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August 12, 2024

### Commodities advance ahead of US Inflation Data

**COMEX gold** surged to trade above \$2480 per ounce, ahead of US economic data due later this week, with traders now focus to see if the prints will support forecasts that the Federal Reserve will soon shift to monetary easing. Investors are anticipating US Producer Price Index results on Tuesday and Consumer Price Index figures on Wednesday, which will provide insight into the health of the world's largest economy. Meanwhile, figures for money managers' net bullish gold bets hit a five-week low, according to weekly data from the Commodity Futures Trading Commission.

On Saturday, Fed Governor Michelle Bowman said that she still sees upside risks for inflation and continued strength in the labor market, signaling she may not be ready to support a rate cut in September. Higher borrowing costs are typically negative for gold, because it doesn't pay interest. (Bloomberg)

Additionally, the metal's upside bias persisted, as gold's safe-haven appeal continued to be supported by ongoing geopolitical tensions. Reports indicated another Israeli airstrike on Gaza and Moscow's vow of 'tough response' to Ukraine's incursions into Russia.

**WTI Crude Oil** rises more than 1.1% to more than \$77 in today's trade, extending its first weekly increase since early July, as traders continue to monitor Iran's reaction to last month's death of a Hamas leader in Tehran. Tehran reiterated Sunday its determination to punish Israel for killing Hamas' political chief, as Iranian state television reported that a missile unit of the country's military was conducting maneuvers near the Iraqi border.

**LME base metals** began the week higher on forecasts of a slower decrease in China's home prices, and stable important data releases may assist maintain the domestic consumption picture, following better-than-expected import and CPI data. LME Copper rallied about 1% to \$8962 from its lowest closing in five months, as orders to withdraw the metal from LME warehouses suggest that China's demand fall may have peaked.

**European natural gas** extending last week's advance following concerns about Russian pipeline supplies across Ukraine. Benchmark futures increased as much as 2.6% to trade at the highest level since early December. Electricity prices in Germany and France followed gas, with year-ahead futures trading at the highest since June. Russian pipeline gas supplies continue to flow via the Sudzha intake point on its border, even after Ukrainian troops made a surprise cross-border attack last week. (Bloomberg)

Date	IST	Currency	Data	Forecast	Previous
12-Aug-24	23:30	USD	Federal Budget Balance	-254.3B	-66.0B

Source: Forex factory

# Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2390.8	2419.3	2428.1	2442.3	2456.6	2465.4	2493.8
	MCX Gold Oct	68953	69624	69831	70166	70501	70708	71379
	Spot Silver	26.64	27.34	27.55	27.91	28.26	28.47	29.17
	MCX Silver Sep	78971	80408	80852	81570	82288	82732	84169
	MCX Copper Aug	765.9	776.4	779.7	785.0	790.3	793.6	804.1
	MCX Zinc Aug	253.3	257.5	258.8	261.0	263.1	264.4	268.6
	MCX Lead Aug	184.3	186.3	186.9	187.9	188.8	189.4	191.4
	MCX Aluminium Aug	211.2	214.0	214.9	216.3	217.6	218.5	221.3
	MCX Crude Oil Aug	6305	6426	6464	6525	6586	6624	6745
	MCX Natural Gas Aug	176.23	183.07	185.18	188.60	192.02	194.13	200.97

Source: Bloomberg, KS Commodity Research



Source: Trading View

<b>BUY</b>	We expect the commodity to deliver 1% or more returns
<b>SELL</b>	We expect the commodity to deliver (-1%) or more returns
<b>SIDEWAYS</b>	We expect the commodity to trade in the range of (+/-)1%
NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any	

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