



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

April 17, 2024



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 1.50%



Bank of Japan 0.10%

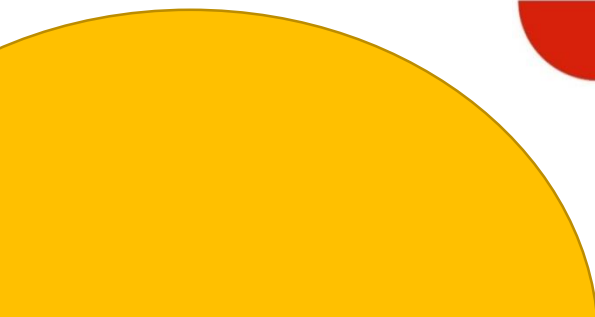


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➤ U.S INDICES

US stock futures edged higher on Wednesday as the first quarter earnings season kicks into high gear this week. In extended trading, United Airlines jumped 5% on a revenue beat and smaller-than-expected loss, while J.B. Hunt Transport Services fell 6% after missing quarterly estimates. In regular trading on Tuesday, the Dow rose 0.17%, helped by UnitedHealth which popped 5.2% on strong quarterly results. Meanwhile, the S&P 500 and Nasdaq Composite lost 0.21% and 0.12%, respectively, extending their declines to a third straight day. Those moves came as Fed Chair Jerome Powell said the central bank needs to see more progress on the inflation front before starting to cut rates. Investors now look ahead to more earnings reports on Wednesday from U.S. Bancorp and Travelers.

NASDAQ

Day High: 17984

Day Low: 17792

RESISTANCE 1

17950

RESISTANCE 2

18050

RESISTANCE 3

18300

SUPPORT 1

17800

SUPPORT 2

17700

SUPPORT 3

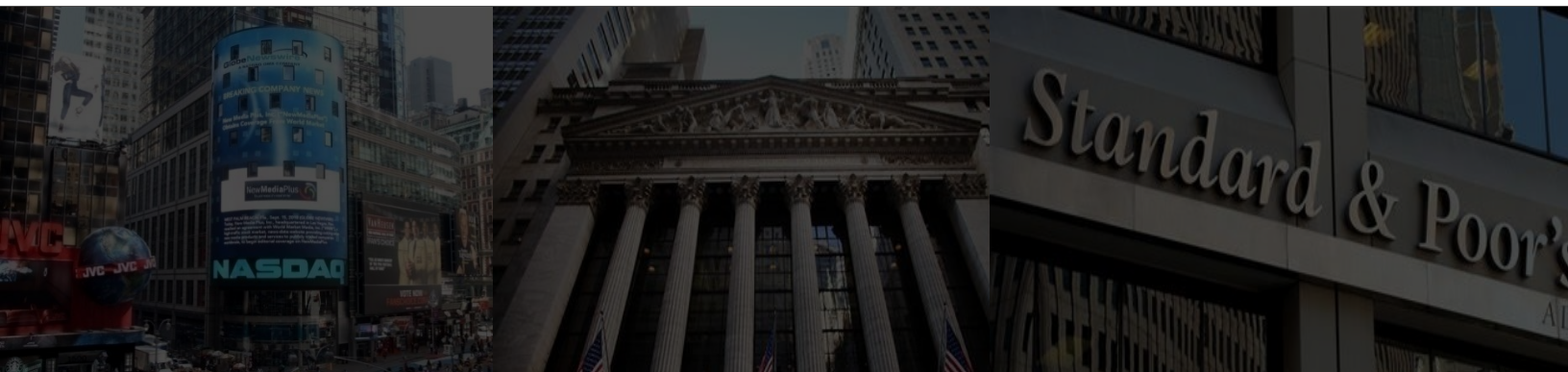
17600

CURRENT PRICE

17878

PIVOT

17903



➤ METALS

Gold held steady near \$2,390 per ounce on Wednesday, hovering at record high, as remarks from Fed Chair Powell at the Wilson Center in Washington contend with safe-haven demand amidst ongoing tensions in the Middle East. Powell tempered expectations for rate cuts on Tuesday, noting that inflation will take longer to meet the Fed's target and that restrictive monetary policy will require more time to be effective. Higher interest rates tend to diminish the appeal of non-interest-bearing assets such as gold. The bullion has been supported by strong central bank purchases and safe-haven demand amid escalating Middle East tensions after Israel said it would retaliate to Iran's drone attack. Investors will track Federal Reserve officials' speeches this week for more insight into monetary policy direction.

