Weekly Report 7 Jan 2019

Gold prices reached 1298 /oz on last Friday and retreated. The trend will begin to consolidate for a while due to profit taking and fund will flight to Crude prices for technical recovery. This week, we predict the yellow metal will stay on high prices though it may not pierce above USD1310 /oz benchmark. Technically, we expect the price movement will be contained from USD1270 – USD1310 /oz with many profit takers ambushing on topside of market.

WTI Crude prices have begun to recover with strong support building at USD43 /barrel region. Currently, the trend may still do some sideways consolidation before advancing in coming weeks. Over near term, we foresee the support will be firm at USD45 /barrel while the range is constricted below USD50 /barrel. Weakening Dollar and subsequent correction in Gold will be good lifting factors for Crude prices though we foresee the next resistance will emerge at USD53 /barrel.

SET Index closed at 1575 on Friday. The trend has fallen in end December season and hit around 1550 before bouncing off. This week, we foresee the SET market will consolidate from 1550 – 1600 region as recovery will be led by U.S. market sentiment. Thai Baht continues to strength as USD/THB drops to 32.00 region. Technically, we expect the currency pair will wane further at 31.00 this week while resistance emerges at 33.00 level.

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DAR Wong is a professional in the global financial & investment industry with 29 years of experiences in Singapore. He can be reached at dar@pwforex.com