

**Gold** prices moved lower reversing their prior days gains following a stronger than expected U.S. Richmond Fed Index report that showed the manufacturing sector was expanding. Prices are poised to test short term support near the 10-day moving average at 1,068.

Resistance is seen near the recent highs at 1,088. Momentum remains positive with the MACD printing in the black with an upward sloping trajectory. U.S. Richmond Fed manufacturing index rallied to 6 in December from -3 in October and is the first positive reading since July. Gains were broad-based. The employment component improved to 12 from 0, while wages climbed to 17 from 6. New orders increased to 8 from -6. Price trends showed modest gains, with prices paid at 0.67% from 0.61%, with prices received at 0.27% from 0.22%. The 6-month shipment index was 24 from 21, with employment at 16 from 11, capital expenditures at 23 from 6, and prices paid at 1.60% from 1.21%. **Gold Chart**



**Source:FXEMPIRE**