

Wednesday, 16 January 2019

News, Views & Statistics
Gold Prices Rise as PPI Eases Rate Concerns, Fed Speakers on Tap

Gold prices rose slightly on Tuesday as the first drop in factory gate inflation in four months reinforced the argument that the Federal Reserve should pause on monetary policy tightening, on a day when three of the central bank's top officials are due to speak in public. At 9:38 AM ET (14:38 GMT), gold futures for February delivery on the Comex division of the New York Mercantile Exchange gained \$2.40, or 0.19%, to \$1,293.70 a troy ounce. Producer prices dropped a more-than-expected 0.2% in December while the core PPI also unexpectedly declined. The data added to evidence of a slowdown at the end of last year, weakening the argument for further interest rate hikes. Higher interest rates tend to weigh on demand for gold, which doesn't bear interest, in favor of yield-bearing investments. Three public appearances by Fed officials later today may give a taste of how the central bank's thinking is evolving, and give clues on the pace of future rate hikes through 2019 and beyond. Minneapolis Fed President Neel Kashkari is due to speak on the regional economy before the Rochester Economic Summit at 9:30AM ET (16:30 GMT). Kansas City Fed President Esther George will then speak about the economic outlook and monetary policy at 1:00PM ET (18:00 GMT). Finally, Dallas Fed President Robert Kaplan will participate in a moderated question-and-answer session before the Plano Chamber of Commerce Annual Meeting at 1:00 PM ET (18:00 GMT). After the Fed hiked rates four times in 2018, investors now expect the U.S. central bank to halt its monetary tightening policy this year as risks to the U.S. economy mount. In other metals trading, silver futures rose 0.16% at \$15.713 a troy ounce by 9:39 AM ET (14:39 GMT). Palladium futures advanced 0.79% to \$1,292.15 an ounce. In base metals, copper gained 0.72% to \$2.654 a pound.

Soybean exports fall in first quarter of 2018-19

Exports of Soybean meal and other value-added products from Soybean recorded a decline of 2.3 per cent at 6.74 lakh ton for the first quarter of the current oil year 2018-19 as against 6.90 lakh tons in the same period last year. The estimated data is based on the data collected from various sources including government and trade. According to the data, Soybean meal and soy products exports for the month of October stood at 1.33 (1.08) lakh tons, for November it stood at 2.63 (3) lakh tons and in the month of December it recorded exports of 2.78 (2.82) lakh tons. Soybean meal prices hovered at around \$364 per ton (FAS/FOB) at Indian port, which has strengthened in the past one quarter from \$ 357 a ton in October.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	39551	39285	39418	39594	39727	39903	Up
GOLD	32175	32020	32098	32187	32265	32354	Up
CRUDE OIL	3690	3565	3627	3670	3732	3775	Reversal
COPPER	416.70	413.50	415.10	417.30	418.90	421.10	Down
NATURAL GAS	251.30	234.80	243.10	253.70	262.00	272.60	Down
JEERA	17050	16915	16985	17120	17190	17325	Down
TURMERIC	6644	6594	6620	6638	6664	6682	Down
SOYBEAN	3696	3655	3676	3700	3721	3745	Up
RM SEED	3841	3812	3826	3851	3865	3890	Up
GUAR SEED	4323.50	4278	4301	4329	4352	4381	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1287.24	-0.32
LONDON SPOT SILVER	\$15.58	-0.38
NYMEX CRUDE OIL	\$51.81	+2.03
NYMEX NATURAL GAS	\$3.525	-1.18

Economic Data

Data	Previous	Forecast	Time
Crude Oil Inv	-1.7M	-	9:00pm

RECOMMENDATIONS

ALUMINUM

ALUMINUM JAN: TRADING RANGE 129.80 – 133.50.



Wait for our intraday trading strategy.

CHANA

CHANA MAR: SELL AT 4265-4270 TP-4217/4180 SL ABOVE 4301.



As expected, Chana tumbled yet again in the last hour of yesterday's session after trading in a sluggish range for most part of the day.

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