

REP-019

Gold set for weekly loss as oil-driven inflation fears boost rate-hike bets

GOLD: Gold edged lower on Friday and was headed for a second consecutive weekly drop, as elevated oil prices fueled fears of inflation and boosted expectations of a U.S. interest rate hike this year. Spot gold was down 0.3% at \$4,528.46 per ounce, as of 1026 GMT. The metal has shed about 0.3% so far in the week. U.S. gold futures for June delivery lost 0.3% to \$4,529.10. "Essentially, it's all still about negotiation between Iran and the U.S. and in that context, we have seen a bit of uncertainty if a deal can be reached or not, with that, oil prices are increasingly pressuring gold," said UBS analyst Giovanni Staunovo. The yellow metal has fallen more than 15% since the war started in late February, which has disrupted maritime traffic through the Strait of Hormuz, lifting energy prices and stoking inflation concerns.

	1st Support	2nd Support	1st Resistance	2nd Resistance
Gold	\$4,498	\$4,453	\$4,579	\$4,615
Silver	\$75.03	\$73.43	\$77.66	\$78.68
WTI	\$94.94	\$91.93	\$101.78	\$105.61
EURUSD	\$1.1581	\$1.1549	\$1.1641	\$1.1667
GBPUSD	\$1.3394	\$1.3361	\$1.3457	\$1.3487
USDJPY	158.71	158.48	159.25	159.56
DJIA-30	49,873	49,433	50,567	50,821
S&P-500	7,401	7,355	7,480	7,512
NSDQ-100	29,102	28,841	29,542	29,723

Source: AKD Research and MT4

OIL: Oil prices resumed their rally Friday after declining for three straight sessions as investors weighed mixed messaging on Iran peace deal negotiations. The U.S. and Iran have signaled progress in talks to end the war, but the warring sides remain at loggerheads over Tehran's enriched uranium stockpile and tolls on the strategically vital Strait of Hormuz. International benchmark Brent crude futures traded 3.4% higher at \$106.06 per barrel in early London deals, while U.S. West Texas Intermediate futures advanced 2.9% to \$99.08. Brent and WTI both settled around 2% lower in the previous session, putting them firmly on track for their second negative week in three. Both contracts, however, are up more than 40% since U.S. and Israeli-led strikes against Iran started on Feb. 28.

US-EQUITIES: Stock futures ticked higher early Friday as Wall Street looked set to cap off a winning week despite heightened volatility. Futures tied to the Dow Jones Industrial Average rose by 124 points, or 0.25%. S&P 500 futures gained 0.18% and Nasdaq 100 futures inched 0.27% higher. The S&P 500 is up 0.5% week to date despite increased market swings, putting the benchmark on track for its eighth straight weekly gain. The Dow has climbed 1.5% this week and is headed for its third positive week in four. The Nasdaq Composite has added 0.3%, on pace for its seventh weekly advance in the past eight weeks.

US DOLLAR: MUFG's Lloyd Chan notes that elevated US yields and increased expectations of further Federal Reserve (Fed) tightening are supporting the US Dollar (USD) in the near term. The 2-year and 10-year yields remain high, and markets are pricing a higher probability of Fed action by year-end. This backdrop underpins a carry-driven bid for the Dollar, with US Dollar Index (DXY) holding above 99.00 as US data stay supportive. "This yield backdrop continues to underpin a carry-driven bid for the USD, with DXY firming above the 99.00 level. US macro data also remains supportive of the dollar. "

Source: Reuters, CNBC, Bloomberg

Key Economic Indicators for Today

Time	Currency	Impact	Economic Data	Forecast	Previous
7:00pm	USD	Medium	Revised UoM Consumer Sentiment	48.2	48.2

Source: www.forexfactory.com

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GOLD: KEY HIGHLIGHTS

Date	21-May
Open	4,545.37
High	4,570.65
Low	4,489.59
Close	4,543.00
MA(50)	4,678.25
MA(100)	4,797.39
MA(200)	4,365.32

Source:AKD Research & MT4

GOLD SPOT



Technical Strategy: Play the Range

Gold closed at US\$4,543.00/Oz below its 50-DMA which is at US\$4,678.25/Oz. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of US \$4,450 – 4,530/Oz.

