

Gold

Highlights

- Gold edges up after EU approves Greece bailout
- Gold Imports by India Seen Falling on Prices

Gold Spot Price		(USD/oz)	
	20-Feb	17-Feb	
Open	1,733.48	1,727.55	
High	1,737.04	1,734.85	
Low	1,728.35	1,716.88	
Close	1,733.35	1,723.24	

Technical Indicators	
RSI 14	58.87
SMA 30	1,714.34
SMA 50	1,672.01
SMA 100	1,691.26
SMA 200	1,691.72

S3	S2	S1	PP	R1	R2	R3
1,720.10	1,724.22	1,728.79	1,732.91	1,737.48	1,741.60	1,746.17

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

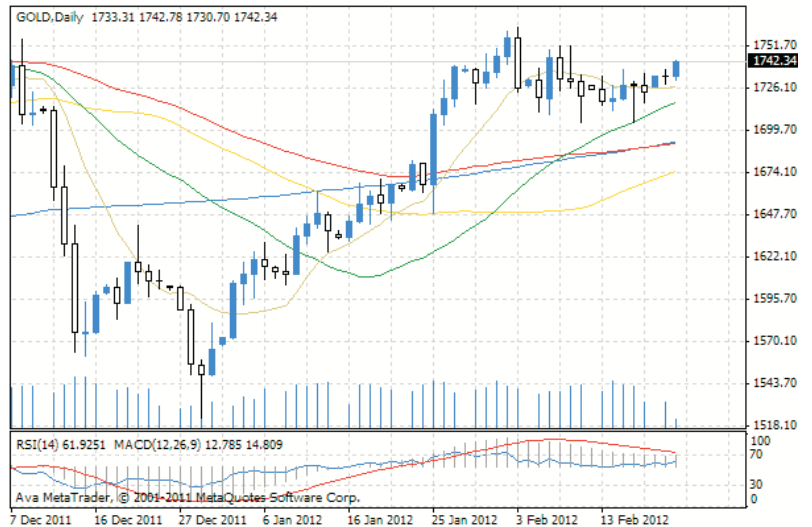
Source: Oilngold, IGI Research

SPDR Gold Trust

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

For queries regarding technical analysis and database please contact:
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Gold Daily Graph



Source: Meta Trader, IGI Research

Fundamentals

- Spot gold rose slightly on Tuesday as the dollar weakened after euro zone finance ministers delivered on expectations and sealed a deal for a second bailout for debt-laden Greece.
- The decision will help Athens resolve its immediate payment needs, but Greece still faces bleak financial and economic outlook in coming years. The rising tensions between Iran and the West, which pushed Brent crude futures above USD 120 a barrel, could surface as a key driver for gold if the situation deteriorates, he added.
- Gold imports by India (INMOGOLD) are poised to decline for the first time in three years as rising prices deter jewelry buyers and investors, potentially allowing China to overtake the country as the world's largest consumer.
- Purchases may drop 7 percent to 900 metric tons this year, according to the median estimate in a Bloomberg News survey of eight analysts, brokers and jewelers including Rajesh Exports Ltd. (RJEX), the biggest gold-jewelry exporter. India bought a record 969 tons in 2011, according to the World Gold Council

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

- Japan says no decision yet on Iran oil import cuts
- Oil mixed but up on week eyeing Iran, Greece
- 2-Sudan oil dispute keeps tanker from Japan port

Crude Oil Spot Price		(USD/oz)
	20-Feb	17-Feb
Open	105.13	102.26
High	105.78	103.54
Low	104.79	102.23
Close	105.01	103.41

Technical Indicators	
RSI 14	71.54
SMA 30	99.87
SMA 50	100.15
SMA 100	98.55
SMA 200	93.53

S3	S2	S1	PP	R1	R2	R3
103.62	104.20	104.61	105.19	105.60	106.18	106.59

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.

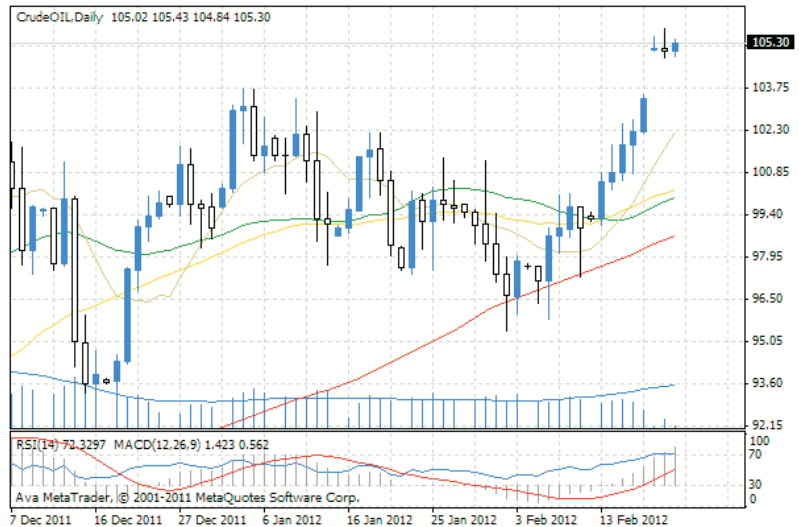
In the long term picture, crude oil is in a long term consolidation pattern from USD 147.27, with first wave completed at USD 33.2. The corrective structure of the rise from USD 33.2 indicates that it's second wave of the consolidation pattern. While it could make another high above USD 114.83, we'd 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

- Japan is close to agreement with Washington on the size of cuts refiners must make in imports of Iranian crude oil to win waivers from U.S. sanctions, two ministers said Tuesday after a media report the two sides would settle on an 11 percent cut. Washington is pushing ahead with sanctions because it fears Iran might use its nuclear program to develop nuclear weapons.
- The European Union has imposed its own embargo on oil imports from Iran, to start from July 1. In response, Iran ordered a halt of oil sales to Britain and France Sunday in a move symbolic of Tehran's anger with the West.
- One reason Japan may be reluctant to support publicly a reduction in Iranian oil imports with the same vigor as Europe is that Tokyo is worried about damaging close diplomatic ties it has had with Tehran in the past.
- Although refiners need to replace Iran crude with oil from other sources, buying less Iranian oil could turn out to be beneficial because the threat of sanctions has pushed up the cost of settlements, tanker chartering and insurance. Some Japanese refiners are negotiating with top exporter Saudi Arabia to make up for any shortfall.

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)	
	20-Feb	17-Feb	
Open	33.592	33.464	
High	33.657	33.655	
Low	33.354	33.052	
Close	33.490	33.233	

Technical Indicators	
RSI 14	55.564
SMA 30	33.098
SMA 50	31.477
SMA 100	31.983
SMA 200	34.696

S3	S2	S1	PP	R1	R2	R3
33.041	33.197	33.344	33.500	33.647	33.803	33.950

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

Tuesday February 21, 2012

Data Calendar

Economic Data							
Date	Time in PST	Currency	Impact	Economic Data	Actual	Forecast	Previous
Mon, Feb20'12	11:46am						
	4:40am	GBP	M	Rightmove HPI m/m	4.10%		-0.80%
	All Day	USD	NE	Bank Holiday			
Tue, Feb21'12	All Day	EUR		ECOFIN Meetings			
	2:30pm	GBP	H	Public Sector Net Borrowing		-8.9B	10.8B
Wed, Feb22'12	12:30am	GBP		MPC Member Bean Speaks			
	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	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
	6:30pm	USD	H	Unemployment Claims		350K	348K
	9:00pm	USD	M	Crude Oil Inventories			-0.2M
Fri, Feb24'12	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
	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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