

## **Weekly Report 6 June 2016**

Gold prices have seen overbought sentiment on Friday. This week, we reckon profit-taking will emerge in market if market continues to soar above 1250.00 levels. Small correction is expected with range trading supported at 1225.0 areas. We foresee mixed sentiment will follow through market but it should stay above 1220.00 if there is no more negative factors arising from fundamental changes.

WTI Crude prices have been hovering around 49.00 levels after OPEC meeting ended with no agreement to cut supply. We reckon demand will begin to contract in coming week with 50.00 levels becoming resistances. Technically, there is a support rising at 45.00 and will be activated once the initial drawdown begins. However, short traders need to be prepared to see a likelihood of short-squeeze into 52.00 regions before bearish trend starts.

Silver prices has shown strong demand at 16.000 levels despite yellow metal slides. This week, we predict the market will trade higher inside the range of 16.000 – 17.000 regions. We favor picking bottom entry with control risk while projecting on trend ascension. Silver seems to be less volatile in coming weeks since most attention will be focused on Gold trend.

**Disclaimer: This report is written for general information only. No liability by the writers, publisher or any third party involved in the distribution of this work.**

**DAR Wong is an approved fund manager in Singapore with 27 years of trading experiences in global derivatives and FOREX markets. They can be reached through the website [www.pwforex.com](http://www.pwforex.com)**