

Tuesday, 8 January 2019

News, Views & Statistics
Gold Prices Rise, Closing In On \$1,300 Level

Gold prices rose on Monday, closing in on the psychologically important \$1,300 level as the dollar was dented by expectations that the U.S. Federal Reserve would halt its rate-hiking cycle for the year, lifting demand for the metal from holders of other currencies. "The precious metals complex is fairly well supported given the loose monetary turn coming out of the Fed," ING analyst Warren Patterson said. Fed Chairman Jerome Powell on Friday said the central bank would be more sensitive to downside risks in the market, adding that it was "prepared to shift the stance of policy" if needed. Prices of the yellow metal tend to rise when rate hike expectations ease because lower rates reduce the opportunity cost of holding non-yielding bullion. February gold futures were up 0.59% to \$1,293.40 by 09:32 AM ET (14:32 GMT) on the Comex division of the New York Mercantile Exchange after rising as high as \$1,296.50 earlier. The U.S. dollar weakened on growing bets the Fed would pause its rate hike cycle in the coming months after Friday's comments from Chairman Jerome Powell. The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was down 0.43% to 95.33, the weakest level since Oct. 22. "We are seeing buyers returning to the (gold) market on dips," said Saxo Bank analyst Ole Hansen, adding that the dollar weakness supported prices. "The main trend remains bullish (for gold). From a technical point of view, traders are now watching the two key levels of \$1,277 and \$1,300, which are new support and resistance levels respectively.

NAFED to sell 5.5 lakh tone Pulses at subsidized rate

NAFED has so far allocated 5.50 lakh ton (LT) of Pulses at a subsidized rate to 11 states including Gujarat and Madhya Pradesh under a government scheme for distribution through PDS and other welfare schemes. The Pulses being allocated to the states are the one which have been procured directly from farmers under the Price Support Scheme (PSS) which is operationalised only when the rates fall below the MSP. About 51.62 lakh ton Pulses have been purchased under the PSS by NAFED, which was assigned this job on behalf of the central government, in the last two years. It is now left with a stock of 38 lakh ton. To dispose of the huge Pulses stocks, the Centre in October 2018 had approved a scheme to sell Pulses at a subsidized rate of Rs 15 per kg over the issue price to states for distribution only under the welfare programmers of both state and central governments.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	39213	38938	39075	39299	39436	39660	Up
GOLD	31640	31305	31473	31615	31783	31925	Up
CRUDE OIL	3441	3325	3383	3432	3490	3539	Reversal
COPPER	409.90	404.30	407.10	409.50	412.30	414.60	Down
NATURAL GAS	206.20	200.50	203.40	206.50	209.40	212.50	Down
JEERA	17200	16990	17095	17170	17275	17350	Down
TURMERIC	6626	6534	6580	6630	6676	6726	Down
SOYBEAN	3513	3462	3487	3502	3527	3542	Up
RM SEED	3927	3872	3899	3918	3945	3964	Up
GUAR SEED	4394	4339	4366	4406	4434	4474	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1288.07	-0.47
LONDON SPOT SILVER	\$15.68	+0.00
NYMEX CRUDE OIL	\$49.27	+2.01
NYMEX NATURAL GAS	\$2.944	-2.77

Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

RECOMMENDATIONS

COPPER

COPPER FEB: TRADING RANGE 402.50 - 418.50.



Wait for our intraday trading strategy.

RMSEED

RM SEED FEB: BUY ABOVE 3940 TP-3983 SL BELOW 3908.



RM seed tried to come out of sluggish phase yesterday but it will need to cross yesterday's high to confirm the momentum.

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