GOLD

Day High: 2414

Day Low: 2379

RESISTANCE 1

2400

RESISTANCE 2

2410

RESISTANCE 3

2430

SUPPORT 1

2385

SUPPORT 2

2375

SUPPORT 3

2360

CURRENT PRICE

2393

PIVOT

2398

SILVER

Day High: 29.09

Day Low: 28.02

RESISTANCE 1: 28.55

SUPPORT 1: 28.20

RESISTANCE 2: 28.70

SUPPORT 2: 28.00

RESISTANCE 3: 29.00

SUPPORT 3: 27.75

CURRENT PRICE: 28.35

PIVOT: 28.59

PLATINUM

Day High: 987

Day Low: 968

RESISTANCE 1: 970

SUPPORT 1: 955

RESISTANCE 2: 987

SUPPORT 2: 945

RESISTANCE 3: 1000

SUPPORT 3: 930

CURRENT PRICE: 962

PIVOT: 978

➤ GOLD-GBP/USD

The British pound extended its losses to the \$1.24 mark, hitting its weakest level since November 16th, as investors digested the latest UK jobs report and the US dollar remained bolstered by expectations that the Fed would maintain higher rates for an extended period. The recent data unveiled an unexpected increase in the UK unemployment rate to 4.2%, surpassing expectations of 4.0%, while wage growth continued to slow gradually. Traders have recently adjusted their forecasts for interest rate cuts by both the Bank of England and the Federal Reserve this year, prompted by robust inflation data from the US. The Bank Rate is now anticipated to decline to around 4.75% by the end of 2024, down from the current 5.25%, marking a shift from the previous expectation of a drop to 4.5% by December. Last week, policymaker Megan Greene asserted that rate cuts in the UK should remain distant, citing a greater threat of inflation persistence in the UK compared to the US.

GOLD-GBP/USD

Day High: 1.2470

Day Low: 1.2403

RESISTANCE 1

1.2450

RESISTANCE 2

1.2480

RESISTANCE 3

1.2520

SUPPORT 1

1.2400

SUPPORT 2

1.2380

SUPPORT 3

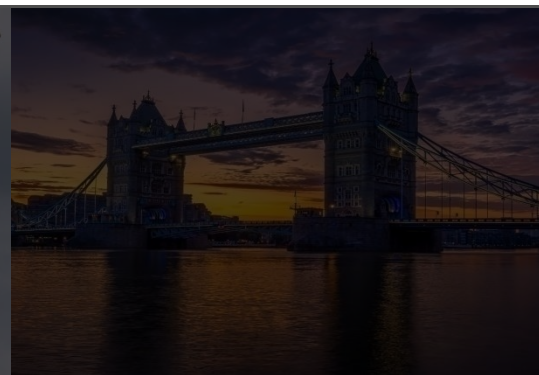
1.2350

CURRENT PRICE

1.2420

PIVOT

1.2438



➤ GOLD-EUR/USD

The euro was trading near \$1.063, the lowest in five months, pressured by diverging scenarios for the European Central Bank and the Federal Reserve. President Lagarde confirmed Tuesday that the ECB will cut rates soon, adding that geopolitical events haven't had a substantial impact on commodity prices. Investors now anticipate the first ECB rate cut in June and two more before the end of 2024. On the other hand, also on Tuesday, Fed Chair Powell said inflation data indicate the US central bank may need more time to feel comfortable lowering interest rates. This indicates that Fed officials don't feel a pressing need to lower rates and implies that any rate cuts in 2024 may occur toward the end of the year if they happen at all.

