



## Gold Benchmarks

### Gold Prices

| Product                 | Opening Price | % Change from previous day OP |
|-------------------------|---------------|-------------------------------|
| XAU/USD (\$)            | 1497.2        | 0.77%                         |
| COMEX Gold Futures (\$) | 1504.9        | 0.74%                         |
| TOCOM Gold Futures (¥)  | 5153          | 0.35%                         |
| 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.

## Gold regains ground as markets pivot towards ECB meet

### Market Overview

**Spot Gold closed at \$1497.20 per ounce on Wednesday 11/09/19 with a 0.76% gain against Tuesday's closing price.** Gold prices snapped four consecutive days of losses amid rising expectations on monetary policy easing by global central banks. The precious metal though supported over looming economic uncertainties, has suffered considerable headwinds as global risk appetites turn increasingly risk-on for the current term. Long liquidation by money managers over softer political overtones further diminished safe haven appeal. The yellow metal though easing up on bullish gains will stay vigorous over looser monetary policies from subdued economic momentum for the coming term.

(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: How will resumption in US-China trade talks impact gold prices?

**High-level trade talks between top officials from the United States and China will take place in October 19.** Both parties have pledged to take positive action to resolve existing differences (bilateral trade) though no concrete details have been released. A resumption in negotiations between the world's two largest economies spurred risk assets forward amid heightened market optimism on global trade. The precious metal though easing up on bullish gains will remain vigorous over global recessionary fears and accommodative US monetary policy for the coming term (2H 2019).

### Daily Market Assessment

**US-China trade concessions will boost global risk assets whilst imposing selling pressure on safe haven assets.** Markets will fixate on the ECB meet to ascertain for further monetary policy easing in the current term. The precious metal though indicating for a bearish correction in price levels will remain vigorous in the longer term (Q4).

### Today Outlook: Range-Bound (1480 – 1500)

### Mid-Term Market Assessment

**The precious metal rallied strongly as FOMC officials illustrated for a dovish pivot on US monetary policy.** Subdued global economic momentum along with US trade protectionism has created significant tailwinds for safe haven assets. Existing US-China trade tensions and accommodative monetary policy by global central banks will bolster gold prices significantly for Q3.

### Q3 2019 Outlook - Spot Gold XAUUSD: \$1500 - 1575

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## Trend Analysis for Gold – XAUUSD



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

Gold prices regained its footing at key support level of 1480.00 (50.0% Fibonacci Retracement Level). The precious metal though illustrating for strength, must break above 1500.00 for a continuation of the bullish trend scenario. Failure to hold above key support level (50.0%) will trigger sharp bearish pressure towards the next main station of 1455.00.

Today's Trading Range for Spot Gold (XAUUSD):

Key Resistance Level (1) & (2): 1500.00 & 1510.00 Key Support Level (1) & (2): 1480.00 & 1455.00

### Key Economic Indicators

| Economic Releases             | Region    | Date     | Forecast | Previous Result |
|-------------------------------|-----------|----------|----------|-----------------|
| ECB Main Refinancing Rate     | EU        | 12/09/19 | 0%       | 0%              |
| PPI Marginal Lending Facility | EU        | 12/09/19 | 0.25%    | 0.25%           |
| CPI MoM                       | US        | 12/09/19 | 0.1%     | 0.3%            |
| 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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