Gold bullion prices dip as yields rise

GOLD prices fell on Monday as US Treasury yields rose, while the Federal Reserve's recent hint at a slower pace of rate cuts in 2025 kept investors keenly awaiting a slew of economic data due this week to shed more light on that view.

Spot gold fell 0.2% to $2,634.52 per ounce by 2:27 a.m. ET (1927 GMT). US gold futures settled 0.3% lower at $2,647.40.

Yield on the 10-year US Treasury Note rose to an over eight-month high, making non-yielding gold less attractive.

The Fed's latest projections in December implied a shift to a more cautious pace of rate cuts this year, with the majority of the policy makers expressing concern that inflation could reignite.

The central bank may need to keep rates higher for longer to address persistent inflation, which remains above its 2% target.

US President-elect Donald J. Trump takes office on Jan. 20, and his proposed tariffs and protectionist policies are expected to stoke further inflation.

"There's speculation that Trump is going to pull back on tariffs .. If (the prices of) commodities go up, inflation's going to remain higher for longer," Phillip Streible, chief market strategist at Blue Line Futures, said.

Gold slid despite the dollar index slumping 1%, down from a more-than-two-year high on Thursday.

Market participants now look ahead to the US jobs report on Friday, which could help illuminate the Fed's policy path going forward.

Spot silver gained 1.1% to $29.93 per ounce; platinum fell 0.8% to $930.41; and palladium lost 0.4% to $918.25. — ***Reuters***

SPOT PRICES

MONDAY, JANUARY 6, 2025

METAL	
PALLADIUM free $/troy oz	932.00
PALLADIUM JMI base, $/troy oz	939.00
PLATINUM free $/troy oz	939.75
PLATINUM JMI base $/troy oz	945.00
KRUGGERAND, fob $/troy oz	2,604.00
IRIDIUM, whs rot, $/troy oz	4,365.00
RHODIUM, whs rot, $/troy oz	4,565.00
GRAINS (January 2, 2025)	
(FOB Bangkok basis at every Thursday)	
FRAGRANT (100%) 1st Class, $/ton	970.00
FRAGRANT (100%) 2nd Class, $/ton	939.00
RICE (5%) White Thai- $/ton	529.00
RICE (10%) White Thai- $/ton	528.00
RICE (15%) White Thai- $/ton	516.00
RICE (25%) White Thai- $/ton (Super)	516.00
BROKER RICE A-1 Super $/ton	415.00
FOOD	
COCOA ICCO Dly (SDR/mt)	8,234.90
COCOA ICCO $/mt	10,693.10
COFFEE ICA comp '2001 cts/lb	295.23
SUGAR ISA FOB Daily Price, Carib. port cts/lb	18.58
SUGAR ISA 15-day ave.	18.66

LIFFE COFFEE

New Robusta 10 MT - $/ton

	High	Low	Sett	Psett
Mar.	5,062	4,953	4,984	4,968
May	4,972	4,871	4,900	4,897
July	4,876	4,788	4,816	4,817
Sept	4,784	4,703	4,730	4,727

LIFFE COCOA

(Ldn)-10 MT-£/ton

	High	Low	Sett	Psett
Mar.	9,380	8,858	9,030	9,020
May	8,922	8,420	8,584	8,573
July	8,438	7,966	8,122	8,137
Sept.	7,921	7,458	7,614	7,640

COCONUT

MANILA COPRA (based on 6% moisture)	
Peso/100kg	Buyer/Seller
Lag/Qzn/Luc 25	6,500.00/6,550.00
Philippine Coconut Oil - Crude	
CIF NY/NOLA	91.00
FOB RAIL/NOLA	94.00
COCONUT OIL (PHIL/IDN),$ per ton, CIF Europe	
Jan./Feb.'25	0.00/1,975.00
Feb./Mar.'25	0.00/1,982.50
Mar./Apr.'25	0.00/1,982.50
Apr./May'25	0.00/1,981.25

LONDON METAL EXCHANGE

LME FINAL CLOSING PRICES, US$/MT	3 MOS.
ALUMINUM H.G.	2,490.00
ALUMINUM Alloy	2,255.00
COPPER	9,003.00
LEAD	1,945.50
NICKEL	15,182.00
TIN	29,289.00
ZINC	2,901.50

Oil prices ease as weak economic data offset US heating demand

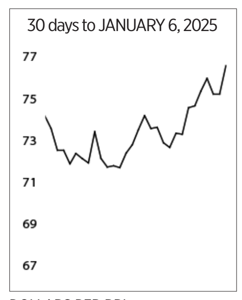
NEW YORK — Oil prices eased in volatile trade on Monday as some bearish economic news from the United States and Germany offset bullish support from a weaker US dollar and forecasts for increased heating demand for energy from a winter storm.

