

Metals Weekly

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

CME GOLD (\$2900.70, 13.10)



Our Call of The Week:

Mildly Bullish
17 February 2025

Market Commentary

Highlights:

US: Retail sales fell 0.9% last month after a 0.7% rise in December. Annual growth: 4.2%.

US: Inflation rose 3.0% annually, 0.5% monthly; core at 3.3% and 0.4%.

EU: Eurozone industrial output fell 1.1% in December, exceeding forecasts. Germany and Italy dropped 2.9% and 3.1%.

US: PPI rose 0.4% monthly, 3.5% annually, both above forecasts.

Precious Metals

Gold starts the week strong, continuing its eight-week gain, supported by ongoing weakness in the US Dollar and Treasury bond yields. Markets are hopeful the Russia-Ukraine conflict may soon end, with US President Trump set to meet Russian President Putin in Saudi Arabia on Tuesday.

This optimism, along with expectations of two Fed interest rate cuts following disappointing Retail Sales data, is weighing on the USD and boosting Gold prices. Retail Sales dropped 0.9% in January, more than the expected 0.1% decline, marking the largest monthly decrease since early 2023. This fueled expectations of rate cuts in 2025 and led to a sell-off in US Treasury yields, further weakening the USD.

Despite this, Gold didn't fully benefit, as traders took profits after its record rally. Tensions over a potential US-EU tariff war are also supporting Gold. Gold prices may experience high volatility due to a US national holiday and upcoming Fed speeches ahead of Wednesday's meeting minutes.

The daily chart shows Gold holding support at the rising trendline around \$2,885. If the rebound continues, Gold could target the record high of \$2,943, with the February 12 high of \$2,909 acting as an initial resistance. The next key resistance is at \$2,970. If sellers break below the February low of \$2,864, Gold could decline toward the \$2,850 mark, with the \$2,822 as a potential support.

Some significant economy data for the week:

USD - FOMC Meeting Minutes, Unemployment Claims, Flash Manufacturing PMI, Flash Services PMI

EUR - French Flash Manufacturing PMI, French Flash Services PMI, German Flash Manufacturing PMI, German Flash Services PMI

GBP - Claimant Count Change, Retail Sales m/m, CPI y/y, Flash Manufacturing PMI, Flash Services PMI

Key Price Changes

Precious Metal COMEX

Contract	Last	Wkly Chg	%	High	Low
Gold	2,900.70	13.10	0.45	2968.50	2879.90
Silver	32.855	0.412	1.27	34.240	31.650
Platinum	1,019.20	-1.60	-0.16	1063.80	1003.50
Palladium	1,009.30	26.90	2.74	1039.50	973.50

Base Metal LME

Contract	Last	Wkly Chg	%	High	Low
Copper	9,477.00	69.50	0.74	9684.50	9282.00
Aluminium	2,637.50	9.50	0.36	2668.00	2583.50
Lead	1,983.00	-10.00	-0.50	2004.00	1971.00
Zinc	2,842.50	2.50	0.09	2900.00	2804.50
Nickel	15,468.00	-288.00	-1.83	15835.00	15240.00

Currencies

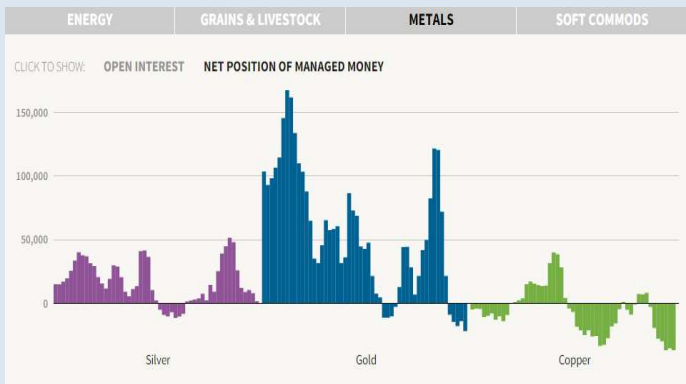
Indexes	Last	Wkly Chg	%	High	Low
US Dollar Index	106.710	-1.330	-1.23	108.523	106.566
USDMYR	4.4348	-0.0049	-0.11	4.4770	4.4250
USDJPY	152.31	0.90	0.59	154.80	151.16
USDEUR	0.9531	-0.0151	-1.56	0.9728	0.9511

	AM	PM
LBMA Gold Price	2938.05	2921.25

Bursa Gold Futures

Contract	Last	Wkly Chg	%	High	Low
JAN 25	2,932.20	60.70	2.11	2932.20	2868.50
FEB 25	2939.30	56.80	1.97	2930.80	2891.80

Source: Bloomberg/ Phillip Futures



Source: CFTC

Bursa Gold



Spot gold



CME Gold Futures



Source : Bloomberg

CONTACT US:

Kuala Lumpur Headquarters:
(+603) 2711 0026
futures_dealing@phillipcapital.com.my

Johor Branch:
(+607) 557 2188
pjb@phillipcapital.com.my

Kuching Branch:
(+6082) 247 6333
pckc@phillipcapital.com.my

Sibu Branch:
(+6084) 377 933
pcsibu@phillipcapital.com.my

Kota Damansara Branch:
(+603) 9212 2818
pckd@phillipcapital.com.my

Penang Branch:
(+604) 202 0039
pccpg@phillipcapital.com.my

Malacca Branch:
(+606) 225 0018
pckmk@phillipcapital.com.my

Kota Kinabalu Branch
(+6088) 335 346
pckkb@phillipcapital.com.my

Official Website: www.phillip.com.my
Official Facebook Page: www.facebook.com/PhillipCapitalSdnBhd
Official Telegram Channel: @PhillipFutures

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