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### **Strong dollar and President Donald Trump’s aggressive tariff threats continue to weigh on commodity prices.**

Gold prices stabilized near \$2750/oz on Tuesday after a sharp 1.1% decline the previous day. Monday’s sell-off was driven by investors liquidating bullion to cover losses from a technology stock rout, triggered by Chinese startup DeepSeek’s disruptive low-cost AI model, which cast doubt on the valuations of traditional tech giants. Market sentiment remains cautious as traders weigh President Donald Trump’s tariff proposals and the fallout from nearly \$1 trillion wiped from the NASDAQ. Attention now shifts to the Federal Reserve’s first meeting of the year, where interest rates are expected to remain unchanged, with potential for further rate cuts or haven demand supporting gold in the longer term.

WTI crude edged closer to \$74/bbl on Tuesday, rebounding after a nearly 2% drop on Monday as traders assessed supply risks from Libya and escalating trade tensions. Protests at Libya’s Ras Lanuf and Es Sider ports, which account for about a third of the country’s crude exports, have halted oil loadings, highlighting ongoing geopolitical risks. Meanwhile, US President Donald Trump’s aggressive tariff threats, including proposed charges on steel, aluminum, and copper, weighed on market sentiment. Monday’s decline was amplified by a tariff spat with Colombia and broader market selloffs. Looking ahead, traders anticipate OPEC and its allies will maintain their current supply strategy, resisting Trump’s calls for increased production, with output hikes scheduled to resume incrementally in April.

European natural gas prices rose slightly on Tuesday, gaining up to 1.2%, as reduced flows from Norway and forecasts for colder weather next week tightened the market. Outages at several Norwegian fields lowered gas supplies, increasing reliance on storage withdrawals, which are already under strain. Weather models predict a return to seasonal norms after unseasonably warm temperatures, while low wind conditions in Germany are expected to boost fossil fuel demand for power generation, adding further pressure to the market.

LME base metals traded lower, with copper hitting a two-week low as a stronger dollar and weaker-than-expected Chinese factory activity data weighed on sentiment. Concerns over a slowdown in China, compounded by uncertainties surrounding U.S. President Donald Trump’s fresh tariff threats on metals like copper and aluminum, further pressured the market. Trump’s proposed tariffs on imported goods, aimed at boosting domestic production, heightened fears of a trade disruption, especially with the February 1 tariff deadline looming for China, Mexico, and Canada. Trading activity was subdued as Chinese markets remained closed for the Lunar New Year holiday, while investors awaited the Federal Reserve’s policy decision, expected to hold interest rates steady. Geopolitical tensions and subdued Chinese demand contributed to bearish market sentiment.

Date	IST	Currency	Data	Forecast	Previous
28-Jan-25	19:00	USD	Core Durable Goods Orders m/m	0.4%	-0.2%
	19:00	USD	Durable Goods Orders m/m	0.3%	-1.2%
	19:30	USD	S&P/CS Composite-20 HPI y/y	4.2%	4.2%
	20:30	USD	CB Consumer Confidence	105.7	104.7
	20:30	USD	Richmond Manufacturing Index	-13	-10

Source: Forex factory

# Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2706.6	2727.4	2733.8	2744.2	2754.5	2760.9	2781.7
	MCX Gold Feb	79106	79520	79648	79855	80062	80190	80604
	Spot Silver	29.24	29.72	29.87	30.12	30.36	30.51	30.99
	MCX Silver Mar	88337	89441	89783	90335	90887	91229	92333
	MCX Copper Jan	818.9	825.4	827.4	830.7	833.9	835.9	842.4
	MCX Zinc Jan	259.2	262.1	263.0	264.5	266.0	266.9	269.8
	MCX Lead Jan	174.3	175.5	175.9	176.5	177.0	177.4	178.6
	MCX Aluminium Jan	247.1	250.3	251.3	252.9	254.5	255.5	258.7
	MCX Crude Oil Feb	6164	6274	6308	6363	6418	6452	6562
	MCX Natural Gas Jan	287.85	303.47	308.29	316.10	323.91	328.73	344.35

Source: Bloomberg, KS Commodity Research

Please See Disclosure/Disclaimer at end of the report



Source: Trading View

## RATING SCALE FOR DAILY REPORT

<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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