Weekly Report 18 June 2018

Gold prices fell on Friday after Dollar Index (USDX) climbed to 95.00 level. The long haul decline of yellow metal from above USD1300 /oz to below USD1280 /oz has chilled off long-traders. This week, we forecast the market will recover once Dollar recedes. Range will be contained from USD1270 – USD1300 /oz with bargain-hunting arises from bottom. Dollar is the vital indicator now and should not pierce above 95.50 level.

WTI Crude prices have submerged on downside prices within USD64 – USD67 /barrel amid tight trading. This week, we reckon not much change in market sentiment until the OPEC meeting begins in Vienna on next weekend. There is a possibility of price recovery to USD70 /barrel in post-OPEC meeting in case of Dollar fall or global revision in supply cut of Crude output.

SET Index closed at 1704 on Friday on our downside expectation mentioned last week. Surge in Dollar from last week's FED rate hike has lifted the USD/THB to 32.60 region. This week, market might be prone to fall further at 1680 region before bargain-hunting returns. Resistance will emerge at 1740 and confluent to EMA200 line.

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