

Fundamentals:

Gold was near a more than three-week low on Thursday, dragged by a robust dollar and elevated bond yields, while investors remained cautious ahead of July U.S. nonfarm payrolls data.

Spot gold was flat at \$1,933.80 per ounce by 2:34 p.m. EDT (1834 GMT), after hitting its lowest since July 11. U.S. gold futures settled 0.3% lower at \$1,968.80.

The dollar rose to a four-week high, making gold more expensive for other currency holders. U.S. 10-year Treasury yields rose to their highest since November.

Data on Wednesday showed U.S. private payrolls increased more than expected in July, pointing to continued labor market resilience.

The U.S. jobs report due Friday could influence the Federal Reserve's policy stance. The number of Americans filing new claims for unemployment benefits rose slightly last week.

Rising U.S. interest rates increase the opportunity cost of holding non-yielding bullion.

Earlier in the day, the Bank of England raised its key interest rate by a quarter of a percentage point to a 15-year peak.

Silver slipped 0.7% to \$23.57 an ounce and platinum fell 0.7% to \$914.66, both near three-week lows. Palladium gained 0.8% to \$1,252.62.

Global copper smelting activity bounced slightly in July, despite a sharp fall in top refined producer China, data from satellite surveillance of metal processing plants showed on Thursday.

"The weakness here (in China) was driven by subdued activity in the east and south central regions," commodities broker Marex and the SAVANT satellite service said in a statement.

Activity in China, however, recovered towards the end of the month in line with firmer copper prices and higher fees paid to custom smelters, it added.

"Apart from Asia and Oceania, all other regions outside China recorded increasing levels of activity," the statement said.

Earth-i, which specialises in observational data, tracks smelters representing 80-90% of global production. It sells data to fund managers, traders and miners. It also publishes a free monthly index of global copper smelter activity.

Its global dispersion index rose to an average of 46.8 in July from 45.9 in June, even though Chinese smelting activity tumbled by 10.9 points to 44.8, the largest fall since the imposition of strict COVID-19 lockdowns in China in the first quarter of 2022.

A measure of 50 points indicates that smelters are operating at the average level of the past 12 months.

(Source: Reuters)

Contract	Close	Chg	High	Low
GOLD DEC 23	1,968.80	-5.200	1,974.50	1,964.50
SILVER SEP 23	23.697	-0.177	23.940	23.410
COPPER SEP 23	389.95	5.60	390.40	382.05
PLATINUM OCT 23	921.80	-9.90	931.60	918.50
Gold Spot	1,934.500	0.05	1,938.93	1,929.63
EuroDollar Rate	0.000	0.000	0.000	0.000
Dollar Index	102.498	-0.092	102.843	102.365
Bursa Gold AUG 23	1,942.500	-14.10	1945	1940.2
SPDR Gold ETF	179.540	-0.060	179.95	179.28
iShares Gold ETF	36.650	-0.020	36.7299	36.59

COT Speculative Net Position

Date	Gold	Silver	Copper
25/07/2023	173,639	36,925	1,159
18/07/2023	193,348	43,862	-3,550
11/07/2023	165,754	20,292	-11,157
04/07/2023	163,097	17,990	-8,762
27/06/2023	151,910	19,052	2,940
20/06/2023	162,975	20,058	1,888
13/06/2023	160,209	23,736	-12,906
06/06/2023	175,641	21,475	-25,956
30/05/2023	169,316	21,124	-35,702
23/05/2023	160,732	21,958	-29,808
16/05/2023	179,814	23,815	-32,607

Global Gold Mines Output

Date	Kgs
31/3/2023	856
31/12/2022	956
30/9/2022	956
30/6/2022	894
31/3/2022	843
31/12/2021	943
30/9/2021	933
30/6/2021	878
31/3/2021	835
31/12/2020	928
30/9/2020	924

Global Gold Demand From Central Bank Net Purchases

Date	Tonnes
31/03/2023	243.05
31/12/2022	385.88
30/09/2022	462.59
30/06/2022	150.29
31/03/2022	79.91
31/12/2021	34.30
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

Global Jewellery Consumption

Date	India (Kgs)	China (Kgs)
31/3/2023	78.05	197.65
31/12/2022	219.86	127
30/9/2022	146.22	163
30/6/2022	140.29	103
31/3/2022	94.20	177
31/12/2021	264.99	177
30/9/2021	125.09	156
30/6/2021	94.27	147
31/3/2021	126.52	194
31/12/2020	137.30	143
30/9/2020	60.80	119

Gold Active Month vs Dollar Index



Gold Active Month vs U.S. YoY Inflation



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



Gold Active Month vs COT Money Managers Net Positions



Comex Gold Daily Chart



Comex Copper Daily Chart



Comex Silver Daily Chart



Nymex Platinum Daily Chart



Technical Analysis

Gold			Silver			Copper			Platinum						
1st Resistance:	1998.33	2nd Resistance:	2027.86	1st Resistance:	24,052	2nd Resistance:	24,408	1st Resistance:	395.80	2nd Resistance:	401.65	1st Resistance:	935.63	2nd Resistance:	949.45
1st Support:	1939.27	2nd Support:	1909.74	1st Support:	23,342	2nd Support:	22,986	1st Support:	384.10	2nd Support:	378.25	1st Support:	907.97	2nd Support:	894.15
MACD:	-2.843			MACD:	0.081			MACD:	2.565			MACD:	-8.867		
MACD DIFF:	-2.810			MACD DIFF:	-0.128			MACD DIFF:	0.196			MACD DIFF:	-3.242		
RSI:	41.084			RSI:	43.117			RSI:	53.292			RSI:	36.998		

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Gold	1939.27	1958.66	1929.57	1909.74	1928.83	1900.19	1998.33	1978.35	2008.32	2027.86	2007.59	2038.00
Silver	23.342	23.5750	23.225	22.986	23.216	22.871	24,052	23,812	24,173	24,408	24,164	24,530
Copper	384.10	387.94	382.18	378.25	382.03	376.36	395.80	391.84	397.78	401.65	397.63	403.66
Platinum	907.97	917.05	903.43	894.15	903.09	889.68	935.627	926.27073	940.31	949.454	939.95946	954.20

Source: Bloomberg

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.