GOLD-EUR/USD

Day High: 1.0652

Day Low: 1.0599

RESISTANCE 1

1.0630

RESISTANCE 2

1.0660

RESISTANCE 3

1.0700

SUPPORT 1

1.0580

SUPPORT 2

1.0560

SUPPORT 3

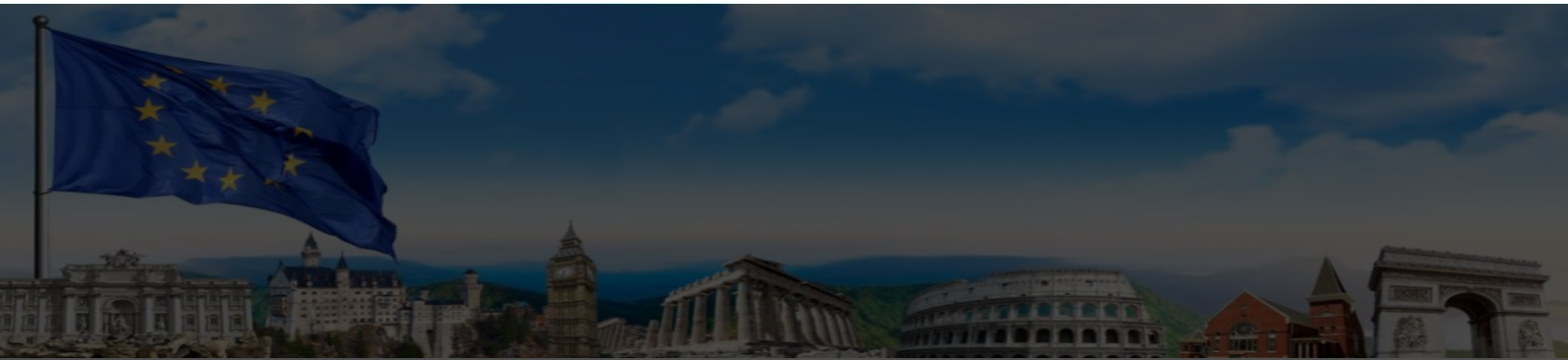
1.0535

CURRENT PRICE

1.0600

PIVOT

1.0626



➤ GOLD-USD/JPY

The Japanese yen crossed 154 per dollar, hitting fresh 34-year lows, under pressure from a strong dollar as the divergence in monetary policy between the US Federal Reserve and the Bank of Japan became more pronounced. Recent economic data further reinforced the expectation that the Fed funds rate will remain at a 23-year high of 5.25%-5.5% at least until September. In March, US retail sales increased by 0.7% from the previous month, surpassing market expectations of a 0.3% rise, building upon February's 0.9% growth, and complementing the recent robust jobs and inflation reports. On the other hand, despite the Bank of Japan ending eight years of negative rates and scaling back asset-buying operations, the key short-term interest rate in Japan remains around 0% to 0.1%. Additionally, traders are realizing that the long-anticipated currency intervention by the Bank of Japan may not materialize as previously expected.

