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November 21, 2024

Renewed Geopolitical uncertainty fuels commodities price

Comex Gold futures continue to trade positive for the fourth day about \$2,670 an ounce, driven by increased haven demand and expectations of further US interest rate cuts. Renewed geopolitical tensions, particularly Russia's ongoing invasion of Ukraine and the recent deployment of British cruise missiles by Kyiv, have contributed to heightened uncertainty, boosting gold's appeal as a safe-haven asset. On the domestic front, Federal Reserve Bank of Boston President Susan Collins advocated for additional rate cuts while emphasizing the need for a cautious approach to avoid policy missteps. Lower interest rates typically favor gold, which offers no interest yield.

WTI Crude Oil surged over 1% to trade above \$69.90 a barrel, driven by escalating geopolitical tensions between Russia and Ukraine offset an unexpected rise in U.S. crude inventories. Ukraine's intensified use of Western-supplied long-range weapons on Russian military targets, following a recent shift in Russia's nuclear doctrine, heightened market anxiety. Simultaneously, U.S. crude oil stockpiles rose for the third consecutive week, albeit at a slower pace than initially anticipated.

LME Copper continue to trade positive for the fifth consecutive day near \$9,110 per ton buoyed by a weakening US dollar and emerging signs of stabilization in the Chinese economy. It poised for their longest streak of daily gains since July. Meanwhile, China's copper spot treatment and refining charges have shown signs of recovery. Smelters have reduced production after a period of rapid expansion. Additionally, copper inventories in China have been decreasing, currently below August levels and equivalent to approximately seven days' worth of supply.

European natural gas surged by 2.9% as it climb to a one-year high on Thursday, fueled by escalating tensions between Russia and Ukraine. This geopolitical uncertainty poses a significant risk to the region's energy supply. The volatile market, influenced by extreme weather conditions and potential disruptions to Russian gas flows, has kept traders on edge. The upcoming expiration of a crucial pipeline transit agreement between Ukraine and Russia adds to the market's nervousness. While current gas flows through Ukraine remain stable, the recent cutoff of Russian gas to OMV AG and the intensification of the conflict raise concerns about potential supply disruptions.

Today, focus will be on Jobless Claims, the Philly Fed Manufacturing Index, and home resales to provide further market direction.

Date	IST	Commodity	Data	Forecast	Previous
21-Nov-24	19:00	Gold	Unemployment Claims	220K	217K
	19:00	Gold	Philly Fed Manufacturing Index	7.4	10.3
	20:30	Gold	Existing Home Sales		
	21:00	Natural gas	Natural Gas Storage	2B	42B

Source: Forex factory

Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2617.7	2646.0	2654.7	2668.9	2683.1	2691.8	2720.1
	MCX Gold Dec	75346	76019	76227	76563	76899	77107	77780
	Spot Silver	30.05	30.63	30.81	31.09	31.38	31.56	32.13
	MCX Silver Dec	88149	89406	89794	90422	91050	91438	92695
	MCX Copper Nov	801.5	810.6	813.4	817.9	822.4	825.2	834.3
	MCX Zinc Nov	270.4	274.3	275.5	277.5	279.5	280.7	284.6
	MCX Lead Nov	177.2	178.7	179.2	179.9	180.6	181.1	182.6
	MCX Aluminium Nov	236.6	240.5	241.7	243.7	245.7	246.9	250.8
	MCX Crude Oil Dec	5731	5832	5863	5913	5963	5994	6095
	MCX Natural Gas Nov	264.76	275.62	278.97	284.40	289.83	293.18	304.04

Source: Bloomberg, KS Commodity Research

Please See Disclosure/Disclaimer at end of the report



Source: Trading View

RATING SCALE FOR DAILY REPORT

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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