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9 June 2017

**Gold Finds Temporary Support as May's Conservatives are projected to lose their outright majority in the British Parliament**

Support & Resistance	Price Action
<b>Resistance 2:</b> US\$ 1,313/Oz	<b>Short-Term:</b> Sideways
<b>Resistance 1:</b> US\$ 1,295/Oz	<b>Mid-Term:</b> Bearish
<b>Current price:</b> US\$ 1,277/Oz	<b>Long-Term:</b> Bullish
<b>Support 1:</b> US\$ 1,276Oz	
<b>Support 2:</b> US\$ 1,271/Oz	

### Indicative Price Table

Gold	Active Month	Last Price (oz/g)	1D % Change
<b>Spot Pairs</b>			
Gold/USD		1,277.32	-0.06
Gold/SGD		1,766.61	-0.09
Gold/MYR		5,455.97	-0.15
Gold/IDR		16,995,010	-0.02
Gold/THB		43,567.15	0.00
<b>Futures Contract</b>			
CMX Gold (100 t.oz)(US\$)	AUG 17	1,279.60	0.01
ICE US Gold (100 t.oz)	JUN 17	1,276.30	-1.07
ICE US Mini Gold (33.2 t.oz)(US\$)	AUG 17	1,278.90	-0.05
TOCOM Gold (1Kg)(¥)	APR 18	4,507.00	-0.31

Silver	Active Month	Last Price (oz/g)	1D % Change
<b>Spot Pairs</b>			
Silver/USD		17.41	-0.19
Silver/SGD		24.07	0.09
Silver/MYR		74.35	-0.02
Silver/IDR		231,594	0.13
Silver/THB		593.02	0.22
<b>Futures Contract</b>			
CMX Silver (5,000 t.oz)(US\$)	JUL 17	17.39	-0.14
CMX Silver (1,000 t.oz)(US\$)	JUL 17	17.40	-0.08
ICE US Mini Silver (1,000 t.oz)(US\$)	JUL 17	17.37	-0.28
TOCOM Silver (10 Kg)(¥)	APR 18	6130	-0.81

Palladium	Active Month	Last Price (oz/g)	1D % Change
<b>Futures Contract</b>			
NYM Palladium (100 t.oz)(US\$)	SEP 17	850.85	0.51
TOCOM Palladium (500 g)(¥)	APR 18	2,931	2.34

Platinum	Active Month	Last Price (oz/g)	1D % Change
<b>Futures Contract</b>			
NYM Platinum (50 t.oz)(US\$)	JUL 17	938.20	0.01
TOCOM Platinum (500 g)(¥)	APR 18	3,331	-0.51

Last Updated at (SG Time): 9:01:36 AM  
Source: Bloomberg

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### Gold (USD) Price Chart



Period: 4 Hour Candle Stick Source: Bloomberg  
MACD (Period 1:12, Period 2: 26, Signal: 9)

### Fundamental Driver(s)

#### ECB Monetary Policy Decision

All ECB Benchmark interest rates were left unchanged as expected.

Interest Rate	Actual	Expected	Previous
Rate Decision	0.00%	0.00%	0.00%
Marginal Lending Facility	0.25%	0.25%	0.25%
Deposit Facility Rate	-0.40%	-0.40%	-0.40%

However, a significant change to note was that they removed "dovish" language from their policy statement of foreseeable lower interest rates in the future. Their current stance is that interest rates are expected "to remain at present levels for an extended period of time, and well past the horizon" of its asset-buying program, which is set to run at least through December. This hawkish development contributed to gold's fall over the previous day.

#### No Further Revelations From Comey

There was no further significant developments in ex-FBI Director James Comey Senate Intelligence Committee testimony beyond his prepared testimony that was released on Wednesday night (Singapore Time). Hence, there was no perceived increment of President Trump's impeachment risk and hence this caused a relief risk-on sentiment, which also contributed to the falling gold price.

#### BrExit 2.0, UK Snap Election Shocker

Following the precedence of the BrExit Referendum of 2016, the 2017 UK snap elections seem poised to shock the market. The opposition Labour Party is currently leading the Conservative, 116 to 97 in the vote count as of 10:11 am (Singapore Time) with 37% of the votes counted. This development does not seem to have a significant bullish impact on the Gold/USD pair.

### What to watch out for:

SG Day	SG Time	Events/ Economic Data
Today	4:30 PM	<b>UK:</b> ▪ April (Industrial & Manufacturing) Production ▪ April Trade Balance
Tomorrow	Unspecified	China May (Aggregate Financing & New Yuan Loans)

I am bearish-biased on gold prices and I foresee that gold prices will continue to fall to around US\$1,265/Oz, in anticipation of next Thursday expected FOMC rate hike. Only after the monetary policy statement announcement, will gold prices rebound back upwards as shown in the last 3 rate hikes.

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