



Gold Benchmarks

Gold Prices

Product	Opening Price	% Change from previous day OP
XAU/USD (\$)	1461.68	0.14%
COMEX Gold Futures (\$)	1466.10	0.15%
TOCOM Gold Futures (¥)	5097	-0.77%
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 edges up as markets anticipate US FOMC meet

Market Overview

COMEX Gold Futures (Feb 20) closed at \$1464.90 per ounce on Monday 09/12/19 with a 0.01% loss against Friday's closing price. Gold prices edged up gently as investors look towards the last US FOMC meeting for 2019. Financial traders are pricing for neutral rates as US economic data illustrated for an upturn (Q4) after aggressive monetary policy easing programmes. The precious metal though facing sharp negative pressures from renewed risk sentiments remain supported over subdued global growth momentum and global trade uncertainties in the current term. Markets will seek forward guidance from US Fed Policy and the widely anticipated phase-one trade agreement between the world's two largest economies in December 15. (See diagram 1.1, 1.2 and technical chart below)

Key Market Commentaries

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

Market Updates: Has the gold rally come to an end in 4Q 2019?

Gold prices have eased off bullish gains (-7%) as market sentiments turn increasingly risk-on (US equities clock record-highs - 4Q). Upbeat US economic data (Housing Sales & PMIs) has spurred global risk appetites whilst imposing considerable headwinds for the non-interest bearing asset. The precious metal though garnering support from subdued global growth momentum has faced strong resistance as investors ease up on haven demand (4Q). Should market bears successfully breach key support level of 1445.00, gold prices will face intense bearish pressures in the current term.

Daily Market Assessment

Gold prices will trade within a tight range as markets seek forward guidance from the US FOMC Meeting and US-China trade deal deadline (December 15th) in the current term. Gold bulls should remain cautious as a brighter economic outlook, neutral US monetary policy and a positive consensus between the world's two largest economies on trade issues will trigger strong negative influences on safe haven assets.

Today's Outlook: Range-Bound (1460 – 1470)

Mid-Term Market Assessment

The gold price rally has cooled off substantially after peaking out in Sep 19 (1556.00). Softer geopolitical overtones and shifting expectations on US monetary policy have led to profit booking activities for the precious metal. Financial markets have since priced for neutral US interest rates for H1 2020. Global growth concerns though supportive of safe haven demand will face headwinds over a potential recovery in risk assets.

4Q 2019 Outlook – COMEX Gold Futures: \$1446 – 1500 (Revised)

Trend Analysis for Gold – XAUUSD



Chart type: Bloomberg – COMEX Gold Futures Price Chart – 4H Chart

The precious metal demonstrated for tight ranging conditions as market forces remain irresolute on price trajectory. Gold bulls continues to face considerable headwinds amid strong resistance at key technical level of 1470.00. Gold prices must breach 1470.00 for a bullish continuation towards the next main station of 1481.00. Failure to do so will trigger bearish influences towards key trend line support of 1453.00 in the current term.

Today's Trading Range for COMEX Gold Futures (Feb 20):

Key Resistance Level (1) & (2): 1470.00 & 1481.00 Key Support Level (1) & (2): 1460.00 & 1453.00

Key Economic Indicators

Economic Releases	Region	Date	Forecast	Previous Result
CPI YoY	US	11/12/19	2.0%	1.8%
CPI MoM	US	11/12/19	0.2%	0.4%
MBA Mortgage Application	US	11/12/19	-	-9.2%
Source	Bloomberg			

Diagram 1.1 – US Dollar Index



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

Diagram 1.2 – US S&P 500 Futures



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

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