

Gold

Highlights

- Gold advances on Greece optimism.
- China cut its required reserve ratio over the weekend.
- Gold has been caught in a range between USD 1,700 and USD 1,760 since the beginning of February, as investors watch Greece.

Gold Spot Price		(USD/oz)
	17-Feb	16-Feb
Open	1,727.55	1,728.03
High	1,734.85	1,729.85
Low	1,716.88	1,705.00
Close	1,723.24	1,727.50

Technical Indicators	
RSI 14	55.43
SMA 30	1,708.06
SMA 50	1,667.29
SMA 100	1,689.44
SMA 200	1,689.40

S3	S2	S1	PP	R1	R2	R3
1,697.16	1,707.02	1,715.13	1,724.99	1,733.10	1,742.96	1,751.07

Source: Meta Trader, IGI Research

Technical

Gold is still bounded in tight range below USD 1,765.9 last week as consolidation continued. Such consolidation will likely extend further this week and deeper retreat cannot be ruled out. Though, we'll stay cautiously bullish as long as 38.2% retracement of USD 1,523.9 to USD 1,765.9 at USD 1,673.5 holds. Above USD 1,765.9 will target USD 1,804.4 key near term resistance next. However, sustained trading below USD 1,673.5 will argue that rebound from USD 1,523.9 has completed and flip bias back to the downside for this support.

In the long term picture, with USD 1,478.3 supports intact, there is no change in the long term bullish outlook in gold. While some more medium term consolidation cannot be ruled out, we'd anticipate an eventual break of USD 2,000 psychological level in the long run.

Gold Weekly Range: USD 1676.2 to USD 1773.7

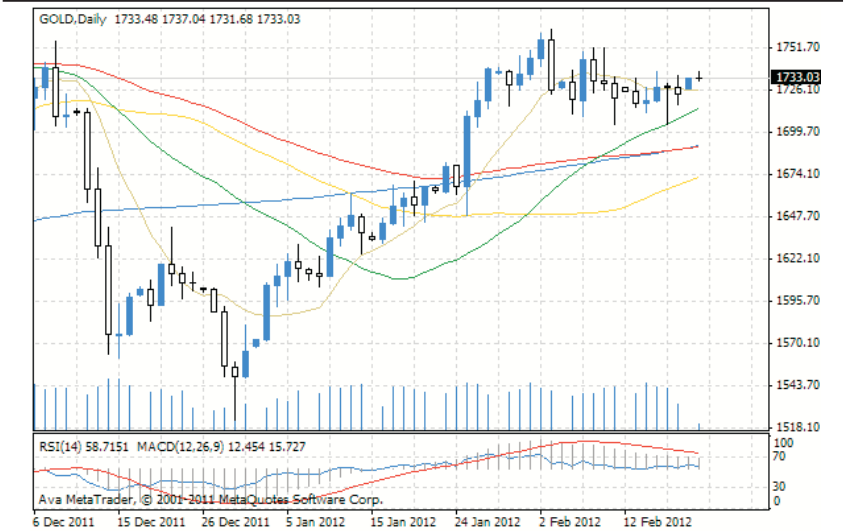
Source: Oilngold, IGI Research

SPDR Gold Trust

Tonnes:	1,281.28
Ounces:	41,194,581.96
Value USD:	70,960,443,080.79

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Gold Daily Graph



Source: Meta Trader, IGI Research

Fundamentals

- Gold prices climbed more than half a percent on Monday, as investors buoyed by easing moves by China's central bank and hopes for Greece to seal a bailout deal at a meeting with euro zone officials later in the day.
- An easing monetary stance boosts sentiment in gold by raising the inflation outlook down the road and attracting investors to bullion, a good hedge against inflation.
- China cut its required reserve ratio over the weekend, joining a number of central banks in relaxing monetary policies to promote economic growth while the euro zone debt crisis continues to overhang the global economy.
- The optimism on a deal later in the day between Greece and euro zone on the second bailout for Greece sent equities and the euro up, helping support gold.
- Gold has been caught in a range between USD1, 700 and USD1, 760 since the beginning of February, as investors watch Greece grind towards a deal with its international lenders on tough reforms and austerity measures in exchange for a Euro 130-bn bailout.

