Weekly Report 19 June 2017

Gold prices headed down for correction as we predicted last week. Trend approached the USD1250 /oz before weekend but slowdown in selling activity is noticed. This week, we reckon the trend will be well supported at USD1240 /oz that is confluent with the EMA200 line strongly ambushed with bargain-hunting. Topside resistance is seen at USD1270 /oz for the time being while the trend will likely into mixed sentiment this week. Picking bottom is ideal but need to be guarded with risk control.

WTI Crude prices have broken the previous support at USD46 /barrel and has turned this region into strong resistance in coming week. Technically, we forecast the bears may dip further to test the USD42 /barrel while possible trap in sideways trend from USD42 – USD46 /barrel range. Global glut remains an issue for completing with Crude prices and focus will turn to Dollar direction for influencing the energy prices.

SET index closed at 1576 region on Friday with a sign of protruding to the north. Thai Baht advancing to below 34.00 in the USD/THB rate is an indicator to push SET Index higher beside stronger U.S. equity markets leading the sentiment. This week, we foresee the trend will escalate to 1590 target amid some profit-taking. Support lies at 1565 area but drawdown to test this buying region again may not be positive for the continual uptrend.

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