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Gold prices rebound in thin holiday trade

Comex Gold futures (Dec) rebounded on Thursday, surpassing the \$2,645 per ounce extending its positive move for the third session, initiated after Monday's significant decline. As US markets were closed for a holiday, trading volumes were reduced. Investors are closely monitoring economic data for clues about the Federal Reserve's future monetary policy decisions, which could impact gold's price trajectory. While the market currently anticipates a 25 basis point rate cut in December, expectations for 2025 have shifted towards a more moderate 50 basis point reduction.

WTI Crude Oil traded above \$69 per barrel on Thursday, following a three-day decline amid the EIA reported a 1.8 million-barrel decline in US crude inventories last week, reversing a three-week upward trend. Now market participants are closely watching the OPEC+ meeting, scheduled for December 5th where the group is likely to discuss postponing a planned production increase due to concerns over potential oversupply in 2024. Recent OPEC+ discussions suggest a leaning towards delaying output hikes. Trading volumes were subdued ahead of the US Thanksgiving holiday. Oil prices are down over 3.5% attributed to the ceasefire between Israel and Lebanon's Hezbollah, which alleviated concerns about potential disruptions to Middle Eastern oil supplies.

LME base metals prices declined today, on concern that, Chinese industrial companies reported a third consecutive month of lower profits in October. Moreover, Chinese domestic consumption remains subdued due to deflationary concerns and the ongoing real estate crisis. Additionally, the recent US election has added further uncertainty to the outlook, with the incoming president threatening to impose additional tariffs on Chinese goods. LME Copper and lead trading 0.6% higher while Aluminium and Nickel are trading moderately lower China's industrial sector posted weakening profits for the third month in October.

European natural gas is trading mostly sideways to lower by 0.50% as traders shifted their attention to the upcoming year's supply and demand dynamics. January contracts initially saw a 1% increase before declining. With Russia's gas transit deal with Ukraine set to expire in a month, Europe faces the risk of reduced gas supplies during the anticipated colder winter. This, coupled with accelerated withdrawals from storage facilities, could complicate next year's stockpiling efforts.

Today there is no major data in the US.

Date	IST	Currency	Data	Forecast	Previous
28-Nov-24			No major data due to US Holiday		

Source: Forex factory

Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2587.9	2620.1	2630.0	2646.1	2662.2	2672.2	2704.3
	MCX Gold Dec	74566	75317	75549	75925	76301	76533	77284
	Spot Silver	28.94	29.53	29.71	30.01	30.30	30.48	31.07
	MCX Silver Dec	85096	86376	86772	87412	88052	88448	89728
	MCX Copper Dec	794.9	801.2	803.2	806.3	809.4	811.4	817.7
	MCX Zinc Dec	274.5	278.4	279.6	281.5	283.4	284.6	288.5
	MCX Lead Dec	178.4	179.4	179.7	180.3	180.8	181.1	182.1
	MCX Aluminium Dec	235.9	238.4	239.2	240.5	241.8	242.6	245.1
	MCX Crude Oil Dec	5647	5748	5779	5829	5879	5910	6011
MCX Natural Gas Dec	253.21	264.48	267.96	273.60	279.24	282.72	293.99	

Source: Bloomberg, KS Commodity Research

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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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