

Gold Gets Mild Lift From Slightly Downbeat U.S. Jobs Report

(Kitco News) - Gold prices are slightly up in early U.S. trading Friday, getting a modest boost from a U.S. employment report non-farm jobs number that was weaker than market expectations. However, a firmer U.S. dollar index is limiting the upside in gold and silver. June Comex gold futures were last up \$2.50 an ounce at \$1,315.00. July Comex silver was last up \$0.038 at \$16.485 an ounce.

The just-released April U.S. employment report from the Labor Department showed the key non-farm payrolls number at up 164,000. The number was forecast to come in at up 195,000. However, the overall unemployment rate declined by 0.1%, to 3.9%. The marketplace is deeming the report a bit weaker than expected, but not enough to change the course of U.S. monetary policy.

In other news, a highly anticipated U.S.-China trade meeting in China this week has ended. A statement from China said some agreements were made, but there remain “significant disagreements over certain issues.” The two sides agreed to continue to negotiate. The U.S. has not yet released a statement following the meetings, which were held to try to avert a trade war between the world’s two largest economies.

The outside markets today see the U.S. dollar index trading firmer but down from the overnight high, and still not far below this week’s 4.5-month high. Meantime, Nymex crude oil prices are higher and trading just below \$69.00 a barrel.

Other U.S. economic data due for release Friday includes the global services purchasing managers’ index (PMI).



Technically, June gold bulls and bears are on a level overall near-term technical playing field. Gold bulls' next upside near-term price breakout objective is to produce a close above solid technical resistance at last week's high of \$1,337.60. Bears' next near-term downside price breakout objective is pushing prices below solid technical support at \$1,300.00. First resistance is seen at Thursday's high of \$1,319.00 and then at \$1,325.00. First support is seen at the overnight low of \$1,309.10 and then at this week's low of \$1,302.30. Wyckoff's Market Rating: 5.0



July silver futures bears have the overall near-term technical advantage. Silver bulls' next upside price breakout objective is closing prices above solid technical resistance at \$17.00 an ounce. The next downside price breakout objective for the bears is closing prices below solid support at \$16.00. First resistance is seen at this week's high of \$16.62 and then at \$16.75. Next support is seen at Thursday's low of \$16.385 and then at \$16.25. Wyckoff's Market Rating: 3.5.