



Gold Benchmarks

Gold Prices

Product	Opening Price	% Change from previous day OP
XAU/USD (\$)	1327.31	-0.96%
COMEX Gold Futures (\$)	1331.80	-0.70%
TOCOM Gold Futures (¥)	4624	-0.34%
Source	Bloomberg	

Get today's analysis on market fundamentals and pricing action on the first page of the report.

Get technical analysis, economic calendars and pricing charts on the second page of the report.

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Gold ease off bullish gains as US-Mexico tensions cool

Market Overview

Spot Gold closed at \$1327.98 per ounce on Monday 10/06/19 with a 0.96% loss against Friday's closing price. Gold prices fell as risk-off sentiments recede over cooling US-Mexico tensions. US President Trump has announced for an indefinite suspension to previously proposed trade tariffs as both parties (US-Mexico) reached a consensus. A recovery in global risk appetites exacted headwinds on safe haven assets as investors pivot towards interest-bearing assets in the current term. The precious metal though illustrating for bearish biases, continues to receive support however as markets brood over a prolonged trade dispute between the world's two largest economies. (See diagram 1.1, 1.2 and technical chart below)

Key Market Commentaries

Key performance indicators to monitor and observe for gold pricing trends.

How will looser US monetary policy impact gold prices?

US FOMC officials have signaled for an openness in interest rate cuts as the 11-month long US-China trade war rages on with little signs of respite. Financial markets have responded swiftly on dovish signals as CME US Fed Fund Futures illustrate for -0.50bps in the 2nd half of 2019. Shifting market expectations towards looser US economic policy have empowered gold prices as investors pivot away from weaker US dollar prospects. Though looming greenback weakness will support bullion strength in the longer term, we caution on exceedingly bullish calls as a dovish pivot by the US Federal Reserve will place a price floor for interest-bearing assets.

Daily Market Assessment

A relief rally by risk assets will curb safe haven demand as market sentiments turn positive over a dovish pivot by US FOMC officials and cooling US-Mexico tensions. Profit-taking activities by money managers (Long Liquidation) and heightened technical selling activities will impose bearish biases on the yellow metal (Non-interest bearing asset) in the near term.

Today's Outlook: Mildly Bearish (1316 – 1335)

Mid-Term Market Assessment

Bullion appeal has faced severe headwinds as risk assets illustrate for a positive consensus in Q1 2019. We remain optimistic on safe haven appeal however as global economic indicators point towards flagging global growth and growing market risks for the coming term. The precious metal will remain supported amidst rising economic uncertainties in 2019.

June 2019 Outlook - Spot Gold XAUUSD: \$1302 - \$1348

Daily Trend Analysis for Gold – XAUUSD

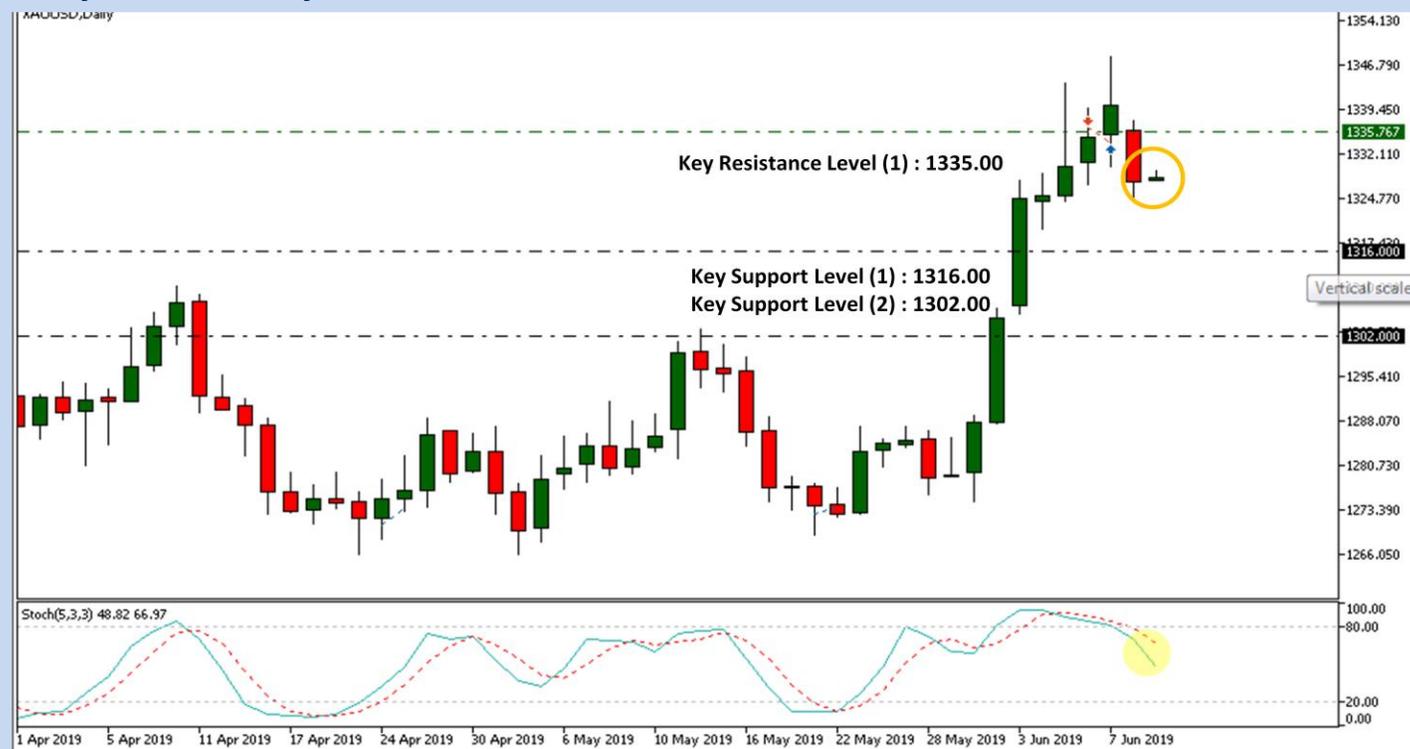


Chart type: Phillip Futures MetaTrader 5 - Spot Gold (XAUUSD) Price Chart – Day Chart

Gold prices eased off bullish gains amidst long-term headwinds at key resistance level of 1348.00. Stochastic readings have illustrated for a downward trending motion as price levels recover from overbought territory. A continuation of the bearish trend scenario will see market forces make an attempt on the next key trend line support of 1316.00.

Today's trading range for Spot Gold XAUUSD to be between:

Key Resistance Level (1): 1335.00 Key Support Level (1) & (2): 1316.00 & 1302.00

Key Economic Indicators

Economic Releases	Region	Date	Forecast	Previous Result
NFIB Small Business Optimism	US	11/06/19	102.0	103.5
PPI Final Demand MoM	US	11/06/19	0.1%	0.2%
ILO Unemployment Rate 3Mths	UK	11/06/19	3.8%	3.8%
Source	Bloomberg			

Diagram 1.1 – US Dollar Index



Chart type: Bloomberg – US Dollar Index (DXY) – Day Chart

Diagram 1.2 – US S&P 500 Index



Chart type: Bloomberg – United States S&P 500 Index – Day Chart

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