After rising for five days in a row, Brent futures fell 21 cents or 0.3% to settle at $76.30 a barrel, while US West Texas Intermediate (WTI) crude fell 40 cents or 0.5% to settle at $73.56.

Despite those declines, both crude benchmarks remained in technically overbought territory for a third day in a row.

On Friday, Brent settled at its highest level since Oct. 14 and WTI closed at its highest since Oct. 11 due in part on expectations of more fiscal stimulus to revitalize China's faltering economy.

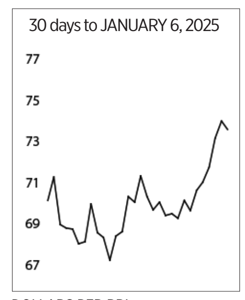
ASIA-DUBAI
(JANUARY CONTRACT)



DOLLARS PER BBL

Jan.	30	31	2	3	6
$/bbl	75.33	75.95	75.20	75.20	76.56
Average (January 2-6)					**$75.65**
Average (December 2-31)					**$73.20**

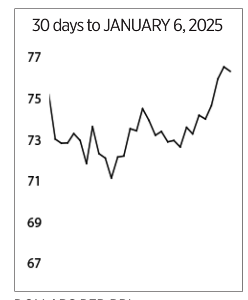
NEW YORK-WTI
(FEBRUARY CONTRACT)



DOLLARS PER BBL

Jan.	30	31	2	3	6
$/bbl	70.99	71.72	73.13	73.96	73.56
Average (January 2-6)					**$73.55**
Average (December 2-31)					**$69.61**

LONDON-BRENT
(MARCH CONTRACT)



DOLLARS PER BBL

Jan.	30	31	2	3	6
$/bbl	73.99	74.64	75.93	76.51	76.30
Average (January 2-6)					**$76.25**
Average (December 2-31)					**$73.11**

Source: REUTERS

With interest in energy trade growing in recent weeks, open interest in WTI futures on the New York Mercantile Exchange soared to 1.933 million contracts on Friday, the most since June 2023.

"Oil markets have entered 2025 with balanced supply-and-demand fundamentals, but with prices being propped up by enduring geopolitical tensions," analysts at Eurasia Group, a consultancy, said in a report.

"As the year progresses, oil markets will probably continue to experience low demand growth that may be outpaced by new supply, especially from the US and likely OPEC as well," Eurasia Group said.

In the United States, the world's biggest economy, new orders for manufactured goods fell in November amid weakness in demand for commercial aircraft while business spending on equipment appeared to have slowed in the fourth quarter, according to data from the Commerce department's Census Bureau.

In Germany, Europe's biggest economy, annual inflation rose more than forecast in December due to higher food prices and a smaller drop in energy prices than in previous months.

To combat higher inflation, central banks often boost interest rates, which can slow economic growth and demand for energy. — ***Reuters***

S&P 500, Nasdaq gain, driven by tech stocks

THE S&P 500 and the Nasdaq Composite rose on Monday to more than one-week highs, boosted by a rally in semiconductor stocks and a report that suggested the incoming Trump administration could adopt a less aggressive tariff stance than expected.

The Dow Jones Industrial Average fell 25.57 points or 0.06% to 42,706.56; the S&P 500 gained 32.91 points or 0.55% to 5,975.38; and the Nasdaq Composite gained 243.30 points or 1.24% to 19,864.98.

Seven of the 11 S&P 500 sectors ended lower, but communication services and tech stocks climbed 2.13% and 1.44%, respectively.

Chipmakers got a boost from Microsoft's plan to invest $80 billion to develop artificial-intelligence-enabled data centers, as well as Foxconn's forecast-beating fourth-quarter revenue.

Nvidia rose 3.43%, Advanced Micro Devices gained 3.33% and Micron Technology was up 10.45%. The Philadelphia Semiconductor index jumped 2.84%.

Tech stocks rose despite benchmark 10-year Treasury yields reaching the highest since May.

US stocks had rebounded sharply on Friday after a string of losses in December and the first few sessions of January, when concerns about high valuations, rising Treasury yields and thin liquidity saw traders pull back after a strong 2024 run.

Automakers gained, with Ford rising 0.4% and General Motors adding 3.4% after a newspaper report said President-elect Donald J. Trump's incoming administration is focused on imposing tariffs on every country, but only certain sectors deemed critical to national or economic security. Trump later refuted the report.

Automobile manufacturers are considered the most vulnerable to tariffs imposed on US trade partners, given their vast supply chains.

Leading to Mr. Trump's Jan. 20 inauguration, investors are seeking insights into his policies, which are broadly seen as beneficial for corporate America as well as the US economy.

Citigroup moved 2.45% higher after a bullish rating from Barclays. An index tracking banks rose 0.22%. Fed Vice Chair for Supervision Michael Barr, who has sought a range of strict rules on the nation's biggest banks, said he will resign. — ***Reuters***