

Wednesday, 28 November 2018

News, Views & Statistics
Gold hits one-week low as dollar gains on Trump tariffs stance

Gold steadied on Tuesday after touching a one-week low as the dollar rallied on U.S. President Donald Trump's threats of higher tariffs on all imports from China. Trump is expected to meet his Chinese counterpart Xi Jinping to discuss the trade dispute when they attend the G20 Summit in Argentina this week. "If they agree on making some sort of progress on the trade side, that could be quite positive for gold as it would likely weigh on the dollar, which has been the safe-haven currency in this trade debate," said Julius Baer analyst Carsten Menke. "But any kind of escalation would likely be negative for gold." Spot gold XAU= edged 0.1 percent higher to \$1,223.56 an ounce by 1242 GMT, having earlier dipped to its lowest since Nov. 19 at \$1,219.04. U.S. gold futures GCcv1 were up 0.1 percent at \$1,223.80. Jitters in the equity markets and a slight recovery in oil prices kept a floor on gold prices, said Commerz bank analyst Eugen Weinberg. MKTS/GLOB O/R "The equity markets in Europe are not really recovering a lot, therefore gold prices are somewhat supported." World stock markets fought to keep a rebound alive after Trump said on Monday that he was "highly unlikely" to accept China's request to hold off from raising tariffs due to take effect on Jan. 1. supported the dollar against a basket of major currencies, with the dollar index .DXY reaching its highest in almost two weeks, making gold more expensive for holders of other currencies.

Gujarat Cotton price slump due to low demand

Appreciating rupee against dollar coupled with lower demand has pulled down Cotton price in Gujarat. The price of benchmark Shankar-6 Cotton variety has gone down by Rs 1400-1700 per candy. Shankar-6 Cotton price has corrected by 3-4% from Rs 45,500-45,800 per candy to Rs 43,800-44,400 a candy within a week. The export of Cotton has also slowed down after rupee started recovering against the dollar. Appreciation in the value of the rupee against the dollar makes export less competitive in the international market. Strong dollar allows exporters to offer Cotton at a competitive price in the international market as their realizations in rupee terms remains higher even after giving discounts. Amid low demand, arrivals of Cotton in local market, too, have slowed; around 40,000 bales (170kg) are arriving daily, which used to be 70,000-75,000 bales during the same time last year. Gujarat is expecting 16% decline in Cotton output in 2018-19. According to trade estimates, despite increase in area under Cotton cultivation, the production is expected to drop to 88 lakh bales from the 105 lakh bales produced in 2017-18.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	35830	35573	35702	35948	36077	36323	Down
GOLD	30392	30207	30299	30465	30557	30723	Down
CRUDE OIL	3682	3554	3618	3672	3736	3790	Down
COPPER	427.25	422.10	424.70	427.40	430.00	432.80	Down
NATURAL GAS	300.10	285.80	292.90	298.20	305.30	310.60	Reversal
JEERA	19380	18950	19165	19290	19505	19630	Reversal
TURMERIC	6412	6310	6362	6412	6464	6514	Up
SOYBEAN	3364	3329	3347	3359	3377	3389	Reversal
RM SEED	4058	3999	4029	4054	4084	4109	Down
GUAR SEED	4293	4212	4253	4295	4336	4378	Up

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1212.71	-0.79
LONDON SPOT SILVER	\$14.12	-0.77
NYMEX CRUDE OIL	\$51.82	0.15
NYMEX NATURAL GAS	\$4.128	-0.77

Economic Data

Data	Previous	Forecast	Time
Prelim GDP q/q	3.5%	3.6%	7:00pm
Crude Oil Inv	4.9M	-	9:00pm

RECOMMENDATIONS

GOLD

GOLD DEC: TRADING RANGE 30150 - 30560.



Wait for our intraday trading strategy.

CPO

CPO DEC: TRADING RANGE 490.00 - 505.00.

CPO-MCX 1811(MXCPOX8)2018/11/27 - Daily B:499.80 A:502.00
O 498.50 H 502.00 L 494.50 C 500.80 ↑ V 891 T 444,551 I 1,125 +5.6 +1.13%
SMA(13) 512.75 SMA(8) 504.89



Wait for our intraday trading strategy.

Disclaimer: This document has been prepared by Arihant Capital Markets Limited (hereinafter called as Arihant) and its subsidiaries and associated companies. This document does not constitute an offer or solicitation for the purchase and sale of any financial instrument by Arihant. Receipt and review of this document constitutes your agreement not to circulate, redistribute, retransmit or disclose to others the contents, opinions, conclusion, or information contained herein. This document has been prepared and issued on the basis of publicly available information, internally developed data and other sources believed to be reliable. Whilst meticulous care has been taken to ensure that the facts stated are accurate and opinions given are fair and reasonable, neither the analyst nor any employee of our company is in any way responsible for its contents and nor is its accuracy or completeness guaranteed. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. All recipients of this material should before dealing and or transacting in any of the products referred to in this material make their own investigation, seek appropriate professional advice. The investments discussed in this material may not be suitable for all investors. The recipient alone shall be fully responsible/are liable for any decision taken on the basis of this material. Arihant Capital Markets Ltd (including its affiliates) or its officers, directors, personnel and employees, including persons involved in the preparation or issuance of this material may; (a) from time to time, have positions in, and buy or sell or (b) be engaged in any other transaction and earn brokerage or other compensation in the financial instruments/products discussed herein or act as advisor or lender/borrower in respect of such securities/financial instruments/products or have other potential conflict of interest with respect to any recommendation and related information and opinions. The said persons may have acted upon and/or in a manner contradictory with the information contained here and may have a position or be otherwise interested in the investment referred to in this document before its publication. The user of this report assumes the entire risk of any use made of this data / Report. Arihant especially states that it has no financial liability, whatsoever, to the users of this Report.

Contact**SMS: 'Arihant' to 56677****Website**www.arihantcapital.com**Email Id**research@arihantcapital.com**ARIHANT Capital Markets Ltd**

Commodity/Currency Research Desk: 6, Lad Colony, Y.N. Road Indore-3
T: 0731-4217191. Fax: 0731-4217103

Corporate Office: 1011, Solitaire Corporate Park, Building No.10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093
D. +91.22.42254800 and 67114800
www.arihantcapital.com

RCH-CMB-