

Weekly Report 30 May 2016

Gold prices sank for 5 straight days last week and dipped below 1210.00 levels before weekend. This week, we reckon some recovery might emerge for profit-taking and trend should rise from 1210.00 to 1230.00 areas before non-farm payroll releases on Friday. This fall has completely shattered the confidence of long traders though we view as good opportunity to pick up new position below 1220.00 levels. Risk control should be exercised if the market breaks below 1190.00 supports.

WTI Crude prices touched 50.00 last week and closed near to this benchmark before weekend. Moving forward, we foresee resistance may emerge in market very soon though the top could reach into 52.00 levels. Global supply glut still lingers in market and the imminent of rate hike in mid-June will be a threat to strong Crude prices. Downside support is identified at 42.00 and possibly will be tested again once the market corrects in near future.

SET Index closed at 1412.00 regions on Friday by following stronger sentiment in regional equity markets. Weaker Thai Baht at USD/THB above 35.50 levels also helps to lift the stock prices. This week, we reckon market may rise and fall towards weekend while depending on the regional sentiment. Trend may target at 1430.00 regions but falling below 1400.00 will land at 1380.00 as support testing.

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