

Fundamentals:

Gold prices dropped on Thursday after U.S. economic data showed the country's economy rebounded faster than previously estimated, boosting the dollar and potentially setting the Federal Reserve on a keener path to fight inflation.

New claims for unemployment benefits increased less than expected last week in the United States, while the economy rebounded faster in the third quarter, rising 3.2% against the previously estimated 2.9%.

Gold is down as the U.S. economy continues to show resilience, which could allow the Fed to tighten a lot more than what the market is pricing in.

The U.S. dollar DXY index edged up 0.4%, making precious metals slightly more expensive for holders of other currencies.

With the Fed raising rates and gold expecting inflows in early-2023 from equities on the back of safe-haven trades, gold prices are going to move up, but not as much being that the Fed is committed to the 2% inflation target.

Gold prices are on track for a second consecutive yearly decline, with prices down more than \$250 since March highs as central bankers hiked interest rates to tame inflation.

While bullion is seen as an inflation hedge, rising interest rates dent its appeal.

Copper prices edged lower on Thursday as an accelerating wave of coronavirus infections in China, the biggest consumer, eroded demand and solid U.S. economic data suggested that interest rates may remain higher for longer, stifling growth.

Prices rose sharply in November as China began dismantling its economically damaging zero-COVID policy and markets began to anticipate the end of U.S. interest rate rises.

But stronger than expected U.S. employment and GDP data heralded higher rates, pushing down U.S. stock markets and boosting the dollar.

And while China's loosening may boost demand in the longer term, it has allowed the virus to sweep through the country, disrupting business.

A Shanghai hospital told its staff to prepare for a "tragic battle" as half of the city's 25 million people will likely get infected by the end of next week.

The relaxation of China's zero-COVID-19 restrictions has lifted the market mood much more than it will lift demand.

Measures to support China's slumped property market are unlikely to lead to rapid recovery and growth in other countries will not be strong enough to compensate for China's weakness.

2023 will be another cyclically challenging year for copper and industrial metals more broadly. That said, the structural outlook remains bright, as copper is set to join the energy-transition-driven battery-metals super cycle. Short-term setbacks should be seen as longer-term buying opportunities.

Copper is used in electric wiring. Slowing economic growth has pulled prices down around 15% this year.

(Source: Reuters, Bloomberg)

Contract	Close	Chg	High	Low
GOLD FEB 23	1,795.30	-27.200	1,829.30	1,792.70
SILVER MAR 23	23.622	-0.539	24.315	23.550
COPPER MAR 23	375.70	-4.65	384.90	374.95
PLATINUM APR 23	990.50	-25.30	1,018.10	975.40
Gold Spot	1,794.200	-20.19	1,820.42	1,784.94
EuroDollar Rate	94.960	-0.020	95.005	94.955
Dollar Index	104.393	0.231	104.598	103.752
Bursa Gold DEC 22	1,817.000	18.00	1817	1817
SPDR Gold ETF	166.470	-2.330	167.7632	166.06
iShares Gold ETF	33.942	-0.488	34.208	33.8601

COT Speculative Net Position			
Date	Gold	Silver	Copper
13/12/2022	125,649	22,819	2,556
06/12/2022	115,125	19,208	1,679
29/11/2022	110,003	17,483	1,984
22/11/2022	116,113	16,766	3,104
15/11/2022	126,269	17,607	9,821
08/11/2022	82,338	13,003	2,913
01/11/2022	64,623	1,524	-7,484
25/10/2022	68,032	-101	-16,919
18/10/2022	76,956	1,267	-20,302
11/10/2022	94,420	7,389	-15,899
04/10/2022	88,385	8,708	-18,251

Global Gold Mines Output

Date	Kgs
30/09/2022	949
30/06/2022	892
31/03/2022	845
31/12/2021	938
30/09/2021	928
30/06/2021	874
31/03/2021	831
31/12/2020	926
30/09/2020	921
30/06/2020	789
31/03/2020	838

Global Gold Demand From Central Bank Net Purchases

Date	Tonnes
30/09/2022	399.27
30/06/2022	186.03
31/03/2022	87.71
31/12/2021	38.02
30/09/2021	90.56
30/06/2021	209.64
31/03/2021	115.61
31/12/2020	61.04
30/09/2020	-10.60
30/06/2020	63.74
31/03/2020	140.77

Global Jewellery Consumption

Date	India (Kgs)	China (Kgs)
30/09/2022	146.22	163.38
30/06/2022	140.29	103
31/03/2022	94.20	177
31/12/2021	264.99	177
30/09/2021	125.09	156
30/06/2021	94.27	147
31/03/2021	126.52	194
31/12/2020	137.30	143
30/09/2020	60.80	119
30/06/2020	43.97	91
31/03/2020	73.86	61

Gold Active Month vs Dollar Index



Gold Active Month vs U.S. 5 Years Note Yield



Gold Active Month vs U.S. YoY Inflation



Gold Active Month vs COT Money Managers Net Positions



Comex Gold Daily Chart



Comex Silver Daily Chart



Comex Copper Daily Chart



Nymex Platinum Daily Chart



Technical Analysis

Gold

1st Resistance:	1822.23	2nd Resistance:	1849.16
1st Support:	1768.37	2nd Support:	1741.44
MACD:	17.160		
MACD DIFF:	-1.942		
RSI:	53.305		

Silver

1st Resistance:	23.976	2nd Resistance:	24.331
1st Support:	23.268	2nd Support:	22.913
MACD:	0.710		
MACD DIFF:	-0.010		
RSI:	58.844		

Copper

1st Resistance:	381.34	2nd Resistance:	386.97
1st Support:	370.06	2nd Support:	364.43
MACD:	3.768		
MACD DIFF:	-1.434		
RSI:	51.053		

Platinum

1st Resistance:	1005.36	2nd Resistance:	1020.22
1st Support:	975.64	2nd Support:	960.79
MACD:	4.659		
MACD DIFF:	-5.964		
RSI:	45.241		

Strategy

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Gold	1768.37	1786.05	1759.53		1741.44	1758.86	1732.73		1822.23	1804.01	1831.34
Silver	23.268	23.5003	23.151		22.913	23.142	22.799		23.976	23.737	24.096
Copper	370.06	373.77	368.21		364.43	368.07	362.61		381.34	377.52	383.24
Platinum	975.64	985.40	970.76		960.79	970.39	955.98		1005.3575	995.303925	1,010.38
									1020.215	1010.0129	1,025.32

Source: Bloomberg

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