

Metals Weekly

Brought to you by Phillip Futures Sdn Bhd (362533-U) (A member of PhillipCapital)

CME GOLD (\$1318.50, -0.27%)



Our Call of The Week:

Consolidation
11 February 2019

Market Commentary

Highlights:

- **U.S.** - The number of Americans filing applications for unemployment benefits declined less than expected, by 19,000 last week, suggesting some moderation in the pace of job growth.
- **U.S.** - The U.S. trade deficit fell to a five-month low in November as cheaper oil and higher domestic petroleum production helped to curb import bill, in addition to drop in imports of consumer goods like cellphones and household goods amid trade war.
- **U.S.** - Mortgage applications fell for a third consecutive week despite lower borrowing costs fueling worries on spending outlook.
- **U.K.** - The Bank of England left key interest rate unchanged for the fourth straight meeting as UK economic growth slowed in late 2018 which continued to weaken into early 2019.
- **Eurozone** - Retail sales fell in line with expectation in December as non-food sales and online purchases declined, dragged down by the steepest fall over 11 years in shopping in Germany.

Precious Metals

Gold prices were held steadily above the psychological level \$1,300 as US and China miss summit chance boosting the price of precious yellow metal. However, contrary to the inverse relationship between the greenback and gold, dollar is rallying along.

President Trump said that he won't be meeting President Xi Jinping before a March 1 deadline, intensifying fears that a deal is unlikely before the end of a 90 day truce. Both U.S. Treasury Secretary Steven Mnuchin and Trade Representative Robert Lighthizer are still expected in China next week for another round of talks to avert an increase in tariffs on Chinese goods.

The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, was up 0.13% at 96.41 late Friday.

Holdings of the largest gold-backed exchange-traded-fund (ETF), New York's SPDR Gold Trust GLD, fell 0.80 percent on Thursday from Wednesday.

There is no data from CFTC this week.

In technical terms, the immediate resistance is at \$1325 and immediate support is at \$1,300. Gold prices are trading above the 50 and 200-days moving average line signalling more bullish possibilities as well as for it to hold onto its current prices.

Bursa Gold

Bursa Gold futures contract on Bursa Malaysia Derivatives movement shall track the COMEX gold movement to trade higher this week.

Some significant economy data for the week:

U.S: Core CPI (Jan), Retail Sales (Dec), Michigan Consumer Expectations (Feb)

Euro: Eurogroup Meeting, GDP Q4, Trade Balance (Dec)

UK: GDP Q4, Trade Balance (Dec), CPI (Jan), Retail Sales (Jan)

Key Price Changes

Precious Metal COMEX

Contract	Last	Wkly Chg	%	High	Low
Gold	1,318.50	-3.60	-0.27	1323.60	1306.40
Silver	15.809	-0.122	-0.77	15.935	15.635
Platinum	802.50	-24.20	-2.93	829.70	796.00
Palladium	1,371.20	57.60	4.38	1379.90	1306.60

Base Metal LME

Contract	Last	Wkly Chg	%	High	Low
Copper	6,246.00	107.00	1.74	6289.50	6090.50
Aluminium	1,894.00	11.00	0.58	1936.00	1868.00
Lead	2,080.00	-47.00	-2.21	2136.50	2075.00
Zinc	2,731.00	-46.00	-1.66	2810.00	2682.00
Nickel	12,985.00	325.00	2.57	13350.00	12580.00

Currencies

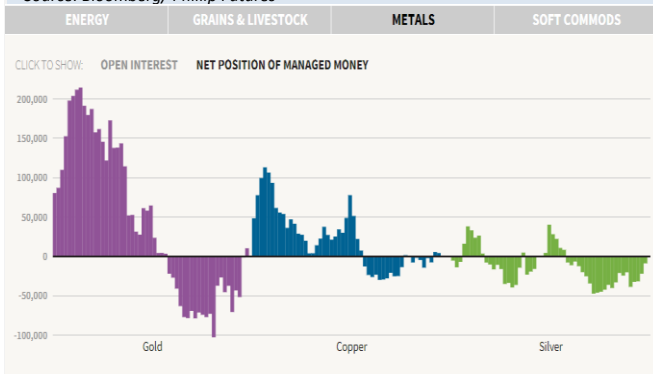
Indexes	Last	Wkly Chg	%	High	Low
US Dollar Index	96.637	1.058	1.11	96.693	95.574
USDMYR	4.0695	-0.0242	-0.59	4.1108	4.0658
USDJPY	109.74	0.23	0.21	110.17	109.43
USDEUR	0.8831	0.0103	1.18	0.8833	0.8726

	AM	PM
LBMA Gold Price		

Bursa Gold Futures

Contract	Last	Wkly Chg	%	High	Low
JAN 19	172.00	-1.95	-1.12	172.50	171.40
FEB 19	172.00	-0.50	-0.29	173.00	171.40

