

MARKET UPDATE

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Gold prices hit record high near \$3,300/oz.

Gold prices hit a record high in Asian trade on Wednesday, benefiting from sustained safe haven demand as markets fretted over U.S.-China trade tensions and an impairment warning from Nvidia.

The yellow metal was also aided by weakness in the dollar, as investors dumped U.S. Treasuries amid heightened uncertainty over the U.S. economy under President Donald Trump.

Spot gold jumped 1.7% to a record high of \$3,283.63 an ounce, while gold futures expiring in June hit a peak of \$3,299.52/oz.

Gold upbeat as US trade jitters persist.

Gold benefited from sustained safe haven demand as investors remained on edge over Trump's plans to impose even more trade tariffs. Trump earlier this week said he was considering separate tariffs on electronics imports and will also announce tariffs on pharmaceuticals soon.

This came as Trump dialled up trade pressure on China with a cumulative, 145% levy. China retaliated with a 125% tariff on U.S. imports.

But Trump's administration signalled that electronics were exempt from his 145% levy on China, while Trump also recently announced a 90-day exemption from his reciprocal tariffs on other countries.

This left markets uncertain over the U.S. president's plans for more tariffs, keeping them biased largely towards safe haven assets such as gold and the Japanese yen.

British Pound softens slightly.

Sterling dropped slightly on Thursday after data showed British inflation slowed in March, though the currency remained up on the day against the dollar thanks to earlier gains.

British inflation slowed to an annual rate of 2.6% in March from 2.8% in February below analysts' expectations of 2.7%.

The pound was last at \$1.3266, up 0.25% on the day having been at \$1.329 immediately before the data.

It was softer on the euro, which was up 0.5% on the pound at 85.66 pence.

European stocks fall on trade uncertainty.

European equity indices retreated Wednesday as the trade war between China and the U.S. intensified, raising concerns over the strength of the global economy.

At 03:05 ET (07:05 GMT), the DAX index in Germany dropped 0.5%, the CAC 40 in France slipped 0.7% and the FTSE 100 in the U.K. fell 0.3%.

The pan-Europe Stoxx 600 index

Sino-U.S. trade war intensifies

European equities have followed the sea of red seen in Asia earlier Wednesday, as well as the negative close on Wall Street overnight, with investors fretting about the new moves by the Trump administration in the trade war with China, the two largest economies in the world.

U.S. President Donald Trump has now ordered a probe into potential new tariffs on all U.S. critical minerals imports, which are heavily skewed towards China.

Sentiment has also been hit by AI powerhouse Nvidia (NASDAQ:NVDA) disclosing late Tuesday that it anticipates up to \$5.5 billion in charges in its upcoming first-quarter financial results related to U.S. chip export controls on China.

This has overshadowed relatively positive growth figures out of Beijing, with Chinese GDP growing 5.4% in the first quarter, more than the expected 5.2%.

However, this growth predates the U.S. hike in tariffs on China to a staggering 145%, and could be seen as the calm before the storm.

U.K. inflation growth slows

Back in Europe, U.K. inflation slowed in March, raising the likelihood that the Bank of England cuts interest rates once more at its next meeting in May.

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