

Wednesday, 10 July 2019

**News, Views & Statistics**
**Gold Prices Drop as Powell Offers No Clarification on Rate Cuts**

Gold prices fell for a third straight session as dampened expectations that the Federal Reserve will pursue aggressive policy easing received no respite from Jerome Powell's appearance on Tuesday. Gold futures for August delivery on the Comex division of the New York Mercantile Exchange, fell \$6.35, or 0.5%, to \$1,393.65 a troy ounce by 10:34 AM ET (14:34 GMT). The correction in gold began last Friday as a solid U.S. jobs report forced traders to scale back expectations that the Fed could reduce rates by a full half-point at the July 30-31 meeting and markets pushed odds back below 50% for a total of three cuts in the remainder of the year. Gold benefits from the prospect of lower interest rates as the opportunity cost of holding the non-yielding precious metal decreases. Powell refrained from making references to monetary policy in opening remarks delivered to a conference on bank stress testing on Tuesday. The Fed chief will likely take the opportunity to clarify his current outlook when he testifies to Congress on Wednesday and Thursday. Fed funds futures price the odds at 100% that interest rates will be lowered at the next policy meeting. "Powell could either reinforce market expectations for a rate cut or rein them in," Investing.com analyst Jesse Cohen said. "The level of certainty that the Fed will cut rates in July is far from justified, so I'd be looking for Powell to push back against the dovish message that markets have priced in." The U.S. Commodity Futures Trading Commission's latest Commitments of Traders report -released on Monday and covering data through July 2 - showed that long positions in gold had reached their highest level since Sept. 2017, ahead of the U.S. jobs report.

**India's Sugar production to fall on lower monsoon rains: Industry official**

Sugar production in India's is expected to fall by 18% in 2019/20 as last year's drought forced farmers to curtail their sugar cane plantings while lower monsoon rains this year are limiting the crop's growth, a senior industry official told Reuters. India's sugar production during the 2019/20 marketing year starting from Oct. 1 could fall to 27 million tons from 33 million tons in 2018/19, said B. B. Thombare, president of the WISMA on July 9, Reuters reported. "Cane plantation in Maharashtra and Karnataka is hit badly due to last year's drought and this year's delay in arrival of monsoon rains," he said. The western state of Maharashtra is the country's second-biggest sugar producer, while the southern state of Karnataka ranks third. Uttar Pradesh is the biggest producing state. Maharashtra's production could fall 44% to 6 million tons in the next season, he said. India has received rain that is 19% less than average since the monsoon season began on June 1, after last year's drought wilted crops in western and southern India.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	38180	37731	37956	38077	38302	38423	Up
GOLD	34584	34231	34407	34517	34693	34803	Up
CRUDE OIL	3965	3907	3936	3965	3994	4023	Down
COPPER	432.80	427.60	430.20	433.80	436.40	440.10	Down
NATURAL GAS	166.60	160.30	163.50	165.50	168.70	170.70	Down
JEERA	17435	17260	17350	17400	17500	17540	Up
TURMERIC	6724	6374	6550	6658	6834	6942	Up
SOYBEAN	3585	3523	3554	3574	3605	3625	Down
RM SEED	3912	3875	3893	3904	3922	3933	Sideways
GUAR SEED	4438	4348	4393	4421	4466	4494	Down

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1398.30	+0.29
LONDON SPOT SILVER	\$15.09	+0.53
NYMEX CRUDE OIL	\$57.82	+0.66
NYMEX NATURAL GAS	\$2.433	+0.95

### Economic Data

Data	Previous	Forecast	Time
Crude Oil Inv.	-1.1M	-	8:00pm

### RECOMMENDATIONS

#### COPPER

**COPPER JULY: TRADING RANGE 433.50 – 426.50.**

COPPER 1907(MXCOPN9)2019/07/09 - Daily B:432.80 A:432.85  
O 437.30 H 437.45 L 431.20 C 432.85 V 19,279 T 20,936,966 I 6,733 -4.85 -1.11%



The trend is indecisive in this metal counter. Wait for our intraday trading strategy.

# CASTOR

**CASTOR AUG: TRADING RANGE 5620 - 5480.**

CASTOR SEED NEW 1st(NCCTNC1)2019/07/09 - Daily B:5610.00 A:5616.00  
O 5614.00 H 5640.00 L 5584.00 C 5610.00 V 29,880 | 31,965 +56 +1.01%



The trend is indecisive in this agro counter. Wait for our intraday trading strategy.

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