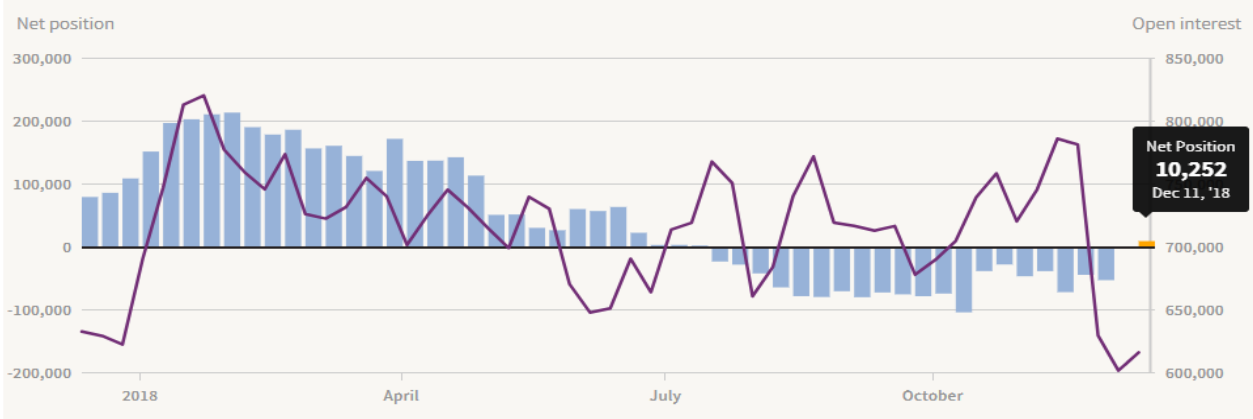
Source: Bloomberg/ Phillip Futures



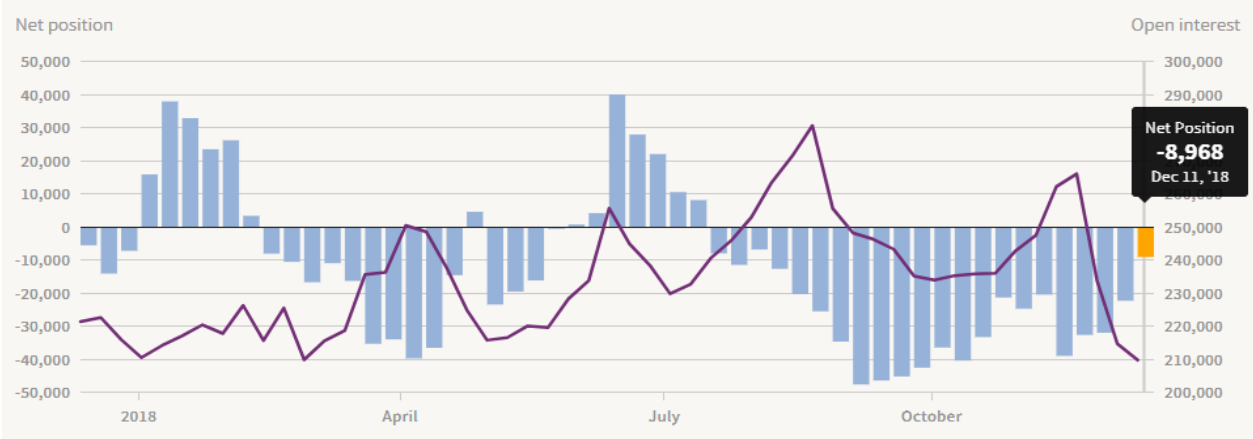
Source: CFTC

CFTC Commodity Trader's Position

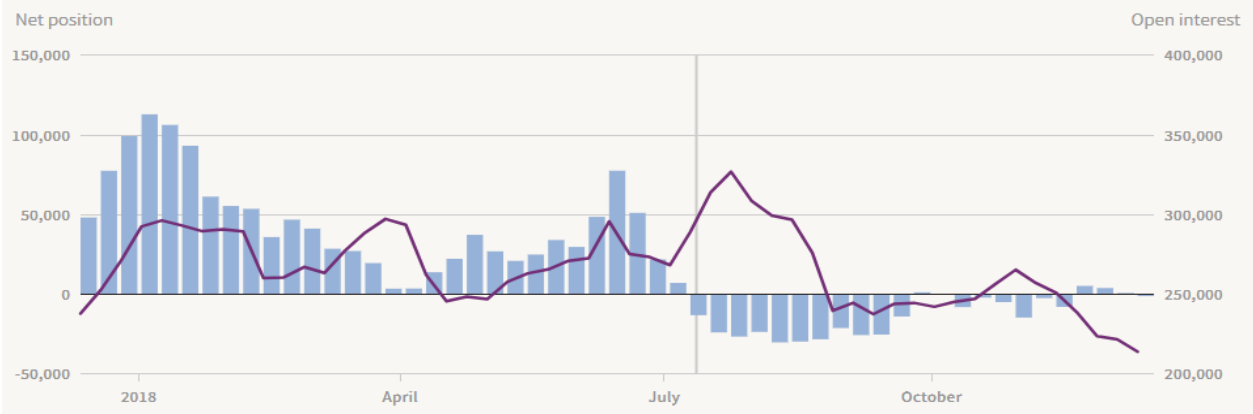
Managed Net Positions on Gold



Managed Net Positions on Silver



Managed Net Positions on Copper



Source : CFTC

Bursa Gold



Spot Gold



CME Gold Futures



Source : Bloomberg

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