



H.G Markets (PVT) Limited
Corporate Member
PMEX (Pakistan Mercantile Exchange)

October 02, 2023



DAILY RESEARCH REPORT

Global Monetary Policies- Interest Rates



Federal Reserve Bank 5.50%



Bank of Canada 5.00%



Bank of England 5.25%



European Central Bank 4.50%



Swiss National Bank 1.75%



Bank of Japan -0.10%

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➤ U.S INDICES

Japanese stocks soared on Monday, with the exporter-heavy Nikkei 225 share average buoyed by the yen's slide to its lowest point in a nearly a year and after the U.S. avoided a government shutdown. The rest of the region's equity markets were mixed, with Australia's oil and resource shares hurt by the decline in crude prices last week. China had been shut since Friday for the Golden Week holiday, which runs until the end of this week. The Nikkei jumped to be 1.6% higher, rebounding from its lowest close in more than a month at the end of last week. U.S. stock futures rose 0.6%, pointing to a rebound from the S&P 500's 0.3% drop on Friday. Surging bond yields are rattling U.S. stocks, and some investors worry the richly valued shares of giant technology and growth companies may be another weak spot. Seven megacap stocks, Apple (NASDAQ:AAPL), Microsoft (NASDAQ:MSFT), Alphabet (NASDAQ:GOOGL), Amazon (NASDAQ:AMZN), Nvidia (NASDAQ:NVDA), Tesla (NASDAQ:TSLA) and Meta Platforms (NASDAQ:META) have led broader markets higher this year. These stocks accounted for more than 80% of the S&P 500's total return for 2023.

NASDAQ

Day High: 15059

Day Low: 14810

RESISTANCE 1

15050

RESISTANCE 2

15100

RESISTANCE 3

15200

SUPPORT 1

14900

SUPPORT 2

14835

SUPPORT 3

14750

CURRENT PRICE

14948

PIVOT

14900



➤ METALS

Gold price is trading below \$1,850, at its lowest level since March 10, setting off the final quarter of this year on a negative note. The United States Dollar (USD) is consolidating the previous rebound above the 106.00 level against its major peers, underpinned by a fresh upswing in the US Dollar. Gold price settled deep in the red on Friday to end September down over 4.5% and lower for the second quarter in a row. The yellow metal also recorded its biggest weekly decline in more than two years and continues to be weighed down by growing acceptance that the Federal Reserve (Fed) will keep interest rates higher for longer. The US central bank indicated the possibility of one more rate hike by the year-end, which, in turn, is seen as a key factor driving flows away from the non-yielding commodity.

GOLD

Day High: 1896

Day Low: 1862

RESISTANCE 1

1865

RESISTANCE 2

1915

RESISTANCE 3

1930

SUPPORT 1

1850

SUPPORT 2

1843

SUPPORT 3

1835

CURRENT PRICE

1857

PIVOT

1876

SILVER

Day High: 23.79

Day Low: 22.31

RESISTANCE 1: 22.10

SUPPORT 1: 21.80

RESISTANCE 2: 22.30

SUPPORT 2: 21.65

RESISTANCE 3: 22.50

SUPPORT 3: 21.40

CURRENT PRICE: 21.97

PIVOT: 22.82

PLATINUM

Day High: 935

Day Low: 911

RESISTANCE 1: 917

SUPPORT 1: 905

RESISTANCE 2: 925

SUPPORT 2: 900

RESISTANCE 3: 930

SUPPORT 3: 893

CURRENT PRICE: 913

PIVOT: 919

➤ GOLD-GBP/USD

The GBP/USD pair finds some support near the 100-hour Simple Moving Average (SMA) during the Asian session on Monday, albeit struggles to attract any meaningful buying and oscillates in a range just below the 1.2200 mark. A small gap higher opening for the US equity futures holds back traders from placing fresh bullish bets around the safe-haven US Dollar (USD), which, in turn, is seen acting as a tailwind for the GBP/USD pair. The global risk sentiment gets a goodish lift in reaction to the encouraging weekend news on China's economy and the funding for the US government. The official Chinese PMIs showed that business activity in the manufacturing sector recorded growth for the first time in six months and the services sector remained in expansion territory during September. Adding to this, the US Congress approved the stopgap funding bill to avert a government shutdown for another 45 days and further boosted investors' confidence.

GOLD-GBP/USD

Day High: 1.2271

Day Low: 1.2177

RESISTANCE 1

1.2220

RESISTANCE 2

1.2260

RESISTANCE 3

1.2300

SUPPORT 1

1.2150

SUPPORT 2

1.2100

SUPPORT 3

1.2050

CURRENT PRICE

1.2180

PIVOT

1.2210



➤ GOLD-EUR/USD

Last week also saw welcome news on the inflation front in Europe after the latest EU CPI for September slowed to 4.3% from 5.2% in August, its lowest level since October 2021, while core prices slowed to 4.5%, in a sign that the ECB may have been a little too hasty on raising rates by 25bps last month. Today's manufacturing PMI numbers are expected to reinforce that with another set of weak and contractionary readings from Spain, Italy, France and Germany. Expectations are for modest improvements for Spain and Italy to 46.6 and 45.8, while France is expected to sink to 43.6 from 46, while Germany is expected to see a modest uptick to 39.8 from 39.1. Friday's data also shifts the focus to this week's jobs market data, with the latest ISM manufacturing and services reports for September as well as the ADP, and more importantly the non-farm payrolls numbers which will now be released as expected with the shutdown averted.

