economic slowdown, after the Organization for Economic Co-Operation & Development (OECD) cut its forecasts again for the world economy for this year and next. The Paris-based organization now sees world GDP growing 3.3% in 2019 and 3.4% in 2020. That represents cuts of 0.2% for 2019 and 0.1% for 2020, compared to its last set of forecasts in November. "Gold in longer term is very much supported, partially due to shift in sentiments and global slowdown. In the shorter term, gold continues to show signs of bearish weakness and there is some room to go further south before it resumes its positive trend," said Benjamin Lu, an analyst with Singapore-based Phillip Futures. In other metals trading, silver futures were little changed at \$15.11 a troy ounce. Meanwhile, palladium futures held steady at \$1,465.40 an ounce, while platinum fell 1% to \$829.85 an ounce.

Govt increases sugar sale quota to 24.5 lakh ton for March

With an aim to help millers earn more and clear cane arrears, the central government has increased sugar sale quota to 24.5 lakh ton for March for domestic sales and dispatches. The government has allocated sugar quota for sale to each of the 524 mills in the country. The quota was 23.54 lakh ton in February. This increase in quota for March is attributable to various factors. There is a pattern of high sales/dispatches around this time of the year. Mills are allowed to sell sugar at a minimum selling price of Rs 31 per kg. The rate was increased recently from Rs 29 per kg. Recently, mills were also advised to go for advance booking of sugar sales to bulk consumers. The government has been fixing sugar quota for mills since June 2018 and implementing the Sugar Price (Control) Order 2018 in order to manage surplus production in the country and to stabilize sugar prices with a view to clear cane price arrears of farmers. Sugarcane arrears to farmers have crossed Rs 20,000 crore in the current marketing year 2018-19 (October-September).

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	38174	37814	37994	38317	38497	38820	Reversal
GOLD	31950	31613	31781	32040	32208	32467	Reversal
CRUDE OIL	3952	3857	3904	3941	3988	4025	Down
COPPER	457.00	453.60	455.30	457.90	459.60	462.10	Up
NATURAL GAS	199.30	195.20	197.20	201.00	203.00	206.80	Up
JEERA	15440	15200	15320	15405	15525	15610	Up
TURMERIC	6392	6304	6348	6386	6430	6470	Down
SOYBEAN	3765	3712	3739	3756	3783	3800	Up
RM SEED	3813	3789	3801	3814	3826	3839	Down
GUAR SEED	4202	4165	4184	4199	4218	4233	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1286.68	-0.10
LONDON SPOT SILVER	\$15.07	-0.46
NYMEX CRUDE OIL	\$56.20	+0.09
NYMEX NATURAL GAS	\$2.832	-1.53

Economic Data

Data	Previous	Forecast	Time
Jobless Claim	225K	225K	7:00pm
NG Inv.	-166B	-136B	9:00pm

RECOMMENDATIONS

LEAD

LEAD MAR: SELL BELOW 147.00 TP-145.55/144.40 SL ABOVE 148.00.



Lead ended the day in a bearish candlestick as it couldn't survive the crucial resistance range. Sell on support breakdown.

CHANA

CHANA APR: BUY AT 4185-4182 TP-4227/4259 SL BELOW 4155.



Bulls are trying hard to eradicate bears in Chana and yesterday they succeeded in their intraday objective by dominating the trend. We may see a short term bounce back in Chana prices from here.

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