GOLD-USD/JPY

Day High: 154.77

Day Low: 153.88

RESISTANCE 1

154.80

RESISTANCE 2

155.10

RESISTANCE 3

155.50

SUPPORT 1

154.30

SUPPORT 2

154.00

SUPPORT 3

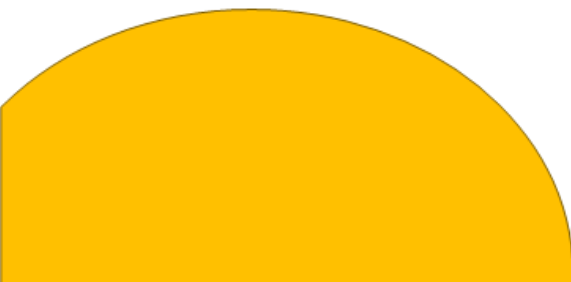
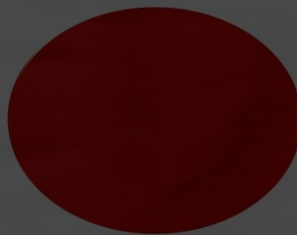
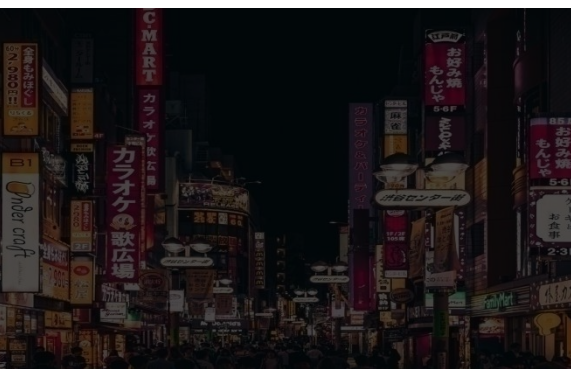
153.60

CURRENT PRICE

154.60

PIVOT

154.37



➤ CRUDE OIL

WTI crude futures eased to around \$85 per barrel on Wednesday, sliding for the third straight session as economic uncertainties in top crude importer China and delayed interest rate cuts in the US weighed on the demand outlook. Although China's economy grew more than expected in the first quarter, several indicators showed a slowdown in economic activity during March. US Federal Reserve Chair Jerome Powell said late on Tuesday that there has been "a lack of further progress so far this year on returning to our inflation goal." He indicated that restrictive policy will likely stay in place until inflation trends sustainably toward 2%. On the supply side, investors continued to monitor geopolitical developments in the Middle East as Western nations eyed fresh sanctions on Iran. Meanwhile, Israel's war cabinet postponed a meeting set on Tuesday to decide on a response to Iran's weekend attack.

CRUDE OIL

Day High: 86.15

Day Low: 84.72

RESISTANCE 1

85.50

RESISTANCE 2

86.50

RESISTANCE 3

87.00

SUPPORT 1

84.00

SUPPORT 2

83.00

SUPPORT 3

82.00

CURRENT PRICE

84.73

PIVOT

85.47



➤ NATURAL GAS

US natural gas futures plunged towards \$1.7/MMBtu, reaching their lowest level since March 27th, driven primarily by weakening demand forecasts for the week, due in part to a drop in feedgas to the Freeport LNG export plant in Texas. Gas flows to the seven major US LNG export plants averaged 12.3 bcf/d so far in April, down from 13.1 bcf/d in March and a monthly record of 14.7 bcf/d in December. Additionally, financial firm LSEG reported that gas output in the Lower 48 US states averaged 97.6 bcf/d this month, down from 100.8 bcf/d in March and December's monthly record of 105.6 bcf/d. Gas demand in the Lower 48 was projected to decrease to 92.4 bcf/d this week, compared with the previous week's projection of 99.3 bcf/d. Last week, the US EIA stated that utilities injected 24 bcf of gas into storage during the week ending April 5. Looking forward, prices will likely ease further, with weather forecasts suggesting above-average temperatures continuing through April 24th.

NATURAL GAS

Day High: 1.799

Day Low: 1.647

RESISTANCE 1

1.750

RESISTANCE 2

1.850

RESISTANCE 3

1.950

SUPPORT 1

1.630

SUPPORT 2

1.580

SUPPORT 3

1.500

CURRENT PRICE

1.689

PIVOT

1.721



Economic Calendar

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	17984	17792	17878	17903	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	2414	2379	2393	2398	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	29.09	28.02	28.35	28.59	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	987	968	962	978	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	1.2470	1.2403	1.2420	1.2438	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	1.0652	1.0599	1.0600	1.0626	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	154.77	153.88	154.60	154.37	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES.

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NATURAL GAS	1.799	1.647	1.689	1.721	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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