

MARKET UPDATE

02/08/2024

Gold prices in sight of record high.

Gold prices rose in Asian trade on Friday and were in sight of a record high as a rout in global markets, amid concerns over an economic slowdown, fuelled safe haven buying into the yellow metal.

Bullion was sitting on strong price gains this week as bets on U.S. interest rate cuts weighed on the dollar and dented Treasury yields. Heightened tensions in the Middle East, after the killing of a Hamas leader, also spurred some safe haven demand for the yellow metal.

Spot gold rose 0.5% to \$2,458.49 an ounce, while gold futures expiring in December rose 0.9% to \$2,502.60 an ounce by 01:18 ET (05:18 GMT).

Gold heads for weekly gains; nonfarm payrolls awaited

Spot prices were set to add over 3% this week- their best week since March.

The yellow metal benefited from safe haven demand as weak purchasing managers index and employment data from the U.S. ramped up concerns over a slowdown in the world's largest economy.

Asian stocks slump on growth concerns.

Asian stocks fell sharply on Friday, tracking an overnight rout on Wall Street on concerns over slowing economic growth, with a rout in Japanese markets deepening after the Bank of Japan struck a hawkish chord this week.

Weak U.S. purchasing managers index and labor market data ramped up concerns over a slowdown in the world's biggest economy, and that a September interest rate cut by the Federal Reserve could be potentially too late for the economy to achieve a soft landing.

Weak earnings from majors such as Intel Corporation (NASDAQ:INTC) and Amazon.com Inc (NASDAQ:AMZN) also dented sentiment, largely offsetting a positive print from Apple Inc (NASDAQ:AAPL). U.S. stock index futures fell sharply in Asian trade, with focus now turning to upcoming nonfarm payrolls data for more economic cues.

Japanese markets were by far the worst performers among their Asian peers, with the Nikkei 225 index down nearly 5% to its weakest level since early-February. The broader TOPIX index shed 4.2%.

Bitcoin price today down to \$63k.

Bitcoin price fell slightly on Friday and was headed for a steep weekly loss as a rout in broader financial markets, on concerns over slowing economic growth, battered crypto prices.

Fears of a mass sale event by the U.S. government, along with uncertainty over how the U.S. presidential race will affect crypto regulation, also kept traders largely averse towards crypto.

Bitcoin steadied at \$64,255 by 02:02 ET (06:02 GMT), after sinking as low at \$63,697.1 earlier.

Bitcoin heads for weekly losses as crypto sentiment sours

The world's biggest cryptocurrency was set to lose over 5% this week, as sentiment towards crypto markets soured amid growing uncertainties in the sector.

Bitcoin was dented by reports that the U.S. government had mobilized about \$2 billion of confiscated tokens for a potential sale- a scenario that presents downward pressure on Bitcoin's price.

A broader risk-off sentiment also kept traders averse towards crypto markets, as a swathe of weak economic readings from the U.S. and China ramped up concerns over slowing growth, driving traders into safe havens such as gold, the dollar and the Japanese yen.

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