GOLD-EUR/USD

Day High: 1.0615

Day Low: 1.0550

RESISTANCE 1

1.0580

RESISTANCE 2

1.0615

RESISTANCE 3

1.0650

SUPPORT 1

1.0540

SUPPORT 2

1.0525

SUPPORT 3

1.0500

CURRENT PRICE

1.0561

PIVOT

1.0571



➤ GOLD-USD/JPY

Japanese yen rises slightly from 10-month low, intervention in focus The Japanese yen rose 0.2%, recovering slightly from a 10-month low. The currency was now spitting distance from the 150 level to the dollar- a milestone that some traders believe will trigger intervention by the government. Persistent weakness in the yen drew several warnings from Japanese government officials over betting against the yen. The currency was battered by a growing gap between local and U.S. yields, following hawkish signals from the Fed. An ultra-dovish outlook from the Bank of Japan was also a key driver of the yen's recent weakness, after the central bank last week said it had no immediate plans to lift rates from negative levels.

GOLD-USD/JPY

Day High: 149.49

Day Low: 148.50

RESISTANCE 1

150.00

RESISTANCE 2

150.45

RESISTANCE 3

151.00

SUPPORT 1

149.40

SUPPORT 2

149.00

SUPPORT 3

148.60

CURRENT PRICE

149.71

PIVOT

149.13



➤ CRUDE OIL

Oil prices edged up on Monday, recouping some of the losses suffered at the end of last week, as investors focused on a tight global supply outlook while a last-minute deal that avoided a U.S. government shutdown restored risk appetite. Brent December crude futures rose 25 cents, or 0.3%, to \$92.45, after falling 90 cents on Friday. West Texas Intermediate crude futures gained 29 cents, or 0.3%, to \$91.08 a barrel, after losing 92 cents on Friday. Oil prices started the week on a strong note amid supply concerns with no policy change by OPEC+ expected, while the avoidance of a U.S. government's shutdown over the weekend gave some relief, While OPEC+ is not expected to change its output policy given the recent strength in the market, Saudi Arabia could start to ease its additional voluntary supply cut of 1 million barrels per day (bpd).

CRUDE OIL

Day High: 95.00

Day Low: 91.37

RESISTANCE 1

91.35

RESISTANCE 2

92.00

RESISTANCE 3

93.00

SUPPORT 1

90.50

SUPPORT 2

90.00

SUPPORT 3

89.30

CURRENT PRICE

91.05

PIVOT

92.70



➤ NATURAL GAS

Natural Gas prices are sliding lower by over 1% this Friday pointing to a mild start for October with initial demand for gas from households to be delayed towards mid-October, triggering a slight drop in demand. Traders sent the gas prices soaring as the EU will need to scramble to get those last cubic feet of gas in order to have the strategic reserves filled to the brim ahead of fall and winter. Expect to possibly see some more price increases to come should more negative headlines on supply hit the wires. The most-active November gas contract on the New York Mercantile Exchange's Henry Hub settled at \$2.929 per mmbtu, or million metric British thermal units down 1.6 cents, or 0.5% on the day. For the week though, November gas rose 11%. For the month, it was up 5.8% while for the third quarter, it gained 4.7%.

NATURAL GAS

Day High: 2.990

Day Low: 2.853

RESISTANCE 1

2.955

RESISTANCE 2

3.000

RESISTANCE 3

3.070

SUPPORT 1

2.850

SUPPORT 2

2.800

SUPPORT 3

2.700

CURRENT PRICE

2.911

PIVOT

2.923



Economic Calendar

Today: Oct 2							Up Next	Search Events	
Date	10:42am	Currency	Impact	Detail	Actual	Forecast	Previous	Graph	
Mon Oct 2	7:00pm	USD	ISM Manufacturing PMI			47.8	47.6		
		USD	ISM Manufacturing Prices			48.9	48.4		
	8:00pm	USD	Fed Chair Powell Speaks						
		USD	FOMC Member Harker Speaks						
More									

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	15059	14810	14948	14900	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD	1896	1862	1857	1876	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
SILVER	23.79	22.31	21.97	22.82	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
PLATINUM	935	911	913	919	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD-GBP/USD	1.2271	1.2177	1.2180	1.2210	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
Gold-EUR/USD	1.0615	1.0550	1.0561	1.0571	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES.

					IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD-USD/JPY	149.49	148.50	149.71	149.13	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
CRUDE OIL	95.00	91.37	91.05	92.70	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
NATURAL GAS	2.99	2.853	2.911	2.929	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.

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