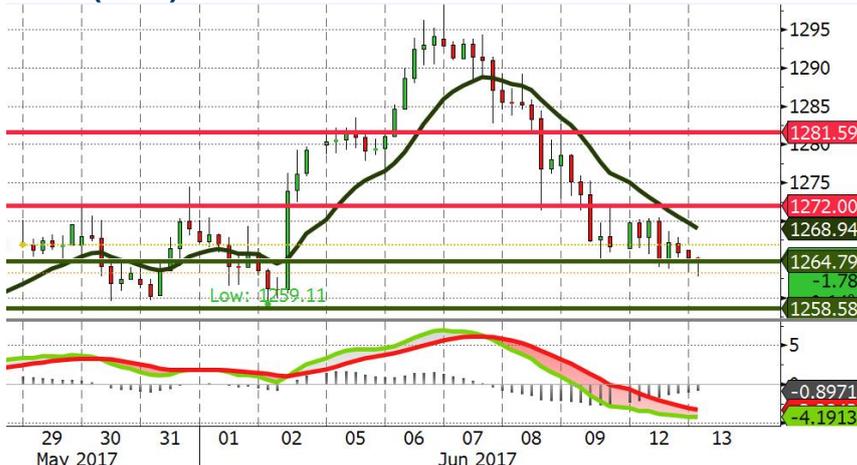


Gold Depressed Ahead of Thursday's Anticipated Rate Hike

Gold Price Technical Indicators	
Support & Resistance	Price Action
Resistance 2: US\$ 1,281/Oz	Short-Term: Sideways
Resistance 1: US\$ 1,272/Oz	Mid-Term: Bullish
Current price: US\$ 1,265/Oz	Long-Term: Bullish
Support 1: US\$ 1,264/Oz	
Support 2: US\$ 1,258/Oz	

Gold (USD) Price Chart



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

Indicative Price Table

Gold	Active Month	Last Price (oz/g)	1D % Change
Spot Pairs			
Gold/USD		1264.96	-0.07
Gold/SGD		1,750.65	0.08
Gold/MYR		5,394.27	0.09
Gold/IDR		16,820,976	0.12
Gold/THB		43,065.01	0.12

Futures Contract	Active Month	Last Price (oz/g)	1D % Change
CM X Gold (100 t.oz)(US\$)	AUG 17	1266.90	-0.16
ICE US Gold (100 t.oz)	JUN 17	1266.10	-0.19
ICE US Mini Gold (33.2 t.oz)(US\$)	AUG 17	1266.30	-0.20
TOCOM Gold (1Kg)(¥)	APR 18	4,466.00	-0.31

Silver	Active Month	Last Price (oz/g)	1D % Change
Spot Pairs			
Silver/USD		16.95	-0.07
Silver/SGD		23.45	0.10
Silver/MYR		72.27	0.09
Silver/IDR		225,395	0.10
Silver/THB		577.05	0.10

Futures Contract	Active Month	Last Price (oz/g)	1D % Change
CM X Silver (5,000 t.oz)(US\$)	JUL 17	16.93	-0.08
CM X Silver (1,000 t.oz)(US\$)	JUL 17	16.91	-0.20
ICE US Mini Silver (1,000 t.oz)(US\$)	JUL 17	16.90	-0.26
TOCOM Silver (10 Kg)(¥)	APR 18	59.90	-1.80

Palladium	Active Month	Last Price (oz/g)	1D % Change
Futures Contract			
NYM Palladium (100 t.oz)(US\$)	SEP 17	873.65	1.09
TOCOM Palladium (500 g)(¥)	APR 18	2,983	-0.47

Platinum	Active Month	Last Price (oz/g)	1D % Change
Futures Contract			
NYM Platinum (50 t.oz)(US\$)	JUL 17	944.70	0.02
TOCOM Platinum (500 g)(¥)	APR 18	3,351	-0.15

Last Updated at (SG Time): 8:57:31AM
Source: Bloomberg

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Fundamental Driver(s)

U.S Interest Rate Hike Anticipation

Gold prices continued to remain depressed ahead of this Thursday's highly anticipated 25 basis points U.S interest rate hike. Gold prices could have fallen more, but seem to be currently supported by a significantly strong technical support level of US\$1,264. Based on our historical observations of the last 3 interest rate hikes executed by the Janet Yellen led FOMC (Federal Open Market Committee), we have consistently seen gold prices fall before an actual interest rate hike, but rebound afterwards. A highly possible explanation for this phenomenon is that market participants will trade their view (short gold) before the occurrence of that event, and close out their speculative positions (short-cover gold) on the occurrence of that event to take profit.

What to watch out for:

SG Day	SG Time	Events/ Economic Data
Today	4:30 PM	UK May CPI
	5:00 PM	Eurozone June ZEW Survey
Tomorrow	10:00 AM	China May (Retail Sales & Industrial Production)

I remain mildly bearish-biased on gold prices until Thursday's FOMC monetary policy announcement, after which it is likely that gold prices should rebound. I would not recommend further chasing gold prices down as the MACD oversold indicator seems to be bottoming out. A positive breakout beyond the US\$1,272/Oz resistance level and a positive MACD indicator reversal would present a good buying opportunity to accumulate gold positions.

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