SILVER: KEY HIGHLIGHTS

Date	21-May
Open	75.71
High	77.08
Low	74.45
Close	76.64
MA(50)	76.11
MA(100)	81.27
MA(200)	65.59

Source:AKD Research & MT4

SILVER



Technical Strategy: Play the Range

Silver closed at US\$76.64/Oz above its 50-DMA which is at US\$76.11/Oz. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of US \$74.00 – 77.80/Oz.

WTI SPOT: KEY HIGHLIGHTS

Date	21-May
Open	98.8
High	102.6
Low	95.76
Close	97.95
MA(50)	97.81
MA(100)	81.42
MA(200)	71

Source:AKD Research & MT4

WTI SPOT (CRUDE OIL)



Technical Strategy: Play the Range

Oil closed at US\$97.95/bbl above its 50-DMA which is at US\$97.81/bbl. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of US\$92.30– 100.00/bbl.



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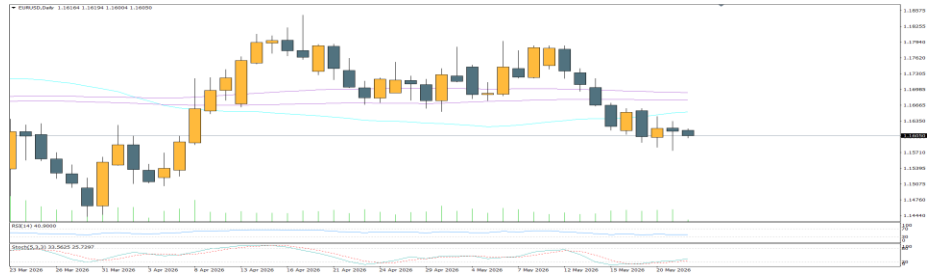


EUR/USD: KEY HIGHLIGHTS

Date	21-May
Open	1.1621
High	1.1634
Low	1.1575
Close	1.1614
MA(50)	1.1651
MA(100)	1.1693
MA(200)	1.1677

Source:AKD Research & MT4

EUR-USD



Technical Strategy: Play the Range

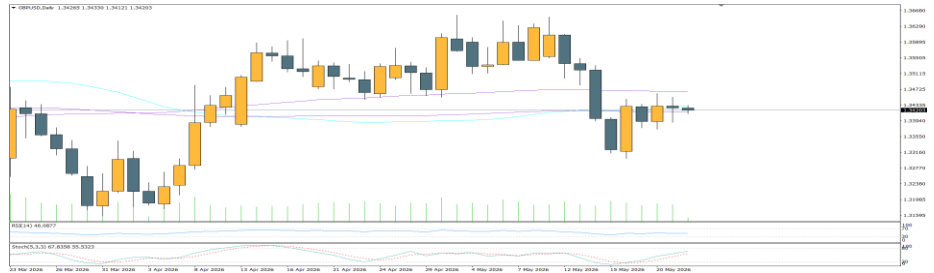
EURUSD closed at US\$1.1614 below its 50-DMA which is at US\$1.1651. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of US \$1.1570 - 1.1640.

GBP/USD: KEY HIGHLIGHTS

Date	21-May
Open	1.3431
High	1.3454
Low	1.3391
Close	1.3427
MA(50)	1.3429
MA(100)	1.3467
MA(200)	1.3416

Source:AKD Research & MT4

GBP-USD



Technical Strategy: Play the Range

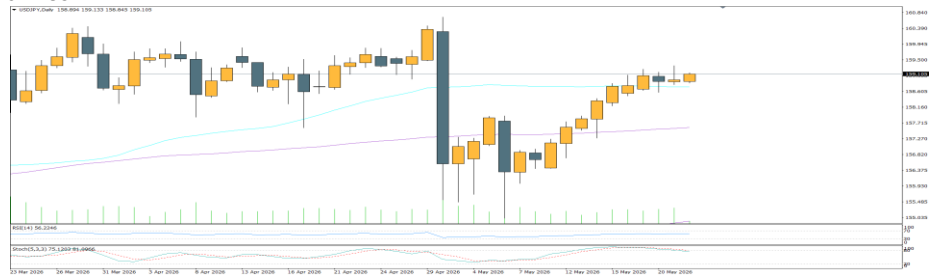
GBPUSD closed at US\$1.3427 below its 50-DMA which is at US\$1.3429. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of US \$1.3390 - 1.3460.

