

Weekly Report 17 Dec 2018

Gold prices traded in narrow range beneath USD1250 /oz last week as the bulls failed to cross above the mentioned benchmark. This week, we reckon the trend will continue to hover around this region from USD1230 – USD1250 /oz until we see an extension. The slightest breakthrough in either direction will indicate a new directional headway may follow into the market towards weekend. Logically, the Dollar Index (USDIX) will be an essential factor to trigger an inverse direction in Gold prices.

WTI Crude prices are moving in a tight range from USD50 – USD54 /barrel without signal to advance higher. Despite the OPEC and Russia have agreed to cut daily supply from 1 January, resilient Dollar strength has put a lid on Crude prices and prevent demand from building in market. This week, we presume the trend will remain unchanged so long as Dollar is not going to incur huge movement.

SET Index closed at 1609 on Friday after following the decline in Dow market. This week, we project some prices swing will occur in market due to uncertainty of FOMC meeting and USD/THB rate. The USD/THB exchange rate is trapped in 32.70 – 32.90 range but extending beyond this region will influence the SET market. Technically, we forecast the resistance will emerge at 1635 region while conventional movement will be contained from 1595 – 1635 region.

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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