Source: Reuters, IGI Research

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
17-Jan-12	167,373	31,344	84%	172,691	345,667	33%	58,713	21,766	73%	432,838
24-Jan-12	173,479	31,256	85%	164,048	343,816	32%	59,987	22,442	73%	427,032
31-Jan-12	197,478	26,119	88%	147,555	357,417	29%	57,493	18,990	75%	425,133
7-Feb-12	207,620	30,113	87%	143,085	364,157	28%	61,815	18,250	77%	436,061
14-Feb-12	200,332	32,912	86%	146,818	356,226	29%	59,296	17,308	77%	431,164

Source: CFTC, IGI Research

Crude Oil

Highlights

- Iran stops oil sales to British and French firms
- Oil mixed but up on week eyeing Iran, Greece

Crude Oil Spot Price		(USD/oz)
	17-Feb	16-Feb
Open	102.26	101.82
High	103.54	102.67
Low	102.23	100.83
Close	103.41	102.25

Technical Indicators	
RSI 14	67.64
SMA 30	99.49
SMA 50	99.88
SMA 100	98.23
SMA 200	93.42

S3	S2	S1	PP	R1	R2	R3
101.27	101.75	102.58	103.06	103.89	104.37	105.20

Source: Meta Trader, IGI Research

Technical

Crude oil rose to as high as USD 104.14 last week and the break of USD 103.74 resistance confirmed resumption of USD 74.95. Initial bias remains on the upside this week and current rally should head towards USD 114.83 key resistance next. On the downside, break of USD 100.84 minor support is needed to signal short term topping. Otherwise, near term outlook will remain bullish even in case of retreat.

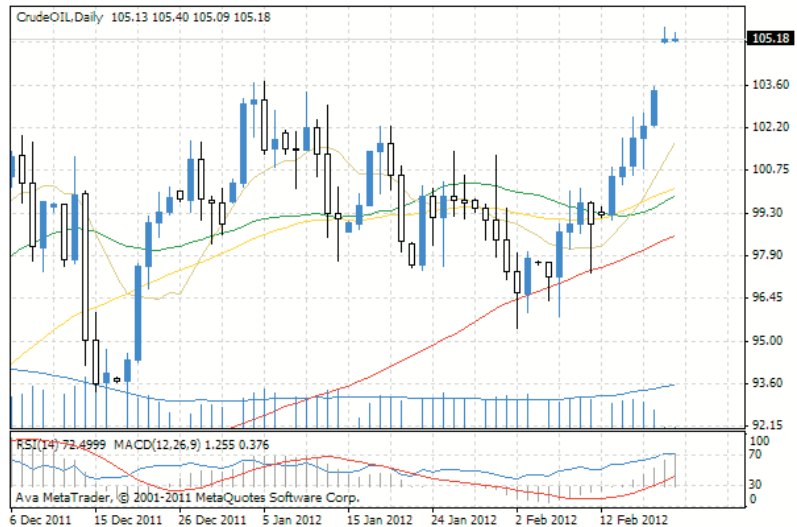
In the long term picture, crude oil is in a long term consolidation pattern from USD 147.27, with first wave completed at USD 33.2. The corrective structure of the rise from USD 33.2 indicates that it's second wave of the consolidation pattern. While it could make another high above USD 114.83, we'd anticipate strong resistance ahead of USD 147.24 to bring reversal for the third leg of the consolidation pattern.

Crude Weekly Range: USD 95.48 to USD 110.63

Source: Oilngold, IGI Research

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Crude Oil Daily Graph



Source: Meta Trader, IGI Research

Fundamentals

- The European Commission said last week that the bloc would not be short of oil if Iran stopped crude exports, as they have enough in stock to meet their needs for around 120 days. Industry sources told Reuters on February 16 that Iran's top oil buyers in Europe were making substantial cuts in supply months in advance of European Union sanctions, reducing flows to the continent in March by more than a third - or over 300,000 barrels daily.
- Iran was supplying more than 700,000 barrels per day (bpd) to the EU plus Turkey in 2011, industry sources said. Saudi Arabia says it is prepared to supply extra oil either by topping up existing term contracts or by making rare spot market sales. Iran has criticized Riyadh for the offer. Iran said the cut will have no impact on its crude sales, warning that any sanctions on its oil will raise international crude prices.
- EU's new sanctions includes a range of extra restrictions on Iran that went well beyond U.N. sanctions agreed last month and included a ban on dealing with Iranian banks and insurance companies and steps to prevent investment in Tehran's lucrative oil and gas sector, including refining. The mounting sanctions are aimed at putting financial pressure on the world's fifth largest crude oil exporter, which has little refining capacity and has to import about 40 percent of its gasoline needs for its domestic consumption.