USD/JPY: KEY HIGHLIGHTS

Date	21-May
Open	158.88
High	159.34
Low	158.80
Close	158.94
MA(50)	158.73
MA(100)	157.56
MA(200)	154.88

Source:AKD Research & MT4

JPY-USD



Technical Strategy: Play the Range

USDJPY closed at US\$158.94 above its 50-DMA which is at US\$158.73. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US\$158.60 - 159.80.



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COMMODITIES VANTAGE



DJIA-30: KEY HIGHLIGHTS

Date	21-May
Open	49,923
High	50,380
Low	49,686
Close	50,314
MA(50)	48,168
MA(100)	48,601
MA(200)	47,657

Source:AKD Research & MT4

DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 50,314 above its 50-DMA which is at 48,168. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of 49,690 – 50,650.

S&P-500: KEY HIGHLIGHTS

Date	21-May
Open	7,413
High	7,466
Low	7,388
Close	7,447
MA(50)	6,969
MA(100)	6,928
MA(200)	6,811

Source:AKD Research & MT4

S&P-500



Technical Strategy: Play the Range

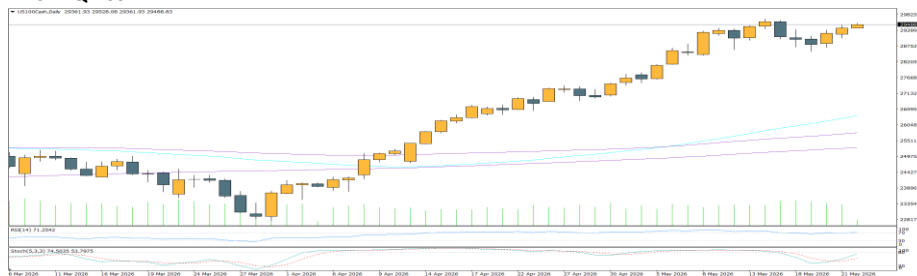
S&P closed at 7,447 above its 50-DMA which is at 6,969. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of 7,390 – 7,520.

NASDAQ-100: KEY HIGHLIGHTS

Date	21-May
Open	29,160
High	29,463
Low	29,022
Close	29,362
MA(50)	26,275
MA(100)	25,741
MA(200)	25,252

Source:AKD Research & MT4

NASDAQ-100



Technical Strategy: Play the Range

NASDAQ closed at 29,362 above its 50-DMA which is at 26,275. However, RSI and Stochastic are neutral on short term charts and suggest range bound trading. We recommend playing within the range of 28,700 – 29,660.



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COMMODITIES VANTAGE

Glossary of Terms

Support: Support is the level at which the stock is likely to see increased interest from buyers. The buying support will prevent the stock from falling further.

Resistance: Resistance is the level at which the stock is likely to see increased interest from sellers. The selling pressure will prevent the stock from rising further.

RSI: The Relative Strength Index (RSI) is a momentum oscillator that ranges from 0 to 100. It compares the extent of the stock's recent price movements by evaluating recent gains and losses. Stocks with RSI above 70 could be considered overbought, and below 30 could be considered oversold. Generally, if the RSI falls below 70, it is a bearish signal. Conversely, if the RSI of a stock rises above 30 it is considered bullish. The RSI used is of 14 days.

Bollinger Bands: A Bollinger Band, developed by famous technical trader John Bollinger, is plotted two standard deviations away from a simple moving average. BB highly popular technical analysis technique. Many traders believe the closer the prices move to the upper band, the more overbought the market, and the closer the prices move to the lower band, the more oversold the market.

MACD: MACD shows the relationship between a longer period moving average and a short period Moving average of a stock's price. Generally, the 26-day exponential moving average (EMA) and the 12-day EMA are used to calculate MACD.

EMA: Exponential moving average (EMA) is the weighted average of the prices of a given security where higher weights are given to recent data points. EMA is used to analyze the trend of a stock.

SMA: A simple moving average (SMA) is the average of the closing price of a security for a given period.

The parabolic SAR: is a technical indicator used to determine the price direction of an asset, as well as draw attention to when the price direction is changing. Sometimes known as the "stop and reversal system," the parabolic SAR was developed by J. Welles Wilder Jr., creator of the relative strength index (RSI).

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