

Tuesday, 26 February 2019

**News, Views & Statistics**
**Gold Prices Slip Ahead of Geopolitical Developments, Key Data, Powell Testimony**

Gold prices traded in a tight range around the unchanged mark on Wednesday as investors awaited new developments in the geopolitical arena, a batch of key U.S. economic data and an appearance from Federal Reserve chairman Jerome Powell. At 11:05 AM ET (16:05 GMT), gold futures for April delivery on the Comex division of the New York Mercantile Exchange dipped \$2.15, or 0.16%, to \$1,330.65 a troy ounce, holding close to a three-month high of \$1,349.80 reached last week. After U.S. President Donald Trump announced that he would delay the imposition of more tariffs on Chinese imports beyond the original March 1 deadline and planned an eventual meeting with Xi Jinping to conclude an agreement, Chinese state news agency Xinhua warned that there could be “new uncertainties” in the final stage of the trade negotiations. Also in geopolitics, investors also awaited Trump’s second summit meeting with North Korean leader Kim Jong Un on Wednesday and Thursday in Hanoi. On the data front, the focus will be on the fourth-quarter gross domestic product scheduled for Thursday. The release of the report was delayed by the 35-day partial government shutdown. Other economic data releases of note this week include housing starts and building permits on Tuesday, while figures on personal consumption expenditure, the Fed’s preferred inflation gauge, along with consumer sentiment and manufacturing are scheduled to be released on Friday. Data aside, the key appointment this week for the precious metal will arrive on Wednesday with Powell’s two-day testimony to Congress on the economic outlook and monetary policy. Markets expect the Fed chief to back the idea that policymakers may consider putting the brakes on its balance sheet runoff. Fed vice chairman Randal Quarles suggested that the pause could come “sometime in the latter half of this year with still-ample reserves in the system” and then remain on hold for some time.

**Indonesia urge India to cut Palm Oil tariffs to 45%**

Indonesia has asked India for a 5 percentage point cut on import of refined Palm Oil to 45 percent matching the levy faced by rival producer Malaysia. In return, Indonesia is willing to open up market access for raw Sugar from India that is needed by our national industry. Indonesia and Malaysia are the world’s biggest producers of Palm Oil and India, the world’s largest importer of Edible Oils, is an important market for both. According to Palm Oil producers association of Indonesia, they have shipped 6.7 million tons of Palm Oil to India in 2018. Delhi has already cut import taxes on crude and refined Palm Oil from Southeast Asian countries on Jan. 1, at the request of suppliers.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	40060	39729	39895	40153	40319	40577	Reversal
GOLD	33323	33148	33236	33387	33475	33626	Reversal
CRUDE OIL	3929	3810	3870	3981	4041	4152	Down
COPPER	460.55	454.80	457.70	462.20	465.10	469.60	Up
NATURAL GAS	197.20	192.30	194.70	196.30	198.70	200.30	Up
JEERA	15205	15025	15115	15280	15370	15535	Up
TURMERIC	6150	6090	6120	6164	6194	6238	Down
SOYBEAN	3714	3679	3696	3720	3737	3761	Up
RM SEED	3852	3829	3840	3864	3875	3899	Down
GUAR SEED	4189.5	4137	4163	4202	4228	4267	Down

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1327.17	-0.04
LONDON SPOT SILVER	\$15.89	-0.13
NYMEX CRUDE OIL	\$55.31	-3.12
NYMEX NATURAL GAS	\$2.776	+2.89

### Economic Data

Data	Previous	Forecast	Time
CB Cons. Confi.	120.2	124.3	8:30pm
Fed Chair Powell	-	-	-

### RECOMMENDATIONS

#### GOLD

**GOLD APR: SELL AT 33390-33395 TP-33279/33200 SL ABOVE 33461.**



Gold traded in a negative range yesterday at Indian bourses after weak signals from international counterparts. Sell on rise.

# CHANA

**CHANA MAR: BUY ABOVE 4160 TP-4217 SL BELOW 4120.**



Chana tumbled to new contract lows yesterday but recovered sharply in the last hour to end the day in a long legged candlestick. Opportunistic traders can look to buy for intraday.

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