Source: Reuters, IGI Research

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
17-Jan-12	322,996	151,770	68%	577,610	780,726	43%	92,408	60,518	60%	1,381,041
24-Jan-12	322,355	144,510	69%	549,636	754,903	42%	86,884	59,462	59%	1,341,810
31-Jan-12	321,176	150,477	68%	571,809	773,269	43%	85,877	55,116	61%	1,399,874
7-Feb-12	315,171	146,286	68%	620,629	821,786	43%	91,817	59,545	61%	1,484,546
14-Feb-12	349,281	144,529	71%	599,669	831,482	42%	87,020	59,959	59%	1,486,350

Source: CFTC, IGI Research

Silver

Highlights

- Gold, Silver Look to FOMC Minutes to Guide QE3 Expectations
- Silver Prices Will Soar to Record Levels In 2012
- Mint has already sold 6,082,000 bn coins

Silver Spot Price		(USD/oz)
	17-Feb	16-Feb
Open	33.464	33.399
High	33.655	33.537
Low	33.052	32.633
Close	33.233	33.462

Technical Indicators	
RSI 14	54.025
SMA 30	32.854
SMA 50	31.312
SMA 100	31.940
SMA 200	34.699

S3	S2	S1	PP	R1	R2	R3
32.700	32.972	33.260	33.532	33.820	34.092	34.380

Source: Meta Trader, IGI Research

Technical

Silver's choppy sideways trading continued further last week and with 4 daily MACD staying below signal line, more consolidation would likely be seen. There is no clear signal of reversal as the price actions from USD 34.52 look corrective so far. We'll slightly prefer another rise as long as 38.2% retracement of USD 26.145 to USD 34.52 at USD 31.321 holds. Above USD 34.52 will target a test on USD 35.70 key resistance next. Nonetheless, sustained break of USD 31.32 should confirm completion of rise from USD 26.145 and flip bias back to the downside for retesting this support.

In the long term picture, the main question remains on whether USD 49.82 is a medium term or long term top. Current development is starting to favor the latter case. Though, we'd prefer to see sustained break of 61.8% retracement of USD 8.4 to USD 49.82 at USD 24.22 to confirm.

Silver Weekly Range: USD 31.164 to USD 35.349

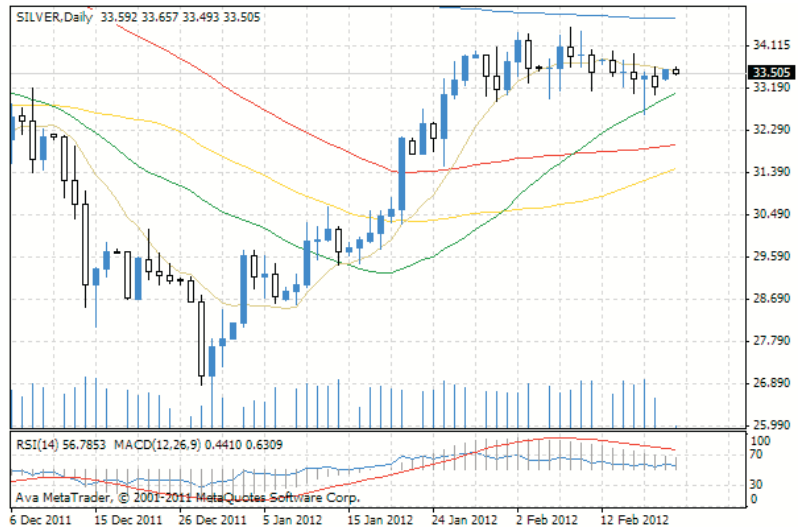
Source: Oilngold, IGI Research

ISHARE Silver Trust

Total Net Assets	USD 10,387,223,980
Ounces of Silver in Trust	308,381,076.800
Tonnes of Silver in Trust	9,591.72

