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Gold rises as dollar rally fades

Comex Gold futures rebounded more than 1% to trade near \$2,600 per ounce after a significant weekly decline, driven by a weaker dollar and anticipation of potential Fed rate cuts. Goldman Sachs reiterated its bullish outlook on gold, forecasting a price target of \$3,000 per ounce by the end of 2025. The bank's bullish stance is underpinned by factors such as expected Fed rate cuts, increased central bank gold purchases, and the potential inflationary impact of Trump's presidency. While Trump's victory has introduced uncertainty regarding the timing of rate cuts, market participants still anticipate a potential rate reduction before his inauguration.

WTI Crude Oil hits 9-weeks low in today's trade, weighed down by concerns over ample global supply and weakening Chinese demand. Weak Chinese consumption impacted Angolan crude sales, and forecasts point to a potential supply surplus next year. The stronger dollar further pressured oil prices. Market participants are worried about increased supply from the US and OPEC+ and China's economic outlook. While geopolitical tensions in the Middle East and Ukraine remain in focus, a potential diplomatic resolution or a shift in US policy towards Russia could impact oil prices.

LME base metals trading steady to lower on Monday, weighed down by demand uncertainties and a stronger dollar. LME Copper is trading near 2-months lows of \$ 9,000 per ton on demand concerns, primarily stemming from China's uncertain economic recovery despite recent stimulus measures, and a strengthening dollar have pressured prices. Investors are keenly awaiting China's Loan Prime Rate decision this week, hoping for further supportive measures to revitalize economic growth. Additionally, the Federal Reserve's stance, as indicated by Chair Jerome Powell's comments on potential rate cuts, has contributed to the downward pressure on copper prices.

European natural gas prices experienced a dropped by as much as 3.8% on Monday as Russian pipeline flows remained steady, despite the halt in deliveries to Austrian energy giant OMV AG. OMV's decision to withhold payments to Gazprom PJSC, a move aimed at recovering a €230 million arbitration award, led to the suspension of Russian gas supplies to the company on Saturday. However, Gazprom continues to supply natural gas to other European destinations via Ukraine at normal levels, thus maintaining the region's overall supply balance for the time being.

Today, traders will focus on FOMC member speech and NAHB Market index numbers.

Date	IST	Commodity	Data	Forecast	Previous
18-Nov-24	20:30	Gold	FOMC Member Goolsbee Speaks		
	20:30	Gold	NAHB Housing Market Index	42	43

Source: Forex factory

Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2539.5	2570.5	2580.0	2595.5	2611.0	2620.5	2651.5
	MCX Gold Dec	73374	74079	74297	74650	75003	75221	75926
	Spot Silver	29.58	30.22	30.42	30.75	31.07	31.27	31.91
	MCX Silver Dec	86848	88253	88687	89390	90093	90527	91932
	MCX Copper Nov	779.9	790.5	793.7	799.0	804.3	807.5	818.1
	MCX Zinc Nov	267.6	272.5	274.0	276.5	279.0	280.5	285.4
	MCX Lead Nov	175.5	177.0	177.5	178.3	179.1	179.6	181.1
	MCX Aluminium Nov	230.5	235.3	236.8	239.2	241.5	243.0	247.8
	MCX Crude Oil Nov	5481	5588	5621	5674	5727	5760	5867
	MCX Natural Gas Nov	227.73	237.50	240.52	245.40	250.28	253.30	263.07

Source: Bloomberg, KS Commodity Research

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Source: Trading View

BUY	We expect the commodity to deliver 1% or more returns
SELL	We expect the commodity to deliver (-1%) or more returns
SIDEWAYS	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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