

Friday, 11 January 2019

News, Views & Statistics
Gold Prices Hold Steady Ahead of Fed's Powell

Gold prices held steady around the unchanged mark on Thursday as investors awaited remarks from Federal Reserve Chairman Jerome Powell amid expectations that the head of the central bank will reaffirm a pause in policy tightening. At 10:00 AM ET (15:00 GMT), gold futures for February delivery on the Comex division of the New York Mercantile Exchange inched up 70 cents, or 0.05%, to \$1,292.70 a troy ounce. Higher interest rates tend to weigh on demand for gold, which doesn't bear interest, in favor of yield-bearing investments. Powell will speak at an event at the Economic Club of Washington, D.C. The lunch and program portion is slated to start at 12:00 PM ET (17:00 GMT), while Powell is scheduled for a joint discussion with former Fed chiefs Janet Yellen and Ben Bernanke at 12:45 PM ET (17:45 GMT). Powell's last appearance sent stocks soaring as he noted that the Fed could be "patient" on further policy tightening. Markets currently price in that the central bank will be on pause all throughout 2019 and put about a 14% chance that it will actually cut interest rates by the end of the year. Presidents of four of the 12 Fed regional banks on Wednesday said they wanted greater clarity on the state of the economy before extending the central bank's rate hike campaign any further, suggesting that the Fed could take months before another increase is undertaken. St. Louis Fed President James Bullard, considered the most dovish policymaker, even suggested that further tightening could tip the U.S. economy into recession. "We have got the markets pricing in the possibility of a Fed rate cut rather than a hike in the year ahead," Rodda said, adding that the Fed minutes gave the dollar a bit of a "kick down".

Maharashtra Sugar mills seek release of Sugar pledged by PSBs

Co-operative Sugar mills in Maharashtra have written to Finance Minister seeking his intervention for the release of collateral Sugar held with the PSBs. The move is aimed to boost exports from the state which were stuck due to the difference in subsidy payment. Owing to lower credit availability from banks, Sugar exports from Maharashtra were under tremendous pressure. Sugar mills in the state have shipped only 184,000 tons of the commodities so far this season, out of the total allocated quantity of 1.5 million tons under the MIEQ. So far, Sugar pledged with banks was regarded as dead inventory. PSBs' release of additional quantity of Sugar would certainly help boost its exports from Maharashtra. Indian mills expect the sudden spike in global Sugar prices to persist due to drought in Brazil, one of the largest producers. Hence, India would have a fair chance to achieve 5 million tons of Sugar export quota this year.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	39314	39005	39160	39460	39615	39915	Up
GOLD	31875	31699	31787	31961	32049	32223	Up
CRUDE OIL	3682	3579	3630	3675	3726	3771	Reversal
COPPER	412.40	407.30	409.80	414.30	416.90	421.40	Down
NATURAL GAS	212.10	205.60	208.90	213.40	216.70	221.20	Down
JEERA	17045	16750	16900	17040	17190	17330	Down
TURMERIC	6590	6478	6534	6618	6674	6758	Down
SOYBEAN	3612	3545	3578	3616	3649	3687	Up
RM SEED	3878	3838	3858	3890	3910	3942	Up
GUAR SEED	4174	4081	4128	4217	4264	4353	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1288.22	-0.38
LONDON SPOT SILVER	\$15.63	-0.70
NYMEX CRUDE OIL	\$52.33	+0.31
NYMEX NATURAL GAS	\$3.007	+0.57

Economic Data

Data	Previous	Forecast	Time
CPI m/m	0.0%	-0.1%	7:00pm
Core CPI m/m	0.2%	0.2%	-

RECOMMENDATIONS

SILVER

SILVER MAR: TRADING RANGE 38800 - 39450.



Wait for our intraday trading strategy.

GUARSEED

GUARSEED FEB: SELL AT 4215-4218 TP-4159/4111 SL ABOVE 4257.



Guarseed finally took a breakdown of the bearish continuation pattern called 'Pennant'. This is likely to be followed by few more sessions of dense fall.

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