

Gold Climbs to \$1,500/Oz Despite U.S. Jobs, Trade Talks Optimism

Stellar U.S. jobs growth for October and high-level progress apparently in China-U.S. trade talks whetted investors' appetite for risk on Friday and weakened their inclination to hold safe havens. Yet gold held to its \$1,500 perch, proving few were willing to abandon the yellow metal. Gold futures for December delivery on COMEX settled down \$3.40, or 0.2%, at \$1,511.40 per ounce. It rose 1.2% in the previous session on reports of renewed troubles in U.S.-China negotiations.

After 25bps rate cut by Federal reserve, Gold resilienced above the \$1,500 level. "It is likely the majority of investors have opted to hold onto their precious metal exposure as increased data dependency and persistent inflation weakness leaves the door open for further Cuts into 2020.



Technical outlook

MCX Gold Dec futures chart has formed "Ascending broadening wedge" pattern on daily time frame. In previous session, we saw prices have taken bounce from trend-line support levels and managed to sustain above it. As per the technical indicators based on the current price action, the market is expected to continue its bullish trend. The continuation of the trend will be confirmed once the prices break and sustain above key resistance holding at 38600. The positive rally could extend up to 38900-39500 levels in the upcoming sessions. An alternative scenario indicates that if the key resistance holds strong then the market might have a chance to retest the same and revise the trend to bearish once again. The downside rally could test up to 38000-37800 level. Key support holds at 37800.

@ Futures	Quotation/ Base Value	Close	% change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
GOLD	10 GM	38315	-0.68	40771/32289	37442	37858	38238	38654	39034	SIDEWAYS
SILVER	1 KG	46418	-0.74	51489/38000	44148	45316	46283	47457	48418	SIDEWAYS
CRUDE OIL	Rs/bbl	3931	2.02	4504/3640	3804	3844	3938	4115	4209	UP
NG	Rs/mmBtu	191.6	2.46	210/171	169	172	176	180	183	UP
COPPER	1 KG	438.3	0.08	461/436	438	440	444	446	450	SIDEWAYS
NICKEL	1 KG	1194	-0.55	1290/1154	1135	1170	1189	1224	1244	DOWN
LEAD	1 KG	156.8	0.19	161/154	154	156	158	161	163	UP
ZINC	1 KG	189.8	1.04	192/181	181	185	189	193	197	UP
ALUMINIUM	1 KG	132.55	0.42	143/131	128	130	133	135	138	SIDEWAYS