

Friday, May 23, 2014

Key News

Gold hits session highs after U.S. jobless claims data

Gold prices extended gains on Thursday to hit the highest levels of the session after data showed that the number of people who filed for unemployment assistance in the U.S. last week rose more than expected. The U.S. Department of Labor said earlier that the number of individuals filing for initial jobless benefits increased by 28,000 last weeks to 326,000. Analysts had expected jobless claims to rise by 12,000 to 310,000 last week. Minutes of the Federal Reserve's April policy meeting published Wednesday indicated that the central bank continues to see a slow improvement in the economy.

Natural gas prices fall after supply report

Natural gas prices fell on Thursday after a weekly U.S. supply report revealed that inventories rose more than expected last week. The U.S. Energy Information Administration said in its weekly report that natural gas storage in the U.S. in the week ending May 16 rose by 106 billion cubic feet, above forecasts for an increase of 102 billion cubic feet. The five-year average change for the week is a build of 90 billion cubic feet. Total U.S. natural gas storage stood at 1.266 trillion cubic feet. Stocks were 774 billion cubic feet less than last year at this time and 943 billion cubic feet below the five-year average of 2.209 trillion cubic feet for this time of year.

Copper edges higher after China, euro zone manufacturing data

Copper prices edged higher on Thursday, as investors cheered better than expected manufacturing data out of China, the world's largest consumer of the red metal. Data released earlier showed that the preliminary reading of China's HSBC manufacturing index rose to a five-month high of 49.7 this month, up from a final reading 48.1 in April. The Asian nation is the world's largest copper consumer, accounting for almost 40% of world consumption last year.

Market Statistics

COMMODITY	PREV. CLOSE	R1	R2	PIVOT	S1	S2	TREND
SILVER	40970	41500	41900	41080	40700	40400	Down
GOLD	27213	27330	27495	27280	27100	26950	Down
CRUDE OIL	6086	6131	6175	6095	6060	6020	UP
COPPER	407.50	410.10	414.20	407.60	405.00	402.20	Sideways
NICKEL	1151.10	1160.00	1171.00	1146.70	1139.00	1127.50	Sideways
LEAD	123.35	124.20	124.95	123.35	122.70	122.00	Down
ZINC	120.95	122.20	123.10	121.15	120.20	119.50	Down
ALUMINIUM	102.70	103.50	104.40	102.50	102.00	101.30	Sideways
NATURAL GAS	254.50	257.50	261.00	257.30	253.30	250.00	Down



International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1295.50	+0.04
LONDON SPOT SILVER	\$19.47	-0.22
NYMEX CRUDE OIL	\$103.74	-
NYMEX NATURAL GAS	\$4.369	+0.03

Economic Data

Data	Previous	Expected	Time
US New Home Sales	384K	426K	7:30pm

RECOMMENDATIONS

ALUMINIUM

BUY ALUMINIUM MAY AT 102.50-102.40 TP-103.60/104.20 SL BELOW 101.90.



A spinning top candle formation at down side is suggesting a short term bullish reversal in the metal.



CRUDE OIL

BUY CRUDE OIL JUNE AT 6060-6050 TP-6110 SL BELOW 6040.



After breaking out of a consolidation phase a day before, crude oil faced selling pressure amid negative jobs & industrial data. We expect the fuel to recover today.



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