

Technical Report: Gold prices moved higher on Thursday. Prices are testing resistance is seen near the 10-day moving average at 1,494, and then a downward sloping trend line that comes in near 1,512. Support is seen an upward sloping trend line seen near 1,484. Short term momentum is positive as the fast stochastic generated a crossover buy signal. The fast stochastic is printing in the middle of the neutral range. Medium-term momentum is flat. The MACD histogram is printing in the red with a declining trajectory which points to accelerating negative momentum and lower prices.

Daily Support/Resistance :

S3	S2	S1	Pivot	R1	R2	R3
1470	1476	1484	1491	1498	1504	1513



Fundamental Report: Gold prices moved higher on Thursday but remained range bound making a higher high and a higher lower. US data continued did little to buoy US yields following a slightly stronger than expected jobless claims.

US jobless claims remain subdued rising slightly less than expected according to the US Labor Department. Jobless claims increased 4,000 to 214,000 for the week ended October 12 while the prior week was unrevised. Expectations were for claims to rise by 5,000 to 215,000 in the latest week. The four-week moving average of initial claims, considered a better measure of labor market trends as it irons out volatility, rose 1,000 to 214,750 last week.

The Euro and Sterling were buoyed by news that Boris Johnson has a Brexit deal with the EU-27, but still needs to get his own parliament to vote on the plan. The strength in the euro and pound weighed on the dollar paving the way for higher gold prices. Geopolitical risks remain, keeping the price of yellow metal buoyed.

Johnson said in a tweet that the new deal, which replaces the one struck by his predecessor Theresa May, “takes back control.” Johnson also urged Parliament to “get Brexit done on Saturday” when lawmakers are next due to meet.

Although a general lack of clarity over the partial trade deal between the United States and China on Friday has been weighing on prices all week, investors were a little more upbeat early Thursday after U.S. Treasury Secretary Steven Mnuchin said U.S. and Chinese trade negotiators are working on nailing down a Phase 1 trade deal text for their presidents to sign next month. This helped put a lid on gold prices.

Weak U.S. economic data could drive up the chances of an October Fed rate cut. This would further weaken the U.S. Dollar, which would make gold a more attractive investment to foreign investors.

Data(DXB): **6:00PM** FOMC Member George Speaks **7:30PM** FOMC Member Clarida Speaks

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