



	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1228.60/80	15.98/00	919/21	861/63
<b>HIGH</b>	1232.20/40	16.08/10	923/25	861/63
<b>LOW</b>	1228.40/60	15.98/00	919/21	854/56
<b>LAST LEVEL</b>	1231.10/30	16.01/03	923/25	860/62

**Range Asian Hours (from Globex open)**

**MACRO:** Consumer prices in the U.S. held unchanged MoM during June (exp: +0.1%), largely a reflection of softer gasoline prices. On an annualised basis inflation eased to +1.6% (exp: +1.7%) from +1.9% previously, down from a five-year high of +2.7% just five months ago (February). After excluding the volatile food and energy categories, core CPI increased +0.1% MoM (exp: +0.2%) from +0.1%, seeing the annualised print hold at +1.7% (exp: +1.7%). Retail Sales in the U.S. declined -0.2% MoM during June (exp: +0.1%) to follow an upwardly revised -0.1% (prev: -0.3%) the month prior. June marked the second consecutive monthly decline and matched the largest decline this year. Excluding autos retail sales declined -0.2% MoM (exp: +0.2%), while excluding autos and gas sales dropped -0.1% MoM (exp: +0.4%). Industrial Production in the U.S. outpaced expectations during June, jumping +0.4% (exp: +0.3%) to follow an upwardly revised +0.1% gain during May. June's positive print was the fifth consecutive monthly gain and was supported by a +0.2% increase to manufacturing. The University of Michigan reported its preliminary U.S. Consumer Confidence read for July eased to 93.1 (exp: 95.0) to follow June's 95.1. Current conditions increased to 113.2 from 112.5 in June, while expectations weighed upon the headline figure, sliding to 80.2 from 83.9 previously. Equity markets in the U.S. surged higher on Friday following the soft inflation data and mixed corporate earnings. The DJIA added +0.39% to 21,637.74 points, in the process marking the third consecutive record close and the 25th record close for 2017. Strong performances to real estate (+1.06%) and information technology (+0.89%) helped propel the S&P 500 +0.47% higher to a record close of 2,459.27 points, while the Nasdaq Composite jumped +0.61% to book its sixth consecutive session gain, however falling just shy of its record closing level. Oil futures turned higher on Friday following reports of supply issues out of Nigeria and an increase in forecasted crude demand by the International Energy Agency. WTI added +1% to settle around USD \$46.50 per barrel and end the week over +5% higher, while Brent crude gained +1% to take the weekly return to +4.7%. In currency majors



the greenback lost ground on Friday following the U.S. inflation report, seeing the DXY dollar index fall -0.6%. European markets ended trade on Friday mixed, weighed down by financial stocks following softer than expected earnings results out of the U.S. The German Dax ended -0.08% lower while gains to commodity related companies helped offset a -0.7% fall to the Stoxx Europe 600 bank index to see the bourse end +0.18% higher. In the U.K. the FTSE 100 saw strength to the pound weigh upon equities, seeing the bourse hand back -0.47%.

**PRECIOUS:** Gold turned higher on Friday on the back of the soft U.S. inflation data, surging through the 200 DMA around USD \$1,230 to end the session around +1% higher. The yellow metal had difficulty getting through USD \$1,220 throughout Asian and European trade, with offers on Comex restricting gains leading into the U.S. data releases. A leg lower to the USD following the U.S. CPI release provided the impetus for a break above the recent range, taking gold as high as USD \$1,233.45, before easing back below USD \$1,230 into the close. The latest COTR showed further decreases to gold positioning, falling by 3.5 million ounces or just over -33%, as longs declined by -3.3% and shorts added over +16%. Gold traded with a mild bid bias during Asian hours on Monday, importantly breaking back above the 200 DMA in early session flows and notably seeing solid regional physical interest. Early Chinese interest saw gold to the session high of USD \$1,232.20, while the remainder of the session saw the metal locked within a narrow range. The short-term key for the metal will be holding around the 200 DMA, with targets extending to USD \$1,235 - \$1,240 and USD \$1,250 beyond this. After breaking above USD \$16 on Friday in New York, silver spent Asian trade on Monday consolidating above the figure. Early Chinese interest saw the session high of USD \$16.08 printed, however the metal lacked follow through buying and was unable to push above Friday's New York high print. Much like gold, silver needs to hold the near-term support of USD \$16 for a further leg higher, with top-side targets extending as far as USD \$16.50. Data releases tonight include Eurozone CPI and U.S. Empire Manufacturing