Gold Benchmarks

<table>
<thead>
<tr>
<th>Product</th>
<th>Opening Price</th>
<th>% Change from previous day OP</th>
</tr>
</thead>
<tbody>
<tr>
<td>XAU/USD ($)</td>
<td>1474.90</td>
<td>0.71%</td>
</tr>
<tr>
<td>COMEX Gold Futures ($)</td>
<td>1479.20</td>
<td>0.72%</td>
</tr>
<tr>
<td>TOCOM Gold Futures (¥)</td>
<td>5112</td>
<td>0.21%</td>
</tr>
</tbody>
</table>

Source: Bloomberg

Gold trades higher over US dollar weakness

Market Overview
COMEX Gold Futures (Feb 20) closed at $1474.88 per ounce on Wednesday 11/12/19 with a 0.71% gain against Tuesday’s closing price. Gold prices strengthened as markets interpreted dovish signals from US Fed Chairman Jerome Powell’s statement (Post-FOMC Meeting). The US Federal Reserve has left interest rates unchanged whilst hinting for a dovish tilt towards monetary policy in 2020. The precious metal received a substantial boost as the US dollar weakened for the 3rd consecutive day. Economic outlook by the US central bank has pointed to a favorable one amid moderate economic growth and tighter labor markets in the current term (4Q). (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 for the near term.

Daily Market Assessment
US FOMC ‘Dot-Plot’ projections have indicated for neutral interest rates in 2020. Shifting market expectations on US monetary policy has enacted sharp negative pressures on the US dollar whilst boosting gold prices for the current term. Gold prices will likely indicate for range trading as markets contemplate greenback weakness and the US decision on tariff hikes - 15th December (Deadline).

Today’s Outlook: Range-Bound (1470 – 1490)

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)

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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Trend Analysis for Gold – XAUUSD

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

Gold prices traded positive for the 3rd consecutive day as market bulls remain in control of the bullish trend scenario. Stochastic readings have indicated for an upward trending motion in the current term. Gold bulls will have to breach key resistance level of 1481.00 for a positive continuation towards the next main station of 1490.00.

Today’s Trading Range for COMEX Gold Futures (Feb 20):
Key Resistance Level (1) & (2): 1481.00 & 1490.00 Key Support Level (1) & (2): 1470.00 & 1460.00

<table>
<thead>
<tr>
<th>Economic Releases</th>
<th>Region</th>
<th>Date</th>
<th>Forecast</th>
<th>Previous Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Import Price Index MoM</td>
<td>US</td>
<td>13/12/19</td>
<td>0.2%</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Retail Sales Advance MoM</td>
<td>US</td>
<td>13/12/19</td>
<td>0.5%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Business Inventories</td>
<td>US</td>
<td>13/12/19</td>
<td>0.2%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

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 (CME Group) – Day Chart
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