



UOB Investment Insights

FX Insights

7 January 2020

Gold: Geopolitical uncertainties pushed gold to highest levels since 2013

Gold rallied strongly in the first few days of 2020, from about USD 1,517, at the turn of the year, to as high as USD 1,588 /oz on 6 January 2020 - its highest levels since April 2013. The traditional safe haven was boosted by renewed Middle East tensions after a US air strike killed a top Iranian commander in Iraq.

Although international bodies such as the United Nations and the North Atlantic Treaty Organization (NATO) have called for restraint and de-escalation, it is likely that the situation will remain tense based on the exchange of retaliatory language between US and Iran since the attack. As a result, although our earlier end-2020 target of USD 1,550 has been met earlier than expected, we refrain from making a revision to the forecast at this juncture as the situation remains fluid for now.



RIGHT BY YOU

IMPORTANT NOTICE AND DISCLAIMERS:

The information contained in this publication is given on a general basis without obligation and is strictly for information purposes only. This publication is not intended to be, and should not be regarded as, an offer, recommendation, solicitation or advice to buy or sell any investment or insurance product and shall not be transmitted, disclosed, copied or relied upon by any person for whatever purpose. Any description of investment or insurance products, if any, is qualified in its entirety by the terms and conditions of the investment or insurance product and if applicable, the prospectus or constituting document of the investment or insurance product. Nothing in this publication constitutes accounting, legal, regulatory, tax, financial or other advice. If in doubt, you should consult your own professional advisers about issues discussed herein.

The information contained in this publication, including any data, projections and underlying assumptions, are based on certain assumptions, management forecasts and analysis of known information and reflects prevailing conditions as of the date of the publication, all of which are subject to change at any time without notice. Although every reasonable care has been taken to ensure the accuracy and objectivity of the information contained in this publication, United Overseas Bank Limited ("UOB") and its employees make no representation or warranty of any kind, express, implied or statutory, and shall not be responsible or liable for its completeness or accuracy. As such, UOB and its employees accept no liability for any error, inaccuracy, omission or any consequence or any loss/damage howsoever suffered by any person, arising from any reliance by any person on the views expressed or information contained in this publication.

Any opinions, projections and other forward looking statements contained in this publication regarding future events or performance of, including but not limited to, countries, markets or companies are not necessarily indicative of, and may differ from actual events or results. The information herein has no regard to the specific objectives, financial situation and particular needs of any specific person. Investors may wish to seek advice from an independent financial advisor before investing in any investment or insurance product. Should you choose not to seek such advice, you should consider whether the investment or insurance product in question is suitable for you.