

Weekly Report 6 Mar 2017

Gold prices reached USD1263.00 /oz high last week and fell for profit-taking. Market is moving mixed sentiment after President Trump's speech has created wide division of argument among U.S. politicians. This week, we foresee the trend should be supported at USD1220.00 /oz region and moves sideways but capped below USD1250.00 /oz resistance. Tight range will be expected though some demand will continue to be firm. Breaking below USD1220.00 /oz will begin new correction back to USD1200.00 /oz level.

WTI Crude prices edge slightly lower last week but overall range was constricted from USD52.00 – USD55.00 /barrel region. Russia and Saudi that lead the OPEC group have promised to implement global supply cut by 1.8 million barrels per day since 2 months ago. On the other hand, U.S. shale drillers have started operations at highest rate in more than year after being tantalized by the rising oil prices. Global Energy Conference will be held in Texas on 6 March for negotiation to avoid a price war. Meanwhile, observe the aforementioned range in case the trend might take a breakout in near future.

SET index closed at 1566.00 region on last Friday. Market sentiment is prone to turn bearish in coming week as trend pattern has begun to slant down in prices. USD/THB stays sideways at 35.00 region without clear directional trend. This week, we forecast the SET Index will head down lower at 1540.00 while resisted at 1570.00 resistance. Piercing above 1570.00 needs risk control for sellers.

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