

Friday, 19 July 2019

**News, Views & Statistics**

**Gold Prices Hit Intraday Lows After Positive U.S. Data**

Gold prices hit intraday lows on Thursday after a bout of better-than-expected U.S. data took some of the wind out of hopes for aggressive policy easing from the Federal Reserve. Gold futures for August delivery on the Comex division of the New York Mercantile Exchange, fell \$2.45, or 0.2%, to \$1,420.85 a troy ounce by 10:06 AM ET (14:06 GMT). Following a similar move seen after strong retail sales on Tuesday, gold prices hit intraday lows after upbeat data from both the U.S. labor market and a regional reading of manufacturing activity. Although the rise in weekly applications for unemployment subsidies matched consensus expectations, continuing jobless claims fell more than forecast, underlining the solid state of the labor market. The Philadelphia Fed manufacturing index also gave a show of strength, jumping much more than expected to a one-year high. That stands out particularly, given that the economic slowdown this year across the globe has been, first and foremost, a slowdown in manufacturing. Positive economic data reduce the need for the Fed to take more aggressive action on policy easing. Markets fully expect a quarter-point reduction to interest rates at the next meeting in two weeks, although there is some speculation that the Fed could cut by a larger 50 basis points. The prospect of lower interest rates benefits gold as it lowers the opportunity cost of holding the non-yielding asset. Neil Mellor, strategist at BNY Mellon, suggested that gold still had further to run given the generally dovish stance among central banks worldwide. The central banks of South Korea and South Africa both cut their key rates Thursday in response to economic weakness.

**Brazil seeks WTO to set up dispute panel in case against India on Sugar subsidy**

Brazil has sought establishment of a dispute panel under the aegis of the WTO in a case against India's sugar subsidies to farmers. In February, Brazil and several other countries including Australia and Guatemala have dragged India into the WTO's dispute settlement mechanism alleging that New Delhi's sugar subsidies to farmers are inconsistent with global trade rules. Brazil is the largest producer and exporter of sugar in the world. "Brazil respectfully requests that the dispute settlement body establish a panel," according to a communication submitted by the South American country to the Geneva-based WTO. Brazil has alleged that in recent years, India has massively increased the level of domestic support under its support regime for sugarcane and sugar. For example, India has almost doubled the fair and remunerative price for sugarcane from Rs 1,391.2 per ton in 2010-11 to Rs 2,750 per ton in 2018-19, it has stated. That fair and remunerative price is the minimum price that, under Indian law, domestic sugar mills must pay sugarcane producers.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	40713	40027	40370	40580	40923	41133	Up
GOLD	35099	34776	34937	35042	35203	35308	Up
CRUDE OIL	3793	3662	3728	3839	3905	4016	Down
COPPER	447.45	444.40	445.90	447.20	448.70	450.00	Down
NATURAL GAS	158.10	152.50	155.30	159.00	161.80	165.50	Down
JEERA	18170	18015	18095	18250	18330	18485	Up
TURMERIC	7054	6964	7010	7100	7146	7236	Up
SOYBEAN	3619	3584	3602	3628	3646	3672	Down
RM SEED	3927	3902	3915	3937	3950	3972	Sideways
GUAR SEED	4404	4349	4377	4404	4432	4459	Down

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1426.65	+0.28
LONDON SPOT SILVER	\$16.13	+0.25
NYMEX CRUDE OIL	\$55.21	-3.04
NYMEX NATURAL GAS	\$2.305	-1.12

### Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

### RECOMMENDATIONS

#### CRUDE OIL

**CRUDE OIL JULY: TRADING RANGE 3880 – 3750.**

CRUDEOIL 1st(MXCROC1)2019/07/18 - Daily B:3821.00 A:3822.00  
O 3903.00 H 3951.00 L 3815.00 C 3822.00 V 196,970 T 76,715,195 I 18,990 -94 -2.40%



The trend is indecisive in this metal counter. Wait for our intraday trading strategy.

## RMSEED

**RMSEED AUG: TRADING RANGE 3945 - 3890.**

RMSEED 1908(NCRMDQ9)2019/07/18 - Daily B:3926.00 A:3930.00  
O 3955.00 H 3960.00 L 3925.00 C 3927.00 V 13,670 I 82,000 -21 -0.53%



The trend is indecisive in this agro counter. Wait for our intraday trading strategy.

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**Contact**

SMS: 'Arihant' to 56677

**Website**[www.arihantcapital.com](http://www.arihantcapital.com)**Email Id**[research@arihantcapital.com](mailto:research@arihantcapital.com)**ARIHANT Capital Markets Ltd**Commodity/Currency Research Desk: 6, Lad Colony, Y.N. Road Indore-3  
T: 0731-4217191. Fax: 0731-4217103Corporate Office: 1011, Solitaire Corporate Park, Building No.10, 1st Floor,  
Andheri Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093  
D. +91.22.42254800 and 67114800  
[www.arihantcapital.com](http://www.arihantcapital.com)

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