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Silver Daily Graph



Source: Meta Trader, IGI Research

Fundamentals

- Spot silver, the front-runner of the precious metal complex, inched down 0.2 per cent to USD 33.30 an ounce. It has risen 20 per cent so far this year, beating gold's 10-per cent ascent.
- Silver fell to a one-week low in the previous session, following the tumble in base metals, as the murky situation in Europe dimmed prospects of industrial demand for metals.
- "Industrial demand in China is probably flat, if not slightly lower, compared to the same time in the past few years," said a Shanghai-based trader.
- Though expectations of further monetary easing from key central banks around the world, and the consequential rising inflation outlook, could benefit gold and other precious metals, the uncertain economic picture may put pressure on those with industrial applications, such as silver, platinum and palladium.
- Silver holdings in the iShares Silver Trust (SLV), the biggest exchange-traded fund backed by silver, decreased 33.25 metric tons to 9,624.97 metric tons as of Feb. 14, according to figures on the company's website

Source: Reuters, IGI Research

US Commodity Futures Trading Commission (CFTC) Data

Date	Large Speculators			Commercial			Small Speculators			Open Interest
	Long	Short	Bullish	Long	Short	Bullish	Long	Short	Bullish	
17-Jan-12	26,209	12,816	67%	39,029	59,411	40%	19,202	12,213	61%	103,668
24-Jan-12	27,051	10,934	71%	35,283	60,304	37%	20,171	11,267	64%	103,025
31-Jan-12	28,465	9,374	75%	33,693	62,422	35%	19,985	10,347	66%	101,747
7-Feb-12	32,239	8,652	79%	31,795	66,445	32%	21,955	10,892	67%	106,008
14-Feb-12	32,860	7,192	82%	31,427	68,737	31%	21,214	9,572	69%	104,872

Source: CFTC, IGI Research

Data Calendar

Economic Data							
Date	Time in PST	Currency	Impact	Economic Data	Actual	Forecast	Previous
Mon, Feb20'12	4:40am	GBP	M	Rightmove HPI m/m	4.10%		-0.80%
	All Day	USD	NE	Bank Holiday			
Tue, Feb21'12	2:30pm	GBP	H	Public Sector Net Borrowing		-8.9B	10.8B
Wed, Feb22'12	1:00pm	EUR	M	French Flash Manufacturing PMI		48.8	48.5
	1:00pm	EUR	M	French Flash Services PMI		52.2	52.3
	1:30pm	EUR	M	German Flash Manufacturing PMI		51.3	51
	1:30pm	EUR	M	German Flash Services PMI		53.7	53.7
	2:00pm	EUR	M	Flash Manufacturing PMI		49.4	48.8
	2:00pm	EUR	M	Flash Services PMI		50.7	50.4
	2:30pm	GBP	H	MPC Meeting Minutes		0-0-9	0-0-9
	3:00pm	EUR	M	Industrial New Orders m/m		0.60%	-1.20%
	7:00pm	EUR	M	Belgium NBB Business Climate		-7.9	-9.5
	8:00pm	USD	H	Existing Home Sales		4.66M	4.61M
Thu, Feb23'12	8:30pm	USD	M	Crude Oil Inventories			-0.2M
	2:00pm	EUR	H	German Ifo Business Climate		108.7	108.3
	2:30pm	GBP	M	BBA Mortgage Approvals		37.3K	36.2K
	4:00pm	GBP	M	CBI Industrial Order Expectations		-13	-16
Fri, Feb24'12	6:30pm	USD	H	Unemployment Claims		350K	348K
	2:30pm	GBP	H	Revised GDP q/q		-0.20%	-0.20%
	2:30pm	GBP	M	Prelim Business Investment q/q		-0.40%	0.30%
	7:55pm	USD	M	Revised UoM Consumer Sentiment		72.6	72.5
	8:00pm	USD	H	New Home Sales		316K	307K
Sat, Feb25'12	8:45pm	USD	M	FOMC Member Williams Speaks			
Sat, Feb25'12	Day 1	ALL	M	G20 Meetings			

Source: Forex Factory, IGI Research

(Scale of Impact: H = High, M = Medium, L = Low & NE = Non Economic)

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